

## **NOTICE OF PRIVACY PRACTICES**

### **THE VOUGHT AIRCRAFT INDUSTRIES, INC.**

#### **FLEXIBLE BENEFITS PLAN**

**Revised May 15, 2007**

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

#### ***Commitment to Privacy***

The Vought Aircraft Industries, Inc. Flexible Benefits Plan (the "Plan") is committed to protecting the privacy of your protected health information ("health information").\* Health information is information that identifies you individually and relates to a physical or mental health condition, or to the provision or payment of health services for you. In accordance with applicable federal law, the Plan is committed to providing you with certain rights related to your health information.

By this Notice of Plan's Privacy Practices ("Notice"), you are hereby advised that the Plan has the following legal obligations under the federal health privacy provisions contained in the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the related regulations ("federal health privacy law"):

- to maintain the privacy of your health information;
- to provide you with this Notice of its legal duties and privacy practices with respect to your health information; and
- to abide by the terms of this Notice.

This Notice also informs you how the Plan uses and discloses your health information and explains the rights that you have with regard to your health information maintained by the Plan.

\* This Notice does not apply to health information obtained by the Company in connection with non-health benefit programs (such as LTD, AD&D, life insurance, and workers' compensation) or to other health information that the Company may obtain for other purposes unrelated to the health plan, such as requests for leaves of absence under the FMLA, or for accommodation under the ADA.

## **SUMMARY OF THE PLAN'S PRIVACY PRACTICES**

### ***The Plan's Uses and Disclosures of Your Health Information***

The Plan uses your health information to determine your eligibility for benefits, to process and pay your health benefits claims, and to administer its operations. In some cases, your health information may only be disclosed with your written authorization, while in other instances, your authorization is not required. For example, the Plan may disclose your health information, without your authorization, to insurers, third party administrators, and health care providers for treatment, payment and health care operations purposes. The Plan also may disclose your health information, without your authorization, to third parties that assist the Plan in its operations, to government and law enforcement agencies, to your family members in limited instances, and to certain other persons. The details of the Plan's uses and disclosures of your health information are described below.

### ***Your Rights Related to Your Health Information***

The federal health privacy law provides you with access to your health information and with certain rights related to your health information. Specifically, you have the right to:

- Look at or get a copy of your health information;
- Ask to receive your health information through confidential communications;
- Ask that your health information be corrected or changed, if you believe it is wrong or incomplete;
- Ask for a list of certain disclosures of your health information;
- Ask the Plan to limit certain uses and disclosures of your health information;
- File a complaint with the Plan or the Secretary of the Department of Health and Human Services if you believe that your privacy rights have been violated; and
- Receive another paper copy of this Notice upon request.

These rights and how you may exercise them are detailed below.

### ***Changes in the Plan's Privacy Policies***

The Plan reserves its right to change its privacy practices and revise this Notice as described below.

### ***Contact Information***

If you have any questions or concerns about the Plan's privacy practices, or about this Notice, or you wish to obtain additional information about the Plan's privacy practices, please contact the Plan's Privacy Officer:

**Denise Darab  
Vought Aircraft Industries, Inc.  
P.O. Box 655907, Dallas, Texas 75265  
(972) 946-8870**

# DETAILED NOTICE OF THE PLAN'S PRIVACY PRACTICES

## THE PLAN'S USES AND DISCLOSURES

Except as described in this section, as provided for by federal, state or local law, or as you have otherwise authorized, the Plan only uses and discloses your health information for the administration of the Plan and for processing claims for benefits.

### ***Uses and Disclosures for Treatment, Payment, and Health Care Operations***

1. **For Treatment.** The Plan may use and disclose your health information, without your authorization, to a health care provider, such as a hospital or physician, to assist the provider in treating you. For example, in the case of an emergency, the Plan Sponsor may obtain and provide health history to a treating physician or other healthcare provider in the event that you are incapacitated and unable to give them the required information.

2. **For Payment.** The Plan may use and disclose your health information, without your authorization, so that your claims for health care treatment, services and supplies can be paid according to the Plan's terms. For example, your insurance carrier may be required to obtain private health information to determine the medical necessity for certain treatment options so that they can be pre-certified.

3. **For Health Care Operations.** The Plan may use or disclose your health information, without your authorization, to enable it to operate efficiently and in the best interests of its participants. For example, Vought may conduct claims audits to ensure claims are not paid improperly under the plan.

### ***Uses and Disclosures to Business Associates***

The Plan may disclose your health information, without your authorization, to its business associates, which are third parties that assist the Plan in its operations, for treatment, payment and health care operations. For example, the Plan may share your health information with a business associate for the purpose of paying claims, or for providing consulting, actuarial, or audit services. The Plan enters into agreements with its business associates to ensure that the privacy of your health information is protected from unauthorized disclosure.

### ***Uses and Disclosures to the Plan Sponsor***

The Plan may disclose health and eligibility information, without your authorization, to the Plan Sponsor, Vought Aircraft Industries, Inc., for plan administration purposes, such as obtaining claims information used in calculating increased renewal rates, or investigating facts relevant to a benefit claim. The Plan Sponsor has certified to the Plan that it will protect the privacy of your health information and that it has amended the plan documents to reflect its obligation to protect the privacy of your health information.

### ***Other Uses and Disclosures That May Be Made Without Your Authorization***

The federal health privacy law provides for specific uses or disclosures of your health information that the Plan may make without your authorization, which are described below.

1. **Required by Law.** The Plan may use and disclose health information about you as required by federal, state or local law. For example, the Plan may disclose your health information for the following purposes:

- For judicial and administrative proceedings pursuant to court or administrative order, legal process and authority.
- To report information related to victims of abuse, neglect, or domestic violence.
- To assist law enforcement officials in their law enforcement duties.

2. **Health and Safety.** Your health information may be disclosed to avert a threat to the health or safety of you, any other person, or the public, pursuant to applicable law. Your health information also may be disclosed for public health activities, such as preventing or controlling disease or disability, and meeting the reporting and tracking requirements of governmental agencies such as the Food and Drug Administration.

3. **Government Functions.** Your health information may be disclosed to the government for specialized government functions, such as intelligence, national security activities, and protection of public officials. Your health information also may be disclosed to health oversight agencies that monitor the health care system for audits, investigation, licensure, and other oversight activities.

4. **Active Members of the Military and Veterans.** Your health information may be used or disclosed to comply with laws related to military service or veterans' affairs.

5. **Workers Compensation.** Your health information may be used or disclosed in order to comply with laws related to Workers' Compensation.

6. **Emergency Situations.** Your health information may be used or disclosed to a family member or close personal friend involved in your care in the event of an emergency, or to a disaster relief entity in the event of a disaster.

7. **Others Involved In Your Care.** In limited instances, your health information may be used or disclosed to a family member, close personal friend, or others who the Plan has verified are involved in your care or payment for your care. For example, if you are seriously injured and unable to discuss your case with the Plan, the Plan may so disclose your health information. Also, upon request, the Plan may advise a family member or close personal friend about your general condition, location (such as in the hospital) or death. If you do not want this information to be shared, you may request that these disclosures be restricted as outlined later in this Notice.

8. **Personal Representatives.** Your health information may be disclosed to people you have authorized or people who have the right to act on your behalf. Examples of personal representatives are parents for minors, and those who have Power of Attorney for adults.

9. **Treatment and Health-Related Benefits Information.** The Plan and its business associates may contact you to provide information about treatment alternatives or other health-related benefits and services that may interest you, including, for example, alternative treatment, services or medication.

10. **Research.** Under certain circumstances, the Plan may use or disclose your health information for research purposes, as long as the procedures required by law to protect the privacy of the research data are followed.

11. **Organ and Tissue Donation.** If you are an organ donor, your health information may be used or disclosed to an organ donor, eye, or procurement organization to facilitate an organ or tissue donation or transplantation.

12. **Deceased Individuals.** The health information of a deceased individual may be disclosed to coroners, medical examiners, and funeral directors so that those professionals can perform their duties.

***Uses and Disclosures for Fundraising and Marketing Purposes.***

The Plan does not use your health information for fundraising or marketing purposes.

***Any Other Uses and Disclosures Require Your Express Authorization***

Uses and disclosures of your health information *other than those described above* will be made only with your express written authorization. You may revoke your authorization in writing. If you do so, the Plan will not use or disclose your health information authorized by the revoked authorization, except to the extent that the Plan already has relied on your authorization.

Once your health information has been disclosed pursuant to your authorization, the federal privacy protections may no longer apply to the disclosed health information, and that information may be re-disclosed by the recipient without your or the Plan's knowledge or authorization.

## **YOUR HEALTH INFORMATION RIGHTS**

You have the following rights regarding your health information that the Plan collects and maintains. Any written requests pursuant to these rights should be submitted to the contact person listed below:

**Denise Darab  
Vought Aircraft Industries, Inc.  
P.O. Box 655907, Dallas, Texas 75265  
(972) 946-8870**

### ***Right to Inspect and Copy Health Information***

You have the right to inspect and obtain a copy of your health record. This includes, among other things, health information about your plan eligibility, plan coverage, claims records, and billing records.

To inspect and copy your health record maintained by the Plan, submit your request in writing. The Plan charges a fee of 10 cents per page for the cost of copying your health record, and charges you the cost of mailing your health record to you. In certain limited circumstances, the Plan may deny your request to inspect and copy your health record. If the Plan does so, it will inform you in writing. In certain instances, if you are denied access to your health record, you may request a review of the denial.

### ***Right to Request Confidential Communications, or Communications by Alternative Means or at an Alternative Location***

You have the right to request that the Plan communicate your health information to you in confidence by alternative means or in an alternative location. For example, you can ask that the Plan only contact you at work or by mail, or that the Plan provide you with access to your health information at a specific location.

To request confidential communications by alternative means or at an alternative location, submit your request in writing. Your written request should state the reason(s) for your request and the alternative means by or location at which you would like to receive your health information. If appropriate, your request should state that the disclosure of all or part of your health information by non-confidential communications could endanger you. The Plan will accommodate reasonable requests and will notify you appropriately.

### ***Right to Request That Your Health Information Be Amended***

You have the right to request that the Plan amend your health information if you believe the information is incorrect or incomplete.

To request an amendment, submit a detailed request in writing that provides the reason(s) that support your request. The Plan may deny your request if it is not in writing; if it does not provide a reason in support of the request; or if you have asked to amend information that:

- Was not created by the Plan (unless you provide the Plan with information that the person or entity that created the information is no longer available to make the amendment);
- Is not part of the health information maintained by or for the Plan;
- Is not part of the information which you would be permitted to inspect and copy; or
- Is accurate and complete.

The Plan will notify you in writing as to whether it accepts or denies your request for an amendment to your health information. If the Plan denies your request, it will explain the reason(s) for the denial, and describe how you can continue to pursue the denied amendment.

### ***Right to an Accounting of Disclosures***

You have the right to receive a written accounting of disclosures. The accounting is a list of disclosures of your health information by the Plan to others, except that disclosures for treatment, payment or health care operations, disclosures made to or authorized by you, and certain other disclosures are not part of the accounting. The accounting covers up to six years prior to the date of your request, except that the accounting will not include disclosures the Plan made before April 14, 2003. If you want an accounting that covers a time period of less than six years, please state that in your written request for an accounting.

To request an accounting of disclosures, submit your request in writing. The first accounting that you request within a twelve-month period will be free. For additional accountings in a twelve month period, the Plan will charge you for the cost of providing the accounting, but the Plan will notify you of the cost involved before processing the accounting so that you can decide whether to withdraw your request before any costs are incurred.

***Right to Request Restrictions***

You have the right to request restrictions on your health care information that the Plan uses or discloses about you to carry out treatment, payment or health care operations. Also, you have the right to request restrictions on your health information that the Plan discloses to someone who is involved in your care or the payment for your care, such as a family member or friend. The Plan is not required to agree to your request for such restrictions, and the Plan may terminate its agreement to the restrictions you requested.

To request restrictions, submit your request in writing, and advise the Plan as to what information you seek to limit, and how and/or to whom you would like the limit(s) to apply. The Plan will notify you in writing as to whether it agrees to your request for restrictions. The Plan will also notify you in writing if it terminates an agreement to the restrictions that you requested.

***Right to Complain***

You have the right to complain to the Plan and/or to the Department of Health and Human Services if you believe your privacy rights have been violated. To file a complaint with the Plan, submit your complaint in writing to the contact person listed below:

**Denise Darab  
Vought Aircraft Industries, Inc.  
P.O. Box 655907, Dallas, Texas 75265  
(972) 946-8870**

You will not be retaliated or discriminated against and no services, payment, or privileges will be withheld from you because you file a complaint with the Plan or with the Department of Health and Human Services.

***Right to a Paper Copy of This Notice***

You have the right to an additional paper copy of this Notice. To make such a request, submit a written request to the contact person listed above.

You may also obtain a copy of this Notice at the Plan's website, <http://benefits.voughtaircraft.com>.

**CHANGES IN THE PLAN'S PRIVACY PRACTICES**

The Plan reserves the right to change its privacy practices and make the new practices effective for all health information that it maintains, including your health information that it created or received prior to the effective date of the change and your health information it may receive in the future. If the Plan materially changes any of its privacy practices, it will revise its Notice, and provide you with the revised Notice within 60 days of the revision. In addition, copies of the revised Notice will be made available to you upon your written request, and any revised Notice will also be available at the Plan's website, <http://benefits.voughtaircraft.com>.

**EFFECTIVE DATE**

This Notice is effective as of May 15, 2007, and will remain in effect unless and until the Plan publishes a revised Notice.