

**April 5, 2023**

**TO: APA BOARD OF DIRECTORS**

**FROM: APA ALPA MERGER EXPLORATORY  
COMMITTEE**

**RE: INTERIM REPORT TO APRIL 2023 SBOD MEETING**

Our Committee has received and reviewed extensive information from ALPA and APA regarding the subjects encompassed by the BOD Resolution R2022-25 Rev 2. We have been able to explore those subjects directly with the relevant ALPA Representatives, at the ALPA Leadership Conference held February 7, 8, and 9 and in our meetings with ALPA leadership on March 15 and 16 at ALPA headquarters. The Committee has also reviewed the pending ACPA/ALPA Merger Agreement, which is the latest example of how some similar issues have been dealt with between other pilot unions and ALPA.

The Committee will deliver its final report to the Board at the Special BOD meeting scheduled for June 1 and 2, as required by the BOD Resolution. That report will provide detail on the issues raised in the BOD Resolution. But preliminarily, we have not found any major concerns that would lead us to recommend against the Board doing full due diligence by proceeding to "Phase 2". There is no indication that either entering Phase 2 or a merger would interfere with current Section 6 negotiations. Furthermore there is no indication that a merger agreement would:

- Interrupt the day-to-day representation of the American Pilots,
- Deprive our leadership of their autonomy in representing the American Pilots,
- Deprive us of the financial resources necessary to represent the American Pilots,
- Compel us to give up any of our existing APA member benefits,
- Prevent the retention of the APA staff,
- Require that we be immediately exposed to a seniority integration against our wishes, or
- Result in the loss of pre-merger APA assets for the benefit of American Pilots under ALPA.

Our preliminary impression is that ALPA has the resources necessary to support the representation of the American Pilots in many areas, including bargaining, contract administration, legal, communications, air safety, government relations, and strategic planning.

Based on our investigation thus far, the Committee is unanimous that there is merit in proceeding to "Phase 2". A proposed merger agreement would answer how the issues raised in the Resolution might be resolved. The Committee is also unanimous that, as part the due diligence aspect of Phase 2, the Board of Directors consider traveling to ALPA headquarters in order to receive direct, face-to-face input from the relevant ALPA representatives, similar to what our Committee has received. Those direct interactions have been critical in giving us a fuller

understanding of ALPA, what it has to offer, and what the structure of a merged union would look like. We believe the Board should have the benefit of the same level of information.

Pursuing Phase 2 will allow the Board to chart its course on this critical issue, based on the most complete information, including whether the ALPA governance structure is suitable to the American Pilots; and whether the resources ALPA has to offer are or could be replicated by APA. With continued due diligence and a better understanding of what a likely negotiated merger agreement would look like, the Board can make a fully-informed decision whether to submit a proposed agreement to the APA membership pursuant to the Constitution and Bylaws. We believe that letting this process fully play out assures that the Board will make a fully informed decision on what is best for the American Pilots.

#### APA ALPA MERGER EXPLORATORY COMMITTEE

CA Thomas Duncan, Chair

FO Pat Clark, Vice Chair

CA Eric Ferguson

CA Robert Hamilton

FO Ryan Maudlin