UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

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John Karas, Constatinos Karageorgis, John Carlisle, Michael Mammola, Michael Milks, John Case, Michael McGrath, Michael Schatz, Robert Lynch, Seth Naugler, and Adam Kling, on behalf of themselves individually and all similarly situated former East Pilots and LUS Pilots of US Airways,

COMPLAINT

JURY TRIAL DEMANDED

Plaintiffs,

-against-

Allied Pilots Association; East Pilots Seniority Integration Committee; US Airways, Inc., American Airlines, Inc.; U.S. Airline Pilots Association; USAPA Merger Committee,

Defendants.

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Plaintiffs John Karas ("Karas"), Constatinos Karageorgis, John Carlisle, Michael Mammola, Michael Milks, John Case, Michael McGrath, Michael Schatz, Robert Lynch, Seth Naugler, Adam Kling and those similarly situated former US Airways pilots (hereinafter "East Pilots") and former Legacy US Airways pilots who had been furloughed by US Airways (hereinafter "LUS Pilots") (collectively, "Plaintiffs"), by and through their attorneys, The Boyd Law Group, PLLC, hereby submit the following Complaint against the Defendants Allied Pilots Association ("APA"), East Pilots Seniority Integration Committee ("EPSIC"), US Airways, Inc. ("US Airways"), American Airlines Inc. ("American Airlines"), US Airline Pilots Association ("USAPA"), and USAPA Merger Committee (collectively herein, "Defendants") and allege as follows:

NATURE OF THE ACTION

1. Plaintiffs complain pursuant to the McCaskill-Bond Act ("McCaskill-Bond"), 49 U.S.C. § 42112, *et seq.* and the Railway Labor Act, 45 U.S.C. §§ 151, *et seq*. ("RLA") seeking

declaratory judgment that the current pilot Seniority List Integration ("SLI") Arbitration, which commenced on September 29, 2015 (the "Arbitration"), is inconsistent with the letter and intent of such laws as it pertains to the implementation of the US Airways and American Airlines merger.

2. Plaintiffs seek, in addition, to enjoin Defendants from improperly advocating for and/or recklessly integrating pilot operations without fairly representing the interests of Plaintiffs. Defendants' conduct to date breaches the duty of fair representation to Plaintiffs and the right to fair and equitable integration of seniority for all covered employees pursuant to McCaskill-Bond by, among other things, submitting and allowing to be submitted pilot seniority integration lists with erroneous dates of hire and dates of birth for the East Pilots,[1] subjecting those pilots to arbitrary and capricious downgrading of their position on the integrated seniority list which will be ratified as part of the U.S. Airways-American Airlines merger.

3. Virtually all aspects of an airline pilot's employment rights and entitlements are based upon a seniority system, including, but not limited to, salary, benefits, equipment preference, flight route preference, geographic "home base" preference and pension. As a result, the damage and harm being inflicted upon Plaintiffs by this arbitrary and capricious conduct and process will cause injury and economic harm with immediate impact and harm for the rest of the Plaintiffs' careers and retirement.

4. Plaintiffs complain for breach of contract for Defendants' abandonment of obligations to credit as much as seven hundred thirty (730) days of service credit, ("Letter G"), for furlough time from US Airways between September 11, 2001 to January 30, 2015 as

[1] Upon information and belief, the East Committee list was submitted with errors but corrected, the West Committee list still has inaccurate dates of hire and, upon information and belief, the APA list still has incorrect dates of birth and hire.

promised and set forth initially in the Joint Collective Bargaining Agreement (hereinafter "JCBA") (Letter G") memorialized in writing and effective January 30, 2015.

5. This breach has adversely impacted and harmed (and will continue to harm) sixty-three (63) Legacy US Airways Pilots ("LUS Pilots") who were furloughed from their service as pilots for US Airways, Inc. and ultimately recalled to US Airways, Inc., after the September 11, 2001 tragedy, depriving them of promised and contractually bargained for (and ratified) vacation and pay credit and consequently current and future pay increases due and owing pursuant to the JCBA.

6. The willful failure and refusal of defendants APA, American Airlines and the committees to meaningfully advocate on behalf of those sixty-three LUS Pilots for receipt of their collectively bargained Letter G furlough credit, is an additional breach of the duty of fair representation to those LUS Pilots. Moreover, upon information and belief, it was APA that arbitrarily removed the credit from this disfavored group of pilots and though APA has indicated that it is reviewing this decision, once SLI has been completed and the merger implemented, it is unlikely that such errors will ever, or could ever, be rectified.

7. The unspeakably tortured process of seniority list integration which has been going forward, not only has compromised the duty of fair representation rights of the LUS Pilots and East Pilots, but directly contravenes the chief intent, purpose and process set forth in, but not limited to, McCaskill-Bond, the RLA, and the very collectively bargained and negotiated agreements attendant to the US Airways-American Airlines merger, most notably the 2013 Memorandum of Understanding Regarding Contingent Collective Bargaining Agreement ("MOU"), the Seniority Integration Protocol Agreement ("Protocol Agreement") and the JCBA.

THE PARTIES

8. At all times relevant herein, Plaintiff Karas was and is a resident of the County of Pinellas in the state of Florida.

9. At all times relevant herein, Plaintiff Karageorgis was and is a resident of Broome County and State of New York.

10. At all times relevant herein, Plaintiff Carlisle was and is a resident of the County of York and the State of Pennsylvania.

11. At all times relevant herein, Plaintiff Mammola was and is a resident of the County of Dauphin and the State of Pennsylvania.

12. At all times relevant herein, Plaintiff Milks was and is a resident of the County of Berks and the State of Pennsylvania.

13. At all times relevant herein, Plaintiff Case was and is a resident of the County of Berks and the State of Pennsylvania.

14. At all times relevant herein, Plaintiff McGrath was and is a resident of the County of Waitsfield and the State of Vermont

15. At all times relevant herein, Plaintiff Schatz was and is a resident of the County of Bucks and the State of Pennsylvania.

16. At all times relevant herein, Plaintiff Lynch was and is a resident of the County of Dauphin and the State of Pennsylvania.

17. At all times relevant herein, Plaintiff Naughler was and is a resident of the County of Montgomery and the State of Pennsylvania.

18. At all times relevant herein, Plaintiff Kling was and is a resident of the County of Lancaster and the State of Pennsylvania.

19. The Defendant Allied Pilots Association is an unincorporated association with a principal place of business in Fort Worth, Texas.

20. The Defendant US Airways, Inc. is a Delaware corporation having its principal place of business in Tempe, Arizona. Defendant US Airways is a commercial airline with national and international operations, and is an "air carrier" within the meaning of 49 U.S.C. § 42112, note § 117(b)(1).

21. The Defendant American Airlines, Inc. is a Delaware corporation having its principal place of business in Fort Worth, Texas. Defendant American Airlines is a commercial airline with national and international operations, and is an "air carrier" within the meaning of 49 U.S.C. § 42112, note § 117(b)(1).

22. The Defendant East Pilots Seniority Integration Committee ("EPSIC"), is a committee formed by the APA to negotiate and arbitrate with regard to the issue of seniority list integration in the US Airways – American Airlines merger.

23. The Defendant US Airline Pilots Association ("USAPA") is an unincorporated labor association with a principal place of business in Charlotte, North Carolina.

24. The Defendant USAPA Merger Committee is a committee formed by USAPA to negotiate and arbitrate with regard to the issue of seniority list integration in the US Airways – American Airlines merger.

JURISDICTION AND VENUE

25. This Complaint asserts a claim arising under the Railway Labor Act, 45 U.S.C. section 151, *et seq.*, and seeks declaratory judgment pursuant to 28 U.S.C. § 2801 and injunctive relief pursuant to Federal Rule of Civil Procedure 65(b). This Court further has authority to enter declaratory and other relief pursuant to 28 U.S.C. §§ 2201 and 2202, and Rule 57 of the Federal Rules of Civil Procedure.

26. This Court has original federal question jurisdiction over the claims as against Defendants pursuant to 28 U.S.C. § 1331 and 49 U.S.C. § 42112.

27. Venue is proper in the Northern District of New York pursuant to 28 U.S.C. § 1391(b) in that:

a. Defendants regularly solicit and conduct business in this district and a substantial part of the events giving rise to Plaintiffs' claims occurred in this district; and/or

b. A substantial part of the events or omissions giving rise to the claims occurred in this district or were directed at affecting one or more Plaintiffs in that district.

28. Any requirement to exhaust intra-union hearing procedures is satisfied because internal union remedies here are illusory and futile at this juncture and based upon the present factual record.

29. This matter is ripe inasmuch as the current arbitration includes, *inter alia*, submission of incorrect pilot data, collusion of the parties for SLI manipulation, a failure to comply with the requirements of McCaskill-Bond, representational interference under the RLA, failure to abide by the Protocol Agreement, undue influence by virtue of a prior court ruling, a process that is inconsistent with federal law, and Plaintiffs have not been paid, and continue not to be paid with each payroll cycle, in accordance with a contractual entitlement that was collectively bargained for but subsequently withheld.

FACTS

Factual History and Background

30. On or about September 2005 U.S. Airways ("US Airways") merged with America West Airlines ("America West").

31. At the time of the merger, one union, the Air Line Pilots Association ("ALPA"), represented all union members, and negotiations were attempted to secure an integrated list for purposes of determining, *inter alia*, seniority and attendant pilot rights within the resulting single airline.

32. A single integrated list was never resolved, however, in part because of meaningful contention between former pilots of America West (hereinafter the "West Pilots") and former US Airways pilots (as previously defined as the "East Pilots").

33. In April 2008, still without resolution of seniority issues, a new union, US Airline Pilots Association ("USAPA"), was certified as the collective bargaining representative of all the West Pilots and the East Pilots.

34. In April 2012, with the prior US Airways-America West seniority issues still unresolved, and operating under two separate seniority lists and two separate union contracts, (the "status quo") US Airways declared its intent to pursue a merger with American Airlines ("American Airlines").

35. Upon information and belief, US Airways engaged in preliminary discussions and/or negotiations with APA even prior to the announcement of the US Airways-American Airlines merger without the participation of USAPA.

36. Shortly thereafter, US Airways entered into negotiations with Allied Pilots Association ("APA"), the American Airlines pilots' union, regarding labor terms. This was again done without the participation of USAPA.

37. USAPA, still without a resolution in full amongst its unit members on seniority, was eventually included in the collective bargaining process.

38. In fact, USAPA tasked a USAPA Merger Committee to represent the different positions of East and West pilots with regard to the issue of seniority list integration.

39. This merger committee was comprised of three East Pilots and two West Pilots.

40. Between late 2012 and early 2013 American Airlines, US Airways, USAPA and the APA, negotiated a Memorandum of Understanding regarding Contingent Collective Bargaining Agreement (hereinafter "MOU").

41. The MOU specifically provided, in Paragraph 10(h), that "US Airways agrees that neither this Memorandum nor the [Joint Collective Bargaining Agreement] shall provide a basis for changing the seniority lists ["Status Quo Lists"] currently in effect at US Airways other than through the process set forth [the McCaskill-Bond Amendment]."

42. The USAPA Board of Pilots representatives voted to approve the MOU on January 4, 2013.

43. Ultimately a majority of voting pilots also voted in favor of the MOU including 1,017 of the 1,041 West Pilots who voted.

44. The MOU affected rates of pay and working conditions for all Legacy American Airlines ("LAA") and Legacy US Airways pilots and established the framework whereby the parties would integrate pilot seniority lists for the two carriers pending an approved merger utilizing a process inconsistent with McCaskill-Bond.

45. Upon information and belief, the MOU was designed in part to create representational interference, by disallowing for the commencement of SLI arbitration, until such time as only the APA exclusively controlled the process.

46. As required by the MOU, a Seniority Integration Protocol Agreement ("Protocol Agreement") was signed on September 4, 2014.

47. The Protocol Agreement was, in part, a settlement for withdrawal of a prior litigation regarding McCaskill-Bond between USAPA as plaintiff and against US Airways, American Airlines and APA.

48. In or about September 2014, the National Mediation Board ("NMB") issued a single carrier finding resulting in APA becoming the sole and exclusive collective bargaining agent for all LUS and LAA pilots, as well as the decertification of USAPA the union.

49. With the APA serving as the sole and exclusive representative for all LAA and LUS pilots, representation for the LUS East pilots for the SLI was now governed by the APA endorsed USAPA Merger Committee.

50. Contractually, via the Protocol Agreement, governing documents of USAPA remained in place. A USAPA Board of Representatives had to approve expenditures for the APA's USAPA Committee, and APA's USAPA Merger Committee relied on union dues collected prior to USAPA being de-certified to fund its expenses.

51. As such, the Protocol Agreement provided for and effectively allowed the APA to circumvent its newly acquired representational requirements under the RLA, by outsourcing the representation for the East Pilots for the SLI, to a now decertified union, USAPA -- after the NMB had determined APA to be the sole exclusive collective bargaining agent for all pilots at American Airlines.

52. A January 9, 2015 preliminary Arbitration Board award, in fact, determined that the APA's endorsed USAPA Merger Committee, "has neither obligations nor responsibilities to any bargaining unit members."

53. The Protocol Agreement provides that "[w]hereas, consistent with Section 13(b) of the Allegheny/Mohawk LPP's, Section 10.f. of the MOU provides that '[a] Seniority Integration Protocol Agreement consistent with McCaskill-Bond and this Paragraph 10' would 'set forth the process and protocol for conducting negotiations and arbitration' in the agreed seniority integration process …"

54. After becoming hopelessly entangled in a snarl of protracted and related litigation pertaining to the America West and American Airlines mergers, USAPA the committee withdrew from the seniority list arbitration proceeding in or about June 2015 leaving East Pilots without any representation of consequence.

55. The USAPA Committee withdrew as a party under the Seniority Integration Protocol Agreement and the Ground Rules entered by the Panel.

56. Their withdrawal letter stated in part, "The decision of the United States Court of Appeals for the Ninth Circuit in *Addington, et al v. USAPA*, requires that the USAPA Merger Committee permanently withdraw from this proceeding. The order directed by the court of appeals prohibits USAPA from participating in the McCaskill-Bond process subject to an exception that the position of the USAPA Merger Committee submitted to the Panel does not satisfy. The USAPA Merger Committee is therefore prohibited by the court of appeals' decision from further participation."

The Breach of Contract and Duty of Fair Representation Pursuant to Letter G

57. All 63 LUS Pilots who are being denied their Letter G furlough credit were hired in 2004 by US Airways, and subsequently furloughed in the years 2005 and 2006. The same bargaining agent, ALPA, also represented these pilots, as they were all of the same craft and class.

58. These LUS Pilots received their furlough notices from US Airways, Inc. and were granted all contractual benefits of that US Airways, Inc. furlough.

59. All 63 LUS pilots were then recalled to US Airways in or about 2007, again this was done in accordance with the US Airways collective bargaining agreement.

60. In conjunction with ratification of the MOU, the newly merged entity ("New American") and APA established a joint collective bargaining agreement ("JCBA") for the US

Airways-American Airlines merger, which was ratified by the APA membership on or about January 30, 2015.

61. Letter G to the ratified JCBA, provides in relevant part that:

> All "New American Airlines" Pilots (LUS and LAA) furloughed after September 11, 2001 will have the length of time they were on furlough added to their total accredited service in accordance with the following guidelines.
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> 1. Pilots involuntarily furloughed after September 11, 2001 who have returned to active status or accepted recall by January 30, 2015 shall have up to two (2) years Company service restored for vacation accrual and pay (LOS credit).

62. The intent and purpose of Letter G to the JCBA was to provide pilots that had been furloughed from Legacy American Airlines ("LAA") or LUS with up to an additional two years longevity credit for salary and vacation purposes for time spent on furlough.

63. Consistent with this contractual entitlement, on or about March 24, 2015, the contract compliance chairperson of Defendant APA sent an e-mail to LUS Pilots detailing the Letter G credit and stating "[t]his credit applies to pilots who were furloughed after 9/11 and have returned, or given notice of intent to return, to active service on or before Jan. 30[, 2015]."

64. The March 24, 2015 e-mail stated that "[t]he lists that are linked in this email … contain all LUS pilots who qualify for up to two years of length of service ("LOS") for pay and vacation purposes as provided for in the 2015 JCBA," and the pilots including plaintiffs were invited to review the list.

65. Sometime thereafter, in or about the fall of 2015, certain East Pilots began noticing salary credit adjustments being made to their bi-monthly electronic pay stubs as a result of the Letter G credit adjustment.

66. Through discussions among and between East Pilots, it was determined that while some pilots were receiving the Letter G credit adjustment, other pilots were not.

67. No explanation for this discriminatory exclusion of the LUS Pilots, who objectively met the requirements for Letter G credit, was provided, but upon information and belief, this was being done at the behest of the West Pilots' representatives and to give APA greater advantage in the SLI arbitration scheduled to commence later in the year.

68. Upon further information and belief, APA wanted the freedom to trade the interests of some of its members in exchange for enhanced benefit to others in willful dereliction of their legal duties and obligations.

69. APA legal counsel at one time indicated that the Letter G credit should be given to the 63 LUS Pilots, yet but has neither given the credit nor meaningfully advocated for this result in the pending arbitration proceeding.

70. In response to inquiries made on behalf of the LUS Pilots regarding their failure to receive the Letter G credit adjustment, correspondence from APA's attorneys stated that this continued non-receipt of the Letter G credit by the LUS Pilots "is an issue under consideration at APA."

71. As a result of the improper withholding of the Letter G credit, at least 63 LUS East Pilots have been, and continue to date to be, denied pay raises and benefits resulting from the loss of up to two years of service credit under Letter G to the JCBA.

72. The withholding of the Letter G furlough credit from the 63 LUS pilots is arbitrary, discriminatory and/or in bad faith and constitutes a breach of the duty of fair representation to the affected pilots.

Breach of the Duty of Fair Representation in the Arbitration Process

73. In or about June 2015, APA's USAPA committee, working with attorney William Wilder ("Wilder") submitted false data along with incorrect information on its pilot seniority list

for the East Pilots. The list contained completely inaccurate dates of hire and dates of birth for some East Pilots.

74. Wilder and USAPA Merger Committee entered into a Stipulation Agreement, affecting rates of pay and working conditions, along with the West Pilots, the American Airlines Pilots Seniority Integration Committee ("AAPSIC") and the company, which stated in part "A pilot's credited Length of Service will exclude service at regional affiliate (e.g., American Eagle, Mid Atlantic)", memorializing this falsified information with no participation or advocacy by APA, and in violation of the RLA, thereby further tainting the proceedings.

75. In or about June 2015, the USAPA Merger Committee withdrew from the proceeding and was replaced by an APA appointed East Merger Committee, again with Wilder as the legal representative.

76. With the new East Merger Committee in place, and with pressure from some LUS pilots, including Plaintiffs, updated Stipulations were agreed to correcting the false and incorrect previous Stipulation, which the Company, upon information and belief, had negotiated in bad faith, absent the APA and in violation of the RLA.

77. The newly appointed East Merger Committee, made these corrections to the previous seniority list the USAPA Committee had submitted, correcting, among other things, improper and erroneous data, including dates of hire and dates of birth for some East pilots.

78. Upon information and belief, the AAPSIC Committee, has refused to abide by the changes made to the corrected East Seniority List.

79. In a preliminary arbitration brief, the AAPSIC Committee stated, the following:

> As discussed above, on September 11, 2015 the EPSIC produced an "update" of the East seniority list certified by the USAPA Merger Committee in April 2015. The AAPSIC's preparation of its proposal and case-in-chief was substantially complete when the EPSIC produced the "updated" list; the AAPSIC is still reviewing the new information produced on September 11, 2015, and seeking

> to reconcile the differences between the two East lists. Accordingly, the proposed exhibits being submitted by the AAPSIC are based on the prior USAPA-certified East list, including the job calculations utilized in constructing the ratios and adjusted ratios discussed below. The AAPSIC reserves the right to update its presentation as appropriate based on the EPSIC "updated" East list.

80. The AAPSIC Brief was submitted on September 19, 2015 and, upon information and belief, the last update to their combined seniority list was on September 15, 2015.

81. Upon information and belief, the West Committee, has refused to abide by the changes made to the corrected East Seniority List.

82. The West Committee further refuses to abide by the Protocol Agreement.

83. On or about September 29, 2015, arbitration was commenced to resolve the seniority integration issues among unit members at the New American Airlines.

84. The process concluded on January 15, 2016 and a schedule has been set for post-hearing briefing and an eventual award.

85. APA and American Airlines attended and participated in this process, though in reality APA acted mostly as an observer while the American Airlines professed neutrality with respect to seniority integration issues. Upon information and belief, American Airlines has been simultaneously bargaining with the three Merger Committees regarding implementation.

86. Three (3) different APA appointed committees represented pilots at the arbitration proceeding: AAPSIC represents the interests of pilots from Legacy American Airlines, one committee represents East Pilots ("EPSIC") (the "East Committee") and one represents West Pilots (the "West Committee").

87. During the course of the arbitration, the APA appointed East Committee operated under pressure and threat of federal court sanctions and restrictions imposed by prior court rulings and did not advocate or articulate the interests or positions of East Pilots.

88. Defendant APA, tasked its own Philadelphia and Charlotte (the bases where most US Airways pilots are based) representatives to staff a new East Merger Committee within a restrictive seven (7) day period.

89. The three East Committee members selected, and attorney Wilder, were required to do in a matter of weeks what the other committees had many months, if not years, to accomplish.

90. In addition, since the West pilots had succeeded in freezing USAPA's funding, the APA's East committee worked with a fraction of the resources of the other committees.

91. APA and American Airlines, by virtue of not providing all eligible East pilots with Letter G credit before the arbitration, permitted the West Committee to discount the service entitlements of such pilots and thus taint the arbitration. This material misstatement was not refuted or corrected by the East Committee.

92. In addition the East Committee's positions were incompletely and inadequately presented in the arbitration, which, upon information and belief, was intentional and deliberate.

93. For example, the list submitted by the USAPA Merger Committee listed Plaintiff Karas with an incorrect date of hire and date of birth and contained similar errors for many East Pilots including the 63 LUS Pilots.

94. Pursuant to the Ninth Circuit decision in *Addington v. US Airline Pilots Ass'n*, 791 F.3d 967, 980-81 (9th Cir. 2015) this matter is ripe at present as the duty of fair representation "applies to all union activity, including contract negotiation."

The Seniority Integration Arbitration Process is Not Fair or Equitable

95. Section 3 of the Allegheny-Mohawk Labor Protection Provisions ("LPPs") established the fair and equitable standard for seniority integration, stating:

> Insofar as the merger affects the seniority rights of the carriers' employees, provisions shall be made for the integration of seniority lists in a fair and equitable manner, including, where applicable, agreement through collective bargaining between the carriers and the representatives of the employees affected. In the event of failure to agree, the dispute may be submitted by either part for adjustment in accordance with section 13.

96. Section 13 mandated arbitration of disputes with employees that arose in this process or under any of the other provisions of the Allegheny-Mohawk LPPs. Section 13 provides:

> a. In the event that any dispute or controversy (except as to matters arising under section 9) arises with respect to the protections provided herein which cannot be settled by the parties within 20 days after the controversy arises, it may be referred by any party to an arbitrator selected from a panel of seven names furnished by the National Mediation Board for consideration and determination. The parties shall select the arbitrator from such panel by alternatively striking names until only one remains, and he shall serve as arbitrator. Expedited hearings and decisions will be expected, and a decision shall be rendered within 90 days after the controversy arises, unless an extension of time is mutually agreeable to all parties. The salary and expenses of the arbitrator shall be borne equally by the carrier and (i) the organization or organizations representing employee or employees or (ii) if unrepresented, the employee or employees or group or groups of employees. The decision of the arbitrator shall be final and binding on the parties.
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> b. The above condition shall not apply if the parties by mutual agreement determine that an alternative method for dispute settlement or an alternative procedure for selection of an arbitrator is appropriate in their particular dispute. No party shall be excused from complying with the above condition by reason of having suggested an alternative method or procedure unless and until that alternative method or procedure shall have been agreed to by all parties.

97. The Protocol Agreement provides that the SLI Arbitration is to be consistent with Section 13(b) of the Allegheny Mohawk LPPs.

98. Allegheny Mohawk LPP's are only applicable to Seniority List Integration, not merger implementation.

99. Section 13 has been consistently interpreted by the Civil Aeronautics Board ("CAB") to require arbitration between the carrier and the employee groups or their representatives, if unionized, not between the employee groups or union representatives themselves.

100. The current arbitration is exclusively between APA-appointed committees. As such, the current arbitration is contrary to and in violation of the requirements of; *inter alia*, McCaskill-Bond, Allegheny Mohawk Section 13, the RLA, and the Protocol Agreement.

101. Through the use of private agreements, including the MOU and Protocol Agreement, American Airlines, APA, and USAPA, have circumvented their legal obligations under McCaskill-Bond, by preventing and avoiding the required protections of Section 13 of Allegheny Mohawk.

102. Federal courts have previously ruled that independent merger committees, inclusive of a West Merger Committee, were prohibited from taking part in the McCaskill Bond process. Here, the West Committee has been appointed and injected into the process.

103. The MOU and the Protocol Agreement have been repeatedly breached throughout the course of SLI Arbitration, e.g., the Status Quo Lists in effect on December 9, 2013 are repeatedly being excluded.

104. The Protocol Agreement specifically provided that "[w]ithin 10 days of either the execution of this Protocol Agreement or the receipt from American of the information described in a. below, whichever is later, the Merger Committees shall compile, verify, certify and exchange (in electronic Excel format whenever possible) employment data for each pilot on their respective pre-merger seniority lists, as follows, subject to modification for accuracy."

105. Upon information and belief, such verification and certification has never taken place as the Seniority List Integration arbitration has been proceeding with three (3) separate lists

of pilot employment data some of which still contain numerous inaccuracies with regard to dates of hire and dates of birth for the affected East Pilots.

106. Subjecting a disfavored group of East Pilots to a Seniority List Integration process that willfully ignores true and correct dates of hire and instead determines seniority based on inaccurate dates of hire is arbitrary and capricious and cannot possibly be considered fair or equitable to those adversely affected pilots.

Class Action Allegations

107. Plaintiffs bring this action, pursuant to Rule 23 of the Federal Rules of Civil Procedure ("Rule 23"), on their own behalf individually as well as on behalf of the East Pilot Class and LUS Pilot Sub-Class of all persons similarly situated.

108. The East Pilot Class consists of all East Pilots who are on the New American Airlines seniority list currently being presented and utilized in the pending seniority list integration arbitration process.

109. The LUS Pilot Sub-Class consists of all LUS Pilots who were furloughed by US Airways between September 11, 2001 and January 30, 2015 presently being denied their furlough salary and vacation benefits credit pursuant to Letter G of the JCBA.

110. The membership of the East Pilot Class has approximately three thousand one hundred (3,100) affected members, such that the class meets the numerosity requirement of Rule 23 in that that joinder of all such persons is impracticable.

111. The membership of the LUS Pilot Sub-Class has approximately sixty-three (63) affected members, such that the class meets the numerosity requirement of Rule 23 in that that joinder of all such persons is impracticable.

112. Common questions of law and fact affecting the members of the putative East Pilot Class predominate satisfying the commonality requirement of Rule 23.

113. Common questions of law and fact affecting the members of the putative LUS Pilot Sub-Class predominate satisfying the commonality requirement of Rule 23.

114. The standing of the named Plaintiffs to enjoy and protect the duty of fair representation and McCaskill-Bond rights arise from their status as affected East Pilots and is, therefore, the same as that for any other putative East Pilot class member.

115. The standing of the named Plaintiffs to enjoy and protect the duty of fair representation and contractual rights arise from their status as affected LUS Pilots and is, therefore, the same as that for any other putative LUS Pilot Sub-Class member.

116. The named Plaintiffs will fairly and adequately represent the interests of the putative East Pilot Class and putative LUS Pilot Sub-Class in that: i) They have moral and financial support from many East Pilots and the East Pilots formerly furloughed by US Airways being denied Letter G credit; ii) one or more of the putative class and sub-class will suffer the kind of injuries that will be suffered by other East Pilots if the seniority integration arbitration process continues and by the other LUS Pilots Sub-Class if their Letter G contractual rights continue to be ignored and are extinguished; iii) Each named plaintiff has a good understanding of the issues underlying this putative class action and collectively have demonstrated a willingness to invest the necessary time and efforts to fulfill their duties as representative class members.

117. Material questions of law and fact arising from this action are common to the named Plaintiffs and other members of the putative East Pilot Class and putative LUS Pilot Sub-Class; these include the following: i) Whether the named Plaintiffs and other East Pilot Class and LUS Pilot Sub-Class members have standing to obtain the relief requested in this action; ii) Whether the seniority list integration arbitration process has deprived the East Pilot Class and LUS Pilot Sub-Class members with a duty of fair representation; iii) Whether the East Pilot

Class and LUS Pilot Sub-Class are entitled to injunctive remedy to prevent a seniority list integration process that is not fair or equitable in violation of McCaskill-Bond and the RLA; and iv) Whether under the common benefit doctrine APA must pay Plaintiffs' reasonable litigation expenses that have been incurred enforcing APA's duty of fair representation, including all reasonable attorneys' fees and costs.

118. All East Pilots and LUS Pilots have the right, under the RLA, to the duty of fair union representation.

119. All East Pilots and LUS Pilots have an interest in APA adhering to its duty of fair representation by advocating on behalf of the interests of all East Pilots and presenting true and accurate information when advocating for a fair and equitable seniority list integration in the arbitration process.

120. Plaintiffs have retained counsel experienced in labor and employment law issues and class action litigation to prosecute these claims, satisfying the adequacy of representation requirement of Rule 23.

121. This underlying facts, circumstances and issues of this action merit Rule 23 class action treatment and eventual certification because the factors enumerated herein satisfy the requirements of Rule 23(a) and Rule 23(b)(1)(A).

COUNT I
(Breach of the Duty of Fair Representation Against APA, American Airlines, EPSIC and the USAPA Merger Committee)

122. Plaintiffs repeat and reallege the allegations contained in the above paragraphs as if separately and fully set forth herein.

123. Pursuant to the duty of fair representation, Plaintiffs, and similarly situated East Pilots and LUS Pilots are entitled to full and fair representation of their interests by a bargaining agent committed to such interests.

124. APA, American Airlines, EPSIC and the USAPA Merger Committee, encumbered by the above-referenced restrictions and as a result of tortured involvement in prior litigation, are unable or unwilling to provide such advocacy of fair representation for Plaintiffs.

125. APA, American Airlines, EPSIC, AAPSIC, the West Merger Committee, and the USAPA Merger Committee refuse to abide by the MOU and the Protocol Agreement with respect to seniority integration.

126. The conduct of APA, American Airlines, EPSIC and the USAPA Merger Committee reflects an arbitrary and discriminatory distinction among represented pilots based on a) former affiliation with another collective bargaining representative; and b) former employment.

127. As such, Plaintiffs are entitled to a judgment finding that APA, American Airlines, EPSIC and the USAPA Merger Committee have breached their duty of fair representation to Plaintiffs.

COUNT II
(Breach of Contract)

128. Plaintiffs repeat and reallege the allegations contained in the above paragraphs as if separately and fully set forth herein.

129. In the Letter G to the collectively bargained and ratified JCBA, the US Airways pilots who were furloughed from and recalled to US Airways were promised up to two (2) years of service credit for their time on furlough with regard to the accrual of salary and vacation benefits.

130. To date, as many as sixty-three (63) of these LUS Pilots have been and continue to be denied the salary and vacation accrual adjustments as was contractually obligated by Letter G and the JCBA.

131. The failure of APA and American Airlines to comply with their contractual obligations is also resulting in harm to the affected LUS Pilots in the seniority integration process, as their non-receipt of Letter G credit is being used to support a downgrade in their seniority determinations.

132. As stated more fully above, Defendants have also disregarded various merger implementation provisions of the Protocol Agreement and MOU thereby breaching their contractual obligations under those agreements.

133. The MOU and the Protocol Agreement required that the Status Quo Lists be used yet the Defendants are allowing pilot seniority lists other than the Status Quo Lists to be used.

134. As a result of these contractual breaches, these individuals have suffered, continue to suffer and in the future with suffer additional economic harm and damages and future damages due to the loss of these salary and vacation credits.

135. As such, Plaintiffs are entitled to relief in an amount not readily ascertainable to but to be determined after a full and fair hearing of the merits of Plaintiff's claims at trial, including all reasonable attorney's fees and costs.

COUNT III
(Declaratory Judgment)

136. Plaintiffs repeat and reallege the allegations contained in the above paragraphs as if separately and fully set forth herein.

137. Under the RLA exclusive representation is required between the carrier and the NMB certified collective bargaining agent.

138. McCaskill-Bond states, that "[w]ith respect to any covered transaction involving two or more covered air carriers that results in the combination of crafts or classes that are subject to the Railway Labor Act, Sections 3 and 13 of the labor protective provisions imposed

by the Civil Aeronautics Board in the Allegheny-Mohawk merger shall apply to the integration of covered employees of the covered air carriers." 49 U.S.C. § 42112, note, § 117(a).

139. As set forth above, McCaskill-Bond requires that affected employees in an airline industry merger are entitled to an integration of seniority lists that is "fair and equitable."

140. McCaskill-Bond defines a "covered transaction" as "a transaction for the combination of multiple air carriers into a single air carrier . . . which involves the transfer of ownership or control of … 50 percent or more (by value) of the assets of the air carrier," and defines an "air carrier" as the holder of a certificate issued under. 49 U.S.C § 41101; 49 U.S.C. § 42112 note,§ 117(a).

141. McCaskill-Bond defines a "covered employee" as one who (i) is not a temporary employee; and (ii) is a member of a craft or class that is subject to the Railway Labor Act. 49 U.S.C. § 42112 note, § 117(a). Those covered employees are the intended beneficiaries of the McCaskill-Bond seniority integration statute.

142. The US Airways – American Airlines merger is a covered transaction and the Plaintiffs are covered employees under McCaskill-Bond.

143. The MOU and Protocol Agreement disallow for the protections afforded by McCaskill-Bond to be applied to the SLI, allowing for American Airlines, APA, and USAPA to circumvent their obligations, frustrating the intent of the statute.

144. McCaskill-Bond and Section 13 of the Allegheny Mohawk LPP's require arbitration to be between the carrier and the collective bargaining agent(s), if unionized, to arbitrate an integrated seniority list.

145. Here, instead, there are multiple committees negotiating seniority list integration issues, which is a clear and direct violation of the requirements of McCaskill-Bond with regard to seniority list integration.

146. There is a substantial controversy, between parties having adverse legal interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment

147. The Plaintiffs are entitled to a declaratory judgment that the SLI arbitration is fundamentally flawed and unfair and in violation of McCaskill-Bond's requirement that seniority integration be fair and equitable.

148. Accordingly, Plaintiffs are entitled to a declaratory judgment declaring that integration of the seniority lists of US Airways and American pilots is governed by and must be completed pursuant to Section 13(a) of the Allegheny-Mohawk LPPs and McCaskill-Bond.

149. The Plaintiffs are further entitled to declaratory judgment setting forth a fair and equitable process for seniority list integration for the all pilots affected by the post-merger American Airlines.

COUNT IV
(Injunctive Relief 49 U.S.C. § 42112 Against All Defendants)

150. Plaintiffs repeat and reallege the allegations contained in the above paragraphs as if separately and fully set forth herein.

151. EPSIC, APA and the USAPA have failed or refused to advocate or articulate the interests or positions of East Pilots and the LUS Pilots as inclusive of the Plaintiffs.

152. Incorrect and inconsistent date of hire data for East Pilots continues to be used for seniority list integration and the adverse impact of this arbitrary and capricious conduct will be irreparable harm to affected East Pilots who will suffer improperly downgraded seniority rankings which will continue to result in future harm through all aspects of salary, benefits and the increased exposure to future pilot furloughs – which will propagate even further seniority losses.

153. These actions have rendered the SLI arbitration process fundamentally flawed, unfair and in direct contravention of the chief directive of McCaskill-Bond that airline industry seniority integration be fair and equitable.

154. Plaintiffs have no adequate remedy at law should such arbitration proceed toward final resolution by virtue of having their rights and interests ignored and not presented in the arbitration process.

155. Plaintiffs shall be irreparably harmed should the Court not enjoin the Defendants from proceeding with the Arbitration.

156. The Plaintiffs are entitled to an injunction in favor of Plaintiffs and against the Defendants enjoining this SLI arbitration proceeding and vacating any resolution of same, if necessary.

157. The Plaintiffs are further entitled to injunctive relief against American Airlines, US Airways, and APA directing them to comply with the requirements of Section 13(a) of the Allegheny-Mohawk LPPs, and to participate with the East Pilots in resolving the seniority list integration dispute between the American and US Airways pilots under the requirements of Section 13(a) of the Allegheny-Mohawk LPPs.

158. The Plaintiffs are further entitled to an expedited hearing in order to prevent the extinguishment of any of their rights during the pendency of this action.

COUNT V
(Attorney's Fees)

159. Plaintiffs repeat and reallege the allegations contained in the above paragraphs as if separately and fully set forth herein.

160. APA has available resources numbering in several million dollars in reserve collected as dues and agency fees from all APA member East Pilots.

161. Plaintiffs have brought this action to vindicate the right of all East Pilots and LUS Pilots to fair representation by APA.

162. By prevailing in this action, Plaintiffs will have conferred a substantial benefit on all East Pilots and LUS Pilots.

163. Under common benefit doctrine, the expenses of achieving those benefits should, in all fairness, be spread among all class members who will have benefited from such efforts.

164. The expenses of achieving those benefits should be fairly shared by and among all pilots of the US Airways-American Airlines merger through APA.

165. As such, Plaintiff is entitled to relief of all of the attorney's fees, litigation expenses and costs incurred bringing this action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs named herein and those similarly situated, while reserving the right to seek additional damages and plead additional causes of action as may become known or available, demands judgment against Defendants as follows:

A. A declaratory judgment in favor of Plaintiffs against Defendants, declaring that the SLI arbitration is fundamentally flawed, unfair and in violation of McCaskill-Bond and the RLA;

B. A declaratory judgment that integration of the seniority lists of US Airways and American pilots must be completed pursuant to Section 13(a) of the Allegheny-Mohawk LPPs and McCaskill-Bond;

C. An injunction in favor of Plaintiffs and against the Defendants enjoining the SLI arbitration proceeding and vacating any resolution of same, if necessary;

D. i) To the extent possible, an injunction permanently requiring APA and American Airlines to participate in the dispute resolution procedures required by Section

13(a) of the Allegheny-Mohawk LPPs to resolve the seniority list integration dispute, including Court oversight of an arbitration hearing in accordance with Section 13(a) of the Allegheny-Mohawk LPPs, until completion of the requirements thereof for resolution of the seniority list integration dispute among the pilots of American Airlines and US Airways -- or, in the alternative -- to the extent the above is not practical ii) a Court implemented equitable remedy which will provide for the preservation of pilot status quo rights, including, but not limited to, injunctive relief implementing pay protection for pilots in their present class regardless of the outcome of the fundamentally flawed and inequitable seniority list implementation process which has been the product and result of the Defendants' collusion, unlawful conduct and breach of duty of fair representation to Plaintiffs;

E. Contractual damages in the amount not readily ascertainable but believed to be in excess of ten million dollars ($10,000,000), the precise and exact amount to be determined after a full and fair hearing of the merits of Plaintiffs' claims at trial;

F. Injunctive relief in favor of Plaintiffs and against the Defendants enjoining the SLI arbitration from proceeding to resolution and vacating any such resolution, if necessary;

G. An expedited hearing in order to prevent the extinguishment of any of their rights during the pendency of this action;

H. Reasonable attorney's fees, litigation expenses and costs incurred bringing this action; and

I. Such other and further relief as this Court deems just and proper

Dated: New York, New York
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