

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

TRANSAVIA 737-800 LEASE

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").

WHEREAS, the Company expects to enter into a lease agreement commencing in October of 2007 for a B737-800 aircraft (A/C #PHHZO); and

WHEREAS, the Agreement between the parties addresses the required staffing for such an acquisition; and

WHEREAS, the Company wishes relief from that prescribed staffing level for the above referenced aircraft:

NOW THEREFORE the parties agree as follows:

The supplemental requirement outlined in current book Document 6 paragraph 4 b will be suspended as it would apply to staffing A/C #PHHZO through April of 2008 and the Company may staff the aircraft at the FAR minimum crew, after which the supplemental contractual requirement will again be in full effect for that and/or any additional B737 ER aircraft with 150 or more passenger seats acquired by the Company.

For the period outlined above: November 2007 through April 2008, an aft galley position (B2) premium pay of \$1.87 per hour or fraction thereof will apply to all ER trip pairings.

For that same period, any expansion of the overall service as of 09/20/07, unique to and prescribed for the above referenced aircraft will require mutual agreement between the parties.

Effective November 1, 2007, Flight Attendants will have the ability to make Partial Trip Trades:

- (1) Two bid/supplemental flight attendants may split an inter-island trip sequence. A trip sequence may only be split once.
- (2) Arrangements for the trade must be made at least (2) hours prior to the check-in time of the trip in domicile. In cases where such time is during the hours that crew scheduling is closed, scheduling must be contacted prior to closure. The latter provision shall cease to be effective if/when crew scheduling becomes operational 24 hours a day.
- (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.
- (4) The flight attendant originating the trip sequence in the domicile will remain responsible for the remainder of the trip sequence in the event the other flight attendant cannot or does not report for the remainder of the trip sequence. If the flight attendant originating the trip sequence in the domicile cannot or does not report, requiring the company to utilize a reserve flight attendant to originate the trip, the reserve will complete the entire trip sequence and the second portion of the trip sequence shall be forfeited.
- (5) The daily minimum guarantee, Section 4 E. 1, will not apply to Partial Trip Trade trip sequence.
- (6) Per Diem for the affected flight attendants will begin at the check-in time and end at the checkout time of the portion worked by each flight attendant.
- (7) No trade requests will be approved if doing so will violate any contractual provisions or FARs.
- (8) Crew scheduling may waive the time limits set forth for the submission of Partial Trip Trades.
- (9) 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.

Additional consideration will include the implementation of:

An electronic funds transfer system from the Company to AFA-CWA International for Association membership dues and Flight PAC contributions. The first trial run for which will be no later than October 31, 2007.

A Reciprocal Cabin Seat Agreement for Flight Attendants. A committee will be formed with at least one representative in attendance from Inflight Services and the Association. The committee will meet no later than November 1, 2007 to further outline the agreement and to create a timetable for its implementation.

The Company will pay all fees and expenses incurred by the Association in connection with the review, design, negotiations, approval, ratification and implementation of this Letter of Agreement within forty-five (45) days of receipt of the expenses; such expenses shall not exceed \$7,500 (seventy-five hundred dollars).

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 20th day of September 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

R. Peter Clark, Jr. Vice President
Flight Operations

Grace Lee, Negotiating Committee

Christine Marshman, Director
Inflight Services

Kelle Porter Wells
Staff Negotiator