

## **401(k) Deferral Issue Email (Approximately 1,200 LAA/TWU represented employees)**

Dear Colleague,

As we were working to issue your lump sum checks so you can start receiving the increased pay provided by the recent interim agreement, we realized the 401(k) deferral percentage change you submitted for your Fidelity 401(k) account last week (August 15 – August 19) did not update in our Payroll systems as expected. That means your lump sum payment scheduled for August 26 does not reflect your requested deferral percentage.

We know how important the opportunity to manage contributions to your 401(k) account is to you and your retirement planning and are working to correct the issue and honor the deferral election you made for your lump sum payment. Unfortunately, adjusting the 401(k) deferral elections for your lump sum payment will cause a one week delay in the payment of your lump sum. **Instead of August 26, you will receive your check on September 2.**

During the process of correcting your lump sum payment, here is what you can expect:

- Your current lump sum pay statement will continue to show in ePays. In a few days, the current lump sum pay statement will be updated to indicate this payment is reversed and will also show a zero net pay.
- The week of August 29, a new lump sum pay statement will be posted to ePays. The new pay statement will reflect the 401(k) deferral percentages you elected August 15 – August 19.
- September 2, your corrected lump sum payment will be paid and your corrected 401(k) contributions will be funded to your account at Fidelity as soon as possible after that – which we anticipate to be September 7.

Please note that the 401(k) deferral elections you made from August 15 – August 19 were not intended to be applied to your regular August 26 paycheck, so this paycheck will not be adjusted and will be paid on schedule as it appears in ePays today.

**One thing that hasn't changed from what we originally shared with you is that if you wish to revert back to your original deferral percentage for your next normal paycheck on September 9, it's very important for you to change your deferral percentage back by August 26 at 4 p.m. EDT.** You can do this by logging on to [www.netbenefits.com/aa](http://www.netbenefits.com/aa).

- Choose "Contribution Amount" under "Quick Links" in your plan account and select "Contribution Amount."
- Enter your desired election for the lump sum payment in the applicable deduction type (pre-tax, Roth, catch-up and Roth catch-up if you are 50 or older, and/or after-tax).
- Click on "Change Contribution Amount" to complete your transaction.
- You may also contact the American Airlines 401(k) Service Center at Fidelity at (800) 354-3412 to speak with a dedicated representative who can assist you with making changes.

We sincerely apologize for the delay in making this payment and any confusion this issue has caused. If you have any questions about your 401(k) deferral, please reach out to the team at [my401k@aa.com](mailto:my401k@aa.com).

David Pulford