



401(k) Match

The last time Southwest Airlines increased our 401(k) match came from negotiations with TWU Local 556 in 2011. How does our 401(k) Company match percentage of 9.3% stack up against other Flight Attendant Contracts?

SWA	Up to 9.3% Company Match
AA	3% Automatic Contribution + 2.5% Company Match
AS	7.5% Company Match
G4	4% Company Match to Employee's 5% Contribution
DL	3% Automatic Contribution + 6% Company Match
F9	6% Company Match
HA	5% Automatic Contribution + 2% Company Match (2.5% Company Match for Years of Service (YOS) > 20 Years)
B6	Either 5% Company Contribution to 401(k) -or- 5% Increase of Hourly Rate
NK	6% Company Match
UA	United FAs: 5% Automatic Contribution + 3% Company Match Continental FAs: Company Match \$0.25 or \$0.50 for every dollar Employee Contributes up to 3% - 6%, depending on YOS

"Why does our new language exclude the pilots?"

Pilots have a forced retirement age of 65 years. Because their ability to accrue retirement funds has a very definitive timeframe, they have negotiated a completely separate retirement package that better protects our pilots for their early retirement. No other workgroup has an age constraint for employment.



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““In TA2024, we added a ‘Me-Too’ clause for other workgroups, except pilots. Why?”

The Company Match of 9.3% came as a result of TWU Local 556 negotiations in 2011. When that Contract was ratified, many other workgroups added a “Me-Too” clause with us, to ensure that their Members would receive an increase if another work group negotiated and ratified an agreement with a higher Company Match. Even though we were the last workgroup to ratify an increase, we didn’t have that contractual protection if another group on property negotiated an increase with the same program parameters. TA2024 fixes that issue. Let’s take a look at our new proposed language, and the SWA Contracts for other employees, many of which include a “Me-Too” clause.

TWU LOCAL 556 TA2024

2. 401(k) / ROTH 401(k) PLANS

- A. The Company will match any Flight Attendant's contribution to the 401(K) and/or Roth 401(K) Plan maintained by the Company, at a rate of \$1.00 for each \$1.00 contributed by the Flight Attendant, up to a maximum Flight Attendant contribution of ~~7.3%~~9.3%.

~~Effective January 1, 2009, the Company Match will be increased to 8.5%.~~

~~Effective January 1, 2011, the Company Match will be increased to 9.3%.~~

~~Effective January 1, 2011, a Roth 401(k) will be added and the Company Match for either plan will be the same.~~

If any employee group (excluding pilots) receives an improvement to the Company's 401(k) contribution, then that same improvement (subject to the same terms and conditions) will be offered to employees covered by this agreement.

TWU LOCAL 556 Current CBA



TWU Local 556
The Union of Southwest Airlines Flight Attendants



About Us ▾

Members ▾

The Contract



2. 401(k)/Roth 401(k) Plans

1. The Company will match any Flight Attendant's contribution to the 401(K) and/or Roth 401(K) Plan maintained by the Company, at a rate of \$1.00 for each \$1.00 contributed by the Flight Attendant, up to a maximum Flight Attendant contribution of 7.3%.Effective January 1, 2009, the Company Match will be increased to 8.5%.Effective January 1, 2011, the Company Match will be increased to 9.3%.Effective January 1, 2011, a Roth 401(k) will be added and the Company Match for either plan will be the same.

2. Vesting in General for 401(k) Company Match. A Member shall have a vested and nonforfeitable interest in that vested percentage portion of the balance credited to the Member's Matching Contributions Account at any time determined by reference to her/his completed years of Vesting Service in accordance with the following schedule:



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TWU LOCAL 555 Ramp, Ops, Provo, and Cargo Agents

A. The Employees covered hereunder shall continue to be included in the Southwest Airlines Co. 401(k) plan, subject to the terms thereof, to which the Company shall agree to make a matching contribution in the amounts set forth below. Effective January 1, 2019, with respect to all Employees covered hereunder,

- 1. Effective as of the date of ratification through December 31, 2024,** the Company agrees to contribute one dollar (\$1.00) for each one dollar (\$1.00) of the Employee's pre-tax or Roth after-tax contribution, not to exceed nine and three/tenths percent (9.3%) of the Employee's eligible compensation, as defined in the 401(k) plan.
- 2. Effective January 1, 2025, for all Employees covered hereunder,** the Company agrees to contribute one dollar (\$1.00) for each one dollar (\$1.00) of the Employee's pre-tax or Roth after-tax contribution, not to exceed ten percent (10%) of the Employee's eligible compensation, as defined in the 401(k) plan.

The Company will allow Employees to make contributions in increments of one-tenth of one percent (i.e., 0.1%), but no less than one percent (1%). Employees shall not be required to but may make additional contributions up to the annual legal limit.

C. If any additional or different investment funds are offered to any Employee group participating in the Southwest Airlines Co. 401(k) Plan, then such additional or different investment funds will also be offered to Employees covered by this Agreement. If any Employee group (excluding pilots) receives an improvement to the Company's 401(k) contribution, then that same improvement (subject to the same terms and conditions) will be provided to Employees covered by this Agreement.

NOTE: The 555 TA has an increase to their 401(k) Company Match , but it is tied to the sunset of the Regular Medical Plan. Our Negotiating Team heard the Membership and instead negotiated improvements to the Regular Plan for our Members - adding Vision coverage.

AMFA Appearance Techs

AppearanceTech CBA.pdf

The Company will match any Employee's contribution to the 401(K) Plan maintained by the Company, at the rate of \$1.00 for each \$1.00 contributed by the Employee, up to a maximum employee contribution of 9.3% of eligible compensation, up to the limits allowed by federal law, effective January 1, 2012.



401(k) Match

IAM

**Customer Service
Agents &
Reservations**

CustomerService CBA.pdf

PROFIT SHARING/401(K)

A. The employees covered hereunder shall be included in the Southwest Airlines Profit Sharing Plan which became effective January 1, 1973, as amended.

B. The Company will match any employee's contribution to the 401(K) Plan maintained by the Company, at the rate of \$1.00 for each \$1.00 contributed by the employee, up to a maximum employee contribution of:

1. 9.3% of eligible compensation, up to the limits allowed by federal law.

2. If any employee group (excluding pilots) subsequently receives an improvement to the Company's 401(k) contribution, then that same improvement (subject to the same terms and conditions) will be provided to the employees covered by this agreement. In the event of any dispute, the Union may reopen negotiations concerning the changes to 401 (k) benefits.

TWU LOCAL 550 **Dispatchers**

Dispatcher CBA.pdf

eligible compensation for the 401(k) Plan.

3. The Employees will be eligible for matching Company contributions to 401(k)/Roth 401(k) accounts on a dollar-for-dollar basis up to a level of nine and three-tenths (9.3%) percent of the Employee's compensation, with a maximum matching contribution equal to the limits allowed by the Internal Revenue Service.

4. If any Employee group (excluding Pilots) subsequently receives an improvement to the Company's 401(k) contribution, then that same improvement (subject to the same terms and conditions) will be provided to Employees covered by this agreement. In the event of any dispute, the Union may reopen negotiations concerning the changes to 401(k) benefits.



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AMFA Facilities Maintenance

FacilitiesMaintenance....pdf

5. The Company will match any Employee's contributions to the 401(k) Plan maintained by the Company, at the rate of \$1.00 for each \$1.00 contributed by the Employee, up to a maximum Employee contribution of 9.3% of eligible compensation, up to the limits allowed by federal law.
6. If any additional or different investment funds are offered to any other Employee group participating in the Southwest Airlines Co. 401(k) Plan/Profit Sharing Plan, then such funds will also be offered to Employees covered by this Agreement (this provision does not apply to investment options offered by the Southwest Airlines Pilots Association 401(k) Plan which is separately administered by the Southwest Airlines Pilots Association).
7. If any Employee group (excluding pilots) subsequently receives an improvement to the Company's 401(k) contribution, then that same improvement (subject to the same terms and conditions) will be provided to Employees covered by this agreement. In the event of any dispute, the Union may reopen negotiations concerning the changes to 401(k) benefits.

TWU LOCAL 557 Flight Instructors

FlightInstructor CBA....pdf

- b. The Employee retires at or after age 60
3. Effective January 1, 2012, the Company will contribute one dollar (\$1.00) for each one dollar (\$1.00) of Employee contribution to the 401 (k) account up to nine and three- tenths percent (9.3%) of the Employee's salary.
4. If any non-pilot Employee group receives an improvement to the Company's 401(k) contribution prior to the amendable date of this agreement, the Union may reopen this article for negotiations concerning the 401(k) contribution applicable to its members.

IBT Material Specialists

MaterialSpecialist CB....pdf

between the Company and the Employee).

Effective January 1, 2011*, Employee contributions will be matched dollar for dollar up to a level of 9.3% of the Employee's compensation, with a maximum matching contribution equal to the ERISA limits allowed by the Internal Revenue Service.

If the Company offers a program to any other work group to allow the other group's members to tax defer any excess amounts that may not be contributed to the 401(k) or Profit Sharing Plans due to legal limitations, then Employees covered hereunder will be allowed to participate in such program."



401(k) Match

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ARTICLE 35 - RETIREMENT

- (a) The Employees covered hereunder shall be included in the Southwest Airlines Company Profit Sharing Plan.
- (b) The Company will contribute one dollar (\$1.00) for each one dollar (\$1.00) contributed by the Employee to the Company 401k plan, up to a maximum covered Employee contribution of 9.3% for all eligible wages.
 - (1) If any non-pilot Employee group receives an improvement to the Company's 401k contribution prior to the amendable date of this agreement, the Union may reopen this article for negotiations concerning the 401k contribution applicable to its members.

IBT
Flight Simulator
Instructors

Southwest
Airlines
"Careers"
Information
www.southwest.com

Financial rewards

Employees earn excellent pay and can prepare for their future with our exceptional retirement programs.

401(k) Plan

Save for retirement through our 401(k) Plan with pre-tax or Roth after-tax contributions. Southwest matches Employee contributions dollar-for-dollar up to 9.3% of their eligible earnings. Employees can choose from a broad spectrum of investment options and roll over any eligible funds from a previous employer.

ProfitSharing Plan

Employees share in the success of Southwest with our ProfitSharing Plan, which rewards them for their contributions to Southwest's profitability. Southwest was first in the airline industry to offer a ProfitSharing Plan.

Employee Stock Purchase plan

With our Employee Stock Purchase plan, Employees can purchase Southwest common stock at a 10% discount through payroll deductions after six months of continuous service.