

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

Ratification Payment

THIS LETTER OF AGREEMENT is made and entered into in accordance with the Railway Labor Act, as amended, by and between Hawaiian Airlines, Inc., hereinafter referred to as the “Company,” and the Flight Attendants in the Service of Hawaiian Airlines, Inc., as represented by the Association of Flight Attendants-CWA, AFL-CIO, hereinafter referred to as the “Association,” and jointly, hereinafter referred to as the “Parties.”

WITNESSETH:

WHEREAS, in the recently concluded contract negotiations, the Company and the Association agreed to a Ratification Bonus Payment (Bonus Payment).

NOW, THEREFORE, the Parties agree as follows:

1. Flight Attendants will receive \$19,464,341.00 in Ratification Bonus Payments to be apportioned at the direction of the Association. Confidential Exhibit A (attached) details the specific payments to Flight Attendants.
2. For Flight Attendants on active status, the Bonus Payments will be distributed in equal amounts over twelve (12) consecutive month pay periods following ratification and included in the “7th of the month” paycheck. The first payment will occur no later than the May 7th paycheck. The May 7th paycheck will include the Bonus Payment from April and from May (the equivalent of two (2) Bonus Payments). The final payment will be made no later than March 7th, 2021. Flight Attendants on a leave or furlough status will receive their payments consistent with paragraph 6 below.
3. The Bonus Payments shall be on the regular paycheck that is paid out on the 7th of the month and will be withheld for tax purposes as regular wages in accordance with applicable law.
4. The Bonus Payments will be subject to the Company Matching Contribution and the 5% Company contribution in accordance with Section 33 of the CBA and the Hawaiian Airlines, Inc. 401(k) Plan for Flight Attendants (“Plan”) Plan Document. There will not be a special election for the amount of employee contributions to the Plan to be taken from the Bonus Payment.
5. Retirement or Separation

If a Flight Attendant retires or separates from the Company prior to the conclusion of the twelve (12) pay-periods referenced in paragraph 2., above, she/he will be paid a lump sum for the remaining balance allocated by the Association to her/him, and all provisions of paragraphs 3. and 4. will apply.

6. Flight Attendants on a Leave of Absence, COVID Leave, or Voluntary Furlough

- a. If a Flight Attendant is on a leave of absence, or if a Flight Attendant accepts a voluntary furlough or a voluntary COVID-19 "Staffing Reduction" Leave, her/his monthly Bonus Payments will be suspended until she/he returns from the voluntary furlough or COVID Leave. Once the Flight Attendant returns, the Bonus Payments will resume.
- b. In addition to the resumption of Bonus Payments in 6.a., above, The Flight Attendant will receive a "true-up" or "make-whole" payment in the first 7th of the month paycheck she/he receives following the leave or voluntary furlough. The "true-up" payment will include all the monthly Bonus Payments suspended per paragraph 6., and will be subject to the provisions of paragraphs 3. and 4., above.

7. Involuntary Furlough

If the Company involuntarily furloughs Flight Attendants prior to March 1, 2021, an involuntarily furloughed Flight Attendant will receive a lump sum payment of the remaining balance of her/his Ratification Bonus prior to the effective date of the furlough. Such payment will be subject to the provisions of paragraphs 3. and 4., above.

8. Any Flight Attendant on a leave status as of March 1, 2021, or who has not had her/his full Ratification Bonus balance paid out, will have her/his remaining Ratification Bonus balance paid out, subject to the provisions of paragraphs 3. and 4. above, prior to March 7th, 2021.

9. Ratification Bonus Calculation Formula

- a. The Ratification Bonus will be calculated using the following formula:
 - i. Calculate the total 401(k)-eligible income (net of profit sharing and bonus scorecard payments) for calendar years 2017, 2018, and 2019. Exhibit B (attached) describes the pay codes utilized in this calculation.
 - ii. Divide the total in a., above, by 3 to determine average salary.
 - iii. 19.9% of the average in b., above, will determine the bonus amount.

$$\left[\begin{array}{l} \text{Total 401(k)-eligible income} \\ \text{(minus profit sharing/bonus scorecard payments)} \\ \text{for 2017, 2018, 2019} \\ \hline \text{3 years} \end{array} \right] = \text{Average Salary}$$

Average Salary x 19.9% = A Flight Attendant's Total Bonus Amount

b. Minimum bonus payment - Notwithstanding the calculation in a., above, minimum bonus payments will be as follows:

- i. Flight Attendants who did not have sufficient seniority to vote in the Tentative Agreement election will receive a bonus of \$500.
- ii. Flight Attendants who did have sufficient seniority to vote in the Tentative Agreement election will receive a bonus payment of no less than \$1,000 regardless of the result of the bonus calculation in a., above.

10. Individual payment amounts calculated by the Association, using data supplied by the Company, consistent with the formula and paragraph 9. above, are listed in Confidential Exhibit A. Any Flight Attendant not listed in Exhibit A, regardless of her/his employment status on April 3, 2020, is not entitled to a ratification bonus.

11. The Company will provide each Flight Attendant with a report detailing the calculation for her/his ratification bonus and the amount of the monthly payments consistent with Exhibit C. (Individual Payment Letter).

IN WITNESS WHEREOF, the parties hereto have adopted and executed this Letter of Agreement this 18th day of March, 2020.

For the ASSOCIATION OF FLIGHT ATTENDANTS

For HAWAIIAN AIRLINES

Sara Nelson
International President

Justin Doane
Vice President, Labor Relations

Sharon Soper
MEC President

Robin Sparling
Vice President, In-Flight Services

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