

DOCUMENT 48

LETTER OF AGREEMENT
between
ALOHA AIRLINES, INC.
and
THE FLIGHT ATTENDANTS
in the service of
ALOHA AIRLINES, INC.
as represented by the
ASSOCIATION OF FLIGHT ATTENDANTS-CWA, AFL-CIO

CONTRACT AMENDMENTS

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between ALOHA AIRLINES, INC. (hereinafter referred to as the "Company"), and the FLIGHT ATTENDANTS in the service of ALOHA AIRLINES, INC., as represented by the ASSOCIATION OF FLIGHT ATTENDANTS-CWA, AFL-CIO (hereinafter referred to as the "Association").

WITNESSETH:

WHEREAS, the Company has indicated its intention to enter into an expanded Code-Sharing Agreement with United Airlines; and

WHEREAS, the Company understands the Association's position with respect to the Aloha-United code share agreement is based on the unique facts and circumstances which the Company faces and cannot be used by the Company as binding or precedential with respect to any other code share agreement that the Company may desire to enter and

WHEREAS, the Association recognizes that there is benefit to the Company from such an arrangement:

NOW, THEREFORE, it is mutually agreed and understood by and between the parties to this Letter of Agreement that:

A. Waiver

The Association agrees to grant a waiver of the provisions of subparagraphs a. and b. found on page 8 of 10 of Document 41 under Paragraph H. The purpose of this waiver is solely to allow the Company to enter into an expanded Code-Share agreement with United Airlines and does not extend to any other carrier or code-share agreement. In view of the non-

precedential nature of this Agreement, it is agreed and understood that any future code share agreement the company may wish to enter into must be presented to the Association and any differences must be resolved through the procedures of subparagraph f, prior to being implemented. The provisions of subparagraphs c. – f. are expressly NOT waived and must be maintained under this and any other current code-sharing arrangement(s). The Company shall not begin any portion of the proposed United Code-Share agreement prior to reaching agreement with the Association on this waiver. AGREED

B. Contract Amendments

1. The Company will pay all fees and expenses incurred by the Association in connection with the review, design, negotiations, approval, ratification and implementation of the United Code Sharing Agreement within forty-five (45) days of receipt of the expenses; such expenses shall not exceed \$20,000 AGREED
2. Section 31, Duration shall be extended to April 30, 2010. AGREED
3. Effective October 1, 2009, rates of pay shall be increased by two percent (2%). Effective April 29, 2010 rates of pay shall be increased by 4%. Such increases will be affected in the same manner as current contractual increases. AGREED
4. Flight Attendants who forego company provided hotel accommodations, whether on a MAP or a trip pairing, shall receive fifty dollars (\$50) for each night. This payment will not be subject to any contractual pay reductions. AGREED
5. The Company will convert the pick up of open time left after bid construction to an electronic system. The award methodology will be "first come-first serve". A Joint AFA/Company committee will be formed to evaluate and implement the electronic open time process. If such program is not in place by April 30, 2008, all open time picked up by a flight attendant will be paid at 150% of the applicable rate of pay. If either the award methodology or the definition of open time is expanded, the above deadline will no longer apply. AGREED
6. Pass Travel
 - a. A Flight Attendant working her/his last trip prior to retirement will receive a positive space pass for each of her/his eligible family members for the roundtrip (either Interisland or ER). If the Flight Attendant has no eligible family members, she/he will receive positive space passes for up to three (3) people of her/his choosing.

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For the purposes of this paragraph, eligible family members shall mean: The flight attendant's parents, spouse, and children and their spouses, if any. This provision shall be limited to one flight attendant per trip. AGREED

- b. The Company will use its best efforts to secure off-line travel benefits for Registered Domestic Partners. AGREED

7. Scheduling Changes

a. Trip Trades

(1) Amend Section 8 paragraph G.1.c. as follows: The two flight attendants desiring the trade must contact crew scheduling no later than two (2) hours prior to check-in of the first trip involved in the trade. AGREED

(2) Amend Section 8 paragraph G.2.c. as follows: The two flight attendants requesting to trade Reserve Days Off must contact crew scheduling no later than noon HST the day prior to the earliest affected day of availability. AGREED

(3) Trade of a trip for a day off: If a flight attendant wishes to trade a trip for a day off, the two flight attendants must contact crew scheduling not later than two (2) hours prior to check-in of the first trip involved in the trade. AGREED

(4) The time limits set forth for Trip Trades may be waived by crew scheduling. AGREED

(5) No trade requests will be approved if doing so will violate any contractual provisions or FARs. AGREED

b. Downline Trades

(1) Flight Attendants desiring to trade portions of a trip at a downline station may do so provided that they contact crew scheduling at least two (2) hours before check-in time for the earliest departing segment. In cases where such time is between 2359 and 0400 HST, scheduling must be contacted prior to 2359 HST. The latter provision shall cease to be effective

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if/when crew scheduling becomes operational 24 hours a day. AGREED

(2) No trade requests will be approved if doing so will violate any contractual provisions or FARs. AGREED

(3) The time limits set forth for Downline Trades may be waived by crew scheduling. AGREED

c. Half Trip Trades

(1) Two bid/supplemental flight attendants may split one trip sequence at the RON station. AGREED

(2) Arrangements for the trade must be made at least two (2) hours prior to the check-in time of the trip in HNL. AGREED

(3) It is the responsibility of the flight attendants splitting the trip sequence to secure their own transportation to/from the point of the split. AGREED

(4) The flight attendant originally awarded the trip, either by bid, drop/pick-up or trade will remain responsible for the sequence in the event the second flight attendant can not or does not report for the return portion. If, however, the second flight attendant is originating the trip in HNL and fails to report, requiring the company to utilize a reserve flight attendant to originate the trip, the original trip holder shall forfeit the remainder of her/his trip. AGREED

(5) Only one of the two flight attendants will receive hotel accommodations in the RON city. AGREED

(6) Per diem for the affected flight attendants will begin at the check-in time and end at the check-out time of the portion worked by each flight attendant. AGREED

(7) No trade requests will be approved if doing so will violate any contractual provisions or FARs. AGREED

(8) The time limits set forth for Half Trip Trades may be waived by crew scheduling. AGREED

(9) Half Trip Trade provisions shall not apply to MAPS. AGREED

8. Vacation- Effective 1/1/08 AGREED
Vacation Credits will be increased as follows:
 - 90 Hour Option- 3:05-per day.
 - 85 Hour Option- 2:55-per day.
 - 75 Hour Option- 2:35-per day.

9. Standby Lounge- AGREED
The Standby Lounge will be upgraded by December 31, 2007, as follows:
 - a. Internet Access, wireless if possible.
 - b. New Refrigerator
 - c. New Microwave

10. Bottled Water
The company will provide a 1.5 liter bottle of water for each crew member on all ER flights. AGREED

11. Effective January 1, 2008, Ground School Time shall be treated the same as AFA, Bid Blocker and Vacation time for determining ER and B1 premiums. AGREED

C. Grievance Resolutions

The parties agree that the following grievances, pre-grievances and scheduling complaints are resolved as follows:

1. Grievance number 06-07- .Married Employees will be eligible to use the medical Waiver Program effective October 1, 2007. AGREED

2. FMLA – Effective September 1, 2007 the following intermittent leave procedures will be available to all flight attendants who qualify for FMLA.
 - a. 12 weeks = 480 hours.
 - b. 1 day = 8 hours
 - c. Less than 1 day = number of duty hours lost.

The Company will conduct an audit of all flight attendants who have been utilizing intermittent FMLA since January 1, 2007. All such flight attendants will have their FMLA hours augmented by 240 hours. Additionally, any flight attendant who has been disciplined or who has progressed within the discipline program who would not have done so had she/he not exhausted her/his FMLA hours will have such discipline and/or progression removed from her his

record. Such audit shall be completed no later than September 30, 2007. AGREED

3. Workers' Compensation Arbitration Award – The parties agree to resolve by adjusting the occupational bank and sick leave banks for all affected flight attendants. The flight attendants' actual WC pay shall be compared to the pay based on the average weekly wage system awarded by the arbitration award, which is thirty-five (35) hours times the flight attendant's hourly rate of pay. If the result of the computation is greater than the workers' compensation pay actually received, the occupational sick leave and sick leave bank(s) of the flight attendant will be restored in amounts sufficient to compensate the flight attendant for the excess hours utilized due to the improper calculation. AGREED

For flight attendants affected between October 2002 and January 31, 2007, such adjustment shall not exceed the flight attendant's bid guarantee. AGREED

For flight attendants affected after January 31, 2007, such adjustment shall not exceed 100% of the flight attendant's bid award. AGREED

Any flight attendant receiving workers' compensation benefits at the time this agreement is implemented whose benefit amount was calculated at levels less than the hourly rate times 35 hours computation shall have their benefit amount recalculated consistent with the 35 hours times the hourly rate formula and their benefit amount will be adjusted accordingly. AGREED

The calculations and adjustments specified above shall be completed no later than September 30, 2007. AGREED

Going forward, the same method shall be used to determine a flight attendant's average weekly wage. However, total pay received shall not exceed 100% of the flight attendant's bid award. AGREED

This settlement of the arbitration award shall not amend the provisions of Section 27, Workers' Compensation and Occupational Sick Benefits of the collective bargaining agreement. AGREED

4. Grievance number 07-07– Access to Aloha's intranet site for travel purposes, will be available to eligible flight attendants. AGREED
5. Grievance number 05-07– Pension contributions – The Company agrees to provide a means for Flight Attendants to receive timely

responses to any pension inquiries. AGREED

6. Grievance number 32-54-2-03-07– Grievance to be deferred because the parties have determined that there are no flight attendants who have retired since February 1, 2006. Flight attendants who retire after the effective date of this Agreement and are qualified for retiree medical benefits, shall be entitled to use their sick leave to offset the cost of medical insurance, in accordance with the April 5, 2006 letter to AFA, at the existing medical contract rate. Should they exhaust their sick leave, or they have no sick leave balance when they retire, they shall be eligible to continue to participate in the Company’s medical plan by paying the monthly premium then in effect for active employees. AGREED
 7. Upgrade procedures for Deadhead flight attendants. (#04-07) In accordance with Document 6.11.d, Deadheading flight attendants on company orders will be upgraded to First Class at time of check in if seats are available and in inventory. Once assigned to a first class seat, flight attendants shall not be displaced by a coach passenger wishing to pay the upgrade fee, one (1) hour prior to departure. If First Class seats are not available at check-in, then flight attendants will be assigned to row 11 and will be eligible for upgrade at the gate if seats do become open. AGREED
 8. Number of Standby Flight Attendants on Duty (#09-07) The Association agrees to hold this grievance in abeyance until completion of the Scheduling Policy. AGREED
 9. End of Day Gantt Sheets (# 02-07) To be resolved by providing the AFA MEC office with remote VPN access to the “flite trac plot”, or its equivalent should another system be utilized, no later than September 30, 2007 AGREED
- D. Any dispute that involves Code Sharing arrangements that may arise under this Letter of Agreement will be processed under the provisions of Section 1, as amended, including expedited arbitration, and all related sections. AGREED
- E. Any provision of the current Flight Attendant Agreement not specifically altered by this Letter of Agreement remains in full force and effect. AGREED
- F. Any grievance(s) that may arise under the new Trade/Swap provisions will be held in abeyance for a period of six (6) months from the implementation date of this document. All time limits specified in the agreement will be

tolled for the period of abeyance for such grievances. A meeting between the AFA and the Company will be held approximately three (3) months after implementation to address any unforeseen issues. AGREED

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 3rd day of August, 2007.

For AFA-CWA

For Aloha Airlines, Inc.

Patricia Friend
International President

Albert J. Pattison, Sr. Vice
President, Human Resources

Gail Kim-Moe, MEC President

Ralph P. Clark, Jr. Vice President
Flight Operations

Grace Lee, Negotiating Committee

Christina Marshman, Director
Inflight Services

Mark L. Littleton
Sr. Staff Negotiator