

American to receive \$5.8 billion in payroll support from U.S. Treasury

Dear fellow team members,

We are pleased to share that today, the U.S. Treasury Department approved \$5.8 billion in financial assistance for American Airlines from the Payroll Support Program (PSP) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This relief will come in two forms: first, a grant of \$4.1 billion; and second, a low-interest rate loan of \$1.7 billion. In addition, later this week we expect to apply for a separate loan from the U.S. Treasury of approximately \$4.75 billion.

This is fantastic news for the American Airlines team. With this level of assistance, we now believe we have the financial resources necessary to help us withstand this crisis and be in position to serve the traveling public when they are ready to start flying again. This assistance was only provided because what you all do is so critical to our country and our economy. The PSP funds are provided to ensure our team members can continue their outstanding work providing a critical service through this crisis.

By accepting these funds, we have happily agreed to not involuntarily furlough or reduce the hourly pay rates of our U.S.-based team members through Sept. 30, at which point we hope and expect that Americans are regularly flying again.

We fought hard for this legislation on behalf of American and all of you — and it was a privilege to do so. We are extremely thankful to the administration and Congress for working in a bipartisan effort to protect airline jobs and ensure a strong and competitive national airline system. We are also thankful for the incredible support and encouragement provided by our team and union partners.

This financial assistance is just the beginning, though. We have much work ahead. We need to continue providing critical air service and safely serving those who need to travel. People who are flying today are doing so for important reasons, including medical professionals getting to where they are most needed and family members getting to where they feel most safe. You all are doing an amazing job of caring for those customers safely and professionally, and you are making an important difference in the world.

We continue to take aggressive self-help measures to control every cost we possibly can while still taking care of our customers and team members. In addition to efforts we've previously announced, we recently significantly reduced our flying to LGA, JFK and EWR, and are paring back our schedule for June and beyond. Our early out and paid leave results were encouraging with approximately 32,000 team members electing to either retire or move to a reduced work or paid leave status, and at team members' requests, we are reopening the window to allow additional time to apply.

We will get through this together, and today's announcement is an important step and a great display of confidence in the American Airlines team. We are proud to stand beside you and look forward to working together to get America moving again.

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