



IAM Air Transport District 142

9633 S 48th St, Ste 100
Phoenix, Arizona 85044
816-982-6480
iamd1142@iamd1142.org

Date: October 5, 2023
File: WN - 2023

2023 - 97

IAM/SOUTHWEST AIRLINES LETTER OF AGREEMENT FOR NON-ELECTIVE CONTRIBUTION TO 401(K) AND CHANGES TO REGULAR PLAN PROGRAM

Dear Sisters and Brothers:

The IAM and Southwest Airlines have signed a Letter of Agreement (LOA) that will now provide a 4% Non-Elective Contribution (NEC) to the 401(k) accounts of all Southwest employees represented by the IAM. Along with this change, the current 9.3% match will be reduced to 5.3%, which combined will still equal 9.3% as long as the employee contributes 5.3%. These changes to the company 401(k) plan, will be effective January 1st, 2024. In exchange for this Non-Elective Contribution (NEC), the following changes will go into effect for the benefits program known as the Regular Plan Program:

1. The Regular Plan Program will be closed to new participants after the 2023 Open Enrollment Period ends.
2. Any employee/member who is currently in the Regular Plan Program will be able to remain enrolled in the plan going forward.
3. Any employee who enrolls in the Regular Plan during the 2023 Open Enrollment Period will be able to remain in the plan.
4. Employees enrolled in the Regular Plan whose coverage ends during a leave of absence will be able to get back into the plan upon return to active status.
5. Employees currently on a leave of absence and therefore not able to participate in the 2023 Open Enrollment Period will have a one-time opportunity to enroll in the Regular Plan upon return to active status.
6. **No employee will be required to change their medical/dental benefit plan in order to receive the automatic 4% contribution and 5.3% match.**

Alternative Medical and Dental options will continue to be offered to employees who choose not to enroll in the Regular Plan or who choose to opt out of the plan during the Open Enrollment Period.

The signed LOA is attached to this bulletin and explains in greater detail the changes to the Regular Plan and the implementation of the NEC and changes to the company 401(k) match.

Please reach out to your Shop Stewards or General Chairs if you have questions or concerns about this LOA and its effects on our membership. Thank you for your solidarity and commitment.

Sincerely and fraternally,

John M. Coveny, Jr.
President/Directing General Chair
IAM District 142

JC/td

cc: R. Johnsen, General Vice-President, Air Transport Territory
E. Fraser, Chief of Staff, Air Transport Territory
T. Regan, Airline Coordinator
DL 142 Executive Board

POST ON ALL IAM BULLETIN BOARDS