



# Retirement Presentation 2022



# Retirement Readiness Planning Tools

# Retirement readiness

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## Retirement readiness

[2 minute read](#)

Created by [Kalen Kubik](#) on Jun 21, 2016 10:32 AM

### Retirement Planning and Guidance

Create and manage your retirement plan. Click the button below to help you set financial goals and better understand your full financial picture.

[Learn more](#)

### Step into retirement

When to retire is a big decision and we want to make sure you have everything you need to plan for it. We've outlined all the steps in the process that you need to take to make it easy to understand what you need to do.

[!\[\]\(2bae76de5ebbd5c4d7d47162f1673734\_img.jpg\) Next steps »](#)

### Pension service center

Get all the information you need regarding your pension eligibility, key milestone dates and what you need to do prior to leaving the company to activate your pension.

[Read more »](#)[!\[\]\(5d954b3e270654ad8ab0d5913161c03c\_img.jpg\) Plan information »](#)

# Fidelity NetBenefits

YOUR PORTFOLIO

**\$89,158.72** Balance as of  
06/08/2020

Display Preferences ▾

Portfolio Investments

AA 401(K) PLAN

401(k):12455

**\$89,158.72**

Quick Links ▾

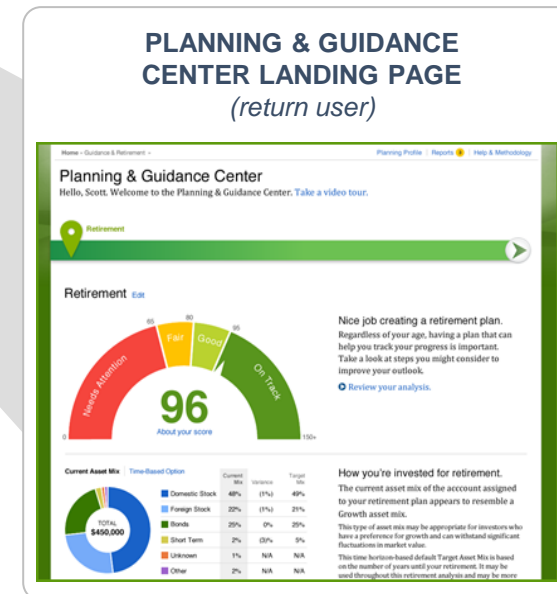
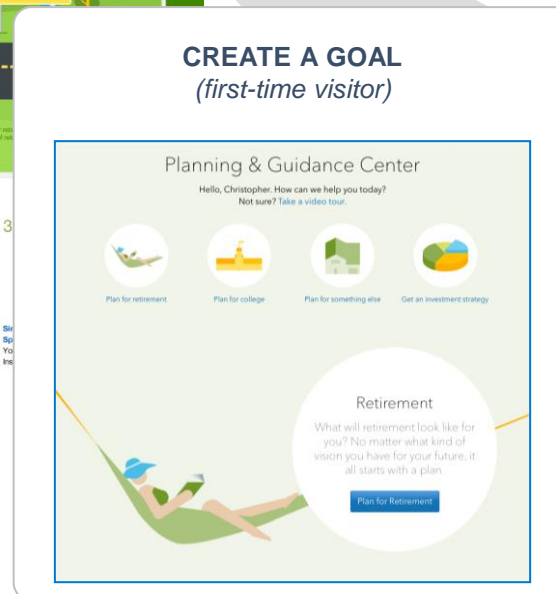
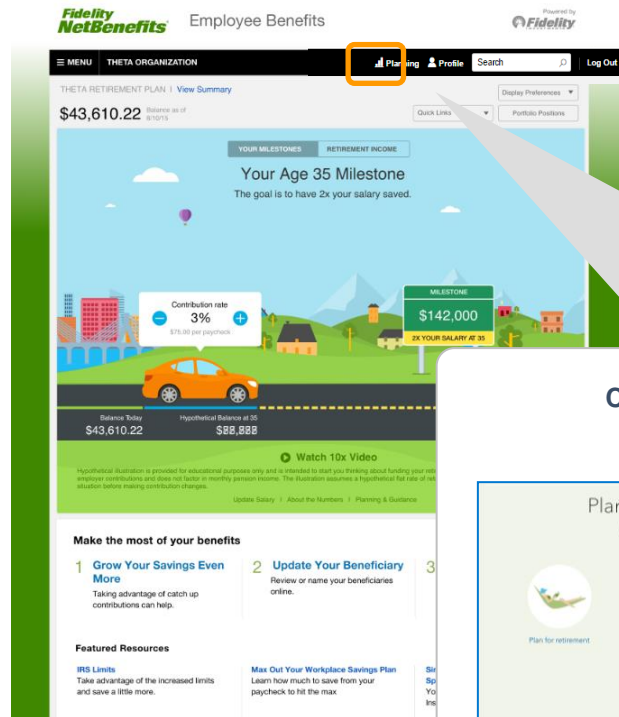
AA TWU Pension accrued through 10/31/2012 ESTIMATED amount payable at  
Normal Retirement Date  
as of 12/31/2019

**\$1,780.54 / month<sup>†††</sup>**

# Planning & Guidance Center on NetBenefits®

A personalized, online planning experience to help you set goals and better understand your full financial picture

- Access the **Planning & Guidance Center** on NetBenefits from the **Planning** link on the homepage
- From there, you can **create a plan for retirement, college, or a personal savings goal** – or **get help with your investment strategy**

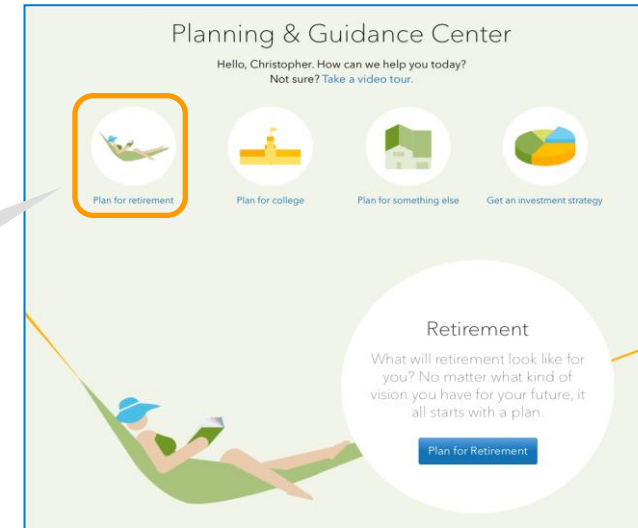


# Add a retirement goal

Create a retirement plan that's based on your personal situation.

By answering just a few questions, you'll be able to:

- Estimate how much income you may have—or need—in retirement
- Receive next steps to consider to help you get or stay on track
- Create a retirement plan in minutes



## PERSONAL INFORMATION

- Are you including a spouse or planning partner?
- Are you still employed or retired?

## RETIREMENT GOALS

- At what age do you plan to retire?
- How many years do you want to plan for?

## INCOME AND EXPENSES

- What are your current earnings?
- How do you want to estimate retirement expenses—by projected lifestyle or dollars?

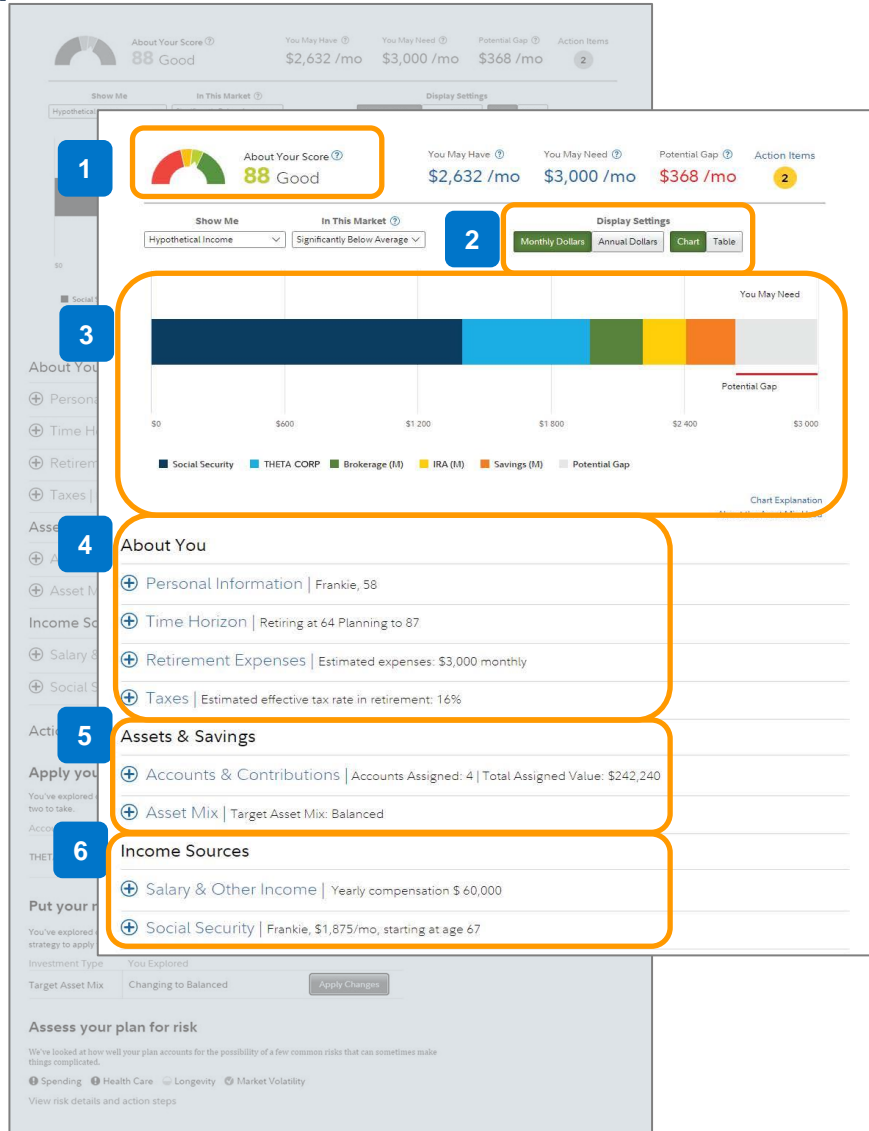
## CONFIRM ACCOUNTS

- Review and confirm the accounts that will be included in your plan



# Get your Retirement Analysis

Model various scenarios and see the potential effect any changes may have on your retirement savings outlook.



1

## Retirement Score

- Represents the percentage of your average estimated retirement expenses your plan could cover, assuming an underperforming market.

2

## Display preferences\*

- View assumptions for a significantly underperforming market (90% confidence), a below-average market (75% confidence), and an average market (50% confidence).
- See results using monthly or annual dollars via a chart or table.

3

## Results chart

- Illustrates what you may have, how much you may need, and the potential gap (other chart views are available).

4

## About you

- Update important information such as age, time horizon to retirement, anticipated retirement expenses, and tax rate in retirement.

5

## Assets & Savings

- Update or add accounts (including non-Fidelity accounts), and how much you contribute to them.
- Review or adjust your asset mix.

6

## Income sources

- Enter any income sources and Social Security amounts.

# Income Sources - Pension

## About You

- + Personal Information | Julaine, 56
- + Time Horizon | Retiring at 67 Planning to 96
- + Retirement Expenses | Estimated expenses: \$3,075 monthly
- + Taxes | Estimated effective tax rate in retirement: 10%

## Assets & Savings

- + Accounts & Contributions | Accounts Assigned: 2 | Total Assigned Value: \$100,343
- + Asset Mix | You have not selected a Target Asset Mix.

## Income Sources

- + Salary & Other Income | Yearly compensation \$ 50,000
- + Social Security | Julaine, \$1,625/mo, starting at age 67

	AA TWU Pension accrued through 10/31/2012 ESTIMATED amount payable at Normal Retirement Date	Pension Single Life	Mark	\$866 /mo*	--	65	Planning Assumption entered by participant	Payment Options
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# Get actionable next steps

Take action or download your report for review

The screenshot shows a retirement planning tool interface. At the top, there's a summary bar with a score of 88 (Good), monthly income of \$2,632, and a potential gap of \$368. Below this are tabs for 'Show Me' (Hypothetical Income) and 'In This Market' (Significantly Below Average). The main content area is titled 'Action Items' and contains three sections: 1. 'Apply your contribution changes' (highlighted with a blue circle and number 1), showing a table with 'THETA-CORP' and 'PRE-TAX savings rate changed to 5%' with an 'Apply Changes' button. 2. 'Put your new investment strategy in place' (highlighted with a blue circle and number 2), showing a table with 'Target Asset Mix' and 'Changing to Balanced' with an 'Apply Changes' button. 3. 'Assess your plan for risk' (highlighted with a blue circle and number 3), showing a list of risks: Spending (red), Health Care (red), Longevity (yellow), and Market Volatility (green), with a 'View risk details and action steps' link. To the right of the 'Action Items' section is a 'Save a PDF Report' button (highlighted with a blue circle and number 2) and a 'Save Report' button. Below the 'Save a PDF Report' button is a link to 'View all previously saved reports'.

1 **Apply your contribution changes**

You've explored contribution changes. Want to make them a reality? You still have a step or two to take.

Account	You Explored	
THETA-CORP	PRE-TAX savings rate changed to 5%	<a href="#">Apply Changes</a>

2 **Put your new investment strategy in place**

You've explored changes to your investment strategy. We can help you with an investment strategy to apply those changes to your current portfolio.

Investment Type	You Explored	
Target Asset Mix	Changing to Balanced	<a href="#">Apply Changes</a>

3 **Assess your plan for risk**

We've looked at how well your plan accounts for the possibility of a few common risks that can sometimes make things complicated.

🔴 Spending 🔴 Health Care 🟡 Longevity 🟢 Market Volatility

[View risk details and action steps](#)

**Save a PDF Report**

Save a report of the current plan you've explored. We'll store it for you to access anytime, helping you compare future plans side-by-side.

[Save Report](#)

[View all previously saved reports](#)

Retirement Analysis Methodology (PDF)

- 1 Implement changes**
  - Outlines changes that you may need to make to put your plan into action.
  - Automatically brings you where you need to go to take action and make changes.
- 2 Download your report**
  - Provides a snapshot and summarizes inputs, results, and potential action steps; reports are stored in the Reports section.
- 3 Risk assessment**
  - Scores participants who are 10 or fewer years from retirement against key risks of retirement.

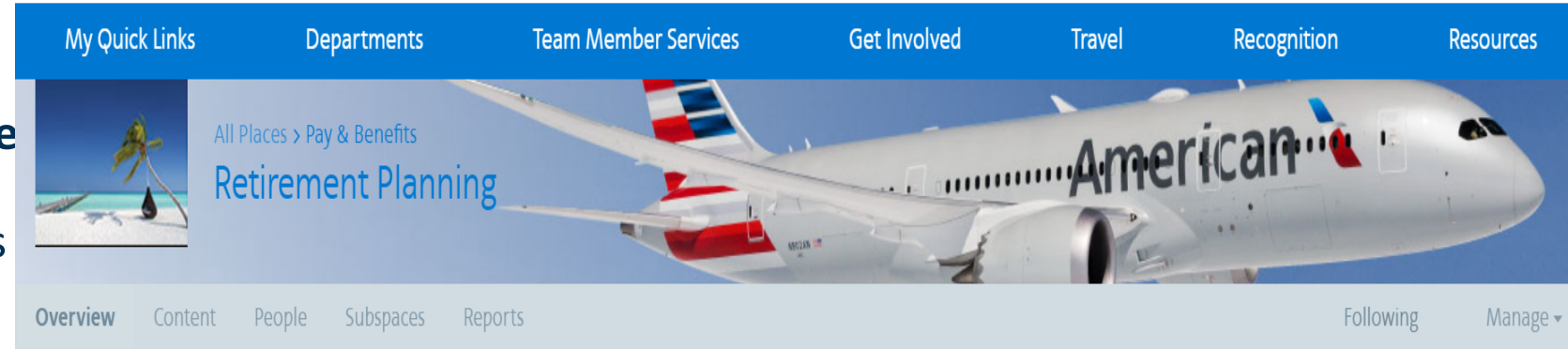
# Retirement Resources



# Jetnet Retirement Planning

## Retirement Planning

- Access from Jetnet's **Team Member Services** tab - click on **Leaving the Company**- then click on next steps in the **Retirement Planning** box
- The **Retirement Planning** walks you through important steps:
  - Retirement Eligibility
  - Pension
  - 401(k)
  - Benefits
  - Travel



### Retirement Planning and Guidance

Create and manage your retirement plan. Click the button below to help you set financial goals and better understand your full financial picture.

[Learn more](#)

### Step into retirement

Whether you've already decided to retire, you're close to making that decision or you're just doing some retirement planning, follow these steps to learn about all that is available to you in retirement.

Click here for a print version of the [Retirement Planning](#) steps.

- [Step 1: Understand retirement eligibility requirements »](#)
- [Step 2: Review pension eligibility »](#)
- [Step 3: Know your 401\(k\) retirement income »](#)
- [Step 4: Become familiar with your retiree benefits »](#)
- [Step 5: Learn about retiree travel privileges »](#)
- [Step 6: Stay connected with American »](#)
- [Step 7: Contact a representative »](#)

# 65 Point Plan Retirement Eligibility

The 65 Point Plan calculated as at least 10 years of company service, and your age and years of service must equal 65 or greater at the time of separation

Age + Company Service (min of 10) = 65 or greater

Benefits and Privileges include:

- Retiree Travel
- [Retirees.aa.com](https://Retirees.aa.com) access to book travel and general information
- Payout of accrued sick time, if applicable
- Retirement Gift
- Retirement ID
- Cobra Coverage
- Retiree Medical Access, only if age 55-65

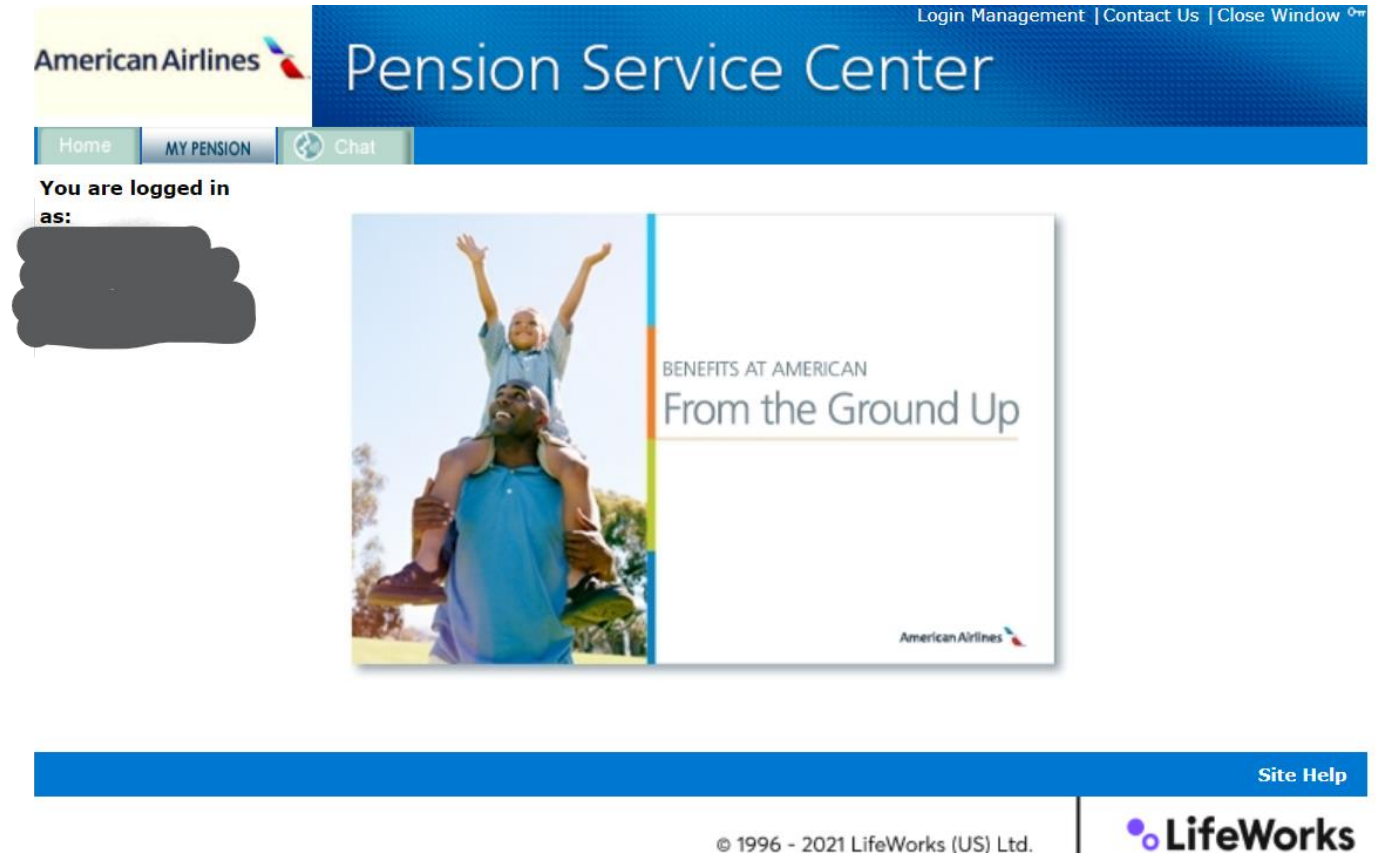
# LAA Pension Eligibility

- **Eligibility**

- Your eligibility to begin receiving your pension benefit is based on your age and Retirement Eligibility Service (RES). You must separate from the Company to commence pension.
  - 15 + years of RES may commence as early as age 55
  - 14 - 10 years of RES may commence as early as age 60
  - Less than 10 years of RES may commence at age 65

- **Contact**

- **HR Services - Pension Service Center / 1-866-470-0847**



# 401(k) Account

## Distributions

- You can take distributions from your 401(k) account when you retire, based on IRS regulations

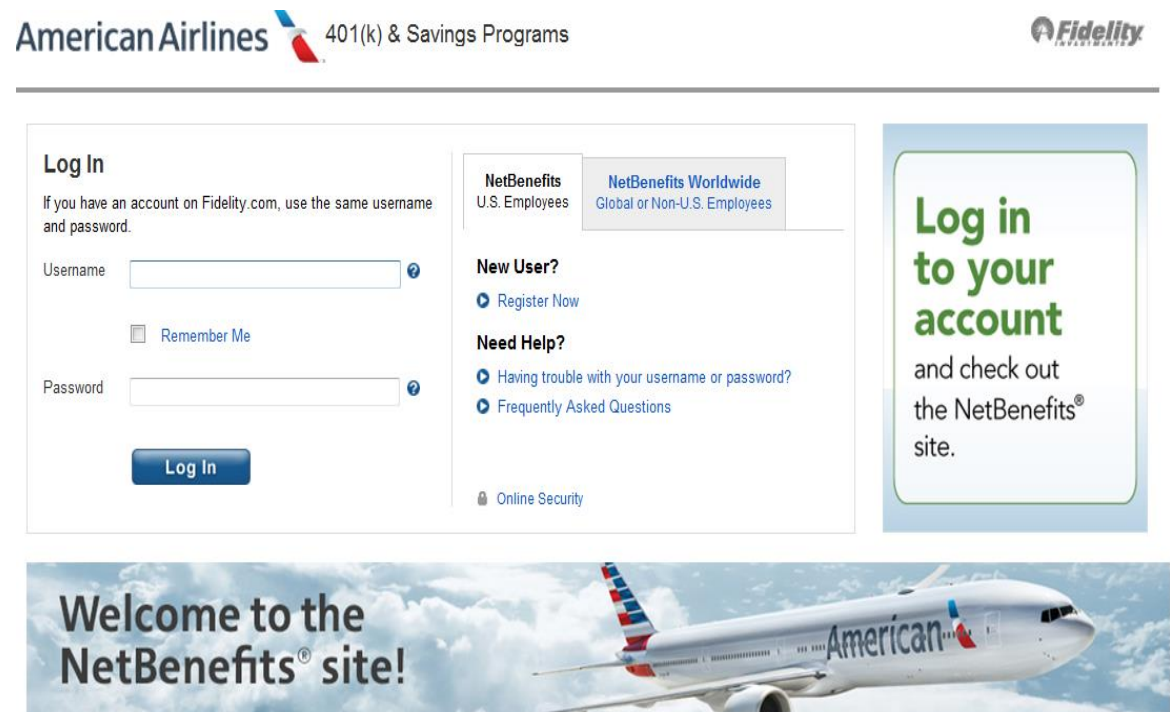
**Validation period: Please note that your 401(k) account will be frozen for 30 days after your retirement date before you can begin distributions**

## Contributions

- Consider making “catch up contributions” before you retire

## Contact

- Fidelity Investments
  - [www.netbenefits.com/aa](http://www.netbenefits.com/aa)
  - (800)354-3412



American Airlines 401(k) & Savings Programs

Fidelity

**Log In**  
If you have an account on Fidelity.com, use the same username and password.

Username

☐ Remember Me

Password

**Log In**

**NetBenefits**  
U.S. Employees

**NetBenefits Worldwide**  
Global or Non-U.S. Employees

**New User?**  
[Register Now](#)

**Need Help?**  
[Having trouble with your username or password?](#)  
[Frequently Asked Questions](#)

[Online Security](#)

**Log in to your account**  
and check out the NetBenefits® site.

Welcome to the NetBenefits® site!



# **Benefits into Retirement**

## **Cobra**

- Medical, Dental, Vision and FSA's
- Solicited upon retirement from the Benefits Service Center 1-888-860-6178

## **Retiree Standard Medical (only if ages 55-65)**

- \$1,826 per month per person (2022 cost)
- Solicited upon retirement from the Benefits Service Center (can purchase after COBRA is exhausted)

## **Via Benefits**

- Private Insurance marketplace
- 1-844-287-9947 Pre-65 or 1-844-686-0483 Post-65

## **Retiree Dental**

- You may purchase directly with MetLife (after COBRA is exhausted)

# 2022 Cobra Rates

Medical	You only	You + spouse	You + child(ren)	You + family
Core	\$609.21	\$1,401.16	\$1,096.56	\$1,888.54
Standard	\$685.32	\$1,576.22	\$1,233.98	\$2,124.46
Plus	\$676.04	\$1,554.88	\$1,216.87	\$2,095.69
High Cost Coverage	\$1,333.88	\$3,067.95	\$2,400.98	\$4,135.04
DFW ConnectedCare	\$633.85	\$1,457.84	\$1,140.01	\$1,964.91

Enrolled in an HMO? Contact the Benefits Service Center at 888-860-6178, Monday through Friday, 8 a.m. to 5 p.m. CT, for more details.

Dental	You only	You + spouse	You + child(ren)	You + family
Plus	\$37.75	\$78.13	\$84.57	\$133.63
Basic	\$27.18	\$56.25	\$60.88	\$96.21

Vision	You only	You + spouse	You + child(ren)	You + family
	\$5.88	\$11.38	\$11.17	\$15.97

# Life Insurance & Accidental Death & Dismemberment (AD&D)

## Life Insurance

- You may convert your employee term life insurance coverage to an individual policy with MetLife within 60 days of retirement
- Contact MetLife directly with inquiries

1-877-275-6387

[www.metlife.com/mybenefits](http://www.metlife.com/mybenefits)

## AD&D

- You may convert your accident insurance to an individual policy by contacting New York Life directly within 60 days of retirement
- Contact New York Life directly with inquiries 1-800-238-2125

# Added Benefits

You may convert your added benefits

- Auto and Home
- Legal Plan
- Identity Theft Program
- Pet Insurance
- Long-Term Care Insurance
- Critical Illness
- Accident Insurance

**Contact Added Benefits directly with inquiries**

**1-855-550-0706 [AAaddedbenefits.com](http://AAaddedbenefits.com)**

# Retiree Travel Privileges

Personal Travel Boarding Priority; Accommodated in this order	Eligible Travelers	Annual One-Way (OW) Pass Allotment
D1	Retirees, spouse, or Domestic Partner (DP), or Registered Companion (RC), qualified children up to age 24.	6 per eligible person
D2R	Retirees, former employees with travel privileges, spouse, DP, or RC, qualified children up to age 24.	Unlimited, unless otherwise documented
D2P	Qualified Parents/In-Laws, former employees with travel privileges, and retirees.	Unlimited, unless otherwise documented.
D3	Extended family members, friends and personal acquaintances, provided they are eligible for travel.	8 per Retiree to be shared among Guest Travelers

- You also receive **AA20** discounts, **OAL** travel on other airline travel and **A9** emergency passes
- Please access the retiree site to view all details about retiree travel privileges

The terms of the plan, program or Company policy documents govern the benefits and privileges highlighted in this presentation. If there is a conflict between this presentation and the plan program or Company policy document will govern the actual benefit or privilege.

# TWU/IAM - Sick time applied to RHRA

- Election must be made 4 months in advance of retirement date
- Online election can be found on Step 1 of the Retirement Planning Checklist on Jetnet. If no election, defaulted to sick leave payout
- Multiply your number of unused sick hours in your sick leave bank as of the date of retirement by 50% of your hourly rate at retirement
- Your RHRA is available to use until your funds are depleted
- Account information will be on the Benefits Service Center site



# Pension Estimate & Pension Forms

The screenshot shows the American Airlines Pension Service Center website. At the top, there's a blue header with the American Airlines logo on the left and 'Contact Us | Close Window' on the right. Below the header is a navigation bar with 'Home', 'MY PENSION', and 'Chat' buttons. The main content area is divided into two columns. The left column contains a 'Pension Manager' sidebar with links for 'Personal Information' (My Personal Data, Beneficiary Rules), 'Pension Information' (My Calculation History), 'Communications' (Request a Package, My Communications), and 'Resources' (Pension Online Forms, eHR Center). The right column has two main sections: 'If you would like to model or view your pension benefits or view your Plan Specific Data, you can do so now.' with an 'ESTIMATE YOUR PENSION' button, and 'Start Your Pension Benefits' with a 'REQUEST YOUR PENSION' button. Below these sections is a welcome message: 'Welcome to the American Airlines Pension Manager site.' followed by a paragraph about the website's instant access to personalized pension information. At the bottom, a section titled 'Using this Web site, you can:' lists several bullet points: 'Perform unlimited pension estimates', 'View or print your pension estimates', 'Review up to 15 saved estimates', 'Initiate the pension commencement process\* if you are within 90 days of your desired pension commencement date', and 'Review your personal information'.

**Pension Manager**

**Personal Information**  
My Personal Data  
Beneficiary Rules

**Pension Information**  
My Calculation History

**Communications**  
Request a Package  
My Communications

**Resources**  
Pension Online Forms  
eHR Center

**If you would like to model or view your pension benefits or view your Plan Specific Data, you can do so now.**

**AMS Retirement Plan**

**ESTIMATE YOUR PENSION**

**Start Your Pension Benefits**

Select here to begin the process of receiving your pension benefits if you are ready to retire in the next 90 days.

If your commencement date is more than 90 days away, please continue to model your benefits by using the "Estimate Your Pension" selection.

**REQUEST YOUR PENSION**

**Welcome to the American Airlines Pension Manager site.**

This Web site gives you instant access - day or night - to personalized, up-to-date information about your complete pension plan benefits.

**Using this Web site, you can:**

- Perform unlimited pension estimates
- View or print your pension estimates
- Review up to 15 saved estimates
- Initiate the pension commencement process\* if you are within 90 days of your desired pension commencement date
- Review your personal information

- 1 Go to the Pension Service Center
  - 2 Click “Run an Estimate” or “Request your Pension”
- You are **REQUIRED** to request a kit by the **15<sup>th</sup>** of the month prior to your commencement date
  - Follow the instructions on the screen to run an estimate or to request a pension package
  - If you have questions, call or chat live online with an HR Services representative or **1-866-470-0847**

# Pension Estimates & Details

- You can run different scenarios and then compare side by side results (ex age 55 and age 60)
- View your Plan Specific Details

Scenario	Scenario 1	Scenario 2
Final Average Salary	\$55,717.08	\$55,717.08
Credited Service	19.631	19.631
Single Life Annuity Participant Amount	\$1,489.45	\$1,261.53
50% Joint & Survivor Annuity Participant Amount	\$1,327.70	\$1,145.47
50% Joint & Survivor Annuity Beneficiary Amount	\$663.85	\$572.74
66 2/3% Joint & Survivor Annuity Participant Amount	\$1,281.52	\$1,111.66
66 2/3% Joint & Survivor Annuity Beneficiary Amount	\$854.39	\$741.14
75% Joint & Survivor Annuity Participant Amount	\$1,259.63	\$1,095.39
75% Joint & Survivor Annuity Beneficiary Amount	\$944.72	\$821.54
100% Joint & Survivor Annuity Participant Amount	\$1,198.41	\$1,049.59
100% Joint & Survivor Annuity Beneficiary Amount	\$1,198.41	\$1,049.59

Plan Entry Date	
Approved Qualified Domestic Relations Order on file?	NO
Pension Estimate Reflects Reduction for Qualified Domestic Relations Order?	NO
Enhanced Pre-Retirement Survivor Annuity Election?	YES
Enhanced Pre-Retirement Survivor Annuity Beneficiary	
Enhanced Pre-Retirement Survivor Annuity Percent	100
Pre-Retirement Survivor Annuity Waiver?	NO
Total Credited Service as of 10/31/2012 (in years)	19.631
Total Vesting Service as of 12/31/2020 (in years)	29
Total Retirement Eligibility Service as of 12/31/2020 (in years)	27.719

# Defined Benefit Pension Plans

- **PBGC (TWA or Legacy US Airways)**

[www.pbgc.gov](http://www.pbgc.gov)

mypension@pbgc.gov

(800)400-7242

- **IAM Pension Fund**

<http://iamnpf.org>

contact@iampf.org

(800)424-9608

# Pension Benefit Payment Options

## Single Life Annuity

- This option pays a monthly benefit from your benefit commencement date until your death

## Joint & Survivor Annuity Options

- These options pay a reduced benefit for your lifetime with 50%, 66 2/3%, 75% or 100% of the amount you were receiving payable for your Joint Annuitant's remaining lifetime after your death.
- If your joint annuitant dies before you, your benefit continues for your lifetime and no benefit is payable after your death

# Payment Options cont.

## Guaranteed Period Options

- This option pays a reduced lifetime monthly benefit to you with a guaranteed number of payments—120, 180, or 240 months—depending on the option you elect
- If you die before all guaranteed payments are made, the remaining guaranteed payments are made to your beneficiary
- If you live longer than the number of guaranteed payments, you continue to receive monthly payments until your death and no further benefit is payable to your beneficiary after your death
- If your beneficiary dies before you, you may designate a new beneficiary
- If your beneficiary dies after you, but before all guaranteed payments are made, your beneficiary's beneficiary will receive the balance of guaranteed payments either as a monthly benefit or as a lump sum, if elected

# Payment Options cont.

## Level Income Annuity Option

- This option is designed to provide a level income during retirement by taking into account your Social Security benefit
- The Level Income Annuity Option provides an increased monthly benefit to age 62 or Social Security Normal Retirement Age, as selected by you, when many people begin receiving Social Security benefits
- The monthly benefit decreases when you reach the selected age (62 or Social Security Normal Retirement Age) even if you do not begin receiving Social Security benefits at that age
- This option is always combined with another option such as a Single Life Annuity, a Joint & Survivor Annuity, or a Guaranteed Period Option
- Monthly benefit decreases when you reach the selected age, even if you do not begin collecting Social Security benefits at that time





# Contacts

# Contacts

- **Benefits Service Center** 888-860-6178
- **Team Member Services** [EmployeeServices@aa.com](mailto:EmployeeServices@aa.com)
- **People Business Partners** [People.Support@aa.com](mailto:People.Support@aa.com)
- **Payroll** [PSC@aa.com](mailto:PSC@aa.com)
- **AA Retirement Services** [Retirement.Services@aa.com](mailto:Retirement.Services@aa.com)
- **HR Services (LAA Pension)** 866-470-0847
- **Fidelity Investments** 800-354-3412 or [www.netbenefits.com/aa](http://www.netbenefits.com/aa)



Questions

American Airlines  
You are why we fly™

