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U.S. BANKRUPTCY COURT
DISTRICT OF HAWAII
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Proposed Counsel for Debtor
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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF HAWAII**

In re

HAWAIIAN AIRLINES, INC.,
a Hawaii corporation,

Debtor.

Case No. 03 - *00817*
(Chapter 11)

**APPLICATION OF DEBTOR FOR
ORDER AUTHORIZING THE
RETENTION AND EMPLOYMENT OF
ERNST & YOUNG LLP AS**

**INDEPENDENT AUDITORS,
ACCOUNTANTS; EXHIBITS A AND B;
PROPOSED ORDER**

Date: March 21, 2003
Time: 2:30 P.M.
Judge: Hon. Robert J. Faris

Hawaiian Airlines, Inc., as debtor and debtor in possession (the “Debtor”), by and through its undersigned proposed co-counsel, files this Application for an Order Authorizing the Retention and Employment of Ernst & Young LLP (“Ernst & Young”) as Auditors and Accountants and Tax Service Providers (the “Application”). In support of the Application, the Debtor submits (i) the Affidavit of Lawrence D. Rodriguez a Partner of Ernst & Young (the “Rodriguez Affidavit”), a copy of which is attached hereto as Exhibit A and (ii) engagement letters attached hereto (individually, the “Engagement Letter” or collectively, the “Engagement Letters”), which are incorporated herein by reference. The Debtor respectfully represents as follows:

I. JURISDICTION

1. This Court has jurisdiction over the subject matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. § 1409. The instant proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The Court possesses the requisite authority to grant the relief requested herein pursuant to section 327(a) and 328(a) of title 11 of the United States Code.

II. BACKGROUND

2. On March 21, 2003 (the “Petition Date”), the Debtor filed a petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Hawaii (the “Bankruptcy Court”). Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtor is operating its businesses and managing its properties as a debtor in possession. No trustee, examiner or committee of creditors has been appointed in the Debtor’s chapter 11 case.

3. The Debtor was incorporated in January of 1929 under the laws of the Territory of Hawaii and is currently a subsidiary of Hawaiian Holdings, Inc. (“Hawaiian Holdings”),¹ a Delaware corporation whose common stock is traded on the American Stock Exchange and Pacific Exchange under the ticker symbol “HA.” As part of the regular Securities and Exchange Commission filings of Hawaiian Holdings, Hawaiian Holdings reports its financial and operating results with those of the Debtor on a consolidated basis.

The Debtor’s Business

4. The Debtor is engaged primarily in the scheduled transportation of passengers, cargo and mail. The Debtor’s passenger airline business is its chief

¹ Hawaiian Holdings holds 49.1% of the outstanding common stock of the Debtor directly. The remaining 50.9% of the outstanding common stock of the Debtor is held by AIP, Inc. (“AIP”), a wholly-owned subsidiary of Hawaiian Holdings.

source of revenue. Principally all of the Debtor's flights either originate or end in the state of Hawaii. The Debtor provides passenger and cargo service from Hawaii, predominately Honolulu, to the cities of Los Angeles, Ontario, Sacramento, San Diego and San Francisco, California; Seattle, Washington; Portland, Oregon; Phoenix, Arizona; and Las Vegas, Nevada (the "Transpacific Routes"). The Debtor also provides non-stop service between and among the six major islands of the state of Hawaii (the "Interisland Routes") and weekly service to each of Pago Pago, American Samoa and Pepeeete, Tahiti in the South Pacific (the "South Pacific Routes"). Charter service is provided from Honolulu to Anchorage, Alaska (the "Charter Routes"). Based upon the Debtor's operating revenues, the Debtor is the largest airline headquartered in Hawaii.

5. Based on its unaudited results, the Debtor had a net loss of approximately \$58 million for the twelve months ended December 31, 2002 ("Year 2002") on operating revenue of approximately \$632 million for the same period. In comparison, for the twelve months ended December 31, 2001 ("Year 2001"), the Debtor reported net income of approximately \$5 million on operating revenue of approximately \$612 million for the same period. The Debtor's assets and liabilities, as of December 31, 2002, were approximately \$256 million and \$399 million, respectively. The Debtor's reported assets and liabilities, as of December 31, 2001, were approximately \$305 million and \$327 million, respectively.

6. The Debtor is party to a network of agreements among airlines. Because of the interdependent nature of airline operations, coordination among airlines, provision of airline services, and efficient service by the airline industry to the traveling public, in general, would be virtually impossible without such agreements. Among other things, these agreements facilitate cooperation among airlines with respect to such critical activities as making reservations and transferring passengers, packages, baggage and mail among airlines.

The Debtor's Fleet

7. Beginning in the fourth quarter of 1999, the Debtor initiated a plan to replace its entire fleet of McDonnell Douglas DC-9 aircraft used to service its Interisland Routes. This effort was completed in the first quarter of 2002, with the Debtor taking delivery of thirteen Boeing 717-200 aircraft (the "717 Aircraft").

8. Similarly, in the fourth quarter of 2001, the Debtor initiated a plan to replace, by June 2003, its entire fleet of McDonnell Douglas DC-10 aircraft (the "DC-10 Aircraft") used to service the Transpacific Routes, South Pacific Routes and Charter Routes (the "Overseas Routes") with sixteen Boeing 767-300ER aircraft (the "767 Aircraft"). To date, the Debtor has taken delivery of ten new and four used Boeing 767-300ER aircraft and has returned eleven DC-10 Aircraft leased from Continental Airlines, Inc. and a subsidiary of American Airlines, Inc

("American"). The Overseas Routes are currently serviced by fourteen Boeing 767-300ER aircraft.

9. All of the Debtor's aircraft are leased from various lessors under either financing or operating leases. Three of the Debtor's 767 Aircraft are leased under fifteen-year operating leases with a subsidiary of Ansett Worldwide Aviation Services, Inc. ("Ansett") and were delivered to the Debtor in the fourth quarter of 2001. Four 767 Aircraft were delivered in 2002 under seven-year operating leases with International Lease Finance Corporation. Seven of the Debtor's 767 Aircraft are leased under eighteen-year operating leases from Ansett and a subsidiary of Boeing Capital Corporation ("Boeing"). Each of the 717 Aircraft is leased under an eighteen-year leveraged financing lease with Boeing. The Debtor's four remaining DC-10 Aircraft are leased under operating leases with American and B.C.I. Leasing.

Employees

10. The Debtor has approximately 3,200 active employees, approximately 2,600 of which are employed on a full time basis. The majority of the Debtor's employees are covered by labor agreements with the International Association of Machinists and Aerospace Workers (AFL-CIO) ("IAM"); the Airline Pilots Association, International ("ALPA"); the Association of Flight Attendants ("AFA"); the Transport Workers Union ("TWU"); or the Employees of the

Communications Section (“Communications Section”). Each of these labor agreements, other than the contract with the seven-member Communications Section, was renegotiated in 2000 or 2001, and will be subject to renegotiation again in 2004 or 2005.

Previous Restructurings

11. On September 21, 1993, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the Bankruptcy Court (the “1993 Bankruptcy”).² Following confirmation of the Debtor’s plan of reorganization in the 1993 Bankruptcy on August 30, 1994, the Debtor successfully emerged from the 1993 Bankruptcy. Thereafter, on August 29, 2002, the Debtor was restructured from a public company into a wholly-owned subsidiary of Hawaiian Holdings and AIP (the “Restructuring”). As part of the Restructuring, the stockholders of the Debtor became stockholders of Hawaiian Holdings and Hawaiian Holdings assumed sponsorship of the Debtor’s existing stock agreements. Prior to the Restructuring, the common stock of the Debtor was publicly traded on the American Stock Exchange and Pacific Exchange under Hawaiian Holdings’ ticker symbol of “HA.”

² United States Bankruptcy Court, District of Hawaii, Case No. 93-01074.

The Debtor's Current Financial Crisis

12. The Debtor's current financial crisis was precipitated by a confluence of factors relating, in large part, to the depressed economic conditions of both the United States and Japan. These factors include: (a) decreased fare revenue, (b) high aircraft lease costs, (c) high labor costs and (d) increased insurance, security and fuel costs. Although the terrorist attacks of September 11, 2001 are one of the most obvious and publicized reasons for the Debtor's current financial crisis, it is the significant, though related, decline in the economies of the United States and Japan that has most contributed to the necessity of the Debtor's chapter 11 filing.

13. Following the events of September 11, 2001, the Debtor has seen a marked and dramatic reduction in the demand for travel to and within the islands of Hawaii. This reduced demand has been exacerbated by the flagging economies of the United States and Japan since that time. The demand for vacation travel, which historically has been the Debtor's greatest source of income, has been most affected by the economic decline. In order to attract passengers, airlines, including the Debtor, have been forced to lower their fares. The introduction of "low cost carriers," such as Jet Blue, has led to a further reduction in fare structure, as national airlines have been forced to reduce ticket prices to remain competitive. The combination of fewer ticket sales made at reduced fares continues to impact the Debtor's revenue and earnings negatively.

14. Beginning in late 1999, as discussed above, the Debtor began a refueling process under which its aging fleet of McDonnell Douglas DC-9 aircraft and DC-10 Aircraft would be completely replaced by the end of 2003. By July of 2001, the Debtor had entered into the last of its agreements with lessors that would provide the aircraft for this refueling. Although the terms of these agreements were considered to be fair and at market rates when agreed to, the subsequent and unforeseen decline in economic conditions in the United States and abroad have caused the terms of such leases to be highly unfavorable. Because its aircraft lease costs are grounded in economic assumptions that have failed to materialize, the Debtor has been forced to shoulder the crippling costs of over-market leases. For the Year 2002, expenses associated with the Debtor's aircraft leases made up 12% of its total operating expenses.

15. Similarly, because the Debtor's union agreements were renegotiated in 2000 and 2001, the Debtor's labor costs have not been in line with current economic conditions. Based upon market assumptions made in 2000 and pre-September 11, 2001, the Debtor's labor costs have exceeded what the Debtor could realistically maintain based upon its revenues. This relative increase in labor costs, as compared to revenue, has negatively impacted the Debtor's ability to remain a viable enterprise. For the Year 2002, the Debtor's labor costs made up 30% of its total operating expenses.

16. As a direct result of the events of September 11, 2001 and the long-standing international crises in the Middle East, the Debtor has seen increases in several of its cost centers. For instance, insurance rates associated with airline operations have increased substantially as compared to pre-September 11, 2001 rates. Because of increased airline security requirements, the Debtor also has been faced with increased security expenditures. Moreover, fuel costs, which made up approximately 14% of the Debtor's operating expenses for Year 2002, also have steadily increased during this period. These increased costs, in the face of declining revenues, have further weakened the Debtor's ability to succeed as a going-concern.

Prepetition Activities

17. The two largest controllable components of the Debtor's cost structure are labor and aircraft costs. These are, therefore, the two areas upon which the Debtor had focused prior to the Petition Date in trying to accomplish a successful out-of-court financial and operational restructuring. To that end, the Debtor has, particularly within the past year, been actively negotiating with both its aircraft lessors and labor unions to reduce its aircraft and labor costs, respectively. These negotiations have continued up until the Debtor's bankruptcy filing. On February 20, 2003, the Debtor's employees represented by IAM agreed to \$3.8 million in concessions. On March 6, 2003, the Debtor's employees represented by ALPA

reached an agreement with the Debtor with respect to approximately \$8 million in concessions. Similarly, on March 11, 2003, the Debtor's employees represented by AFA agreed to approximately \$3.5 million in concessions. Although the Debtor and its labor unions have made great progress in these negotiations, it now appears that the only practicable way for the Debtor to reorganize is under the protection afforded to it under the Bankruptcy Code, as the Debtor has not been successful in its attempts to negotiate significant concessions from its aircraft lessors.

III. RELIEF REQUESTED

18. The Debtor desires to retain and employ Ernst & Young as their auditors and accountants, to continue to perform auditing and accounting services, as described herein and consistent with the terms and conditions of the attached Engagement Letters or in any other engagement letter as may be subsequently entered into between Ernst & Young and the Debtor. The Debtor has previously employed Ernst & Young as its auditors, accountants and tax service providers. On account of this previous employment by the Debtor, Ernst & Young has considerable knowledge concerning the Debtor and is already familiar with the Debtor's business affairs to the extent necessary for the scope of the proposed and anticipated services. Such experience and knowledge will be valuable to the Debtor in its efforts to reorganize. Accordingly, the Debtor wishes to retain Ernst

& Young to provide such services during these cases. The Debtor respectfully requests that the Court authorize Ernst & Young's retention as of the Petition Date.

19. The Rodriguez Affidavit and the Engagement Letters attached hereto describe the various services that Ernst & Young anticipates performing for the Debtor. The Debtor anticipates that future services to be provided by Ernst & Young pursuant to any subsequently entered into engagement letters will be substantially similar as to scope and hourly rates, but Ernst & Young's rates may be adjusted to reflect additional complexity or issues associated with items specified herein or for other reasons.

Ernst & Young's Qualifications

20. Ernst & Young has significant qualifications and experience in performing the scope of work described below. The firm's experience in auditing, accounting and tax matters is widely recognized, and it regularly provides such services to large and complex business entities. Ernst & Young has extensive experience in delivering auditing, accounting and tax services in chapter 11 cases.

21. The Debtor believes that Ernst & Young is well qualified and able to perform auditing and accounting services for the Debtor in a cost-effective, efficient and timely manner.

Services to be Provided by Ernst & Young

22. The general nature and extent of services that Ernst & Young may perform for the Debtor include, as may be requested by the Debtor and as may be agreed to by Ernst & Young, the following:

- i. auditing and reporting on the financial statements of the Debtor for the years ending December 31, 2002 and 2003;
- ii. audit and report on the financial statements and supplemental schedules of the employee benefit plans of the Company for years ending December 31, 2002 and 2003;
- iii. providing such other audit, accounting and tax services, as may be requested by the Debtors and as may be agreed to Ernst & Young; and
- iv. assist the Company in its preparation and documentation of certain specific internal controls identified during Ernst & Young's procedures that are currently in place over financial reporting for significant accounts and processes of the Company, and to report any recommendations for improvements in the controls Ernst & Young may identify as a result of this assistance.

Payment of Fees and Expenses

23. Subject to the Court's approval and pursuant to the terms of the Rodriguez Affidavit, Ernst & Young intends to charge fees and seek reimbursement of expenses as set forth herein or in the Engagement Letters.

24. For services (including, without limitation, services other than the work described in herein), or if Ernst & Young is required to perform unanticipated work, Ernst & Young will charge fees based on its regular hourly rates. The rates by classification are, at present:

Partners & Principals	\$450-500
Senior Managers	\$365-430
Managers	\$265-320
Seniors	\$200-240
Staff	\$150-175

In the normal course of business, Ernst & Young revises its regular hourly rates to reflect changes in responsibilities, increased experience and increased costs of doing business. Accordingly, Ernst & Young requests that the aforementioned rates or any of its hourly rates for services provided for the Debtor be revised to the regular hourly rates that will be in effect from time to time. Changes in regular hourly rates will be noted on the invoices for the first time period in which the

revised rates become effective. Except as provided below for fixed fees services, the professional fees charged for Ernst & Young's services are calculated from the actual hours expended in providing the services multiplied by the normal hourly billing rates for the specific personnel involved. In addition, Ernst & Young's expenses, including but not limited to travel, report production and delivery services will be included in the total amount billed. Ernst & Young will maintain detailed, contemporaneous records of time incurred in connection with the fees charged based on hourly billing rates by category and nature of the service rendered.

25. In addition to the hourly fee rates described above, Ernst & Young will charge a fixed fee of \$50,000 for its audits of the financial statements and supplemental schedules of (i) the Hawaiian Holdings, Inc. 401(k) Savings Plan, (ii) the Hawaiian Holdings, Inc. Pilots' 401(k) Plan, (iii) the Hawaiian Holdings, Inc. 401(k) Plan for Flight Attendants, (iv) the Hawaiian Airlines, Inc. Pension Plan for Salaried Employees, (v) the Retirement Plan for Pilots of Hawaiian Airlines, Inc., and (vi) the Hawaiian Airlines, Inc. Pension Plan for Employees Represented by the International Association of Machinists as described in the March 21, 2003 engagement letter for such services attached hereto. Such engagement letter provides that, in accordance with any applicable orders of the Court, (i) upon receipt of invoices briefly summarizing the services performed, Hawaiian will be

authorized to pay Ernst & Young the billed portion of Ernst & Young's base fees without prior Bankruptcy Court approval and, (ii) in lieu of detailed time and activity records, Ernst & Young's eventual interim fee applications encompassing the services will briefly summarize the work and total hours incurred, except insofar as Ernst & Young seeks compensation beyond the base fees set forth in such engagement letter.

26. The Debtor may wish to retain Ernst & Young to perform audit and tax services for fiscal years after 2002 and other services beyond the current fiscal or tax year, but the precise terms of those engagements cannot yet be determined. If such services are requested by the Debtor and agreed to by Ernst & Young, the Debtor would send notice of the proposed engagement terms to the United States Trustee, and counsel to the committees. If no one objects or requests a hearing within 20 days, the Debtors would request entry of an order approving the terms of the proposed engagement.

27. Prior to the petition date, Ernst & Young received a retainer of \$75,000 (the "Retainer") for services to be rendered. Ernst & Young will offset the Retainer against amounts due Ernst & Young for services rendered and expenses incurred pursuant to Ernst & Young's first interim fee application. In addition to the Retainer, during the 90 days immediately preceding the petition date, the

Debtor made payments to Ernst & Young aggregating \$946,387 on account of services rendered prior thereto.

**Approval of Ernst & Young's Fee Structure Pursuant
to Section 328(a) of the Bankruptcy Code**

28. In accordance with the terms of this Application, the Rodriguez Affidavit and the Engagement Letters, the Debtor seeks approval of the fees described above (the "Fee Structure") pursuant to section 328(a) of the Bankruptcy Code. Section 328(a) provides, in relevant part, that a debtor "with the court's approval, may employ or authorize the employment of a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, or on a contingent fee basis." 11 U.S.C. §328(a). Section 328(a) therefore permits the Court to approve the proposed Fee Structure in connection with the Debtor's retention of Ernst & Young.

29. The Debtor believes that the Fee Structure is fair and reasonable and should be approved under Section 328(a) of the Bankruptcy Code. The Fee Structure appropriately reflects the nature of the services to be provided by Ernst & Young and the fee structures typically utilized by professional services firms for similar work. In sum, therefore, the Debtor believes that the Fee Structure is fair and reasonable in light of (a) industry practice, (b) market rates charged for

comparable services both in and out of the chapter 11 context, and (c) Ernst & Young's experience with respect to these services.

30. Notwithstanding the approval of the Fee Structure requested herein, all of Ernst & Young's fees in this case will be subject to approval of the Court upon proper application by Ernst & Young in accordance with Sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, fee and expense guidelines established by the U.S. Trustee and any applicable interim compensation order. Pursuant to Section 328 of the Bankruptcy Code, however, the Court may not subsequently allow Ernst & Young's compensation on terms different from the approved Fee Structure unless such compensation "prove[s] to have been improvident in light of development not capable of being anticipated at the time" the Fee Structure originally was approved. 11 U.S.C. §328(a).

Disclosure Concerning Possible Conflicts

31. To the best of Mr. Rodriguez's and Ernst & Young's knowledge, after reasonable inquiry, other than in connection with this case, Ernst & Young has no connection with the Debtor, any creditor or other parties in interest, or their respective attorneys or accountants, or the United States Trustee or any of its employees, except as described herein, in the Rodriguez Affidavit and in Exhibit A to the Rodriguez Affidavit.

32. Ernst & Young is one of the largest professional services firms in the United States and, as such, has relationships with thousands of clients (whether for accounting, auditing, tax, consulting or other services) that may be creditors of, affiliates of, or potentially adverse to the Debtor or otherwise involved in this chapter 11 case.

33. Ernst & Young intends to continue to provide services to existing and new clients that may be creditors of, affiliates or, or potentially adverse to the Debtor or otherwise involved in this chapter 11 case (including, but not limited to, existing and new clients). As described in the Rodriguez Affidavit, Ernst & Young has undertaken a detailed search to determine whether it has had any relationships with the following entities (collectively, the “Interested Parties”):

- (i) Debtor;
- (ii) Attorneys for Debtor (general counsel and special bankruptcy counsel);
- (iii) Other professionals of the Debtor retained in connection with the Chapter 11 proceeding;
- (iv) Debtor’s affiliates;
- (v) Attorneys for Debtor’s affiliates, if different from above;
- (vi) Other professionals of Debtor’s affiliates retained in connection with the Chapter 11 proceeding if different from above;
- (vii) Debtor’s officers;
- (viii) Attorneys for Debtor’s officers retained in connection with the Chapter 11 proceeding, if different from above;

- (ix) Other business affiliations of Debtor's officers;
- (x) Debtor's directors;
- (xi) Attorneys for Debtor's directors retained in connection with the Chapter 11 proceeding;
- (xii) Other business affiliations of Debtor's directors;
- (xiii) Debtor's major shareholders (beneficial owners of more than 5% of outstanding shares);
- (xiv) Attorneys for Debtor's major shareholders retained in connection with the Chapter 11 proceeding;
- (xv) Secured/DIP lenders;
- (xvi) Attorneys for secured/DIP lenders retained in connection with the Chapter 11 proceeding;
- (xvii) Substantial unsecured bondholders or lenders;
- (xviii) Attorneys for substantial unsecured bondholders or lenders retained in connection with the Chapter 11 proceeding;
- (xix) Indenture trustees;
- (xx) Attorneys for indenture trustees retained in connection with the Chapter 11 proceeding;
- (xxi) Twenty largest unsecured creditors as of the date of filing;
- (xxii) Attorneys for the twenty largest unsecured creditors retained in connection with the Chapter 11 proceeding;
- (xxiii) Other significant parties in interest including parties in material litigation against the Debtor, and/or parties to potential significant transactions with the Debtor;
- (xxiv) Attorneys for other parties in interest retained in connection with the Chapter 11 proceeding.

- (xxv) Parties to significant executory contracts and leases of the Debtor;
- (xxvi) Attorneys for the parties to significant executory contracts and leases retained in connection with the Chapter 11 proceeding;
- (xxvii) Official statutory committee members (all committees);
- (xxviii) Attorneys for the official statutory committees (for each official committee); and
- (xxvix) Other professionals for official statutory committees.

34. The identities of the Interested Parties were provided to Ernst & Young by the Debtor and are set forth on Exhibit A to the Rodriguez Affidavit. To the extent that Ernst & Young's research of its relationships with the Interested Parties indicated that Ernst & Young has provided services, or currently provides services to these entities in matters unrelated to this chapter 11 case or that Ernst & Young has other relationships with such parties, the identities of these entities are set forth in the Rodriguez Affidavit, or Exhibit A to the Rodriguez Affidavit.

35. Despite the efforts described above to identify and disclose Ernst & Young's connections with parties in interest in this case, because Ernst & Young is a nationwide firm with tens of thousands of employees, Ernst & Young is unable to state with certainty that every client relationship or other connection has been disclosed. If Ernst & Young discovers additional information that it determines requires disclosure, Ernst & Young will file a supplemental disclosure with the Court promptly.

36. To the best of the Debtor's knowledge, information and belief, Ernst & Young represents no interest adverse to the Debtor or its respective estates in the matters for which Ernst & Young is proposed to be retained. Accordingly, the Debtor believes that Ernst & Young is a "disinterested person", as defined in Section 101(14) of the Bankruptcy Code and as required by Section 327(a) of the Bankruptcy Code. The Debtor submits that the employment of Ernst & Young would be in the best interest of the Debtor and its respective estates and creditors.

Interim and Final Approval

37. The Debtor seeks approval of this Application on an interim basis; provided, however, that any party in interest shall have twenty (20) days from the date of entry of the order approving this Application (the "Order") to object to the Debtor's retention and employment of Ernst & Young. If no objection is filed and received by the Debtor and Ernst & Young in such time, the Order shall be deemed final on the twenty-first (21st) day after the date of the Order and Ernst & Young's retention and employment on a permanent basis shall be made effective nunc pro tunc to the Petition Date.

38. If a timely objection is received, the Court will set a hearing date and provide notice of such hearing to the appropriate parties.

Notice

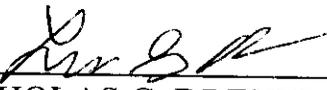
39. No trustee, examiner or creditors' committee has been appointed in the Debtor's chapter 11 case. Notice of this Application has been provided to: (i) the Office of the United States Trustee for District of Hawaii; (ii) parties appearing on the Debtor's list of creditors holding the twenty largest unsecured claims; (iii) the Securities and Exchange Commission; and (iv) the Internal Revenue Service. Given the circumstances, the Debtor submits that no other or further notice need be given.

40. No previous request for the relief sought herein has been made to this or any other court.

WHEREFORE, the Debtor respectfully requests that the Court enter an order authorizing the retention and employment of Ernst & Young as the auditors,

and accountants for the Debtor as of the Petition Date, and grant such other and further relief as this Court may deem just and proper.

Dated: Honolulu, Hawaii, March 21, 2003

By: 

NICHOLAS C. DREHER, ESQ.
THEODORE D.C. YOUNG, ESQ.
CADES SCHUTTE LLC

and

LISA G. BECKERMAN, ESQ.
DAVID SIMONDS, ESQ.
AKIN GUMP STRAUSS HAUER & FELD LLP

Proposed Counsel for Debtor and Debtor in
Possession

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Proposed Counsel for Debtor
and Debtor in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF HAWAII

In re
HAWAIIAN AIRLINES, INC.,
a Hawaii corporation,
Debtor.

CASE NO. 03- 00817 (RJF)
(Chapter 11)

**AFFIDAVIT OF LAWRENCE D.
RODRIGUEZ IN SUPPORT OF
THE DEBTOR'S APPLICATION
FOR ORDER AUTHORIZING
EMPLOYMENT AND
RETENTION OF ERNST &
YOUNG LLP AS ACCOUNTANTS**

**AND AUDITORS FOR THE
DEBTOR**

Date: *March 21, 2003*

Time: *2:30 P.M.*

Judge: Hon. Robert J. Faris

Lawrence D. Rodriguez being sworn, deposes and says:

1. I am a partner in Ernst & Young LLP ("Ernst & Young"), a professional services firm with offices located at 2400 Pauahi Tower, 1001 Bishop Street, Honolulu, Hawaii 96813, and I make this affidavit on behalf of Ernst & Young (the "Affidavit"). I submit this Affidavit in support of the Application of the Debtor in the above-captioned Chapter 11 case for an Order authorizing the employment and retention of Ernst & Young as accountants, auditors and tax services providers for Hawaiian Airlines, Inc. ("Hawaiian" or the "Debtor"), a Hawaii corporation, in this Chapter 11 case. The facts set forth in the Affidavit are based upon either my personal knowledge, upon information and belief, or in certain cases, upon client matter records kept in the ordinary course of business, which were reviewed by me or another partner or employee of Ernst & Young under my supervision and direction.

2. Hawaiian has requested that Ernst & Young serve as the Debtor's independent accountants and auditors in the Debtor's chapter 11 case in accordance with engagement letters dated March 21, 2003 (the "Ernst & Young Agreements") between Hawaiian and Ernst & Young appended to the Affidavit as

Exhibits B, C, and D. Ernst & Young has significant qualifications and experience in performing the scope of work described in the Ernst & Young Agreements. Ernst & Young's experience in accounting and auditing matters is widely recognized, and it regularly provides such services to large and complex business entities, including other airlines. Ernst & Young has extensive experience in delivering accounting and auditing services in Chapter 11 cases.

3. Copies of the Ernst & Young Agreements are submitted for approval herewith. Ernst & Young's provision of services to the Debtor is contingent upon the Bankruptcy Court's approval of each term and condition set forth in the Ernst & Young Agreements appended hereto (the "Terms and Conditions"). Included among the Terms and Conditions set forth in the Agreements is the following:

Any controversy or claim with respect to, in connection with, arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Company or of Ernst & Young) shall be brought in the Bankruptcy Court or the District Court if such District Court withdraws the reference and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have or retain jurisdiction over such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court or the District Court upon withdrawal of the reference does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to non-binding mediation; and, if mediation is not successful, then to binding

arbitration, in accordance with the dispute resolution procedures set forth in Attachment 1 to this letter. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Company, Ernst & Young and any and all successors and assigns thereof.

4. Ernst & Young is a firm of independent public accountants, as defined under the Code of Professional Conduct of the American Institute of Certified Public Accountants, operating throughout the United States. Ernst & Young is one of the four largest accounting, auditing, and tax firms in the United States. Ernst & Young is a member of Ernst & Young Global Limited (“EYGL”), a company limited by guarantee incorporated under the laws of England and Wales that has no shareholders and no capital. The member firms of EYGL have formed an operationally integrated practice, but remain separate legal entities. EYGL is a member of E&Y International (“EYI”), a company limited by guarantee, incorporated in the Cayman Islands, that has no shareholders and no capital. EYI is a network of correspondent accountant firms that have agreed to conduct their individual practices in accordance with EYI's Articles of Association

5. Ernst & Young will waive distribution of amounts owed Ernst & Young in pre-petition claims, if any, by the Debtor subject to and effective upon the Bankruptcy Court’s final approval of the engagement of Ernst & Young by Hawaiian pursuant to the application to which this affidavit is attached.

6. The compensation arrangements provided for in the Ernst & Young Agreements are consistent with and typical of arrangements entered into by Ernst & Young and other accounting firms with respect to rendering similar services for clients such as Hawaiian.

7. The amount of fees and expenses to be paid to Ernst & Young in the future will be based on the Ernst & Young Agreements, as allowed by the Bankruptcy Court. Ernst & Young will file interim applications for payment of fees and expenses with the Bankruptcy Court, in accordance with the applicable provisions of the Bankruptcy Code, Bankruptcy Rules, the local rules of this Court and any Orders of the Court. The interim applications shall set forth in reasonable detail the services performed, the professional persons providing such services, and the time spent. Ernst & Young's hourly rates, which are revised periodically, are currently as follows:

Partners & Principals	\$450-500
Senior Managers	\$365-430
Managers	\$265-320
Seniors	\$200-240
Staff	\$150-175

8. Ernst & Young will charge a fixed fee of \$50,000 for its audits of the financial statements and supplemental schedules of (i) the Hawaiian Holdings, Inc. 401(k) Savings Plan, (ii) the Hawaiian Holdings, Inc. Pilots' 401(k) Plan, (iii) the Hawaiian Holdings, Inc. 401(k) Plan for Flight Attendants, (iv) the Hawaiian Airlines, Inc. Pension Plan for Salaried Employees, (v) the Retirement Plan for Pilots of Hawaiian Airlines, Inc., and (vi) the Hawaiian Airlines, Inc. Pension Plan for Employees Represented by the International Association of Machinists as described in the March 21, 2003 engagement letter for such services attached hereto. Such engagement letter provides that, in accordance with any applicable orders of the Court, (i) upon receipt of invoices briefly summarizing the services performed, Hawaiian will be authorized to pay Ernst & Young the billed portion of Ernst & Young's base fees without prior Bankruptcy Court approval and, (ii) in lieu of detailed time and activity records, Ernst & Young's eventual interim fee applications encompassing the services will briefly summarize the work and total hours incurred, except insofar as Ernst & Young seeks compensation beyond the base fees set forth in such engagement letter.

9. Prior to the petition date, Ernst & Young received a retainer of \$75,000 (the "Retainer") for services to be rendered. Ernst & Young will offset the Retainer against amounts due Ernst & Young for services rendered and expenses incurred pursuant to Ernst & Young's first interim fee application. In

addition to the Retainer, during the 90 days immediately preceding the petition date, the Debtor made payments to Ernst & Young aggregating \$871,387 on account of services rendered prior thereto.

10. In connection with Ernst & Young's proposed retention by the Debtor, Ernst & Young has requested and obtained from the Debtor and/or their counsel the names, as applicable, of the following entities:

- (i) Debtor;
- (ii) Attorneys for Debtor (general counsel and special bankruptcy counsel);
- (iii) Other professionals of the Debtor retained in connection with the Chapter 11 proceeding;
- (iv) Debtor's affiliates;
- (v) Attorneys for Debtor's affiliates, if different from above;
- (vi) Other professionals of Debtor's affiliates retained in connection with the Chapter 11 proceeding if different from above;
- (vii) Debtor's officers;
- (viii) Attorneys for Debtor's officers retained in connection with the Chapter 11 proceeding, if different from above;
- (ix) Other business affiliations of Debtor's officers;
- (x) Debtor's directors;
- (xi) Attorneys for Debtor's directors retained in connection with the Chapter 11 proceeding;
- (xii) Other business affiliations of Debtor's directors;
- (xiii) Debtor's major shareholders (beneficial owners of more than 5% of outstanding shares);

- (xiv) Attorneys for Debtor's major shareholders retained in connection with the Chapter 11 proceeding;
- (xv) Secured/DIP lenders;
- (xvi) Attorneys for secured/DIP lenders retained in connection with the Chapter 11 proceeding;
- (xvii) Substantial unsecured bondholders or lenders;
- (xviii) Attorneys for substantial unsecured bondholders or lenders retained in connection with the Chapter 11 proceeding;
- (xix) Indenture trustees;
- (xx) Attorneys for indenture trustees retained in connection with the Chapter 11 proceeding;
- (xxi) Twenty largest unsecured creditors as of the date of filing;
- (xxii) Attorneys for the twenty largest unsecured creditors retained in connection with the Chapter 11 proceeding;
- (xxiii) Other significant parties in interest including parties in material litigation against the Debtor, and/or parties to potential significant transactions with the Debtor;
- (xxiv) Attorneys for other parties in interest retained in connection with the Chapter 11 proceeding.
- (xxv) Parties to significant executory contracts and leases of the Debtor;
- (xxvi) Attorneys for the parties to significant executory contracts and leases retained in connection with the Chapter 11 proceeding;
- (xxvii) Official statutory committee members (all committees);
- (xxviii) Attorneys for the official statutory committees (for each official committee); and
- (xxvix) Other professionals for official statutory committees.

The identities of the interested parties are set forth on Exhibit A to the Affidavit.

11. Debtor and/or Debtor's counsel stated that as of this point in time, they were unaware of any persons or entities that would fall into categories (v), (vi), (viii), (ix), (xi), (xiv), (xvi), (xvii), (xviii), (xix), (xx), (xxii), (xxiv), (xxvi), (xxvii), (xxviii), and (xxix) set forth above. As to those persons or entities identified in the remaining categories set forth in paragraph 10. above, Ernst & Young has researched its client database to determine whether Ernst & Young has provided in the recent past, or is presently providing, services to those persons/entities. To the extent that such research indicated that Ernst & Young has provided/is providing such services, the identities of those persons/entities are set forth in Exhibit A appended hereto. However, despite the efforts described above to identify and disclose services performed by Ernst & Young on behalf of or related to certain affiliates of the Debtor, Ernst & Young is unable to state with certainty that every such situation has been disclosed. In this regard, if Ernst & Young becomes aware of additional information that requires disclosure, a supplemental affidavit will be filed with the Bankruptcy Court.

12. Ernst & Young and the Canadian firm of Ernst & Young LLP ("E&Y Canada"), a member of EYGL, are separate legal entities which, through various agreements, have a close operational relationship, that, inter alia, provides for certain shared costs and services and mutual financial support and, in certain circumstances, calls for compensation payments as between the two firms. Ernst

& Young has requested E&Y Canada to conduct research with respect to services provided by it to the parties listed in Exhibit A attached hereto. The results of such research as related to the 20 largest unsecured creditors of the Debtor have not been received by E&Y but will be disclosed in a supplemental affidavit that will be filed by E&Y with the Bankruptcy Court once available. Otherwise, to the extent that such research indicated that E&Y Canada has provided/is providing such services, the identities of those persons/entities are also set forth in Exhibit A appended hereto

13. With respect to the provision of services to the entities as set forth in Exhibit A hereto and as set forth herein, to the best of my knowledge and belief none of the services rendered by Ernst & Young (except for those rendered to the Debtor prior to their filing Chapter 11) to the entities have been in connection with Debtor or this Chapter 11 case. Ernst & Young believes that these relationships will not impair Ernst & Young's ability to objectively perform professional services on behalf of the Debtor.

14. Darrell L. McKown, the lead audit partner responsible for the provision of Ernst & Young's accounting and auditing services, previously performed accounting and auditing services to American Airlines, Inc., a Party to Significant Executory Leases of the Debtor and one of the twenty largest unsecured creditors of the Debtor, during the period September 1989 through

October 2000. Mr. McKown currently does not perform any services to American Airlines, Inc. However, Mr. McKown may perform services for American Airlines, Inc. in the future. Mr. McKown will render no services to American Airlines, Inc. in connection with the Debtor or this Chapter 11 case. Ernst & Young believes that this relationship will not impair Ernst & Young's ability to objectively perform professional services on behalf of the Debtor. Otherwise, there is no commonality of professionals on the teams that service the Debtor in connection with these post-petition services and those who provide services to the entities set forth in Exhibit A appended hereto. Accordingly, Ernst & Young believes that these relationships will not impair Ernst & Young's ability to objectively perform professional services on behalf of the Debtor.

15. As part of its practice, Ernst & Young appears in cases, proceedings and transactions involving many different attorneys, financial advisors and creditors, some of which may represent or be claimants and/or parties in interest in this case. Ernst & Young will not have any relationship with such entity, attorney or financial advisor that would be adverse to the Debtor. The following professionals associated with the Debtor's case have provided in the past or are currently providing services to Ernst & Young: Akin Gump Strauss & Feld LLP, attorney for the Debtor.

16. To the best of my information and belief, Ernst & Young does not represent any interest adverse to the Debtor and will not represent any entity other than the Debtor in connection with this Chapter 11 case. The Debtor have many creditors and other parties in interest and, accordingly, Ernst & Young may have rendered in the past, may render presently, or may render in the future, accounting and/or tax services to certain of these creditors or parties in interest or may have been involved in matters in which attorneys for these creditors or parties in interest or may have been involved in matters in which attorneys for these creditors or parties in interest have been, are, or were also involved. Similarly, our many partners and principals may have business associations with certain of these creditors, which have no connection with these proceedings. Ernst & Young will not accept any engagement which would require Ernst & Young to represent an interest adverse to the Debtor in any way relating to the matters in connection with which Ernst & Young is to be engaged in this Chapter 11 case. In the ordinary course of its business, Ernst & Young may also engage counsel or other professionals in unrelated matters who now represent, or who may in the future represent, creditors or other interested parties in this proceeding.

17. The services we may currently provide or may have provided for creditors generally include: ongoing audit and tax services related to a company's financial statements and tax returns; and/or special accounting and tax

assignments related to unique issues at these companies. To the best of my knowledge, information and belief, Ernst & Young's fees for services we provided to any of the entities listed in Exhibit A are completely unrelated to any matters concerning the Debtor.

18. Bank of America, a secured creditor of the Debtor, participates in E&Y's revolving credit program. Furthermore, E&Y has borrowed long term debt from General Electric Capital Corporation, an unsecured creditor of the Debtor.

19. To the best of my knowledge, information and belief, neither the undersigned nor the professionals anticipated to assist the Debtor in these matters are connected to the judge or U.S. Trustee assigned to this matter.

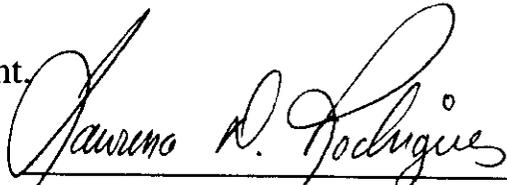
20. Accordingly, based upon the discussion herein above, Ernst & Young is a "disinterested person," as defined in section 101(14) and as required by section 327(a) of the Bankruptcy Code and, to the best of my information and belief, neither my firm nor any member thereof is connected (other than as disclosed herein or at Exhibit A appended hereto) to the Debtor or the parties set forth in paragraph 10. above.

21. Darrell L. McKown is currently seconded to Shin Nihon & Company ("SNC"), a firm of independent public accountants operating in Japan and a member firm of EYI. Under an agreement between Ernst & Young and SNC, compensation received by Ernst & Young for services Mr. McKown performs on behalf of the Debtor will be remitted to SNC. Other than as related to Mr. McKown's secondment, SNC has no role in the provision of services to the Debtor. It is anticipated that Mr. McKown will repatriate to a United States office of Ernst & Young during the latter part of 2003, at which time the above-described arrangement with SNC will terminate. Ernst & Young has otherwise not shared or agreed to share any of its compensation from the Debtor with any other person, other than a partner or principal of Ernst & Young as permitted by section 304 of the Bankruptcy Code.

22. The proposed engagement of Ernst & Young is not prohibited by Rule 5002 of the Federal Rules of Bankruptcy Procedure (i.e., "Bankruptcy Rules").

23. This Affidavit is in accordance with section 327 of the Bankruptcy Code and Bankruptcy Rule 2014.

Further affiant sayeth naught.



LAWRENCE D. RODRIGUEZ

Partner

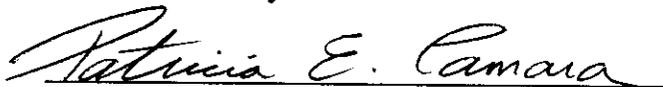
Ernst & Young LLP

2400 Pauahi Tower

1001 Bishop Street

Honolulu, Hawaii 96813

Subscribed and sworn to before me
this 20th day of March 2003.



Notary Public, State of Hawaii

My commission expires: 2-23-05.

Hawaiian Airlines, Inc.
Connections Check

Category	Name	Related Parties	No Connection	Type of Work				
				Prior Connection	Current Work			
					Audit	Tax	Corp Fin	Other
Debtor	Hawaiian Airlines, Inc.	Hawaiian Holdings, Inc.			X	X		
Debtor's Attorneys	Akin Gump Strauss Hauer & Feld LLP						X	X
	Cades Schutte		X					
	Paul, Weiss, Rifkind, Wharton & Garrison LLP					X		X
Debtor's Other Professionals	Pinion and Associates		X					
	The Garden City Group, Inc.		X					
	Ernst & Young		X					
Debtor's Affiliates	AIP, Inc.		X					
	Hawaiian Holdings, Inc.	Hawaiian Airlines, Inc.			X	X		
Debtor's Officers	John R. Wagner		X					
	John W. Berry		X					
	Karen A. Berry		X					
	H. Norman Davies		X					
	Christine R. Deister		X					
	Mark B. Dunkerley		X					
	Robert E. Glasgow		X					
	Paul Y. Kobayashi, Jr.		X					
	Blaine J. Miyasato		X					
	Glenn G. Taniguchi		X					
	Ruthann S. Yamanaka		X					
Debtor's Directors	Quality Care Solutions							X
	Smith Management		X					
	Gregory Anderson		X					
	Todd Cole		X					
	Cole & Wilds Associates		X					
	Robert Coe		X					
	Joseph Hoar		X					
	J.P. Hoar & Associates		X					
	Reno Morella		X					
	Samson Poomaihealani		X					
	Edward Safady		X					
	Spire Realty Group		X					
	Sharon L. Soper		X					
	William Weisfield		X					
	UTLIX Corporation		X					
	John W. Adams		X					
	Airline Pilots Association International					X		

Hawaiian Airlines, Inc.
Connections Check

Category	Name	Related Parties	No Connection	Type of Work				
				Prior Connection	Current Work			
					Audit	Tax	Corp Fin	Other
	International Association of Machinists and Aerospace Workers, Local 314				X			
	Association of Flight Attendants		X					
Debtor's Major Shareholders	AIP, Inc.	See above						
	Hawaiian Holdings, Inc.	See above						
Secured Lenders of the Debtor	Woolson Spice Company, Inc. The			X				
	Sanwa Business Credit Corporation					X		X
	IBM Global Services, Inc.	International Business Machines Corporation			X	X		X
	IBM	Canadian Subsidiary				X		
	Bank of America Corporation				X	X	X	X
	Bank of America Corporation	Canadian Subsidiary				X		X
	Bank of Hawaii (Inc.)				X	X		X
	Wells Fargo Bank	Wells Fargo & Company				X	X	X
	Wells Fargo Bank	Canadian Subsidiary		X				
	North Fork Bank	North Fork Bancorporation Inc.			X			X
	Rolls-Royce					X		
	Bacon Universal				X			
	Hewlett-Packard Company				X	X		X
	Hewlett-Packard Company	Canadian Subsidiary				X		
	Lion Coffee		X					
	Holler Financial Leasing, Inc.		X					
	Transamerica Finance Corp.			X				
	Paradise Beverages, Inc.		X					
	First Security Bank		X					
	The Navigator Group, LLC		X					
	Coast Business Credit		X					
	Southern Pacific Bank		X					
	Heller Financial Leasing, Inc.		X					
	RRPF Engine Leasing (US) LLC		X					
	Fortbrand Services		X					
	BCC Equipment Leasing Corporation		X					

Hawaiian Airlines, Inc.
Connections Check

Category	Name	Related Parties	No Connection	Type of Work				
				Prior Connection	Current Work			
					Audit	Tax	Corp Fin	Other
	Pacific Corporate Federal Credit Union		X					
Parties to the Debtor's Significant Executory Contracts and Leases	Boeing Company, Inc. The					X		X
	Ansett		X					
	ILHA		X					
	American Airlines	AMR Corporation			X	X		X
	American Airlines	Canadian Subsidiary				X		
	International Association of Machinists and Aerospace Workers, Local 314	See above						
	Association of Professional Flight Attendants	See above						
	Airline Pilots Association International	See above						
	Bank of America Corporation	See above						
	Wells Fargo Bank	See above						
	Rolls-Royce	See above						
Significant Shareholders of Hawaiian Holdings, Inc.	Association of Flight Attendants	See above						
	International Association of Machinists and Aerospace Workers, Local 314	See above						
	Airline Pilots Association International	Canadian Subsidiary						
	AIP LLC		X					
	Airline Investors Partnership		X					
	Dimensional Fund Advisors, Inc.		X					
	Amber Arbitrage LDC		X					
	Vanguard Fiduciary Trust Company		X					
Debtor's Creditors	Bank of America Corporation	See above						
	Panda Travel			X				
	American Airlines	See above						
	Aviation Insurance Services Pacific, Inc.		X					
	GateGourmet		X					
	RRPF Engine Leasing (US) LLC	See above						
	Pratt & Whitney		X					

Hawaiian Airlines, Inc.
Connections Check

Category	Name	Related Parties	No Connection	Type of Work				
				Prior Connection	Current Work			
					Audit	Tax	Corp Fin	Other
	State of Hawaii Department of Transportation Airports Division		X					
	Fortbrand Services, Inc.	See above						
	SBI and Company		X					
	Tesoro Hawaii Corporation	Tesoro Petroleum Corporation						X
	Starr Seigle McCombs					X		
	General Electric Capital Corporation	General Electric Company Inc.				X	X	X
	Sabre Holdings, Inc.		X					
	Honeywell International Inc.					X		X
	Delta Airlines, Inc.					X		X
	Transamerica Equipment Financial Services Corp.		X					
	Hawaii Dental Service				X	X		
	Hawaii Medical Service Association							X
	Rolls-Royce	See above						

March 21, 2003

Hawaiian Airlines, Inc.
3375 Koapaka Street
Suite G-350
Honolulu, Hawaii 96819

Attention: Mr. William M. Weisfield
Chairman, Audit Committee
Hawaiian Holdings, Inc.

Ms. Christine R. Deister
Executive Vice President and
Chief Financial Officer

This letter agreement (the "Agreement") sets forth the terms and conditions of the engagement of Ernst & Young LLP ("Ernst & Young" or "E&Y") by Hawaiian Airlines, Inc. (the "Company" or the "Debtor") to provide documentation and project assistance related to the pending requirements of Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404") subsequent to the Company's filing of a Chapter 11 petition in the United States Bankruptcy Court for the District of Hawaii (the "Bankruptcy Court").

We have agreed to provide such services, contingent upon the Bankruptcy Court approving our retention in accordance with the terms and conditions which are set forth in the Agreement.

Scope of Services

Subject to the provisions of this Agreement, including the Dispute Resolution Procedures and Terms and Conditions, which are set forth in Attachments 1 and 2 hereto, respectively, we will provide to the Company documentation and project assistance ("the Services") related to the pending requirements of Section 404.

The objective of our engagement is for us to assist you in your preparation of documentation of certain specific internal controls identified during our procedures that are currently in place over financial reporting for significant accounts and processes of the Company, and to report any recommendations for improvements in the controls we may identify as a result of this assistance. The documentation prepared from this project will relate only to the specific controls identified and will not necessarily address all types of errors or fraud that may occur.

EXHIBIT "B"

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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The Services will not result in an opinion or any form of assurance on internal controls and will not constitute an audit or examination made in accordance with generally accepted auditing or attestation standards, the objective of which is the expression of an opinion on the elements, accounts, or items of a financial statement. However, we will provide management with our recommendations in those areas where we observe internal controls that, in our view, could be improved. We will perform the Services and deliver any reports or deliverables in accordance with the Statement on Standards for Consulting Services (CS100) of the American Institute of Certified Public Accountants ("AICPA").

With respect to the scope of the Services, management of the Company acknowledges that it is solely responsible for the sufficiency of the Services for its purposes and for the sufficiency of the documentation of its controls for its purposes. Accordingly, we make no representation regarding the sufficiency of the Services for the purpose for which this assistance was requested or for any other purpose. The Company will designate a management-level individual or individuals to be responsible for overseeing the Services being provided. Throughout the course of the engagement, and upon completion of the Services, we will meet with you to discuss the findings and recommendations resulting from the Services.

Deliverables

The product of our Services will be written reports (the "Reports") to the Company that will outline the findings and any recommendations resulting from the performance of the Services. It is the responsibility of management of the Company to review and approve the Reports and to design and implement the recommendations contained therein at its discretion.

Our advice, documentation and the Reports (collectively, the "Deliverables") are intended solely for the information and use of the Company's management, directors and employees. None of the Deliverables, or any portion thereof, may be used by, or disclosed to, any other person or entity without the prior written consent of E&Y, except to the extent otherwise required by law or legal or regulatory process (of which pending disclosure the Company will notify us in advance). E&Y retains all right, title and interest in and to all ideas, processes, programs, information, concepts, business methods, inventions and developments owned by us prior to, or developed by us in the course of, performing the Services. Nothing contained herein shall create or imply any license or right therein in the Company, except as necessary for the Company to use the Deliverables as permitted hereby.

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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Management's Responsibilities

Management of the Company is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities, and for the adequacy of its internal control documentation and the maintenance thereof. Management will consider the pending requirements of Section 404 related to internal control reporting and reflect any appropriate changes when the requirements are finalized. Management also is responsible for identifying and ensuring that the Company complies with all laws and regulations applicable to its activities.

Staffing

Darrell McKown will be the Partner responsible for the provision of the Services. Terri Fujii, Partner, and Shan Muramoto, Manager, will work closely with management in performing the Services. If one or more of these individuals ceases to provide audit services to the Company pursuant to the Agreement, Ernst & Young will so advise the Company and, if that professional is replaced, provide the Company with the name of that professional's replacement. Other partners and staff, not identified herein, may be utilized as required to conduct our work in the most efficient manner possible.

Fees and Expenses

Our fees will be based on actual time incurred at hourly rates, in effect for the Ernst & Young professionals assigned to provide the category of services set forth in the Agreement; our rates are revised annually, effective July 1. The actual time required will depend upon the extent and nature of available information, modifications to the scope of our engagement and other developments that may occur as work progresses.

Effective July 1, 2002, those hourly rates are as follows:

Partners and Principals.....	\$450-500
Senior Manager.....	365-430
Manager.....	265-320
Senior.....	200-240
Staff.....	150-175

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
Page 4

We will request payment of our fees in accordance with the Bankruptcy Code, the Bankruptcy Rules, local bankruptcy rules for the District of Hawaii and any relevant administrative orders. In addition, we will request reimbursement of our actual expenses related to this engagement, as well as fees for any time (including any time or reasonable expenses of legal counsel) we may incur in considering or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceeding as a result of our performance of these services.

In the event we are requested or authorized by the Company or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the Company, the Company will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Other Matters

Alternative Dispute Resolution

Any controversy or claim with respect to, in connection with, arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Company or of Ernst & Young) shall be brought in the Bankruptcy Court or the District Court if such District Court withdraws the reference and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have or retain jurisdiction over such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court or the District Court upon withdrawal of the reference does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to non-binding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Attachment 1 to this letter. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Company, Ernst & Young and any and all successors and assigns thereof.

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
Page 5

Confidentiality of Information

We recognize and acknowledge that certain information and documentation which we may request in connection with our provision of all services pursuant to the Agreement is proprietary and confidential, including, without limitation, nonpublic financial and business information documents hereafter furnished to us or obtained by us from the Company. By signing this letter we confirm and agree that we will not disclose, distribute, publish, or release to any third party any of the information or documents now or hereafter received or obtained by us in this engagement, except as required by law as to which we will give the Company prior written notice. All obligations as to nondisclosure by us shall cease as to any part of such information to the extent that such information is or becomes public other than as a result of acts by us.

Miscellaneous

The benefits of this Agreement shall inure to the respective successors and assigns of the parties hereto and the obligations and liabilities assumed in this Agreement by the parties hereto shall be binding upon their respective successors and assigns.

We understand that our engagement may be terminated at any time by the Company or Ernst & Young. The alternative dispute resolution provision contained in the Agreement will remain operative and in full force and effect regardless of any termination or expiration of this Agreement and shall survive completion of the Company's bankruptcy proceedings whether through a confirmed plan of reorganization, liquidation of the Company's assets under Chapter 11 or 7 of Title 11 of the United States Code, or otherwise.

As set forth herein, the Company has requested that Ernst & Young provide the Services, the scope of which is set forth in the Agreement. The Company recognizes and acknowledges that by performing the Services set forth in the Agreement, Ernst & Young is not acting in any Company management capacity and that the Company has not asked Ernst & Young to make, nor has Ernst & Young agreed to make, any business decisions on behalf of the Company. All decisions about the business or operations of the Company remain the sole responsibility of the Company's management and its board of directors.



Ernst & Young LLP

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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By agreement to the provision of the Services set forth in the Agreement, Ernst & Young is not providing a guarantee to the Company that Ernst & Young's performance of those Services pursuant to the terms and conditions set forth in the Agreement will guarantee the Company's successful reorganization under Chapter 11 of Title 11 of the United States Code.

If the foregoing is acceptable to you, please so acknowledge by signing this letter in the space indicated below.

Very truly yours,

Ernst + Young LLP

Attachments

Consented and Agreed:

By

William M. Weisfield
Chairman, Audit Committee
Hawaiian Holdings, Inc.

By

Christine R. Deister
Executive Vice President &
Chief Financial Officer
Hawaiian Holdings, Inc.

Attachment 1 to Engagement Letter

Dispute Resolution Procedures

The following procedures shall be used to resolve any controversy or claim ("dispute") as provided in this Agreement, other than objections to fee applications relating to the subject retention. If any of these provisions are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by law.

Mediation

A dispute shall be submitted to mediation by written notice to the other party or parties. The mediator shall be selected by agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the CPR Institute for Dispute Resolution at the request of a party. Any mediator so designated must be acceptable to all parties.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the dispute.

The mediation will be treated as a settlement discussion and therefore will be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. No recording or transcript shall be made of the mediation proceedings.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Arbitration

If a dispute has not been resolved within 90 days after the written notice beginning the mediation process (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute will be settled by arbitration. The arbitration will be conducted in accordance with the procedures in this document and the Rules for Non-Administered Arbitration of the CPR Institute for Dispute Resolution as in effect on the date of the engagement letter, or such other rules and procedures as the parties may designate by mutual agreement. In the event of a conflict, the provisions of this document will control.

Attachment 2 to Engagement Letter

Terms and Conditions

- I. Agreement. ERNST & YOUNG LLP ("E&Y") will provide the Services described in the letter to which this Exhibit B is attached (collectively, such accompanying letter, Exhibit A and this Exhibit B, this "Agreement"), to the Company as an independent contractor and for the fees set forth in this Agreement. Nothing contained herein shall be construed to create an employment or principal-agent relationship or joint venture between E&Y and the Company, and neither party shall have the right, power or authority to obligate or bind the other in any manner whatsoever. This Agreement constitutes the entire agreement between the Company and E&Y, and merges all prior and contemporaneous communications with respect to the subject matter hereof. This Agreement shall not be modified nor assigned except by later written agreement signed by both parties.
- II. Changes and Delays.
 - A. Changes in the type or extent of the Services requested by the Company and changing conditions of law, professional standards or schedule delays or other events beyond E&Y's reasonable control, including events described in subparagraph II.B below, may require contract price and/or date of performance revisions to be agreed upon by both parties. Any change in price would have to be approved by the United States Bankruptcy Court for the District of Hawaii. In the event that performance on the part of either party is delayed or suspended as a result of circumstances beyond its reasonable control such as Acts of God or other force majeure events, and without its fault or negligence, then the period of performance under and the term of this Agreement shall be extended by the period of any such delay and neither party shall incur any liability to the other party as a result of such delay or suspension.
 - B. E&Y's performance hereunder is contingent upon the cooperation of the Company, including its timely provision in good faith to E&Y of mutually agreed adequate resources and complete and accurate information. Any failure by the Company to provide adequate resources or complete, accurate and timely information may cause E&Y, at its option, to delay its report, modify its procedures, or terminate this Agreement, without any liability to the Company on the part of E&Y.

III. Liability

- A. The Company's recourse with respect to any liability or obligation of E&Y hereunder shall be limited to the assets of E&Y, and the Company shall bring no claim against any partner of E&Y or any of the assets of any thereof.
- B. Unless E&Y has expressly agreed to do so in writing in this Agreement, the Services do not involve identifying, addressing or correcting any errors or defects in computer systems, other devices, or components thereof ("Systems"), due to imprecise or ambiguous entry, storage, interpretation, processing or reporting of data, including dates, and E&Y shall have no responsibility or liability for any defect or problem arising out of or related to processing in any Systems.
- C. EXCEPT AS OTHERWISE STATED IN THIS SECTION III, E&Y MAKES NO WARRANTIES, OF ANY KIND OR NATURE, WHETHER EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, OR WARRANTIES OF ANY PRODUCTS OR SERVICES.

IV. Technical Elements. In connection with performing the Services, E&Y may use certain data, modules, components, designs, utilities, subsets, objects, program listings, tools, models, methodologies, programs, systems, analysis frameworks, leading practices, and specifications ("Technical Elements") owned or developed by E&Y, or licensed from third parties, prior to, or independently from, its engagement hereunder. All data or information used by E&Y in performing the Services, including the Technical Elements and methodologies or other intellectual property that are owned, developed or used by E&Y or its licensors independently from this engagement but including any enhancements or improvements developed in the course of the performance of the Services, shall remain the property of E&Y or its licensors, and the Company shall have no rights in or to any thereof as a result of the performance of the Services, except to the extent necessary to permit the Company to use the deliverables under this Agreement in accordance herewith. E&Y retains the right to use its knowledge, experience and know-how, including processes, ideas, concepts, and techniques developed in the course of performing the Services, in providing services to other clients. All working papers prepared by E&Y in connection with the Services shall remain the property of E&Y.

V. Term. This Agreement will terminate upon completion of the Services.

VI. Taxes and Payment. Any applicable taxes incurred in connection with the Services or deliverables (except for taxes imposed on income) will be billed to, and paid by, the Company, in addition to E&Y's fees and expenses. Payment of E&Y's fees, expenses and any applicable taxes shall be due upon receipt of E&Y's invoice.

- VII. Conflict and Survival. In the event of any conflict, ambiguity or inconsistency between this Exhibit B, Exhibit A, the accompanying letter to which they are attached, and any other document to which this Exhibit B may be annexed or which may be annexed to this Exhibit B, including any terms and conditions on the Company's purchase orders or otherwise, the terms and conditions of the letter shall prevail in the first instance, then the provisions of this Exhibit B shall govern. The provisions of this Agreement that give the parties rights beyond termination of this Agreement will survive any termination of this Agreement.
- VIII. Non-Solicitation of Personnel. During the term of this Agreement and for a period of 12 months following its termination for any reason (the "Non-Solicitation Period"), the Company shall not solicit for employment, nor shall the Company hire, for any position, any E&Y personnel, including partners and employees, involved in the performance of the Services or any other services for the Company, except as otherwise agreed in writing by E&Y. In any event, if the Company determines, at any time during the Non-Solicitation Period, that it wishes to solicit for employment any E&Y personnel, the Company shall so notify the E&Y Engagement Partner in advance and shall not pursue such solicitation or any offer unless and until E&Y gives written approval thereof.
- IX. Use of E&Y's Name. The Company may not use any of E&Y's name, trademarks, service marks or logo in connection with the Services or otherwise without the prior written consent of E&Y, which consent may be withheld for any or no reason and may be subject to certain conditions.
- X. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and fully to be performed therein by residents thereof.

March 21, 2003

Hawaiian Airlines, Inc.
3375 Koapaka Street
Suite G-350
Honolulu, Hawaii 96819

Attention: Mr. William M. Weisfield
Chairman, Audit Committee
Hawaiian Holdings, Inc.

Ms. Christine R. Deister
Executive Vice President and
Chief Financial Officer

This letter agreement (the "Agreement") sets forth the terms and conditions of the engagement of Ernst & Young LLP ("Ernst & Young" or "E&Y") by Hawaiian Airlines, Inc. (the "Company" or the "Debtor") to audit and report on the financial statements and supplemental schedules of the employee benefit plans of the Company, which are to be included in the plans' Form 5500 filing with the Department of Labor's Employee Benefits Security Administration, subsequent to the Company's filing of a Chapter 11 petition in the United States Bankruptcy Court for the District of Hawaii (the "Bankruptcy Court").

We have agreed to provide such services, contingent upon the Bankruptcy Court approving our retention in accordance with the terms and conditions which are set forth in the Agreement.

Scope of Services

Subject to the provisions of this Agreement, including the Dispute Resolution Procedures, which are set forth in Attachment 1 hereto, we will audit and report on the financial statements and supplemental schedules of the employee benefit plans of the Company, identified on Attachment 2 hereto, for the year ending December 31, 2002 and 2003, which are to be included in the Plan's Form 5500 filing with the Department of Labor's Employee Benefits Security Administration (the "Services").

Should conditions not now anticipated preclude us from completing our engagement and issuing reports as contemplated by the preceding paragraph, we will advise you and the benefits committee promptly and take such actions as we deem appropriate.

Mr. William M. Weisfield
Ms. Christine R. Deister

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Audit Responsibilities and Limitations

We will conduct our engagement to audit the financial statements in accordance with auditing standards generally accepted in the United States except that, as permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA) and as instructed by you, we will not perform any auditing procedures with respect to investment information prepared and certified by Pacific Century Trust, the trustee, and The Prudential Insurance Company of America, the insurer, other than comparing that information with the related information included in the financial statements and supplemental schedules, in our audits of the Hawaiian Airlines, Inc. Pension Plan for Salaried Employees, the Retirement Plan for Pilots of Hawaiian Airlines, Inc., and the Hawaiian Airlines, Inc. Pension Plan for Employees Represented by the International Association of Machinists (the "Pension Plans"). Because of the significance of the information that we will not audit, we will not express an opinion on the financial statements and schedules of the Pension Plans taken as a whole. The form and content of the information included in the financial statements and schedules of the Pension Plans, other than that derived from the investment information certified by Pacific Century Trust and The Prudential Insurance Company of America, will be audited by us in accordance with auditing standards generally accepted in the United States, and will be subjected to tests of your accounting records and other procedures as we consider necessary to enable us to express an opinion as to whether they are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under ERISA.

Auditing standards generally accepted in the United States require that we obtain reasonable rather than absolute assurance that the financial statements are free of material misstatement whether caused by error or fraud. As you are aware, there are inherent limitations in the audit process, including, for example, selective testing and the possibility that collusion or forgery may preclude the detection of material error, fraud, and illegal acts, including prohibited transactions with parties in interest and other violations of ERISA rules and regulations. Accordingly, a material misstatement may remain undetected. Also, our engagement is not designed to detect error or fraud that is immaterial to the financial statements. We will assess whether all identified prohibited party in interest transactions are included in the supplemental schedule of nonexempt transactions.

As a part of our engagement, we will perform certain procedures, as required by auditing standards generally accepted in the United States, directed at considering the Plan's compliance with applicable Internal Revenue Code requirements for tax-exempt status, including reading the Plan's latest tax determination letter from the Internal Revenue Service (IRS). As we conduct our engagement, we may become aware of the possibility that events affecting the Plan's tax status may have occurred. Similarly, we may become aware of the possibility that events affecting the Plan's compliance with the requirements of ERISA may have occurred. We will

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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inform you of any instances of tax or ERISA noncompliance that come to our attention during the course of our engagement. You should recognize, however, that our engagement is not designed to nor is it intended to verify the Plan's overall compliance with applicable provisions of the Internal Revenue Code or ERISA, including but not limited to the Plan Sponsor's deduction limits, and, accordingly, we assume no responsibility for failure to detect instances of noncompliance with applicable provisions of the Internal Revenue Code or ERISA.

As part of our engagement, we will consider, solely for the purpose of planning our engagement and determining the nature, timing, and extent of our procedures, the Plan's internal control, except for the investment information which is excluded as described above. This consideration will not be sufficient to enable us to provide assurance on internal control or to identify reportable conditions.

If we determine that there is evidence that fraud may exist, we will bring this matter to the attention of an appropriate level of management. If we become aware of fraud involving senior management or fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, we will report this matter directly to the benefits committee. We will determine that the benefits committee and the Plan Administrator are adequately informed of illegal acts that come to our attention unless they are clearly inconsequential. In addition, we will inform the benefits committee and the Plan Administrator of significant adjustments and of reportable conditions noted during our audit procedures.

We also may communicate other opportunities we observe for economies in or improved controls over the Plan's operations.

Plan Administrator's Responsibilities and Representations

The financial statements are the responsibility of the Plan Administrator, who also is responsible for establishing and maintaining effective internal control, for properly recording transactions in the accounting records, for safeguarding assets, and for the overall fair presentation of the financial statements. The Plan Administrator also is responsible for identifying and ensuring that the Plan complies with the laws and regulations applicable to its activities.

The Plan Administrator is responsible for adjusting the financial statements to correct material misstatements and for affirming to us in its representation letter that the effects of any unadjusted audit differences accumulated by us during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Mr. William M. Weisfield
Ms. Christine R. Deister

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As required by auditing standards generally accepted in the United States, we will make specific inquiries of the Plan Administrator regarding the representations contained in the financial statements and the effectiveness of internal control over financial reporting. Auditing standards generally accepted in the United States also require that, at the conclusion of our engagement, we obtain representation letters from certain members of management about these matters. The responses to those inquiries, the written representations, and the results of our tests comprise the evidential matter we will rely upon in performing procedures and reporting on the financial statements and supplemental schedules. The Plan Administrator is responsible for providing us with all financial records and related information on a timely basis, and failure to do so may cause us to delay our report, modify our procedures, or even terminate our engagement.

Staffing

Terri Fujii will be the Audit Partner responsible for the provision of the Services. John Flemming, Principal, and Shan Muramoto, Manager, will work closely with management in performing all required audit services. If one or more of these individuals ceases to provide audit services to the Company pursuant to the Agreement, Ernst & Young will so advise the Company and, if that professional is replaced, provide the Company with the name of that professional's replacement. Other partners and staff, not identified herein, may be utilized as required to conduct our work in the most efficient manner possible.

Fees and Expenses

Our fixed fees for our audits of the financial statements of the employee benefit plans identified on Attachment 2 hereto for the year ended December 31, 2002, which have been previously agreed to, are \$50,000, excluding out-of-pocket expenses, such as travel, accommodations, and meals and Hawaii general excise taxes, which will be charged as incurred. These negotiated fees presuppose that, in accordance with any applicable orders of the Bankruptcy Court, (i) upon receipt of invoices briefly summarizing the services performed, the Company will be authorized to pay E&Y the billed portion of our fixed fees without prior Bankruptcy Court approval and, (ii) in lieu of detailed time and activity records, our eventual interim fee applications encompassing the services will briefly summarize the work, except insofar as we seek compensation beyond the fixed fees for matters such as condition of the accounting records, degree of cooperation, or other matters beyond our reasonable control which require additional commitments by us beyond those upon which our fixed fees are based. We will request payment of any fees beyond the fixed fees based on actual time incurred at hourly rates in effect for the Ernst & Young professionals assigned to provide the category of services set forth in the Agreement, in accordance with the Bankruptcy Code, the Bankruptcy Rules, local bankruptcy rules for the District of Hawaii and any relevant administrative orders. In addition, we will request reimbursement of our actual expenses related to this engagement, as well as fees for any time (including any time or reasonable expenses of legal counsel) we may incur in considering or responding to discovery

Mr. William M. Weisfield
Ms. Christine R. Deister

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requests or participating as a witness or otherwise in any legal, regulatory, or other proceeding as a result of our performance of these services.

Our rates are revised annually, effective July 1. Effective July 1, 2002, our hourly rates are as follows:

Partners and Principals.....	\$450-500
Senior Manager	365-430
Manager.....	265-320
Senior	200-240
Staff	150-175

In the event we are requested or authorized by the Company or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the Company, the Company will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Other Matters

Form 5500

You have not engaged us to prepare or review the Form 5500 filing with the Department of Labor for subsequent use by the IRS for the Hawaiian Holdings, Inc. 401(k) Savings Plan, the Hawaiian Holdings, Inc. Pilots' 401(k) Plan, or Hawaiian Holdings, Inc. 401(k) Plan for Flight Attendants. However, the audited financial statements of the those plans are required to be filed with the Form 5500. Professional standards require that we read the Form 5500 prior to its filing. The purpose of this procedure is to consider whether such information, or the manner of its presentation in the Form 5500, is materially inconsistent with the information, or the manner of its presentation, appearing in the financial statements. These procedures are not sufficient nor are they intended to determine that the Form 5500 is completely and accurately prepared. Accordingly, you understand and agree that we do not assume any responsibility for the completeness and/or accuracy of the Form 5500. In the event that our auditor's report is issued prior to our having read the Form 5500 for the Hawaiian Holdings, Inc. 401(k) Savings Plan, the Hawaiian Holdings, Inc. Pilots' 401(k) Plan, or Hawaiian Holdings, Inc. 401(k) Plan for Flight Attendants, you agree not to attach such auditor's report to the financial statements included with the Form 5500 filing until we have read the completed Form 5500.

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Ms. Christine R. Deister

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Alternative Dispute Resolution

Any controversy or claim with respect to, in connection with, arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Company or of Ernst & Young) shall be brought in the Bankruptcy Court or the District Court if such District Court withdraws the reference and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have or retain jurisdiction over such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court or the District Court upon withdrawal of the reference does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to non-binding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Attachment 1 to this letter. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Company, Ernst & Young and any and all successors and assigns thereof.

Confidentiality of Information

We recognize and acknowledge that certain information and documentation which we may request in connection with our provision of all services pursuant to the Agreement is proprietary and confidential, including, without limitation, nonpublic financial and business information documents hereafter furnished to us or obtained by us from the Company. By signing this letter we confirm and agree that we will not disclose, distribute, publish, or release to any third party any of the information or documents now or hereafter received or obtained by us in this engagement, except as required by law as to which we will give the Company prior written notice. All obligations as to nondisclosure by us shall cease as to any part of such information to the extent that such information is or becomes public other than as a result of acts by us.

Miscellaneous

The benefits of this Agreement shall inure to the respective successors and assigns of the parties hereto and the obligations and liabilities assumed in this Agreement by the parties hereto shall be binding upon their respective successors and assigns.

We understand that our engagement may be terminated at any time by the Company or Ernst & Young. The alternative dispute resolution provision contained in the Agreement will remain operative and in full force and effect regardless of any termination or expiration of this Agreement and shall survive completion of the Company's bankruptcy proceedings whether



Ernst & Young LLP

Mr. William M. Weisfield
Ms. Christine R. Deister

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through a confirmed plan of reorganization, liquidation of the Company's assets under Chapter 11 or 7 of Title 11 of the United States Code, or otherwise.

As set forth herein, the Company has requested that Ernst & Young provide audit services, the scope of which is set forth in the Agreement. The Company recognizes and acknowledges that by performing the services set forth in the Agreement, Ernst & Young is not acting in any Company management capacity and that the Company has not asked Ernst & Young to make, nor has Ernst & Young agreed to make, any business decisions on behalf of the Company. All decisions about the business or operations of the Company remain the sole responsibility of the Company's management and its board of directors.

By agreement to the provision of the services set forth in the Agreement, Ernst & Young is not providing a guarantee to the Company that Ernst & Young's performance of those services pursuant to the terms and conditions set forth in the Agreement will guarantee the Company's successful reorganization under Chapter 11 of Title 11 of the United States Code.

If the foregoing is acceptable to you, please so acknowledge by signing this letter in the space indicated below.

Very truly yours,

Ernst & Young LLP

Attachments

Consented and Agreed:

By *William M. Weisfield*
William M. Weisfield
Chairman, Audit Committee
Hawaiian Holdings, Inc.

By *Christine R. Deister*
Christine R. Deister
Executive Vice President a
Chief Financial Officer
Hawaiian Holdings, Inc.

Attachment 1 to Engagement Letter

Dispute Resolution Procedures

The following procedures shall be used to resolve any controversy or claim ("dispute") as provided in this Agreement, other than objections to fee applications relating to the subject retention. If any of these provisions are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by law.

Mediation

A dispute shall be submitted to mediation by written notice to the other party or parties. The mediator shall be selected by agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the CPR Institute for Dispute Resolution at the request of a party. Any mediator so designated must be acceptable to all parties.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the dispute.

The mediation will be treated as a settlement discussion and therefore will be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. No recording or transcript shall be made of the mediation proceedings.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Arbitration

If a dispute has not been resolved within 90 days after the written notice beginning the mediation process (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute will be settled by arbitration. The arbitration will be conducted in accordance with the procedures in this document and the Rules for Non-Administered Arbitration of the CPR Institute for Dispute Resolution as in effect on the date of the engagement letter, or such other rules and procedures as the parties may designate by mutual agreement. In the event of a conflict, the provisions of this document will control.

Attachment 2 to Engagement Letter

Employees benefit plans covered under this Agreement:

- Hawaiian Holdings, Inc. 401(k) Savings Plan *
- Hawaiian Holdings, Inc. Pilots' 401(k) Plan *
- Hawaiian Holdings, Inc. 401(k) Plan for Flight Attendants *
- Hawaiian Airlines, Inc. Pension Plan for Salaried Employees
- Retirement Plan for Pilots of Hawaiian Airlines, Inc.
- Hawaiian Airlines, Inc. Pension Plan for Employees Represented by the International Association of Machinists

* Financial statements of plans denoted with an asterisk are included in the respective plan's Annual Report on Form 11-K, filed with the Securities and Exchange Commission.

March 21, 2003

Hawaiian Airlines, Inc.
3375 Koapaka Street
Suite G-350
Honolulu, Hawaii 96819

Attention: Mr. William M. Weisfield
Chairman, Audit Committee
Hawaiian Holdings, Inc.

Ms. Christine R. Deister
Executive Vice President and
Chief Financial Officer

This letter agreement (the "Agreement") sets forth the terms and conditions of the engagement of Ernst & Young LLP ("Ernst & Young" or "E&Y") by Hawaiian Airlines, Inc. (the "Company" or the "Debtor") to perform accounting and auditing services subsequent to the Company's filing of a Chapter 11 petition in the United States Bankruptcy Court for the District of Hawaii (the "Bankruptcy Court").

We have agreed to provide such services, contingent upon the Bankruptcy Court approving our retention in accordance with the terms and conditions which are set forth in the Agreement.

Scope of Services

Subject to the provisions of this Agreement, including the Dispute Resolution Procedures, which are set forth in Attachment 1 hereto, we will provide to the Company the accounting and auditing services described in Attachment 2 hereto (the "Services"), which may be modified from time to time by our mutual written agreement and approval by the Bankruptcy Court.

Audit Services

We will audit and report on the financial statements of the Company for the years ended December 31, 2002 and 2003. The objective of our audits is to express an opinion on the fairness, in all material respects, of the presentation of the financial statements in conformity with accounting principles generally accepted in the United States.

Should conditions not now anticipated preclude us from completing our audits and issuing reports, if required, as contemplated by the preceding paragraph, we will advise the audit committee and management promptly and take such actions as we deem appropriate.

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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Audit Responsibilities and Limitations

We will conduct our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we obtain reasonable rather than absolute assurance that the financial statements are free of material misstatement whether caused by error or fraud. As you are aware, there are inherent limitations in the audit process, including, for example, selective testing and the possibility that collusion or forgery may preclude the detection of material error, fraud, and illegal acts. Accordingly, a material misstatement may remain undetected. Also, an audit is not designed to detect error or fraud that is immaterial to the financial statements.

As part of our audits, we will consider, solely for the purpose of planning our audit and determining the nature, timing, and extent of our audit procedures, the Company's internal control. This consideration will not be sufficient to enable us to provide assurance on internal control or to identify all reportable conditions.

If we determine that there is evidence that fraud may exist, we will bring this matter to the attention of an appropriate level of management. If we become aware of fraud involving senior management or fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements, we will report this matter directly to the audit committee. We will determine that the audit committee is adequately informed of illegal acts that come to our attention, unless they are clearly inconsequential. In addition, we will inform the audit committee and appropriate members of management of significant audit adjustments and of reportable conditions noted during our audit procedures. We also will communicate to the audit committee any "material weaknesses," or the lack of any "material weaknesses," that come to our attention during the course of our audit. Standards established by the American Institute of Certified Public Accountants define reportable conditions as "matters coming to the auditor's attention that, in his judgment, should be communicated to the audit committee because they represent significant deficiencies in the design or operation of internal control, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Such deficiencies may involve aspects of the five internal control components of (a) the control environment, (b) risk assessment, (c) control activities, (d) information and communication, and (e) monitoring." We also may communicate other opportunities we observe for economies in, or improved controls over, the Company's operations.

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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In accordance with standards established by the American Institute of Certified Public Accountants, we will communicate certain matters related to the conduct and results of the audit to the Company's audit committee. Such matters include, when applicable, disagreements with management, whether or not resolved; difficulties encountered in performing the audit; the auditor's level of responsibility under auditing standards generally accepted in the United States for the financial statements, for internal control, and for other information in documents containing the audited financial statements; unadjusted audit differences that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements as a whole; changes in the Company's significant accounting policies and methods for accounting for significant unusual transactions or for controversial or emerging areas; our judgments about the quality of the Company's accounting principles; our basis for conclusions regarding sensitive accounting estimates; management's consultations, if any, with other accountants; and major issues discussed with management prior to our retention. Information is also provided to the Company's audit committee regarding management consulting services performed during the year under audit. In addition, in accordance with Independence Standards Board Standard No. 1, *Independence Discussions with Audit Committees*, we will communicate certain independence matters to the audit committee.

Management's Responsibilities and Representations

The financial statements are the responsibility of the management of the Company, which is also responsible for establishing and maintaining effective internal control, for properly recording transactions in the accounting records, for safeguarding assets, and for the overall fair presentation of the financial statements. Management of the Company also is responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Management is responsible for adjusting the financial statements to correct material misstatements and for affirming to us in its representation letter that the effects of any unadjusted audit differences accumulated by us during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

As required by auditing standards generally accepted in the United States, we will make specific inquiries of management about the representations contained in the financial statements and the effectiveness of internal control over financial reporting. Auditing standards generally accepted in the United States also require that, at the conclusion of the audit, we obtain representation letters from certain members of management about these matters. The responses to those inquiries, the written representations, and the results of our audit tests comprise the evidential matter we will rely upon in forming an opinion on the financial statements. Management is

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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responsible for providing us with all financial records and related information on a timely basis, and its failure to do so may cause us to delay our report, modify our procedures, or even terminate our engagement.

Staffing for Provision of Audit Services

Darrell McKown will be the Audit Partner responsible for the provision of our audit services. Terri Fujii, Partner, and Shan Muramoto, Manager, will work closely with management in performing all required audit services. If one or more of these individuals ceases to provide audit services to the Company pursuant to the Agreement, Ernst & Young will so advise the Company and, if that professional is replaced, provide the Company with the name of that professional's replacement. Other partners and staff, not identified herein, may be utilized as required to conduct our work in the most efficient manner possible.

Fees and Expenses

Our fees will be based on actual time incurred at hourly rates, in effect for the Ernst & Young professionals assigned to provide the category of services set forth in the Agreement; our rates are revised annually, effective July 1. The actual time required will depend upon the extent and nature of available information, modifications to the scope of our engagement and other developments that may occur as work progresses.

Effective July 1, 2002, those hourly rates are as follows:

Partners and Principals.....	\$450-500
Senior Manager.....	365-430
Manager.....	265-320
Senior.....	200-240
Staff.....	150-175

A retainer fee of \$75,000 is due upon execution of this Agreement.

We will request payment of our fees in accordance with the Bankruptcy Code, the Bankruptcy Rules, local bankruptcy rules for the District of Hawaii and any relevant administrative orders. In addition, we will request reimbursement of our actual expenses related to this engagement, as well as fees for any time (including any time or reasonable expenses of legal counsel) we may incur in considering or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceeding as a result of our performance of these services.

Mr. William M. Weisfield
Ms. Christine R. Deister

March 21, 2003
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Our audit of the consolidated financial statements of the Company as of and for the year ended December 31, 2002 is in progress as of the date of this letter. The fees for our audit of the consolidated financial statements of the Company as of and for the year ended December 31, 2002 have been previously agreed to and have been fully paid as of the date of this letter, except for fees for services to be provided subsequent to the Company's filing of the Chapter 11 petition for addressing financial accounting and reporting matters resulting from the Company's filing of the Chapter 11 petition in the Bankruptcy Court, which were not included in the agreed-upon audit fee. We will request payment of our fees for such services in accordance with the Bankruptcy Code, the Bankruptcy Rules, local bankruptcy rules for the District of Hawaii and any relevant administrative orders.

In the event we are requested or authorized by the Company or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the Company, the Company will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Other Matters

Alternative Dispute Resolution

Any controversy or claim with respect to, in connection with, arising out of, or in any way related to this Agreement or the services provided hereunder (including any such matter involving any parent, subsidiary, affiliate, successor in interest or agent of the Company or of Ernst & Young) shall be brought in the Bankruptcy Court or the District Court if such District Court withdraws the reference and the parties to this Agreement, and any and all successors and assigns thereof, consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have or retain jurisdiction over such claims or controversies) for the resolution of such claims, causes of action or lawsuits. The parties to this Agreement, and any and all successors and assigns thereof, hereby waive trial by jury, such waiver being informed and freely made. If the Bankruptcy Court or the District Court upon withdrawal of the reference does not have or retain jurisdiction over the foregoing claims or controversies, the parties to this Agreement and any and all successors and assigns thereof, agree to submit first to non-binding mediation; and, if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Attachment I to this letter. Judgment on any arbitration award may be entered in any court having proper jurisdiction. The foregoing is binding upon the Company, Ernst & Young and any and all successors and assigns thereof.

Mr. William M. Weisfield
Ms. Christine R. Deister

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Confidentiality of Information

We recognize and acknowledge that certain information and documentation which we may request in connection with our provision of all services pursuant to the Agreement is proprietary and confidential, including, without limitation, nonpublic financial and business information documents hereafter furnished to us or obtained by us from the Company. By signing this letter we confirm and agree that we will not disclose, distribute, publish, or release to any third party any of the information or documents now or hereafter received or obtained by us in this engagement, except as required by law as to which we will give the Company prior written notice. All obligations as to nondisclosure by us shall cease as to any part of such information to the extent that such information is or becomes public other than as a result of acts by us.

Miscellaneous

The benefits of this Agreement shall inure to the respective successors and assigns of the parties hereto and the obligations and liabilities assumed in this Agreement by the parties hereto shall be binding upon their respective successors and assigns.

We understand that our engagement may be terminated at any time by the Company or Ernst & Young. The alternative dispute resolution provision contained in the Agreement will remain operative and in full force and effect regardless of any termination or expiration of this Agreement and shall survive completion of the Company's bankruptcy proceedings whether through a confirmed plan of reorganization, liquidation of the Company's assets under Chapter 11 or 7 of Title 11 of the United States Code, or otherwise.

As set forth herein, the Company has requested that Ernst & Young provide audit services, the scope of which is set forth in the Agreement. The Company recognizes and acknowledges that by performing the services set forth in the Agreement, Ernst & Young is not acting in any Company management capacity and that the Company has not asked Ernst & Young to make, nor has Ernst & Young agreed to make, any business decisions on behalf of the Company. All decisions about the business or operations of the Company remain the sole responsibility of the Company's management and its board of directors.

By agreement to the provision of the services set forth in the Agreement, Ernst & Young is not providing a guarantee to the Company that Ernst & Young's performance of those services pursuant to the terms and conditions set forth in the Agreement will guarantee the Company's successful reorganization under Chapter 11 of Title 11 of the United States Code.



Ernst & Young LLP

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Ms. Christine R. Deister

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If the foregoing is acceptable to you, please so acknowledge by signing this letter in the space indicated below.

Very truly yours,

Ernst + Young LLP

Attachments

Consented and Agreed:

By *William M. Weisfield*
William M. Weisfield
Chairman, Audit Committee
Hawaiian Holdings, Inc.

By *Christine R. Deister*
Christine R. Deister
Executive Vice President a
Chief Financial Officer
Hawaiian Holdings, Inc.

Attachment 1 to Engagement Letter

Dispute Resolution Procedures

The following procedures shall be used to resolve any controversy or claim ("dispute") as provided in this Agreement, other than objections to fee applications relating to the subject retention. If any of these provisions are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by law.

Mediation

A dispute shall be submitted to mediation by written notice to the other party or parties. The mediator shall be selected by agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the CPR Institute for Dispute Resolution at the request of a party. Any mediator so designated must be acceptable to all parties

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the dispute.

The mediation will be treated as a settlement discussion and therefore will be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. No recording or transcript shall be made of the mediation proceedings.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Arbitration

If a dispute has not been resolved within 90 days after the written notice beginning the mediation process (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute will be settled by arbitration. The arbitration will be conducted in accordance with the procedures in this document and the Rules for Non-Administered Arbitration of the CPR Institute for Dispute Resolution as in effect on the date of the engagement letter, or such other rules and procedures as the parties may designate by mutual agreement. In the event of a conflict, the provisions of this document will control.

Attachment 2 to Engagement Letter

Services covered under this Agreement:

- Annual audit of the consolidated financial statements of Hawaiian Holdings, Inc., included in its Annual Report on Form 10-K, for the years ended December 31, 2002 and 2003. *
- Quarterly reviews of the consolidated financial statements of Hawaiian Holdings, Inc., included in its Quarterly Reports on Form 10-Q.
- Annual audit of the Hawaiian Airlines, Inc. Statement of Passenger Facility Charges and related internal control report for the years ended December 31, 2002 and 2003. *
- Annual audits of the Hawaiian Airlines, Inc. Statement of Security Fees and related internal control report, for the years ended December 31, 2002 and 2003, if required (requirement currently suspended by the United States Transportation Security Administration). *
- Agreed-upon procedures related to INS User Fees for the years ended December 31, 2002 and 2003. *
- Annual attestation report on the system of internal controls of Hawaiian Holdings, Inc., to be included in its Annual Report on Form 10-K, for the year ended December 31, 2003, as required by Section 404 the Sarbanes-Oxley Act of 2002.
- Consents and/or comfort letters related to filings with the Securities and Exchange Commission or other transactions.
- Research and consultations with management of the Company regarding financial accounting and reporting matters.
- Participation in all scheduled meetings of the Audit Committee of Hawaiian Holdings, Inc.
- Attendance at Annual Meeting of the Shareholders of Hawaiian Holdings, Inc.
- Preparation of management letter. *

* Items denoted with an asterisk are included the annual audit fee for the year ended December 31, 2002, which has been fully paid as of the date of this letter.

IN THE UNITED STATES BANKRUPTCY COURT

DISTRICT OF HAWAII

In re

HAWAIIAN AIRLINES, INC.,
a Hawaii corporation,

Debtor.

} **Case No. 03 - 00817**
{ (Chapter 11)

} **INTERIM ORDER, PURSUANT TO**
{ **SECTIONS 327(a) AND 328(a) OF THE**
{ **BANKRUPTCY CODE, AUTHORIZING**
{ **THE RETENTION AND EMPLOYMENT**
{ **OF ERNST & YOUNG AS INDEPENDENT**
{ **AUDITORS, ACCOUNTANTS AND TAX**
{ **SERVICE PROVIDERS**

} Date: March 21, 2003

} Time: 2:30 P.M.

} Judge: Hon. Robert J. Faris

Upon consideration of the application dated March 21, 2003 (the “Application”) of Hawaiian Airlines, Inc., as debtor and debtor in possession (the “Debtor”), seeking an order pursuant to section 327(a) and section 328(a) of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) authorizing and approving the retention and employment of Ernst & Young (“E&Y”) as independent auditors, accountants and tax service providers to the Debtor, effective as of the commencement of the Debtor’s chapter 11 case, all as more fully set forth in the Application; and upon consideration of the Declaration of _____, a member of the firm of E&Y (the “_____ Declaration”); and the Court being satisfied, based on the representations made in the Application

and the _____ Declaration that said firm represents no interest adverse to the Debtor's estate with respect to the matters upon which it is to be engaged, that it is a "disinterested person," as that term is defined under section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and that the Debtor's employment of E&Y is necessary and would be in the best interests of the Debtor and its estate; and it appearing that adequate and sufficient notice of the Application has been given; and sufficient cause appearing therefore, it is

ORDERED that the Application is approved upon the terms set forth herein; provided, however, that any party in interest shall have twenty (20) days from the date hereof to object to the Debtor's retention and employment of E&Y. If no objection is filed and received by the Debtor and E&Y in such time, this Order shall be deemed final on the twenty-first (21st) day after the date hereof. If a timely objection is received, the Court will set a hearing date and provide notice of such hearing to the appropriate parties; and it is further

ORDERED that if no objections to E&Y's retention and employment on a permanent basis are timely filed, served and received in accordance with this Order, this Court may enter a final order without further notice or hearing, and the Application shall be granted in its entirety, and E&Y's retention and employment

on a permanent basis shall be made effective nunc pro tunc to the date of the commencement of this chapter 11 case; and it is further

ORDERED that notice of the Application as provided therein shall be deemed good and sufficient notice of such Application; and it is further

ORDERED that, in accordance with section 327(a) and section 328(a) of the Bankruptcy Code, the Debtor is hereby authorized to employ and retain E&Y as independent auditors, accountants and tax service providers to the Debtor, effective as the commencement of this chapter 11 case in accordance with E&Y's normal hourly rates and expense reimbursement policies as set forth in the Application upon the terms and conditions set forth in the Application; and it is further

ORDERED that E&Y may apply for compensation and reimbursement in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and applicable Federal Rules of Bankruptcy Procedure, the Bankruptcy Rules, the Local Rules for the District of Hawaii, and further orders of this Court.

Dated: Honolulu, Hawaii, _____, 2003.

UNITED STATES BANKRUPTCY JUDGE

In re Hawaiian Airlines, Inc., Chapter 11, Case No. 03-00817 ;
INTERIM ORDER, PURSUANT TO SECTIONS 327(a) AND 328(a) OF THE BANKRUPTCY
CODE, AUTHORIZING THE RETENTION AND EMPLOYMENT OF ERNST & YOUNG AS
INDEPENDENT AUDITORS, ACCOUNTANTS AND TAX SERVICE PROVIDERS