BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, DC

Application of

BOSTON-MAINE AIRWAYS CORP. Docket OST-00-7668

for issuance of an amended certificate of
public convenience and necessity pursuant
49 U.S.C. § 41102 (Interstate Large-Aircraft
Operations).

MOTION OF AIR LINE PILOTS ASSOCIATION
FOR LEAVE TO FILE COMMENTS, AND COMMENTS
OF AIR LINE PILOTS ASSOCIATION ON SUPPLEMENT
TO ANSWER OF BOSTON-MAINE AIRWAYS CORP.

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Dated: June 13, 2005
BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, DC

Application of

BOSTON-MAINE AIRWAYS CORP. Docket OST-00-7668

for issuance of an amended certificate of public convenience and necessity pursuant

MOTION OF AIR LINE PILOTS ASSOCIATION FOR LEAVE TO FILE COMMENTS, AND COMMENTS OF AIR LINE PILOTS ASSOCIATION ON SUPPLEMENT TO ANSWER OF BOSTON-MAINE AIRWAYS CORP.

Air Line Pilots Association (ALPA) respectfully requests leave to file the following comments on the Supplement filed by Boston-Maine Airways Corp. (Boston-Maine) on June 9 to its Answer to ALPA’s previously filed Supplement to ALPA’s Motion to Revoke Boston-Maine’s Certificate. The purpose of these Comments is to call the Department’s attention to certain important questions that are left unanswered by Boston-Maine’s latest filing.

Boston-Maine’s Supplement admits that John Nadolny, its Senior Vice President, Secretary, and General Counsel was "directly involved in, and takes responsibility for, the irregularities affecting the procurement of the [forged] Performance Bond delivered
to ALPA’s counsel in connection with the negotiated settlement agreement between
ALPA and Pan American Airways Corp. (‘Pan Am’) of the litigation referred to in
ALPA’s Supplement.” (Boston-Maine Supplement, p. 2). Boston-Maine also informs
the Department that Mr. Nadolny has now resigned from his positions at Boston-Maine,
Pan Am, “and certain other affiliated corporations.” (Id., emphasis added). Boston-
Maine argues that these “facts and developments . . . fully neutralize the allegation of
senior management misconduct presented by ALPA in its June 1st Supplement to its
Motion to Revoke.” (Id. at 4).

We submit that these new disclosures by Boston-Maine conceal more than they
reveal, and that Boston-Maine should be required to provide a far fuller account of how
these “irregularities” came to be committed, and who besides Mr. Nadolny was
involved in them. It hardly seems likely that Mr. Nadolny, a senior company official
and a member of the Bar, would have decided entirely on his own to falsify the
Performance Bond that Pan Am had agreed to provide to ALPA, rather than simply
purchasing a genuine one in the normal manner. He had nothing personal to gain from
such a fraud, and he had to be aware that it would involve great risk both to himself
personally and to his employer. It stands to reason, therefore, that Mr. Nadolny would
at least have discussed the possible risks and benefits with his superiors. Indeed, we
would be surprised if Mr. Nadolny would have taken this action at all unless his
superiors had at least approved it, if not directed it.
Admittedly, all of the above is speculation. But these are matters that the Department should know, and not have to speculate about. If other senior officials of Pan Am and Boston-Maine were involved in this fraud -- as we think is highly likely -- that could well influence the Department’s conclusions on the issues of compliance disposition and fitness.

Boston-Maine should also disclose whether Mr. Nadolny retains any position with any corporation affiliated with, or related to, Boston-Maine. His resignation letter merely states that he is resigning “from all positions held with Pan Am Systems, Inc. and its subsidiary companies.” The corporate name “Pan Am Systems, Inc.” has not previously surfaced in this (or, to our knowledge, any other) proceeding. The parent of Pan Am and Boston-Maine has previously been identified as Pan American Airlines, Inc. (PAA), not Pan Am Systems, Inc. Thus, it is entirely unclear just what positions Mr. Nadolny has or has not resigned from. In particular, Guilford Transportation Industries, Inc. (Guilford) is owned by the same individuals as PAA and located at the same address. Until Mr. Nadolny’s recent resignation, the President, Chief Financial Officer, and General Counsel of Guilford were the same individuals who held those positions in PAA, Boston-Maine, and Pan Am. Boston-Maine has not disclosed whether Mr. Nadolny has also resigned from his position as General Counsel of Guilford -- indeed, if anything, the clear implication of both the letter of resignation and Boston-Maine’s characterization of it is that he has not resigned from that position. If that is the
case, Mr. Nadolny would still be employed by the same corporate family, and working with the same senior officials, at the same office, as he did before.

If Mr. Nadolny is still employed by Guilford or any closely related entity, it would indicate that his "resignation" was not prompted by his superiors' disapproval of his actions in connection with the forged Performance Bond, but rather was simply an effort to avoid further inquiry into the matter by the Department. If that is the case, it would strongly suggest that Mr. Nadolny's superiors did not in fact disapprove of his actions in connection with the bond -- and, indeed, may even have been involved in those actions themselves. Again, this is not something the Department should have to speculate about, but something it should know.

Respectfully submitted,

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June 13, 2005
CERTIFICATE OF SERVICE

I, Janice A. Reed, hereby certify that on this 13th day of June, 2005, a true and correct copy of the Motion of Air Line Pilots Association for Leave to File Comments, and Comments of Air Line Pilots Association on Supplement to Answer of Boston-Maine Airways Corp. was served as follows:

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