

AMFA's Real

Charles Dickens opened "A Tale of Two Cities" with the line: "It was the best of times, it was the worst of times...".

The same could be said today about AMFA, the Aircraft Mechanics Fraternal Association.

For its National Administrator Kevin F. McCormick, whose bulging portfolio of luxurious resort properties under management and stunning personal estates gains value every day, these are the best of times.

For AMFA mechanics at United or Northwest Airlines, who have to worry about next month's mortgage payment, it is the worst of times.

Not that anyone at AMFA Headquarters cares. Vacation real estate is their game and they play that game with other people's money.

The Tycoon With The Trump-Like Touch

AMFA National Administrator Kevin F. McCormick oversees a vast vacation real estate empire worth hundreds of millions of dollars. His personal real estate holdings exceed several million dollars.

After retiring at the age of thirty as a financial analyst from the bankruptcy-filing and downsizing Polaroid Corporation, McCormick eventually set up shop in the lakeside resort community of Laconia, New Hampshire.

There he formed the McCormick Advisory Group, a real estate management firm. According to the March 11, 2001 edition of the *Minneapolis Star Tribune*, his company represented twenty five property association clients.

McCormick and Olivo V.

Delle-Femine formed a bizarre alliance in 1994. Delle-Femine "hired" McCormick as an AMFA "con-



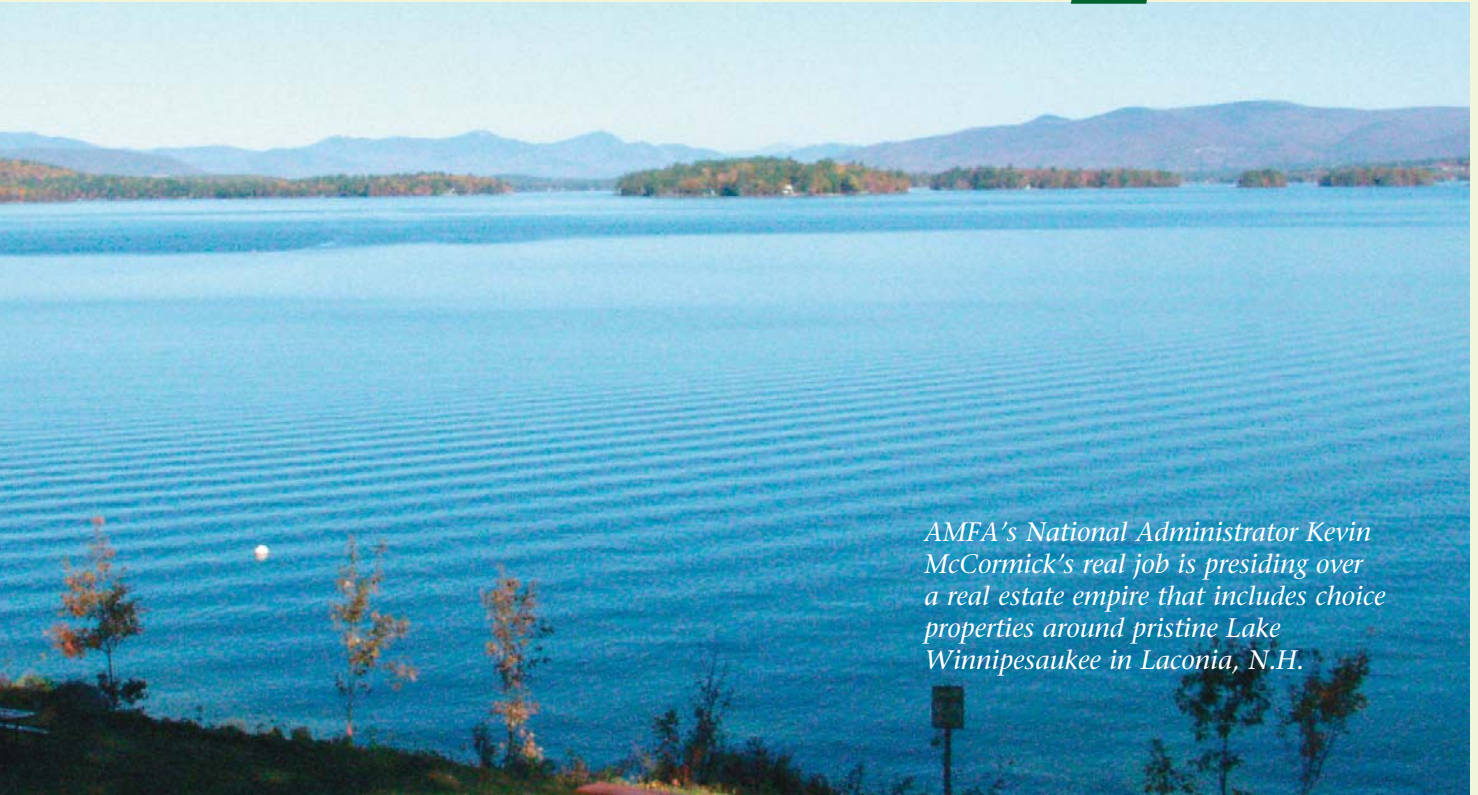
sultant" on a month-to-month basis. McCormick "funded" AMFA's efforts to raid legitimate unions.

McCormick told the *Minneapolis Star Tribune* in 2001 that "None of these start up groups [he also financed raids against pilots and flight attendants] had any money. I funded it because I believed in what they were doing. If dues began to flow in, I would ask them to cover my out-of-pocket expenses."

Kevin McCormick lives in one of the largest waterfront communities on Lake Winnepesaukee: South Down Shores, a private gated community on 4,000 feet of shoreline. It features sandy beaches, a beach house, basketball and tennis courts, a sand volleyball court, skating pond, cross-country ski trails, walking trails and a children's playground.



Estate Empire



AMFA's National Administrator Kevin McCormick's real job is presiding over a real estate empire that includes choice properties around pristine Lake Winnepesaukee in Laconia, N.H.

With McCormick's financial backing, AMFA successfully raided the IAM, the Transport Workers Union and the International Brotherhood of Teamsters.

Soon their membership dues monies flowed through the McCormick Advisory Group. And Kevin McCormick's out-of-pocket expenses were covered.

Labor Department records indicated that AMFA received an infusion of about \$400,000 from the McCormick Advisory Group between 1992 and 1994. After the win at Northwest Airlines, 16 million dollars in AMFA dues flowed

through the McCormick Advisory Group between 1995 and 2004. It was a return on investment – or ROI – only loan sharks could hope to match.

But McCormick's out-of-pocket expenses grew. AMFA spending for outside professional services, including the McCormick Advisory Group, skyrocketed from several hundred dollars in 1994 to more than one million dollars in 2003, according to LM-2 forms filed with the U.S. Department of Labor.

And, while the cash flow from AMFA dues dwarfed the McCormick Advisory Group's vacation real estate

management fees, Kevin McCormick kept his eyes on the real prize – his luxury vacation real estate empire.

McCormick services the owner's associations at some of New England's premiere vacation destinations. Take for example the exclusive Summit at Four Seasons. A rustic country inn located on more than five hundred acres of unspoiled fields and hardwood forest, the property boasts indoor and outdoor pools (including an indoor waterfall and water slide under a domed atrium) tennis and racquetball courts, exercise rooms, cross country skiing and hiking trails, and a



Managing luxury waterfront properties was Kevin McCormick's mainstay until AMFA's raids on legitimate unions put McCormick Advisory Group in charge of millions of dollars in dues revenue.

private golf course.

Residents can luxuriate in the Inn's private pond, Roman Spa, Jacuzzi, or sauna. After a grueling day on the golf course, they can unwind with drinks overlooking Lake Winnepesaukee and enjoy a four star meal at the Inn's Hilltop Restaurant.

Other luxury properties in McCormick's portfolio include places named "Highwood," "Overlook at Winnepesaukee," "Quail Ridge," and "Rose Down." Some even feature gates and security guards to keep the unwashed at bay.

Trophy Homes Follow The Seasons

The luxury of McCormick's management portfolio is easily matched by the elegance of his own estates.

McCormick and his wife have lived in a comfortably-appointed 1,727 square foot three bedroom town house they purchased in Laconia,

New Hampshire in 1987. It is located in the gated community called "The Heights at South Down Shores."

When McCormick hit the AMFA jackpot, he began acquiring trophy properties.

Lewes, Delaware, calls itself "The First Town in the First State." It is a bucolic seaside community with a quaint historic district and a wealth of upscale shops and boutiques. The town is on

Cape Henlopen, at the point where the Delaware Bay and the Atlantic Ocean meet, where horseshoe crabs migrate and mate.

"Port Lewes" is a residential community with private beachfront adjacent to a 4,000-acre nature preserve.

McCormick owns the choicest unit, just steps from the large swimming pool in this exclusive enclave where units sell in the mid \$700,000's and feature fireplaces, built-in bookcases, jacuzzis and all the top shelf amenities a seaside millionaire could want.

His unit was purchased in 2004, just months after the dues started flowing from AMFA's new members at United Airlines.

If the trip from Laconia to Lewes proves too taxing, McCormick can always stop off at another of his estates on Cape Cod, a mere stone's throw from the historic Kennedy Compound.



McCormick Advisory Group started out and continues to manage choice real estate properties around New Hampshire's Lake Winnepesaukee, but found managing AMFA to be a lucrative sideline.

Hyannis Port, a scenic oceanfront community renowned for its beaches and scenery, was home to President John F. Kennedy's summer White House.

McCormick's estate there is located on a secluded country lane less than a quarter mile from where the Kennedy family played touch football.

He purchased the property in 2002 for the bargain basement price of \$400,000. It proved a shrewd investment coming a few years after the dues started to flow from AMFA's win at Northwest Airlines. In today's real estate market, McCormick's Hyannis Port hideaway could be sold for over \$1.2 million.

Opportunity Lost

Despite McCormick's buying binge of luxury homes, he never got around to purchasing an office building for AMFA or, surprisingly, for his own vacation real estate management firm.

AMFA has been located inside the second floor offices of the McCormick Advisory Group since 1994. The McCormick Advisory Group leases its office space from a group known as "67 Water Street Associates," whose principals are David Lynch and Dennis Denoncourt. Notably, these two individuals operate as the public accounting firm Lynch & Denoncourt and



Kevin McCormick's end unit in the exclusive Port Lewes Condominiums, near Cape Henlopen State Park, DE. His unit is just a few hundred feet from the private beach overlooking the Delaware Bay.

serve as the accountants that verify the accuracy of AMFA's finances.

Lynch & Denoncourt has billed the union for thousands of dollars for services over the past decade. They purchased the Water Street property for \$235,000 in 1987.

Commercial property values have skyrocketed in the intervening years and, according to the Laconia Assessor's Office, the building has a current assessed value of \$1,046,200, a jaw dropping 145 percent increase in value since the firm bought it eighteen years ago.

Unfortunately, AMFA members have no claim on that real estate investment bonanza. But they have had to pay and pay – and pay McCormick to “manage”

their union and pay Lynch and Denoncourt (through McCormick) for their national headquarters rental.

Massive \$16 Million Ripoff

As Kevin F. McCormick and his junior partner Olivo V. Delle-Femine stroll across the sandy beaches and manicured lawns near those luxurious vacation real estate properties, AMFA members walk the picket lines at Northwest Airlines.

Over the course of the last ten years, AMFA members have paid over \$16 million in dues to these two men to represent them.

And what did their \$16 million in dues buy? A lifestyle that the rich and nefarious would envy ... and a lifestyle AMFA members at Northwest and United should be absolutely furious about.