

February 25, 2022

Implementation Update: Increased 401(k) company contributions

As part of the recently ratified three-year extension of the collective bargaining agreement (CBA) covering flight crew training instructors and simulator pilot instructors, team members represented by TWU Local 548 will receive an increased company 401(k) contribution.

Today, eligible team members receive up to a 5.5% matching company contribution. Under your CBA extension, eligible team members will receive a non-elective company contribution of 5% and a matching company contribution of up to 4%.

The company is working to program these improvements into its system. Until the changes can be programmed and implemented, you will see the following contributions for the remainder of 2022.

For pay received in February:

For pay received in February, you had the potential to receive up to 9% in combined company contributions. During the month, you continued to receive up to 5.5% in matching company contributions. On March 11, a deposit will be made directly to your [Fidelity](#) account that will include a 3.5% non-elective company contribution for all eligible earnings paid in February. Please note that while February paychecks will include hours worked in January, you'll still receive the 3.5% non-elective company contribution based on those hours paid in February.

For pay received in March through the end of the year:

American's contribution to your 401(k) account will be a 9% non-elective company contribution instead of the 3.5% non-elective company contribution and the potential 5.5% match. You'll receive the 9% non-elective company contribution even if you don't personally contribute to your account, and this amount is in addition to your personal contributions.

You will see a monthly deposit made to your [Fidelity](#) account based on your eligible earnings paid in the prior month. This contribution will be visible in your 401(k) account with Fidelity the day after the deposit.

For example, non-elective company contributions for eligible earnings included on March pay statements (March 11 and March 25) will be deposited on April 22, and you should be able to see them in your Fidelity account no later than April 23.

The monthly deposits will be made to your Fidelity account on the following dates:

401(k) Account Posting Date	Check Date Month	Non-elective Company Contribution %
April 22	March	9.0%

May 20	April	9.0%
June 17	May	9.0%
July 15	June	9.0%
August 12	July	9.0%
September 23	August	9.0%
October 21	September	9.0%
November 18	October	9.0%
December 16	November	9.0%
January 10	December	9.0%

For pay in 2023 and beyond:

After the CBA extension company contribution rates have been programmed into our system (by Jan. 1, 2023), the company’s combined contribution will increase from 5% up to 9%. You’ll receive the 5% non-elective company contribution whether you contribute to the plan or not. Then, up to an additional 4% will be available as a matching company contribution, depending on the amount you elect to contribute.

In the event there is a discrepancy between the information in this communication and the American Airlines 401(k) Plan documents, the plan documents will govern.

If you have any further questions, please email my401k@aa.com.

Frequently Asked Questions

Q: Am I eligible to receive the increased company contributions?

A: You are eligible immediately if you have one year of service with the company. If you do not have one year of service, but will reach one year of service during 2022, you will see the non-elective company contributions in your Fidelity account the month following your one year of service.

Q: What is a non-elective company contribution?

A: A non-elective company contribution is a contribution to your 401(k) account that the company makes regardless of whether you are making your own contributions.

Q: How will my pay statement look different?

A: Your pay statement previously had a line item displaying the matching company contribution of up to 5.5% of your own contribution to your 401(k) account. Starting March 11 and through the end of the year, that line item will no longer display regular contributions. The increased company contributions will be reflected on the Fidelity website and in your Fidelity statements.

The increased CBA extension company contributions will display as a separate line items starting with your first pay statement in 2023.

Q: If I choose to contribute to my 401(k) account, will my contribution still be viewable on my pay statement?

A: Yes, you will continue to see the contributions you make to your 401(k) account on your pay statement.

Q: Will the increased company contributions affect my taxes or tax rates?

A: No, company contributions are not reported on your W-2. Only your own pretax 401(k) contributions affect your taxes.
