

AGREEMENT #13

between

HAWAIIAN AIRLINES, INC.

and

INTERNATIONAL
ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS
(AFL-CIO)

Representing

CLERICAL, OFFICE, STORES, FLEET AND
PASSENGER SERVICE EMPLOYEES

January 1, 2010 - December 31, 2013

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AGREEMENT
Between
HAWAIIAN AIRLINES, INC.
and
INTERNATIONAL
ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS
(AFL-CIO)

This Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between HAWAIIAN AIRLINES, INC., hereinafter referred to as the "Company", and the INTERNATIONAL ASSOCIATION OF MACHINISTS, hereinafter referred to as the "Union", representing the clerical, office, stores, fleet and passenger service employees, as certified by the National Mediation Board in Case R-2726 on September 15, 1953.

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ARTICLE 1

PURPOSE OF AGREEMENT

- 1.1 The purpose of this Agreement is, in the mutual interest of the Company and of the employees, to provide for the operation of the services of the Company under methods which will further to the fullest extent possible the safety of air transportation, the efficiency of operation, and the continuation of employment under conditions of reasonable hours, proper compensation, and reasonable working conditions. It is recognized by this Agreement to be the duty of the Company and of the employees to cooperate fully, both individually and collectively, for the advancement of that purpose.
- 1.2 No employee covered by this Agreement will be interfered with, restrained, coerced, or discriminated against by the Company, its officers, or agents because of membership in or lawful activity on behalf of the Union.
- 1.3 It is mutually understood and agreed that wherever in this Agreement employees or classifications are referred to in the male gender, it shall be recognized as referring to both male and female employees.
- 1.4 The Company and the Union agree that there shall be no discrimination against any employee on the basis of race, color, religion, sex, national origin, age, disability, veteran's status or other protected categories, but only to the extent determined by applicable law.
- 1.5 The right to manage the operation and direct the workforce; to establish as necessary the number and type of jobs needed; to establish the standards of quality of its product; to hire; promote; discharge or discipline for cause; and to maintain order amongst employees is the sole responsibility of the Company. In addition, it is understood and agreed that the routes to be flown; the equipment to be used; the location of plants, hangars, facilities, stations and offices; the scheduling of airplanes, and all other matters of policy and management are the exclusive function and responsibility of the Company, provided such matters are not in conflict with the terms of the Agreement.

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ARTICLE 2

SCOPE OF AGREEMENT

- 2.1 The Company hereby recognizes the Union as the sole and exclusive bargaining agent for all employees of the Company in the United States, its Territories and Possessions, who comprise the crafts or classes of clerical, office, stores, fleet and passenger service employees, including but not limited to Accounting Clerks and Accountant (all grades and classes), Aircraft Scheduler and Revenue Analyst (all grades and classes), Crew Scheduler (all grades and classes), Chief Agent (all grades and classes), Agent (all grades and classes), Ramp Agent (all grades and classes), Buyer (all grades and classes), Inventory Agent and Materiel Analyst (all grades and classes), Records Agent (all grades and classes), Materiel Support (all grades and classes), Printer (all grades and classes), Secretary, Clerk Typist, Computer Operators (all grades and classes), and any new or revised classification that may in the future be established or any classification that is to be deleted shall be by agreement of the parties. It is understood and agreed that during the life of this Agreement the clerical employees of the Industrial Relations Department and the Secretaries of Company Officers and Department and Division Heads shall be excluded from the Union Shop provisions of this Agreement.
- 2.2 The Company agrees that all work which is now performed directly by the Company with its employees involving office work, reservations work, passenger service work, terminal work, cargo and/or baggage handling, accounting and secretarial work, and all other work related to the above referred to crafts and classes of employees performed by the Company is recognized as coming within the jurisdiction of the International Association of Machinists, and is covered by this Agreement. Said work will be performed only by employees falling within the classification covered by this Agreement or that may by mutual agreement be added by the parties. However, the Company may continue to contract out work which has heretofore been customarily contracted out because of lack of Company facilities and equipment. It is the Company's intent, however, to continue to utilize its own facilities and equipment in performing work in its own organization. With the installation of ticket reader machines, it is agreed that F/A will be allowed to assist by checking and collecting passenger boarding passes/tickets at the gate in HNL, LAX and OGG. It is further understood that the agent is ultimately responsible for the boarding of flights.
- (a) Work, as referred to above means all work certified by the National Mediation Board in Case No. R-2726 Clerical.
- (b) Neither the Company or its designee shall enter into any of the following transactions, agreements, arrangements

or relationships without DL 141 IMAAW prior written consent:

- i. Any change in the terms and conditions embodied in this Agreement including but not limited to testing and training; wages and benefits including Pass travel.

- 2.3 In the performance of their duties, employees covered by this Agreement shall be governed by Company rules, regulations and orders, issued by properly designated authorities of the Company, providing such rules, regulations and orders are not in conflict with the terms and conditions embodied in this Agreement. The Company will, after the signing of this Agreement cause to be compiled and issued to each present and all new employees, the presently applicable conduct rules and regulations and no new rules or regulations will be considered effective until copies have been furnished to the Local Committee and conspicuously posted in the working areas at least five (5) days prior to effective date. In cases where emergency changes are necessary, the Company will notify the Committee and such changes will be posted and become effective immediately thereafter.
- 2.4 At any stations away from the State of Hawaii, the Company may contract out the work necessary to operate and service aircraft. However, should the Company's operation expand so that there is work to cover eight (8) hours a day for five (5) days in a standard work week at one location, the Company will use employees covered under this Agreement.
- 2.5 To the extent that contracting out is permitted by this agreement, no work shall be contracted out by the Company unless the Company can demonstrate that such contracting out will not result in a layoff of any IAM-represented employee. For purposes of this paragraph, a layoff shall be a layoff from the employee's current classification, unless the employee is offered a permanent job in a lateral or higher classification.
- 2.6 The Company shall not relocate work performed by its employees from the State of Hawaii to a location outside of the State of Hawaii unless the Company can demonstrate that such movement of work will not result in the layoff of any IAM represented employee. For purposes of this section, a layoff shall be a layoff from the employee's current classification, unless the employee is offered a permanent job in a lateral or higher classification.
 - (a) If as a result of the relocation an IAM represented employee is offered a transfer to a new location, the benefits described in Clause 10.8 shall be provided to employees who elect to transfer. If such employee declines a transfer offered by the Company, the employee shall be furloughed and if laid off shall be entitled to two (2) times the normal severance pay described in Article 20. In addition, if the employee has less than 5 years

compensated service with the Company shall receive continued Company provided medical coverage for a period of sixty (60) days from the date of furlough. If the employee has five (5) or more years of compensated service, the Company provided medical coverage will be continued for six (6) months from the date of furlough.

- (b) The provisions of this clause shall apply to Station closures and is inclusive of all IAM represented employees.
- (c) The provisions of this clause shall apply to part-time employees based in Molokai and Lanai. For the purposes of calculating severance pay and medical coverage, the employee's hours shall be adjusted for his/her part-time status.

2.7 If, as a result of contracting out or code sharing, an IAM-represented employee is offered a transfer to a new location, the benefits described in Clause 10.8, shall be provided to employees who elect to transfer. If such employee declines a transfer offered by the Company, the employee shall be entitled to two (2) times the normal severance pay described in Article 20. In addition, such employees with fewer than five (5) years of compensated service with the Company shall receive continued Company provided medical coverage for a period of sixty (60) days from the date of termination, and such employees with five (5) or more years of compensated service with the Company shall receive continued Company provided medical coverage for a period of six (6) months from the date of termination.

- (a) The provisions of paragraph 2.7 above shall apply to part-time employees based in Molokai and Lanai. For the purpose of calculating severance pay and medical coverage the employee's hours shall be adjusted for his/her part-time status. In the event of a code share or contracting out of work at these two stations, the Company shall make reasonable efforts to have the new employer interview the affected employees for jobs.

2.8 Variations in job requirements may create additional classifications or materially change a position that is within an existing classification. When a new position is created for work covered by this Agreement, the parties will meet to agree on rate of pay, rules and working conditions.

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ARTICLE 3

STATUS OF AGREEMENT AND JOB SECURITY

- 3.1 It is expressly understood and agreed that when this Agreement is accepted by the parties and signed by their authorized representatives, it will supersede any and all agreements and letters of agreement not negotiated in or out by the Company or Union dated prior to the effective date hereof executed between this Company and the Union affecting the crafts or classes of employees covered by this Agreement. Letters of Agreement in effect as of the date of this Agreement are included in this contract booklet immediately following Classification Wage Scales.
- 3.2 It is agreed that all provisions of this Agreement shall be binding on the successors or assign of the Company. Any such successor or assign shall employ the Clerical, Office, Stores, Fleet and Passenger Service Employees on the Hawaiian Airlines System Seniority List for such employees in accordance with the provisions of this Agreement. The Company agrees to give written notice of the terms of this Agreement to a proposed successor, before concluding any successorship transaction. The Company agrees that no agreement or other legally binding commitment involving a successorship transaction will be signed or otherwise entered into, unless it is agreed in writing as a material and irrevocable condition of entering into, concluding and implementing the transaction, that this Agreement and recognition of the Association is assumed by the successor(s) and that the employees on the System Seniority List will be employed in accordance with the provisions of this Agreement. The Company will provide the Association of Machinists and Aerospace Workers with the details of and material agreements related to any such transaction in a timely manner.
- 3.3 The Company will notify the Union promptly upon the Company's filing of notice with appropriate government agencies of its intent to extend its operation or commence other operations beyond the limits of the State of Hawaii.
- 3.4 Labor Protective Provisions
- (a) IAM Personnel on the System Seniority List will be provided with the same labor protective provisions specified by the Civil Aeronautics Board in Sections 2, 3 and 13 only of the Allegheny-Mohawk merger conditions as amended (hereafter "LPP") as a material and irrevocable written condition of any future merger or acquisition, as defined by Section 2(a) of said LPP, involving the Company. The written condition to provide those personnel the Hawaiian Airlines IAM System Seniority List with said LPP shall be embodied in a signed

agreement between/among the parties to the transaction, which shall specifically:

- i. Bind all parties to the transaction, including the Company and any successor of the Company, to assume and carry out the obligation to provide such personnel with said LPP as a material and irrevocable condition of entering into, concluding and implementing their transaction.
 - ii. Provide that the Association of Machinists and Aerospace Workers and its members on the Hawaiian Airline System Seniority List shall have all necessary and required rights and standing to invoke said LPP, and to take such action as is necessary to enforce the application of said LPP, against all parties to the transaction, including the Company and any successor of the Company; provided that, with respect to the integration of seniority lists between/among two (2) or more groups represented by the International Association of Machinists and Aerospace Workers, the merger policy shall be applied according to its terms before Section 13 of said LPP may be invoked as to any dispute or controversy over integration of seniority lists, and that Section 13 may be invoked on behalf of the International Association of Machinists and Aerospace Workers members on the Hawaiian Airlines System Services List only by the Association as bargaining representative.
 - iii. Provide that the Association and the affected International Association of Machinists and Aerospace Workers members on the Hawaiian Airlines System Services List shall be entitled to a remedy of specific performance, including injunctive relief, against all parties to the transaction, including the Company and any successor of the Company, to enforce the application of said LPP.
- (b) The signed agreement required by paragraph 3.4 a. shall be provided to the Association within 72 hours of signing any agreement or other legally binding merger or acquisition commitment.

3.5 Expedited Arbitration

Any and all disputes concerning alleged violation of this Section shall be resolved by final and binding arbitration. The Company specifically agrees to arbitrate any grievance permitted under the Railway Labor Act filed by the Association alleging violation of this Section on an expedited basis directly before the System Board of Adjustment sitting with a neutral member, as the arbitration forum. The Arbitrator shall be bound by all provisions of the Railway Labor Act. The dispute

shall be heard expeditiously no later than thirty (30) days following the submission to the System Board and decided expeditiously no later than sixty (60) days after submission, unless the parties agree otherwise in writing. The parties agree to abide by any lawful arbitration award which is issued. The parties further expressly agree that any violation of this Section by the Company shall constitute irreparable injury for which no adequate remedy at law exists.

- 3.6 The Company will not enter into, maintain, or permit any transaction, agreement or arrangement which provides for, permits, facilitates, creates, maintains or results in the establishment of a Parent or Affiliate unless the Parent or Affiliate agrees in writing, as an irrevocable condition of such transaction, agreement or arrangement, to be bound by the Agreement in the same manner as the Company as if every reference to the Company in this Agreement also referred to and bound the Parent or Affiliate.
- 3.7 In the event a "Change of Control" occurs and within two (2) years of the Change of Control the person(s) exercising such control (i) replaces a majority of the directors of the Company or of Hawaiian Holdings, Inc. ("Holdings"), excluding replacements as the result of death, disability or reaching of retirement age, or (ii) through making shareholder proposals or initiating proxy solicitations, directs Holdings' board and/or influences the operations of the Company (a "Change of Control Event"), then: (a) the Union shall have the right in its sole discretion to extend the duration of the Agreement for up to two (2) years from the date of the Change of Control Event; and (b) Holdings and the Company shall at Holdings' option either (i) issue to eligible employees represented by the IAM Clerical common shares of Holdings having an aggregate market value of \$1,202,972 at the time of the Change of Control Event, or (ii) pay \$1,202,972 in cash. If Holdings elects to issue common stock it shall be issued within five (5) business days after the date of the Change of Control Event, and the number of shares to be issued shall be \$1,202,972 divided by the average closing price for the five (5) business days preceding the third business day after the date of Change of Control Event. If Holdings elects to issue cash, it shall do so no later than eight (8) business days following the date of the Change of Control Event. The stock or cash shall be allocated based on W-2 wages for the tax year immediately preceding the issuance of the stock. A "Change of Control" occurs when a purchaser or a group of purchasers acting in concert (as defined in Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder), through a single transaction or a series of related transactions, (i) acquires more than 40% of the capital stock of Holdings or the Company on a fully diluted basis, or (ii) obtains the right to elect the majority of Holdings' directors.

An "Adverse Transaction" shall mean: (a) any changes made in operations within two (2) years after either the Effective Date of the Joint Plan or a Change of Control, that reduce the total number of block hours flown by the Company during any 12 month period by 15% or more compared to the prior 12 month period or that reduce the number of the Company's aircraft to fewer than twenty (20) (an "Operational Reduction"); (b) a sale of all or substantially all of the equity securities or assets of the Company (a "Sale"); or (c) a merger of the Company with or into another entity, regardless of which entity is the surviving entity and which merger is used to implement an acquisition of the Company by another airline (a "Merger"). In the event that an "Adverse Transaction" occurs then, in addition to all other rights and remedies specified in the Agreement or otherwise available at law, the Union shall have the right in its sole discretion to (A) extend the duration of the Agreement for up to two (2) years past the Change of Control date, in the event of an Operational Reduction, or two (2) years past the Adverse Transaction date in the event of a Sale or Merger; and (B) obtain an agreement from the Company pursuant to which no active eligible employees (less the number of eligible employees on leave) who are on the seniority list on the date of the Adverse Transaction shall be furloughed from the date the Adverse Transaction through the amendable date, as it may be extended hereunder, except for furloughs that occur in the ordinary course for reasons such as but not limited to seasonality and aircraft placed out of service except as a result of the Adverse Transaction. In addition, Holdings and the Company shall at Holdings' option either (i) issue to employees common shares of Holdings having an aggregate market value of \$1,202,972 at the time of the Adverse Transaction, or (ii) pay \$1,202,972 in cash. If Holding elects to issue common stock it shall be issued within five (5) business days after the effective date of the Adverse Transaction, and the number of shares to be issued shall be \$1,202,972 divided by the average closing price for the five (5) business days preceding the third business day after the date the Adverse Transaction is publicly announced. If Holdings elects to issue cash, it shall do so no later than eight (8) business days following the effective date of the Adverse Transaction. The stock or cash shall be allocated based on W-2 wages for the tax year immediately preceding the issuance of the stock. In the event of a Merger, the furlough protection provided in (B) herein shall only be required of the Company until such time as the seniority lists and collective bargaining agreements of the merged companies are combined, and the Company hereby agrees to make such operational integration of the two carriers a condition of such Merger. The Company agrees that it shall provide the Union with sufficiently detailed information regarding a prospective Adverse Transaction on which to make the determination described herein, on or before the later of (x) 30 days prior to the effective date of the proposed Adverse Transaction, or (y) as soon as legally practicable based on advise of counsel to Holdings.

For purposes of this clause 3.7, any reference to the Company or Holdings shall be deemed to include any successor or parent entity of either the Company or Holdings; provided, however, in no event shall a single transfer or disposition of assets or equity securities of the Company, Holdings or any successor or predecessor of either the Company or Holdings trigger both a Change of Control Event and an Adverse Transaction for purposes of clause 3.7, whether or not coupled with a replacement of a majority of the directors of the Company or Holdings in connection with a Sale or Merger, as both are defined above.

- 3.8 In the event a petition under chapters 7 or 11 of the Bankruptcy Code concerning the Company filed, then the Company shall not file any application seeking rejection or modification of any agreement between the Company and the IAM pursuant to 11 U.S.C. Section 1113, including a request to implement interim changes in the Agreement pursuant to 11 U.S.C. Section 1113(e) before February 27, 2000.
- 3.9 It is agreed that should Corporate Governance terms regarding Employee Directors and the presence of an Employee Director on each significant Board Committee be continued for either the AFA or ALPA, then similar provisions will be agreed to for representation on the Board of Directors from the IAM. Any potential Director recommended by the IAM shall be subject to concurrence of the chair of the Board of Hawaiian Airlines.

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ARTICLE 4

CLASSIFICATION OF WORK

- 4.1 For the purpose of this Agreement, the following job classifications will apply: (See attachment chart, Classifications within Divisions, page 155.)

CUSTOMER SERVICE

Aircraft Scheduler 2

Aircraft Scheduler 1

Revenue Analyst 2

Revenue Analyst 1

Crew Scheduler

Chief Agent - Weight & Balance

Assistant Crew Scheduler

Chief Agent - Customer Service

Chief Agent - Reservation

Chief Agent - Claims

Chief Agent - Cargo

Weight & Balance Agent

Customer Service Agent

Claims Agent

Cargo Agent

Reservation/CTO Agent

Lead Ramp Agent

Ramp Agent

MATERIAL MANAGEMENT

Chief Buyer

Buyer

Inventory Chief

Inventory Agent

Lead Records Agent

Aircraft Records Agent

Material Support Lead

Material Support Specialist

Material Support Agent

Material Support Courier

COMPUTER SERVICES

Computer Operator 3

Computer Operator 2

Computer Operator 1

ACCOUNTING

Senior Accountant

Junior Accountant

Accounting Clerk 2

Accounting Clerk 1

ADMINISTRATIVE SUPPORT SERVICES

Lead Printer

Printer

Secretary

Clerk Typist

The classifications listed shall determine the sequences for the purpose of promotions and step backs within the basic work classification (e.g., Chief Agent - Agent - Ramp Agent)

- 4.2 It is understood that it is not necessary to have each of the above classifications in each work unit.
- 4.3 The parties agree that full and economic utilization of employees during their working hours is absolutely imperative if the company is to effectively compete in the de-regulated airline industry. Employees will participate in cross utilization by accepting work assignments in lateral or lower classifications, and the provisions of this Agreement are to be so interpreted and applied. The Company will not arbitrarily use this provision to eliminate a classification. It is understood that any employee covered by this Agreement may be required to do the work of such lateral or lower classification provided, however that when performing such work for which he has been trained and qualified to perform he will be paid at the rate he is regularly classified. Any employee hereunder assigned by the company to perform the duties and accept the responsibilities of a higher classification of work shall be paid at the closest to but higher than pay scale of the new classification that is at least twenty-five cents (25¢) per hour above the rate he was earning immediately prior to such temporary upgrading.

ARTICLE 5

QUALIFICATIONS AND JOB DESCRIPTIONS

Job descriptions for the classifications of work listed in Article 4 are as follows:

5.1 ACCOUNTING

For all positions within Accounting the following general skills/knowledge are required:

- High school diploma or equivalent
 - Keyboarding - 35 wpm
 - Working knowledge of word processing and spreadsheet application in the Windows environment
 - Proficiency in the use of a 10 key number pad
 - Analytical and problem solving skills
 - Maturity, credibility, accuracy and judgment
 - Speed and accuracy in processing data in accordance with established procedures and productivity standards
 - Demonstrated ability to perform well under pressure in a fast paced environment in order to meet deadlines
 - Adapts well to change
 - Good communication skills, both written and verbal, in English
 - Must communicate and work effectively with all levels
 - Must be an effective team player
 - Must maintain confidentiality
- (a) ACCOUNTING CLERK 1 - Performs accounting and clerical tasks of a fundamental and routine nature according to prescribed procedures under supervision
- (b) ACCOUNTING CLERK 2 - Performs the same functions as an Accounting Clerk 1 except that general knowledge of introductory accounting and bookkeeping principles shall be required as the work would be designated as more critical in nature to maintain proper processing throughout the department. An Accounting Clerk 2 shall, but not be limited to:

- Supervise and evaluate other employees of a lower classification;
 - Assign and train other employees of a lower classification;
 - Establish employees' work schedule;
 - Be responsible for maintenance of records and accounts covering business transactions according to established guidelines and procedures;
 - Ensure that the job requirements of the Accounting Department are carried out in accordance with the supervisor's instructions and established guidelines and procedures;
 - Perform such other duties as may be assigned by a supervisor.
- (c) JUNIOR ACCOUNTANT - Performs the same functions as an Accounting Clerk 2, except that in-depth knowledge of accounting and bookkeeping principles shall be required as the work would be designated as more technical in nature to maintain proper processing throughout the department.
- (d) SENIOR ACCOUNTANT - Performs the same functions as a Junior Accountant except that in-depth knowledge of accounting and bookkeeping principles shall be required as the work would be designated as more technical in nature to maintain proper processing throughout the department.

5.2 CUSTOMER SERVICE

For all positions within Customer Service the following general skills/knowledge are required:

- High school diploma or equivalent
- Computer skills test*
- Knowledge of Hawaiian and world geography
- Good customer relations skills
- Valid Hawaiian drivers license*
- Ability to lift up to 70 lbs.*
- Good command of spoken English
- Obtain restricted area clearance (AOA card)*

- Obtain Customs' seal*
- Working knowledge of PC Windows*
- Able to work under pressure to meet productivity standards
- Good communication skills, both written and verbal, in English

* for certain positions

(a) RAMP AGENT - Under direct supervision of a higher classification or Supervisor, performs any one or combination of ramp operations duties necessary to provide assistance to a higher classification. Such duties shall include, but not be limited to:

- Loading, stowing and unloading of all cargo and baggage in accordance with flight loading plans
- Pick up and delivery of all cargo including mail, express, baggage, freight Company material, commissary supplies
- Preparation, reporting and accounting of necessary documents relating to work performed
- Cleaning of aircraft baggage pits and immediate work areas
- Operation of automotive equipment in connection with the above duties, and only after proper training
- Insert and remove chocks and safety lines
- When mechanical personnel are not immediately available for the assignment, receive and dispatch aircraft Ramp Agents may also be required to perform the duties of Cleaners limited to cleaning of offices in surrounding areas and aircraft. Such duties may be assigned only as the needs of the service require.

(b) LEAD RAMP AGENT - Must possess the qualifications of a Ramp Agent and have the ability to supervise, lead and direct the work of and provide practical training to others. In addition to performing the work of a ramp agent

- Assumes responsibility for proper administration of work in their unit
- Responsible for checking and correcting reports and other documentation
- Accountable for inventory in the commissary area

- Familiarity with operating a computer

(c) CUSTOMER SERVICE AGENT - Performs any one of combination of airport duties involving customer contact and operational duties. Such duties shall include, but will not be limited to:

- Proper servicing of all inbound and outbound passengers and cargo, and the preparation, reporting, and accounting of necessary documents in conjunction with this service.
- Performing ramp operation in conjunction with the loading and unloading of passengers and cargo;
- Servicing the public as to reservations, ticketing, flights, freight, and other requests;
- Where required, recording and reporting of meteorological observations;
- Accountability for cash and charge transactions;
- Checking and correcting airport reports and other documents.

NOTE: Requires passing computer skills test

(d) RESERVATIONS AGENT - Responsible for information and reservations requested via telephone or other communications, including multimedia interactions. Duties shall include, but will not be limited to:

- Verifying availability of space, confirming reservations for individuals and group travel requirements.
- Recording appropriate passenger information for record purposes and issuance of tickets including interline and mileage awards.
- Selling auxiliary packages/hotel and cars or other marketing promotions.
- Provide servicing for HA and its contractees as related to inbound or outbound calling or other forms of communication
- Accountability for cash and charge transactions
- Requires 30 wpm Keyboarding skills

(e) CTO AGENT - Performs duties necessary to service the customer with securing reservations and issuance of

tickets over the counter. Such duties shall include, but not be limited to:

- On-line and off-line activities related to International and Domestic ticketing, including Tour Conductor or other forms of promotional tickets
 - Group Pre-check arrangements
 - Accountability for cash and charge transactions
 - Processing of e-tickets or any other form of electronic ticketing, including mileage award tickets
 - Auditing and correcting sales reports, cash receipts summaries, verifying fare and rate changes on tickets, prepaid tickets, miscellaneous charge order, transportation credit order, purchase orders or any other type of exchange orders, voucher sales
 - Exchanges and re-issuance of tickets including interline
 - Operation of office equipment
 - Requires 30 wpm keyboarding skills
- (f) CARGO AGENT - Performs the same functions as a Customer Service Agent with primary responsibility for cargo shipments. Must be able to operate a forklift and successfully complete Hazardous Material training. Requires 25 wpm keyboarding skills.
- (g) CHIEF AGENT - Under general supervision, works with considerable latitude in judgment, supervising and evaluating the work of lower level agents and/or performing specialized work beyond the scope of an agent including acting as a Ground Security Coordinator. In addition to performing the work of subordinate agents as required:
- Assume responsibility for proper administration of work in their unit
 - Provide necessary guidance and training to Agents
 - A Chief Agent will be maintained on duty when each station, facility or work unit is in operation. When an Agent is on duty alone in a station, facility or work unit, they shall receive Chief pay for those hours that they work alone in accordance with Clause 10.12.e of this Agreement. At a location, or department, the Company will maintain an overall ratio of Chief Agents to Agents (not including Ramp Agents if there are

Lead Ramp Agents) of not more than one (1) to thirteen (13).

(h) ASSISTANT CREW SCHEDULER - Under supervision of higher level classification or supervisor:

- Ensures proper crewing of flights and crew notification
- Ensures accuracy of daily, weekly and monthly flight records for all Pilots and Flight Attendants
- Accurate inputting of information into automated scheduling system
- Accurate updating of information onto crew charts
- Track crew location and disposition
- Preparation and processing of daily flight schedule (DFS)
- Check-in and sign off of flight crew members
- Input flight logs
- Recording absences of flight crews e.g., sick, company business, vacation
- Requires 30 wpm keyboarding skills

(i) CREW SCHEDULER - Must possess the qualifications of an Assistant Crew Scheduler and have the ability to supervise, lead and direct the work of and provide practical training to others. Is responsible for the scheduling of crew to ensure:

- Compliance with Federal Air Regulations (FARs)
- Maximize utilization of flight crew
- Compliance of ALPA and AFA Labor Agreement
- Provide monthly crew availability projection
- Audit crew duty hours
- Handle crew payroll discrepancies
- Supervision of lower classifications/levels
- Processing Crew Payroll and other related duties as may be assigned

(j) REVENUE ANALYST 1 - This position is responsible for

- Determining overbooking levels to minimize spoilage
 - Determining fare class availability to maximize yield
 - Authorizing group space / fares / parameters
 - Coordinate seat control with other departments
 - Constantly evaluate competition
 - Must learn yield management, group management, advanced booking systems, AIRMAX, GMS, ABTS, SABRE Inventory Control Entries
 - Must maintain and evaluate statistical flight data
 - Find space/block protection for oversale passengers
 - Supervise and direct the work of and provide practical training to others
- (k) REVENUE ANALYST 2 - Must possess the qualifications of a Revenue Analyst 1 and
- Must use and be proficient at revenue management, group management, advanced booking systems, AIRMAX, GMS, ABTS, SABRE Inventory Control Entries and
 - Provide leadership and training to Revenue Analyst 1.
- (l) AIRCRAFT SCHEDULER 1
- Build future aircraft schedule with management direction
 - Process codeshare schedule change
 - Evaluate and plot charter/extra section opportunities
 - Run day-to-day schedule changes
 - Maintain seat maps
 - Passenger Name List transfer to other airport check-in systems
 - Handle all SABRE scheduling related functions
 - Prepare list/queues for schedule changes
 - Coordinate and communicate changes with other depts

- Must learn and become proficient with the following systems: OASIS, Flight-Trac, SABRE-Schedule Change, Crew Management System and other scheduling systems
 - Be able to remove a line of flying and re-accommodate passengers
 - Find space/block protection for passengers due to schedule and aircraft change
 - Supervise and direct the work of and provide practical training to others
 - Must be able to prioritize tasks and possess good time management skills
 - Requires 35 wpm keyboarding skills
- (m) AIRCRAFT SCHEDULER 2 - Must possess the qualifications of an Aircraft Scheduler 1 and be able to:
- Provide Leadership and Training to Aircraft Scheduler 1
 - Must use and be proficient at OASIS, Flight-Trac, SABRE-Schedule Change, Crew Management System and other scheduling systems
- (n) WEIGHT & BALANCE COORDINATOR - Should have prior knowledge/experience of ramp policy and procedure, as well as the loading and unloading of all aircraft, to include but not limited to:
- Works as a liaison between ramp, passenger service, line service, dispatch, SOCC, and maintenance to uphold a safe, on-time operation
 - Familiarity with all types of ULD and pallets used in transportation
 - Knowledge of all onboard aircraft locking systems
 - Pre-plan expected payload for aircraft
 - Must report loading of all ULDs and pallets onboard aircraft
 - Must send final load message to aircraft prior to departure
 - Must transmit offload messages to arrival station(s)
 - Successful completion of RH100, RH200, RH300, and LM certification

(o) CLAIMS AGENT

- Must have hands-on knowledge of WorldTracer tracing system, SABRE, station operations, accounting procedures, Domestic and International airline tariffs, good working knowledge of baggage service procedures
- Able to handle irate passengers and their representative over the telephone through responsive and pro-active problem solving. Must have good listening skills.
- Composes professional written correspondences to customer (outside/inside), outside agencies, airline partners, etc., in order to provide information and a thorough response to their concerns
- Establish an effective working relationship with other HA departments as well as outside vendors (replacement/repair) to bring closure to claims
- Investigate and research claim cases thoroughly, compiles data to make decisions, updates customers of claims and/or resolution
- Identifies and assigns specific fault and station codes to cases and logs in database
- Communicate and work effectively with all levels, meet deadlines, and perform other work as assigned/required
- Able to work under pressure, possess excellent customer service and people skills to effectively diffuse, mediate and resolve difficult claim cases
- Must be a self-starter, dependable, responsible, and demonstrate computer literacy
- Must have the ability to lift 70lbs., obtain required proper restricted area clearances (AOA/Customs if applicable), possess a valid drivers license and be able to obtain the necessary airport ramp license

5.3 MATERIAL MANAGEMENT

For all positions within Material Management the following general skills/knowledge are required:

- High school diploma or equivalent
- Keyboarding skills - 35 wpm
- Basic math skills

- Aptitude for accuracy and detail
- Good communication skills, both written and verbal in English
- Basic knowledge of PC systems and peripherals
- Aptitude to learn multiple computer applications

(a) MATERIAL SUPPORT COURIER - Responsible for handling of company material

- Distributes Company material and mail
- Picks up and delivers AOG shipments
- Handles hazardous material shipments
- Handles vendor pickups and deliveries with payments
- Posts and processes U.S. mail
- Processes shipments with ground handlers, courier services and freight companies
- Must possess valid Hawaii drivers license
- Must be able to obtain a ramp license
- Must be able to lift 70 pounds
- Must be able to operate a forklift

NOTE: Requires familiarity with computers and keyboarding

(b) MATERIAL SUPPORT AGENT - Responsible for functions in the Supply department. Performs duties of lower classification as required.

- Issues, credits, receives and inspects material
- Stores material with proper packaging and labeling
- Prepared outgoing shipments with domestic and international documents
- Maintains logs for various tracked items
- Performs monthly shelf life checks and physical inventory
- Reconciles non-owned parts and consignments per agreements in place

- Maintains and assembles engineering order (EO) kits
 - Ensures hazardous material and electrostatic discharge sensitive (ESDS) compliance for shipping, receiving and storage
 - Travels outside of Honolulu for temporary duty at various vendor sites
 - Must complete aircraft general familiarization course
 - Must be able to learn Maintenance inventory management system, Purchasing system and other computer systems as necessary.
- | (c) MATERIAL SUPPORT SPECIALIST - Performs the same work as a Material Support Agent except at a higher level of understanding and productivity. Test required to qualify, recurrent qualification testing every two years.
- Requires intermediate knowledge of Word and Excel for reporting
 - Processes and transmits digital images
 - Trains Agents in specific duties and functions.
- | (d) MATERIAL SUPPORT LEAD - Must be able to perform all lower level duties as well as act in a supervisory capacity. Test required to qualify, recurrent qualification testing every two years.
- Schedules vacations and ensures proper shift coverage
 - Manages check requests, cash disbursements and the Imprest fund
 - Coordinates transport of local, domestic and international shipments
 - Interfaces with various departments regarding materiel issues
 - Processes periodic inventory reports
 - Supervises, trains and evaluates employees in lower classifications
- (e) AIRCRAFT RECORDS AGENT - Responsible for maintaining the aircraft records
- Ensures accurate data entry in the Maintenance computer system

- Calculates or adjusts aircraft component time/cycle
 - Researches part numbers and references in the General Maintenance Manual (GMM)
 - Creates, updates, and researches component record and history
 - Uses of email, word processing and spreadsheet
 - Must be able to learn Maintenance records and inventory system and other computer systems as necessary
- (f) LEAD RECORDS AGENT - Must be able to perform all lower level duties as well as act in a supervisory capacity. Must have a minimum of 2 years experience as an Aircraft Records Agent.
- Researches discrepancies in submitted paperwork
 - Monitors accuracy of computer entries and records
 - Interfaces with various departments regarding records issues
 - Supervises, trains and evaluates employees in lower classifications
- (g) INVENTORY AGENT - Responsible for maintaining inventory records and reconciliation with the General Ledger and Asset register. Must successfully pass the Inventory competency exam to qualify for the position.
- Creates and maintains the part number records in the current inventory system
 - Ensures proper approvals for all transactions per the current Company levels of approval authority
 - Performs conversions in to various units of purchase and units of issue
 - Utilizes various reference manuals and resources to qualify aircraft-related part numbers before entry into the inventory system
 - Supports system-wide inventory counting activities, daily price adjustments, inventory adjustments, and disposal of inventory
 - Creates and updates orders for repairs, warranty and contracts and ensures its timely return through follow up an communications with vendors

- Reviews various logistics options and selects the appropriate shipping method for parts movement
 - Obtains QA approval of new repair vendors and creates/updates the vendor records.
 - Creates, tracks, and calculates charges for loans to airlines or vendors
 - Works with various departments and contract vendors in the performance of daily duties
 - Supports any surplus or excess material disposal activities, as directed by management
 - Provides general clerical support and performs any other activity as directed by the Chief and/or Manager of Inventory Control
- (h) INVENTORY CHIEF - Responsible for supervising, training and evaluating employees of a lower classification.
- Assigns duties and monitors work of employees of a lower classification
 - Creates and updates office procedures manual for reference and training
 - Ensures that the job requirements of the department are carried out in accordance with the manager's instructions and established guidelines and procedures
 - Must be able to perform all duties of a lower classification
- (i) BUYER - Responsible for the procurement of material and services for the Company. Must successfully pass the Buyer competency exam to qualify for the position.
- Creates and updates purchase orders for stock and non-stock items in the current computer system(s)
 - Ensures proper approvals for all transactions per the current Company levels of approval authority
 - Updates item records, obtains current pricing and creates/updates vendor records as required
 - Sources material and negotiates to obtain the best price and condition in order to meet deadlines or to maintain proper stock levels to support the daily company operations

- Reviews various logistic options and selects the appropriate shipping method
 - Performs conversions into various units of purchase and units of issue
 - Complies with basic requirements for purchasing various classes of parts and products and ensures that all mandated requirements as stated in the HA General Maintenance Manuals (GMM) for the purchase of approved parts are followed
 - Follows up on all open orders and investigates reported discrepancies by communicating with vendors and/or internal departments as needed
 - Provides general clerical support and performs any other activity as directed by the Chief and/or Manager of Purchasing
- (j) CHIEF BUYER - Responsible for supervising, training and evaluating employees of a lower classification.
- Assigns duties and monitors work of employees for a lower classification
 - Creates and updates office procedures manual for reference and training
 - Ensures that the job requirements of the department are carried out in accordance with the manager's instructions and established guidelines and procedures
 - Must be able to perform all duties of a lower classification

5.4 ADMINISTRATIVE SUPPORT SERVICES

For all positions within Administrative Support Services the following general skills/knowledge is required:

- High school diploma or equivalent
- Keyboarding - 35 wpm*
- Basic knowledge of a work processing and spreadsheet application
- Ability to run multiple computer applications at the same time
- Aptitude for accuracy and detail

- Good communication skills, both written and verbal, in English
- Good interpersonal skills
- Able to work under pressure to meet productivity standards
- Must maintain confidentiality

*for certain positions

(a) CLERK/TYPIST- The duties of a Clerk/Typist shall be as follows:

- Performing a variety of clerical and typing duties according to established procedures and standards
- Filing and maintaining notes, records and letters
- Opening and sorting mail
- Operating addressograph machine and various other standard office machines.
- Performing other duties as necessary under supervision
- Requires 35 wpm keyboarding skills

(b) SECRETARY - The duties of a Secretary shall be as follows:

- Stenographic and secretarial services
- Detailed administrative work such as receiving, screening and arranging calls and correspondence
- Organizing and coordinating matters which require executive attention
- Disseminating instructions and information on policy
- Independently answering correspondence
- Assisting and relieving a supervisor of various administrative details
- Supervising, training, assigning, coordinating, and reviewing work of Clerk Typist
- Maintaining administrative files as necessary
- Requires 50 wpm keyboarding skills

- (c) LEAD PRINTER - Under general supervision, works with considerable latitude in judgment, supervising the work of lower level Printers. In addition to performing work of subordinate Printers as required, assumes responsibility for proper administration of work in his unit and provides necessary guidance and training to printers.
- (d) PRINTER - Under supervision of higher level Printer or Supervisor, performs any one or a combination of duties to maintain the operation of the print shop. Such duties shall include but not be limited to:
 - Printing, design layout work
 - Executing finished, camera-ready art work
 - Binding books, manuals, pads, etc.
 - Issuing forms and making certain there is adequate inventory
 - Maintaining and making minor repairs and adjustments to print shop equipment Printers will also perform work which is incidental to their primary duties.

5.5 COMPUTER SERVICES

For all positions within Computer Services the following general skills/knowledge are required:

- Certificate of completion in data entry, data processing systems or information technology from an accredited school
- Basic knowledge of word processing, scheduling, email and spreadsheet applications
- Ability to operate various computer systems (hardware and software)
- Proficiency in the use of a number pad
- Detail oriented
- Able to work with all levels of company personnel
- Able to work under pressure to meet production schedules and deadlines
- Speed and accuracy in processing data in accordance with established procedures and productivity standards
- Able to work with sensitive data and maintain confidentiality

- Minimum 1 year data entry or computer operations experience
- Excellent oral and written communication skills in English
- Keyboarding skills - 35 wpm

In addition, prior to being awarded any position within Computer Services, the senior applicant will have to successfully complete a test appropriate to the requirements of the position.

- (a) COMPUTER OPERATOR 1 - Under general supervision a Computer Operator 1 shall, but is not limited to:
- Operate and monitor various computer systems and equipment;
 - Key input into various computer systems;
 - Schedule data input and output;
 - Balance computer output totals;
 - Prepare and maintain systems documentation;
 - Coordinate the daily schedule of computer resources;
 - Maintain daily records and control logs as required;
 - Log calls to the Help Desk and provide assistance to end-users;
 - Perform initial troubleshooting of various computer systems;
 - Be capable of correcting errors and problems to continue operations;
 - Perform preventive measures to prevent any future occurrence of problems;
 - Perform other data processing duties as required or directed;
 - Perform data entry, data control and data processing tasks according to prescribed standards and procedures;
 - Run the daily workload in accordance with operating instructions;
 - Assist in detecting and resolving network problems.

- (b) COMPUTER OPERATOR 2 - Has a working knowledge of various operating systems and has a basic knowledge of networks concepts. In addition to performing the functions of a Computer Operator 1, a Computer Operator 2 shall, but is not limited to:
- Supervise and evaluate other employees of a lower classification;
 - Assign work and train other employees of a lower classification;
 - Communicate and work with end-users and vendors;
 - Participate in the analysis and design of computer systems;
 - Must be able to work alone.
- (c) COMPUTER OPERATOR 3 - Has a more in-depth knowledge of various hardware and software systems than a Computer Operator 2. A Computer Operator 3 shall, but not be limited to:
- i. Three (3) years or more years experience as a Computer Operator 2;
 - ii. Successfully pass a comprehensive test that demonstrates a knowledge level above that of a Computer Operator

ARTICLE 6

HOURS OF SERVICE

- 6.1 Eight (8) consecutive hours of service exclusive of a thirty (30) minute meal period will constitute a regular work day. A standard work week will consist of five (5) consecutive work days worked within seven (7) consecutive days. Notwithstanding the above, the Company may schedule employees up to a maximum of ten (10) hours a day so long as the total hours per week do not exceed forty (40), exclusive of a meal break. Employees on such ten (10) hour days shall observe a standard work week of four (4) consecutive days worked within seven (7) consecutive days.
- 6.2 Starting times of shifts will be on the hour, half-hour or quarter hour in accordance with the needs of the service. It is further understood that multiple starting times will not be used unless there are two (2) basic shifts established for that department.
- 6.3 The regular starting and stopping time for work shifts will be scheduled and posted at each work unit and at the line stations and will not be changed without seven (7) calendar days notice to any employee affected by such change. Posting of shift change seven (7) calendar days in advance will be presumed to be actual notice five (5) work days in advance. Any change of more than one (1) hour in the starting time of a shift will call for a bulletin of all jobs affected for local bids.
- 6.4 If an employee clocks in late or clocks out early, his time will be computed to the nearest quarter hour.
- 6.5 No regular employee or laid-off employee will be called to work or required to report for work for a work shift of less than eight (8) hours or pay therefore, except as provided in Clause 7.4, provided, however, that in the event of a catastrophe resulting in the reduction of Company operations by as much as forty percent (40%) or in the event there is temporarily no work because of a work stoppage or a strike by employees of the Company or picketing causing a cessation of work, an employee shall receive a minimum of four (4) hours pay at the regular hourly rate unless notified that there will be no work at the close of the last shift he worked or sixteen (16) hours before the start of his regular shift, whichever period is the shorter.
- 6.6 Each employee covered by this Agreement will be given at least a ten (10) hour rest period between the end of his regular work shift and the commencement of his next regular work shift, including rotating shifts, except as provided in Clause 7.7. Employees will also be granted a ten(10) minute rest period during the first half of the work shift and a ten (10) minute rest period during the second half of the work shift without loss of pay for the purpose of relaxation. The time for the rest period will be regularly scheduled and posted by the

Company at each work unit. For employees in the Reservations/Schedule Planning and Accounting Departments whose exclusive job function involves the use of CRT devices, such employees shall receive a fifteen (15) minute rest period without loss of pay during the first half of the work shift and a fifteen (15) minute rest period without loss of pay during the second half of the work shift in lieu of the normal ten (10) minute rest period.

- 6.7 Regularly scheduled meal periods shall be of thirty (30) minutes duration and shall start not earlier than the beginning of the fourth hour of work and finish no later than the 6th completed hour of the work shift. Employees who, because of the requirements of the service, are requested to start their lunch period more than thirty (30) minutes in advance of, or one (1) hour after, the starting time of their regularly scheduled lunch period shall be allowed a thirty (30) minute lunch period as close to the regular lunch period as possible and shall be paid for same at one and one-half (1½) times their straight time rate in addition to their regular compensation. Lunch period assignments for all employees will be posted in each work unit.
- 6.8 Notwithstanding any provisions to the contrary contained in this Agreement, on the islands of Molokai and Lanai the Company may use split-shifts as follows:
- (a) Shifts shall be of no less than three (3) hours and no more than five (5) hours and will be guaranteed eight (8) hours of pay.
 - (b) Breaks between shifts shall not be less than two (2) hours.
 - (c) Employees will be scheduled for two (2) consecutive days off during their work week.
 - (d) The normal shift of each employee will be an eight (8) hours work day without a meal break.
 - (e) Employees on split shift shall have their wage rate increased thirty-one cents (31¢) per hours additional compensation above the day shift rate for all hours paid.

6.9 TRADE POLICY

- (a) Trading of shift(s) and day(s) off will be permitted only between employees in the same location and classification. Trades are permitted with the understanding that they will not result in any additional expense to the Company or cause interruption to the normal process of work and pay. Trades are not intended to allow regular exchanges to circumvent shift/days bid procedures. In such cases the Company reserves the right to deny such requests.

- i. Employees who trade become responsible to work the shift/day so agreed to as if it were part of their shift/day assignment.
 - ii. Full-time employees may trade with full-time employees, part-time employees may trade with part-time employees, weekend part-time employees may trade with weekend part-time employees, and so forth.
 - iii. Part-time employees may work more than 5 days a week but are still limited to the contractual maximum hours per day outlined in Article 23 of the Agreement.
 - iv. Probationary/trial period employees and/or employees who have transferred into a location which is a new area and require training, will not be eligible to trade until after the probationary/trial period is satisfactorily completed. Exceptions may be made in extenuating circumstances where an employee requires time off (i.e. to attend a funeral) at the sole discretion of management.
 - v. No "back-to-back" shift trades will be allowed for either full-time, part-time or weekend part-time employees. Employees are responsible for ensuring that they do not agree to a trade which will violate the "back-to-back" provision. "Back-to-back" trade is defined as a trade where an employee works two shifts one after the other. If a back-to-back trade occurs, the employee who works the back-to-back trade will be restricted from further trades for three (3) months.
 - vi. Double trades will not be allowed, e.g. Employee A trades with Employee B who in turn trades with Employee C (days or shifts).
- (b) Any employee who has agreed to take a trade, and who becomes ill, shall be responsible for contacting the Company.
- (c) Any employee who has agreed to work a shift/day trade, and becomes ill, shall not receive sick leave pay for the shift/day he/she agreed to work. The person requesting the trade shall not be penalized. This would be considered as a day off for him/her.
- i. The employee who fails to report on a day(s) and/or shift(s) trade accepted, due to personal illness, shall be required to submit a doctor's certificate to substantiate the illness.
 - ii. The employee who fails to do so shall be restricted from further day(s) off and/or shift(s) trade for three (3)

months from the date of infraction and will be subject to other disciplinary action as the circumstances may justify. Any trades already approved at the time of trade restrictions will be honored.

- (d) Any employee who fails to report on a day(s) and/or shift(s) trade for any reason other than personal illness shall be restricted from further day(s) off and/or shift(s) trade for three (3) months after completion of current approved trades and will be subject to other disciplinary action as the circumstances may justify. Any trades already approved at the time of trade restrictions will be honored.
- (e) No overtime will be paid to employees involved in a trade for work during the regular hours of the day(s) or shift(s) traded or as a result of the trade; 6th and/or 7th day worked as a trade will be paid at straight time. In locations with 10-hour, 4-day schedules, the 5th day will also be straight time.
 - i. Once an employee has traded, he/she will be ineligible for overtime consideration on the day he/she works under the trade until all employees otherwise eligible for overtime have been exhausted.
 - ii. An employee who has requested or who has agreed to an approved shift/day off trade and cancels the shift/day off trade after overtime is announced, will be ineligible for overtime on that day.
 - iii. Employees who work a shift or day trade, who thereafter work overtime on their 7th day, will be paid on the 7th day as if it were their 6th day.
 - iv. An employee who works on a holiday as a trade will be paid straight time. His/her next scheduled (non-trade) workday shall be observed as his/her holiday. The employee who trades to be off on a holiday will receive holiday pay (8 hours of ST pay) for that day and will not be eligible for holiday pay or premium pay (1.5x pay) on his next scheduled work day.
 - v. For Part-Time employees, the employee who trades to work on the day of the observed holiday will receive double time for the hours worked in accordance with Article 23. The employee who trades to be off on the day of the observed holiday will not receive any pay for the day off and will not observe the holiday on his next work day.
- (f) Employee working due to shift trades will use their own time cards for payroll purposes.

- (g) An employee shall be permitted a maximum of eight (8) day trades and five (5) shift trades per calendar month. For day trades, the person who trades to be off shall be charged. For shift trades, both employees shall be charged.
- (h) No employee may work more than 13 consecutive days without a regularly scheduled day off as a result of trades. For this purpose, vacation days will be considered as a day off; all other absences (sick leave, occupational injury, etc.) shall not be considered a day off.

6.10 PROCEDURES

- (a) Trade Form:

A request for each day to be traded (day, hour, and assignment) must be executed and submitted by both employees involved. The trade must be approved by the Company.

- (b) Timing of Request:

Except in an emergency, employees must submit requests at least 24-hours prior to the first day involved in the exchange.

Trade requests can be submitted up to a maximum of 45 days in advance and shall be processed within seven (7) calendar days after receipt by the Supervisor. Requests received within seven (7) days of the commencement of the trade shall be processed as soon as possible.

- (c) Trade Approval/Disapproval:

Once the Trade Form has been completed by both employees involved in the trade, it will be verified and approved or disapproved by the Company. Trades will be considered as approved only after the request has been approved by the Company, and both the requestor and acceptor have received notification of such approval. Reason(s) for disapproval's by the Company will be stated on the Trade Form.

- (d) Trade Cancellation:

Cancellation of trades must be executed and submitted by both employees involved. Trade cancellations must be made prior to the start time of the intended trade and will not be effective until verified and acknowledged by the Company.

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ARTICLE 7

OVERTIME AND HOLIDAYS

- 7.1 An overtime rate of time and one-half (1½) computed to the nearest quarter hour with a minimum of one-half (½) hour overtime, shall be paid for all work performed in excess of eight (8) hours in any one day, either in advance of or after regularly scheduled hours, for the first four (4) hours in excess of eight (8) hours in any regular work day, and for the first eight (8) hours worked on one (1) of the two (2) regularly scheduled days off each work week. Notwithstanding the above, employees who are scheduled for a ten (10) hour shift shall be paid an overtime rate of time and one-half (1½) computed to the nearest quarter hour with a minimum of one (1) hour overtime for all work performed in excess of ten (10) hours in any one day, for all work performed either in advance of or after regularly scheduled hours, for the first four (4) hours in excess of ten (10) hours in any regular work day, and for the first eight (8) hours worked on one (1) of the three (3) regularly scheduled days off each work week.
- 7.2 The overtime rate of double time shall be paid: (1) for all hours in excess of the first eight (8) hours worked on one (1) of the two (2) regularly scheduled days off each work week; and (2) for all time worked on the second or subsequent regularly scheduled day off in his work week if the first regularly scheduled day off in his work week has been worked; and (3) for all time worked in excess of twelve (12) hours or fourteen (14) hours, if a 10-hour shift in any regular work day. When an employee, after bidding, voluntarily changes his shift so that he works the sixth (6th) or seventh (7th) consecutive day of his former shift, the overtime provisions noted above do not apply. For overtime purposes, the regular twenty-four (24) hour work day shall begin with the starting time of the employee's regular assigned shift. Employees on rotating relief schedules who work on their first or second days off will be paid overtime based on the twenty-four (24) hour clock commencing at the starting time of the last scheduled straight time day worked.
- 7.3 Overtime compensation shall not apply when an employee works a sixth and seventh day as a result of a change in days off through the voluntary exercise of seniority bidding rights, including general shift bids. This provision includes shift changes caused by bumping when a senior employee voluntarily steps back or exercises other seniority privileges not caused by Company action. In the case of a reduction in force or shift/days off change initiated by the Company, however, this rule does not apply and all employees who must exercise their bumping or bidding privileges to retain their job classification or to continue employment with the Company will be paid overtime for the sixth and seventh days worked as the result of such action.

- 7.4 Employees recalled after leaving the premises following the completion of a regular shift and not in conjunction with his next scheduled shift, will be paid not less than four (4) hours pay at the overtime rate. A recalled employee may be required to perform work other than that for which specifically recalled if the work assigned is of a kind normally performed during his regular shift. If an employee is recalled within one (1) hour from the time he clocked out, he shall be paid his minimum recall as though he had remained on duty without interruption until the end of his recall period.
- 7.5 An employee will not be called to work for less than four (4) hours at the overtime rate on his regularly scheduled day off or on a holiday. If said employee is retained in excess of four (4) hours, he shall be paid not less than eight (8) hours pay at the overtime rate.
- 7.6 No overtime shall be worked except by direction of the proper supervisory personnel of the Company.
- 7.7 An employee will have at least ten (10) hours off duty after having worked overtime except when called four (4) or less hours in advance of the regular starting time of his shift. If said rest period extends over his usual starting time, the employee shall be compensated for the time so lost on a straight time basis and the hours represented by such compensation shall be considered as hours actually worked for the purpose of computing overtime. No employee shall work more than twenty-four (24) continuous hours without a twelve (12) hour rest period before returning to work. Employees will not be required to suspend work during regular working hours to absorb overtime.
- 7.8 Overtime shall be distributed as equally as possible among all qualified employees at the location where overtime is required on the following basis:
- (a) If it is determined that a formal procedure is required, by a method of equalization agreed to locally between local management and the local committee OR, if no agreement
 - (b) In accordance with the following rules to those available qualified employees who are shown on an overtime list by section (or work unit) and shifts as having accrued the least number of overtime hours. Employees may advise management that they do not wish to be called for overtime in which event they may be bypassed and charged for overtime without being called or paid for such bypass.
 - i. Whenever possible, four (4) hours notice of contemplated overtime shall be given affected employees.

- ii. All overtime, excluding holiday work, one (1) hour minimum overtime payments, and premium rate training will be recorded for purposes of determining an employee's relative position on his overtime list.
- iii. An employee will be charged with overtime if he does not work the available overtime when his opportunity comes up and he indicates or has indicated to the Company his desire not to work overtime. Employees without telephone numbers listed for overtime calls will be charged with refusal when they would have been called. No charge will be made if the overtime is cancelled. However, if an employee is not advised of the opportunity to work at least one (1) hour prior to the contemplated start of non-emergency overtime, his overtime balance will not be charged should he refuse the work.
- iv. Overtime hours worked or charged will be converted to equivalent straight time hours and recorded. Recording will be in one (1) hour increments; an increment in excess of one-half (1/2) hour will be recorded as a full hour. Employees absent from work on their fifth (5th) day will not be eligible for overtime on the sixth (6th) and seventh (7th) day but will be charged for overtime to which their position on the overtime list would entitle them. Employees absent from work for thirty (30) consecutive days or less for any reason shall not be called for overtime work or charged, except as provided for above. Employees absent from work in excess of thirty (30) days for any reason shall not be called for overtime work and, upon their return, shall be credited with but not paid the average overtime hours of the employees on the overtime list or their own overtime hours, whichever is greater.
- v. Overtime balances shall be reduced at least once a year by subtracting the lowest recorded hours from each employee's total.
- vi. When an employee's name is added to an overtime list, he will be charged with the average of the hours of all employees on the list.
- vii. During his probationary period (new hire), an employee will not be considered for overtime work unless enough qualified employees on the overtime list are not available, except that at a location where more than twenty-five percent (25%) of the total employees in shop (or work unit) and classification are in their probationary period they may work overtime; and when probationary employees work overtime they will be charged on the respective overtime list.

- viii. Overtime anticipated to be four (4) hours or less, which is continuous following a scheduled shift, will be offered to employees on regular work days on that shift. Overtime anticipated to be four (4) hours or less, in advance of and continuous with a scheduled shift, will be offered to employees on regular work days on the oncoming shift.
- ix. Overtime anticipated to be more than four (4) hours will be offered to employees on a regular day off with preference to employees on the shift on which the overtime is needed.
- x. An employee who is bypassed for an overtime assignment when eligible will be paid at the overtime rate for the overtime hours missed except as provided in Clause 7.8.b. The hours paid will be added to the employee's overtime balance.
- xi. When an employee performs emergency field service away from his base station, hours worked beyond eight (8) hours at straight time on a scheduled work day and all hours worked on a regular day off will be recorded as overtime and charged on his overtime list.
- xii. Names of employees working relief shifts shall appear on the overtime lists of all such shifts, and they will be offered overtime work on each shift in accordance with their relative position on that shift's overtime list.
- xiii. Only one (1) overtime list will be maintained for each grouping at each work location. e.g.
 - A. Sr. Accountant, Jr. Accountant, Accounting Clerk 2, Accounting Clerk 1
 - B. Chief Agent, Agent
 - C. Lead Ramp Agent, Ramp Agent

In reference to the use of these lists, it is understood and agreed that where the overtime vacancy to be filled is for a higher position, e.g. Chief, Lead, the low Chief or Lead employee on the overtime list shall be called to fill the requirement. On the other hand, if the position to be filled is for e.g., an Agent, Assistant Crew Scheduler, Accounting Clerk and the low employee on the overtime list is Chief, Crew Scheduler or Accountant, he will be offered the overtime and if he accepts, he will be paid at his regular rate during such overtime period.

- (c) The provisions of Article 7.8 regarding overtime equalization will be superseded for a period of six (6) months following the date of implementation of the Letter

of Agreement dated December 16, 2009 in order to review the merits of the procedures outlined in that Letter of Agreement. Prior to the end of the six (6) month period the parties will meet to discuss and review the Letter of Agreement to determine whether the Letter of Agreement will continue or be withdrawn.

- 7.9 Except in an emergency, an employee will not be required to work overtime against his wishes. It is agreed that the performance of work necessary to maintain flight schedule (both customer and flights), or to protect Company property, as well as to maintain employee payroll in accounting, will be considered as an emergency. Whenever possible, employees will be given four (4) hours notice of contemplated overtime.
- 7.10 When employees are required to attend formal education classes conducted by the Company, they shall receive straight time pay for the period they are in attendance of such classes, if the classes are held during a regular shift, immediately preceding or following a regular shift, or at any other time mutually agreed to. When employees are required to participate in remote training outside of a classroom, they shall receive straight time pay for such training for a period determined by the Company, as allowed by law. An employee shall not be required to attend training classes on his regular day off and shall be given an opportunity to make up such training at a later time. No employee shall be required to participate in training classes outside his regular shift for more than two (2) hours at straight time rates. The two (2) hours may be scheduled either prior to or after the regular shift and, if further work is necessary, the two (2) hours training shall be considered as overtime for further pay computation. There shall be no training on holidays except by agreement between the Company and the Local Committee. When an employee's shift or regular days off are changed for training purposes, the Company will give him five (5) work days notice of such change.
- 7.11 New employees, who are required to attend initial formal, classroom training prior to regular assignment, shall be paid the minimum hourly rate in accordance with State and/or Federal wage standards. Such training shall not include "production" work and not exceed eighty (80) hours of classroom training.
- 7.12
- (a) For continuous service after regular working hours, employees will not be required to work more than two (2) hours without being permitted to go to meals and employees will be allowed a thirty (30) minute period in which to eat without loss of time. Employees who work four (4) or more hours overtime after regular working hours will each be given eight dollars (\$8.00) for meal allowance.

- (b) Employees reporting to work four (4) or more hours prior to their regular shift will be allowed a thirty (30) minute meal period with pay during the first hour of their regular shift. If not given an opportunity to eat within the first hour of his regular shift, he will be paid for such thirty (30) minute lunch period at one and one-half (1½) times his straight time rate and will be given an opportunity to eat as soon as possible after the first hour. Employees reporting to work two (2) or more hours prior to their regular shift will be allowed a ten (10) minute rest period before the start of their regular shift.

7.13 There shall be no pyramiding of overtime rates provided for in this Agreement, and no employee shall receive more than two (2) times the straight time rate for any overtime hours worked except for certain rest period violations as outlined in Clause 7.7.

7.14 The following shall be designated as Company holidays:

New Year's Day	Labor Day
Presidents' Day	Discovers' Day (as of 1/1/2011)
Memorial Day	
Kamehameha Day (as of 1/1/2010)	Thanksgiving Day
Independence Day	Christmas Day

- (a) If any of the above named holidays is by State or national proclamation observed on any day other than that on which it falls, the day observed shall be considered as the holiday.
- (b) In addition, an employee's birthday and Company Anniversary Day will be observed as unpaid holidays. The employee will be given the actual day off for his birthday unless he requests otherwise. If requirements of the service permit, providing he makes his request at least fifteen (15) days in advance the Company Anniversary Day can be taken on the actual date. If the employee's birthday and Company Anniversary Day are not taken on the actual dates, they can be taken in conjunction with his days off. In any event they must be taken within thirty (30) days of the actual date. If either day falls on one of the holidays noted above or on his rest days he will be given an additional day off in accordance with the preceding procedures.
- (c) As of 1/1/2012, the employee's birthday will be observed as a day off with pay, utilizing the same procedure noted above in 7.14.b.

- 7.15 If a holiday falls on an employee's scheduled day off, his next work day shall be observed as his holiday; an extra day will be added to the employee's paid vacation if the holiday falls within his vacation period. Any employee absent on a holiday due to illness shall be paid holiday pay at his straight time rate. Employees shall not receive both sick leave and holiday pay for absences on a holiday.
- 7.16 Insofar as possible an employee shall be released from duty on the day observed as the holiday, and when so released will be paid for eight (8) hours at the straight time rate.
- 7.17 An employee required to work on a holiday will be paid his holiday pay (8 hours at straight time) plus time and one half (1½) for the first eight (8) hours worked or for the first ten (10) hours if that is the length of his regularly scheduled shift. Time worked in excess of the eight (8) and ten (10) hours respectively, will be paid at double time for all hours worked.
- 7.18 An employee absent from work the day before or the day after a holiday without permission from the Company shall receive no pay for the holiday. Employees suspended for a period during which a holiday falls will not be paid for the holiday.
- 7.19 When it is not possible for all employees in a department or work unit (e.g. interline, accounts receivable) to be released from duty on the day observed as the holiday, the needed employees shall be offered the opportunity to work in the order of their classification seniority. If no one desires to work, the junior employees of said department or work unit may be required to work. An employee required to work on a holiday who fails or refuses to report to work, unless for a justifiable reason, shall not receive any compensation for that day.

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ARTICLE 8

TRAVEL PAY

- 8.1 Employees who are temporarily transferred from their home station to fill temporary vacancies shall be paid for the time necessary to travel, including waiting for travel, in connection with such temporary transfer, and they shall receive necessary and reasonable expenses for transportation, laundry, meals and lodging.
- 8.2 Employees required to work after traveling in connection with temporary assignment shall be paid at the overtime rate for all hours worked in excess of eight (8) hours of waiting, traveling, and working time for the day in question.
- 8.3 When an employee is away from his home station filling a temporary vacancy, he shall be paid for the work he performs in accordance with the provisions of this Agreement based on the shifts as scheduled at the location of the temporary vacancy, but in no event shall he receive less than eight (8) hours pay for each day. It is understood that the Company may schedule an employee to take his regular days off without compensation except for the reasonable and necessary expenses provided for in this Article.
- 8.4 Where transportation, laundry, meals and lodging are not provided by the Company, necessary and reasonable expenses will be allowed. Upon application an employee will be given an advance by the Company to cover his expenses while away from his base station. When overnight lodging is required, single room accommodations will be made. When only twin room accommodations are available, if the employees choose to share a room the cost of a single room will be divided between them. In the event the employees choose not to share a room, the employee without a room will be provided with the dollar amount that the single room would have cost. Within five (5) days after returning to this home station, or at the close of each week in the event the employee is away for a period longer than one (1) week, the employee shall submit an expense account in accordance with Company regulations; and if the employee has returned to his home station, the account shall be accompanied by the balance of any expense money advanced in excess of the expensed amount.
- 8.5 All employees on temporary assignment or Emergency Field Service will be entitled to per diem for meals from the time they leave their home base until the time they return. Temporary assignments must include an overnight stay in order to qualify for a per diem. The per diem rate will be that given in Public Form 1542 IRS Allowance at the date of signing of the revised agreement. For partial days the per diem rate will be pro-rated and will be reimbursed for the time they are away using a quarter system: 00:00 to 05:59; 6:00 to 11:59; 12:00 to 17:59;

18:00 to 23:59. For interisland assignments that do not require an overnight stay he shall be reimbursed for receipted reasonable expenses.

- 8.6 Employees traveling to or from Emergency Field Service assignments, special assignments, or training will be ticketed on a "must ride" basis. If the flight is on Hawaiian and is over two (2) hours the employee shall be ticketed PS1Y and given the highest priority for First Class Seating immediately following the last Revenue First Class passenger (not including interline or Hawaiian Airlines employee upgrades). In the event of insufficient First Class seats, assignment of employees shall be as follows: All currently active captains then all remaining deadheading crew members and IAM members traveling in accordance with this clause in order of date of hire.

ARTICLE 9

SENIORITY

9.1 Definitions:

- (a) Company seniority shall be the date the employee filled a permanent full time position in the Company covered by the IAM Agreements. In the event two or more employees have identical company seniority, their seniority ranking will be determined first by date of hire and then by the last four digits of the Social Security Number (SSN), if their date of hire is after May 27, 1999. Company seniority will be utilized for purposes of vacation bidding.
- (b) Effective DOS Classification seniority shall be the day following the closing date of the bulletin for a permanent full time position. In the event two or more employees have identical classification seniority, their seniority ranking will be determined first by entry date into the division, if that is the same, by company seniority, then by the last four digits of their Social Security Number, if their date of hire is after May 27, 1999. Classification seniority is used for shift and days off bidding.

9.2 The classification to be recognized for seniority purposes are those listed in Article 4. Employees who have established seniority in any other classification will continue to accrue seniority in that classification and shall be able to return to that classification in the event of a reduction.

9.3 When an employee moves to a higher rated classification he shall continue to accrue seniority in the lower rated classification. If he voluntarily moves to a lower rated classification he will lose seniority in the higher rated classification.

9.4 The employees covered by this Agreement possessing the qualifications and the greater company seniority as defined in clause 9.1.a shall receive preference in all matters regarding choice of work units, transfers, promotions, and re-employment. It is understood that "qualified" shall mean meeting the qualifications as outlined in Article 5 as well as having the basic ability to perform the work required for the job and not "best qualified." In the case of layoffs, demotions, or voluntary step-backs, the affected employees and any other employees they displace will have five (5) calendar days from receipt of notice to bump into any classification, unit, shift, or days off (in that order) in accordance with classification seniority and ability to perform the work. Employees who fail to meet the performance requirements of the jobs they bump into and are found unqualified within the sixty (60) day trial period shall have the right to bump again.

- 9.5 An employee who has once exercised his classification seniority rights in the choice of a shift or days off within a shift may not thereafter exercise his seniority rights to displace a junior employee from a shift or days off to which the junior employee is already assigned.
- 9.6 Employees leaving positions covered by this agreement to accept noncontract non-management permanent positions with the Company will continue to accrue seniority for six (6) months and thereafter retain such accrued seniority provided they continue to submit the applicable dues to the union. Such employees can only voluntarily return to the bargaining unit if there is a vacancy. However, in the event of RIF (Reduction in Force) or involuntary removal from a non-contract non-management position, the employee can displace back into the bargaining unit providing he meets the qualifications. The names of such employees shall appear on the seniority lists.
- 9.7 When an employee accepts a promoted position in the Company that is outside the scope of this Agreement and not covered by another Agreement, the employee shall continue to accrue seniority for six (6) calendar months and thereafter will retain accrued seniority provided they pay Union Dues on a monthly basis. An employee assigned to a supervisory position will retain seniority accrued to January 1, 1971 but will not accrue further seniority while continuing in such supervisory position. Following DOS employees who accept a temporary or permanent position in the Company that is outside the scope of this Agreement will, after six (6) months lose their accrued seniority on a day for day basis. Such employees can only voluntarily return to the bargaining unit if there is a vacancy. This clause is inapplicable in the first six (6) months outside the scope of this Agreement and in the event of RIF or removal from a supervisory position by management. The name of such employee shall be carried on the seniority lists as provided for in Clause 9.10. Promoted means a position that pays more than the highest classification in that work unit. Employees accepting a position that pays less than the highest classification in that work unit will lose all their seniority and have their names removed from the seniority list.
- 9.8 When the employee accepts a position in the Company that is in another bargaining unit, the employee shall continue to accrue seniority for the length of their probationary period in the other collective bargaining agreement. To continue to accrue or retain seniority such employee must pay union dues on a monthly basis. During this period the employee may displace into the bargaining unit providing he has the classification seniority and meets the qualifications. At the end of the probationary period the employee loses all seniority in this bargaining unit.
- 9.9 An employee accepting a management position involving instructional duties directly related to members of the IAM

shall continue to accrue seniority for five (5) years and thereafter retain seniority. To continue to accrue and retain seniority the employee must continue to pay union dues on a monthly basis.

- 9.10 Employees new to the bargaining unit shall be regarded as probationary employees for the first ninety (90) calendar days of their employment and may be discharged at any time during said probationary period without hearing. With the exception of days off and holidays, an employee who spends any part of the ninety (90) probationary days away from work, (e.g., sick leave, vacation, leave of absence and occupational illness or injury leave) shall have his probationary period automatically extended until such time that he completes his ninety (90) calendar days. If retained in the service of the Company after the probationary period, the names of such employees shall then be placed on the seniority list for their respective classifications.
- 9.11 Copies of a seniority list by classifications showing the name, job classification, classification seniority date, adjusted classification seniority date, divisional and Company seniority dates shall be posted in a convenient place within thirty (30) days after the effective date of this Agreement. A copy of such list will be furnished to the System General Chairman and to the Chairman of the Local Committee. The seniority dates shall, when necessary, be set ahead to adjust for any periods during which the seniority accrual has been suspended, as provided for in Clauses 9.6, 9.10 and 11.1. The seniority list shall be amended each October 1 and April 1 to incorporate changes and additions and shall be subject to correction upon protest of any omission or incorrect listing if a complaint is filed under the procedures of Article 15 within thirty (30) days of delivery of the list to the Union. If no such protest is filed within thirty (30) days from the time the first list is posted and delivered to the designated Union representative or within thirty (30) days from the date an employee's name first appears on a list posted and given to the Union representative, the dates on each list shall be presumed beyond question to be correct and no protest, grievance, suit or other means shall thereafter be commenced or entertained to change said date for any employee.
- 9.12 An employee covered by this Agreement shall lose his seniority status and his name shall be removed from the seniority list under the following conditions:
- (a) He resigns from the Company.
 - (b) He resigns from a classification or voluntarily steps down to accept a lower classified or part-time job for which he is the successful bidder.
 - (c) He is displaced and refuses to exercise his seniority right to bump laterally into another job for which he is qualified.

- (d) He refuses recall to a higher classified job of more than sixty (60) days anticipated duration for which he is qualified.

Under the circumstances listed in Clause 9.12 b, c, d, it is understood that he will lose only such seniority he has earned in the classification from which he resigned, stepped down, was displaced, or refused recall; provided, he shall not lose this seniority if he must change his domicile in order to bump or accept recall. This will not restrict him from bidding on future vacancies in any classification.

- (e) He is discharged for cause.
- (f) He is absent from work for two (2) consecutive work days without properly notifying the Company of the reason for his absence and not then if a satisfactory reason is given for not so notifying the Company.
- (g) He does not inform the Company in writing, by email, or by fax of his intention to return to service within ten (10) days of sending out notice offering him re-employment.
- (h) He does not return to the service of the Company on or before a date specified in the notice from the Company offering him reemployment, which date shall not be prior to fifteen (15) days after sending such notice; provided, however, that the offer is for a position anticipated to last sixty (60) or more consecutive days
- (i) He is not recalled after having been laid off from the Company for a continuous period of five (5) years. The five (5) years shall be considered broken only if an employee is recalled for a period of sixty (60) or more consecutive days.

NOTE: Employees who held classification seniority prior to October 1, 2001, will continue to accrue such seniority. Should they wish to bid or displace into the classification they are required to meet the qualifications. If the work in the employee's previous classification has changed the employee, provided he meets the qualifications, will be given sixty (60) days to demonstrate his ability to perform such work.

9.13 All notices required to be sent under Clause 9.12 shall be hand delivered (the appropriate time period shall commence at the time and on the day the employee receives and signs for it), sent by registered or certified mail, return receipt requested, or by email or by fax to the employee at the last address filed by him with the Personnel Office; provided, however, that there shall be no duty on the part of the

Company to send a notice to the laid-off employee unless said employee shall, when laid off, file his address with the Personnel Office of the Company and shall thereafter promptly advise the Personnel Office of any change in address.

- 9.14 When it becomes necessary to lay off employees because of a reduction in force, the employees to be laid off shall be given five (5) work days notice or shall be paid at the rate of eight (8) straight time hours per day in lieu thereof. Affected employees whose seniority rights entitle them to continued employment shall assert such rights within five (5) calendar days from receipt of notice of layoff.
- 9.15 All orders or notices to an employee covered by this Agreement involving a transfer, promotion, step-back, or layoff shall be given in writing.
- 9.16 Employees who have given long and faithful service in the employ of the Company and who have become unable to handle their normal assignments will be given preference for such other available work as they are able to handle within their classification at the rate of pay for the job to which they are assigned.
- 9.17 Intentionally left blank.
- 9.18 Employees on authorized leave of absence will retain but will not accrue seniority except as provided in Clauses 11.1 and 11.3.

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ARTICLE 10

VACANCIES

- 10.1 A vacancy shall be defined as any newly created position, vacated job assignment or addition in the complement of a work unit in excess of sixty (60) days to which no one has recall rights.
- 10.2 All vacancies of more than sixty (60) days anticipated duration, including those caused by the temporary absence of an employee, shall be posted. Employees filling temporary vacancies of sixty (60) days or less shall be returned to their former assignment and status at the conclusion of the temporary vacancy. While in the temporary position the employee does not accrue classification seniority if it is different than his regular classification. Employees filling temporary vacancies can bid on permanent vacancies. Employees filling temporary vacancies anticipated to exceed sixty (60) days will, if they are in the vacancy for greater than sixty (60) days exercise their bumping rights under this agreement on the return of the regular incumbent. Vacancies anticipated to be sixty (60) days or less will be filled by seniority on the shift, or work unit if no volunteers from the shift.
- 10.3 All permanent positions will be first filled (by a mutually agreed system between the Local Committee and management) within the work unit where the vacancy has occurred to allow employees within the work unit an opportunity to change their shift and/or days off. The resulting vacancy will then be posted at all work locations at which there are employees represented by the IAM. An employee awarded a position of a non-promotional nature in another department or work unit may be required to remain in the position for twelve (12) months. Employees shall retain their right to bid at any time on shift preferences or preferences for days off within the shift except for absences of less than five (5) days which will be filled by temporary upgrading of an employee within the work location based on classification seniority.
- 10.4 Intentionally left blank.
- 10.5 Prior to filling openings, the Chairman of the Local Committee will be notified of the number of vacancies, the required qualifications and the duties. When selected, he will be notified of the names of the successful bidder(s).
- 10.6 Postings shall state the number of vacancies, whether temporary or permanent, the classification, the location, qualifications for the job, duties to be performed, rate of pay plus premium, if any, shift and days off, place where bids are to be sent, and the last date on which bids will be received, such date to be at least seven (7) days after the date the bulletin has been posted. Within seven (7) days after the bid is

closed, the Company will post the name of the successful bidder. All postings will be transmitted by email to all stations/ departments and put on the bulletin boards within twenty-four (24) hours of the time of that email. Part time bids shall be considered only after full time IAM bids have been exhausted. If full time bids have been exhausted, part time bids may be considered in the following order: 1) Regular Part-time employees within the same job description by Date of Hire; 2) Weekend Part-time within the same job description by Date of Hire; 3) Reserve Part-time within the same job description by Date of Hire; 4) Regular Part-time by Date of Hire; 5) Weekend Part-time by date of hire; 6) Reserve Part-time by Date of Hire; 7) Mainland Customer Service Representative by Date of Hire; 8) Contract services employees by Date of Hire.

EXAMPLE: A full-time CSA vacancy in OGG with F/S off is available. Per 10.3, the resulting vacancy is full-time CSA in OGG with T/W off. This resulting vacancy is posted for represented IAM-C employees. No full-time employees bid for the position, bids from the following part-time employees are received:

<u>Bids Received:</u>	<u>The bids may be considered in the following order:</u>
LIH Regular PT Ramp (DOH 11/02/1995)	HNL Regular PT CSA
HNL Regular PT CSA (DOH 10/03/1999)	KOA Regular PT CSA
OGG Contract Service (DOH 04/09/2002)	OGG Weekend PT CSA
OGG Weekend PT CSA (DOH 07/02/2002)	LIH Regular PT Ramp
KOA Regular PT CSA (DOH 02/5/2005)	OGG Contract Service

- 10.7 If an employee refuses to accept his new assignment after having been the successful bidder for a vacancy, he will forfeit all bidding rights at that location (except shift and day off preference within his classification) for the position declined for a period of six (6) months from the date he was notified that he was the successful bidder.
- 10.8 If transportation is required to move the successful bidder for a vacancy to his new location, the Company will furnish air transportation on its system for the employee and members of his immediate family, to the extent permitted by law, from the location from which he is transferring to the location of the bulletined vacancy. All other expenses incident to such transfer will be borne by the employee. The Company will, however, transport the employee's household goods and car

over Company routes only on a strictly space available basis if such goods and car are delivered at the employee's expense to the Company's nearest freight facility. If no space is available to ship employee property within thirty (30) days from receipt, the employee must either arrange other means of transporting his goods, or may ship via Hawaiian at fifty percent (50%) of the going tariff. The employee, upon his request, will be allowed time off for a reasonable period without pay between the time he is relieved of his duties at his previous location and the time he is required to report at the new location, the length of such period to be established in advance. When an employee is forced to move from the U.S. mainland to an interisland location or visa versa in order to maintain employment at Hawaiian Airlines, he will have the option of receiving Actual expenses as outlined in Paragraph a. or receiving a Flat rate as outlined in Paragraph b.

(a) Actual Expenses:

- i. Actual moving expenses for household goods and effects up to a maximum of one thousand five hundred (1,500) cubic feet or fifteen thousand (15,000) pounds, if substantiated by properly receipted bills, for shipping, insurance for declared value, drayage, packing and unpacking, indicating the number of cubic feet of household goods or effects being handled. The Company, may, at its option, prescribe or control the shipment from the time of packing at the point of departure to the time of unpacking at the point of arrival. If for any reason the Company has not delivered the household goods within thirty (30) days from the time of packing, the Company shall pay thirty dollars (\$30.00) per day for each adult and child over twelve (12) years of age until the employee is notified that his household goods are available for pickup. Necessary storage of up to thirty (30) days will be authorized at origin and/or destination.
- ii. If such employee uses his personal automobile(s) for his or his family's transportation to the new vacancy, the Company will pay an allowance of twenty cents (20) per mile for the shortest American Automobile Association highway mileage between the employee's former residence and his residence. In cases where personal automobiles must be transferred by ocean (or air) shipping for all or part of the move, the Company shall pay all reasonable and actual costs of such transfer for up to two (2) automobiles.

(b) Flat Rate:

In lieu of actual moving expenses, an employee shall have the option to receive a flat rate in the form of a Hawaiian

cash voucher, prior to his departure and be permitted to ship personal effects and household goods on a space available basis on Company aircraft.

The Flat Rates between the following are:

Hawaiian Islands and the West Coast	\$2,500.00
West Coast and the East Coast	\$2,500.00
Honolulu and the East Coast	\$5,000.00

In order to be eligible for moving expenses or flat rate, the employee must actually move his residence.

- 10.9 An employee whose application for a vacancy is accepted shall have a reasonable trial period of thirty (30) days but not to exceed sixty (60) days in order to demonstrate his ability to perform the work required. During such trial period, the Company will furnish the employee and the Union with a copy of the Company progress report that is completed by the supervisor at the end of thirty (30) days and at the end of forty-five (45) days of the trial period, if applicable. If during such trial period the employee is unable to demonstrate ability to perform the work required, and after the Company advises the Local Committee, the employee shall be returned to his previous assignment but he shall not for a period of six (6) months be permitted to bid for a vacancy in the same classification of work in which he was unable to demonstrate ability or to bid for a vacancy in a higher classification.
- 10.10 Return to a former station for an employee who was unable to demonstrate ability to perform the work required by the job shall be without expense to the Company, except that the Company will furnish the necessary return air transportation on its system for the employee and his immediate family to the extent permitted by law, and the employee, upon his request, will be allowed time off for a reasonable period without pay from the time he is relieved of his duties until he is required to report for work at his previous station. The length of such period will be established in advance.
- 10.11 Intentionally left blank.
- 10.12 A temporary vacancy will be offered to the senior qualified employee in the work unit where the vacancy actually exists regardless of his shift assignment at the time the vacancy occurs except:
- (a) Where the vacancy is of such short duration and unexpected occurrence as to make it impossible for the

Company to comply with the seven (7) calendar days notice of shift change.

- (b) In the case of a Chief Agent's vacancy, the senior laid-off Chief in the bid area in which the vacancy occurs shall be offered the job.
 - (c) Deviation from the practice of upgrading the senior qualified employee in the work unit may be agreed to on a local unit basis among the supervisor, the Local Committee and the senior qualified employee concerned for the purpose of training other more junior employees in that unit.
 - (d) If a vacancy extends beyond the anticipated sixty (60) days, it will be posted in accordance with Clause 10.6.
 - (e) Temporary upgrading will be within the affected employee's classification only (i.e., Agent to Chief Agent, etc.). An employee upgraded for four (4) hours or less will receive the higher pay for four (4) hours. An employee upgraded for more than four (4) hours will receive the pay of the higher position for eight (8) hours.
- 10.13 During the interim required to post or to fill a vacancy, or for vacancies not expected to exceed sixty (60) days, the Company may select an employee to fill the vacancy temporarily. Under these circumstances, employees temporarily transferred from their regular work to fill the vacancy temporarily shall be paid at the closest to but higher than pay scale of the new classification that is at least twenty-five cents (25¢) per hour above the rate they were earning immediately prior to such temporary upgrading.
- 10.14 No employee will be compelled to accept a permanent transfer except where it involves a reduction in force in one area of work and an expansion in force in another area of work in which event the junior qualified employee may be transferred.
- 10.15 In the event a vacancy in the classifications covered by this Agreement exists at any location on the Company system and no qualified employees bid, the Company shall have the right to select to fill such position the senior qualified employee at any location who is willing to accept transfer at the Company's expense.
- 10.16 It shall be the policy of the Company to promote its own employees, and only when qualified employees cannot be found to fill vacancies as provided for in this Agreement or to fill positions in the supervisory force, will it be the disposition of the Company to vary from this policy.

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ARTICLE 11

LEAVE OF ABSENCE

- 11.1 Where a justifiable reason exists, and where the requirements of the service will permit, any employee covered by this Agreement may, upon proper written application and written approval by the Company, be granted a leave of absence for a period not in excess of ninety (90) days. The designated local representative of the Union shall be notified of all leaves granted. Leaves may be extended for additional periods of not more than ninety (90) days each, upon proper written application and written approval from both the Company and Union. The Company and Union will approve or disapprove the request within five (5) days. An employee granted leave of absence shall retain and continue to accrue seniority during the first ninety (90) days of any such leave of absence. For leaves of absence in excess of ninety (90) days, the employee shall retain but shall not accrue seniority after ninety (90) days, except where the leave has been granted because of health, injury, disability leave, or special assignment by the Company.
- 11.2 Maternity Leave
- (a) Maternity Leave will be granted to employees in accordance with Company policy.
 - (b) An employee on a maternity leave will be returned to her vacated position or one of equal status and pay at her location if she has notified the Company within six (6) weeks after the birth of her child to the effect that she is desirous of returning to work.
 - (c) The Company must return the employee to work within thirty (30) days after she requests return to duty if she has been certified as being fit for work by a reputable physician.
 - (d) An employee failing to notify the Company or failing to return to duty as prescribed above shall forfeit her seniority rights.
- 11.3 Employees accepting full-time employment with the Union for the purpose of representing employees covered by this Agreement shall be granted an indefinite leave of absence by the Company for the period so employed as long as the Union remains the exclusive bargaining agent for employees covered by this Agreement. An employee on leave of absence for this purpose shall retain and continue to accrue seniority. The employees selected as System General Chairman and Assistant System General Chairman shall have all employee benefits that can reasonably be continued in effect during their leaves of absence. The cost of Medical, Dental, Life Insurance and Pension Plans will be borne solely by the employees on leave.

- 11.4 Any employee covered by this Agreement on leave of absence who engages in gainful employment without prior written permission from the Company, a copy of which will be furnished to the Chairman of the Local Committee, will forfeit his seniority rights and his name will be stricken from the seniority list.
- 11.5 An employee covered by this Agreement shall upon returning from an authorized leave of absence or an extension thereof be returned to the job held when leave was granted if such job still exists; provided, however, that if such employee fails to meet the qualifications and performance requirements of the job within thirty (30) days of the date of his return, or if the job held prior to the leave of absence no longer exists, the employee will have the right to bump into any work units, shifts, or days off in accordance with seniority and ability to perform work.
- 11.6 Any employee hereunder returning from a military leave granted in accordance with the Universal Military Service and Training Act shall enjoy all re-employment rights allowed by the Act.
- 11.7 An employee who is on a paid leave of absence will be permitted to exercise his seniority rights upon his return from such leave and may bump into any position for which he is qualified that he would have been eligible to fill if he had not been on paid leave of absence.
- 11.8 An employee who is granted a leave of absence is not required to use all accrued vacation before entering the leave of absence status. However, employees may be required to use already accrued vacation time (i.e., earned during the prior year) when taking a family medical leave of absence under the Hawaiian Family Medical Leave Policy.
- 11.9 Upon providing satisfactory proof of bona fide hardship, employees may be granted up to eighty (80) hours emergency leave without pay if the needs of the service permit.
- 11.10 Bereavement Leave
- (a) In the event of the death of a member of an employee's immediate family, he will be granted up to three (3) days funeral leave with pay. Should travel be required outside the state in which the employee works, in order to attend funeral services, the employee will be granted up to five (5) days funeral leave with pay. Immediate family is defined as an employee's spouse, parents, children, brothers, sisters and grandparents.

ARTICLE 12

VACATIONS

- 12.1 The calendar year will be used for computing vacation allowances.
- 12.2 Effective January 1, 2002, an employee who has had one (1) or more years continuous service with the Company will become eligible for a vacation period as follows:
- | | |
|---------------------------|-----------|
| 1 year but less than 5 | 80 hours |
| 5 years but less than 11 | 120 hours |
| 11 years but less than 18 | 160 hours |
| 18 years but less than 24 | 200 hours |
| 24 years but less than 30 | 240 hours |
| 30 years or more | 280 hours |
- 12.3 As of January 1 of each year, each employee who has less than one (1) year of continuous service with the Company will become eligible for a vacation period with pay, computed to the nearest hour, on the basis of one-twelfth (1/12) of the annual vacation allowance for each complete calendar month of service.
- 12.4 Vacation time will not accrue to employees while on leave of absence or sick leave without pay in excess of eighty (80) hours, excluding time off due to industrial accident or industrial sickness; and in these circumstances the annual vacation credit allowance for the following year will be reduced on a pro rata basis by the total number of days in the total actual leave.
- 12.5 Employees may not accumulate more than forty (40) hours of their annual vacation allowance excluding the current calendar year's allowance earned in the preceding calendar year.
- 12.6 Intentionally left blank.
- 12.7 At least thirty (30) days prior to the commencement of each year's vacation bidding the Company will meet with the local union to discuss the procedures which will be followed. On October 1 of each year, the Company shall post a bulletin for each shop or other work unit showing employee names, Company seniority dates, and the projected number of hours of vacation, including accumulated vacation for each employee as of the following January 1. Insofar as the requirements of the service will permit, vacation periods will be

scheduled at the convenience of the employees and no periods will be completely blocked out.

- (a) There will be a first bidding period starting October 1st on the shift or by starting time in each work unit during which each employee, by Company seniority, will bid for choice of vacation period. Any employee not bidding within the allotted time will be bypassed. During the first bidding period, employees must bid for vacation in a block of forty (40) or more hours unless he has a smaller accrual at the end of the prior calendar year, in which event the employee must bid his full accrual.
- (b) Once the first period is completed, a second period of continual rounds of bidding (but only one block of time per round) utilizing the same system as described in Clause 12.7.a. will take place until December 31st of that year. During the second bidding period, an employee must bid in a block of forty (40) or more hours unless to do so would leave him with no remaining hours. In such cases he must bid a minimum block of 16 hours. During all rounds of bidding subsequent to the second period, employees must bid a minimum of sixteen (16) hours, except in any round other than the first two (2) an employee may bid a single eight hour vacation with the following provisions:
 - i. No employee will be awarded more than one eight-hour single vacation period per bid cycle.
 - ii. Employees may only bid single eight-hour vacations in accordance with the following cap formula:

No. of Hours Bid in the First Period	Maximum No. of Single 8-hour Period
80 or more hours	5
120 or more hours	8
160 or more hours	10
200 or more hours	12

- (c) Any excess vacation not bid by December 31, other than the 40- hour carryover allowed by Clause 12.5, will be assigned by the Company. The Company will not assign a vacation to an employee who is scheduled to retire in the following year and who has not submitted a vacation bid. Such employee may accumulate his vacation entitlement earned the year prior to early or normal retirement in addition to the forty (40) hours specified in Clause 12.5. On January 1, the vacation schedule for the year will be posted for each shop or work unit.

- (d) Employees assigned to relief shifts will bid for vacations on that shift on which they are scheduled to work the most straight time hours.
- (e) If, because of extenuating circumstances, e.g. OCC, and employee has been unable to take his awarded or assigned vacation so that at year end he has greater than the allowed forty (40) hour carry over, he will be paid out all hours in excess of forty (40).

12.8 Once vacation schedules are established, changes will be subject to the following:

- (a) If an employee moves from one work unit to another by exercising his bid rights under the contract, he will be required to accept the vacation dates open in that work unit.
- (b) If an employee is required to move from one work unit to another as a result of the Company's action, he will retain his vacation as bid or be permitted to fill open vacation time.

12.9 Where a justifiable reason exists and the requirements of the service permit, an employee may change his scheduled vacation period, provided that it will not interfere with another employee's vacation. Such changes may only be made on approval of the supervisor.

12.10 Vacation allowances may be granted in increments of less than eight (8) hours whenever the needs of the service will permit. Such increments will not be drawn from the employee's scheduled vacation unless specifically approved by his supervisor.

12.11 Where at the request of the Company an employee cancels his scheduled vacation, he shall be paid in lieu thereof for the cancelled vacation period at the rate of time and one-half (1½).

12.12 At termination of employment or upon layoff from employment with the Company, an employee shall be paid for accumulated vacation at the rate of straight time. Vacation allowances for service of less than one year shall be computed on a pro rata basis of the annual vacation allowance computed through the last day of the preceding month.

12.13 If requested at least two (2) weeks before his bid vacation starts, an employee will receive his vacation pay in advance.

12.14 Vacation leave may be granted up to a maximum of forty (40) hours upon satisfactory proof of bona fide hardship and if the needs of the service will permit.

12.15 The Company shall establish and maintain a program to permit the voluntary and anonymous donation of accrued vacation by IAM Clerical members who wish to assist other employees who, because of serious illness, injury or other exceptional circumstances, have exhausted their own sick leave and/or vacation banks but are unable to return to work, and consequently, are facing financial hardship. The parties will establish a joint committee to establish rules, limitations and eligibility qualifications and to accept and approve applications for assistance.

ARTICLE 13

SICK LEAVE AND OCCUPATIONAL INJURY LEAVE

- 13.1 Effective November 1, 2001, full-time employees will be credited with four (4) hours of sick leave for each month of employment during their first six (6) months of employment and eight (8) hours for each month thereafter. During the first 6 months full-time employees will not be granted any paid sick leave. During the second six (6) months of employment full-time employees shall be granted twelve (12) hours of paid sick leave. Regular part-time employees will be credited with a prorated amount based on the hours worked in the month. Part-time employees are not eligible for paid sick leave until they have completed twelve (12) months of employment.
- 13.2 Sick leave credit can be accrued up to a maximum of one thousand five hundred twenty (1,520) hours. No sick leave will accrue in a month in which the employee is sick.
- 13.3
- (a) Sick leave will be payable only for normal work hours lost due to sickness or disability and shall not be payable for sickness on an employee's day off, vacation or during a leave of absence. Regular sick leave shall not be payable for the first day of any sickness or disability which falls on the day before and/or after the employee's scheduled day off, holiday or vacation if an employee is on the Attendance Control Program. Compensation during the sick leave period shall be at the employee's straight time rate of pay. Legitimate sick leave will not require any form of hospitalization.
 - (b) An employee who is hospitalized for a non-job connected disability at the start of his vacation and who submits satisfactory evidence of such confinement may be granted sick leave, if requested, covering his period of confinement. If the employee exhausts his sick leave payments before ninety (90) days from date of confinement has elapsed, he may use and be paid for unused vacation credits until the ninety (90) day period has passed and his long term disability insurance payments have commenced.
 - (c) In the application of sick leave pay provided by this Article, "disability" shall include total inability of an employee to perform the duties of her employment caused by pregnancy, the termination of pregnancy, complications resulting in sickness causing total disability, and childbirth, where physical disability is established by a physician's statement. "Disability" does not include pregnancy where the employee is able to perform the duties of her employment.

- 13.4 The Company may request a doctor's certificate before paying for sick leave in excess of three (3) days. Dental and doctor appointments will not be considered a basis for paid sick leave unless it can be shown that the doctor in question does not maintain office hours outside the employee's regular work time or on the employee's regular days off. Employees who falsely claim sick leave will be disciplined. Employees covered by this Agreement and IAM recognize their obligation to be truthful and honest in preventing unnecessary absences or other abuses of the sick leave program. Informational letters may be submitted to employees by the Company pertaining to sick leave usage. No employee will be reprimanded for legitimate use of sick leave. An employee whose dependability record is unsatisfactory shall be so advised, furnished a copy of his record and given a reasonable opportunity for improvement before any disciplinary action is taken. The Company and Union will cooperate to see that sick leave is fairly and properly used.
- 13.5 All credit for non-occupational sick leave will be cancelled if employment ceases for any purpose other than layoff or authorized leave of absence, and no payment for such accumulated sick leave credit will be made at any time. No credit will be given for non-occupational sick leave purposes while an employee is on leave of absence or layoff.
- 13.6 Occupational injury as used in this Article means any illness or injury which is covered by Workers Compensation Insurance under applicable State laws.
- 13.7 Any employee who suffers an occupational injury after he has completed six (6) months continuous employment under this Agreement shall be paid occupational injury leave pay commencing on the first day of such injury. Occupational injury leave pay shall be equivalent to the statutory Workers Compensation benefit plus any accrued sick leave up to a maximum of the employee's basic straight time earnings. Use of accrued sick leave to supplement Workers Compensation benefits shall be at the employee's option.

EXAMPLE: Employee is out on an occupational injury, he shall be paid in accordance with one of the following procedures:

- (a) His statutory benefit plus a portion of his accrued sick leave to amount to a total of his basic straight time earnings. The employee may use his sick leave up to his maximum accrual.
- (b) If the employee has used all of his sick leave accrual, he may use his vacation accrual to supplement his statutory benefits to amount to a total of his basic straight time earnings.

- (c) In the absence of accrued sick leave or vacation, he shall receive the statutory benefits.

13.8 Extended Illness Status

- (a) An employee who exhausts his sick leave or who is off work because of illness or injury longer than fourteen (14) days without sick leave pay shall be placed on extended illness status for three (3) years from the first day placed on such status. The employee shall, when placed on extended illness status, file his address with the Company and shall thereafter promptly advise the Company of any change in address. The System General Chairman will be notified by two (2) copies of a letter stating the employee's name, home address, work location, job title and the date he is placed on extended illness status.
- (b) While on extended illness status, the employee:
 - i. shall retain and continue to accrue seniority;
 - ii. may continue insurance coverage according to the provisions of the Company's insurance plan. (See clause 23.12)
 - iii. shall be granted free or reduced on-line transportation privileges in accordance with Company policy.
 - iv. may be required to submit to physical examinations at Company request or to furnish medical reports of his current physical condition. If the employee is examined by a Company medical examiner or is directed to a specific medical examiner by the Company, the cost of the examination will be borne by the Company. If the employee is required to furnish a medical report of his current physical condition and elects to be examined by his own doctor rather than go to a Company medical examiner, he shall assume the cost of his examination. The Union will be notified of the date of a Company required medical examination if the employee requests the Company to do so in writing;
 - v. shall not accrue or be entitled to any other employee benefits, such as vacation accrual, sick leave accrual, holiday pay, et cetera, except that an employee who is off work because of occupational illness or injury will continue to accrue vacation credit as long as such occupational illness or injury pay is supplemented by sick leave as provided in Clause 13.7 above.
- (c) If while on extended illness status the employee accepts employment elsewhere without prior approval by the Company and the Union, he shall be deemed to have severed his employee relationship with the Company.

- (d) There shall be no extension of extended illness status beyond three (3) years, except in the sole discretion of the Company. In the event the employee is unable to return to the full range of his duties at the end of the three (3) year period, his employment status shall automatically cease, except as provided above, and there shall be no recourse to the Grievance procedure. The Company shall provide sixty (60) days notice prior to any termination, and will notify the Union by providing the Local Committee with a copy of the letter to the employee. The Union may submit any relevant matters to the Company which has a bearing on whether an extension of EIS is appropriate. Should an employee return to work for up to ninety (90) days but be unable to perform the full range of his duties, the three (3) year period shall continue to run as if he had not returned to work.

ARTICLE 14

TRANSPORTATION

- 14.1 After completion of his probationary period, each full-time employee covered hereunder shall be eligible for free unlimited travel on a space available basis. A part-time employee shall be eligible for such pass privileges after completion of six (6) months of employment. The free unlimited space available transportation privileges described above apply to all flights operated by Hawaiian, including charters when allowed by the charter customer, with the exception of military air charters, for both active and retired IAM-represented employees and their eligible dependents, as well as eligible survivors of deceased IAM-represented employees with ten (10) or more years of service, whether or not such employees died while in active service with the Company. An employee who retires from the Company on his normal retirement date shall be allowed unlimited inter-island travel at a boarding priority of SOA. It is agreed that the free and reduced rate transportation as established by Company policy on the date of signing of this Agreement will not be substantially changed or discontinued during the term of this Agreement without first advising the Union of the reason therefore and affording the Union an opportunity to confer with the Company. For purposes of travel an employee who resigns with 25 years of service will be considered a retiree.
- 14.2 Upon application by the employee, the Company will furnish unlimited space available passes for the employee's legal parents.
- 14.3 The System General Chairman, and the Assistant General Chairmen assigned to Hawaiian Airlines will, to the extent permitted by law, be furnished free transportation with a positive pass over the Company's system during their term in office for use in connection with their work in administering this contract. In addition, the Company will furnish an annual positive pass to the extent permitted by law, over the Company's system, to the incumbent I.A.M. District Representative. The Company shall provide free transportation over its routes for IAM representatives and staff members for the purpose of conducting IAM business. Such travel is positive space P1B/F2.
- 14.4 Passes and reduced fare privileges, as provided by interline agreements and as permitted by law, will be granted through the Personnel Section to retired employees and their eligible dependents, as well as to spouses and eligible dependents of deceased employees with ten (10) or more years of service. Upon an employee's death, his surviving spouse will be advised if free or discounted transportation is available to her and how to apply for such benefits. In addition to the aforementioned privileges, each retired employee and his or her spouse will be entitled to one service charge space

available pass per year entitling them to the same priority category as an IAM active employee traveling on pleasure.

- 14.5 Employee boarding priority within each space available category shall be by date of most recent hire.
- 14.6 Full time employees who are furloughed will have pass privileges on all Hawaiian Airlines flights, where permissible, for one (1) year from the date of furlough.

ARTICLE 15

DISCIPLINE AND GRIEVANCE PROCEDURE

Preamble:

In order to properly administer this Agreement and to dispose of all disputes or grievances which may arise under this Agreement or between the parties, the following procedure shall be followed. The parties recognize that in the best interests of the Union, the Employees and the Company the emphasis in this Article should be placed on resolving complaints at the lowest possible level and in an expedited manner based upon the facts and common sense. It is also understood that the purpose of discipline is to correct and deter through progressive action. This, however, does not pre-empt the Company from taking the appropriate level of disciplinary action in accordance with the House Rules and Corporate policy.

15.1 General Grievance Rights and Obligations

- (a) Should a grievance occur, both the Union and the Company shall make an earnest effort to ascertain the facts and seek a fair and equitable settlement.
- (b) The Union will be represented by not more than one (1) properly designated steward for each shift, at any activity at which employees covered by this Agreement are located.
- (c) The Union will be further represented by a Local Committee based in Honolulu consisting of three (3) members elected by the local membership.
- (d) The Company will designate a representative at each location where persons covered by this Agreement are employed who is empowered to settle all local grievances not involving change in Company policy or interpretations or changes in the intent and purpose of this Agreement.
- (e) The Union and the Company will at all times keep the other party advised through written notice of any change in authorized representatives.
- (f) The System General Chairman or his representative shall be permitted at any appropriate time to enter shops and facilities of the Company for the purpose of investigating grievances and disputes arising under the Agreement after contacting the Company officer in charge and advising him of the purpose of the visit.
- (g) The authorized representatives of the Union shall be permitted at any time to enter shops and facilities of the Company for the purpose of investigating grievances and disputes after contacting the respective Company supervisor and advising him of the purpose of the visit.

- (h) Stewards will be permitted, after reporting to their foreman or supervisor, a reasonable amount of time during their working hours to investigate or present grievances. In the event it is necessary to go to another shop, they will report in with the foreman or supervisor of the other shop before contacting the affected employees. Local Committeemen will also be allowed a reasonable amount of time for this purpose. A Local Committeeman, regardless of seniority, will be assigned to whichever shifts and days off in his work unit the union requests provided that such shift carries a job assignment in his work classification for which he is qualified and providing the days off requested match days off existing for that shift.
- (i) Necessary hearings and investigations shall, insofar as possible, be conducted during regular business hours, and stewards and Local Committeemen and necessary witnesses shall not suffer loss of normal pay while attending such hearings or investigations. Oral and written evidence may be introduced at such hearings and witnesses may be required to testify as if under oath.
- (j) The Company will not use, during grievance hearings, reprimands more than one (1) year old if offenses of a similar nature have not been committed in the interim. If no further disciplinary action is taken during the second year, letters of reprimand two (2) or more years old will not be considered when determining appropriate disciplinary action. At the employee's request such letters will be removed from his personnel file.
- (k) When it is mutually agreed that a recording is to be made or a stenographic report is to be taken by a public stenographer of any investigation or hearing provided for in this Agreement, the cost will be borne equally by both parties to the dispute. When it is not mutually agreed either party may have a stenographic record made of any such investigation or hearing at their own expense. A copy of such stenographic record will be furnished to the other party upon request at pro rata cost. The cost of any additional copies requested by either party shall be borne by the party requesting them.
- (l) No steward or Local Committee member shall serve in such capacity while he is on a leave of absence.
- (m) All time limits for hearing, appeals and decisions will be exclusive of Saturdays, Sundays, and holidays.
- (n) The parties may waive any step in this procedure and/or extend the time limits by mutual agreement. If an extension is requested, the time limits will be frozen until such time as a response is received.

- (o) It is recognized that at any time an employee may discuss his concerns/complaints with his supervisor.
- (p) Any grievance which the Company may have against the Union at any place on the system shall be presented by the Company's Chief Operating Officer or his designee to the System General Chairman. In the event the matter is not satisfactorily adjusted within two (2) weeks after such presentation, it may be appealed to the System Board of Adjustment.
- (q) Grievances involving wage claims must be filed promptly after the cause giving rise to the grievance is evident. Wage claims will not be valid and collectible for a period earlier than thirty (30) days prior to the date of filing a grievance or the date the grievance arose, whichever is most recent.
- (r) If as a result of any hearing or appeals there from it is found the suspension or discharge was not justified, he shall be made whole, including back pay from the first date he was held out of service and his personnel records shall be corrected and cleared of such charge. If a suspension rather than discharge results, the employee shall have that time he has been held out of service without pay credited against his period of suspension. In determining the amount of back wages due an employee who is reinstated as a result of the procedures outlined in this Agreement, the maximum liability of the Company shall be limited to the amount of normal wages he would have earned in the service of the Company had he not been discharged or suspended.

15.2 Steps in Grievance Procedure

Step 1:

- (a) Any employee having a complaint or grievance in connection with the terms of this Agreement may within thirty (30) days after the occurrence or awareness of the situation causing the complaint, present his complaint or grievance to the steward, or committeeman if the steward is not available. With the grievant, if possible, the steward or committeeman will discuss the matter with the employee's immediate supervisor and endeavor to arrive at a satisfactory resolution. The supervisor will give his decision within twenty-four (24) hours after discussion of the issue.
- (b) This step may be verbal.

Step 2:

- (a) If the local committee wishes to appeal the decision rendered in Step 1, within fifteen (15) days of the decision,

they will take the matter up with the official in charge at the base or station or Department Head, providing two (2) copies of the grievance to the Company representative, one (1) to be retained by the Company and one (1) to be returned to the Union representative with the place the hearing will be held, and a mutually agreed date and time. The grievance will state the provisions of the agreement which are believed to have been violated as well as the facts giving rise to the alleged violation. If a hearing is required, the official in charge of the base or station, Department Head, or his designee, will conduct the hearing within fifteen (15) days of receipt of the appeal and will submit his written decision within ten (10) days of the hearing or within ten (10) days of receipt of the grievance if no hearing is required.

- (b) If the written decision is not sent within ten (10) days, provided there has been no agreement to extend the time limits, the grievance will be considered sustained for the grievant.

Step 3:

- (a) If a hearing is required the I.A.M. District Representative, or his designee, will submit the appeal to the Vice-President, or his designee, and he will schedule one within fifteen (15) days of receipt of the grievance and will submit his written decision within ten (10) days of the hearing, or within ten (10) days of receipt of the grievance if no hearing is required.
- (b) If the written decision is not sent within ten (10) days, provided there has been no agreement to extend the time limits, the grievance will be considered sustained for the grievant.
- (c) If the parties cannot reach agreement on a resolution of the issue at this step, the case will be referred to the System Board of Adjustment within forty (40) calendar days of receipt of the written decision.
- (d) Prior to the arbitration being scheduled and/or conducted, the parties may mutually agree to seek the services of a private mediator or a mediator from the National Mediation Board in an attempt to resolve the issue. This would in no way diminish the parties rights to continue with arbitration.

15.3 Procedure for Pre-disciplinary and Disciplinary Action

- (a) An employee who is to be questioned by Company representatives in the investigation of an incident which may result in disciplinary action being taken against him will be advised of his right to have a Union representative present as an observer before such questioning takes

place. The above does not apply to inquiries of employees by supervisors in the normal course of their work.

- (b) No employee covered by this Agreement shall be discharged or suspended from the service without a prompt, fair and impartial/objective hearing and may be represented and assisted at such hearing by Union representatives.
- i. An employee may be held out of service without pay in connection with an investigation if the alleged action constitutes a major infraction of Company policy e.g. fighting, theft. In all other circumstances involving employees being held out of service pending investigation the employee will receive pay.
 - ii. If an employee is to be held out of service a member of the Local Committee will be notified within two (2) hours from the time an employee is held out of service of the reason for such action.
 - iii. Within forty-eight (48) hours (excluding Saturdays, Sundays and holidays) after such verbal notification, the Union and the employee will be advised in writing of the exact charges against the employee.
 - iv. No later than five (5) days after the employee receives the formal written charges against him, a hearing, as noted above, will be held at a place designated by the Company at a mutually agreed date and time to determine final disciplinary action.
 - v. The pertinent matter contained in service or personnel records that are maintained for an employee by the Company will be made available for inspection to the Union representative prior to the holding of any hearing or investigation in cases of contemplated disciplinary action, but only to the extent as covered by any applicable laws. The Company will also provide the employee, upon his request, with a copy of his service record.

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ARTICLE 16

SYSTEM BOARD OF ADJUSTMENT

- 16.1 In compliance with Section 204, Title II, of the Railway Labor Act, as amended, there is hereby established a System Board of Adjustment for the purpose of adjusting disputes or grievances which may arise under the terms of this Agreement and which are properly submitted to it after all steps for settling disputes and grievances as set forth in Article 15 have been exhausted.
- 16.2 Unless otherwise agreed to by the Company and the Union, the System Board of Adjustment shall consist of three (3) members, one (1) appointed by the Company (hereinafter referred to as the Company Member), one (1) appointed by the Union (hereinafter referred to as the Union Member), and for each dispute one (1) member selected from a panel of potential referees in a manner agreeable to the Company and the Union (hereinafter referred to as the Neutral Member). The Company and the Union Member shall serve until their successors are duly appointed.
- 16.3 The Board shall have exclusive jurisdiction over disputes between any employee covered by this Agreement and the Company and between the Company and the Union, growing out of grievances concerning disciplinary action, rules, rates of pay, or working conditions covered by this Agreement, or any amendment or supplement thereto, or out of the interpretation or application of any terms of this Agreement, or any amendment or supplement thereto. The jurisdiction of the Board shall not extend to proposed changes in rules, basic rates of compensation, or working conditions covered by this Agreement or any amendments thereto. The Board shall not have jurisdiction or power to add to or subtract from this Agreement or any amendments thereto or any agreement between the parties.
- 16.4 The Board shall consider any dispute properly submitted to it by the System General Chairman of the Union or his designee, or by the Chief Operating Officer of the Company when such dispute has not been previously settled in accordance with the terms provided for in this Agreement, provided that the dispute is filed with the Board within forty (40) calendar days after the procedure provided for in this Agreement has been exhausted. If a dispute is not filed within such time the action of the Company or Union shall become final and binding. The date the submission is received by the Board shall determine the order of hearing, unless the parties mutually agree otherwise.
- 16.5 The Neutral Member of the Board shall preside at meetings and hearings of the Board and shall be designated as Chairman of the System Board of Adjustment. It shall be the responsibility of the Chairman to guide the parties in the presentation of testimony, exhibits, and argument at hearings

to the end that a fair, prompt, and orderly hearing of the dispute is afforded.

- 16.6 The Board shall meet in the city where the General Offices of Hawaiian Airlines, Inc., are maintained (unless a different place of meeting is agreed upon by the parties, with the consent of the Neutral).
- 16.7 All disputes properly referred to the Board for consideration shall be addressed to the Company Member and the Union Member jointly. The submission of the dispute to the Board shall include:
 - (a) The question or questions at issue.
 - (b) A statement of the specific Agreement provisions which are claimed to have been violated.
 - (c) A statement of all facts relating to the dispute which the appealing party asserts exist and alleges can be proved and which support its position.
 - (d) The full position of the appealing party. A copy of the initial submission shall be served on the other party or parties.
- 16.8 Upon the filing of the submission with the Company Member and the Union Member, the Company and the Union shall within five (5) days select a Neutral Member to sit with the Board in the consideration and disposition of the case and shall advise the appealing party and interested parties of the name and address of the Neutral Member.
- 16.9 Within thirty (30) days after receipt of the appealing party's submission, the other party to the dispute shall file a Statement of Position with the Company Member, the Union Member, and the party or parties involved which shall include:
 - (a) If the parties are unable to agree on the question or questions at issue, the other party will state the question or questions at issue.
 - (b) All facts relating to the dispute which the party asserts exist and alleges can be proved and which support its position.
 - (c) The party's full position.
- 16.10 Upon the filing of the Statement of Position, the appealing party shall forward a copy of the submission to the Neutral Member, and the other party to the dispute shall file with the Neutral Member a copy of the Statement of Position. All subsequent documents to be filed with the Board shall be addressed to all three (3) members of the Board.

16.11 Within fifteen (15) days after the date the Statement of Position is filed with the Company Member and the Union Member, the parties shall advise the Board of the facts on which they desire to present evidence during the hearing of the dispute before the Board unless they mutually agree not to present any evidence or oral argument. Each party shall have the opportunity at the hearing to present evidence on the facts on which the other party presents evidence. The Neutral Member may also advise the parties the facts on which he desires to have evidence. If any party does not desire to present evidence or oral argument, that party shall so advise the other party or parties and the Board within the time limits specified in this paragraph.

16.12

- (a) As soon as the parties and the Neutral Member (Chairman) have been advised of the facts on which evidence will be presented, the Chairman shall set a date for hearing which shall be mutually satisfactory with the Union and Company Members of the Board and shall be within thirty (30) days of said date, unless the Chairman is notified that the Company and the Union have agreed to a mutually satisfactory later date. The Chairman shall give the necessary notices in writing of such hearing to the parties. The decision of the Board shall be rendered within thirty (30) days after the close of the hearing. If neither party nor the Chairman requests evidence to be presented at the hearing, hearing shall be waived except where any of the parties or the Chairman requests a hearing for the purpose of oral argument.
- (b) In the event neither party desires to present evidence or oral argument at a hearing, the Chairman shall be so advised within the time limits specified in Clause 16.11 of this Article. If there is to be no hearing for presentation of evidence or oral argument, the Chairman shall set a date for an executive session of the Board during or after which a decision shall be rendered, but in any event said decision shall be rendered within forty (40) days of the date the Chairman was advised that no evidence or oral argument would be presented.

16.13 Employees covered by this Agreement shall be represented at Board Hearings by the System General Chairman or his designee and the Company may be represented by such person or persons as it may choose and designate. Evidence may be presented either orally or in writing, or both. All witnesses testifying orally or by deposition shall do so under oath. On request of individual members of the Board, the Board may, by majority vote, or shall at the request of either the Union Member or the Company Member thereon, summon any witnesses who are employed by the Company and who may be deemed necessary by the parties to the dispute or by either party or by the Board itself. The number of employee witnesses summoned at any one time shall not be greater

than the number which can be spared from the operation without interference with the services of the Company.

- 16.14 A majority vote of all members of the Board shall be competent to make a decision.
- 16.15 Decisions of the Board in all cases properly referable to it shall be final and binding upon the parties to the dispute and the parties to this Agreement.
- 16.16 Nothing herein shall be construed to limit, restrict, or abridge the rights or privileges accorded either to the employees or to the Company or to their duly accredited representatives under the provisions of the Railway Labor Act, as amended.
- 16.17 Each of the parties hereto will assume the compensation, travel expense, and other expenses of the Board Member selected by it and one-half ($\frac{1}{2}$) of the compensation, travel expense, and other expenses of the Neutral Member.
- 16.18 Each of the parties hereto will assume the compensation, travel expense, and other expenses of the witnesses called or summoned by it. Witnesses who are employees of the Company shall receive free contingent air transportation over the lines of the Company from the point of duty or assignment to the point at which they must appear as witnesses and return, to the extent permitted by law.
- 16.19 The Company Member and the Union Member, acting jointly, shall have the authority to incur such other expenses as in their judgment may be deemed necessary for the proper conduct of the business of the Board, and such expenses shall be borne one-half ($\frac{1}{2}$) by each of the parties hereto. Board Members who are employees of the Company shall be granted necessary leaves of absence for the performance of their duties as Board Members. So far as space is available, the Company and the Union Board Members shall be furnished free transportation over the lines of the Company for the purpose of attending meetings of the Board, to the extent permitted by law.
- 16.20 It is understood and agreed that each and every Board Member shall be free to discharge his duty in an independent manner, without fear that his individual relations with the Company or with the Union may be affected in any manner by any action taken by him in good faith in his capacity as a Board Member.
- 16.21 A stenographic report will not be made on each case on which a hearing is held unless the parties mutually agree otherwise.
- 16.22 The Chairman's copy of all transcripts and/or all records of cases will be filed at the conclusion of each case in a place to be provided by the Company and will be accessible to Board Members and to the parties.

ARTICLE 17

SAFETY AND HEALTH

- 17.1 Employees entering the service of the Company may be required to take a physical examination specified by the Company. Thereafter, the Company may request an employee to submit to further physical examinations during the course of his employment or recall to service after a layoff due to reduction in force. If it becomes necessary to hold an employee out of service due to his physical condition, every effort will be made to return the employee to service at the earliest possible date. The cost of such further examination shall be paid by the Company.
- 17.2 The Company shall institute and maintain all reasonable and necessary precautions for safeguarding the health and safety of its employees. Both the Company and the Union recognize their respective obligations to assist in the prevention, correction, and elimination of all hazardous and unhealthy working conditions and practices.
- 17.3 The Company agrees to maintain safe, sanitary and healthful conditions in all of its offices and facilities where employees coming under this Agreement are employed and to maintain emergency first aid equipment to take care of its employees in case of accident or illness. It is understood that this does not require the Company to maintain a nurse or a doctor to fulfill the requirements of this paragraph.
- 17.4 The Company agrees to furnish good drinking water and sanitary fountains; the floors of the toilets and washrooms will be kept in good repair and in a clean, dry, sanitary condition; showers will be kept in good repair. Employees will cooperate in maintaining the foregoing conditions. Offices, facilities and washrooms will be lighted in the best manner possible, consistent with the source of light available. Individual lockers will be provided for all employees where space and lockers are available. Every effort will be made as early as possible to provide space and lockers for all employees. Lockers will be made available to all employees provided with Company equipment or clothing necessary in the performance of their job.
- 17.5 In order to eliminate as far as possible accidents and illness, a safety committee will be established at each point on the system where employees hereunder are based, composed of a member from each department or work unit. The safety committee will meet at least once a month with management in regard to safety rules, regulations and recommendations. The Union will appoint one (1) member to each safety committee. Insofar as practical, all matters of occupational safety and health are to be handled directly between the designated Union safety representative(s) and/or committee and the designated management safety representative(s).

Discussions between these parties will be directed toward the rapid and efficient solution of safety and health problems. The designated union safety representative(s) and/or the safety committee shall receive and investigate complaints regarding unsafe and unsanitary working conditions and make recommendations concerning such complaints. The Union safety committee member(s) and/or representative(s) shall be allowed with permission from the immediate supervisor a reasonable amount of time during working hours without loss of pay for these purposes.

- 17.6 No employee shall be required to perform work that involves an imminent danger to his or any other employee's health or physical safety once a complaint has been lodged with the immediate supervisor. An employee's refusal to perform work which is in violation of established health and safety rules, or any local, state, or federal health and safety law shall not warrant disciplinary action.
- 17.7 The Company will make available at its expense appropriate aprons, gloves, and shoes for use by all employees while required to work with acids and chemicals that are injurious to clothing while such employees are engaged in such activities, and employees will be required to wear such equipment.
- 17.8 Employees injured or who become ill because of an occupational hazard while at work shall be given medical attention as promptly as practicable. Employees will not be refused permission to return to work because they have not signed a release of liability pending the disposition or settlement of any claims which they may have for compensation arising out of such injury or sickness. It shall be the duty of each individual employee to report as soon as possible his injury to his immediate supervisor; whenever possible the report will be made before the end of the shift.
- 17.9 Suitable rain repellent garments and boots shall be kept available at all locations for use of employees covered by this Agreement when they are required to work outside in the rain.
- 17.10 The Company will make available at its expense ear muffs or ear plugs for employees working on the ramp. The Company will also make available, at its cost, knee pads to those employees working in aircraft cargo pits, and weight belts where deemed required by the Company.
- 17.11 The Company will make available, at its expense, safety goggles where required and will also provide replacement of safety prescription lenses and frames broken in the act of work when worn.
- 17.12 Employees required to have x-ray examinations will be sent, if possible during their working hours at Company expense. Time spent outside normal working hours obtaining this examination will be paid at straight time.

- 17.13 Employees will be required to wear safety equipment designated and provided for their job. Failure to wear such equipment shall be a basis for disciplinary action.
- 17.14 The Company will comply with all state and federal requirements concerning CRTs.
- 17.15 All employees specified by state or federal regulations may be required by the Company to undergo audiometric testing.

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ARTICLE 18

GENERAL AND MISCELLANEOUS

- 18.1 When any new equipment or technology is put into service by the Company, employees covered by this Agreement will be given an opportunity to become familiar with such new equipment or technology without change of classification or rate of pay; provided, however, that the Company may fix a reasonable time within which such employees must become familiar with such new equipment. The Company will also provide "problem area" training to employees as needed on currently used equipment so that employee skills shall remain at a high level of competency. The Company will train employees as required on customers' equipment and documentation related to international travel (Contract Services) and in addition employees will be given an opportunity to become familiar with borrowed, rented or leased equipment or new technology.
- 18.2 Official Union business may be conducted during working hours provided prior Company permission has been obtained.
- 18.3 An employee who voluntarily resigns from the Company or is laid off will, upon his request, be furnished with a letter setting forth the Company's record of his qualifications and stating his length of service.
- 18.4 The Company will provide adequate bulletin boards for use of the Union. All notices placed on such bulletin boards shall relate to official Union business.
- 18.5 The Company shall provide a copy of this Agreement to each employee covered hereby.
- 18.6
- (a) Where the Company requires an employee to wear a uniform in the performance of his work, the cost of the initial and replacement garments, including minor alterations, if required, will be borne by the Company. Where the Company requires employees to wear uniforms, it will supply at least five (5) shirts and three (3) pants or, in the case of female agents who choose to wear dresses, four (4) dresses. Ramp agents will be provided with five (5) pants/shorts.
 - (b) The Company will pay the initial cost for the State AOA Identification Badge. State AOA badges which are worn out or which must be changed by state requirement will be provided at no cost to the employee; however, replacement of lost badges will be at the cost of the employee.

18.7

- (a) Temporary and/or part-time employees may be hired to perform specific jobs by agreement between the Company and the Union. Under these agreements such employees will not accrue seniority but will be subject to wage and hour provisions and to such other employee benefits covered by this Agreement as may be agreed upon at the time. No part-time employee will be hired to work more than twenty (20) hours within one (1) work week except when there is no qualified applicant for full-time employment.
- (b) The Company may continue its present practice of employing part-time personnel, but such practice shall not be extended so as to displace full-time employees who would normally be required. It is further understood, however, that in the event of a merger between Hawaiian Airlines and Aloha Airlines necessitating an overall reduction in force, part-time employees, except at Molokai, Lanai, Hana and Kamuela, will be terminated before any full-time employee is released.

18.8 In the event of the geographical relocation in whole or in part of any of the work performed by employees covered by this Agreement, the employees affected will be given an opportunity to transfer to the new location at Company expense.

18.9 There shall be no change during the life of this Agreement in Company policy of providing free parking where space is available. All employees will pay no more than \$5.00 per month for Company provided parking.

18.10 No supervisor and/or management personnel shall be permitted to perform any of the work covered by this Agreement except in an emergency or when training other employees. Emergency herein shall be defined as assisting in performance of work necessary to maintain flight schedules (both customer and flight) or to protect Company property.

18.11 The Company shall, at its expense, provide adequate legal representation for any employee covered by this Agreement named as a defendant, or subpoenaed as a witness in any legal proceedings arising out of such employee's performance of his duties with the Company and shall otherwise indemnify such employee or his estate against any money judgment or award rendered against him.

18.12 The Company shall provide suitable office space to accommodate the IAM local committee chairman and safety representative.

18.13 Cabin jump seat authority on all Hawaiian Airlines aircraft, shall be subject to applicable Federal Aviation Regulations; in

the event the cabin jump seat is not occupied by a flight attendant or a person traveling on company business, it shall be available to company employees on seniority basis, subject to the concurrence of the Association of Flight Attendants.

- 18.14 At any base where there are five hundred (500) or more employees covered by this Agreement, the Chairman of the Local Committee will be provided with full-time pay and time off and will be allocated office space on Company property. If the base has two hundred (200) or more employees covered by this Agreement but fewer than five hundred (500) the Chairman of the Local Committee will be provided with one (1) day per week for each hundred (100) employees at the base at full pay to be arranged mutually with his manager, to attend to Union/Company business.

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ARTICLE 19

WAGE RULES

- 19.1 The minimum rates set forth in Classification Wage Scales and made a part of this Agreement shall prevail on and after the effective date as set forth in Article 25 of this Agreement.
- 19.2 No employee shall suffer any reduction in hourly rate as a result of this Agreement.
- 19.3 Employees shall be paid in conformance with the policy of the Company. In no event will an employee not be afforded an opportunity to receive two (2) payments per month from the Company for work performed. In the event a regular pay day falls on a Saturday, Sunday or legal holiday, the Company will have pay checks prepared and distributed on the day preceding such Saturday, Sunday or legal holiday. It is Company policy to abide by Hawaii State law and to make employees' checks available by the end of their normal work shifts on established pay days.
- 19.4 When there is a shortage of one (1) day's pay or more in the amount paid to an employee, the Company shall, at the employee's request, issue a supplementary pay check to cover the shortage as soon as reasonably possible and within seventy-two (72) hours after it is determined what is due.
- 19.5 A statement of all wages and deductions made for the pay period will accompany the employee's pay check, and upon his request his time record will be made available for his inspection.
- 19.6 Employees leaving the service of the Company will be given their final pay checks within forty-eight (48) hours after final clearance at points where the payroll office is located or a check will be mailed within seventy-two (72) hours at other points.
- 19.7 Employees recalled to work from a layoff will be paid the current rate applicable to the job recalled for in accordance with the terms of the contract in effect as of the date of recall.
- 19.8 All employees covered by this Agreement shall be paid twenty-one cents (21¢) per hour and twenty-eight cents (28¢) per hour, respectively, for afternoon and night shifts as additional compensation over the rate paid on day shifts for all hours worked. Any shift starting at 11:00 a.m. or later and before 5:00 p.m. shall be considered an afternoon shift. Any shift starting at 5:00 p.m. or later and before 5:00 a.m. shall be considered a night shift. Afternoon and night shift premium pay will be included in the calculation of overtime and for vacation, sick leave, holidays, or other paid leaves.

- 19.9 An employee on a relief schedule will receive thirty-one cents (31¢) an hour additional compensation above the day shift rate for all regular hours worked. Relief schedules will be limited to two (2) starting times during any work week. Such starting times may be both on the same shift or on different shifts. Rotating relief employees shall not receive shift premium as provided for in Clause 19.8, but shall have the additional compensation provided for in this Paragraph treated, for pay purposes, the same as shift premium.
- 19.10 Those Chief Agents and Agents at neighbor island stations holding federal weather licenses will be paid, in addition to their base pay, sixty-five cents (65¢) per hour for those employees required to utilize such license. In order to receive such pay, each eligible employee must register said license with the Company and establish proof of currency.
- 19.11 Station Agents who have successfully passed the Senior Agent exam prior to October 1, 1983, shall continue to receive Specialist pay while working in a Station Agent capacity.

ARTICLE 20

SEVERANCE PAY

20.1 Entitlement: Any employee with two (2) or more years of compensated service with the Company whose employment is interrupted due to reduction in force while he is in a position covered by this Agreement shall be paid the severance allowance provided in Clause 20.2 following; subject, however, to the limitations and qualifications and in accordance with the terms set out in Clause 20.2 through 20.6.

20.2 Service Requirement:

If Employee has completed:	Severance Allowance
2 years but less than 3 years of service	2 weeks
3 years but less than 4 years of service	3 weeks
4 years but less than 5 years of service	4 weeks
5 years but less than 6 years of service	5 weeks
6 years but less than 7 years of service	6 weeks
7 years but less than 8 years of service	7 weeks
8 years but less than 9 years of service	8 weeks
9 years but less than 10 years of service	9 weeks
10 years but less than 11 years of service	10 weeks
11 years but less than 12 years of service	11 weeks
12 years but less than 13 years of service	12 weeks
13 years or more of service	13 weeks

20.3 Computation and Method of Payment: A week of severance allowance shall be computed on the basis of the employee's regular straight time hourly rate at the time of his employment interruption multiplied by forty (40) hours. Severance allowances shall be paid at the successive payroll periods immediately following the date employment is interrupted and shall continue to be paid until the employee is recalled or the severance allowance entitlement is exhausted, whichever occurs sooner.

- 20.4 Disallowances: Severance allowances shall not be paid when the employee:
- (a) is discharged for just cause, retires, or resigns.
 - (b) has his employment temporarily interrupted because of a strike or picketing on Company premises, an Act of God, a national war emergency, revocation of the carrier's operating certificate(s), or grounding of the carrier's aircraft by governmental order.
 - (c) elects to exercise any seniority, bumping, or transfer rights afforded him under this Agreement to remain in active service with the carrier or accepts other employment offered by the carrier.
- 20.5 Other Allowances: The severance allowances provided herein shall be in addition to any or all other benefits provided under this Agreement.
- 20.6 Recall: An employee who has received a severance allowance under this Article and who has been recalled to work under the provisions of the Agreement and whose employment is again reduced in force under conditions which entitle him to severance allowance shall be paid the amount specified for his total years of service with the carrier, less the dollar amount received by him during previous employment interruptions.
- 20.7 Employees who collect unemployment benefits while on furlough shall have their severance offset by such unemployment benefits so their salary shall not exceed the employee's basic straight time earnings. This provisions shall not reduce the total amount of severance available as provided in Clause 20.2.

ARTICLE 21

UNION SECURITY AND DEDUCTION OF DUES

- 21.1 In the interest of harmonious relations and the maintenance of a stable and responsible Union, the Company will not permit any employee covered by this Agreement not a member of the Union to indulge in any activities tending to undermine the Union and will enforce its policy in this matter with proper disciplinary action. Any grievance arising under this Article of the Agreement may be taken by the System General Chairman or his representative directly to the Chief Operating Officer or his designee for final action.
- 21.2 Each employee shall, as a condition of continued employment, within sixty (60) days of employment within the bargaining unit, become a member of and thereafter maintain membership in good standing (as herein defined) in the union; provided that such condition shall not apply with respect to any employee to whom such membership is not available upon the same terms and conditions as are generally applicable to any other member of his classification and at his point on the Company's system, or with respect to any employee to whom membership is denied or terminated for any reason other than the failure of the employee to tender the initiation fees, assessments, and monthly dues uniformly required of other employees in his classification and at his point on the Company's system as a condition of acquiring or retaining membership. For the purpose of this Agreement, "membership in good standing in the Union" shall consist of the payment by the employee of initiation or reinstatement fees uniformly required of other employees of like status, plus the payment of dues, and the payment of such assessments within prescribed limits as may be levied in accordance with procedures set forth in the Union's "Constitution of the Grand Lodge, District and Local Lodges, Councils and Conferences." Such membership in the Union does not preclude the Company from applying the probationary provisions in Articles 9.10, 23.15, 23.16, 24.5, 25.6, 26.8, and 27.7 of the Agreement.
- 21.3 The Company will within three (3) work days after receipt of notice from the Union discharge any employee, except those excluded in Clause 21.2 above, who is not in good standing in the Union as required by the preceding Clause.
- 21.4
- (a) All rights of any employee under this Agreement and such supplements or amendments that may apply thereto are contingent upon his acquisition and maintenance of membership in good standing in the Union, regardless of whether he is actively working, promoted, or transferred to a classification of work not covered by this Agreement, on leave of absence, laid off, or discharged.

- (b) With the exception of those employees in military service, every employee listed on Hawaiian Airlines' I.A.M. Seniority Rosters must be in good standing with the I.A.M. in order to remain on such rosters. For the purpose of this paragraph, good standing means not more than ninety (90) days in arrears in payment of monthly dues. Those employees who names appear on Hawaiian Airlines I.A.M. Seniority Roster (with the exception of employees exempted under the foregoing paragraph), who are not members of the Union on the date of signing this Agreement, shall be notified by registered mail and must become members within ninety (90) days.
- (c) Such employees who do not become members within ninety (90) days shall have their names removed from the Seniority Roster within fifteen (15) days after the Union notifies the Company.

21.5 The parties agree that the checkoff authorization shall be in the following form:

Name _____ Dept. _____

I hereby authorize Hawaiian Airlines, Inc. to deduct each month from my wages, the sum of \$_____ on account of membership dues in _____. I further authorize the Company to deduct from my wages a designated sum on account of union initiation fee and assessments when notified in writing to do so by the Financial Secretary of the _____. The sums thus to be deducted are hereby assigned to me to _____ and are to be remitted by the Company to the Financial Secretary of the Union. I submit this authorization and assignment with the understanding that it will be effective and irrevocable for the period of one (1) year from this date, or up to the termination date of the current collective bargaining agreement between Hawaiian Airlines, Inc. and International Association of Machinists, whichever occurs sooner. This authorization and assignment shall continue in full force and effect for yearly periods beyond the irrevocable period set forth above, and such subsequent yearly period shall be similarly irrevocable unless revoked by me within fifteen (15) days after any irrevocable period hereof. Such revocation shall be effected by written notice to the Company and the Union within such fifteen (15) day period.

Signature _____ Dept. _____

ARTICLE 22

HEALTH, INSURANCE AND RETIREMENT BENEFITS

In addition to the benefits listed below, all employees covered by this Agreement shall be entitled to purchase Universal Life, Cancer Policy, Critical Illness, Nursing Care or any other Insurance Policy presented by the IAM. Participation in such programs shall be strictly voluntary and paid through payroll deduction. Plans shall be offered through Agencies and Underwriters selected by the union. The Company shall allow the IAM reasonable opportunity for onsite enrollment at least once each year.

22.1 In the event the amount paid by an employee, either on his behalf or on behalf of one or more of his dependents, exceeds \$1,500 with respect to a calendar year covered by the medical insurance, such medical program under which the employee is covered shall pay one hundred percent (100%) of the excess of that year's payments. This coverage shall be limited to each calendar year. Such insurance shall apply only to eligible expenses which are covered and included as part of the medical plan.

22.2 MEDICAL

The Company will offer the following medical plan options as set forth below.

- (a) Pre-existing Plans
 - i. HMSA Preferred Provider Plan (PPP)
 - ii. Kaiser Health Plan B (HMO)
- (b) New Plans
 - i. HMSA COMPMED - A, or equivalent
 - ii. Kaiser Prevalent Plan, or equivalent

Employees hired after 1/18/2010 may elect to participate in either the HMSA COMPMED - A (or its equivalent) or the Kaiser Prevalent Plan (or its equivalent) listed above under New Plans during their first five (5) years of employment. Election of a plan other than HMSA COMPMED - A (or its equivalent) or the Kaiser Prevalent Plan (or its equivalent) may be made during the first open enrollment period following the completion of five (5) years of employment.

Employees will make the following monthly contributions by way of payroll reduction to the cost of their health care plan(s):

(a) Pre-existing Plans:

The monthly contribution for each employee will be 20% of the premium, with such monthly contribution not to exceed the lesser of:

- i. 1.5% (for single coverage) or 2% (for two-party or family coverage) of his or her monthly compensation; or
- ii. "Dollar caps" to be applied as set forth in the chart below as of 1/1/2010:

	<u>Single</u>	<u>Two-Party</u>	<u>Family</u>
Pre-Existing Plans	\$60.00	\$150.00	\$180.00

(b) New Plans:

	<u>Single</u>	<u>Two-Party</u>	<u>Family</u>
New Plans	\$5.00	\$10.00	\$20.00

Employee dependents are defined as spouse and unmarried, dependent children under age nineteen (19), or under age 25 while enrolled as a full-time student.

The lifetime maximum limitation under the HMSA PP Plan will be \$5 million per person with an annual renewal of \$10,000 implemented on a prospective basis.

The Company provided health coverage will include acupuncture and chiropractic coverage if available.

Employees who are also employed at another employer where medical coverage is available, or employees who can provide evidence of medical coverage elsewhere, are eligible to receive a monthly cash payment in consideration of their executing a waiver of their current medical coverage from the Company. Guidelines for the Medical Waiver Program will be established by the Company. Effective April 1, 2003, reimbursement for single coverage will apply to eligible employees whose spouse is also an employee of Hawaiian Airlines. It is understood and agreed that the long standing Company policy of not permitting employees who are married to each other, or who are in a domestic partner relationship, to have dual medical coverage is applicable.

Same sex domestic partners of employees will be eligible for dependent coverage under Medical and COBRA. The employee will be responsible for all applicable taxes. Guidelines for eligibility for Domestic Partner coverage will be established by the Company.

22.3 DENTAL

The Company will provide for all full-time employees who have been employed for one (1) year, dental coverage through Hawaii Dental Service or Delta Dental Plan of California for the employee and his eligible dependents at no cost to the employee. Eligible dependents are defined as spouse and unmarried dependent children under age nineteen (19), or under age twenty-five (25) while enrolled as a full-time student.

Usual customary and reasonable fees.

100% Examination (once every 12 months)

Bitewing x-rays (2 x-rays every 6 months)

Other x-rays

Prophylaxis (once every 6 months)

Palliative Treatment

75% UCR for:

Stannous Fluoride (once every 12 months through age 17)

Restorative Dentistry

Oral Surgery

Endodontics

Periodontics

50% UCR for:

Prostodontics - bridges, partial and full dentures

Crowns and gold restorations

60% UCR for:

Orthodontia for dependent children with a lifetime maximum of \$1500

Same sex domestic partners of employees will be eligible for dependent coverage under Dental and COBRA. The employee will be responsible for all applicable taxes. Guidelines for eligibility for Domestic Partner coverage will be established by the Company.

22.4 FLEXIBLE SPENDING PLAN

All eligible employees may participate in the pre-tax Premium Conversion Plan permitting employees to pay their portion of the cost of medical coverage on a before-tax basis through payroll deduction. All full-time employees will be able to participate in a Health Care Expense Account which allows employees to be reimbursed on a tax-free basis for eligible medical, prescription drug, vision and dental expenses not paid for by insurance up to a maximum of \$5,000 per year. All eligible employees will be able to participate in a Dependent Care Assistance Account which allows employees to be reimbursed on a tax free basis for expenses such as day care for their dependent children up to a maximum of \$5,000 per year (subject to Internal Revenue Code limits).

22.5 GROUP LIFE & AD&D INSURANCE

- (a) The Company will provide all members covered by this Agreement, who have been employed in a full-time capacity for a period of six (6) continuous months, life insurance at no cost to the employee in an amount equaling to one (1) times his annual base earnings (rounded up to the next highest multiple of \$1,000 if it is not already a multiple of \$1,000) not to exceed \$120,000. The amount of insurance provided will be adjusted at the beginning of each calendar year to reflect any salary or wage increases which the employee may have received during the year just completed
- (b) Employees may also purchase, at their own expense, additional life insurance in the amount of two (2) times his annual base earnings (rounded up to the next higher multiple of \$1,000 if it is not already a multiple of \$1,000) to a maximum of \$240,000. The amount of insurance will be adjusted at the beginning of each calendar year to reflect any salary or wage increase.
- (c) After six (6) months of continuous full-time employment, full-time employees will be provided accidental death and dismemberment coverage at no cost to the employee in an amount equaling to one (1) times his annual base (rounded up to the next highest multiple of \$1,000 if it is not already a multiple of \$1,000), not to exceed \$120,000.
- (d) Employees may also purchase, at their own expense, additional accidental death and dismemberment coverage in the amount of two (2) times his annual base earnings (rounded up to the next highest multiple of \$1,000 if it is not already a multiple of \$1,000), not to exceed \$240,000.
- (e) Upon the death of an employee who has retired after September 30, 1977 at age 65 with at least ten (10) years of service or who has retired under the rules of "85" or

"90", the Company will pay the named beneficiary, or to the employee's estate, a death benefit of \$3,500.00

- (f) The Company agrees that this plan will not be substantially changed or discontinued during the term of this Agreement without first advising the Union of the reasons therefore and affording the Union an opportunity to confer with the Company.

22.6 SPOUSAL & DEPENDENT INSURANCE

Beginning with the month following application therefore, an eligible employee may purchase, through payroll deduction, \$5,000 of group life insurance for his/her spouse and \$2,000 for each dependent child at the best group rate the Company can obtain. Children are covered for the first six (6) months of life for \$100. Thereafter, they are covered for \$2,000 up to age nineteen (19), but under age twenty three (23) if a full-time student.

22.7 LTD

Full-time employees under this Agreement will be eligible to receive, ninety (90) days after their last day of active employment or at the expiration of their sick leave payments, whichever occurs later, sixty percent (60%) of their current salary (not to exceed \$1,600.00 per month) as long term disability payments. Disability payments under this clause will be made only for non-job connected disability and will be made for a maximum period of five (5) years or until the employee reaches 65 years of age, whichever occurs first.

22.8 401(K) SAVINGS PLAN

The Company will make contributions and will match 100% of each employee's 401(k) contribution up to 4% of their compensation, as defined under the 401(k) Plan, based on the following schedule:

Years of Service as Defined in the Plan	Company Contribution	Company Match
1 year but less than 10*	5.04%	0 percent (0%)
10 years but less than 15	5.04%	one percent (1%)
15 years but less than 20	5.04%	two percent (2%)
20 years but less than 25	5.04%	three percent (3%)
25 years or more of service	5.04%	four percent (4%)

* Employees hired after 1/18/2010 will not receive the Company Contribution until they reach five (5) years of service with the Company.

In addition to the investment options currently existing in the Hawaiian Airlines, Inc. 401(k) Plan, additional investment options shall be selected, from time to time, by the Company, in consultation with the IAM.

22.9 PENSION PLAN

The Company will provide, at no cost to the employee, a fully paid pension plan (see Retirement Letter of Understanding included in the Agreement). Effective January 1985 employees must have reached 21 years of age and been employed full-time for one (1) year in order to be eligible for this program. Effective July 1, 1981, employees who reached 23 years of age and have one (1) year of full-time service with the Company were eligible to participate in the Company's retirement program. Those employees whose eligibility did not start until age 25 and who had one (1) year of service with the Company at age 23 were given credit for two (2) additional years of service effective July 1, 1981.

The Company will provide all eligible employees retiring after January 16, 1987 a retirement program as follows:

- (a) Normal Retirement (age 65)
1.6% of Final Average Pay multiplied by years of Credited Service. (Average of best 5 consecutive years earnings out of last 10 years worked)
- (b) Early Retirement (Less than 30 Years Employment) - Minimum Age 55
1.6% of Final Average Pay multiplied by years of Credited Service actuarially reduced for each year under age 65
- (c) Early Retirement (30 Years or More of Employment)

Rule of 85

Retirement Age:	55	56	57	58	59
Percentage:	60	62 1/2	65	67 1/2	70

Rule of 90

If an employee is 60 years old or over and has been employed by Hawaiian Airlines for 30 years, he will be able to retire at 1.6% of his Final Average Pay multiplied

by years of Credited Service without any actuarial reduction for years under age 65.

EXAMPLE: John Jones is 60 and has worked 30 years for Hawaiian Airlines. He was 30 years old when first employed. During his first year with the Company, he was not eligible to join the Plan. At age 31 he had 1 year of service and joined the Plan. At age 60, he had 29 years of Credited Service. His best 5 year average annual straight time earnings during his last 10 years of employment was \$30,000. His yearly retirement income with no reductions will be:

$1.6\% \times \$30,000 \times 29 \text{ years} = \$13,920.00$, or \$1,160.00 per month

It is further understood and agreed that as of January 1, 1973 the Variable Annuity Plan for employees administered by the Bishop Trust Company has been discontinued and all future retirement payments will be based on the Fixed Annuity payments outlined above. However, contributions made to the Variable Fund by employees prior to January 1, 1971 plus interest will always be payable to them or their heirs should the employee resign or die.

In addition, employees who either failed to join or dropped out of the retirement plans prior to January 1, 1971 will be given credit for past service to the dates they first could have become eligible (age 25 and 3 years of service; effective July 1, 1981, age 23 and 1 year of service) for purposes of calculating their benefit at retirement, consistent with Company practice supported by that arbitration decision of April 4, 1983. Employees who contributed their own funds prior to January 1, 1971 will receive credit for such contributions plus interest thereon through December 31, 1974, and will receive an additional monthly retirement benefit for such contributions over and above the Company paid plan, or may elect to receive his contributions in one lump sum cash payment.

Effective October 1, 1993, the pay and service levels in the above defined benefit plan will be frozen. Participants' benefits from the plan will be calculated based on pay and years of credited service through October 1, 1993, but will not include any pay and credited service after that date. Union members of the Pension Committee will be given reasonable time during working hours to confer with the Company on pension matters.

| 22.10 REGULAR PART-TIME BENEFIT COVERAGE

Regular Part-time employees will be entitled to medical and dental benefits at the single rate with the proportion of the premium paid by the Company for full-time employees on the single rate provided they are not covered under any other health or dental plan and have certified so on a form to be provided by the Company.

| 22.11 UNION LEAVE BENEFIT COVERAGE

The employees selected as System General Chairman and Assistant System General Chairman shall have all employee benefits that can reasonably be continued in effect during their leaves of absence. The cost of Medical, Dental, Life Insurance, and Pension Plans will be borne solely by the employees on leave.

| 22.12 EXTENDED ILLNESS BENEFIT COVERAGE

The Company will continue medical, dental and group life coverage, at no cost to the full-time employee, for two (2) years after sick leave and/or occupational injury leave has been exhausted for any employee who is disabled to the extent that he cannot perform any kind of gainful employment. The disabled employee may pay his own medical and dental premiums thereafter, through the Company, until he no longer has employee status. Group life insurance may be converted to an individual policy upon termination of coverage after the two (2) year period.

| 22.13 FURLOUGH BENEFIT COVERAGE

In the event of furlough because of a reduction in force, full-time employees with five (5) or more years of service who are covered under the Company's medical and/or dental plans will continue to be covered by such plans for a period of three (3) months past their last day of active employment. After three (3) months on furlough, an eligible employee and his dependants may continue in the Company's medical and/or dental plans at his own expense until recalled, or for so long as he remains on the Company's seniority list, or until obtaining full-time employment elsewhere, whichever event coverage occurs first, but in no event longer than two (2) years from his date of furlough. Payment for such must be received in the Benefits Department by the 20th of the month prior to the month covered or the employee will be dropped from the plans.

| 22.14 RETIREE BENEFIT COVERAGE

If a full-time employee retires between ages 55 and 60 with thirty (30) or more years of service (85 points), the Company will pay one-half (½) the cost of the medical insurance until the employee reaches age 65. Further, if a full-time employee

retires between ages 60 and 64 with thirty (30) or more years of service (90 points), the Company will pay all of the cost of the medical insurance until the employee reaches age 65. This coverage will also be available for the employee's spouse.

- 22.15 Any full-time or part-time employee covered by this Agreement who, during the course of a flight while on duty, becomes or is reported missing and his whereabouts become unknown, shall be paid monthly compensation equal to his average monthly earnings for the preceding six (6) months, excluding leaves of absence and non-paid sick leave, for a period of twelve (12) months after the date of disappearance or until his whereabouts are ascertained, whichever is earlier. If upon the expiration of such twelve (12) month period such employee is still missing and his whereabouts are still unknown, or if prior to that time death is established, the Company shall pay or cause to be paid the death benefits provided for by the Workers' Compensation Law of the State of Hawaii.

The monthly compensation allowable under the paragraph above to an employee who is missing shall be credited to him on the books of the Company and shall be disbursed by the Company in accordance with written directions from him. The Company shall require each employee presently or hereafter employed to execute and deliver to the Company as soon as possible the written directions substantially in the following form:

Date _____

TO HAWAIIAN AIRLINES, INC.

You are hereby directed to pay all monthly compensation allowable to me, and other benefits stipulated in the Agreement, while missing or resulting from my death or any other condition which causes direct payment to me to be impossible, as provided in the Agreement between Hawaiian Airlines, Inc., and the International Association of Machinists, dated _____ as follows:

\$ _____ per month to _____,
(Name)

_____, as long as living, and thereafter
(Address)

to _____, _____,
(Name) (Address)

as long as living, and thereafter to _____
(Name)

_____ as long as living.
(Address)

The balance, if any, and any amounts accruing after the death of all persons named in the designations shall be held for me or, in the event of my death before receipt thereof, shall be paid to the legal representative of my estate. The foregoing directions may be modified from time to time by letter signed by the undersigned and any such modification shall become effective upon receipt of such letter by you. Payments made by the Company pursuant to this directive shall fully release the Company from the obligation of making any further payment with respect thereto, except that such payments shall not release the Company from any additional obligations provided by the Workers' Compensation Law of the State of Hawaii.

(Employee's Signature)

Any payments due any employee under this Section which are not covered by a written directive as above required shall be held by the Company for such employee and, in the event of his death, shall be paid to the legal representative of his estate or as provided by law. Employees, while missing, shall continue to accrue both seniority and longevity.

- I 22.16 Any full-time or part-time employee covered by this Agreement required to participate in test flights shall, while on such flights, be covered by a standard aviation accident insurance policy with a death benefit of \$25,000 at no cost to the employee.
- I 22.17 Full-time and part-time employees covered by this Agreement, while participating in a "bomb scare" investigation, ferry flight, test flight or FAR waiver flight will be covered by an insurance policy for injury or death with the following benefits:

Death	\$200,000
Total Permanent Disability	100,000
Loss of Two limbs	100,000
Loss of One Limb	50,000

I 22.18 LONG TERM CARE OPTIONS

The Company will offer an Optional Long Term Care (LTC) Program. Employees will be given the choice of two levels of care and the program will be open to dependents and parents. This program will be totally optional and will be fully paid for by the employee.

ARTICLE 23

REGULAR PART TIME EMPLOYEES

It is the intent of the parties that full-time work requirements will be performed by full-time employees and part-time requirements will be performed by part-time employees. The Company's practice of employing part-time personnel shall not be extended so as to displace full-time employees who would normally be required. It is understood by the parties that this article governs work rules, rates of pay, employee benefits and conditions for part-time employees.

23.1 Purpose of Agreement and Article

Article 1 of this Agreement applies to Regular part-time employees.

23.2 Scope of Agreement and Article

- (a) The Company hereby recognizes the Union as the sole and exclusive bargaining agent for all employees of the Company in the United States, its Territories and Possessions, who comprise the crafts or classes of clerical, office, stores, fleet and passenger service employees, including but not limited to Accounting Clerks and Accountant (all grades and classes), Aircraft Scheduler and Revenue Analyst (all grades and classes), Crew Scheduler (all grades and classes), Chief Agent (all grades and classes), Agent (all grades and classes), Ramp Agent (all grades and classes), Buyer (all grades and classes), Materiel Analyst (all grades and classes), Records Agent (all grades and classes), Materiel Support (all grades and classes), Printer (all grades and classes), Secretary, Clerk Typist, Computer Operators (all grades and classes), and any new or revised classification that may in the future be established or any classification that is to be deleted shall be by agreement of the parties. It is understood and agreed that during the life of this Agreement the clerical employees of the Industrial Relations Department and the Secretaries of Company Officers and Department and Division Heads shall be excluded from the Union Shop provisions of this Agreement.
- (b) The Company agrees that all work which is now performed directly by the Company with its employees involving office work, reservations work, passenger service work, terminal work, cargo and/or baggage handling, accounting and secretarial work, and all other work related to the above referred to crafts and classes of employees performed by the Company is recognized as coming within the jurisdiction of the International Association of Machinists, and is covered by this Agreement. Said work will be performed only by employees falling within the classification covered by this

Agreement or that may by mutual agreement be added by the parties. However, the Company may continue to contract out work which has heretofore been customarily contracted out because of lack of Company facilities and equipment. It is the Company's intent, however, to continue to utilize its own facilities and equipment in performing work in its own organization. With the installation of ticket reader machines, it is agreed that F/A will be allowed to assist by checking and collecting passenger boarding passes/tickets at the gate in HNL, LAX and OGG. It is further understood that the agent is ultimately responsible for the boarding of flights.

- i. Work, as referred to above means all work certified by the National Mediation Board in Case No. R-2726 Clerical.
 - ii. Neither the Company or its designee shall enter into any of the following transactions, agreements, arrangements or relationships without DL 141 IMAAW prior written consent:
 - A. Any change in the terms and conditions embodied in this Agreement including but not limited to testing and training; wages and benefits including Pass travel.
- (c) In the performance of their duties, employees covered by this Agreement shall be governed by Company rules, regulations and orders, issued by properly designated authorities of the Company, providing such rules, regulations and orders are not in conflict with the terms and conditions embodied in this Agreement. The Company will, after the signing of this Agreement cause to be compiled and issued to each present and all new employees, the presently applicable conduct rules and regulations and no new rules or regulations will be considered effective until copies have been furnished to the Local Committee and conspicuously posted in the working areas at least five (5) days prior to effective date. In cases where emergency changes are necessary, the Company will notify the Committee and such changes will be posted and become effective immediately thereafter.
- (d) At any stations away from the State of Hawaii, the Company may contract out the work necessary to operate and service aircraft. However, should the Company's operation expand so that there is work to cover eight (8) hours a day for five (5) days in a standard work week at one location, the Company will use employees covered under this Agreement.
- (e) Variations in job requirements may create additional classifications or materially change a position that is within an existing classification. When a new position is

created for work covered by this Agreement, the parties will meet to agree on rate of pay, rules and working conditions.

23.3 Status of Agreement and Job Security

Article 3 of this agreement applies to Regular part-time employees.

23.4 Classification of Work

Article 4 of this Agreement applies to Regular part-time employees.

23.5 Qualifications and Job Descriptions

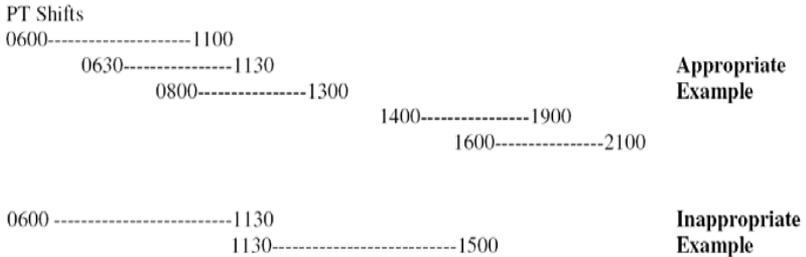
Article 5 of this Agreement applies to Regular part-time employees.

23.6 Hours of Service

- (a) Except as provided hereinafter, the Company will not schedule a part-time employee more than six (6) hours per day, thirty (30) hours per week, nor more than five (5) days per week; however, part-time employees may work in excess of six (6) hours per day, and more than five (5) days per week on a voluntary basis where the off-going and oncoming shifts are offered overtime and decline, and where full-time personnel on days off are offered overtime in excess of four (4) hours and decline. Further part time employees may work eight (8) hours per day on Saturdays and Sundays as regular day off relief for full-time staff. The number of such part-time employees working a full eight (8) hour shift on Saturdays and Sundays shall not exceed the number of full-time employees working bid work (with day off on Saturday and/or day off on Sunday). The eight (8) hour shifts worked by part-time personnel on the weekend shall be the same as the full-time eight (8) hour shift worked during the week. If part time employees are hired only for the weekend coverage they shall be classified as "weekend part-time" and while in that status can only be used to relieve full-time staff on weekends and holidays. To be classified as a weekend shift, part of the shift must fall on a Saturday, Sunday or holiday.
- (b) The Company will make available a limited number of four (4) hour shifts at the Honolulu and Kahului stations.
- (c) Employees covered by this Article will be scheduled for at least two consecutive days off.
- (d) When part-timers report for work they shall be guaranteed a minimum of three (3) out of four (4) hours and in addition shall have no more than one (1) split in work hours per

day, but in no case will the total time exceed six (6) hours except as noted in Clause 23.6 (a) and 23.6 (k).

- (e) Overlapping of part-time shifts is permitted as long as each shift does not exceed six (6) hours, inclusive of any breaks and provided that such scheduling does NOT cover eight (8) consecutive hours of work, five (5) days per week.



- (f) Employees covered by this Article scheduled for a four (4) hour shift will be granted a ten (10) minute rest period. Employees scheduled for a five (5) or six (6) hour shift will be granted two (2) ten (10) minute rest periods. Such rest periods will be regularly scheduled and posted by the Company at each work unit.
- (g) Starting times of shifts will be on the hour, half-hour or quarter hour in accordance with the needs of the service. It is further understood that multiple starting times will not be used unless there are two (2) basic shifts established for that department.
- (h) The regular starting and stopping time for work shifts will be scheduled and posted at each work unit and at the line stations and will not be changed without seven (7) calendar days notice to any employee affected by such change. Posting of shift change seven (7) calendar days in advance will be presumed to be actual notice five (5) work days in advance. Any change of more than one (1) hour in the starting time of a shift, or any change in the stopping time of a shift, will call for a bulletin of all jobs affected for local bids.
- (i) All regular part-time employees will be given the opportunity to bid shift and day off preference based on last date of entry into the regular part-time classification, unless they have been furloughed from a position within the bargaining unit.
- (j) Part-Time Ratio

- i. Except as provided in Clause 23.6 (k), LOA #3 (F/T and P/T in Reservations), LOA #4 (LAX Part-time Employees), Article 24 (Weekend Part-time), and Article 26 (Reserve Part-time) the total number of part-time employees shall not exceed forty-five percent (45%) of the total number of full-time employees covered by this Agreement excluding the number of full-time employees in LAX and Reservations.
 - ii. Employees covered by the Contract Service Agreement, Weekend Part-timers, LAX station, Reservations part-time, Reserve Part-time, and Mainland Customer Service Representative are not included within the ratio computation in Clause 23.6 (j) i.
 - iii. It is understood that in arriving at whole numbers for calculation purposes in this paragraph all decimals below .5 will be rounded down and all decimals .5 or more will be rounded up.
- (k) It is expressly agreed that the restrictive provisions of this agreement relative to the utilization of part timers, i.e. maximum number, number of shift start times, overlap requirement, and maximum hours of scheduled work in a day or a week are without any effect during the following seasonal periods, provided, during such periods of unrestricted utilization within any department all full time employees with a seniority date prior to 9/1/93 with recall rights to that department have been offered work as a full time employee. The seasonal periods for this unrestricted utilization of part timers on the above basis are the following:
- May 15 through Labor Day
- November 10 through January 15
- (l) Clause 6.9, Trade Policy, applies to Regular Part-Time employees.

23.7 Overtime and Holidays

- (a) Part-time employees shall receive overtime pay of time and one-half (1½) their hourly rate for each hour worked over forty (40) hours in a week, or eight (8) hours in a day.
- (b) For all hours worked on any one of the following Company holidays a rate of double time will be paid:

New Year's Day

Labor Day

Presidents' Day

Discovers' Day
(as of 1/1/2011)

Memorial Day

Kamehameha Day
(as of 1/1/2010)

Thanksgiving Day

Independence Day

Christmas Day

- (c) When employees are required to attend formal education classes conducted by the Company, they shall receive straight time pay for the period they are in attendance of such classes. When employees are required to participate in remote training outside of a classroom, they shall receive straight time pay for such training for a period determined by the Company, as allowed by law. An employee shall not be required to attend training classes on his regular day off and shall be given an opportunity to make up such training at a later time.
- (d) Part-time employees who are required to attend initial formal, classroom training prior to regular assignment, shall be paid the minimum hourly rate in accordance with State and/or Federal wage standards. Such training shall not include "production" work and not exceed eighty (80) hours.

23.8 Intentionally left blank.

23.9

- (a) The Company will maintain and post a part-time roster and will keep the Local Chairman of the Union advised at all times.
- (b) Laid-off full-time employees or employees receiving a RIF notice may utilize their classification seniority to bid for or bump into any part-time position for which they are qualified. Seniority for full-time employees accepting part-time positions shall accrue as specified in Article 9.
- (c)
 - i. Part-time employees who are displaced or receive a RIF notice may bump another part-time employee in the same pay grade in any work unit provided they meet the qualifications. E.g. part-time reservations agent who receives a RIF notice, if qualified, could bump a part-time agent in Cargo, Stations, Records.

For pay grades refer to Attachment A to this Agreement.

- ii. Part-time employees, after completion of their probationary period and whose names do not appear on the IAM Seniority Roster, shall be furloughed on a LIFO (last in, first out) system.
- (d) A part-time employee who has been terminated, for other than discipline, will have recall rights within 30 days of termination and if recalled and accepts will retain their original Company date of hire.

23.10 Vacancies

- (a) The filling of vacancies may be considered in the following order: 1) Regular Part-time employees within the same job description by Date of Hire; 2) Weekend Part-time within the same job description by Date of Hire; 3) Reserve Part-time within the same job description by Date of Hire; 4) Regular Part-time (different job description) by Date of Hire; 5) Weekend Part-time (different job description) by date of hire; 6) Reserve Part-time (different job description) by Date of Hire; 7) Mainland Customer Service Representative by Date of Hire; 8) Contract services employees by Date of Hire.

EXAMPLE: A full-time CSA vacancy in OGG with F/S off is available. Per Article 10.3, the resulting vacancy is full-time CSA in OGG with T/W off. This resulting vacancy is posted for represented IAM-C employees. No full-time employees bid for the position, bids from the following part-time employees are received:

<u>Bids Received:</u>	<u>The bids may be considered in the following order:</u>
LIH Regular PT Ramp (DOH 11/02/1995)	HNL Regular PT CSA
HNL Regular PT CSA (DOH 10/03/1999)	KOA Regular PT CSA
OGG Contract Service (DOH 04/09/2002)	OGG Weekend PT CSA
OGG Weekend PT CSA (DOH 07/02/2002)	LIH Regular PT Ramp
KOA Regular PT CSA (DOH 02/5/2005)	OGG Contract Service

- (b) Full-time employment will be offered to any part-time employee (including Contract Services) before outsiders may be hired; however, part-time personnel will otherwise be "frozen" in the position into which they are hired for their full probationary period. In the event that a permanent part-time employee is accepted for a full-time position but does not successfully pass the probation period for reasons other than misconduct, he may return to the part-time position formerly held. A part time employee moving to a full-time position will have the number of hours worked as part-time converted to full-time service for purposes of vacation and longevity.

23.11 Leaves of Absence

- (a) Upon providing satisfactory proof of bona fide hardship, employees may be granted up to forty (40) hours emergency leave without pay if the needs of the service permit.

- (b) Bereavement Leave

In the event of the death of a member of an employee's immediate family, he will be granted up to three (3) days funeral leave without pay. Should travel be required outside the state in which the employee works, in order to attend funeral services, the employee will be granted up to five (5) days funeral leave without pay. Immediate family is defined as an employee's spouse, parents, children, brothers, sisters and grandparents.

- (c) Where a justifiable reason exists, and where the requirements of the service will permit, any employee covered by this Agreement may, upon proper written application and written approval by the Company, be granted a leave of absence for a period not in excess of ninety (90) days. The designated local representative of the Union shall be notified of all leaves granted. Leaves may be extended for additional periods of not more than ninety (90) days each, upon proper written application and written approval from both the Company and Union. The Company and Union will approve or disapprove the request within five (5) days. An employee granted leave of absence shall retain and continue to accrue seniority during the first ninety (90) days of any such leave of absence. For leaves of absence in excess of ninety (90) days, the employee shall retain but shall not accrue seniority after ninety (90) days, except where the leave has been granted because of health, injury, disability leave, or special assignment by the Company.

23.12 Vacations

- (a) Part-time employees scheduled to work an average of twenty (20) hours or more per week, who have one (1) or

more years of continuous service with the Company will be entitled to vacation leave on a pro rata basis, based on hours worked equivalent to full-time employment, as follows:

Hours of Service Completed (Based on Adjusted Service Date)	Hours Earned for Every 173.33 Hours Worked
0 hours - 10,399 hours	6.67
10,400 hours - 22,799 hours	10.00
22,800 hours - 37,439 hours	13.34
37,440 hours - 49,939 hours	16.67
49,940 hours - 62,399 hours	20.00
62,400 hours or more	23.34

- (b) Employees may not accumulate more than twenty (20) hours of their annual vacation allowance excluding the current calendar year's allowance earned in the preceding calendar year.
- (c) At least thirty (30) days prior to the commencement of each year's vacation bidding the Company will meet with the local union to discuss the procedures which will be followed. On October 1 of each year, the Company shall post a bulletin for each shop or other work unit showing employee names, Company Date of Hire, and the projected number of hours of vacation, including accumulated vacation for each employee as of the following January 1. Insofar as the requirements of the service will permit, vacation periods will be scheduled at the convenience of the employees and no periods will be completely blocked out.
 - i. There will be a first bidding period starting October 1st on the shift or by starting time in each work unit during which each employee, by Company Date of Hire, will bid for choice of vacation period. Any employee not bidding within the allotted time will be bypassed. During the first bidding period, employees must bid for vacation in a block of twenty (20) or more hours unless he has a smaller accrual at the end of the prior calendar year, in which event the employee must bid his full accrual.
 - ii. Once the first period is completed, a second period of continual rounds of bidding (but only one block of time per round) utilizing the same system as described in Clause 23.12.c.i. will take place until December 31st

of that year. During the second bidding period, an employee must bid in a block of twenty (20) or more hours unless to do so would leave him with no remaining hours. In such cases he must bid a minimum block of eight (8) hours. During all rounds of bidding subsequent to the second period, employees must bid a minimum of one (1) day's equivalent hours, except in any round other than the first two (2) an employee may bid a single day's equivalent hours vacation with the following provisions:

- A. No employee will be awarded more than one (1) work day's equivalent hours per bid cycle.
- B. Employees may only bid a one (1) work day's equivalent hours of vacation in accordance with the following cap formula:

No. of Hours Bid in the First Period	Maximum No. of Single day equivalent Periods
40 or more hours	5
60 or more hours	8
80 or more hours	10
100 or more hours	12

- iii. Any excess vacation not bid by December 31, other than the twenty (20) hour carryover allowed by Clause 23.12.c, will be assigned by the Company. The Company will not assign a vacation to an employee who is scheduled to retire in the following year and who has not submitted a vacation bid. Such employee may accumulate his vacation entitlement earned the year prior to early or normal retirement in addition to the twenty (20) hours specified in Clause 23.12.c. On January 1, the vacation schedule for the year will be posted for each shop or work unit.
- iv. If, because of extenuating circumstances, e.g. OCC, an employee has been unable to take his awarded or assigned vacation so that at year end he has greater than the allowed twenty (20) hour carry over, he will be paid out all hours in excess of twenty (20).

- (d) If an employee, through no fault of their own (such as the use of FMLA), no longer has the vacation hours to cover an awarded vacation period that employee may either cancel the vacation or may take the entire awarded vacation except that they will only be paid up to the

amount of vacation hours currently available with the remainder of the awarded time off unpaid.

- (e) Once vacation schedules are established, changes will be subject to the following:
 - i. If an employee moves from one work unit to another by exercising his bid rights under the contract, he will be required to accept the vacation dates open in that work unit.
 - ii. If an employee is required to move from one work unit to another as a result of the Company's action, he will retain his vacation as bid or be permitted to fill open vacation time.
- (f) Where a justifiable reason exists and the requirements of the service permit, an employee may change his scheduled vacation period, provided that it will not interfere with another employee's vacation. Such changes may only be made on approval of the supervisor.
- (g) Vacation allowances may be granted in increments of less than eight (8) hours whenever the needs of the service will permit. Such increments will not be drawn from the employee's scheduled vacation unless specifically approved by his supervisor.
- (h) At termination of employment or upon layoff from employment with the Company, an employee shall be paid for accumulated vacation at the rate of straight time. Vacation allowances for service of less than one year shall be computed on a pro rata basis of the annual vacation allowance computed through the last day of the preceding month.
- (i) Vacation leave may be granted up to a maximum of twenty (20) hours upon satisfactory proof of bona fide hardship and if the needs of the service will permit.
- (j) The Company shall establish and maintain a program to permit the voluntary and anonymous donation of accrued vacation by IAM Clerical members who wish to assist other employees who, because of serious illness, injury or other exceptional circumstances, have exhausted their own sick leave and/or vacation banks but are unable to return to work, and consequently, are facing financial hardship. The parties will establish a joint committee to establish rules, limitations and eligibility qualifications and to accept and approve applications for assistance.

23.13 Sick Leave and Occupational Injury Leave.

- (a) Regular Part-time employees scheduled to work an average twenty (20) hours or more per week will be entitled to sick leave.
- (b) Regular Part-time employees are not eligible for paid sick leave until they have completed twelve (12) months of employment. Regular Part-time employees will be credited with a prorated amount of sick leave based on the hours worked in the month as follows:

<u>Hours Worked (after completion of 12 months)</u>	<u>Hours of Sick Leave Earned</u>
Every 173.33	8

- (c) Sick leave credit can be accrued up to a maximum of one thousand five hundred twenty (1,520) hours. No sick leave will accrue in a month in which the employee is sick.
- (d)
 - i. Sick leave will be payable only for normal work hours lost due to sickness or disability and shall not be payable for sickness on an employee's day off, vacation or during a leave of absence. Regular sick leave shall not be payable for the first day of any sickness or disability which falls on the day before and/or after the employee's scheduled day off, holiday or vacation if an employee is on the Attendance Control Program. Compensation during the sick leave period shall be at the employee's straight time rate of pay. Legitimate sick leave will not require any form of hospitalization.
 - ii. An employee who is hospitalized for a non-job connected disability at the start of his vacation and who submits satisfactory evidence of such confinement may be granted sick leave, if requested, covering his period of confinement. If the employee exhausts his sick leave payments before ninety (90) days from date of confinement has elapsed, he may use and be paid for unused vacation credits until the ninety (90) day period has passed and his long term disability insurance payments have commenced.
 - iii. In the application of sick leave pay provided by this Article, "disability" shall include total inability of an employee to perform the duties of her employment caused by pregnancy, the termination of pregnancy, complications resulting in sickness causing total disability, and childbirth, where physical disability is established by a physician's statement. "Disability"

does not include pregnancy where the employee is able to perform the duties of her employment.

- (e) The Company may request a doctor's certificate before paying for sick leave in excess of three (3) days. Dental and doctor appointments will not be considered a basis for paid sick leave unless it can be shown that the doctor in question does not maintain office hours outside the employee's regular work time or on the employee's regular days off. Employees who falsely claim sick leave will be disciplined. Employees covered by this Agreement and IAM recognize their obligation to be truthful and honest in preventing unnecessary absences or other abuses of the sick leave program. Informational letters may be submitted to employees by the Company pertaining to sick leave usage. No employee will be reprimanded for legitimate use of sick leave. An employee whose dependability record is unsatisfactory shall be so advised, furnished a copy of his record and given a reasonable opportunity for improvement before any disciplinary action is taken. The Company and Union will cooperate to see that sick leave is fairly and properly used.
- (f) All credit for non-occupational sick leave will be cancelled if employment ceases for any purpose other than layoff or authorized leave of absence, and no payment for such accumulated sick leave credit will be made at any time. No credit will be given for non-occupational sick leave purposes while an employee is on leave of absence or layoff.
- (g) Occupational injury as used in this Article means any illness or injury which is covered by Workers Compensation Insurance under applicable State laws.
- (h) Any employee who suffers an occupational injury after he has completed six (6) months continuous employment under this Agreement shall be paid occupational injury leave pay commencing on the first day of such injury. Occupational injury leave pay shall be equivalent to the statutory Workers Compensation benefit plus any accrued sick leave up to a maximum of the employee's basic straight time earnings. Use of accrued sick leave to supplement Workers Compensation benefits shall be at the employee's option.

EXAMPLE: Employee is out on an occupational injury, he shall be paid in accordance with one of the following procedures:

- i. His statutory benefit plus a portion of his accrued sick leave to amount to a total of his basic straight time earnings. The employee may use his sick leave up to his maximum accrual.

- ii. If the employee has used all of his sick leave accrual, he may use his vacation accrual to supplement his statutory benefits to amount to a total of his basic straight time earnings.
- iii. In the absence of accrued sick leave or vacation, he shall receive the statutory benefits.

23.14 Transportation

- (a) After completion of his probationary period, each part-time employee covered hereunder shall be eligible for free unlimited travel on a space available basis. The free unlimited space available transportation privileges described above apply to all flights operated by Hawaiian, including charters when allowed by the charter customer, with the exception of military air charters, for both active and retired IAM-represented employees and their eligible dependents, as well as eligible survivors of deceased IAM-represented employees with ten (10) or more years of service, whether or not such employees died while in active service with the Company. A Regular part-time employee who retires from the Company on his normal retirement date shall be allowed unlimited inter-island travel at a boarding priority of S0A. It is agreed that the free and reduced rate transportation as established by Company policy on the date of signing of this Agreement will not be substantially changed or discontinued during the term of this Agreement without first advising the Union of the reason therefore and affording the Union an opportunity to confer with the Company.
- (b) Upon application by the employee, the Company will furnish unlimited space available passes for the employee's legal parents.
- (c) The System General Chairman and the Assistant General Chairmen assigned to Hawaiian Airlines will, to the extent permitted by law, be furnished free transportation with a positive pass over the Company's system during their term in office for use in connection with their work in administering this contract. In addition, the Company will furnish an annual positive pass to the extent permitted by law, over the Company's system, to the incumbent I.A.M. District Representative. The Company shall provide free transportation over its routes for IAM representatives and staff members for the purpose of conducting IAM business. Such travel is positive space P1B/F2.
- (d) Passes and reduced fare privileges, as provided by interline agreements and as permitted by law, will be granted through the Personnel Section to retired employees and their eligible dependents, as well as to spouses and eligible dependents of deceased employees with ten (10) or more years of service. Upon an

employee's death, his surviving spouse will be advised if free or discounted transportation is available to her and how to apply for such benefits. In addition to the aforementioned privileges, each retired employee and his or her spouse will be entitled to one service charge space available pass per year entitling them to the same priority category as an IAM active employee traveling on pleasure.

- (e) Employee boarding priority within each space available category shall be by date of most recent hire.

23.15 Discipline and Grievance Procedure

Part-time employees, upon completion of their one hundred and twenty (120) day probationary period, will be entitled to the grievance procedures outlined in Article 15 of this Agreement.

23.16 System Board of Adjustment

Part-time employees, upon completion of their one hundred and twenty (120) day probationary period, will be entitled to the grievance procedures outlined in Articles 16 of this Agreement.

23.17 Safety and Health

Article 17 of this Agreement applies to Regular part-time employees.

23.18 General and Miscellaneous

- (a) When any new equipment or technology is put into service by the Company, employees covered by this Agreement will be given an opportunity to become familiar with such new equipment or technology without change of classification or rate of pay; provided, however, that the Company may fix a reasonable time within which such employees must become familiar with such new equipment. The Company will also provide "problem area" training to employees as needed on currently used equipment so that employee skills shall remain at a high level of competency. The Company will train employees as required on customers' equipment and documentation related to international travel (Contract Services) and in addition employees will be given an opportunity to become familiar with borrowed, rented or leased equipment or new technology.
- (b) Official Union business may be conducted during working hours provided prior Company permission has been obtained.

- (c) An employee who voluntarily resigns from the Company or is laid off will, upon his request, be furnished with a letter setting forth the Company's record of his qualifications and stating his length of service.
- (d) The Company will provide adequate bulletin boards for use of the Union. All notices placed on such bulletin boards shall relate to official Union business.
- (e) The Company shall provide a copy of this Agreement to each employee covered hereby.
- (f)
 - i. Where the Company requires an employee to wear a uniform in the performance of his work, the cost of the initial and replacement garments, including minor alterations, if required, will be borne by the Company. Where the Company requires employees to wear uniforms, it will supply at least five (5) shirts and three (3) pants or, in the case of female agents who choose to wear dresses, four (4) dresses. Ramp agents will be provided with five (5) pants/shorts.
 - ii. The Company will pay the initial cost for the State AOA Identification Badge. State AOA badges which are worn out or which must be changed by state requirement will be provided at no cost to the employee; however, replacement of lost badges will be at the cost of the employee.
- (g) Intentionally left blank.
- (h) Intentionally left blank.
- (i) Intentionally left blank.
- (j) No supervisor and/or management personnel shall be permitted to perform any of the work covered by this Agreement except in an emergency or when training other employees. Emergency herein shall be defined as assisting in performance of work necessary to maintain flight schedules (both customer and flight) or to protect Company property.
- (k) The Company shall, at its expense, provide adequate legal representation for any employee covered by this Agreement named as a defendant, or subpoenaed as a witness in any legal proceedings arising out of such employee's performance of his duties with the Company and shall otherwise indemnify such employee or his estate against any money judgment or award rendered against him.

- (l) The Company shall provide suitable office space to accommodate the IAM local committee chairman and safety representative.
- (m) Cabin jump seat authority on all Hawaiian Airlines aircraft, shall be subject to applicable Federal Aviation Regulations; in the event the cabin jump seat is not occupied by a flight attendant or a person traveling on company business, it shall be available to company employees on seniority basis, subject to the concurrence of the Association of Flight Attendants.
- (n) At any base where there are five hundred (500) or more employees covered by this Agreement, the Chairman of the Local Committee will be provided with full-time pay and time off and will be allocated office space on Company property. If the base has two hundred (200) or more employees covered by this Agreement but fewer than five hundred (500) the Chairman of the Local Committee will be provided with one (1) day per week for each hundred (100) employees at the base at full pay to be arranged mutually with his manager, to attend to Union/Company business.
- (o) All employees will pay no more than \$5.00 per month for Company provided parking.

23.19 Wage Rules

- (a) Employees shall be paid in conformance with the policy of the Company. In no event will an employee not be afforded an opportunity to receive two (2) payments per month from the Company for work performed. In the event a regular pay day falls on a Saturday, Sunday or legal holiday, the Company will have pay checks prepared and distributed on the day preceding such Saturday, Sunday or legal holiday. It is Company policy to abide by Hawaii State law and to make employees' checks available by the end of their normal work shifts on established pay days.
- (b) A statement of all wages and deductions made for the pay period will accompany the employee's pay check, and upon his request his time record will be made available for his inspection.
- (c) Employees leaving the service of the Company will be given their final pay checks within forty-eight (48) hours after final clearance at points where the payroll office is located or a check will be mailed within seventy-two (72) hours at other points.
- (d) Part-time employees shall be paid according to the minimum rates set forth in Attachments A and B to this Agreement.

23.20 Intentionally left blank

23.21 Union Security and Deduction of Dues

All Regular part-time employees are subject to the provisions of Article 21, Union Security and Deduction of Dues.

23.22 Health, Insurance & Retirement Benefits

In addition to the benefits listed below, all employees covered by this Agreement shall be entitled to purchase Universal Life, Cancer Policy, Critical Illness, Nursing Care or any other Insurance Policy presented by the IAM. Participation in such programs shall be strictly voluntary and paid through payroll deduction. Plans shall be offered through Agencies and Underwriters selected by the union. The Company shall allow the IAM reasonable opportunity for onsite enrollment at least once each year.

(a) In the event the amount paid by an employee, either on his behalf or on behalf of one or more of his dependents, exceeds \$1,500 with respect to a calendar year covered by the medical insurance, such medical program under which the employee is covered shall pay one hundred percent (100%) of the excess of that year's payments. This coverage shall be limited to each calendar year. Such insurance shall apply only to eligible expenses which are covered and included as part of the medical plan.

(b) MEDICAL

The Company will offer the following medical plan options as set forth below to Regular Part-time employees scheduled to work an average of twenty (20) hours or more per week.

i. Pre-existing Plans

A. HMSA Preferred Provider Plan (PPP)

B. Kaiser Health Plan B (HMO)

ii. New Plans

A. HMSA COMPMED - A, or equivalent

B. Kaiser Prevalent Plan, or equivalent

Employees hired after 1/18/2010 may elect to participate in either the HMSA COMPMED - A (or its equivalent) or the Kaiser Prevalent Plan (or its equivalent) listed above under New Plans during their first five (5) years of employment. Election of a plan other than HMSA COMPMED - A (or its equivalent) or the Kaiser Prevalent

Plan (or its equivalent) may be made during the first open enrollment period following the completion of five (5) years of employment.

Regular Part-time employees will be entitled to medical and dental benefits at the single rate with the proportion of the premium paid by the Company for full-time employees on the single rate provided they are not covered under any other health or dental plan and have certified so on a form to be provided by the Company.

Employees will make the following monthly contributions by way of payroll deduction to the cost of their health care plan(s):

i. Pre-existing Plans:

The monthly contribution for each employee will be 20% of the premium, with such monthly contribution not to exceed the lesser of:

- A. 1.5% (for single coverage) of his or her monthly compensation; or
- B. "Dollar caps" to be applied as set forth in the chart below as of 1/1/2010:

	<u>Single</u>
Pre-Existing Plans	\$60.00

ii. New Plans:

	<u>Single</u>
New Plans	\$5.00

Should Regular Part-time employees wish to have 2-party or family coverage, they may elect for such coverage and pay for the difference in cost.

Employee dependents are defined as spouse and unmarried, dependent children under age nineteen (19), or under age 25 while enrolled as a full-time student.

The lifetime maximum limitation under the HMSA PP Plan will be \$5 million per person with an annual renewal of \$10,000 implemented on a prospective basis.

The Company provided health coverage will include acupuncture and chiropractic coverage if available.

Employees who are also employed at another employer where medical coverage is available, or employees who can provide evidence of medical coverage elsewhere, are eligible to receive a monthly cash payment in consideration of their executing a waiver of their current medical coverage from the Company. Guidelines for the Medical Waiver Program will be established by the Company. Effective April 1, 2003, reimbursement for single coverage will apply to eligible employees whose spouse is also an employee of Hawaiian Airlines. It is understood and agreed that the long standing Company policy of not permitting employees who are married to each other, or who are in a domestic partner relationship, to have dual medical coverage is applicable.

Same sex domestic partners of employees will be eligible for dependent coverage under Medical, Dental and COBRA. The employee will be responsible for all applicable taxes. Guidelines for eligibility for Domestic Partner coverage will be established by the Company.

(c) DENTAL

The Company will provide for all Regular Part-time employees who have been employed for one (1) year and are scheduled to work an average of twenty (20) hours or more per week, dental coverage through Hawaii Dental Service or Delta Dental Plan of California for the employee.

Regular Part-time employees will be entitled to medical and dental benefits at the single rate with the proportion of the premium paid by the Company for full-time employees on the single rate provided they are not covered under any other health or dental plan and have certified so on a form to be provided by the Company.

Should Regular Part-time employees wish to have 2-party or family coverage, they may elect for such coverage and pay for the difference in cost. Eligible dependents are defined as spouse and unmarried dependent children under age nineteen (19), or under age twenty-five (25) while enrolled as a full-time student.

Usual customary and reasonable fees:

100% Examination (once every 12 months)

Bitewing x-rays (2 x-rays every 6 months)

Other x-rays

Prophylaxis (once every 6 months)

Palliative Treatment

75% UCR for:

Stannous Fluoride (once every 12 months through age 17)

Restorative Dentistry

Oral Surgery

Endodontics

Periodontics

50% UCR for:

Prosthodontics - bridges, partial and full dentures

Crowns and gold restorations

60% UCR for:

Orthodontia for dependent children with a lifetime maximum of \$1500

Same sex domestic partners of employees will be eligible for dependent coverage under Medical, Dental and COBRA. The employee will be responsible for all applicable taxes. Guidelines for eligibility for Domestic Partner coverage will be established by the Company.

(d) FLEXIBLE SPENDING PLAN

All eligible part-time employees scheduled to work an average of twenty (20) hours or more per week may participate in the pre-tax Premium Conversion Plan permitting employees to pay their portion of the cost of medical coverage on a before-tax basis through payroll deduction. All eligible employees will be able to participate in a Health Care Expense Account which allows employees to be reimbursed on a tax-free basis for eligible medical, prescription drug, vision and dental expenses not paid for by insurance up to a maximum of \$5,000 per year. All eligible employees will be able to participate in a Dependent Care Assistance Account which allows employees to be reimbursed on a tax free basis for expenses such as day care for their dependent children up to a maximum of \$5,000 per year (subject to Internal Revenue Code limits).

(e) 401(K) SAVINGS PLAN

After meeting the eligibility requirements, the Company will make contributions and will match 100% of each employee's 401(k) contribution up to 4% of their

compensation, as defined under the 401(k) Plan, based on the following schedule:

Years of Service as Defined in the Plan	Company Contribution	Company Match
1 year but less than 10*	5.04%	0 percent (0%)
10 years but less than 15	5.04%	one percent (1%)
15 years but less than 20	5.04%	two percent (2%)
20 years but less than 25	5.04%	three percent (3%)
25 years or more of service	5.04%	four percent (4%)

* Employees hired after 1/18/2010 will not receive the Company Contribution until they reach five (5) years of service with the Company.

In addition to the investment options currently existing in the Hawaiian Airlines, Inc. 401(k) Plan, additional investment options shall be selected, from time to time, by the Company, in consultation with the IAM.

(f) PENSION PLAN

The Company will provide, at no cost to the employee, a fully paid pension plan (see Retirement Letter of Understanding included in the Agreement). Effective January 1985 employees must have reached 21 years of age and been employed full-time for one (1) year in order to be eligible for this program. Effective July 1, 1981, employees who reached 23 years of age and have one (1) year of full-time service with the Company were eligible to participate in the Company's retirement program. Those employees whose eligibility did not start until age 25 and who had one (1) year of service with the Company at age 23 were given credit for two (2) additional years of service effective July 1, 1981.

The Company will provide all eligible employees retiring after January 16, 1987 a retirement program as follows:

i. Normal Retirement (age 65)

1.6% of Final Average Pay multiplied by years of Credited Service. (Average of best 5 consecutive years earnings out of last 10 years worked)

ii. Early Retirement (Less than 30 Years Employment) - Minimum Age 55

1.6% of Final Average Pay multiplied by years of Credited Service actuarially reduced for each year under age 65

iii. Early Retirement (30 Years or More of Employment)

Rule of 85

If employee is age 55 or over and has worked for Hawaiian Airlines at least 30 years, he is eligible to retire at a percentage of his normal retirement pay as follows:

Retirement Age:	55	56	57	58	59
Percentage:	60	62 1/2	65	67 1/2	70

Rule of 90

If an employee is 60 years old or over and has been employed by Hawaiian Airlines for 30 years, he will be able to retire at 1.6% of his Final Average Pay multiplied by years of Credited Service without any actuarial reduction for years under age 65.

EXAMPLE: John Jones is 60 and has worked 30 years for Hawaiian Airlines. He was 30 years old when first employed. During his first year with the Company, he was not eligible to join the Plan. At age 31 he had 1 year of service and joined the Plan. At age 60, he had 29 years of Credited Service. His best 5 year average annual straight time earnings during his last 10 years of employment was \$30,000. His yearly retirement income with no reductions will be:

$1.6\% \times \$30,000 \times 29 \text{ years} = \$13,920.00$, or \$1,160.00 per month

It is further understood and agreed that as of January 1, 1973 the Variable Annuity Plan for employees administered by the Bishop Trust Company has been discontinued and all future retirement payments will be based on the Fixed Annuity payments outlined above. However, contributions made to the Variable Fund by employees prior to January 1, 1971 plus interest will always be payable to them or their heirs should the employee resign or die.

In addition, employees who either failed to join or dropped out of the retirement plans prior to January 1, 1971 will be given credit for past service to the dates they first could have become eligible (age 25 and 3 years of service; effective July 1, 1981, age 23 and 1 year of service) for purposes of calculating their benefit at retirement, consistent with Company practice supported by that arbitration decision of April 4, 1983. Employees who contributed their own funds prior to January 1, 1971 will receive credit for such contributions plus interest thereon through December 31, 1974, and will receive an additional monthly retirement benefit for such contributions over and above the Company paid plan, or may elect to receive his contributions in one lump sum cash payment.

Effective October 1, 1993, the pay and service levels in the above defined benefit plan will be frozen. Participants' benefits from the plan will be calculated based on pay and years of credited service through October 1, 1993, but will not include any pay and credited service after that date. Union members of the Pension Committee will be given reasonable time during working hours to confer with the Company on pension matters.

(g) PART-TIME BENEFIT COVERAGE

Regular Part-time employees will be entitled to medical and dental benefits at the single rate with the proportion of the premium paid by the Company for full-time employees on the single rate provided they are not covered under any other health or dental plan and have certified so on a form to be provided by the Company.

(h) UNION LEAVE BENEFIT COVERAGE

The employees selected as System General Chairman and Assistant System General Chairman shall have all employee benefits that can reasonably be continued in effect during their leaves of absence. The cost of Medical and Dental plans will be borne solely by the employees on leave.

- (i) Any Regular part-time employee covered by this Agreement who, during the course of a flight while on duty, becomes or is reported missing and his whereabouts become unknown, shall be paid monthly compensation equal to his average monthly earnings for the preceding six (6) months, excluding leaves of absence and non-paid sick leave, for a period of twelve (12) months after the date of disappearance or until his whereabouts are ascertained, whichever is earlier. If upon the expiration of such twelve (12) month period such employee is still missing and his whereabouts are still unknown, or if prior to that time death is established, the

Company shall pay or cause to be paid the death benefits provided for by the Workers' Compensation Law of the State of Hawaii.

The monthly compensation allowable under the paragraph above to an employee who is missing shall be credited to him on the books of the Company and shall be disbursed by the Company in accordance with written directions from him. The Company shall require each employee presently or hereafter employed to execute and deliver to the Company as soon as possible the written directions substantially in the following form:

Date _____

TO HAWAIIAN AIRLINES, INC.

You are hereby directed to pay all monthly compensation allowable to me, and other benefits stipulated in the Agreement, while missing or resulting from my death or any other condition which causes direct payment to me to be impossible, as provided in the Agreement between Hawaiian Airlines, Inc., and the International Association of Machinists, dated _____ as follows:

\$ _____ per month to _____,
(Name)

_____, as long as living, and thereafter
(Address)

to _____, _____,
(Name) (Address)

as long as living, and thereafter to _____,
(Name)

_____ as long as living.
(Address)

The balance, if any, and any amounts accruing after the death of all persons named in the designations shall be held for me or, in the event of my death before receipt thereof, shall be paid to the legal representative of my estate. The foregoing directions may be modified from time to time by letter signed by the undersigned and any such modification shall become effective upon receipt of such letter by you. Payments made by the Company pursuant to this directive shall fully release the Company from the obligation of making any further payment with respect thereto, except that such payments shall not release the Company from any additional obligations provided by the Workers' Compensation Law of the State of Hawaii.

(Employee's Signature)

Any payments due any employee under this Section which are not covered by a written directive as above required shall be held by the Company for such employee and, in the event of his death, shall be paid to the legal representative of his estate or as provided by law. Employees, while missing, shall continue to accrue both seniority and longevity.

- (j) Any Regular part-time employee covered by this Agreement required to participate in test flights shall, while on such flights, be covered by a standard aviation accident insurance policy with a death benefit of \$25,000 at no cost to the employee.
- (k) Regular Part-time employees covered by this Agreement, while participating in a "bomb scare" investigation, ferry flight, test flight or FAR waiver flight will be covered by an insurance policy for injury or death with the following benefits:

Death	\$200,000
Total Permanent Disability	100,000
Loss of Two limbs	100,000
Loss of One Limb	50,000

(l) LONG TERM CARE OPTIONS

The Company will offer an Optional Long Term Care (LTC) Program. Employees will be given the choice of two levels of care and the program will be open to dependents and parents. This program will be totally optional and will be fully paid for by the employee.

23.23 Regular Part-time employees are subject to Article 28 of this Agreement.

23.24 Regular Part-time employees are subject to Article 29 of this Agreement.

ARTICLE 24

WEEKEND PART-TIME

It is understood by the parties that this Article governs work rules, rates of pay, benefits, and conditions for the classification of Weekend Part-time (WPT). Only the following provisions of this Agreement will apply to WPT: Article 1, Purpose of Agreement; Article 2, Scope of Agreement (excluding Clauses 2.5, 2.6, and 2.7); Article 3, Status of Agreement; Clause 5.2, Qualifications and Job Descriptions; Article 15, Discipline and Grievance Procedures; Article 16, System Board of Adjustment; Article 17, Safety and Health; Article 21, Union Security and Dues; Article 28 Savings Clause; and, Article 29, Duration.

24.1 Definitions

- (a) For the purpose of this Article, "entry date" is defined as the date on which an employee is hired or rehired into the Clerical's bargaining unit. Rehired as defined herein means re-employed from voluntary or involuntary termination but not from layoff.

24.2 Job Description

- (a) Weekend Part-time can only be used to relieve full-time staff on weekends and holidays. To be classified as a weekend shift, part of the shift must fall on a Saturday, Sunday or holiday.
- (b) WPT can be used on a voluntary basis to cover for OCC/Sickness before assigning other employees.

24.3 Hours of Service

- (a) WPT can be scheduled up to 10 hours of work each day and can also work overtime in conjunction with their shift. They will be entitled to overtime pay after 10 hours of work, exclusive of a meal period. When scheduled to work for 8 hours or more they will be granted an unpaid 30 minute meal period.
- (b) Except as covered in 24.2 (b) WPT shifts must fall on a Saturday, Sunday or Company observed holiday.
- (c) Where the requirements of service will permit, a WPT employee, upon proper written request (at least one week notice) and written approval from management, may be granted a leave without pay.
- (d) WPT employees must work the minimum days as determined by the AOA/Customs badge requirement.
- (e) Clause 6.9, Trade Policy, applies to WPT employees.

- (f) Opportunities to work additional days and any other additional Saturdays or Sundays will be done in order of date of entry (within the WPT classification).
 - (g) When working a holiday, WPT are paid at straight time.
- 24.4 WPT employees will be paid as indicated on Attachments A and B to this Agreement.
- (a) WPT employees will be paid straight time for all holidays worked.
- 24.5 The probationary period for Weekend Part-time employees will be one hundred and twenty (120) days.
- 24.6 A WPT employee accepting any other part-time position in a different classification or a full time position will have a new entry date, for shifts/days off bidding. They will complete a trial period under the new status. This trial period shall be as in Clause 10.9.
- 24.7 When a location is introducing the WPT classification for the first time, employees in FT or PT classification can voluntary step back to WPT at the time of introduction and retain their DOH for shift bidding preference in the WPT classification. Thereafter if a FT or PT employee chooses to step back, they will receive a new entry date into the WPT classification for shift bidding preference.
- 24.8 WPT employees are not eligible for benefits (including Medical, Dental, and Retirement).
- 24.9 Vacation
- (a) WPT employees are not eligible for vacation leave.
 - (b) If part-time or full-time employee steps down to a WPT classification, vacation balance will be paid the pay period of the effective date of the status change.
- 24.10 Sick Leave
- (a) WPT employees are not eligible for sick leave.
 - (b) If a part-time or full-time employee steps down to a WPT classification, any sick leave accrual will be frozen until such time as they may return to a full-time or part-time position.
- 24.11 When employees are required to attend formal education classes, other than initial training, conducted by the Company, they shall receive straight time pay for the period they are in attendance of such classes. When employees are required to participate in remote training outside of a classroom, they

shall receive straight time pay for such training for a period determined by the Company, as allowed by law.

- 24.12 All employees will pay no more than \$5.00 per month for Company provided parking.
- 24.13 WPT employees will be subject to the Company Reliability Policy.
- 24.14 WPT employees are eligible for Company Pass Travel after one hundred eighty (180) days of service from their date of hire.

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ARTICLE 25

MAINLAND CUSTOMER SERVICE REPRESENTATIVES

It is understood by the parties that this Article governs work rules, rates of pay, benefits, and conditions for the classification of Mainland Customer Service Representative (MCSR). Only the following provisions of this Agreement will apply to MCSRs: Article 1, Purpose of Agreement; Article 2, Scope of Agreement (excluding Clauses 2.5, 2.6, and 2.7); Article 3, Status of Agreement; Article 15, Discipline and Grievance Procedures; Article 16, System Board of Adjustment; Article 17, Safety and Health; Article 21, Union Security and Dues; Article 28 Savings Clause; and, Article 29, Duration.

25.1 U.S. Mainland Customer Service positions not contracted out in accordance with Clause 2.4 of the Agreement will be staffed with IAM represented MCSRs.

25.2 Job Description and Responsibilities

Performs any one, or combinations of, clerical duties as assigned, necessary to the operation of Hawaiian Airlines. Such duties shall include but will not be limited to:

- ticketing passengers,
- preparing manifests and air bills,
- making reservations,
- giving information and selling to customers,
- accounting for cash and charge transactions,
- auditing and correcting sales reports and cash receipt summaries,
- verifying fare and rate changes on tickets,
- air bills and excess baggage receipts,
- balancing daily cash transactions,
- preparing daily journal entries,
- preparing various reports,
- operating such machines as keypunch, verifier, sorter, mimeograph, addressograph, office calculator and interpreter,
- checking load manifests against tickets,
- receiving, uncrating and checking material,

- issuing material,
- inventorying,
- posting journals or stock record card, and
- operating communications and telephone switchboard operator equipment.

MCSRs will also perform work which is incidental to their primary duties. Additionally, MCSRs may be required to perform fueling of aircraft, aircraft cleaning, and assisting of loading and unloading of cargo, baggage and company material.

25.3 Notwithstanding Article 9, Seniority and Article 10, Vacancies:

- (a) As vacancies become available, the Chairman of the Local Committee will be notified of the number and location of vacancies, the required qualifications and the duties. When selected, s/he will be notified of the names of the successful bidder(s).
- (b) The Company will select MCSRs it determines to be the most qualified. All consideration will be first given to current IAM employees.
- (c) No MCSR employee will establish any seniority in filling an MCSR position. Any employee transferring to this classification will lose all seniority, but will retain their date of hire.

25.4 Hours of Service

- (a) The hours of service at each station and or location will be determined by the Company. The Company will make every reasonable effort to allow for two consecutive days off for MCSRs.
- (b) Preference for shifts and days at each location will be determined by last entry date into the MCSR classification. If that is identical, preference will be determined first by date of hire, then by the last four (4) digits of their Social Security Number, if their date of hire is after May 27, 1999.
- (c) Clause 6.9, Trade Policy, applies to MCSRs.

25.5 Vacations

- (a) All MCSRs must complete at least one (1) year of service before they qualify for any vacation credits provided they have worked a minimum of nine hundred (900) hours during the year. Any hours less than nine hundred (900) hours will be on a pro-rata basis.

<u>Hours Worked</u>	<u>Vacation Credits</u>
900	32
720	26
540	19
360	13
180	6
90	3

- (b) Preference in the period in which employees will be permitted to take their vacation will be by last entry date into the MCSR classification. MCSR employees will be able to sign-up for their vacations during the period of December 16th through December 31st. Each period must be taken in fifteen (15) hour increments, or the employee will have the option to utilize his entire accrual in one week.
- (c) Employees transferring to an MCSR position from a classification already covered by the IAM Agreement will have their accrued vacation hours, up to a maximum of thirty-two (32) hours, carried over to their position as an MCSR. Any hours above the maximum of thirty-two (32) hours shall be paid out at the rate of the position from which the employee transferred from.
- 25.6 MCSR employees will complete one hundred and twenty (120) calendar days as a probationary period.
- 25.7 Employees transferring to an MCSR position from a classification already covered by the IAM Agreement shall have a reasonable trial period, not to exceed sixty (60) days in order to demonstrate his/her ability to perform the work required.
- 25.8 The wages for MCSR employees will be not less than as indicated on Attachment A to this Agreement.
- 25.9 MCSR employees are eligible for Company Pass Travel after one hundred eighty (180) days of service from their date of hire.
- 25.10 MCSR employees are eligible for Profit Sharing, Stock and Performance Bonuses as outlined in Letter of Agreement #13 of the Collective Bargaining Agreement; provided they meet the eligibility requirements outlined in that Letter of Agreement.

- 25.11 For purposes of this Article, "Date of Hire" is defined as the date an employee commences active employment (full or part-time) for Hawaiian Airlines and "Entry Date" is defined as the last date on which an employee entered into a U.S. Mainland Customer Service Representative position.
- 25.12 Notwithstanding the provisions outlined in this Article, should the Company determine that these provisions are no longer beneficial to the Company, the Company may contract the work in accordance with Clause 2.4 of the Collective Bargaining Agreement. In such case, the Company will provide thirty (30) days notice to the Union.
- 25.13 Where ticket reader machines are installed, Flight Attendants will be allowed to assist by checking and collecting passenger boarding passes/tickets at the gate for all international and domestic flights at all locations, except for inter-island flights. It is understood that the Customer Service Representative/MCSR is ultimately responsible for the boarding of the flight.
- 25.14 When employees are required to attend formal education classes, other than initial training, conducted by the Company, they shall receive straight time pay for the period they are in attendance of such classes. When employees are required to participate in remote training outside of a classroom, they shall receive straight time pay for such training for a period determined by the Company, as allowed by law.
- 25.15 All employees will pay no more than \$5.00 per month for Company provided parking.
- 25.16 Leaves of Absence
- (a) Where a justifiable reason exists, and where the requirements of the service will permit, any employee covered by this Agreement may, upon proper written application and written approval by the Company, be granted a leave of absence for a period not in excess of ninety (90) days. The designated local representative of the Union shall be notified of all leaves granted. Leaves may be extended for additional periods of not more than ninety (90) days each, upon proper written application and written approval from both the Company and Union. The Company and Union will approve or disapprove the request within five (5) days.
- (b) Bereavement Leave
- In the event of the death of a member of an employee's immediate family, he will be granted up to three (3) days funeral leave without pay. Should travel be required outside the state in which the employee works, in order to attend funeral services, the employee will be granted up to five (5) days funeral leave without pay. Immediate

family is defined as an employee's spouse, parents, children, brothers, sisters and grandparents.

- (c) Upon providing satisfactory proof of bona fide hardship, employees may be granted up to forty (40) hours emergency leave without pay if the needs of the service permit.

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ARTICLE 26

RESERVE PART-TIME

It is the intent of this Reserve Part-time (Reserve PT) classification to cover any Regular PT and WPT employees' absences, and to cover extended hours that regular PT employees do not volunteer to work per Clause 23.6 (a). It is understood by the parties that this Article governs work rules, rates of pay, employee benefits and conditions for Reserve PT employees. The following Articles apply to Reserve Part-time: Article 1, Purpose of Agreement; Article 2, Scope of Agreement (excluding Clauses 2.5, 2.6, and 2.7), Article 3, Status of Agreement and Job Security; Article 4, Classification of Work; Clause 5.2, Qualifications and Job Descriptions; Article 17, Safety and Health; Clauses 19.3, 19.5, and 19.6, Wage Rules; Article 21, Union Security and Deduction of Dues; Article 27, Savings Clause; and, Article 28, Duration.

26.1 Hours of Service

- (a) Reserve Part-time may be called in after voluntary extension of regular PT/WPT.

EXAMPLE: 1: If PT/WPT employee A is absent for any reason, then a Reserve PT may be called in to cover for that schedule.

EXAMPLE: 2: If a delayed flight is coming in and on-shift PT/WPT employees do not volunteer to extend, Reserve PT may be called in, in lieu of forcing on-shift PT employees to stay.

- (b) There will be 2 basic reserve periods (AM and PM)

AM: 00:00 to 11:59 hrs

PM: 12:00 to 23:59 hrs

- (c) Reserve PT employees will be contacted in order when needed. The order of employees on the contact list will be determined by the Company, and may be rotated:

EXAMPLE:

<u>Week 1 AM:</u>	<u>Week 2 AM:</u>
Employee 1	Employee 2
Employee 2	Employee 3
Employee 3	Employee 4
Employee 4	Employee 1

<u>Week 3 AM:</u>	<u>Week 4 AM:</u>
Employee 3	Employee 4
Employee 4	Employee 1
Employee 1	Employee 2
Employee 2	Employee 3

- (d) Reserve PT Employees cannot refuse an assignment.
- (e) When called to report, the employee must report to their work location within 2 hours.
 - i. An employee who fails to return the Company call while scheduled to be contactable or who fails to report to their work location will be considered AWOL.
 - ii. Upon receiving one (1) AWOL, an employee may be terminated.
 - iii. It is the employee's responsibility to keep the Company updated with current contact information.
- (f) Reserve Part-time employees are subject to the Company Reliability Policy.
- (g) When a Reserve PT employee is called to report, they must return the Company's call within fifteen (15) minutes. If the employee fails to return the Company's call within that timeframe, they will be considered a no-show and may be subject to discipline.
- (h) Clause 7.9 of this Agreement shall apply to Reserve PT employees.

26.2 Reserve Part-Time will not be included in computation towards the 45% ratio mentioned in Clause 23.6 (j) (same concept as WPT, 23.6 (a)).

26.3 Compensation

- (a) There is no guaranteed pay for Reserve Part-time. Reserve PT will be paid only for hours worked when called in to report.
- (b) Reserve Part-time employees shall be paid only straight time and will not be eligible for overtime except as required by law.
- (c) Reserve PT employees shall be paid according to the minimum rates set in Attachment B to this Agreement.

26.4 Benefits

Reserve Part-time employees are not eligible for medical, dental, 401k Company contribution or match, sick leave (except as required by state law), and vacation.

26.5 Uniform allowance will be 3 sets of uniforms, replenished every 18 months. Uniform pieces may be traded in on a 1 for 1 basis for normal wear and tear.

26.6 All employees will pay no more than \$5.00 per month for Company provided parking.

26.7 Travel

Reserve Part-time employees will be eligible for the same flight benefits as Regular PT (ref. Clause 23.14).

26.8 The probationary period for Reserve Part-time employees will be 180 days.

26.9 Discipline and Grievance Procedures

Part-time employees, upon completion of their one hundred and eighty (180) day probationary period, will be entitled to the grievance procedures outlined in Articles 15 and 16 of this Agreement.

26.10 The filling of vacancies may be considered in the following order: 1) Regular Part-time employees within the same job description by Date of Hire; 2) Weekend Part-time within the same job description by Date of Hire; 3) Reserve Part-time within the same job description by Date of Hire; 4) Regular Part-time by Date of Hire; 5) Weekend Part-time by date of hire; 6) Reserve Part-time by Date of Hire; 7) Mainland Customer Service Representative by Date of Hire; 8) Contract services employees by Date of Hire.

EXAMPLE: A full-time CSA vacancy in OGG with F/S off is available. Per Article 10.3, the resulting vacancy is full-time CSA in OGG with T/W off. This resulting vacancy is posted for represented IAM-C employees. No full-time employees bid for the position, bids from the following part-time employees are received:

Bids Received:

The bids may be considered
in the following order:

LIH Regular PT Ramp
(DOH 11/02/1995)

HNL Regular PT CSA

HNL Regular PT CSA
(DOH 10/03/1999)

KOA Regular PT CSA

OGG Contract Service
(DOH 04/09/2002)

OGG Weekend PT CSA

OGG Weekend PT CSA
(DOH 07/02/2002)

LIH Regular PT Ramp

KOA Regular PT CSA
(DOH 02/5/2005)

OGG Contract Service

- 26.11 The Union and Company will jointly review concepts to adjust the Reserve Part-time program as needed 6 months after implementation.
- 26.12 When employees are required to attend formal education classes, other than initial training, conducted by the Company, they shall receive straight time pay for the period they are in attendance of such classes. When employees are required to participate in remote training outside of a classroom, they shall receive straight time pay for such training for a period determined by the Company, as allowed by law.

ARTICLE 27

CONTRACT SERVICES

It is understood by the parties that this Article governs work rules, rates of pay, benefits and conditions for Contract Service employees. Only the following provisions of this Agreement will apply to Contract Service employees: Article 1, Purpose of Agreement; Article 2, Scope of Agreement (excluding Clauses 2.5, 2.6, and 2.7); Article 3, Status of Agreement and Job Security; Article 15, Discipline and Grievance Procedure; Article 16, System Board of Adjustment; Article 17, Safety and Health; Article 21, Union Security and Deduction of Dues; Article 28, Savings Clause; and Article 29, Duration.

27.1 Job Description and Responsibilities

Performs any one, or combinations of, clerical duties as assigned necessary to the operation of Hawaiian Airlines. Such duties shall include but will not be limited to:

- ticketing passengers,
- preparing manifests and air bills,
- making reservations,
- giving information and selling to customers,
- accounting for cash and charge transactions,
- auditing and correcting sales reports and cash receipt summaries,
- verifying fare and rate changes on tickets,
- air bills and excess baggage receipts,
- balancing daily cash transactions,
- preparing daily journal entries,
- preparing various reports,
- operating such machines as keypunch, verifier, sorter, mimeograph, addressograph, office calculator and interpreter,
- checking load manifests against tickets,
- verifying and scheduling pilots and airplanes time,
- receiving, uncrating and checking material,
- issuing material,

- inventorying,
- posting journals or stock record card,
- operating communications and telephone switchboard operator equipment, and
- recording and reporting meteorological observations.

Contract Service Agents will also perform work which is incidental to their primary duties. Additionally, Contract Service Agents may be required to perform fueling of aircraft and aircraft cleaning.

27.2

- (a) Hawaiian Airlines employees may also be required to support the Contract Service Operation.
- (b) Contract Service Operation employees will not be utilized on the Hawaiian Airlines operation.
- (c) Cross-utilization will be allowed between the Contract Service Agent and the Contract Serviceman.

27.3 As vacancies become available, the Company will post a notice on the Employment Information Bulletin Boards stating the number of vacancies and location(s) available. Such openings will be filled as follows:

- i. First, by the senior (company-wide) employee who has the ability to perform the work covered under this Agreement.
- ii. The filling of vacancies may be considered in the following order: 1) Regular Part-time employees within the same job description by Date of Hire; 2) Weekend Part-time within the same job description by Date of Hire; 3) Reserve Part-time within the same job description by Date of Hire; 4) Regular Part-time by Date of Hire; 5) Weekend Part-time by date of hire; 6) Reserve Part-time by Date of Hire; 7) Mainland Customer Service Representative by Date of Hire; 8) Contract services employees by Date of Hire.

EXAMPLE: A full-time CSA vacancy in OGG with F/ S off is available. Per Article 10.3, the resulting vacancy is full-time CSA in OGG with T/W off. This resulting vacancy is posted for represented IAM-C employees. No full-time employees bid for the position. Bids from the following part-time employees are received:

Bids Received: The bids may be considered in the following order:

LIH Regular PT Ramp (DOH 11/02/1995) HNL Regular PT CSA

HNL Regular PT CSA (DOH 10/03/1999) KOA Regular PT CSA

OGG Contract Service (DOH 04/09/2002) OGG Weekend PT CSA

OGG Weekend PT CSA (DOH 07/02/2002) LIH Regular PT Ramp

KOA Regular PT CSA (DOH 02/5/2005) OGG Contract Service

- (a) Next, consideration will be by the senior (company-wide) employee who has the ability to perform the work covered under the Mechanic's Agreement.

27.4 Notwithstanding Article 9, Seniority and Letter of Agreement #4, Part-time Employees:

- (a) No Contract Service employee will establish any seniority in filling a Contract Service Agent position.
- (b) Contract Service employees, after completion of their probationary period and whose names do not appear on the IAM Seniority Roster, shall be furloughed on a LIFO (Last In, First Out) system.
- (c) Any employee with seniority who resigns from a Contract Service Agent position covered under this Article will not lose any seniority and shall not be eligible for rehire into the Contract Service Operation.

27.5 Vacations

- (a) All Contract Service Employees must complete at least one (1) year of service before they qualify for any vacation credit provided they have worked a minimum of nine hundred (900) hours during the year. Any hours less than nine hundred (900) hours will be on a pro-rata basis.

	<u>Hours Worked</u>	<u>Vacation Credits</u>
	900	32
	720	26
	540	19
	360	13
	180	6
	90	3

- (b) Preference in the period in which employees will be permitted to take their vacation will be by entry date. Contract Service employees will be able to sign-up for their vacations during the period of December 16th through December 31st. Each period must be taken in twenty (20) hour increments, or the employee will have the option to utilize his entire accrual in one week.

27.6 A list of Contract Service employees with entry dates and employment date shall be posted in all work areas and renewed every six (6) months with copies to the steward, local committee and IAM Business Representative.

- (a) For the purpose of this Article, "entry date" is defined as the last date on which an employee enters into a Contract Service Agent position.
- (b) For the purpose of this Article, "date of hire" is defined as the date an employee commences active employment (full or part-time) for Hawaiian Airlines.

27.7 Contract Service employees will complete one hundred and twenty (120) calendar days as a probationary period.

27.8 Contract Service employees without seniority who are displaced or receive a RIF notice will not be able to utilize their entry date and/or date of hire to displace any employee.

It should be further understood that notwithstanding any provision of this Article, employees with seniority will be able to utilize their seniority over employees without seniority for purposes of layoffs and recalls.

27.9 Any Contract Service employee accepting a position under the Hawaiian Airlines operation will have a new entry date and will complete one hundred and twenty (120) calendar days as a trial period under the Hawaiian Airlines operation. If during such trial period the employee is unable to demonstrate ability to perform the work required, and after the Company advises

the Local Committee, the employee shall be returned to his previous assignment but he shall not for a period of six (6) months be permitted to bid for a vacancy in the same classification of work in which he was unable to demonstrate ability or to bid for a vacancy in a higher classification.

- 27.10 Contract Service employees will be paid a rate as indicated in Attachments A and B to this Agreement.
- (a) Any employee hired prior to 1/18/2010 who bumps into the Contract Service Agent position shall be placed in the increment level with the hourly rate of pay equal to that which he held previously, if available. If such rate is not available, then he shall receive the top rate of the Contract Service rate, if such rate is less than that he previously held.
 - (b) Any employee hired after 1/18/2010 who bumps into the Contract Service Agent position shall receive the rate of pay for Contract Service Agent as set in Attachment B to this Agreement.
- 27.11 The Company will make every reasonable effort to allow for two consecutive days off for Contract Service personnel.
- 27.12 All employees will pay no more than \$5.00 per month for Company provided parking.
- 27.13 When employees are required to attend formal education classes, other than initial training, conducted by the Company, they shall receive straight time pay for the period they are in attendance of such classes. When employees are required to participate in remote training outside of a classroom, they shall receive straight time pay for such training for a period determined by the Company, as allowed by law.
- 27.14 Clause 6.9, Trade Policy, applies to Contract Service personnel, with the exception that employees must be trained for the same contract.
- 27.15 Leaves of Absence
- (a) Where a justifiable reason exists, and where the requirements of the service will permit, any employee covered by this Agreement may, upon proper written application and written approval by the Company, be granted a leave of absence for a period not in excess of ninety (90) days. The designated local representative of the Union shall be notified of all leaves granted. Leaves may be extended for additional periods of not more than ninety (90) days each, upon proper written application and written approval from both the Company and Union. The Company and Union will approve or disapprove the request within five (5) days.

(b) Bereavement Leave

In the event of the death of a member of an employee's immediate family, he will be granted up to three (3) days funeral leave without pay. Should travel be required outside the state in which the employee works, in order to attend funeral services, the employee will be granted up to five (5) days funeral leave without pay. Immediate family is defined as an employee's spouse, parents, children, brothers, sisters and grandparents.

(c) Upon providing satisfactory proof of bona fide hardship, employees may be granted up to forty (40) hours emergency leave without pay if the needs of the service permit.

ARTICLE 28

SAVING CLAUSE

Should any part hereof or any provisions herein contained be rendered invalid by reason of any existing or subsequently enacted legislation or act of any authorized agency of government or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of the Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect. Upon the request of either party thereto, subsequent to any such invalidation, invalidated portions of this Agreement shall thereupon be renegotiated.

ARTICLE 29

EFFECTIVE DATE AND DURATION

This Agreement, as amended, shall become effective January 1, 2010 and shall continue in full force and effect through December 31, 2013, and shall renew itself without change unless written notice of intended change is served in accordance with Section 6, Title I, of the Railway Labor Act, as amended, ninety (90) days prior to December 31, 2013, or in accordance with the provisions of Clause 3.2 of this Agreement, by either party hereto.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement, this __23__ day of February, 2010.

FOR THE INTERNATIONAL
ASSOCIATION OF MACHINISTS
& AEROSPACE WORKERS:

FOR HAWAIIAN AIRLINES, INC.:

_____/s/_____
Richard Delaney
President District General Chairman
Airlines Employees District Lodge 141

_____/s/_____
Blaine Miyasato
Vice President, Customer Service

_____/s/_____
Randolph Kauhane
Assistant General Chairman

_____/s/_____
Janis Bumgarner
Senior Director, Labor Relations

_____/s/_____
Rudy Lacaden
Member, Negotiating Committee

_____/s/_____
Fred Proute
Senior Director, Finance

_____/s/_____
Jolene Christopherson
Member, Negotiating Committee

_____/s/_____
Jason Yamamoto
Manager, Corporate Audit

_____/s/_____
Kalani Sloat
Manager, Contract Administration

HAWAIIAN AIRLINES, INC.
I AM CLERICAL AGREEMENT
CLASSIFICATIONS WITHIN DIVISIONS

Admin Support	Accounting	Material Management	Computer Services	Customer Service
	Sr. Accountant	Chief Buyer / Inventory Chief	Comp. Op. 3	Aircraft Sched. 1&2 Revenue Analyst 1&2 Chief Agent - Weight & Balance
	Jr. Accountant	Mat. Support Lead	Comp. Op. 2	Crew Sched Asst. Crew Sched.
Lead Printer	Acct. Cl. 2	Buyer / Inventory Agent		Chief Agent CTO, Cargo, Claims, Cust. Svc., Res. Agent
Secretary, Printer	Acct. Cl. 1	Records Agent	Comp. Op. 1	Lead Ramp Agent
Clerk Typist		Material Support Courier		Ramp Agent

Promotion within the enclosed boxes will be based on meeting the requirements and qualifications as outlined in Article 5 as well as the Specific Qualifications as outlined in the document referred to as Attachment A. Provided these are met, the employee will then have to successfully pass a qualifying test.

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Group 4 (Full-Time)	Current Wage	1/1/2010	1/1/2011	1/1/2012	1/1/2013
Lead Ramp Agent	\$15.23	\$15.99	\$16.63	\$17.13	\$17.64
1st 12 Months (0 to 12)					
Next 12 Months (13 to 24)	\$16.17	\$16.98	\$17.66	\$18.19	\$18.74
Next 12 Months (25 to 36)	\$17.49	\$18.36	\$19.09	\$19.66	\$20.25
Next 6 Months (37 to 42)	\$18.30	\$19.22	\$19.99	\$20.59	\$21.21
Thereafter (43+)	\$19.15	\$20.11	\$20.91	\$21.54	\$22.19
Group 5 (Full-Time)	Current Wage	1/1/2010	1/1/2011	1/1/2012	1/1/2013
Accounting Clerk 1	\$11.47	\$12.04	\$12.52	\$12.90	\$13.29
Aircraft Records Agent	\$11.94	\$12.54	\$13.04	\$13.43	\$13.83
Cargo Agent	\$12.41	\$13.03	\$13.55	\$13.96	\$14.38
Computer Operator 1	\$14.28	\$14.99	\$15.59	\$16.06	\$16.54
CTO Agent	\$16.21	\$17.02	\$17.70	\$18.23	\$18.78
Customer Service Agent	\$17.19	\$18.05	\$18.77	\$19.33	\$19.91
Material Support Agent	\$18.60	\$19.53	\$20.31	\$20.92	\$21.55
Printer					
Reservations Agent					
Secretary					
Claims Agent					
Group 6 (Full-Time)	Current Wage	1/1/2010	1/1/2011	1/1/2012	1/1/2013
Clerk Typist	\$11.44	\$12.01	\$12.49	\$12.86	\$13.25
Material Support Courier	\$11.90	\$12.50	\$13.00	\$13.39	\$13.79
Ramp Agent	\$12.36	\$12.98	\$13.50	\$13.91	\$14.33
Next 18 Months (37 to 54)	\$13.78	\$14.47	\$15.05	\$15.50	\$15.97
Next 12 Months (73 to 84)	\$15.22	\$15.98	\$16.62	\$17.12	\$17.63
Next 12 Months (85 to 96)	\$16.17	\$16.98	\$17.66	\$18.19	\$18.74
Thereafter (97+)	\$17.50	\$18.38	\$19.12	\$19.69	\$20.28

Other Classifications						
Agent/Specialist	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$18.85	\$19.79	\$20.58	\$21.20	\$21.84
Motor Pool Clerk	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$16.62	\$17.45	\$18.15	\$18.69	\$19.25
Chief Contract Service Agent	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$11.00	\$11.55	\$12.01	\$12.37	\$12.74
Contract Service Agent	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$10.00	\$10.50	\$10.92	\$11.25	\$11.59
Chief Mainland CSR	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$11.00	\$11.55	\$12.01	\$12.37	\$12.74
Mainland CSR	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$10.00	\$10.50	\$10.92	\$11.25	\$11.59
WPT Customer Service Agent	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$11.47	\$12.04	\$12.52	\$12.90	\$13.29
WPT Ramp Agent	N/A	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$11.44	\$12.01	\$12.49	\$12.86	\$13.25
PT Customer Service Agent*	1st 18 Months (0 to 18)	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$11.47	\$12.04	\$12.52	\$12.90	\$13.29
	Next 18 Months (19 to 36)	\$11.94	\$12.54	\$13.04	\$13.43	\$13.83
	Next 18 Months (37 to 54)	\$12.41	\$13.03	\$13.55	\$13.96	\$14.38
PT Ramp Agent*	1st 18 Months (0 to 18)	<u>Current Wage</u>	<u>1/1/2010</u>	<u>1/1/2011</u>	<u>1/1/2012</u>	<u>1/1/2013</u>
		\$11.44	\$12.01	\$12.49	\$12.86	\$13.25
	Next 18 Months (19 to 36)	\$11.90	\$12.50	\$13.00	\$13.39	\$13.79
	Next 18 Months (37 to 54)	\$12.36	\$12.98	\$13.50	\$13.91	\$14.33

* Employees are credited with zero ('0') months of service as of 1/1/2010

Employee moving to a higher grouping will move to the closest to but higher than pay scale of the new classification that is at least twenty-five cents (25c) per hour above his previous rate.

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Attachment B

Cust Svc Agent	Prior to 01/01/10	Year 1 01/01/10 5%	Year 2 01/01/11 4%	Year 3 01/01/12 3%	Year 4 01/01/13 3%	
1st 12 months	N/A	\$9.00	\$9.00	\$9.00	\$9.00	==> New Employee Entry Rates (FT and PT) after 01/18/2010
Next 12 months	N/A	N/A	\$9.25	\$9.25	\$9.25	
Next 12 months	N/A	N/A	N/A	\$9.50	\$9.50	
Next 12 months	N/A	N/A	N/A	N/A	\$10.00	
Next 18 months	\$11.47	\$12.04	\$12.52	\$12.90	\$13.29	==> Reserve Part-Time / WPT / Contract Svc. max out at this rate
Next 18 months	\$11.94	\$12.54	\$13.04	\$13.43	\$13.83	==> Reg. PT hired prior to 01/18/2010 start here; also, Reg. PT hired prior to 01/18/2010 and transfer to FT enter here (no credit for previous time as PT)
Next 18 months	\$12.41	\$13.03	\$13.55	\$13.96	\$14.38	==> Reg. PT maxes out at this rate
Next 18 months	\$14.28	\$14.99	\$15.59	\$16.06	\$16.54	==> All FT continue through these rates
Next 12 months	\$16.21	\$17.02	\$17.70	\$18.23	\$18.78	
Next 12 months	\$17.19	\$18.05	\$18.77	\$19.33	\$19.91	
Thereafter	\$18.60	\$19.53	\$20.31	\$20.92	\$21.55	
Ramp	Prior to 01/01/10	Year 1 01/01/10 5%	Year 2 01/01/11 4%	Year 3 01/01/12 3%	Year 4 01/01/13 3%	
1st 12 months	N/A	\$9.00	\$9.00	\$9.00	\$9.00	==> New Employee Entry Rates (FT and PT) after 01/18/2010
Next 12 months	N/A	N/A	\$9.25	\$9.25	\$9.25	
Next 12 months	N/A	N/A	N/A	\$9.50	\$9.50	
Next 12 months	N/A	N/A	N/A	N/A	\$10.00	
Next 18 months	\$11.44	\$12.01	\$12.49	\$12.86	\$13.25	==> Reserve Part-Time / WPT / Contract Svc. max out at this rate
Next 18 months	\$11.90	\$12.50	\$13.00	\$13.39	\$13.79	==> Reg. PT hired prior to 01/18/2010 start here; also, Reg. PT hired prior to 01/18/2010 and transfer to FT enter here (no credit for previous time as PT)
Next 18 months	\$12.36	\$12.98	\$13.50	\$13.91	\$14.33	==> Reg. PT maxes out at this rate
Next 18 months	\$13.78	\$14.47	\$15.05	\$15.50	\$15.97	==> All FT continue through these rates
Next 12 months	\$15.22	\$15.98	\$16.62	\$17.12	\$17.63	
Next 12 months	\$16.17	\$16.98	\$17.66	\$18.19	\$18.74	
Thereafter	\$17.50	\$18.38	\$19.12	\$19.69	\$20.28	

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LETTERS OF AGREEMENT

LOA #1

June 5, 2001

Mr. Samson Po'omaihealani

Assistant General Chairman
District 141 IAM & AW
1934-A Hau Street
Honolulu, Hawaii 96819

Dear Mr. Po'omaihealani:

Re: General Shift Bid - Article 6

During negotiations for revisions to the collective bargaining agreement it was agreed that for locations within the Company operating more than one shift Monday through Friday, it might be desirable to have General Shift Bids at least once each year.

It was agreed that following ratification management and union at each location would meet to determine if this concept was desirable for that location and, if so, when and how the bid would be conducted.

Yours sincerely,

Bronach R. Cole
Senior Director, Labor Relations

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LOA #2

June 5, 2001

Mr. Randolph Kauhane
Assistant General Chairman
District 141 IAM & AW
1934-A Hau Street
Honolulu, Hawaii 96819

Dear Mr. Kauhane:

Re: Reservations Department FT/PT Requirements

During negotiations for revisions to the collective bargaining agreement, the following provisions were agreed to for the Reservations Department notwithstanding other provisions in the Agreement, particular with respect to Article 23 (Part-time Employees):

Article 23 - Part-time Employees

1. Part-time employees can be scheduled to a maximum of 6 hours per day and 30 hours per week, 5 days per week, with 2 consecutive days off.
2. Overlapping of part-time shifts is permitted as long as each shift does not exceed 6 hours, inclusive of any breaks.

These provisions were agreed to in recognition of the need to maximize opportunities for revenue growth by enabling flexibility in responding to customer demand.

Yours sincerely,

Bronach R. Cole
Senior Director, Labor Relations

Cc Joyce Yen
Randy Kauhane
Robert Winner

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LOA #3

February 10, 2003

Mr. Randolph Kauhane
Assistant General Chairman
District 141 IAM & AW
1934-A Hau Street
Honolulu, Hawaii 96819

Dear Mr. Kauhane:

Re: Training Courses

During negotiations for Plan B restructuring the following was agreed:

When a prerequisite is required for a position, an employee will not be disqualified when that particular course(s) is not available. When courses are available, whether offered internally or through outside resources, it is the responsibility of the employee to seek out these opportunities in order to progress within the bargaining unit. Employees are urged to submit their career goals to their supervisor in writing to ensure required training and options are identified. If the course or training is not available through the Training and Learning Center, the supervisor should determine if the course is offered through other sources such as a Community College, Adult Education, Computer Based Learning. If so available, the Company will reimburse the cost of tuition and mandatory books for such courses subject to the following:

- A. The employee must receive written approval from the Department Manager prior to taking the course if the employee is requesting that the Company pay for the expenses.
- B. On successful completion of a course for which reimbursement is requested, the employee must provide official evidence of successful completion as well as receipts for tuition and books.
- C. If the employee wishes to have their record reflect successful completion of a course they must provide the Company with an official transcript which will be placed in the Personnel file.

Yours sincerely,

Bronach R. Cole,
Senior Director, Labor Relations

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| **LOA #4**

February 10, 2003

Mr. Randolph Kauhane
Assistant General Chairman
District 141 IAM & AW
1934-A Hau Street
Honolulu, Hawaii 96819

Dear Mr. Kauhane:

Re: Testing

It is agreed that prior to tests being administered to determine qualifications the union will be given an opportunity for input and consultation.

Yours sincerely,

Bronach R. Cole,
Senior Director, Labor Relations

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LOA #5

LETTER OF AGREEMENT
between
HAWAIIAN AIRLINES, INC.
and the
INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS
representing
CLERICAL EMPLOYEES
In the service of
HAWAIIAN AIRLINES, INC.

JOB SECURITY AND OUTSOURCING

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between HAWAIIAN AIRLINES, INC. (hereinafter referred to as the "Company") and the Clerical, Office, Stores, Fleet and Passenger Service Employees of the Company as represented by the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (AFL-CIO) (hereinafter referred to as the "Union").

WITNESSETH

The Company and the Union agree that the dynamics of the airline industry and innovations in technology will continue to evolve;

The Company recognizes the contributions and support by the Union to ensure the continued viability of the Company;

The Company and the Union, in the spirit of cooperation and a mutual desire to improve the long term stability of and profitability for both the Company and the Union's current members, have agree to the Letter of Agreement to outsource certain aspects of the Company's operation in exchange for certain considerations;

Therefore, the undersigned parties agree as follows:

A. Notwithstanding any limitation contained in Article 2 of the Collective Bargaining Agreement, the Company may contract out the work of the following departments:

- Accounting
- Schedule Planning
- Information Technology
- Crew Scheduling

- Purchasing
- Technical Publications
- Reservations
- Records

- B. No employee in any of the departments listed in Paragraph A. on the date of signing of this Letter of Agreement, shall be laid off from that department as specified in Article 2.5 of the Collective Bargaining Agreement.
- C. The Company may contract out the work of the departments listed in Paragraph A. performed by existing employees as those employees leave their respective department by the following:
- i. Accepting a voluntary separation package offer at the Company's discretion;
 - ii. Employees voluntarily bidding and accepting a position outside of the affected department; or
 - iii. Normal attrition.

The parties hereto have signed this Letter of Agreement, this __26__ day of __May__, 2006.

**FOR THE INTERNATIONAL
ASSOCIATION OF
MACHINISTS &
AEROSPACE WORKERS:**

**FOR HAWAIIAN AIRLINES,
INC.:**

_____/s/_____
Randolph Kauhane
Assistant General Chairman
District Lodge 141,
IAMAW AFL-CIO

_____/s/_____
Blaine Miyasato
Vice President, Customer Services
Hawaiian Airlines, Inc.

LOA #6

August 11, 2006

Randy Kauhane
Assistant General Chairman
District 141 IAM & AW
1934-A Hau Street
Honolulu, HI 96819

**RE: Letter of Understanding -
Shift/Day-Off Bid Process for
Protected/Non-Protected Employees**

Dear Mr. Kauhane:

We met to discuss the issue of protected employees not being able to move and establish their seniority in an unprotected department until a plan was underway to outsource/automate their department.

To address this seniority issue, we will establish the following:

Bidding of Shifts and Days Off

There will be five (5) levels of Honolulu IAM Clerical Positions (excluding Ramp) for the purpose of bidding shifts and days off:

Full-Time Employees:

- Level 1: Protected/Non-Protected Employees who have established applicable Classification Seniority as of June 12, 2006
- Level 2: Protected Employees who do not hold applicable Classification Seniority as of June 12, 2006
- Level 3: Future Non-Protected Employees awarded a FT Honolulu applicable position

Part-Time Employees:

- Level 4: Honolulu IAM Clerical Employees prior to June 12, 2006
- Level 5: Protected/Non-Protected Employees awarded a PT HNL IAM applicable position after June 12, 2006

For the Purpose of Selection and awarding of shifts and days-off, shifts/days-off will be awarded in the following order and by the following criteria:

Full-Time Employees:

- Level 1: Applicable Classification Seniority**
If identical, then by Company Seniority
If that is identical, then by Date of Hire
*If that is identical, then by last four digits of the SSN#**
- Level 2: IAM Clerical Company Seniority**
If identical, then by Date of Hire
*If that is identical, then by last four digits of SSN#**
- Level 3: IAM Applicable Classification Seniority**
If identical, then by Company Seniority
If that is identical then by Date of Hire
*If that is identical, then by last four digits of SSN#**

Part-Time Employees:

- Level 4: Date of Entry**
If identical, then by Date of Hire
*If that is identical, then by last four digits of SSN#**
- Level 5: Date of Hire**
*If identical, then by last four digits of SSN#**

** SSN# for employees with a dare of hire after May 27, 1999 (Article 9.1.b)*

This system will protect current IAM Clerical employees and will allow all protected FT employees to move to Honolulu station at any time and once there, exercise their years of service.

Vacation Bidding

All FT IAM Clerical employees will bid for vacation and be awarded based on their company seniority date and PT IAM Clerical will bid for vacation and be awarded based on Date of Hire, as outlined in the CBA.

Signed:

Acknowledged:

_____/s/_____/03/20/08
Blaine Miyasato Date
Vice President, Customer Services

_____/s/_____/03/20/08
Randolph Kauhane Date
Assistant General Chairman
District Lodge 141

LOA #7

March 20, 2008

Randy Kauhane
Assistant General Chairman
District 141 IAM & AW
1934-A Hau Street
Honolulu, HI 96819

RE: Letter of Understanding - Temporary Utilization of Honolulu
Customer Service Agents/Chief Agents

Dear Mr. Kauhane:

The Company and the Union are committed to finding meaningful work opportunities for the agents and Chief agents at Honolulu's customer service department. With the transition of employees from the "outsourced departments", we find that there are challenges in finding meaningful work for all employees.

Therefore, the undersigned parties agree as follows:

- A. The Company can temporarily assign protected and unprotected Honolulu Station Customer Service Agents/Chief Agents to other positions within the Company as long as that position is not already within the job scope of the IAM or another union.
- B. The temporary assignment will be on a voluntary basis and for a period not to exceed 6 months. Selection for such assignments will be by Company seniority. The length of assignment may be amended by mutual agreement between the Company and the Union.
- C. The Union agrees that it cannot use the new work performed by its union member as a basis to claim such work as within the scope of the Agreement.
- D. It is agreed that the temporary assignment may be outside the already established shift/day-off of the employee.
- E. The employee will be paid at the same rate of pay whenever filling such temporary assignment. In addition, seniority and/or "protection" status will be unaffected while in such assignment.
- F. While working in such temporary assignments, employees may trade only with employees who are also filling such temporary assignments.

Signed:

Acknowledged:

_____/s/_____/03/20/08
Blaine Miyasato Date
Vice President, Customer Services

_____/s/_____/03/20/08
Randolph Kauhane Date
Assistant General Chairman
District Lodge 141

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LETTER OF AGREEMENT

May 15, 2008

Mr. Randy Kauhane
Assistant General Chairman
Honolulu, HI 96819

Dear Randy:

The Company has agreed to amend its travel policy for IAM employees while on sick leave, FMLA, HFFL, Military Leave or occupational injury.

When this employee is on such leave, their Eligible Family members and FTP passengers will be eligible for Pass Travel.

Pass travel as it pertains to the employee has the following changes:

1. When an employee is absent from work due to one's own illness (sick leave or FMLA), the employee will be granted Pass Travel on HA only when traveling to a specialist's office in connection with the employee's leave. Approval must be granted prior to the travel.
2. When an employee is absent from work due to care of a family member (FMLA or HFLL), that employee will continue to be eligible for travel privileges if that travel is necessary to care for that family member. It is the responsibility of the employee to maintain communications with his manager and/or human resources during these circumstances. Approval must be granted prior to the travel.
3. When the employee is absent from work due to an occupational injury, travel requests will be reviewed and granted on a case by case basis. The employee must present to the Company a doctors note that states that such travel will not aggravate the employee's condition.
4. When an employee is absent from work due to Military Leave, his/her travel privileges will continue as if s/he were actively employed. The employee will be required to continue to follow the company's policy of not sharing his password and access to ID90 with others. When s/he is unable to access ID90, he or the person traveling under his pass travel privileges is required to contact Hawaiian's Pass Bureau (Jody Borges for assistance).

If there are any questions, please contact me.

Sincerely,

/s/

Janis Bumgarner
Sr. Director, Labor Relations

Cc: B. Miyasato/ J. Borges/B. Winner

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LETTER OF AGREEMENT

**OPERATIONAL SAFETY IMPROVEMENT PROCESS
(OSIP)**

A. Objectives

1. Policy (mission statement)

- (a) OSIP is one of the tools developed to support HA mission of COMMITMENT to SAFETY through employee involvement, peer monitoring, and non-punitive coaching.

2. Program Goals

- (a) Utilize cooperative efforts and ideas from the stations' work groups to ensure the highest success of a SAFE working environment for our Customers and our fellow employees
- (b) HNL Ramp pilot project - first 3 months
- (c) Other locations - TBD by Company and IAM Safety Coordinator

3. Program Responsibility & Authority

(a) IAM role

(i) Ground Safety Coordinator(s)

- a. IAM is overall coordinator of the OSIP program, with management support from Customer Service, Maintenance & Engineering, and Safety
- b. Determine and finalize employee (Observer) participation
- c. Assist company in implementation of safety initiatives
- d. Make recommendations to correct repeated unsafe behavior
- e. Mentor and provide immediate guidance for observers
- f. Participate in Ground Safety Committee meetings, as required

(ii) Observers

- a. Report on observations

- b. Coach and provide immediate guidance to coworkers
 - c. Approach employees and through coaching techniques, address unsafe behavior
 - d. Participates in department safety committee meetings
- (b) Department role
 - (i) Support the program
 - (ii) Assist in the scheduling of observers
 - (iii) Implement safety recommendations
 - (iv) Managers assist in providing incentives, program coordination, and safety intervention
- (c) Safety role
 - (i) Support the program
 - (ii) Collect data/conduct trends & analysis
 - (iii) Coordinate feedback/recommendations from observers
 - (iv) Make safety recommendations
 - (v) Provide outputs via bulletin board postings and other communication methods
- 4. Program documentation requirements
 - (a) Safety Policies and Procedures Manual Section I, Chapter 2 will be amended to include the OSIP program
- 5. Participants
 - (a) Recommended Observers for HNL
 - (i) Customer Service Agents - 3
 - (ii) Ramp Agents - 8
 - (iii) Line Servicemen - 3
 - (iv) Fleet Support - 2
 - (v) Maintenance - 2
 - (vi) Cargo Agents - 2

(b) HNL Customer Service management is Point of Contact for OSIP interaction. Applicable management points of contact for other departments to be determined.

6. Observer selection criteria

(a) IAM solicits and identifies rank & file candidates

(b) Managers and Chief agents are excluded

B. Training

1. Observers

(a) Two eight-hour blocks @ airport location

(b) IAM provides training

(c) IAM develops training curricula

(d) IAM provides training on mentoring skills

(e) Provided with lapel pins to differentiate from other employees

2. Other affected Employees and Managers

(a) Program overview / what to expect

(b) Handled through shift briefing, bulletins, initial & recurrent training

C. Observation & Reporting Process

1. Customer Service, Ramp, Line Service, Fleet Support, Cargo, & Maintenance observation criteria

2. Observation protocol / Length of observations

(a) The goal is to acquire data from a broad range of the operations during each month

(b) Within the shift - 15 minutes each as day as operation permits, recommended 5/week

(i) Split time to cover off-peak, shoulder time, and peak operations

(c) Within the month - the goal is 30 total observations between departments

(d) Other locations' number of observations to be determined

(e) Observers shall not jeopardize personal safety or those of coworkers while conducting observations

- (f) Employee names are not taken except for commendable performance

3. Data collection tools/forms

- (a) Company provides forms using IAM template
- (b) Observation checklist items may be modified to include new issues or behaviors needing correction

4. Peer Counseling

- (a) Mentoring strategy
- (b) Coaching strategy

D. Data Collection & Management

1. Responsible organization

- (a) Observers maintain the collection schedule
- (b) Station Management reviews the entries daily, collects forms, and forwards weekly to the Safety Dept

2. Trends and Analysis

- (a) IAM uses information from daily collection forms, creates real time charts and graphs for weekly department reviews, shift briefings
- (b) Safety Department creates company reports for executive review (see paragraph E. Outputs)

E. Outputs

1. Monthly reports

- (a) Measure specified safety-related actions (i.e., speeding, improper lifting, etc.)
- (b) Provide successive trends
- (c) Safety/Customer Service/IAM provides recommendations to mitigate trends
- (d) Feedback to monthly departmental safety meetings
- (e) Management utilizes data collected to determine opportunities for safety improvements
- (f) Recap specific unsafe behavior
- (g) Recap specific commendable performance

- (h) Employee recognition during shift briefings
- 2. Executive reports
 - (a) Semi-annual review
 - (b) Highlight general safety trends, recommendations, and implementation
- 3. Incentives
 - (a) Safety/Departments provide incentive rewards (< \$15.00) for commendable performance
 - (b) Other Observer incentives may include Customer Service sponsored drawings

F. Resources

- 1. Budget
 - (a) Safety Department for observer incentive rewards
 - (b) Training costs are borne by departments
 - (c) Optional - observer incentives from Customer Service

G. Future Goals

- 1. Rollout to other work groups and stations TBD by IAM and Company

H. Signatories

/s/	12/9/08
Hawaiian Air IAM Safety Coordinator	Date

/s/	12/9/08
Assistant General/Chairman District Lodge141	Date

/s/	12/9/08
VP Customer Services	Date

/s/	12/9/08
VP Maintenance & Engineering	Date

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LOA # 10

August 5, 2009

Randolph Kauhane
IAM-C
Assistant General Chairperson

RE: C-09-11 and C-09-12

Dear Randy:

On June 30, 2009 a third step hearing was held in regards to the above referenced grievance. There has been subsequent meetings with the IAM employees in the Material Analyst and Buyer classifications, as well as with the management personnel of those areas. As a result of our talks, and to resolve the above grievances, Hawaiian Airlines Inc. (hereinafter the "Company") and the International Association of Machinists and Aerospace Workers (hereinafter the "Union") agree to the following changes:

- A. The classification of Material Analyst will be re-named Inventory Agent, and the three (3) levels of Material Analyst (Material Analyst 1, Material Analyst 2 and Material Analyst 3) will be converted to 2 levels (Inventory Agent and Inventory Chief).
- B. The classifications of Buyer 1, Buyer 2 and Buyer 3 will be converted to classifications of Buyer and Chief Buyer.
- C. The seniority date of this new group of Buyers and Inventory Agents will be the date as it currently exists on the April 1, 2009 IAMC Seniority List (Attachment B). The Buyer 2 and Material Analyst 2 will be listed first in the newly created classifications of Buyers and Inventory Agents.
- D. The position of Inventory Chief and Chief Buyer will be first offered to employees currently working in the Material Analyst and Buyer classification in the order as it appears in Attachment B.
- E. The following hourly rates of pay will be effective as of August 1, 2009:

Inventory Agent/Buyer

1st 12 months	\$13.10
Next 12 months	\$13.34
Next 12 months	\$17.00
Next 6 months	\$17.57
Thereafter	\$19.99

Inventory Chief/Chief Buyer

1st 18 months	\$16.09
Next 18 months	\$17.68
Next 18 months	\$19.46
Next 18 months	\$21.40
Thereafter	\$22.08

- F. The qualifications and job descriptions of these positions are listed in Attachment A.
- G. Required training, including outside classes or courses, will be provided by the Company during Company time.
- H. The changes in the department will not affect the employees "protected status" under the 2006 Job Security and Outsourcing Letter of Agreement. Those who are protected will remain so unless the employee voluntarily chooses to leave the department for another division that is not protected. Should the department's work be contracted out, the protected employees will transfer to Honolulu Station and continue to earn at the rate of pay that was currently earned in the Inventory Control and Purchasing department.

The parties hereto have signed this Letter of Agreement this ____11th____ day of ____August____, 2009.

**FOR THE INTERNATIONAL
ASSOCIATION OF MACHINISTS
& AEROSPACE WORKERS:**

FOR HAWAIIAN AIRLINES, INC.:

_____/s/_____
Randolph Kauhane
Assistant General Chairman
District Lodge 141,
IAMAW AFL-CIO

_____/s/_____
Janis Bumgarner
Sr. Director, Labor Relations
Hawaiian Airlines, Inc.

ATTACHMENT A (LOA #10)

JOB DESCRIPTIONS

BUYER - Responsible for the procurement of material and services for the Company. Must successfully pass the Buyer competency exam to qualify for the position.

- Creates and updates purchase orders for stock and non-stock items in the current computer system(s)
- Ensures proper approvals for all transactions per the current Company levels of approval authority.
- Updates item records, obtains current pricing and creates/updates vendor records as required.
- Sources material and negotiates to obtain the best price and condition in order to meet deadlines or to maintain proper stock levels to support the daily company operations.
- Reviews various logistic options and selects the appropriate shipping method.
- Performs conversions into various units of purchase and units of issue.
- Complies with basic requirements for purchasing various classes of parts and products and ensures that all mandated requirements as stated in the HA General Maintenance Manuals (GMM) for the purchase of approved parts are followed.
- Follows up on all open orders and investigates reported discrepancies by communicating with vendors and/or internal departments as needed.
- Provides general clerical support and performs any other activity as directed by the Chief and/or Manager of Purchasing.

CHIEF BUYER - Responsible for supervising, training and evaluating employees of a lower classification.

- Assigns duties and monitors work of employees for a lower classification.
- Creates and updates office procedures manual for reference and training.

- Ensures that the job requirements of the department are carried out in accordance with the manager's instructions and established guidelines and procedures.
- Must be able to perform all duties of a lower classification.

INVENTORY AGENT - Responsible for maintaining inventory records and reconciliation with the General Ledger and Asset register. Must successfully pass the Inventory competency exam to qualify for the position.

- Creates and maintains the part number records in the current inventory system.
- Ensures proper approvals for all transactions per the current Company levels of approval authority.
- Performs conversions in to various units of purchase and units of issue.
- Utilizes various reference manuals and resources to qualify aircraft-related part numbers before entry into the inventory system.
- Supports system-wide inventory counting activities, daily price adjustments, inventory adjustments, and disposal of inventory.
- Creates and updates orders for repairs, warranty and contracts and ensures its timely return through follow up an communications with vendors.
- Reviews various logistics options and selects the appropriate shipping method for parts movement.
- Obtains QA approval of new repair vendors and creates/updates the vendor records.
- Creates, tracks, and calculates charges for loans to airlines or vendors.
- Works with various departments and contract vendors in the performance of daily duties.
- Supports any surplus or excess material disposal activities, as directed by management.
- Provides general clerical support and performs any other activity as directed by the Chief and/or Manager of Inventory Control.

INVENTORY CHIEF - Responsible for supervising, training and evaluating employees of a lower classification.

1. Assigns duties and monitors work of employees of a lower classification.

2. Creates and updates office procedures manual for reference and training.
3. Ensures that the job requirements of the department are carried out in accordance with the manager's instructions and established guidelines and procedures.
4. Must be able to perform all duties of a lower classification.

ATTACHMENT B (LOA #10)

<u>Name</u>	<u>Emp#</u>	<u>Classification</u>	<u>Code</u>	<u>Classfcn Date</u>	<u>Company Date</u>	<u>Hire Date</u>	<u>SSN</u>
Iha-Fernandez,Wanda L	3695	Buyer		4/26/1990	7/14/1986	7/14/1986	
Kawamoto,Bonnie K	4927	Buyer		2/21/1989	4/25/1988	3/18/1988	
Reeves,Terri M	6185	Buyer		8/12/1991	12/11/1990	12/11/1990	
Takara,Edie C	4439	Buyer		9/5/2000	6/1/1987	6/1/1987	
Estrada,Jamielynn M	10459	Buyer		12/2/2002	12/2/2002	12/2/2002	3134
Wedemeyer,Keala K	8226	Buyer		9/6/2006	5/9/2002	4/2/2002	2816
Lau,Nicole H	6336	Buyer		1/19/2007	4/11/1992	5/13/1991	
Cooper,Tianna M L	11171	Buyer		8/24/2007	12/8/2006	12/21/2004	7448

<u>Name</u>	<u>Emp#</u>	<u>Classification</u>	<u>Code</u>	<u>Classfcn Date</u>	<u>Company Date</u>	<u>Hire Date</u>	<u>SSN</u>
Torres,Lehua K K	9352	Inventory Agent		3/7/2001	2/16/2000	2/16/2000	9025
Hayashi,Stacey M	7326	Inventory Agent		6/23/2000	5/28/1994	4/21/1994	
Carroll,Beryl S	3945	Inventory Agent		4/25/2003	5/9/1988	12/9/1986	
Fallauga,Agnes F	6680	Inventory Agent		6/24/2005	4/11/1992	2/16/1992	
McGuire,Leila N K N	11288	Inventory Agent		7/5/2005	7/5/2005	7/5/2005	4233

LOA #11

LETTER OF AGREEMENT
Between
HAWAIIAN AIRLINES, INC.
and the
INTERNATIONAL ASSOCIATION OF
MACHINIST & AEROSPACE WORKERS (AFL-CIO)
Representing
Clerical, Office, Stores, Fleet and Passenger Service Employees

PAPERLESS ENVIRONMENT

THIS AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act by and between Hawaiian Airlines, Inc. (the "Company"), and the Clerical, Office, Stores, Fleet and Passenger Service employees of the Company as represented by the INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS (AFL-CIO) (the "I.A.M.").

WITNESSETH

It is understood by the parties that within the collective bargaining agreement, there are articles that establish procedures that have been fulfilled by papered forms, cards and physical postings.

It is recognized by the Company and the IAM that technology has provided new ways to accomplish these established procedures through online and paperless means.

NOW, THEREFORE, the Company and the IAM agree to amend the applicable articles of the Agreement as the technology becomes available to provide for procedures to be accomplished through a paperless means.

It is further agreed between the parties that prior to any procedural change to any of the Articles of this Agreement, the Company and the IAM will work together on implementation of the new procedure, will ensure that the employees are sufficiently trained to execute the new technology, and will test the technology to ensure that it accomplishes the task.

THIS LETTER OF AGREEMENT shall remain in full force and effect, concurrent with the basic Agreement.

LOA #12

LETTER OF AGREEMENT
Between
HAWAIIAN AIRLINES, INC.
And the
INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS
Representing
CLERICAL EMPLOYEES
In the service of
HAWAIIAN AIRLINES, INC.

Qualifications and Job Description for Ramp Agents

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between HAWAIIAN AIRLINES, INC. (hereinafter referred to as the "Company") and the Clerical, Office, Stores, Fleet and Passenger Service Employees of the Company as represented by the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (AFL-CIO) District Lodge 141, (hereinafter referred to as the "Union").

WITNESSETH

WHEREAS, the Company and the Union are currently in Section VI negotiations.

WHEREAS, the parties have reached a tentative agreement on Wednesday, December 9, 2009.

THEREFORE, the undersigned parties agree as follows:

Pending agreement with the International Association of Machinists and Aerospace Workers, District 142, representing Aircraft Inspectors, Mechanics, Line Servicemen, and Cleaners, the qualifications and job descriptions for the classification of Ramp Agents will be amended to include the following:

Ramp Agents will marshal, dispatch/headset ride, and wing-walk aircrafts on a regular basis.

The parties have signed this Letter of Agreement this 10th day of December 2009.

FOR THE INTERNATIONAL
ASSOCIATION OF MACHINISTS
& AEROSPACE WORKERS:

FOR HAWAIIAN AIRLINES, INC.:

/s/

Randolph Kauhane
Assistant General Chairman
District Lodge 141,
IAMAW AFL-CIO

/s/

Blaine Miyasato
Vice President, Customer
Services
Hawaiian Airlines, Inc.

LETTER OF AGREEMENT

PERFORMANCE BONUS AND PROFIT BONUS PROGRAMS

Incentive Compensation Program

The IAM-C will participate in the Incentive Compensation Program established by the Board of Directors for senior management, with a target payout bonus of one percent (1%) of W-2 wages. The same numerical calculations established by the Board that determines the Company's performance will be applied to the IAM-C, resulting in a potential payment range of zero percent (0%) to two percent (2%) of the previous year's W-2 wages. Payment from the Incentive Compensation Program will be paid at the same time and in the same manner as applied to senior management. The distribution amount will be prorated based on months of participation.

Performance Bonus

Each year, the Company will establish performance goals for on-time performance, safety, etc. Based on the yearly goals, quarterly goals will be set. These performance goals will be discussed with all unions and brought to the attention of all employees. For each quarter that the performance goals are met, each active full-time employee will receive a bonus of \$150, a potential total of \$600 per year, and each active part-time employee will be eligible for a quarterly bonus of \$75 per quarter, a potential total of \$300 per year. Any bonus payments will be reduced by applicable taxes and pre-tax deferral deductions. If goals are not met, no performance bonus will be paid for that quarter. Performance bonus payments will be paid regardless of company profitability. Should the Performance Bonus payments be increased for any other group, such increase shall not result in a decrease to IAM-C's share of any Profit Bonus.

Profit Bonus

The total potential profit bonus will be 5% of annual pretax profits (excluding extraordinary items and charges) from the first dollar of profit. Before being allocated among employee groups, the total potential profit bonus will be reduced dollar-for-dollar by the performance bonuses and any special bonuses paid for the year. The Company may, at its discretion, pay the profit bonus on a quarterly, rather than an annual basis. Should any other group(s) be provided a different Profit Bonus formula, such group(s) will be separated into a different Profit Bonus plan so as not to negatively impact the IAM-C's share of the plan.

The net profit bonus will first be divided among all employee groups (ALPA, AFA, IAM, TWU, non-represented, etc.) on the basis of each group's pro rata share of W-2 wages for the year. The pro rata share of any non-participating employee group will not be paid out to any group. Within each participating group, the bonus will then be allocated based on regular W-2 wages (as defined below) of each

eligible member of the group, or another basis if that is agreed upon. Profit bonuses paid will be less applicable taxes and pre-tax deferral deductions. The Company would have discretion to set a minimum amount payable to any individual.

Example

If Hawaiian's 2009 pre-tax profit were \$40 million the total potential bonus payment would be \$2 million. If the Performance Bonuses paid out for the year totaled \$600 thousand, then up to \$1.4 million would be allocated among employee groups and individual employees in the manner described above.

General Provisions

Eligible employees are defined as active employees during the applicable period with accumulated W-2 wages in excess of \$500 per quarter unless, before the time of payout, they were involuntarily terminated or voluntarily resigned. The profit Performance Bonus and Profit Bonus plans would apply to all employees meeting these criteria, except corporate officers. The above criteria would also apply to all employees and corporate officers in the Incentive Compensation Program.

For purposes of the plans, W-2 wages shall mean regular earnings as reported in Box 5 including employee pre-tax deferrals (e.g. 401(k) employee contributions) on previous year's IRS Form W-2 and exclude bonuses, vacation payoffs, insurance, layoff severance and other similar non-regular earnings even if otherwise reported in Box 5 on Form W-2.

Payments described herein will not be treated as covered compensation for 401(k) or pension plan purposes.

Participation in the Profit Bonus and the Incentive Compensation programs shall start as of the effective date of the amended CBA and shall continue until the CBA becomes amendable. If the CBA starts or becomes amendable during a year, the amount of the Profit Bonus to the group using the formulas described above will be multiplied by a fraction, the numerator of which is the number of whole months in the year through the amendable dated and the denominator of which is 12. The resulting amount will then be distributed among members of the group based on the allocation rules described above.

Participation in the programs described herein shall continue through December 31, 2013 (i.e. final payouts in 2014). While any of these may be extended by mutual agreement of the parties, it is expressly agreed that notwithstanding the status quo provisions of the Railway Labor Act, this Agreement shall have no force or effect beyond the dates stated herein.



February 24, 2010

Randolph Kauhane
IAM-C
Assistant General Chairperson

RE: Letter of Clarification of Weight and Balance Classification

Dear Randy:

In the 2010 contract negotiations, a new job classification of Weight and Balance was created. The hourly rate of pay for this new classification was established as Group 3. As of this date, this classification shall be known as Weight and Balance Coordinator.

When negotiated, we never discussed the requirement of a Chief in this Weight and Balance classification. We placed this new classification into a group that is higher skilled with greater responsibility, and higher pay rates. Group 3 includes chiefs and classifications that do not require chief oversight (i.e. assistant crew scheduler, lead printer).

The Company and Union agreed that there is no requirement in Weight and Balance for a supervisory (i.e. Chief) position. However, a position was created to cover this job duties such as training and oversight, and that position was given a Group 2 rate of pay.

The Company and Union further agree that there are no requirements that Group 2 Weight and Balance classification is staffed on every shift or on duty at all times of operation, nor is it subject to the Chief/agent ration. In addition, although the pay rates and duties may differ, they will be treated as one group in terms of trades, shift and day off bidding as well as vacation bidding.

I trust this represents our understanding.

Sincerely

/s/

Janis Bumgarner

/s/

Randolph Kauhane

APPENDIX A

SPECIAL REQUIREMENTS

NOTE: This Appendix does not form part of the Collective Bargaining Agreement but is used for reference purposes only.

The following outlines additional specific qualifications for various classifications. It is understood that this list is simply a guide. As the parties gain experience on the new classifications or as the work or method of working changes, there could be a change in the required qualifications. It is understood that should there be a change in the qualifications the union will be consulted prior to a position with revised qualifications being posted. As employees apply for positions there will be tests administered and an interview to determine if they meet the qualifications of the position.

- 5.1 b. Accounting Clerk 2
HAL Accounting Clerk experience
Successful completion of:
 - Introductory Acct/Bk course
 - Leadership class

- 5.1 c. Junior Accountant
Successful completion of:
 - Introduction to Financial Accounting (Acc 201) or equivalent
 - Intermediate Word/Excel class
 - Leadership class

- 5.1 d. Senior Accountant
Successful completion of:
 - Introduction to Management Accounting

- 5.2 a. Ramp Agent
- 5.2 c. Customer Service Agent
- 5.2 f. Cargo Agent
 - Must be able to meet the physical requirements of the position
 - Ability to lift up to 70 lbs.
 - Obtain Customs' seal
 - Cargo Agent must also be able to operate a forklift and successfully complete Hazardous Material Training.

- 5.2 d. Reservations Agent
 - Work under pressure with public and all levels of employees

- Excellent interpersonal skills
 - Strong oral and written communication skills
- 5.2 e. CTO Agent
- A minimum of one year as a Reservations Agent
- 5.2 g. Chief Agent
- Must complete company sponsored Leadership class
 - Working knowledge of word processing and spreadsheet application
- 5.2 h. Assistant Crew Scheduler
- Strong oral and written communication skills
 - Analytical, problem solving and project management skills
 - Must be able to calculate (add and subtract) time
 - Maturity, credibility, accuracy and judgment
 - Must maintain confidentiality
 - Excellent interpersonal skills
 - Proficiency in the use of a 10 key and number pad
 - Working knowledge of work processing and spreadsheet application in the Windows environment
 - Proficiency in CRS (Computerized Reservations System)
 - Speed and accuracy in inputting of data in accordance with established standards
 - Demonstrated ability to perform well under pressure in a fast-paced environment
 - Adapts well to change
 - Self starting individual able to manage multiple tasks at once
 - Must have ability to understand and apply regulatory documentation and contractual documentation such as
 - Federal Air Regulations (FARs), Pilots and Flight Attendant contracts
- 5.2 i. Crew Scheduler
- Working knowledge of Crew Track, Crew Pay and crew management system
 - Ability to work independently and in a team environment
 - Demonstrated proficiency in the understanding and application of regulatory and contractual documentation (FARs, Pilots and Flight Attendant contracts, etc.)

- A minimum of one (1) year work experience in the Assistant Crew Scheduler position
- 5.2 j. Revenue Protection Agent
- Must have persuasive verbal skills
 - Must be technically proficient in CRS reservations entries
 - Must be able to work well under pressure
 - Must be able to communicate well (verbal/written)
- 5.2 k. Revenue Analyst 1
- Goal oriented and risk takers
 - Thorough knowledge of revenue management concepts
 - Must be decisive & confident
 - Must have strong analytical skills to determine trends
 - Must communicate & work effectively with all levels
 - Must be able to develop, implement, and follow-through with action plans
 - Must work well under pressure
 - Must have one year Revenue Protection/Schedule Planning Experience or have 6 months revenue protection experience with revenue management experience or meet the skills requirement of a revenue protection agent and have one year reservations department experience at Hawaiian Airlines
 - Must be an effective team player
 - Must be self-starter, be proactive in meeting dept. goals
 - Must possess leadership qualities (Lead & Direct)
 - Must know Windows PC & Excel
 - Must maintain confidentiality
 - Must be able to prioritize tasks and possess good time management skills
- 5.2 l. Revenue Analyst 2
- Must have one year RA-1 experience
 - Must know Windows PC, Excel & Word
 - Must demonstrate superior analytical, decision-making and multi-tasking skills
- 5.2 m. Aircraft Scheduler 1

- Must have one year Revenue Protection/ Schedule Planning Experience or have 6 months revenue protection experience with CRS aircraft scheduling experience or meet the skills requirement of a revenue protection agent and have one year reservations department experience at Hawaiian Airlines
- Must work well under pressure
- Must communicate and work effectively with all levels
- Develop, implement, and follow-through with action plans
- Must be able to make decisions on the spot
- Must be able to read/interpret flow charts and translate Greenwich Mean Time (GMT)
- Must be an effective team player
- Must be self-starter, be proactive in meeting dept. goals
- Must possess leadership qualities and be able to supervise (Lead and Direct)
- Working knowledge of word processing and spreadsheet application
- Must be able to prioritize tasks and possess good time management skills

5.2 n. Aircraft Scheduler 2

- Must have one year AS-1 experience
- Must know Windows PC, Excel & Word
- Must demonstrate superior analytical, decision-making and multi-tasking skills

5.3 c. Materiel Support Specialist

- Minimum 2 years as Materiel Support Agent
- Good knowledge of aircraft systems/tooling/ General Maintenance Manual (GMM)
- 2 Customer Service/Relations Classes
- Intermediate knowledge of Excel and Word
- Basic knowledge of Access
- Must be able to handle temporary assignments outside HNL on own

5.3 d. Materiel Support Lead

- Minimum 2 years - Materiel Support Specialist
- Thorough knowledge of aircraft systems/ tooling/ GMM
- 2 Leadership classes
- Basic knowledge-OCR and CAD programs
- Thorough knowledge-Supply/Inventory Control

- Good knowledge-Purchasing/Accounting/
Catering
- 5.3 e. Aircraft Records Agent
- PC Basics (Windows)
 - Basic knowledge of A/C systems
 - HA inventory system
 - Keyboarding - 50 wpm & numeric
 - Outlook, Word, Excel
 - Calculate time and cycles
 - Jeppesen (M&E)
 - Successfully complete CHAMP training
 - Successfully complete aircraft general familiarization and ATA courses
- 5.3 f. Lead Records Agent
Must successfully complete the following courses/
requirements:
- Intermediate Word & Excel
 - Telephone skills (GTE or TLC)
 - Business writing class
 - Approved Parts & Receiving class (M&E)
 - Training/team building class
- 5.3 g. Materiel Analyst 1
- Keyboarding - 50 wpm and numeric
 - Outlook, Excel & Word
 - Successfully complete ATA / aircraft general familiarization courses
- 5.3 h. Materiel Analyst 2
Successful completion of:
- Team Building Classes
 - Accounting Class for non-accountants - 1st year
 - Fundamentals of Inventory Management, Module 1
 - Logistics
 - Financial reporting knowledge
 - Cycle counting & reconciliation
 - Analytical skills
- 5.3 i. Materiel Analyst 3
Successful completion of:
- Accounting class for non-accountants - 2nd year
 - Fundamentals of Inventory Management, Modules 2 - 4
 - Inventory Accounting

- Leadership Classes
- Advance PC knowledge of spreadsheets & graphs; Access

5.3 j. Buyer 1

- Knowledge of fax and scanning;
- HA inventory system;
- HA financial system.
- Keyboarding - 50 wpm
- Outlook, Word, Excel & Internet
- Conversion (unit of purchase vs. unit of issue)
- Jeppesen (M&E) & CASE database
- Successfully complete aircraft general familiarization and ATA courses

5.3 k. Buyer 2

- Purchasing ethics
- Intermediate Word & Excel
- Telephone skills (GTE or TLC)
- Approval levels and knowledge of workflow
- Business writing class
- How to negotiate the best purchase terms
- Approved Parts & Receiving class (M&E)
- Do's & Don'ts of vendor relations
- Team-Building

5.3 l. Buyer 3

- Advanced knowledge of shipping methods
- Advanced knowledge of stocking options
- Create and update office manuals
- Knowledge of shipping and commodities
- Logistics & warehousing
- Training class
- Advance Word
- Communications class
- General Accounting class
- Negotiating terms and contracts (PO)

5.4 b. Secretary

- Keyboarding - 50 wpm

5.5 a. Computer Operator 1

Certificate of completion of formal keypunch or data processing training course or equivalent experience. Successful completions of:

- Introduction to Windows 95/98
- Introduction to Word/Excel/Outlook

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- Introduction to IBM Operating Systems
 - Introduction to Networks
- 5.5 b. Computer Operator 2
Successful completion of:
- Introduction to Windows NT/2000
 - Unix Basics
 - Leadership class
- 5.5 c. Computer Operator 3
Successful completion of:
- Networking Essentials
 - Intermediate Word/Excel/Outlook
 - Introduction to Access

APPENDIX B

SEVEN STEPS FOR JUST CAUSE

Following are the steps which arbitrators will consider when determining if there was just cause for disciplinary action.

1. Adequate notice: Did the Company give to the employee forewarning or foreknowledge of the possible or probable disciplinary consequences of the employee's conduct?
2. Reasonable rules: Was the Company's rule or managerial order reasonably related to the orderly, efficient, and safe operation of the Company's business?
3. Fair investigation: Did the company, before administering discipline to an employee, make an effort to discover whether the employee did in fact violate or disobey a rule or order of management?
4. Opportunity to respond: Was the Company's investigation conducted fairly and objectively?
5. Substantial proof: At the investigation did the judge obtain substantial evidence or proof that the employee was guilty as charged?
6. Equal treatment: Has the Company applied its rules, orders, and penalties evenhandedly and without discrimination to all employees?
7. Appropriate penalty: Was the degree of discipline administered by the company in a particular case reasonably related to (a) the seriousness of the employee's proven offense and (b) the record of the employee in his service with the company?

From Just Cause The Seven Tests, by Adolph M. Koven and Susan L. Smith, Second Edition Revised by Donald F. Farwell, published by The Bureau of National Affairs, Inc., (1992) and Arbitrator Daugherty in the Enterprise Wire Company Case, 46 LA 359.

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