

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

A. Group Life

1. Effective July 1, 2001, the Company will provide to all full-time Flight Attendants who have been employed by the Company for more than one hundred and eighty (180) days, Group Life coverage and Accidental Death and Dismemberment insurance in the amounts noted below at no cost to the employee. 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. These benefits shall be on a twenty-four (24) hour basis including coverage while acting in the capacity of a crew member for Hawaiian Airlines, Inc.

If Annual Salary is:	Basic Life	AD & D
\$9,000 & Under	\$36,000	\$36,000
9,001 - 10,000	40,000	40,000
10,001 - 11,000	44,000	44,000
11,001 - 12,000	48,000	48,000
12,001 - 13,000	52,000	52,000
13,001 - 14,000	56,000	56,000
14,001 - 15,000	60,000	60,000
15,001 - 16,000	64,000	64,000
16,001 - 17,000	68,000	68,000
17,001 - 18,000	72,000	72,000
18,001 - 19,000	76,000	76,000
19,001 - 20,000	80,000	80,000
20,001 - 21,000	84,000	84,000
21,001 - 22,000	88,000	88,000
22,001 - 23,000	92,000	92,000
23,001 - 24,000	96,000	96,000
24,001 - 25,000	100,000	100,000
25,001 & over	104,000	104,000

2. An accelerated death benefit provision shall be added to the group life insurance plan effective July 1, 2001. This provision will provide a pay out of not less than fifty percent (50%) of a Flight Attendant's basic and optional group life insurance benefit if life expectancy is six (6) months or less as certified by a doctor and as approved by the insurance company.

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

3. Flight Attendants may purchase optional Life and Accidental Death and Dismemberment coverage in amounts noted above. If the Company procures rates for either the present or additional optional insurance at lesser rates than at present, the Company will charge Flight Attendants the lesser rate for optional insurance.
4. For Flight Attendants on long-term disability, medical leave of absence or Workers' Compensation, basic Group Life insurance premiums will continue to be paid by the Company for up to nine (9) months of continuous disability or after sick leave has been exhausted, whichever is later. If the Flight Attendant becomes disabled before age sixty-five (65), she/he may make application to the insurance carrier for waiver of premium benefit after nine (9) months of continuous disability. If the application is approved, coverage is continued at no cost to the Flight Attendant for the duration of the disability, up to the earlier of retirement or the age at which LTD benefits cease to be payable under the plan, as long as the disability is certified each year and the coverage is in compliance with applicable law. If a waiver of premium application is denied, the Flight Attendant, at her/his own expense, shall be permitted to continue coverage at the Company's group rates for as long as she/he is on the Flight Attendants' System Seniority List.
5. Beginning with the month following application therefore, an eligible employee may purchase, through payroll deduction, \$5,000 of Group Life insurance for her/his 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 their 20th birthday. Seventy-five percent (75%) of the eligible employees must sign up for this coverage before it will become effective.

B. Long Term Disability (LTD)

1. The Company will provide to all Flight Attendants covered by this Agreement, who have been employed in a full-time capacity for a period of three (3) continuous months, Long

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

Term Disability (LTD) insurance in accordance with the following benefit structure.

2. Core LTD Benefits

a. Effective June 1, 2001, the Company shall provide core LTD benefits equal to fifty percent (50%) of the Flight Attendant's average basic monthly salary (for the purpose of LTD, average basic monthly salary shall be defined as W2 and tax deferred earnings, less imputed life, taxable domestic partner benefits, per diem, waiver of medical premiums, bonus/profit sharing, and/or any one-time, non-recurring item) earned for the twelve (12) months (exclusive of leaves) immediately prior to the date of disability (benefits not to exceed two thousand dollars (\$2,000) per month) for all disabilities not covered by Workers Compensation.

b. Company provided self-insured core LTD benefits shall be paid to an eligible disabled Flight Attendant starting with the ninety-first (91st) day after her/his last day of active employment due to disability or at the expiration of sick leave benefits, whichever occurs later, and continuing until the two hundred seventieth (270th) day. Thereafter, an eligible Flight Attendant's core LTD benefit coverage will be administered by the Company's LTD insurance carrier. Receipt of core LTD benefit payments under the Company's self-insured benefit program does not necessarily guarantee that the Company's LTD insurance carrier will approve a Flight Attendant's disability application for continuation of core LTD benefits after the initial two hundred seventy (270) days of coverage.

3. Optional LTD Benefits

Effective April 1, 2002, Flight Attendants may elect to purchase either one of the following optional LTD coverages. Optional LTD benefits are effective two hundred seventy one (271) days after the last day of active employment due to disability or at the expiration of sick leave benefits, whichever occurs later. Optional LTD benefits are administered by the

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

Company's LTD insurance carrier. Receipt of core LTD benefit payments under the Company's self-insured benefit program does not necessarily guarantee that the Company's LTD insurance carrier will approve a Flight Attendant's disability application for payment of optional LTD benefits.

Option 1: Sixty percent (60%) of average basic monthly salary (as defined in 32.B.2.a.) up to a maximum of three thousand dollars (\$3,000) per month.

Option 2: Sixty-six and two-thirds percent (66-2/3%) of average basic monthly salary (as defined in 32.B.2.a.) up to a maximum of three thousand five hundred dollars (\$3,500) per month.

4. LTD benefit payments shall continue with the earlier of two (2) years, retirement or age sixty-five (65) (or later if required by law), or the age at which LTD benefits cease to be payable under the plan, whichever occurs first, if the Flight Attendant is unable to perform the job held at the time of disability. If the Flight Attendant is unable to perform any type of gainful employment, LTD benefit payments shall continue until the earlier of retirement or age sixty-five (65) (or later if required by law), or the age at which LTD benefits cease to be payable under the plan, whichever occurs first.
5. Core and optional LTD benefit payments will be reduced by any amount received through the Social Security program or any other government or Company provided disability payments other than payments under the Flight Attendant 401(k) Plan.
6. A Flight Attendant disabled, as defined in the Long Term Disability program, shall be provided hospital, medical, surgical, and any applicable major medical coverage for her/him and eligible dependents provided in accordance with Subsection C. below for a period of six (6) months after exhaustion of sick leave benefits. Thereafter, at her/his own expense, she/he may continue such coverage at the Company's group rates for as long as she/he is on the Flight Attendants' System Seniority List.

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

7. Flight Attendants who are disabled due to pregnancy shall have their Long Term Disability (LTD) benefits adjusted if they apply for and are authorized State/Federal Unemployment Benefits. Flight Attendants who receive LTD and unemployment benefits shall not exceed the maximum compensation provided by the LTD plan.

Example: A pregnant Flight Attendant is disabled and qualifies for LTD. Her average compensation is \$4,200 per month. Therefore, she is eligible for a core LTD payment of \$2,000 per month (50% x \$4,200, to a maximum of \$2,000). If the Flight Attendant collects unemployment benefits at \$200 per week, or \$800 per month, she shall be eligible for not more than \$1,200 from her core LTD benefits for a total combined compensation of \$2,000 per month.

LTD Option 1: The same Flight Attendant purchased Option 1 with a maximum buy up of \$3,000 per month. Therefore, she is eligible to receive combined core and buy-up LTD benefits of \$2,520 per month (60% x \$4,200, to a maximum of \$3,000). If the Flight Attendant collects unemployment benefits at \$200 per week, or \$800 per month, she shall be eligible for \$1,720 per month (\$2,520 less \$800) per month. A portion of the LTD benefit is taxable and a portion of the LTD benefit is non-taxable based on the Company's overall premium allocation.

LTD Option 2: The same Flight Attendant purchased Option 2 with a maximum buy up of \$3,500 per month. Therefore, she is eligible to receive combined core and buy-up LTD benefits of \$2,800 per month (66-2/3% x \$4,200, to a maximum of \$3,500). If the Flight Attendant collects unemployment benefits at \$200 per week, or \$800 per month, she shall be eligible for \$2,000 (\$2,800 less \$800) per

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

month. A portion of the LTD benefit is taxable and a portion of the LTD benefit is non-taxable based on the Company's overall premium allocation.

C. Health and Dental

1. In the event the amount paid by a Flight Attendant, either on her/his behalf or on behalf of one or more of her/his dependents, exceeds one thousand five hundred dollars (\$1,500) with respect to a calendar year covered by the medical insurance, such medical program under which the Flight Attendant 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 expenses which are covered and included as part of the medical plan.

2. Medical

- a. The Company will offer the medical plan options as set forth below.
 - (1) HMSA Preferred Provider Plan (PPP) – Hawaii and, effective January 1, 2002, California based Flight Attendants
 - (2) Kaiser Health Plan B (HMO) – Hawaii and California based Flight Attendants
 - (3) Health Plus (HMO) – Flight Attendants who reside in the state of Washington only as long as, and on the same terms as, the plan is available to pilots domiciled in Washington state
- b. In order to be considered within the HMSA PPP extended network outside of the state of Hawaii, the plan must achieve a penetration level of fifty percent (50%) with respect to all hospitals and licensed doctors within a Flight Attendant's geographical area.
 - (1) Until the HMSA PPP extended network is activated, Flight Attendants would continue to pay the same monthly contribution as the Flight Attendants in Hawaii pay for their HMSA PPP medical coverage.

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

- (2) HMSA PPP eligible charges will be determined based upon charges within the Flight Attendant's geographical area only and when available in such Flight Attendant's geographical area.
- (3) A geographical area shall be defined as the State in which the Flight Attendant's primary residence is found.
- c. For eligible and medically necessary services rendered outside the State of Hawaii, HMSA will pay benefits based on eligible charges for the same or substantially similar services rendered in the State of Hawaii.
- d. When the eligible charge for a covered service rendered outside the State of Hawaii is less than the provider's actual charge for that service, HMSA may increase the benefits to pay the average percentage of charges paid by HMSA for the same or similar services rendered in the State of Hawaii.
- e. Eligible dependents shall include spouse and Dependent children up to the age of nineteen (19) and through age twenty-four (24) if unmarried and a full-time student.
- f. Effective July 1, 2001, the lifetime maximum Limitation under the HMSA PPP, and Health Plus shall be five million dollars (\$5,000,000) per person, with an annual renewal of ten thousand dollars (\$10,000) implemented on a prospective basis.
- g. Effective June 1, 2005, the Company-provided health coverage will include acupuncture and chiropractic coverage if available.
- h. Flight Attendant Contributions
 - (1) Effective January 1, 1993, Flight Attendants will make contributions by way of payroll reduction to the cost of their health care plan(s). Contributions shall be deducted on a pre-tax basis based on IRS guidelines.

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

- (2) A Flight Attendant participating in a HMO alternative plan will pay the same monthly contribution as a Flight Attendant participating in the HMSA PPP.
- (3) Flight Attendants will make the following contributions by way of payroll deduction to the cost of their health care plan(s). The monthly contribution not to exceed the lesser of:
 - (a) 1.5% (for single coverage) or 2% (for two-party or family coverage) of his or her monthly compensation; or
 - (b) "Dollar caps" to be applied as set forth in the chart below:

Single	Two-Party	Family
\$60	\$150	\$180

- (4) The Company agrees that the terms and conditions of Flight Attendant contributions to the health plan shall be the same as those for all employees, including those represented by the International Association of Machinists and the Airline Pilots Association provided that if another employee group negotiates terms and conditions that are more onerous to the employee than those stated in this subsection, Flight Attendants shall not pay more than the amounts set forth in this subsection.
- (5) The Company further agrees that if at any time, any other contract or non-contract employee group is not required to contribute to the premium(s) for their health plan(s), the provisions of this subsection shall drop dead, and Flight Attendant contributions shall cease concurrently with the date of the other group's cessation of premium contribution(s).

3. Medical Waiver Program

- a. Upon meeting eligibility requirements in the program a Flight Attendant who elects to waive medical plan

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

coverage through the Company would be eligible for annual taxable payments as follows:

- (1) Five hundred dollars (\$500) for single coverage.
- (2) One thousand dollars (\$1,000) for a Flight Attendant with one (1) eligible dependent.
- (3) One thousand five hundred dollars (\$1,500) for family coverage.

- b. Guidelines for the Medical Waiver Program will be established by the Company based on requirements of the Hawaii Prepaid Health Care Act. Effective May 1, 2001, reimbursement for waiver of single coverage will apply to eligible Flight Attendants whose spouse is also an employee of Hawaiian Airlines.

4. Premium Conversion and Flexible Spending Plans

- a. All eligible Flight Attendants will be able to participate in a Health Care Expense Account which allows them to be reimbursed on a pre-tax basis for eligible medical, prescription drug, vision and dental expenses not paid for by insurance up to a maximum of five thousand dollars (\$5,000) per year (subject to Internal Revenue Code limits).
- b. All eligible Flight Attendants will be able to participate in a Dependent Care Assistance Account which allows them to be reimbursed on a pre-tax basis for eligible expenses such as day care for their dependent children up to a maximum of five thousand dollars (\$5,000) per year (subject to Internal Revenue Code limits).
- c. The health and dependent care flexible spending arrangements were established in accordance with Code Sections 105(b), 125 and 129.
- d. Effective January 1, 1993, the Company established a premium conversion plan (in accordance with IRS Code Section 125) which allows eligible Flight Attendants to pay for medical premium contributions on a pre-tax basis.

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

5. Drug and Vision Care

The Company shall continue to provide the drug and vision care programs available under either Hawaii Medical Service Association, Kaiser Foundation Health Plan, or Health Plus, depending under which health plan the individual Flight Attendant is presently covered. Effective July 1, 2005, Prescription Drug Coverage provisions shall be: HMSA- \$2/ Generic and \$5/Brand name. (No Change to Kaiser.) The cost of the drug and vision plan will be borne by the Company. Effective July 1, 2001 vision benefit coverage for lenses, frames and contacts shall be as follows:

- a. One hundred percent (100%) of lenses for glasses
- b. Forty dollars (\$40.00) for frames
- c. Forty-five dollars (\$45.00) for contact lenses
- d. Eye exam- 80% coverage

6. Dental Care Plan

The Company will provide all full-time Flight Attendants who have been employed for a period of twelve (12) months, and their eligible dependents, the Hawaii Dental Service Plan at no cost to the Flight Attendant. Part-time Flight Attendants shall be covered by this program after accruing one (1) year of seniority. In determining when the twelve (12) month service requirement has been met, each two (2) months of service as a part-time Flight Attendant will count as one (1) month of full-time service.

- a. Effective July 1, 2001, or as noted, the Company shall provide the following dental coverage as provided by the Hawaii Dental Service and Delta Dental of California for eligible Flight Attendants and their eligible dependents:

(1) 100% of Usual Customary and Reasonable (UCR) fees for:

- Examination (once every 12 months)
- Bitewing x-rays (2 x-rays every 6 months)
- Other x-rays
- Prophylaxis (once every 6 months)
- Palliative Treatment

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

- (2) 70% UCR for: (75% effective January 1, 2003)
Stannous Fluoride (once every 12 months through age 17)
Restorative Dentistry
Oral Surgery
Endodontics
Periodontics
 - (3) 50% UCR for:
Prosthodontics - Bridges, partial and full dentures
Crowns and gold restorations
 - (4) 60% UCR for:
Orthodontia for dependent children with a lifetime maximum of \$1,500 per case
 - (5) Effective July 1, 2001, the annual dental maximum was eliminated.
- b. The Company will provide to Flight Attendants at their own expense orthodontic coverage at least equal to that provided for dependents. Effective 7/1/05, only Flight Attendants on the System Seniority List as of February 18, 2005 shall be eligible for this provision.
- 7. The Company shall continue to provide, for furloughed Flight Attendants, who have been employed by the Company for more than one hundred and eighty (180) days, the medical coverage in effect as of the date of such furlough for a period of up to sixty (60) days. Thereafter, such coverage shall be extended at the Flight Attendant's expense for as long as she/he remains on the seniority list and makes current payment of premiums as they become payable. Payment for such coverage must be received in the Employee Benefits Department by the twentieth (20th) of the month prior to the month covered.
 - 8. Flight Attendants working part-time shall have the option of obtaining health coverage and, after accruing one (1) year of longevity, dental coverage by paying one-half (½) of the premium directly to the Employee Benefits Department by the twentieth (20th) of the month prior to the month covered. The

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

Company shall pay one-half (½) of the premiums for Flight Attendants electing such coverage.

9. The Company will continue to extend for sixty (60) days the medical coverage to the surviving eligible dependents of a Flight Attendant who dies while in the service of the Company, as in effect as of the date of her/his death, including any improvements for as long as they maintain their dependent status. Thereafter, such group coverage shall be extended at the survivors' expense for as long as they maintain their eligible dependent status and make payments of premiums as they become payable. Payment of such coverage must be received by the Employee Benefits Department by the twentieth (20th) of the month prior to the month covered.
10. The Company shall continue to pay for medical, dental, life and AD& D insurance coverage for Flight Attendants (and their eligible dependents) who are on occupational injury/illness leave for six (6) months after the Flight Attendant has stopped receiving compensation in any form from the Company (e.g. salary continuance, sick leave, vacation, light duty compensations). Thereafter, the Flight Attendant may continue the coverage(s) at her/his own expense under the provisions of COBRA.
11. Any medical or dental services requested by the Company shall be paid for in full by the Company.

D. Domestic Partner Benefits

Effective October 1, 2001, same sex domestic partners of Flight Attendants will be eligible for dependent coverage under Medical/Dental/Dependent Life Insurance/Bereavement/FMLA/HFLL and COBRA. The Flight Attendant will be responsible for all applicable taxes. Guidelines for eligibility for Domestic Partner coverage will be established by the Company.

E. Long Term Care Option

Effective March 1, 2002, the Company will offer an Optional Long Term Care (LTC) Program at Flight Attendant expense. Flight Attendants will be given the choice of two (2) options. Features of

**HAWAIIAN AIRLINES
FLIGHT ATTENDANT AGREEMENT**

SECTION 32: INSURANCE AND BENEFITS

the Program will be agreed to by the Association and the Company.

- F. Nothing herein shall be construed to reduce any benefit or coverage in effect as of the effective date of this Agreement. If the modifications described herein would otherwise result in a decreased benefit with respect to any change, expense or loss, the provisions of the coverage in force immediately prior to the execution of this Agreement shall apply.

(INTENTIONALLY BLANK)