

EXHIBIT 13

February 26, 2014

E-Mail Transmission (rainey@nmb.gov)

Daniel Rainey, Esq.
Chief of Staff
National Mediation Board
1301 K Street, NW, Suite 250 East
Washington, DC 20005-7011

Re: American Airlines, Inc., US Airways, Inc., US Airline Pilots Association, and Allied Pilots Association

Dear Mr. Rainey:

This is in response to the February 20, 2014 request by the US Airline Pilots Association (“USAPA”) that the National Mediation Board (“NMB” or the “Board”) provide a list of seven potential arbitrators in connection with the seniority-integration arbitration involving the pilots employed by US Airways, Inc. (“US Airways”) and American Airlines, Inc. (“American”). For the reasons set forth below, the NMB should decline USAPA’s request.

Although USAPA asserts in its February 20 letter that it is requesting a panel of seven arbitrators pursuant to McCaskill-Bond and Section 13(a) of the *Allegheny-Mohawk* LPPs, it fails to mention that USAPA, along with US Airways, American, and the Allied Pilots Association (“APA”), is a party to a collectively-bargained Memorandum Of Understanding Regarding Contingent Collective Bargaining Agreement (“MOU”) that contains numerous provisions that are clearly applicable to the seniority integration between the US Airways and American pilots. The MOU, which was approved by USAPA’s Board of Pilot Representatives, ratified by its members and approved by the Bankruptcy Court in the AMR Corporation bankruptcy, is attached hereto as Exhibit A. MOU Paragraph 10, in particular—which was the product of extensive arm’s-length negotiations among the parties to the MOU—contains numerous specific processes and time lines for the creation of an integrated seniority list and generally allows for the same basic protections that are found in Sections 3 and 13 of the LPPs. As such, the provision of McCaskill-Bond that would otherwise require application of Sections 3 and 13 of the *Allegheny-Mohawk* LPPs is not even triggered in this case.¹

The seniority-integration process adopted by the MOU in no way undermines the protections afforded by Sections 3 and 13 of *Allegheny-Mohawk*. In fact, those provisions were vigorously negotiated by counsel, including USAPA’s counsel. Accordingly, the requirements of the MOU with respect to the process for fashioning an integrated seniority list—although not

¹ McCaskill-Bond states that Sections 3 and 13 of the *Allegheny-Mohawk* LPPs “shall apply to the integration of covered employees of the covered air carriers; except that . . . (2) the requirements of any collective bargaining agreement that may be applicable to the terms of integration involving covered employees of a covered air carrier **shall not be affected by the requirements of this section** as to the employees covered by that agreement, **so long as those provisions allow for the protections afforded by sections 3 and 13 of the Allegheny-Mohawk provisions.**” 49 U.S.C. § 42112(a)(2) (emphasis added).



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By Facsimile (202-692-5082)
and E-Mail Transmission (rainey@nmb.gov)

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Re: American Airlines, Inc., and US Airways, Inc.

Dear Mr. Rainey:

The USAPA sent you a request for the names of seven arbitrators pursuant to the McCaskill-Bond Amendment and Section 13 (a) of the Allegheny-Mohawk LLP's. What they have not disclosed to the NMB is that USAPA is party to a Memorandum of Understanding Regarding Contingent Collective Bargaining Agreement between US Airways, Inc., American Airlines, Inc., the Allied Pilots Association ("APA") and USAPA ("MOU") that provides very specific processes and time lines for creation of the integrated seniority list. USAPA is attempting to repudiate the time lines and arbitration process set forth in the MOU by invoking Section 13(a) of Allegheny-Mohawk.

McCaskill-Bond provides the parties to a "covered transaction" shall follow a collective bargaining agreement that incorporates the protections "afforded by section 3 and 13 of the Allegheny-Mohawk provisions." 49 U.S.C. 42112 (a)(2).¹ The MOU incorporates those protections.

¹ (a) LABOR INTEGRATION.—With 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 (45 U.S.C. 151 et seq.), sections 3 and 13 of the labor protective provisions imposed by the Civil Aeronautics Board in the Allegheny-Mohawk merger (as published at 59 C.A.B. 45) shall apply to the integration of covered employees of the covered air carriers; except that—

...

(2) the requirements of any collective bargaining agreement that may be applicable to the terms of integration involving covered employees of a covered air carrier shall not be affected by the requirements of this section as to the employees covered by that agreement, so long as those provisions allow for the protections afforded by sections 3 and 13 of the Allegheny-Mohawk provisions.

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The MOU departs from Section 13(a) of Allegheny-Mohawk by providing for a very specific, but different, time line; requires a panel of three arbitrators, rather than a single arbitrator; and requires the parties to agree on a method of arbitrator selection rather than a unilateral request to the NMB. American, US Airways ("Carriers") and APA have filed a grievance under the MOU seeking USAPA's compliance with the very specific terms of that agreement, which was approved by USAPA's Board of Pilot Representatives, ratified by its members and approved by the Bankruptcy Court. Copies of the MOU and the grievance are attached.

Accordingly, USAPA's request is contrary to the MOU and the subject of a pending minor dispute raising that issue that also raises a jurisdictional question for the NMB given the parties' compliance with the express provisions of McCaskill-Bond. APA asks that you decline USAPA's request, or defer any response to that request pending the resolution of the pending minor dispute.

Sincerely,



Edgar James

Enclosures

cc: Mary Johnson, Esq.
General Counsel