

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

JAMES MICHAEL ALLMAN on behalf of \*  
himself and all other similarly situated, \*

Plaintiff, \*

v. \*

AMERICAN AIRLINES, INC. PILOT \*  
RETIREMENT BENEFIT PROGRAM \*  
VARIABLE INCOME PLAN et al., \*

Defendants. \*

Civil Action No. 14-cv-10138-IT

ORDER GRANTING PLAINTIFF'S UNOPPOSED MOTION FOR CLASS CERTIFICATION

March 28, 2016

TALWANI, D.J.

This matter is before the court on Plaintiff's Unopposed Motion for Class Certification in the above-captioned action. The court, having reviewed the Motion and the relevant portions of the record, ORDERS that the Motion is GRANTED as follows:

1. The following Class is hereby certified pursuant to Federal Rule of Civil Procedure 23(a) and Rule 23(b)(3) for all claims in the Complaint:

(a) All current and former American Airlines pilots who are or were participants in the American Airlines, Inc. Pilot Retirement Benefit Program Variable Income Plan ("the Variable Income Plan" or "the Plan") and

(1) who, after becoming an American Airlines employee, completed a period of qualified military service that lasted 30 days or more and ended on or after January 1, 1997; and

(2) who, with respect to any such period of qualified military service, did not receive a pension contribution into the Variable Income Plan based on the pilot's own average rate of compensation during the 12 months prior to the commencement of the pilot's period of qualified military service (or, if shorter, the period of employment immediately preceding such period of qualified military service); and

(3) whose average rate of compensation during the 12 months prior to any period of qualified military service (or, if shorter, the period of employment immediately preceding such period of military leave) exceeded the monthly rate of compensation that was actually used to determine the pension contribution for the pilot's period of qualified military service, as determined under either of the methodologies used in the parties' negotiations.

(b) The beneficiaries of all such participants.

Excluded from the Class are the following persons: (a) all former or current American Airlines pilots who previously reached settlements or obtained judgments resolving or releasing any claims arising during the class period from January 1, 1997 forward under USERRA and/or ERISA related to allegedly-inadequate pension contributions into the Variable Income Plan for periods of military leave; and (b) any persons who served as a fiduciary of the Variable Income Plan and their beneficiaries under the Variable Income Plan, and any members of the immediate family and any heirs, successors or assigns of any such persons.

2. The Class is certified as to all of the claims set forth in the Complaint described as follows:

- Count I, which alleges that, by implementing a policy for making pension contributions without taking into account each Class Member's own average compensation over the twelve months prior to each period of military leave ("the Policy"), the Plan violated Section 4318(b)(3)(B) of the Uniformed Services Employment and Reemployment Act ("USERRA"), 38 U.S.C. § 4318(b)(3)(B);
- Count II, which alleges that, by implementing the Policy, which allegedly violated the terms of the Plan, the Pension Benefits Administration

Committee (“PBAC”) Defendants (i.e. Laura Eispazier, Carolyn E. Wright, Bryan J. McMenemy, Peter Warlick, Beverly K. Goulet, and Mark Burdette) breached their fiduciary duties under Sections 404(a)(1)(A), (B) and (D) of the Employee Retirement Income Security Act of 1974 (“ERISA”), 29 U.S.C. §§ 1104(a)(1)(A), (B), and (D);

- Count III, which alleges that, by failing to take any action, including instituting a lawsuit, to require American Airlines to make contributions for Class Members’ qualified military service in a manner alleged not to be consistent with USERRA, the Internal Revenue Code, and the terms of the Plan, State Street Bank & Trust Company (“State Street”) breached its fiduciary duties under ERISA §§ 404(a)(1)(A), (B), and (D);
- Count IV, which alleges (a) that, by allegedly failing to hold in trust all Plan assets, including the “chase in action” or right to bring an action to recover a debt allegedly owed by American Airlines with respect to pension contributions, Defendant State Street violated ERISA § 403(a), 29 U.S.C. §§ 1103(a), and breached its fiduciary duties under ERISA §§ 404(a)(1)(A), (B), and (D); and (b) that, by allegedly failing to ensure that Defendant State Street held in trust all Plan assets, the Pension Asset Administration Committee Defendants (i.e. Peter Warlick, Laura Eispazier, and Brian McMenemy) violated or caused the Plan to violate ERISA § 403(a) and breached their fiduciary duties under ERISA §§ 404(a)(1)(A), (B), and (D);

- Count V, which alleges that, by agreeing to include in American Airlines' trust agreement with State Street a provision that attempts to relieve State Street from its responsibility to hold assets of the Plan in trust, the PAAC Defendants and Defendant State Street breached their fiduciary duties under ERISA §§ 404(a)(1)(A), (B), and (D);
- Count VI, which alleges that, by allegedly failing to properly monitor or remove Defendant State Street, the PBAC Defendants and the PAAC Defendants breached their fiduciary duties under ERISA §§ 404(a)(1)(A), (B); and
- Count VII, which alleges under ERISA §§ 405(a)(1)-(3), 29 U.S.C. § 1105(a)(1)-(3), co-fiduciary liability against the PBAC Defendants, the PAAC Defendants, and Defendant State Street.

3. Pursuant to Rule 23(g), the court appoints R. Joseph Barton of Cohen Milstein Sellers & Toll PLLC, as Lead Class Counsel, Jason Leviton of Block & Leviton LLP as Liaison Class Counsel and the following attorneys are appointed as additional Class Counsel: Matthew Z. Crotty of Crotty & Son, PLLC, Peter Romer-Friedman of the Washington Lawyers' Committee for Civil Rights and Urban Affairs, and Thomas G. Jarrard of the Law Office of Thomas G. Jarrard.

4. Plaintiff James Michael Allman is appointed as the Class Representative.

5. The court shall direct notice to class members pursuant to Rule 23(c)(2)(B) by separate order. No later than May 4, 2016, Plaintiff shall provide a proposed notice and propose to the court a plan for providing notice to the Class of the certification of the Class.

IT IS SO ORDERED.

March 28, 2016

/s/ Indira Talwani  
United States District Judge