

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

JOINT VENTURES

THIS LETTER OF AGREEMENT (“LOA”) 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 flight attendants in the service of the Company, as represented by the ASSOCIATION OF FLIGHT ATTENDANTS-CWA, AFL-CIO (hereinafter referred to as the “Association” or “AFA”).

WHEREAS, the Company and the Association are parties to a collective bargaining agreement setting forth the rates of pay, rules and working conditions for the Company’s flight attendants (“HA-AFA CBA”) effective April 18, 2012, and

WHEREAS, the HA-AFA CBA does not currently reference a Joint Venture as an exception to the requirements of Section One, but the parties agree their interests align with respect to future growth of Hawaiian Airlines flying as part of a Joint Venture with a Foreign Air Carrier.

NOW THEREFORE the Company and Association agree as follows:

1. This LOA shall govern Joint Ventures between the Company and a Foreign Air Carrier. Joint Ventures with U.S. Air Carriers are not permitted absent agreement of the parties. The Company may not enter into a Joint Venture on terms that differ from those set forth herein unless (1) the Company and AFA first agree upon such different terms and enter into a new, separate Letter of Agreement setting forth such agreed-upon terms; or (2) the Company and the Air Line Pilots Association (ALPA) agree upon such different terms with which a Joint Venture(s) must comply in which case the Company may enter into the Joint Venture on those terms. In the event that pilots are provided any value as part of any agreement to modify the Joint Venture terms set forth herein, AFA shall be provided proportionally equivalent (determined as a percentage of payroll) value to be applied to the HA-AFA CBA in a manner agreed to by AFA and the Company.

2. “Joint Venture” for purposes of this Agreement means the business relationship between Hawaiian Airlines and a Foreign Air Carrier in which revenues, or the costs and revenues of flights within the Joint Venture are shared between the air carrier partners, as typified

by the business relationship between Hawaiian Airlines and the Foreign Air Carrier that is embodied in their Joint Venture Agreement.

3. Trunk Route Flying

- a. “Trunk Route” for purposes of this Agreement means flights between the home country of the Foreign Air Carrier and the Hawaiian Islands.
- b. The base ASM ratio between Hawaiian Airlines and the Foreign Air Carrier (the “Base HAL/OAL ASM Ratio”) for a given Joint Venture will be the same as the Base HAL-OAL ASM Ratio negotiated and agreed to by ALPA (e.g., the Base HAL-OAL ASM Ratio for the Hawaiian-Japan Airlines Joint Venture set forth in ALPA LOA 19-3 will be the Base HAL-OAL ASM Ratio for the Hawaiian-Japan Airlines Joint Venture).

4. Joint Venture Profitability

- a. On a quarterly basis, the Company shall present to AFA an analysis of the profitability of using Company aircraft to fly in each Joint Venture Market identified by the Association, provided that each Joint Venture Market identified by AFA is not a Trunk Route, and is one in which there is a per day average of passengers flying each way in that Joint Venture Market under HA or HA* itineraries operated at least in part by the Joint Venture Airline, computed over the preceding quarter, of at least ninety (90) passengers. For purposes of this agreement, a “Joint Venture Market” shall be defined in accordance with the agreement between the Company and the Foreign Air Carrier establishing the Joint Venture (“Joint Venture Agreement”). The Company will provide to AFA, on a confidential basis, information necessary to determine whether this passenger threshold has been met in any Joint Venture Market in any Quarter.
- b. “Joint Venture Profitability” under subparagraph 4.a. above means:
 - (i) The results of an analysis that predicts with reasonable certainty that if the Company were to begin new or add additional non-stop flights with its own aircraft between two airports in a Joint Venture Market, such flight in the Joint Venture Market would, 1) be profitable on an annual basis by the fourth year of Company operation based on the Company’s standard flight profitability measurement including standard allocation of corporate overhead expenses and investment capital and 2) the Company would recover its cumulative investment including start-up losses in the Joint Venture Market within a period of seventy (70) months.

- (ii) The above analysis shall treat this Joint Venture Market as if it is in a silo and shall exclude the impact, if any, of the loss of revenue earned under the Joint Venture, in that Joint Venture Market, due to the new or additional non-stop service by Hawaiian Airlines. AFA shall enter into a commercially standard confidentiality agreement covering any information provided in such analysis or provided under subparagraph 4.b. above.
- (iii) If a dispute arises as to whether a Joint Venture Market satisfies the passenger threshold in subparagraph 4.a. above, or whether the Joint Venture Profitability test in subparagraph 4.b. above has been satisfied, that dispute shall be subject to final and binding arbitration. 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 to the System Board, unless the parties agree otherwise in writing. The parties agree to abide by any lawful arbitration award that is issued. If the parties are unable to agree on a neutral, the arbitrator shall be chosen by alternate strikes from a list to be provided in accordance with Section 24 of the HA-AFA CBA. Notwithstanding the foregoing, if the dispute is the subject of an arbitration before the ALPA-Hawaiian System Board, the parties agree to abide by the resulting ALPA-Hawaiian System Board Award. If the arbitration Award provides any value to ALPA, AFA shall be provided proportionally equivalent (determined as a percentage of payroll) value to be applied to the HA-AFA CBA in a manner agreed to by AFA and the Company.
- (iv) Upon the successful satisfaction of the Joint Venture Profitability test the Company must:
 - 1. start operating the route within 18 months after the successful satisfaction of the Joint Venture Profitability test, with the announcement of the route to occur no later than 12 months after the successful satisfaction of the Joint Venture Profitability test; or
 - 2. start operating a substantially equivalent route or routes (measured in terms of total block hours and ASMs) within 18 months after the successful satisfaction of the Joint Venture Profitability test, with the announcement to occur no later than 12 months after the successful satisfaction of the Joint Venture Profitability test. The substantially equivalent route or routes must have not been announced prior to the date of request of the Joint Venture Profitability test; or

3. cease placing the HA or HA* code on the relevant segment or segments of the Joint Venture Market operated by the other Joint Venture air carrier (the “OAL”).

5. Information Sharing

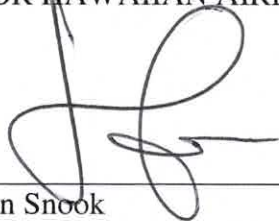
- a. The Company will share the information described below with the Scope Review Committee, upon execution of a commercially standard confidentiality agreement if necessary.
- b. Monthly Report: The Company will provide a monthly report which will contain:
 - (i) HA* passengers traveling on the flights of the OAL on Trunk Routes, and on routes beyond and behind Trunk Routes
 - (ii) OAL* passengers traveling on HA flights on Trunk Routes, and on routes beyond and behind Trunk Routes
- c. Quarterly Meeting: The Scope Review Committee will meet quarterly to review the following information:
 - (i) Equity stakes in any Foreign or Domestic Air Carrier
 - (ii) Block hours, broken down, on a quarterly basis, by fleet within the Joint Venture
 - (iii) ASMs, broken down, on quarterly basis, by markets within the Joint Venture
 - (iv) Any agreement, arrangement or plan the Company has, that provides or that could provide for the creation of a new Foreign Air Carrier over which the Company has Control and the substance of or describing any such agreement, arrangement or plan.
 - (v) HA* passengers traveling on OAL flights
 1. On Trunk Routes
 2. On routes beyond and behind Trunk Routes
 - (vi) OAL* passengers traveling on HA flights
 1. On Trunk Routes
 2. On routes beyond and behind Trunk Routes
- d. The Company will share the information described below, upon execution of a commercially standard confidentiality agreement, with the Scope Review Committee Chairman, the MEC President, AFA Economic & Financial Analyst and AFA Legal Counsel.
 - (i) The Joint Venture revenue sharing formula when it is finalized; and
 - (ii) On an annual basis, the Revenue Share Statement or similarly titled document prepared in accordance with the Joint Venture Agreement.
- e. The Company will provide all the above listed information in hard copy or PDF format.

6. In the event of a lawful primary system-wide strike against Hawaiian Airlines by Hawaiian flight attendants, no airline that is a party to a Joint Venture Agreement with Hawaiian Airlines will operate any HA or HA* itineraries at any time during the strike.

7. Any and all disputes concerning alleged violation of this Letter of Agreement shall be resolved by final and binding arbitration. The Company and its Affiliates specifically agree to arbitrate any grievance permitted under the Railway Labor Act filed by the Association alleging violation of this Letter of Agreement on an expedited basis directly before the System Board of Adjustment sitting with a neutral member. All provisions of the Railway Labor Act shall bind the Arbitrator. 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 that is issued. The parties further expressly agree that any violation of this Letter of Agreement shall constitute irreparable injury for which no adequate remedy at law exists.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on this 21 day of November 2019.

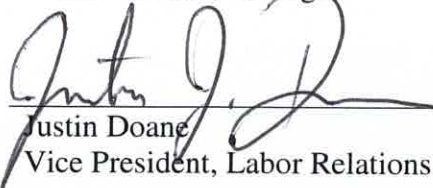
FOR HAWAIIAN AIRLINES, INC.:



Jon Snook
Executive Vice President, Chief
Operating Officer



Robin Sparling
Vice President, In-Flight



Justin Doane
Vice President, Labor Relations

FOR THE
ASSOCIATION OF FLIGHT
ATTENDANTS-CWA, AFL-CIO:

Sara Nelson
AFA International President



Sharon Soper
MEC President



Paula Mastrangelo
AFA Sr. Staff Negotiator