

Red Circled Employee Email (99 Employees) – LUS Stock Clerks/LAA MCTs and LAA Planners

Fleet Service, Mechanic & Related and Stores Teams:

Earlier, we sent a message with details of the August 26 lump sum being paid out to the majority of TWU-IAM-represented Fleet Service, Mechanic & Related and Stores employees as part of the interim agreement. We also shared that there would be a group of employees who are not eligible for the August 26 lump sum payment.

You are part of a small group of employees who is already paid more per hour than the new scales provide for. You will not see any loss of pay, but will remain on your pay step until your years of service catch up with your pay rate (also known as being red circled).

You will receive a lump sum payment, but it's for a different reason and will be paid on a separate date. Here's what you need to know:

- You will receive a lump sum payment to ensure you are being treated the same as employees in your same position at the other legacy carrier.
- The lump sum will pay out on September 9 and will be based on 2,080 hours paid (annual hours) and a percentage increase based on the comparable increase at the other legacy carrier.
- For example, a legacy US Airways stock clerk at step 2 who is red circled will receive a similar percentage increase as a legacy American stock clerk at step 2. Alternatively, a legacy American stock clerk at top of scale who is red circled will receive a similar percentage increase as a legacy US Airways stock clerk at top of scale.
- Because this isn't an estimated lump sum, there is no true up process involved.
- You will receive your lump sum payment as a separate paycheck in the same way you are normally paid – either direct deposit or paper check.
- The payment will be taxed at supplemental rates, which for most individuals is 25 percent.
- Your lump sum payment, or a portion thereof, is eligible for deposit into your 401(k) account. If you're interested in changing the deferral percentage for the lump sum payment, here's what you need to know:
 - To be effective for your lump sum payment on September 9, changes must be made at Fidelity beginning August 29 and no later than September 2 at 4 p.m. EDT.
 - Log on to your Fidelity account at www.netbenefits.com/aa.
 - Choose "Contribution Amount" under "Quick Links" in your plan account and select "Contribution Amount."
 - Enter your desired special election in the "Other Deductions" section. Do keep in mind any existing elections in this section will be applied, so it's very important, whether or not you wish to defer a portion of your lump sum payment, that you carefully review this section between August 29 and September 2.
 - 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. You may also reach out to our 401(k) team at my401k@aa.com for additional assistance.

If you have any questions, please reach out to the team at tech.ops.communications@aa.com/customer.experience@aa.com.