

**ELECTION OF FORM OF BENEFITS UNDER
ALOHA AIRLINES, INC. FLIGHT ATTENDANTS' PENSION PLAN**

Participant's Name (Print or Type): _____

Social Security Number: _____ ~ _____ ~ _____ Employee No.: _____

APPLICATION OF PARTICIPANT

I hereby make application to receive ___ % (select a percentage up to 50%) of my distributable benefits commencing on ___/___/___ (enter a date beginning October 1, 2008 or later), in accordance with the Plan's provision allowing a partial distribution of up to 50% of my account balance as of December 31, 2007 and the Plan's payment terms:

I am (check one): ___ Single ___ Married

Unless I elect an optional form of payment below (and obtain spousal consent as applicable), my benefit will be paid as follows:

___ **If You Are Not Married**

If you are not married on the date your benefit payments begin, your account balances will be used to purchase an annuity from an insurance company to be paid for your lifetime.

___ **If You Are Married**

If you are married when benefit payments begin, your account balances will be used to buy a qualified joint and survivor annuity from an insurance company. The joint and survivor annuity provides a monthly benefit for your lifetime. At your death, your spouse will begin to receive monthly payments for his or her lifetime equal to 50% of the monthly benefit you had been receiving.

If you are married and you elect a benefit other than the normal form described above or you elect a beneficiary other than your spouse, your spouse must give his or her written consent to the election and your spouse's signature must be witnessed by a notary public or by a Plan representative (see page 4).

Instead of the standard payment method, you may elect another payment option that better suits your personal needs. If you are married and elect any optional payments, your spouse must provide his or her written consent to your election. You will have at least 30 days from the date you receive this election form to elect an optional payment form, unless you waive the 30-day period and elect to receive your benefits at an earlier time. Otherwise, your benefit will be paid in the standard method described on page 1 that applies to you. You may not change your election after benefit payments have begun. The Pension Plan offers the following payment options:

___ **Lump Sum (including Direct Rollovers)**

Under the lump sum option, your benefits will be paid in one single distribution. Any lump sum of at least \$500 may be rolled over to an IRA or to another tax qualified plan.

___ **Direct Rollover.** If you wish to roll over or transfer all or part of your lump sum to an IRA or to another tax qualified plan, complete the enclosed Direct Rollover form. As indicated on the Direct Rollover form, you may roll over your lump sum to any IRA provider that you select. If you choose to roll over your lump sum to an IRA at Fidelity, you may also use the Fidelity Advisor Rollover form provided by Morgan Stanley.

___ **Life Annuity - Equal**

Under the life annuity option, you will receive equal monthly payments for your lifetime.

___ **Life Annuity – Variable**

Under the life annuity option, you will receive varying monthly payments for your lifetime.

___ **Cash Refund Annuity - Equal**

Under the cash refund annuity option, you will receive equal monthly payments for your lifetime. However, if at your death you have not received payments equal to the total value of your annuity at the time payments began, the balance will be paid to your beneficiary.

___ **Cash Refund Annuity – Variable**

Under the cash refund annuity option, you will receive varying monthly payments for your lifetime. However, if at your death you have not received payments equal to the total value of your annuity at the time payments began, the balance will be paid to your beneficiary.

___ **Life Annuity with Payments for a Period Certain**

Under the life annuity with payments for a period certain option, you will receive equal or varying monthly payments for your lifetime. However, if you should die before receiving either 60, 120, or 180 payments (whichever you elect), payments will be made to your beneficiary for the balance of the elected period.

___ I hereby elect 5 year certain

___ I hereby elect 10 year certain

___ I hereby elect 15 year certain

___ **Joint and Survivor Annuity**

Under the joint and survivor annuity option, you will receive equal monthly payments for your lifetime. At your death, your spouse will begin to receive monthly payments for his or her lifetime equal to 50%, 66-2/3%, 75%, or 100% (whichever you elect) of the monthly benefit you had been receiving (only a married participant may elect this option).

- ___ I hereby elect 50% Joint and Survivor
- ___ I hereby elect 66 2/3% Joint and Survivor
- ___ I hereby elect 75% Joint and Survivor
- ___ I hereby elect 100% Joint and Survivor

___ **Life Annuity with Social Security Adjustment**

Under the life annuity with social security adjustment option, you will receive monthly payments for your lifetime. The amount of monthly payments will be larger before age 62 (or whichever age you elect) and smaller after that age. This method of payment is designed to provide a level income when Plan benefits and social security benefits are combined.

___ **Annuity Certain - Equal**

Under the annuity certain option, you will receive equal monthly payments for a specified period of time that stop when that period of time ends. If you die before the end of the period, benefit payments will be made to your beneficiary for the balance of the period. You may elect any length of period, except that the period may not extend beyond your life expectancy.

___ **Annuity Certain – Variable**

Under the annuity certain option, you will receive varying monthly payments for a specified period of time that stop when that period of time ends. If you die before the end of the period, benefit payments will be made to your beneficiary for the balance of the period. You may elect any length of period, except that the period may not extend beyond your life expectancy.

Lump sum benefits described above will be paid directly from your account balances. Your account balances will be used to buy an annuity from a major life insurance company for any other option. However, at the Retirement Board's discretion, the annuity certain option may be paid out of your account balances.

In executing this form, I acknowledge that (a) I have received an explanation of my right to payment in the form of a Qualified Joint and Survivor Annuity, as well as a summary of the various benefit options under the Plan, and have reviewed such explanation and summary prior to completing this form; (b) this form must be completed and signed within the period prior to the date benefit payments begin to be paid in order to be effective; (c) any failure to correctly indicate marital status may invalidate my election; and (d) the election is revocable by completing and submitting a new written election prior to the date the Plan benefits begin.

Signature of Participant: _____

Date: ___/___/___

