



April 2016

## Action Required: 401(k) Beneficiary Election Needed

Dear Participant:

During the transition of your Super Saver 401(k) account from EMPOWER to Fidelity last June, we discovered that the beneficiary designation you had on file at EMPOWER may not have been, in the event of your death, sufficient to authorize the distribution of your account according to your wishes. As a result, we were unable to transfer your beneficiary designation to Fidelity. In July, following the transfer of your 401(k) account to Fidelity, we mailed you a letter explaining that we were unable to transfer your beneficiary designation and that we needed a new beneficiary election for your 401(k) account at Fidelity. A follow up review of our records shows that you have not yet made a new beneficiary election for your plan account at Fidelity.

But don't worry, we are here to help.

- For your convenience, we have enclosed a copy of the Fidelity Beneficiary Designation Form and a prepaid envelope.
- The form is also available online by logging on to your account at [www.netbenefits.com/aa](http://www.netbenefits.com/aa).
- The American Airlines 401(k) Service Center at Fidelity is available to assist you at (800) 354-3412 Monday through Friday (excluding all New York Stock Exchange holidays except Good Friday) from 8:30 a.m. to midnight ET.

**It is very important for you to take action and establish your beneficiary.** If you do not have a valid beneficiary designation on file at Fidelity and you pass away, the plan provisions provide that the full value of your 401(k) account will be paid to your spouse (if any), otherwise to your children (if any), and then to your estate. Please be sure to designate your beneficiary(ies) to ensure that your account is distributed in a timely manner and according to your wishes.

In designating your beneficiaries, there are some things to consider:

### **Primary Beneficiaries**

A primary beneficiary is your first choice to receive your plan proceeds.

- If you are married and wish to designate someone other than your spouse as your primary beneficiary, you will be required to provide a notarized spousal consent for your non-spousal beneficiary designation. For your convenience, enclosed is a Beneficiary Designation Form and return envelope that can be used once you have notarized spousal consent.
  - If your Beneficiary Designation Form requires notarization, notary publics are often available at local banks, packing and shipping centers, libraries and legal offices. You can also look up local notaries online.
  - If an American Airlines Federal Credit Union location is convenient, they will notarize your form for free. A listing of American Airlines Federal Credit Union locations is available online at [www.aacreditunion.org/locations.aspx](http://www.aacreditunion.org/locations.aspx).
  - If a Fidelity Investor Center is convenient, they will notarize your form for free. A listing of Fidelity Investor Centers is available online at [www.fidelity.com/customer-service/branches/overview](http://www.fidelity.com/customer-service/branches/overview).

Alternatively, you can start the beneficiary designation process online at [www.netbenefits.com/aa](http://www.netbenefits.com/aa). Simply log on to your plan account and select *Profile* from the home page, click *Beneficiaries* in the *About You* section, and follow the instructions to designate your

beneficiary(ies). Spousal consent paperwork will be furnished as part of your online beneficiary designation, and your non-spousal beneficiary designation will take effect once you have returned the completed and notarized Spousal Consent Form in good order and Fidelity has accepted it.

- If you are married and your spouse is your primary beneficiary, you can designate your beneficiary(ies) with Fidelity entirely online (no spousal consent is required if your spouse is your primary beneficiary). If preferred, you can use the enclosed Beneficiary Designation Form and return envelope to make your election(s).
- If you are single, you can designate your beneficiary(ies) with Fidelity entirely online as described above, or, if you prefer, you can use the enclosed Beneficiary Designation Form and return envelope to make your election(s).

### **Contingent Beneficiaries**

A contingent beneficiary is your second choice to receive your plan proceeds if your primary beneficiary(ies) is (are) not living at the time you pass away. An example of a primary and contingent beneficiary is your spouse being your primary beneficiary and your children being your contingent beneficiaries. If your spouse passes away before you do, then your plan proceeds would be distributed to your children when you pass away. No spousal consent is required for contingent beneficiaries.

#### **Beneficiary Designation Form Directions:**

If you choose to utilize the enclosed Beneficiary Designation Form and return envelope, you will need to follow the directions on the form and complete the following sections:

- A. About You (required)
- B. Plans (required)
- C. Primary Beneficiary Information (required)
- D. Contingent Beneficiary Information (optional but a good idea to make an election)
- E. Your Authorization and Date (required)
- F. Your Spouse's Consent (required if you are married and you are electing someone other than your spouse as your Primary Beneficiary; this section must be signed in the presence of a Notary Public and the Notary Public must stamp the form and fill out the Notary Public information)

The completed Beneficiary Designation Form can be returned in the enclosed return envelope.

If you have any questions or need assistance, please call the American Airlines 401(k) Service Center at Fidelity toll-free at **(800) 354-3412**, Monday through Friday (excluding all New York Stock Exchange holidays except Good Friday) from 8:30 a.m. to midnight ET to speak with a Retirement Services Representative who can help you through this process.

Sincerely,

401(k) & Savings Programs, American Airlines, Inc.

Enclosures:

1. Beneficiary Designation Form
2. Frequently Asked Questions (Getting Started with Beneficiary Designations)
3. Return Envelope

Fidelity Investments Institutional Operations Company, Inc.