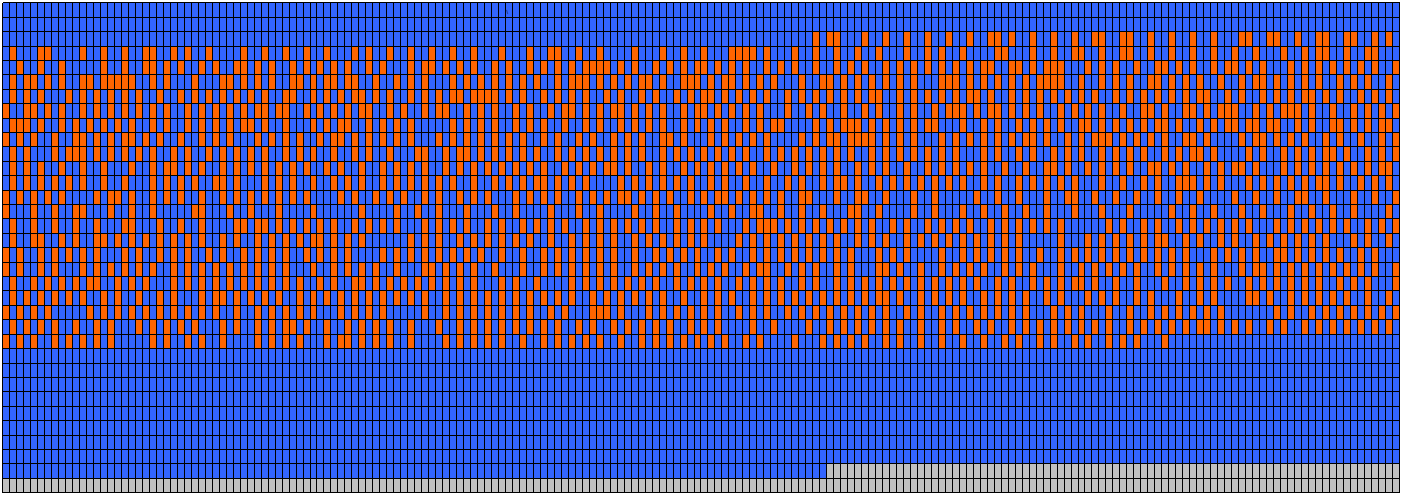


US Airways MEC Presentation to ALPA Executive Council

May 21, 2007

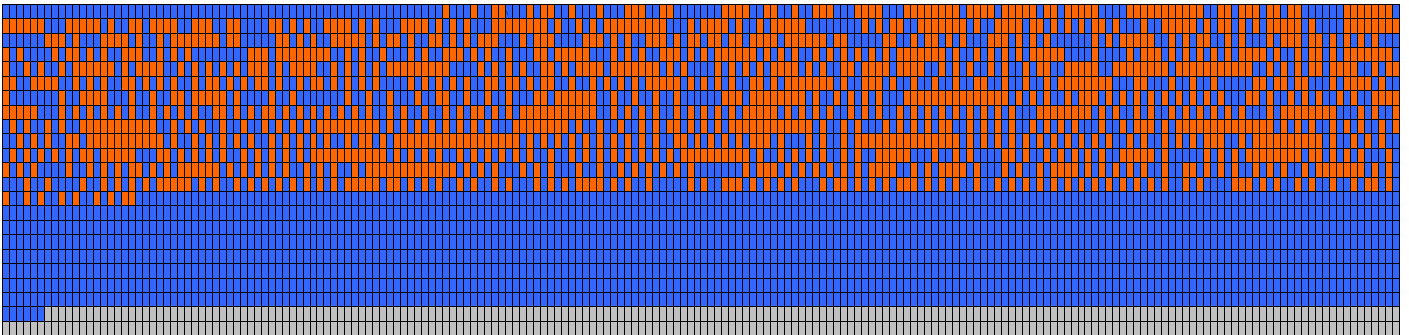
2007



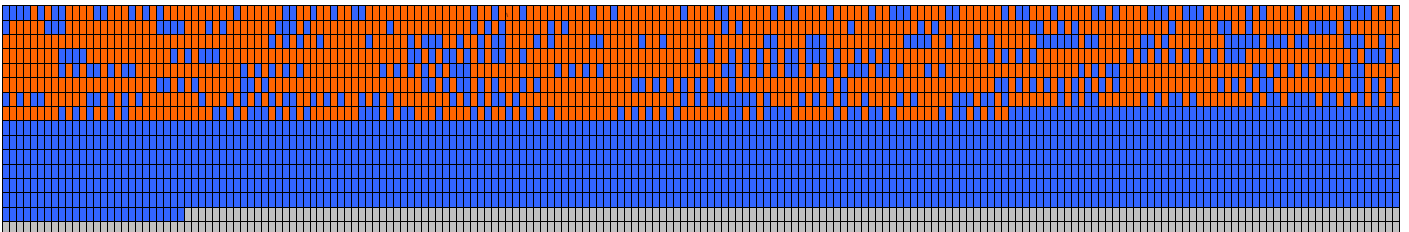
2011



2015



2019



US AIRWAYS MEC PRESENTATION TO ALPA EXECUTIVE COUNCIL
MAY 21, 2007

I. The Nicolau Award Violates ALPA Merger Policy.

The US Airways Merger Representatives submit that the Nicolau Award violates the requirements of ALPA Merger Policy and should be invalidated and remanded to another arbitrator for resolution consistent with the Merger Policy. The Merger Policy mandates that the award integrate the pre-merger seniority lists in a “fair and equitable” manner, “keeping in mind the following goals, in no particular order:

- a. Preserve jobs.
- b. Avoid windfalls to either group at the expense of the other.
- c. Maintain or improve pre-merger pay and standard of living.
- d. Maintain or improve pre-merger pilot status.
- e. Minimize detrimental changes to career expectations.”

Even though these provisions appear in the part of the Merger Policy addressing the Merger Representatives’ direct negotiations, they remain the standard for the Arbitration Board, as many such Boards have recognized. In the present case, however, the Board misread these provisions of Merger Policy in a way that demands action by the governing body charged with administration of the Policy. As we demonstrate below, the Nicolau Award conflicts in numerous ways with the second goal, the one barring “windfalls,” thus invalidating the award.

The award mixes US pilots with approximately 17 years of active service and no furlough time with AW new hires, who were still in initial ground school at the time of the announcement of the merger. It would deprive these same US pilots of their attrition-based promotional opportunities to Captain and wide body international Captain. Instead, it would transfer those promotional opportunities to AW new hires based on absurd and contradictory theories. ALPA Merger Policy prohibits such gratuitous destruction of one pilot group’s pay, lifestyle and careers in order to benefit the other group.

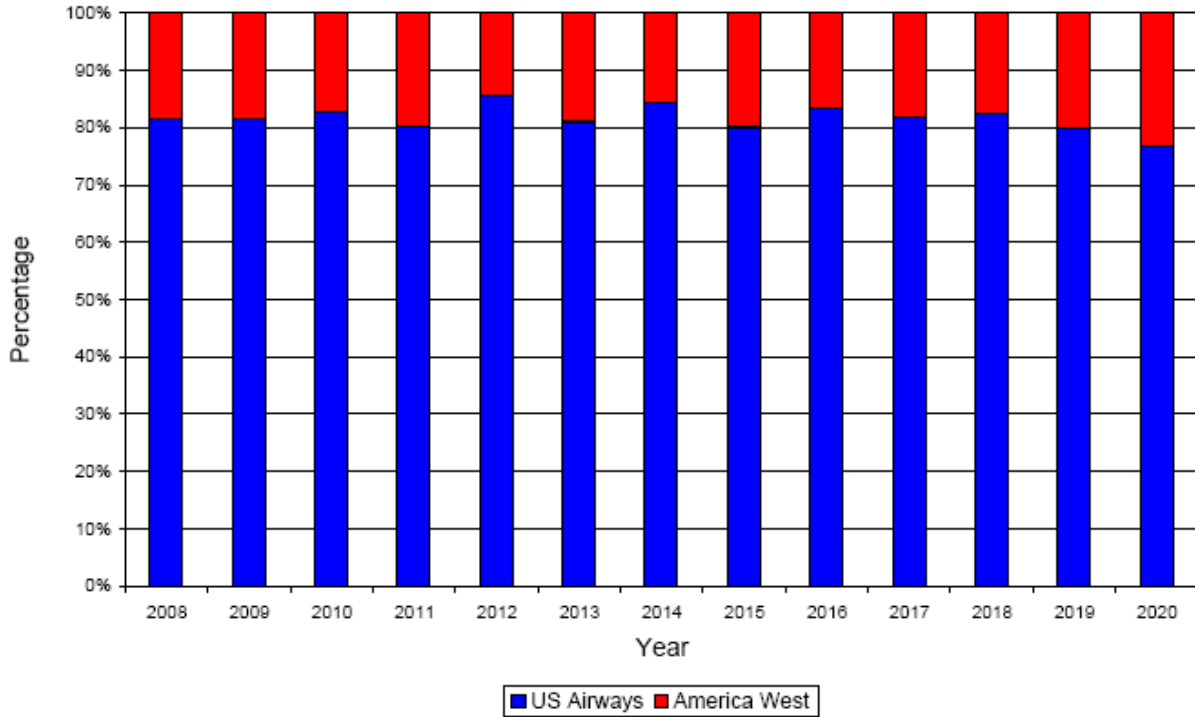
Displayed on the cover of our presentation booklet are color-coded depictions of the merged list attached to the Nicolau Award. They show that the aging of the list would permit AW pilots from the top to the bottom of their seniority list to reap windfall gains from the US pilots’ attrition, contrary to the Merger Policy’s ban on windfalls at the expense of the other group.

As seen over time, the US attrition at the top of the list would permit the AW pilots to dominate the top of the list, from which premium flying is traditionally bid. Wide body international Captain is now bid at US through the pilot who holds seniority number 1116 on the US list. As US attrition from this portion of the list occurs, AW pilots would be able to bid and be awarded wide body international Captain positions as soon as the merged list is implemented even though AW did not bring such flying to the merger.

At the other end of the AW list, the Nicolau Award integrates the junior AW pilot, hired on 4/4/05, senior to all of the US pilots who were actively flying EMB aircraft under the ALPA-US Airways CBA on 5/19/05, the date of announcement of the merger. Arbitrator Nicolau's Opinion incorrectly states that the US Merger Committee's Certified List shows these pilots as furloughed as of that date. In fact, our Certified List shows 326 of them, starting with Dean Colello, as flying at MDA on that date. Those pilots were paying dues to ALPA, flying EMB jet aircraft on the US certificate, pursuant to pay and other arrangements specified in the ALPA-US Airways CBA. First Officer Colello and several hundred of his colleagues are now actively flying Airbus and Boeing aircraft again, as they have for nearly twenty years of their piloting careers. Inserting AW pilots in initial ground school at the time of the merger ahead of them on the combined list would provide those AW pilots windfalls in accessing promotional opportunities and in job security that improperly come at the expense of these US pilots.

In addition to the 1,751 US pilots on the bottom of the list, the careers of US pilots with decades of continuous service at US would be devastated by the transfer of their unmerged promotional opportunities to junior (and younger) AW pilots interjected into their midst. At pages 11-16 of this booklet we have included a portion of the merged list detailing the windfalls achieved by very junior AW pilots at the expense of these veteran US pilots. AW pilots would leap ahead by up to six years in their Captain check-outs as the US pilots intermixed in the merged list with them would suffer delays in theirs or, worse yet, become career co-pilots. Similar redistribution of wide body international Captaincies would occur. On the date of the announcement of the merger, all of these US pilots had continuous service time of approximately 17 years, while all of the AW pilots whose names appear on these pages were still on probation. These windfall gains at the expense of the US pilots could have been avoided, as Merger Policy requires, but the Nicolau Award nevertheless fails to do so.

Source of Captain Vacancies



The US list provides roughly four times the attrition-generated promotions as the AW list, due to the higher average age of the US pilot group, as the chart above indicates.

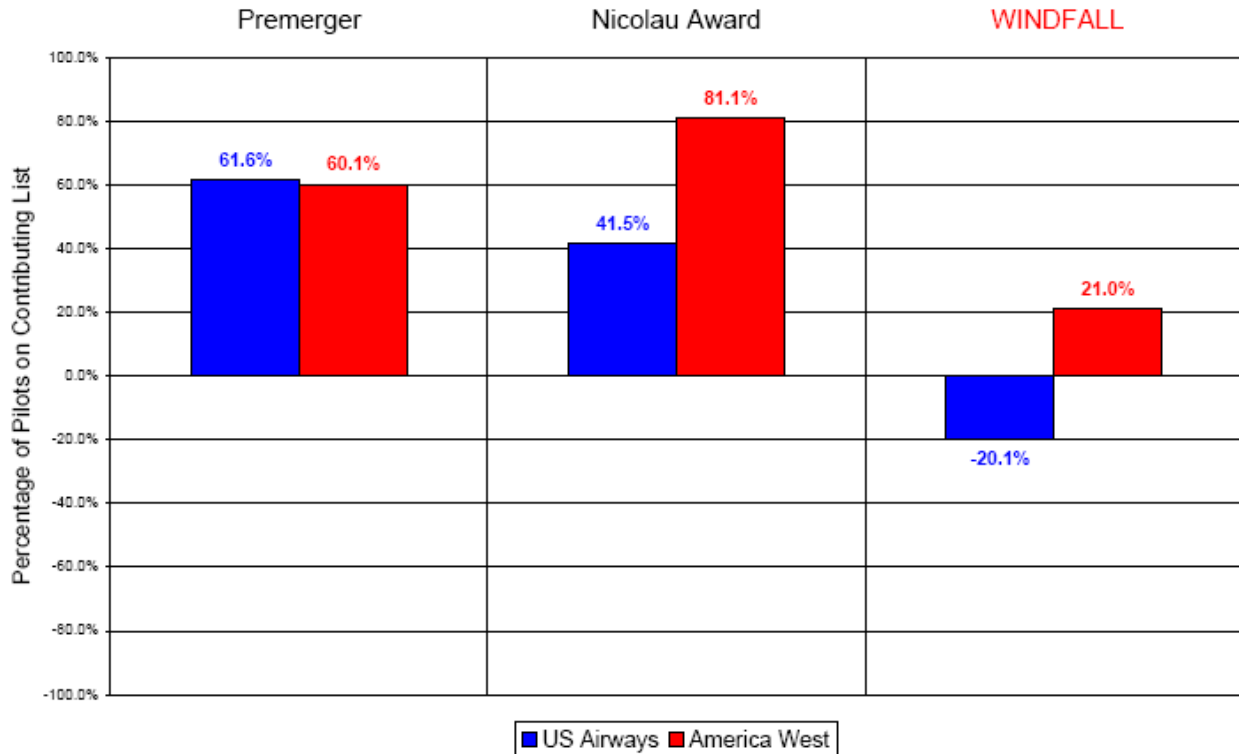
Our analysis of attrition is very conservative as it only reflects age 60 attrition. Many pilots will leave the list for reasons other than reaching the mandatory retirement age. For instance, during the last six years at US Airways, the actual attrition for other reasons was 80% of that due to pilots reaching age 60. If the retirement age is changed, pilots will continue to lose their medicals, die before the mandatory retirement age, take early retirement and get terminated. Since the most significant of these other reasons for leaving the list are age-related, the chart above actually understates the degree to which the US list will be the source of future Captaincies.

Effect of US Attrition (4 times greater than AW)

2007				2008				2009				2010				2010 Merged	
US		AW		US		AW		US		AW		US		AW		US & AW	
SN	Ret Yr	SN	Ret Yr	SN	Ret Yr	SN	Ret Yr	SN	Ret Yr	SN	Ret Yr	SN	Ret Yr	SN	Ret Yr	SN	Ret Yr
1	2007	1	2007	1	2008	1	2008	1	2009	1	2009	1	Monda	1	2010	1	2010
2	2007	2	2008	2	2008	2	2009	2	2009	2	2010	2	Colello	2	2011	2	2011
3	2007	3	2009	3	2008	3	2010	3	2009	3	2011	3		3	2012	3	2012
4	2007	4	2010	4	2008	4	2011	4	2009	4	2012	4		4	2013	4	2013
5	2008	5	2011	5	2009	5	2012	5	Monda	5	2013	5		5	2014	5	2014
6	2008	6	2012	6	2009	6	2013	6	Colello	6	2014	6		6	2015	6	2015
7	2008	7	2013	7	2009	7	2014	7		7	2015	7		7	2016	7	2016
8	2008	8	2014	8	2009	8	2015	8		8	2016	8		8	2017	8	2017
9	2009	9	2015	9	Monda	9	2016	9		9	2017	9		9	2018	9	2018
10	2009	10	2016	10	Colello	10	2017	10		10	2018	10		10	Boyd	10	Boyd
11	2009	11	2017	11		11	2018	11		11	Boyd	11		11	Odell	11	Monda
12	2009	12	2018	12		12	Boyd	12		12	Odell	12		12		12	Odell
13	Monda	13	Boyd	13		13	Odell	13		13		13		13		13	Colello
14	Colello	14	Odell	14		14		14		14		14		14		14	

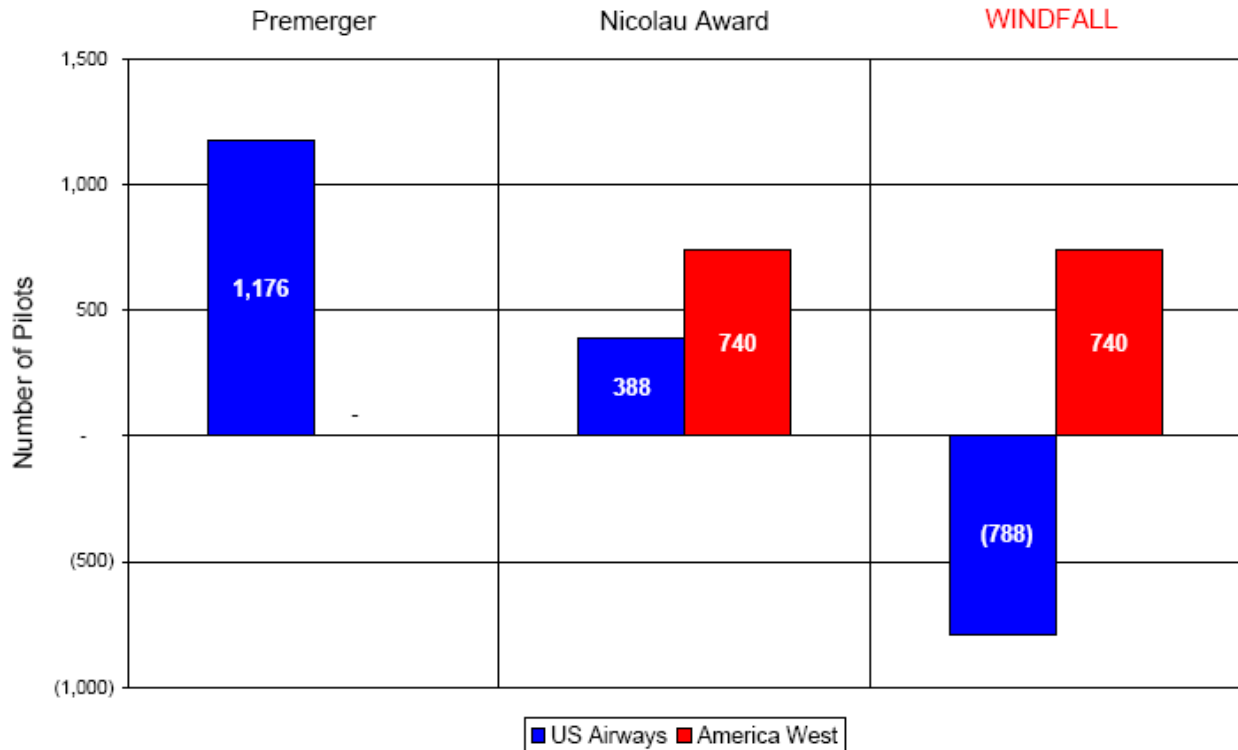
To clarify the analysis of the impact of the US attrition at quadruple the level of AW's, we offer the above simplified study of attrition-generated promotions.

Pilots Retiring in the Top 10%



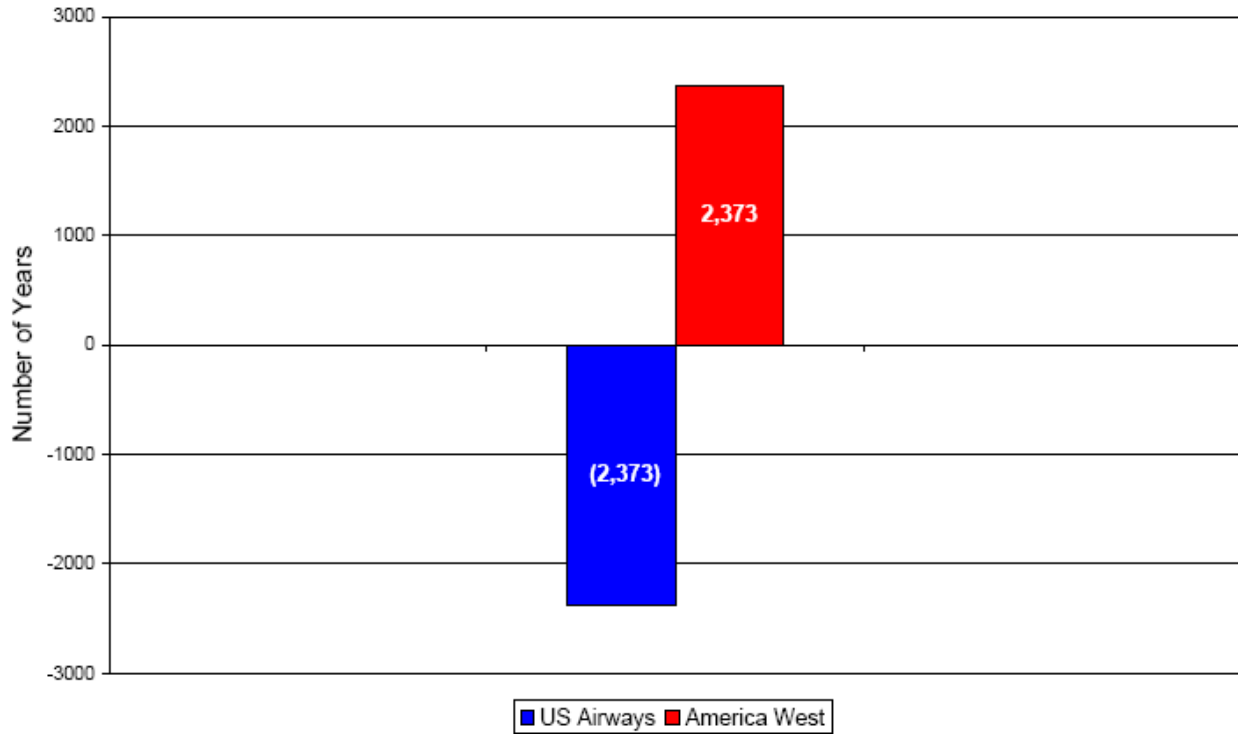
These bar charts demonstrate the loss of premium flying the Award would impose by tracking the percentage of each pilot group whose seniority at retirement would place them in the top 10% of their list. At US such a pilot could access the wide body international flying as a Captain. AW had no such flying pre-merger. The results are the same whether the retirement age is 60, 62 or 65 because a change to the mandatory retirement age would affect both pilot groups equally.

Pilots Upgrading to Wide-Body International Captain



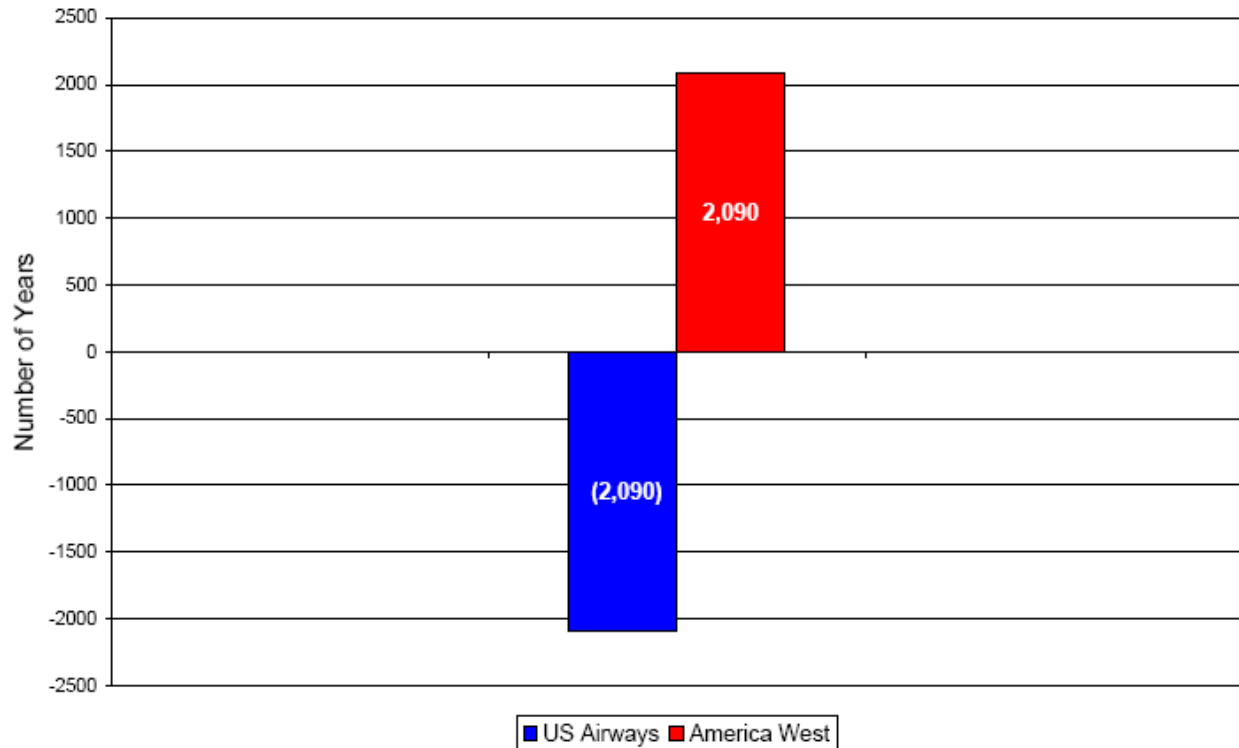
One obvious example of a windfall the Nicolau Award would bestow on the AW pilots at the expense of the US pilots appears from the numbers in the chart above. More than 700 AW pilots would gain wide body international Captaincies and more than 700 US pilots would lose those valuable upgrades. Because of the conservative attrition assumptions utilized in these analyses, the actual windfalls for the AW pilots would take place sooner and to a greater extent than shown above.

Windfall Gain in Wide-Body Captain Years



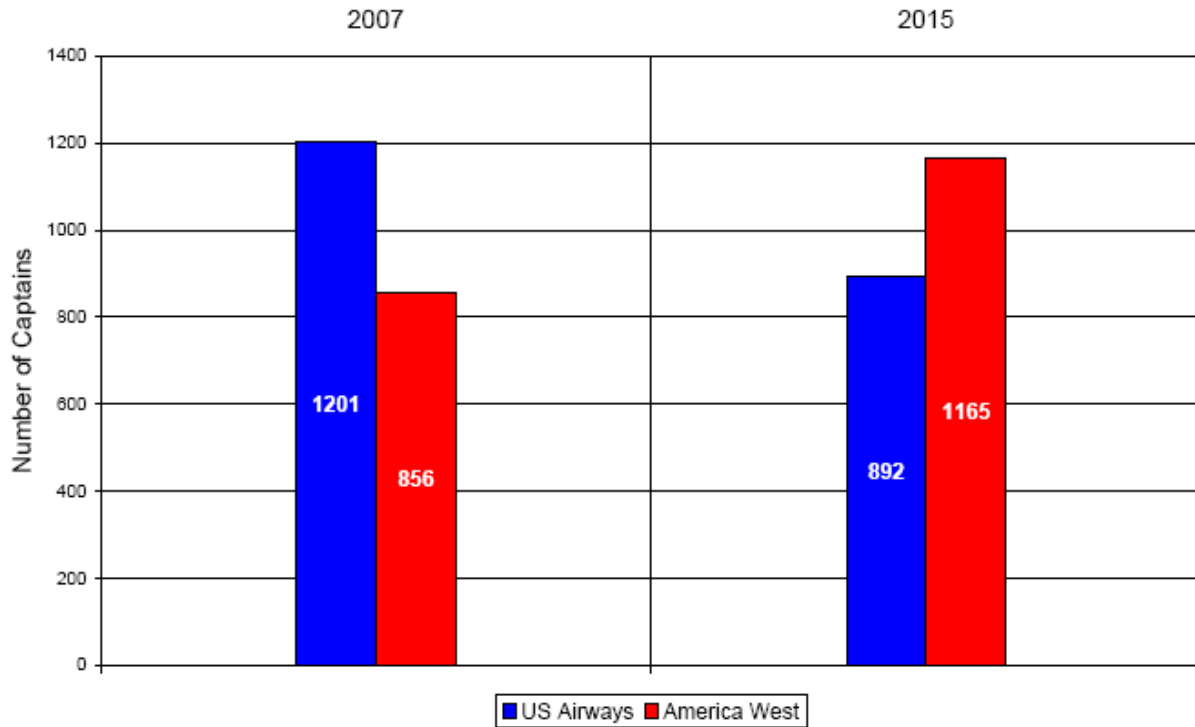
The chart above shows a different perspective on the same issue, i.e., the AW pilot group would gain more than two thousand years of wide body international Captain time as the US pilots lose more than two thousand years.

Windfall Gain in Narrow-Body Captain Years



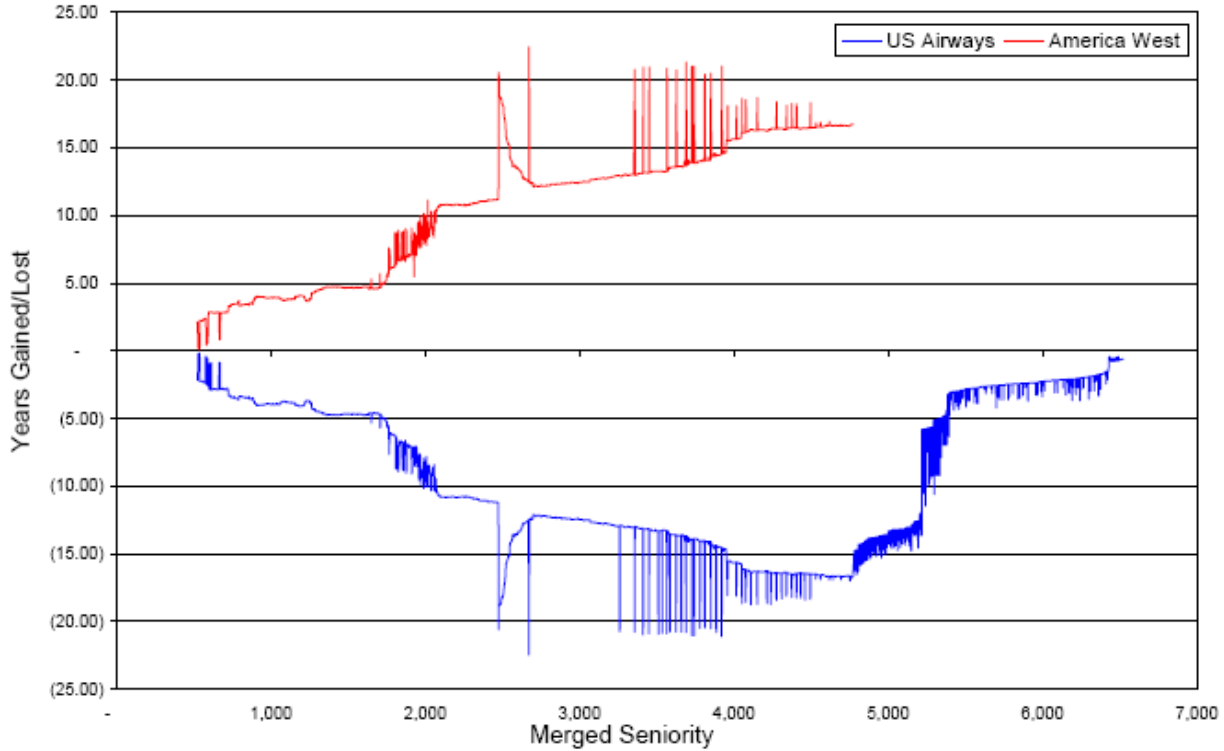
Not surprisingly, the same picture emerges with respect to gains and losses in narrow body Captaincies. While the US pilot group would lose more than two thousand years of these coveted positions, the AW pilot group's windfall is an equivalent number.

Windfall of US Captain Jobs Given to AW Pilots



Another view of the transfer of valued Captaincies appears on the chart above, which shows that the US pilot group starts out with 60% of the left seats at the two airlines, but in the year 2015, based on age 60 attrition alone, would retain only 40% of the left seat positions.

Length of Service Disparities: Nicolau Award



No analysis of the AW windfall gains would be complete without referring to the length of service disparities created by the Nicolau Award. Gains are virtually all on the AW side and they run from ten years in the middle of the list up to 15-20 years as we get to the junior end of the AW list. By length of service, we refer to time spent in active service, excluding furlough time. The US pilots at the bottom of the graph paid dues to this union for more than fifteen years prior to the announcement of the merger and were in active service at US at that time. Astoundingly, the Nicolau Award places them junior to new-hire AW pilots who were at best apprentice members when the merger was announced.

The details on this and related points stand out in the portion of the merged list beginning on page 11, which shows length of service disparities at more than 16 years. The US pilots in this part of the list have no furlough time and were actively flying Airbus and Boeing aircraft at US on the merger date. The list shows the windfall gains for these AW new hires at up to six years in advancement of their narrow body Captain upgrades, as well as up to nine years of wide body international Captain time. Incidentally, if the mandatory retirement age were changed to 62 or 65, the windfall gains would remain the same, but would occur two or five years later.

Windfall Gains for America West New-Hires (Less than 1 year of Service)

Sen. #	Emp. ID	Last	Company	LOS*	NB Captain Expectancy			WB Captain Expectancy		
					Premerger	Merged	Impact	Premerger	Merged	Impact
4408	P3015	BYRNE	AW	0.9		2016	2y Gained			
4409	22718	HOUGHTON	US	17.5						
4410	P3016	BECKER	AW	0.9	2020	2016	4y Earlier			
4411	22719	AUBERRY	US	17.5	2014		1y Lost			
4412	22720	CRAVEN	US	17.5	2014		1y Lost			
4413	P3017	EVERS	AW	0.9	2020	2016	4y Earlier			
4414	22721	HUTCHISON	US	17.5	LOA					
4415	22722	CHRISOS	US	17.5	2014	2016	2y Later			
4416	P3018	MIHAIOVIC	AW	0.9	2021	2016	5y Earlier			
4417	22725	HEDIN	US	17.5	2014	2016	2y Later			
4418	P3019	LLOYD	AW	0.9	2021	2016	5y Earlier			
4419	22726	LEWERS	US	17.5	LOA					
4420	22958	CLONCH	US	17.4	RET					
4421	22959	SMITH	US	17.4						
4422	P3020	CANDELARIA	AW	0.9	2021	2016	5y Earlier			
4423	22960	KENNEDY	US	17.4						
4424	P3021	DURSO, JR	AW	0.9	2021	2016	5y Earlier			
4425	22961	JOHNSTON	US	17.4						
4426	P3022	JAMIR, JR.	AW	0.9	LOA					
4427	22962	BARBAS	US	17.4	2014		1y Lost			
4428	P3023	OLIVER	AW	0.9	2021	2016	5y Earlier	2030	4y Gained	
4429	22966	FORD	US	17.4	2014		2y Lost			
4430	P3024	KELLY	AW	0.9	2021	2016	5y Earlier	2030	6y Gained	
4431	88876	SANCHEZ	US	19.2	MIL					
4432	22968	OLLIO	US	17.4	MED					
4433	22969	KNOLL	US	17.4	2014	2016	2y Later			
4434	P3025	FIFE	AW	0.9		2016	1y Gained			
4435	22970	STEIN	US	17.4	2014	2016	2y Later			
4436	P3026	MIYATA	AW	0.9	2021	2016	5y Earlier			
4437	22971	PALES	US	17.4	2014	2016	2y Later			
4438	22974	FIESER	US	17.4	2014	2016	2y Later	2021		2y Lost
4439	P3027	HERTZ	AW	0.9	2021	2016	5y Earlier			
4440	22975	BODENSKI	US	17.4	2014	2016	2y Later	2021		2y Lost
4441	P3028	BROWN	AW	0.9	2021	2016	5y Earlier			
4442	30782	BROWN	US	17.4						
4443	P3029	GOLDENBOGEN	AW	0.9	LOA					
4444	P3030	RICHMOND	AW	0.9	2021	2016	5y Earlier	2030	2y Gained	
4445	30811	BERDICHEWSKY	US	17.4						
4446	P3031	HUNT	AW	0.9	2021	2016	5y Earlier	2030	3y Gained	
4447	30813	HARRIS	US	17.3	MED					
4448	30786	CIRINO	US	17.3	2014	2016	2y Later			
4449	P3032	BECKER	AW	0.8	2021	2016	5y Earlier	2030	4y Gained	
4450	23158	RHOTON	US	17.3	MED					
4451	23162	MANN	US	17.3	2014		2y Lost			
4452	P3033	HONEYCUTT, JR	AW	0.8		2016	3y Gained			
4453	23164	CAREY	US	17.3	2014	2016	2y Later			
4454	P3035	TERSTEEG	AW	0.8	2021	2016	5y Earlier			
4455	23165	MOUTON	US	17.3	2014	2016	2y Later			
4456	P3036	CONDON	AW	0.8	2021	2016	5y Earlier			
4457	23169	BORRELLI	US	17.3	2014	2016	2y Later	2021		1y Lost
4458	P3037	BLOOM	AW	0.8	2021	2016	5y Earlier			
4459	88733	BARRY	US	19.2	LOA					
4460	23170	OBERMEYER	US	17.3	2014	2016	2y Later	2021		2y Lost
4461	P3038	SYVERSEN	AW	0.8	2021	2016	5y Earlier			
4462	23171	KNUTSON	US	17.3	LOA					
4463	23172	KAUFMAN	US	17.3	2014	2016	2y Later	2021		3y Lost
4464	23280	KASICA	US	17.3						
4465	P3039	LINK	AW	0.8	2021	2016	5y Earlier			
4466	23281	MACALLISTER	US	17.3	MED					
4467	23283	QUEEN	US	17.3	2014		1y Lost			
4468	P3040	IRANPOUR-MASHAK	AW	0.8	2021	2016	5y Earlier			
4469	23284	GARDNER	US	17.3	2014		2y Lost			
4470	P3041	WILLIAMS	AW	0.8	2021	2016	5y Earlier	2030	1y Gained	
4471	23285	DANSER	US	17.3	2014	2016	2y Later			
4472	P3042	GARLETT	AW	0.8	2021	2016	5y Earlier	2030	3y Gained	
4473	23286	ROGERS	US	17.3	2014	2016	2y Later			

* LOS = DOH less furlough time.

Windfall Gains for America West New-Hires (Less than 1 year of Service)

Sen. #	Emp. ID	Last	Company	LOS*	NB Captain Expectancy			WB Captain Expectancy		
					Premerger	Merged	Impact	Premerger	Merged	Impact
4474	P3044	AVERYT	AW	0.8	2021	2016	5y Earlier		2030	7y Gained
4475	23287	SLOAN	US	17.3	2014	2016	2y Later			
4476	P3045	GREEN	AW	0.8						
4477	23289	BILLS	US	17.3	2014	2016	2y Later			
4478	P3046	SUTINEN	AW	0.8	2021	2016	5y Earlier			
4479	23290	SAGE	US	17.3	2014	2016	2y Later			
4480	P3047	ONEILL	AW	0.8	2021	2016	5y Earlier			
4481	23291	LUITGAARDEN	US	17.3	2014	2016	2y Later			
4482	P3048	SWANN	AW	0.8	2021	2016	5y Earlier			
4483	23292	LARDNER	US	17.3	MED					
4484	23293	HARTMAN	US	17.3	2014	2016	2y Later	2021		2y Lost
4485	P3049	LOGAN JR.	AW	0.8	2021	2016	5y Earlier		2030	1y Gained
4486	23294	GELM	US	17.3	2014	2016	2y Later	2021		4y Lost
4487	P3050	DAIGLE	AW	0.8	2021	2016	5y Earlier		2030	2y Gained
4488	23397	FERRIS	US	17.2						
4489	23398	ACQUARO	US	17.2						
4490	P3051	FEDERICO	AW	0.8	2021	2016	5y Earlier		2030	2y Gained
4491	23399	WARD	US	17.2						
4492	P3052	LUDWIG	AW	0.8	2021	2016	5y Earlier		2030	4y Gained
4493	88833	LAQUERRE	US	19.1	2014		1y Lost			
4494	P3053	DEVOE	AW	0.8	2021	2016	5y Earlier		2030	5y Gained
4495	23400	PHILLIPS	US	17.2						
4496	P3054	STEIN	AW	0.8	2021	2016	5y Earlier		2030	6y Gained
4497	23401	JACOBS	US	17.2						
4498	P3055	BARTLEY	AW	0.7		2016	1y Gained			
4499	23402	WELTY	US	17.2	MED					
4500	23403	KROWIAKS	US	17.2						
4501	P3056	RENNSPIES	AW	0.7		2016	4y Gained			
4502	23405	SURRATT	US	17.2	2014		2y Lost			
4503	P3057	BAUMANN	AW	0.7	2021	2016	5y Earlier			
4504	23406	MARTIN	US	17.2	2014		2y Lost			
4505	P3058	KAVANAUGH	AW	0.7	2021	2016	5y Earlier			
4506	23407	BROWN	US	17.2	MED					
4507	23409	BOWERS	US	17.2	MED					
4508	23410	BENSON	US	17.2	MED					
4509	23412	MURDOCK	US	17.2	2014	2016	2y Later			
4510	P3059	MARTIN	AW	0.7	2021	2016	5y Earlier			
4511	23415	KNAPP	US	17.2	MED					
4512	23414	KECKEN III	US	17.2	2014	2016	2y Later	2021		1y Lost
4513	P3060	EWING	AW	0.7	2021	2016	5y Earlier			
4514	23416	WALKER	US	17.2	LOA					
4515	23417	SIMPKINS	US	17.2	MED					
4516	23418	GILIOTTI	US	17.2	2014	2016	2y Later	2021		2y Lost
4517	23419	DICKSON	US	17.2	2014	2016	2y Later	2021		2y Lost
4518	P3061	COULTER	AW	0.7	2021	2016	5y Earlier			
4519	23420	MORROW JR	US	17.2	MED					
4520	23421	CUKELJ	US	17.2	2014	2016	2y Later	2021		3y Lost
4521	P3062	HUSTON	AW	0.7	2021	2016	5y Earlier		2030	1y Gained
4522	23422	MIKULICH	US	17.2	2014	2016	2y Later	2021		3y Lost
4523	P3063	GRYCEL IV	AW	0.7	2021	2016	5y Earlier		2030	4y Gained
4524	23423	QUIST	US	17.2	2014	2016	2y Later	2021		3y Lost
4525	P3064	PISA	AW	0.7	2021	2016	5y Earlier		2030	4y Gained
4526	23425	GEIBEL	US	17.2	2014	2016	2y Later	2021		4y Lost
4527	P3065	SCHICK	AW	0.7	2021	2016	5y Earlier		2030	4y Gained
4528	88839	MANLEY	US	17.6	2014	2016	2y Later	2021		1y Lost
4529	P3066	ARMSTRONG	AW	0.7	2021	2016	5y Earlier		2030	6y Gained
4530	23515	WILL	US	17.2						
4531	P3067	CALLAWAY	AW	0.7		2016	2y Gained			
4532	23516	BENBOW	US	17.2	MED					
4533	23517	REINIG	US	17.2						
4534	P3068	LEIGHTON	AW	0.7	2021	2016	5y Earlier			
4535	23518	SMITH	US	17.2	MED					
4536	23519	MCKEE	US	17.2						
4537	P3069	BELL	AW	0.6	2021	2016	5y Earlier			
4538	23520	HINKEL	US	17.2	2014		1y Lost			
4539	P3070	GIBSON	AW	0.6	2021	2016	5y Earlier			

* LOS = DOH less furlough time.

Windfall Gains for America West New-Hires (Less than 1 year of Service)

Sen. #	Emp. ID	Last	Company	LOS*	NB Captain Expectancy			WB Captain Expectancy		
					Premerger	Merged	Impact	Premerger	Merged	Impact
4540	23521	BIERY JR	US	17.2	2014		1y Lost			
4541	23522	HABIB	US	17.2	2014		2y Lost			
4542	P3071	GROSS	AW	0.6	2021	2016	5y Earlier			
4543	23523	LETARTE	US	17.2	2014		2y Lost			
4544	P3072	STOECKMANN	AW	0.6	2021	2016	5y Earlier			
4545	23524	FENDER	US	17.2	MED					
4546	23526	RICE	US	17.2	2014	2016	2y Later			
4547	P3073	GYLLENSTEN	AW	0.6	2021	2016	5y Earlier			
4548	23528	SMYTHE	US	17.2	2014	2016	2y Later			
4549	P3075	LYNCH	AW	0.6	2021	2016	5y Earlier			
4550	23530	AUGSPURGER	US	17.2	2014	2016	2y Later			
4551	P3076	WHEELER	AW	0.6	2021	2016	5y Earlier			
4552	23533	STREIT	US	17.2	2014	2016	2y Later			
4553	P3077	BUTLER	AW	0.6	LOA					
4554	23535	GILL	US	17.2	2014	2016	2y Later			
4555	P3078	VANNUCCI	AW	0.6	2021	2016	5y Earlier	2031	5y Gained	
4556	23536	UNDERWOOD	US	17.2	2014	2016	2y Later			
4557	P3079	ENGLEHART	AW	0.6		2016	5y Gained			
4558	88735	BELANGER	US	17.5	2014	2016	2y Later			
4559	P3080	MARTIN	AW	0.6	2021	2016	5y Earlier			
4560	23538	GAGNE	US	17.2	2014	2016	2y Later	2021		2y Lost
4561	P3081	CONLON	AW	0.6	2021	2016	5y Earlier			
4562	23539	DEEN	US	17.2	2014	2016	2y Later	2021		3y Lost
4563	23763	PEARSON	US	17.1	SPV					
4564	P3082	LUCAS	AW	0.6	2021	2016	5y Earlier			
4565	23764	BALL	US	17.1						
4566	P3083	PRATT	AW	0.6	2021	2016	5y Earlier	2031	1y Gained	
4567	23765	NICOL	US	17.1						
4568	P3084	BRASSELL	AW	0.6	2021	2016	5y Earlier	2031	2y Gained	
4569	23766	FREDERICKS	US	17.1						
4570	P3085	LOESCHNER	AW	0.6	2021	2016	5y Earlier	2031	6y Gained	
4571	23767	BOVERI	US	17.1	2014		1y Lost			
4572	P3086	WILLIAMSON	AW	0.6	2021	2016	5y Earlier	2031	8y Gained	
4573	23771	LEWIS	US	17.1	2014		2y Lost			
4574	P3087	HARRIS	AW	0.5	LOA					
4575	P3088	MAY	AW	0.5	2021	2016	5y Earlier			
4576	23772	NAGEL	US	17.1	2014	2016	2y Later			
4577	P3089	HAGEDORN	AW	0.5	2021	2016	5y Earlier	2031	2y Gained	
4578	23774	HEFKA	US	17.1	2014	2016	2y Later			
4579	P3090	BUNDE	AW	0.5	2021	2016	5y Earlier	2031	7y Gained	
4580	23775	THOMPSON	US	17.1	2014	2016	2y Later			
4581	P3092	NEDVED	AW	0.5	2021	2016	5y Earlier	2031	9y Gained	
4582	23776	MALICK	US	17.1	MED					
4583	23777	BERTELSEN	US	17.1	2014	2016	2y Later			
4584	P3093	LEVINE	AW	0.5		2016	5y Gained			
4585	23779	ORDWAY	US	17.1	2014	2016	2y Later			
4586	P3095	ZENNER	AW	0.5	2021	2016	5y Earlier			
4587	23780	POLLOCK	US	17.1	2014	2016	2y Later			
4588	23782	DAVIS	US	17.1	2014	2016	2y Later			
4589	P3096	YANOCK	AW	0.5	2021	2016	5y Earlier	2031	4y Gained	
4590	23783	MUELLER	US	17.1	2014	2016	2y Later			
4591	P3097	PETERSON	AW	0.5	2021	2016	5y Earlier	2031	5y Gained	
4592	23785	PAULEY	US	17.1	2014	2016	2y Later	2021		1y Lost
4593	P3098	KAUFER	AW	0.4						
4594	23786	ALBERT	US	17.1	2014	2016	2y Later	2021		1y Lost
4595	P3099	MCFADDEN	AW	0.4						
4596	23787	JONES	US	17.1	2014	2016	2y Later	2021		1y Lost
4597	P3100	COATS	AW	0.4	2021	2016	5y Earlier			
4598	23788	MEIXSELL	US	17.1	2014	2016	2y Later	2021		1y Lost
4599	P3102	SOKAL	AW	0.4	2021	2016	5y Earlier			
4600	23789	FRY	US	17.1	2014	2016	2y Later	2021		2y Lost
4601	P3103	DEVEREUXNAUMANN	AW	0.4	2021	2016	5y Earlier			
4602	23790	SEE	US	17.1	2014	2016	2y Later	2021		2y Lost
4603	P3104	REGNAULT	AW	0.4	2021	2016	5y Earlier	2031	1y Gained	
4604	23911	WOOD	US	17.1						
4605	P3105	BELLINGRODT	AW	0.4	2021	2016	5y Earlier	2031	4y Gained	

* LOS = DOH less furlough time.

Windfall Gains for America West New-Hires (Less than 1 year of Service)

Sen. #	Emp. ID	Last	Company	LOS*	NB Captain Expectancy			WB Captain Expectancy		
					Premerger	Merged	Impact	Premerger	Merged	Impact
4606	23913	CORNETT	US	17.1						
4607	P3106	ALDRICH	AW	0.4	2021	2016	5y Earlier	2031		5y Gained
4608	23914	SIMMONS	US	17.1						
4609	23919	STEELE	US	17.1	2014		1y Lost			
4610	P3107	SPANNAGEL	AW	0.4	2021	2016	5y Earlier	2031		5y Gained
4611	23922	WALTER	US	17.1	2014		2y Lost			
4612	P3108	NICHOLS	AW	0.4	2021	2016	5y Earlier	2031		6y Gained
4613	23923	BUSCHKO	US	17.1	2014		2y Lost			
4614	P3109	ABEL	AW	0.4	2021	2016	5y Earlier	2031		9y Gained
4615	88874	SAADAT	US	17.4	2014	2016	2y Later			
4616	P3110	WADINGTON	AW	0.4						
4617	23924	DONALDSON	US	17.1	2014	2016	2y Later			
4618	P3111	ROBERTSON	AW	0.4	2021	2016	5y Earlier			
4619	23926	MCCORKEL	US	17.1	MED					
4620	23928	GALL	US	17.1	MED					
4621	23929	DOSS	US	17.1	MIL					
4622	23930	HARPER	US	17.1	LOA					
4623	23932	ZANDRI	US	17.1	2014	2016	2y Later	2021		1y Lost
4624	P3112	ROBERTS	AW	0.4	2021	2016	5y Earlier			
4625	23934	ROMANO	US	17.1	2014	2016	2y Later	2021		3y Lost
4626	P3113	HALE	AW	0.4	2021	2016	5y Earlier			
4627	23935	SOMMER	US	17.1	MED					
4628	23936	PRIVETT	US	17.1	2014	2016	2y Later	2021		3y Lost
4629	P3114	O'CONNOR	AW	0.4	2021	2016	5y Earlier			
4630	24109	BUNKOWSKE	US	17.0						
4631	P3115	O'CONNOR	AW	0.4	2021	2016	5y Earlier			
4632	24110	COPELAND	US	17.0	MED					
4633	24112	TODD	US	17.0						
4634	P3116	CUNDARI	AW	0.4	2021	2016	5y Earlier	2031		1y Gained
4635	24113	STEWART	US	17.0	MED					
4636	24115	KURZ	US	17.0	MED					
4637	88740	BENSON	US	17.3	2014	2016	2y Later	2021		1y Lost
4638	24118	LOVELACE	US	17.0	2014		1y Lost			
4639	P3117	HILLS	AW	0.4	2021	2016	5y Earlier	2031		2y Gained
4640	24120	WALSH	US	17.0	2014	2016	2y Later			
4641	P3118	VERRI	AW	0.4	2022	2016	6y Earlier	2031		4y Gained
4642	24121	BERMANN	US	17.0	2014	2016	2y Later			
4643	P3119	BELL	AW	0.4	2022	2016	6y Earlier	2031		5y Gained
4644	24122	STENNER	US	17.0	2014	2016	2y Later			
4645	P3120	ANDERSON	AW	0.4	2022	2016	6y Earlier	2031		6y Gained
4646	24124	WOODARD	US	17.0	LOA					
4647	24125	EARLY III	US	17.0	MIL					
4648	24129	DOWNES	US	17.0	2014	2016	2y Later			
4649	P3121	WARGOCKI	AW	0.4	2022	2016	6y Earlier	2031		9y Gained
4650	24131	WELLENKOTTER	US	17.0	2014	2016	2y Later	2021		2y Lost
4651	P3122	CHRISTIANSEN	AW	0.4	LOA					
4652	P3123	ANDERS	AW	0.4		2016	6y Gained			
4653	24132	MELITA	US	17.0	2014	2016	2y Later	2021		2y Lost
4654	P3124	MYERS	AW	0.4	2022	2016	6y Earlier			
4655	24133	DUNCAN	US	17.0	2014	2016	2y Later	2021		2y Lost
4656	P3125	WOLCOSKI	AW	0.4	2022	2016	6y Earlier			
4657	24134	NEWMAN	US	17.0	2014	2016	2y Later	2021		3y Lost
4658	P3126	BONHAM	AW	0.4	2022	2016	6y Earlier			
4659	24135	PROVENZA	US	17.0	MED					
4660	24272	CARTER	US	17.0						
4661	P3127	CALEY	AW	0.4	2022	2016	6y Earlier			
4662	24273	SAMMONS	US	17.0	LOA					
4663	24274	BISHOP JR	US	17.0						
4664	24276	ROBERTS	US	17.0	LOA					
4665	24277	LOHR	US	17.0	2014		1y Lost			
4666	P3128	RUMACK	AW	0.4	2022	2016	6y Earlier			
4667	24278	MCSELFRESH	US	17.0	2014		1y Lost			
4668	P3129	CORLEY	AW	0.4	2022	2016	6y Earlier	2031		2y Gained
4669	24279	HANNUM	US	17.0	2014		2y Lost			
4670	P3130	TOBIN	AW	0.4	2022	2016	6y Earlier	2031		3y Gained
4671	24281	DANNAHOWER	US	17.0	2014		2y Lost			

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Windfall Gains for America West New-Hires (Less than 1 year of Service)

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					Premerger	Merged	Impact	Premerger	Merged	Impact
4672	P3131	FRAIN	AW	0.4	2022	2016	6y Earlier		2031	3y Gained
4673	24282	WATTERS	US	17.0	2014		2y Lost			
4674	P3132	BECK	AW	0.4	2022	2016	6y Earlier		2031	3y Gained
4675	24283	RUCKER	US	17.0	MED					
4676	24284	WEBER	US	17.0	2014	2016	2y Later			
4677	P3133	LANGFORD	AW	0.4	2022	2016	6y Earlier		2031	4y Gained
4678	24285	COSGROVE	US	17.0	MED					
4679	24287	QUAN	US	17.0	2014	2016	2y Later			
4680	P3134	QUINN	AW	0.4	2022	2016	6y Earlier		2031	6y Gained
4681	24288	STEVENS	US	17.0	2014	2016	2y Later			
4682	P3135	GILLESPIE	AW	0.4	2022	2016	6y Earlier		2031	6y Gained
4683	24290	SAYLOR	US	17.0	2014	2016	2y Later			
4684	P3136	DOWNES	AW	0.4	2022	2016	6y Earlier		2031	7y Gained
4685	24291	RANDALL	US	17.0	2014	2016	2y Later			
4686	P3137	ADAMS	AW	0.4	2022	2016	6y Earlier		2031	8y Gained
4687	24292	BURR	US	17.0	2014	2016	2y Later			
4688	P3138	SHULTS	AW	0.3		2016	5y Gained			
4689	24294	JOHNSTON	US	17.0	2014	2016	2y Later	2021		1y Lost
4690	24605	SMITH III	US	17.0						
4691	P3139	HAYNES	AW	0.3	2022	2016	6y Earlier			
4692	88923	THOMPSON	US	17.2	MED					
4693	24606	BOSMA III	US	17.0						
4694	P3140	SHOMALI	AW	0.3	2022	2016	6y Earlier			
4695	24611	FEHER	US	17.0	2014		2y Lost			
4696	P3141	LAGUSIS	AW	0.3	2022	2016	6y Earlier			
4697	24612	RUEHS	US	17.0	2015	2016	1y Later			
4698	P3142	QUINN	AW	0.3	2022	2016	6y Earlier			
4699	24613	MASHBURN	US	17.0	2015	2016	1y Later			
4700	P3143	RIES	AW	0.3	2022	2016	6y Earlier			
4701	24614	NELSON	US	17.0	2015	2016	1y Later			
4702	P3144	RUNYAN	AW	0.3	2022	2016	6y Earlier		2031	2y Gained
4703	24617	WANDISHIN	US	17.0	2015	2016	1y Later			
4704	P3145	LAWS	AW	0.3	2022	2016	6y Earlier		2031	3y Gained
4705	24618	GOWDY III	US	17.0	2015	2016	1y Later			
4706	P3146	MCDONALD	AW	0.3	2022	2016	6y Earlier		2031	7y Gained
4707	24619	ROBBINS	US	17.0	MIL					
4708	24621	FISCHER	US	17.0	2015	2016	1y Later	2021		1y Lost
4709	P3148	SIELER	AW	0.3	2022	2016	6y Earlier			
4710	24622	STERLING	US	17.0	2015	2016	1y Later	2021		1y Lost
4711	P3149	NAUMANN	AW	0.3	2022	2016	6y Earlier			
4712	24623	HOCKING	US	17.0	LOA					
4713	24625	MANDY	US	17.0	2015	2016	1y Later	2021		2y Lost
4714	24626	MCGEOUGH	US	17.0	LOA					
4715	24627	BEDNARIK	US	17.0	2015	2016	1y Later	2021		4y Lost
4716	P3150	PARTYKA	AW	0.3	2022	2016	6y Earlier			
4717	24771	JESTES	US	16.9	MED					
4718	24773	WEST	US	16.9	MED					
4719	24774	STOKES	US	16.9						
4720	P3151	BURKE IV	AW	0.3	2022	2016	6y Earlier			
4721	24775	JONES	US	16.9						
4722	P3152	BOSTIC	AW	0.3	2022	2016	6y Earlier			
4723	24776	HORVATH	US	16.9	2015		1y Lost			
4724	P3153	BACHMAN	AW	0.3	2022	2016	6y Earlier		2031	1y Gained
4725	24779	PLATZ	US	16.9	2015	2016	1y Later			
4726	P3154	GARABEDIAN	AW	0.3	2022	2016	6y Earlier		2031	1y Gained
4727	24780	REGAS	US	16.9	MED					
4728	24782	MARTIN	US	16.9	2015	2016	1y Later			
4729	P3155	WILHELM	AW	0.3	2022	2016	6y Earlier		2031	2y Gained
4730	24784	NILES	US	16.9	2015	2016	1y Later			
4731	P3156	HERRICK	AW	0.3	2022	2016	6y Earlier		2031	2y Gained
4732	24785	LOUGHNANE	US	16.9	MED					
4733	24786	STONE	US	16.9	2015	2016	1y Later	2021		1y Lost
4734	P3157	LEJECK	AW	0.3	2022	2016	6y Earlier		2031	4y Gained
4735	24787	CLAUSSEN	US	16.9	MED					
4736	24788	MARTIN	US	16.9	2015	2016	1y Later	2021		2y Lost
4737	P3159	SAMANT	AW	0.3	2022	2016	6y Earlier		2031	7y Gained

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Sen. #	Emp. ID	Last	Company	LOS*	NB Captain Expectancy			WB Captain Expectancy		
					Premerger	Merged	Impact	Premerger	Merged	Impact
4738	24789	DUNN	US	16.9						
4739	24967	WENDER	US	16.9						
4740	P3160	WITT	AW	0.3	2022	2016	6y Earlier		2031	7y Gained
4741	24968	MCGILL	US	16.9						
4742	24969	MCLEAN	US	16.9						
4743	P3161	HITT	AW	0.3	2022	2016	6y Earlier		2031	9y Gained
4744	24970	MASSEY	US	16.9						
4745	24972	CRONE	US	16.9						
4746	P3163	PICKERING	AW	0.2	2022	2017	5y Earlier		2031	1y Gained
4747	24973	BENNETT	US	16.9						
4748	P3164	WENNHOLD	AW	0.2	2022	2017	5y Earlier		2031	1y Gained
4749	88775	DEVANNEY	US	17.2						
4750	24975	FORTE	US	16.9						
4751	P3166	JOHNSON	AW	0.2	2022	2017	5y Earlier		2031	5y Gained
4752	24976	MCDERMOTT	US	16.9						
4753	P3167	ROBINSON	AW	0.2	2022	2017	5y Earlier		2031	5y Gained
4754	24977	MUCCI	US	16.9						
4755	24978	BELL	US	16.9						
4756	P3168	SOLPER	AW	0.2						
4757	24979	DUDLEY	US	16.9						
4758	P3169	VISIC	AW	0.2	2022	2017	5y Earlier		2031	2y Gained
4759	24981	PATRICK	US	16.9						
4760	24982	IOAN	US	16.9						
4761	P3170	FALLON	AW	0.1	2022	2017	5y Earlier			
4762	24983	EAKINS	US	16.9					2021	2y Lost
4763	P3171	JOHNSON	AW	0.1	2022	2017	5y Earlier			
4764	24984	ZEIGLER JR	US	16.9					2021	2y Lost
4765	P3172	BOYD	AW	0.1	2022	2017	5y Earlier			
4766	33065	CONRAD	US	16.8						
4767	33066	POINSETT	US	16.8						
4768	33068	MONDA	US	16.8						
4769	P3173	ODELL	AW	0.1	2022	2017	5y Earlier		2031	1y Gained

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Another reason the US pilots see the Nicolau Award as contradicting the “fair and equitable” standard established in ALPA Merger Policy is what we call the “Category 5 Discrepancy.” Arbitrator Nicolau says he based the construction of the merged list on the jobs each side had on 1/1/07. He put the wide body international positions in Category 1 and his Opinion says that he built Category 5 using the two sides’ narrow body first officer jobs as of 1/1/07. Opinion p. 32. But that would have resulted in a 1.2:1 ratio, while the actual list used a 1.1:1 ratio. The error cost US pilot Joe Monda 50 seniority numbers. It would also cost him and those US pilots around him promotions for the rest of their careers. Due to the younger ages of the AW pilots, they would take these promotions from the older US pilots and keep them through the remaining working years of these US pilots, making them career first officers. The Nicolau Award would take the attrition-generated promotions that Joe Monda and his colleagues had and give them to younger AW pilots instead. That is a classic case of AW pilot windfalls at the expense of the US pilots.

The Nicolau Award Conditions and Restrictions are riddled with absurdities that further demonstrate the inequity of the award. For example, one possible reading of Condition No. 4 is that it protects the ability of only the senior 517 US pilots on the list to bid wide body international positions. Opinion pp. 27-28. But there would be no point to a provision that gives the senior pilots on the list access to wide body international positions. They are the most senior pilots on the list and could, by definition, bid any positions they want. There are no AW pilots

who have the seniority to outbid them for anything. Pointless would be too kind a description of Condition No. 4 if it applies only to “the top tier pre-merger US Airways pilots,” as it says.

The AW Merger Representatives have already raised a problem that they have identified as an alleged “oversight” in omitting the Condition and Restriction implementing the two MECs’ B757 Letter of Agreement. While we disagree with them about the need for this provision, it is clear from their appeal for a “correction” of the Award that they too recognize the failure of the Award to deal with the issues in the case.

In view of the analysis set forth above, we believe the following quotation from Captain Jim Brucia’s Opinion at p. 3 is apt and accurate:

As a consequence of the Boards decision, America West pilot Odell, who was hired less than 2 months before the merger was announced, has been placed immediately senior to US Airways pilot Colello who was hired more than 16 years earlier and who had over 16 years of credited length of service. I disagree with this placement, which disregards Colello’s substantial service time....

The Board did not adequately take into account the realities of the “new” airline, the return of furlougees that has already taken place and the much greater rate of age-based attrition at US Airways as compared to the rate at America West. The vast amount of age-related attrition that has occurred within the US Airways pilot group caused the recall of over 300 US Airways pilots between March 2006 and the first week of January of this year. The pace of recalls is brisk and has continued. During the hearings we learned that additional recalls were taking place and there was testimony that stated at the current pace it was possible that all US Airways pilots would receive recall notices before the end of 2007.

Captain Brucia was correct. The latest bid shows 430 recalled pilots as of July 2007. We are within striking distance of confirming the accuracy of the testimony Captain Brucia referred to, that is, recall is becoming possible for all of the furlougees. End-tailing these pilots would provide a windfall to the junior AW pilots, who had the same or greater vulnerability to furlough as the junior pilots on the US list. Arbitrator Nicolau disregarded the words of Doug Parker, Chairman and CEO, who said repeatedly to pilots from both groups that both carriers needed the merger and benefited from it. As CEO Parker told a three-year AW pilot complaining about AW’s post-merger “stagnation” in a videotaped meeting in PHX on 2/06/07,

First off, as to the ... the stagnation of growth, for America West pilots since the merger – what I will tell you is, and this is a hard thing to communicate to people but I believe it with all my heart: If we didn’t do the merger with US Airways, you’d be in a lot worse position. Frankly, I think as a 3 [year] F/O, you wouldn’t have a job.

We would have gone through a bankruptcy filing. We would have downsized. We had an airline at America West that had 20% lower unit revenues than US Airways and now has the same unit costs. That airline could not survive. We would have tried to make it better. We’d go file bankruptcy and get ourselves a little stronger and now the economy’s back and we’d be trying to come out like Delta is.

But I swear to you that [the] airline was going to file bankruptcy. When it filed bankruptcy, we would have downsized at least 15%, and, you know, while you feel bad about stagnation, you should feel better about that versus where you were headed. And that’s where we were headed.

The merger has strengthened both carriers financially. According to the Company's SEC Form 10-K filing for 2006, AW reduced its net loss from \$397 million in 2005 to only \$37 million in 2006 while US reported a net profit for 2006 of \$345 million. The SEC Form 10-Q filing for the first quarter of 2007 states that the holding company for both carriers, US Airways Group, Inc., now has more than \$2.5 billion in cash and short-term investments, a dramatic improvement for two companies that were admittedly struggling with liquidity issues in 2005.

At the May 9 session of the Joint Negotiating Committee, Scott Kirby, President of the Company, revealed to the assembled representatives of both pilot groups and ALPA National that he had headed a project code-named "Project Zanzibar" for AW in 2005 and that the legal papers for a Chapter 11 filing had been prepared and a plan developed for AW's bankruptcy in the event that the merger failed to come to fruition. Project Zanzibar was AW's only Plan B. It is now beyond dispute that the junior AW pilot, Dave Odell, and 300-400 other AW F/Os hired in 2002-05 would have been furloughed absent the US merger, as AW went into Chapter 11, perhaps never to emerge. In light of this new disclosure from the carrier's President, there is clearly no support for the explicit premise of the Nicolau Award that these AW pilots had more job security and better promotional prospects than US pilots hired in 1988, including hundreds who had never been furloughed for a single day.

More significantly, the Board's erroneous application of ALPA Merger Policy stems from its misinterpretation of all five of the goals set forth in the Policy as encompassing a comparative financial analysis of the pre-merger carriers. We submit that the Executive Council should clarify for the parties in this case and for future pilot groups involved in mergers that the considerations for fairly integrating pilot seniority lists include such matters as the respective pilots' dates of hire, lengths of service, ages, status in the cockpit, routes, fleets and other factors directly bearing upon pilot careers, but not the financial performance of their carriers at some precise moment in time. Given the volatility of airline financial performance in recent years, basing the construction of pilot seniority lists on such analyses would inevitably lead, as it has here, to inequities, contradictions and absurdities.

This case presents a prime example of the inapplicability of these financial performance factors to the fair and equitable integration of pilot seniority lists in the current aviation environment. Arbitrator Nicolau found that the AW pilots had superior prospects to the US pilots, but the facts are that US turned its competitive position around and provided more than 100% of the combined company's net profits in 2006 and that AW had its bankruptcy petition ready to file in Project Zanzibar in the event that the merger failed to go through. Clearly, ALPA Merger Policy cannot be read to permit the anomalous and outrageous results decreed by the Nicolau Award based upon a snapshot of the carriers' financial performance immediately prior to the announcement of the merger, as the Arbitrator purported to do here.

Nor can the Merger Policy be read to permit these unfair results, as we anticipate the AW pilots will contend, on the theory that the US pilots would achieve a windfall when pay parity is effectuated for the A320 and B737. Putting to one side the fact that US pay is higher on the B757, B767 and A330 and the fact that no merged contract is in sight, the Merger Policy definition of "windfall" does not fit. Any increase achieved in equalizing the pay of the two merging pilot groups would not come "at the expense of the other [pilot group]," as the Policy puts it. The US pilots did not seek to penalize the PSA pilots in seniority when they came under

the US CBA and received pay raises as a result. In the absence of the merger, the AW pay rates would have certainly suffered, just as those of other pilots did when their carriers went through bankruptcy. The AW pilots' working agreement was not immune from the economic and legal forces that wreaked havoc on those at United, American, Delta, US Airways and Northwest.

II. The Executive Council Has the Authority to Rectify the Situation.

The Executive Council must not allow the Nicolau Award to undermine the tenets of ALPA Merger Policy and generate unfairness and turmoil in this and future mergers. As the custodian of the Merger Policy, this body has the authority and jurisdiction to rectify the situation. Section B.3. of the Merger Policy specifically entrusts such questions to this body's discretion: "Issues as to application or interpretation of Merger Policy shall be determined by the Executive Council." To be sure, the Merger Policy's Preamble declares that "ALPA National [is] in a neutral position on the merits" of seniority integration disputes between the representatives of merging ALPA pilot groups and that ALPA National's role "is solely to provide the process by which the affected pilot groups on ALPA airlines arrive at the merged seniority list...." However, Section B.1. nonetheless states, "The fundamental purpose of this policy is to provide protection for the employment rights and interests of ALPA flight deck crew members in an orderly, expeditious, and *equitable* manner." (Emphasis supplied.)

The Constitution and By-Laws entrusts the Executive Council with precisely the type of interpretive question presented by the Nicolau Award's departure from the Merger Policy's ban on "windfalls to either group at the expense of the other." Article VI, Section 2.A. provides that the Executive Council "shall act in consultation and cooperation with the President in furthering the objectives and policies announced by the Board of Directors or the Executive Board. It may interpret the Constitution and By-Laws and Policy." Such an interpretation of ALPA Policy is precisely what the US MEC seeks now.

We anticipate that the AW Merger Representatives will contend that any Executive Council action to rectify the Nicolau Award's unfair and devastating consequences would conflict with the finality provision of Section H.5.b. of the Merger Policy. We disagree. That provision is far from absolute.

In view of the extraordinary inequities and contradictions outlined above, the Nicolau Award's deviation from the Merger Policy's ban on "windfalls" is unique. In the Association's 75 year history, the Award's wrongful injuries stand unsurpassed. On the other hand, the referenced finality provision is merely one of many requirements in the Policy. Like the others, the finality provision must be read in the context of the entire Merger Policy and in the context of the Association's overall objectives for the pilots for whom it serves as bargaining agent.

If an award changed the order of names on the pilots' pre-merger lists or integrated the pre-merger lists alphabetically, ALPA would surely have a responsibility to refrain from presenting such an award to management for implementation. The finality provision must accordingly be read with a rule of reason, and balanced against the impact of the award on other provisions of the Merger Policy and on ALPA's bargaining goals for the pilot groups involved.

Indeed, many pilot seniority integrations have been modified or gone without ever being implemented at all. A few examples follow:

● In August 1990 ALPA changed the order of names on a merged seniority list decreed by an ALPA Arbitration Board in *Alaska-Jet America* (Bloch 1989) when management declined to accept one of the Board's conditions and restrictions. The carrier implemented a substantially modified award based on post-award bargaining between management and the two pilot groups as represented by ALPA.

● The ALPA Arbitration Board in *Texas International-Continental* (Greenbaum 1983) divided the merging lists into 9 groups and placed five furloughed TXI pilots in the bottom category. Two of them, Arthur Rogers and Michael Baker, litigated on a duty of fair representation theory and were elevated by the federal district court into the 7th group, passing 400 Continental pilots whom the Arbitration Panel had placed in Group 8. *Rogers v. Air Line Pilots Association, Int'l*, 988 F.2d 607 (5th Cir. 1993).

● Pursuant to ALPA Merger Policy, the AAA and MOH Merger Representatives agreed upon an integrated list in 1971 based on length of service, i.e., date of hire less furlough time. When a System Board arbitrator ruled in 1976 that six Mohawk pilots should have been recalled from furlough earlier, Arbitrator Lewis Gill modified the agreed-upon seniority list in 1977, over the objections of the Allegheny Merger Representatives, and moved up six Mohawk pilots.

● In *Canadian Pacific-Eastern Provincial-Nordair-Pacific Western* (Teplitsky 1987), an arbitrator recognized that an integrated list in an earlier merger case was "final and binding" but explained his modification of it on the theory that he had already changed the conditions and restrictions attached to it.

● An integrated seniority list in *Air Canada-Canadian Airlines* (Mitchnick 2001) improperly diluted consideration of the merging pilot groups' length of service due to the alleged disparities in their carriers' financial performance prior to the merger. In 2002, Canadian Industrial Labor Board Decision No. 183 invalidated the award and remanded it for reconsideration. Arbitrator Brian Keller subsequently redid the case.

● Following two different "final and binding" arbitration awards in *Air Canada-Connectors* (Picher 1995), the Air Canada pilots abandoned their effort to bring the Connector pilots under their collective agreement and opted for representation through the Air Canada Pilots Association as CALPA dissolved upon their departure. The Picher Award was never implemented and the Connector pilots never gained anything from it.

On balance, the Nicolau Award's deviations from ALPA Merger Policy demand immediate correction by the Executive Council. The importance and urgency of such action would not be outweighed by the minimal impact such corrective action might arguably have on the competing goal of finality. If the US MEC cannot bring the problems of the US pilots to this governing body for redress, where should it turn?

/s/Kevin F. Barry
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US Merger Comm.

/s/Philip Carey
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/s/Bob Kirch
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