
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D. C. 20549

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report
(Date of earliest event reported)

December 16, 2005

BANK OF HAWAII CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

1-6887
(Commission
File Number)

99-0148992
(IRS Employer
Identification No.)

130 Merchant Street, Honolulu, Hawaii
(Address of principal executive offices)

96813
(Zip Code)

(Registrant's telephone number,
including area code)

(808) 537-8430

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4 (c))
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Executive Officer Incentive Awards

On December 16, 2005, the Human Resources and Compensation Committee (the "Committee") of the Board of Directors of Bank of Hawaii Corporation (the "Company") approved the grant of incentive awards ("Incentive Awards") to seven executive officers of the Company under the Bank of Hawaii Corporation Executive Incentive Plan (the "EIP"). The EIP is a sub-plan of the Bank of Hawaii Corporation 2004 Stock and Incentive Plan (the "2004 Plan") and the Incentive Awards constitute awards under the 2004 Plan.

The Committee approved a 2006 incentive pool for participating executive officers not to exceed 2.0% of the Company's consolidated net income before taxes for 2006 (the "2006 Incentive Pool"). Maximum individual Incentive Awards under the EIP (expressed as a percentage of the 2006 Incentive Pool) range from 9% to 19% for participating executives.

The Committee has the authority to determine the actual amount of any Incentive Award up to the maximum. Payment of the Incentive Awards will be subject to the Committee's certification of the Company's consolidated net income before taxes for 2006.

The Committee also amended the EIP to bring it into compliance with certain requirements of Section 409A of the Internal Revenue Code, which was enacted under the American Jobs Creation Act of 2004. In general, these requirements of Section 409A impose certain new rules for non-qualified deferred compensation plans, primarily relating to the timing of elections and distributions.

Executive Deferred Compensation Program

On December 16, 2005, the Committee adopted the Bank of Hawaii Corporation Executive Deferred Compensation Program, and as a component of that program, a new Bank of Hawaii Corporation Base Salary Deferral Plan (collectively, the "Deferred Compensation Plan"). The Deferred Compensation Plan provides senior management and highly compensated employees of the Company and its subsidiaries, including the named executive officers, with the ability to defer up to 80% of base salary and 100% of bonus amounts. The Deferred Compensation Plan is effective January 1, 2006.

Amounts deferred will be distributed, as more specifically described in the plan, in the form elected by the participant. This may be (i) any specific date, (ii) six months from the date the participant separates from service with the Company or its subsidiaries, or (iii) an anniversary (up to five years) of the date the participant separates from service. In addition, the participant may receive his or her deferred compensation balance sooner as a result of disability, death, or unforeseeable emergency.

All deferral elections for a given plan year are irrevocable and cannot be changed. In addition, once the participant elects a distribution date, he or she may change it to a later date but not an earlier date. The participant must make such a change in distribution date at least 12 months before the original distribution date, and the new distribution date may be no earlier than five years after the original distribution date.

Upon making the deferral election, the participant must choose between two distribution options: (i) single lump-sum cash payment or (ii) substantially equal annual installment payments over a period up to five years. However, distributions as a result of, disability, death, or unforeseeable emergency will always be made as a single lump-sum cash payment. The participant may change the distribution option selected, but must do so at least 12 months before the distribution date and the change may not accelerate the distribution payments.

The preceding summary does not purport to be complete and is qualified in its entirety by reference to the Deferred Compensation Plan (including the Bank of Hawaii Corporation Base Salary Deferral Plan), a copy of which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Acceleration of Certain Outstanding Stock Options

On December 16, 2005, the Committee authorized the acceleration of vesting of all outstanding unvested stock options previously awarded to employees under the Company's stock option plans (the "Stock Option Plans"). This acceleration is effective as of December 21, 2005. The purpose of the acceleration is to recognize the employees' contribution to the Company's financial performance. As a result, the Company will not recognize compensation expense associated with these options in future periods upon adoption of Financial Accounting Standards Board Statement No. 123R (Share-Based Payment) in January 2006.

As a result of the acceleration, unvested options to purchase approximately 320,000 shares of the Company's common stock became fully vested and exercisable as of December 21, 2005. The affected stock options have exercise prices ranging from \$29.68 to \$50.38 per share and a weighted average exercise price of \$34.23. The Company will record a one-time charge in the fourth quarter of 2005 of approximately \$120,000 as a result of the accelerated vesting. These actions were taken in accordance with the applicable provisions of the Stock Option Plans.

Base Salaries

In connection with certain senior management changes disclosed in Item 5.02 of this Current Report on Form 8-K, the Committee approved the base salaries for 2006 for two executive officers of the Company. Effective January 1, 2006, the following executive officers will receive annual base salaries as follows:

<u>Name and Principal Position</u>	<u>2006 Base Salary</u>
David Thomas Vice Chairman and Chief Operating Officer	\$ 450,000
Peter Ho Vice Chairman and Chief Banking Officer	\$ 400,000

David Thomas Retention Agreement

On December 16, 2005, the Company entered into a Retention Agreement (the "Retention Agreement") with David Thomas in connection with his promotion to Chief Operating Officer of the Company, as described in Item 5.02(c) below. Pursuant to the Retention Agreement, the Company will employ Mr. Thomas as its Chief Operating Officer until February 29, 2008 (the "Separation Date"), although the Company may advance the Separation Date to any date before February 29, 2008, or may extend the Separation Date to any date within three months after February 29, 2008.

During the term of the Retention Agreement, Mr. Thomas will be entitled to (i) an annual base salary (pro rated for any partial year through the Separation Date); (ii) a restricted stock grant; (iii) participation in the EIP for 2006, 2007 and 2008 (pro rated for any partial year through the Separation Date); and (iii) participation in employee benefit plans to the extent he is eligible to do so by their terms.

If Mr. Thomas performs his duties to the Company's satisfaction through February 29, 2008 and in accordance with the terms of the Retention Agreement, he will receive a "Retention Payment" equal to 24 months of his base monthly salary as of February 29, 2008. The Retention Payment will be paid in 36 monthly payments, as more particularly specified in the Retention Agreement, commencing on the first day of the seventh month after the Separation Date. In addition, Mr. Thomas will be entitled to certain continued health insurance coverages with the same percentage of shared premiums as prior to the Separation Date.

If Mr. Thomas voluntarily terminates his employment prior to the Separation Date, he will receive only salary and vested benefits through the effective date of that termination. If Mr. Thomas is terminated for "cause" (as defined in the Retention Agreement) prior to the Separation Date, he will forfeit all monetary consideration under the Retention Agreement not paid to him at the date of termination.

Under the Retention Agreement, Mr. Thomas broadly waives and releases any claims he might have against the Company, its affiliates and certain other persons related to the Company, through the effective date of the agreement.

Under Retention Agreement, Mr. Thomas will not (i) engage in certain activities that are competitive with the Company and its affiliates, (ii) disclose certain proprietary and competitively sensitive information pertaining to the Company and its business and (iii) solicit or employ any person who is an employee of the Company, during the term of the Retention Agreement and for two years thereafter (in the case of the obligations in clauses (i) and (ii)) or one year thereafter (in the case of the obligation in clause (iii)).

The foregoing description of the Retention Agreement is qualified in its entirety by reference to the full text of the Retention Agreement, a copy of which is filed herewith as Exhibit 10.2 and is incorporated herein by reference.

Alton Kuioka Retention Agreement

On December 16, 2005, the Committee approved a letter agreement (the "Letter Agreement") with Alton Kuioka that revises and replaces the retention agreement that the Company and Mr. Kuioka entered into on May 3, 2004. The revisions were necessary to comply with the requirements of Section 409A of the Internal Revenue Code.

Under the Letter Agreement, Mr. Kuioka will receive a retention payment equal to 24 months of his base monthly salary as of December 31, 2005. The retention payment will be paid in a single lump sum on or before March 15, 2006.

The foregoing description of the Letter Agreement is qualified in its entirety by reference to the full text of the Letter Agreement, a copy of which is filed herewith as Exhibit 10.3 and is incorporated herein by reference.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On December 16, 2005, the Company appointed Mr. David Thomas as its Chief Operating Officer. A copy of the press release announcing this and other changes in the Company's senior management is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Mr. Thomas, age 54, has served as the Company's Vice Chairman, Retail Banking since April 2001. He was employed as the Executive Vice President of Summit Bank from March 1999 to June 2001.

Mr. Thomas has no family relationship with any of the Company's directors, director nominees or executive officers.

In connection with Mr. Thomas's appointment as the Company's Chief Operating Officer, the Company entered into the Retention Agreement with him, dated as of December 16, 2005. The summary of the terms of the Retention Agreement set forth in Item 1.01 is incorporated herein by reference and is qualified in its entirety by reference to the full text of the Retention Agreement filed herewith as Exhibit 10.2.

Certain banking transactions have occurred between the Company and its subsidiaries and Mr. Thomas or members of his immediate family. However, all such transactions were made in the ordinary course of business on substantially the same terms, including interest rates and collateral that prevailed at the time for comparable transactions with other persons and did not involve more than the normal risk of collectibility or present other unfavorable terms.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

Exhibit No.

10.1 Bank of Hawaii Corporation Executive Deferred Compensation Program
10.2 Retention Agreement with David Thomas
10.3 Retention Agreement with Alton Kuioka
99.1 December 19, 2005 Press Release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date December 22, 2005

BANK OF HAWAII CORPORATION

By: /s/ Cynthia G. Wyrick
Cynthia G. Wyrick
Executive Vice President and
Corporate Secretary

**BANK OF HAWAII CORPORATION
EXECUTIVE BASE SALARY DEFERRAL PLAN**

(Effective January 1, 2006)

**BANK OF HAWAII CORPORATION
EXECUTIVE BASE SALARY DEFERRAL PLAN**

Article 1. Purpose. This Bank of Hawaii Corporation Executive Base Salary Deferral Plan (the "Plan") is intended to advance the interests of Bank of Hawaii Corporation (the "Company") by providing deferred compensation benefits to selected executive officers of the Company and its subsidiaries and thereby strengthening the ability of the Company and its subsidiaries to attract and retain executive officers upon whose judgment, initiative, and efforts the successful conduct and development of the Company depend.

Article 2. Effective Date and Plan Year. This Plan is effective January 1, 2006, (the "Effective Date"). The "Plan Year" shall be the calendar year. However, any deferral elections in effect for a Plan Year shall apply commencing with the first payroll period commencing in the calendar year through the last payroll period commencing in the calendar year. Example: Bank of Hawaii uses bi-weekly payroll periods. The first payroll period in 2006 commences January 6, 2006. The last payroll period will commence December 22, 2006, and end January 4, 2007. Deferral elections with respect to the 2006 Plan Year apply to the payroll periods commencing January 6, 2006, and ending January 4, 2007.

Article 3. Eligibility. The Human Resources and Compensation Committee of the Board of Directors of the Company (the "Committee") shall determine the executive officers of the Company and its subsidiaries who shall be eligible to participate in the Plan (the "Participants"), and such Participants shall be eligible to participate in the Plan as of the date designated by the Committee. Participation shall be limited to a select group of management or highly compensated employees of the Company and its subsidiaries as determined by the Committee pursuant to the requirements of the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"). To participate and receive benefits under the Plan, each Participant shall agree to observe all rules and regulations established by the Committee and shall abide by all decisions of the Committee in the construction and administration of the Plan.

Article 4. Administration. The Committee shall administer the Plan in accordance with the Committee's charter and the governance rules and procedures applicable to the Committee. The Committee may delegate its administrative authority and responsibilities under the Plan to any officer or staff member of the Company or Bank of Hawaii (the "Bank") or to a third-party administrator.

The Committee shall have plenary authority, in its discretion, to: (a) construe and interpret the Plan and its terms and resolve any ambiguities herein; (b) determine the amount and recipient of any payment hereunder; (c) prescribe, amend, and rescind rules and regulations; and (d) make all other determinations and do all other things necessary or appropriate for the administration of the Plan. All decisions, determinations, and interpretations made by the Committee shall be binding and conclusive on Participants, beneficiaries, and all other interested parties.

Article 5. Base Salary Deferral Election. By making a "Deferral Election," a Participant may elect to defer the receipt of up to 80% of his or her base salary (less FICA taxes and other applicable payroll deductions) earned for the Plan Year. A Participant's Deferral Election shall be on a form (paper or electronic) approved by the Director of Human Resources of the Bank.

(a) General Deferral Election Timing Rule. To be effective for a Plan Year, the Participant's Deferral Election must be executed and delivered to the Director of Human Resources of the Bank or a third-party administrator no later than December 31 of the year immediately preceding the Plan Year. The Deferral Election in effect as of December 31 of the immediately preceding year shall be irrevocable as to base salary earned for the Plan Year.

(b) First Year of Eligibility. In the case of the first Plan Year in which a Participant becomes eligible to participate, the Participant may make a Deferral Election within 30 days after becoming eligible to participate, but such Deferral Election shall be effective only with respect to base salary for services performed after the date the Deferral Election form is executed and delivered to the Bank or third-party administrator. For purposes of determining whether a Participant is newly eligible to participate, the plan aggregation rules under Section 409A of the Code apply. This means that, if a Participant is already eligible to participate in another account balance deferred compensation plan, such as the Bank of Hawaii Retirement Savings Excess Benefit Plan, the Participant will not be treated as newly eligible with respect to this Plan. Accordingly, the special election rule for first year of eligibility would not apply to such Participant. Example: On December 31, 2005, Employee A is a participant in the Bank of Hawaii Retirement Savings Excess Benefit Plan. On March 31, 2006, Employee A receives a promotion, and, in connection with the promotion, the Committee designates Employee A as being eligible to participate in this Plan. Employee A may not make a deferral election with respect to any base salary earned in 2006, but may make an election before the end of 2006 to defer base salary in 2007.

(c) Subsequent Plan Years. There will be no evergreen elections. A Participant must make an affirmative deferral election with respect to a Plan Year under Article 5(a). If a Participant has not made an affirmative election by December 31 of the immediately preceding year, the Participant will be deemed to have irrevocably elected not to make a deferral for the Plan Year.

(d) Cancellation of Deferral Election in the Event of Unforeseeable Emergency or Hardship Distribution from a 401(k) Plan. In the event of an "unforeseeable emergency," as defined in Article 8(d), prior to the Participant having a separation from service and before a distribution is made from this Plan on account of such "unforeseeable emergency," the Participant's Deferral Election, if any, with respect to the Plan Year shall be cancelled. Likewise, if the Participant receives a hardship distribution pursuant to Section 1.401(k)-1(d)(3) of the Treasury Regulations, the Participant's Deferral Election with respect to the Plan Year shall be cancelled. Any future Deferral Elections shall be subject to the timing rule in Article 5(a).

Article 6. Deferred Compensation Account. One or more separate accounts shall be established and maintained on behalf of each Participant under the Plan (collectively, the "Account"), which shall reflect the balance of the deferred amounts credited to the Participant and the deemed investment earnings on such amounts. The deferred amounts for each Participant shall be credited to the Participant's Account as soon as practicable following the date such compensation would otherwise have been paid to the Participant. The Bank or a third-party administrator shall maintain books and records that appropriately reflect the balance of the Participant's Account. If a Participant elects different times or forms of distribution for the amounts deferred in different Plan Years, the Bank or third-party administrator shall separately account for the different Plan Year's deferrals.

For purposes of determining the value of the Participant's Account, the amount allocated to the Participant's Account shall be treated as if it were invested and reinvested in one or more investment funds or vehicles as may be designated by the Committee and thereafter directed by the Participant. Each Account shall be appropriately increased or decreased to reflect the appreciation or depreciation in the value of the deemed investment, the net income or loss attributable to the deemed investment, and the distributions and expenses that may be charged to the Account. The Participant agrees on behalf of the Participant and any designated beneficiary to assume all risks and responsibilities for the direction of investments in the Participant's Account, and neither the Company, the Committee, nor any third-party service provider shall be liable for any deemed investment losses that may be incurred under the Account because of the Participant's investment elections. The Participant shall have no direct ownership interest in any assets representing such deemed investments. Pursuant to Articles 12 and 13, the Participant's Account represents a general unfunded promise to pay deferred compensation. The Participant's Account balance is the measure of the amount of the Participant's deferred compensation.

Article 7. Vesting. A Participant shall have a 100% vested and nonforfeitable interest in the balance of the Participant's Account at all times.

Article 8. Time of Distribution. Except as provided in a Participant's election under Section 8(e) or Article 9, any deferred amount shall be distributed by December 31 of the year in which the first of the following events occurs or, if later, by the 15th day of the third month following the first to occur of the following events:

(a) Six Months following Separation from Service. The date that is six months following the Participant's "separation from service". For this purpose, "separation from service" is defined by reference to Proposed Treasury Regulations Section 1.409A-1(h) and future guidance from the Internal Revenue Service (the "IRS") and generally means termination of employment from the Company and its subsidiaries.

(b) Disability. The Participant's "Disability". A Participant shall be considered "disabled" if the Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for

a period of not less than 3 months under an accident and health plan covering employees of the Company. In addition to the foregoing, a Participant shall be deemed “disabled” as of the date the Social Security Administration determines the Participant to be totally disabled.

(c) Death. The Participant’s death. In the event of the death of a Participant before his or her Account has been distributed in full, the balance of the Participant’s Account shall be paid to the Participant’s designated beneficiary. The Participant’s beneficiary may be designated or changed by the Participant (without the consent of any prior beneficiary) through written notice acceptable to the Bank’s Director of Human Resources. Whenever a new beneficiary form is filed with the Bank, all former beneficiary designations by such Participant shall be revoked automatically. If, upon the death of a Participant, there is no valid beneficiary designation on file with the Bank, the beneficiary of the Participant’s Account shall be the Participant’s surviving spouse or, if none, the Participant’s estate.

(d) An Unforeseeable Emergency. The occurrence of an “unforeseeable emergency,” which may occur prior to a separation from service or after a separation from service. A Participant will be deemed to have had an “unforeseeable emergency” if the Participant suffers a severe financial hardship resulting from (1) an illness or accident of the Participant, the Participant’s spouse, or a “dependent” of the Participant, as defined in Section 152(a) of the Code; (2) loss of the Participant’s property due to casualty, or (3) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, as more particularly described in Proposed Treasury Regulations Section 1.409A-3(g)(3) or future Internal Revenue Service guidance under Section 409A of the Code. Generally, the purchase of a home or the payment of college tuition are not “unforeseeable emergencies”. A distribution on account of “unforeseeable emergency” may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant’s assets (to the extent the liquidation of such assets would not cause severe financial hardship), or by cessation of deferrals under this Plan. In accordance with Article 5(d), before a distribution is made based on unforeseeable emergency, the Participant’s current year deferrals in this Plan, if any, shall be cancelled. Any distribution because of an unforeseeable emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution). The determination of the amount reasonably necessary to satisfy the emergency need must take into account any additional compensation that is available to the Participant because of the cancellation of the Participant’s deferral election under Article 5(d).

(e) Specified Time. At the time of making a Deferral Election for a Plan Year, a Participant may specify a time at which the amount deferred for the Plan Year will be distributed or commence to be distributed. The specified time must be a date (e.g., “January 1, 2010”). The specified time may not be an event, (e.g., “when my child begins college”). If a Participant chooses a specified time, the deferred amount will be distributed at the earliest to occur of the Participant’s Disability, death, unforeseeable

emergency, or specified time. Separation from service shall have no applicability if the Participant designates a specified time.

Article 9. Form of Distribution.

(a) All Events other than Separation from Service or Specified Time. For all distribution events listed in Article 8 other than separation from service or specified time, the Participant's Account shall be paid in cash in a single lump sum.

(b) Separation from Service and Specified Time. At the time a Participant makes a Deferral Election, the Participant must elect the form of distribution for that portion of the Participant's Account attributable to that Plan Year's deferred compensation in the event such amount is paid on account of separation from service or because a specified time has been reached. The Participant may choose from among the following forms of distribution:

- a single lump sum payment in cash, or
- annual installments over a period not to exceed 5 years (using the "declining balance method," under which each annual installment payment is determined by multiplying the remaining Account balance by a fraction, where the numerator is one and the denominator is the remaining years in the payment period).

As part of the election with respect to separation from service, the Participant may choose to defer the commencement of payments to an anniversary of the Participant's separation from service, so long as the benefits commence by the 5th anniversary of the Participant's separation from service.

If a Participant elects different forms of distributions for the amounts deferred in different Plan Years, the third-party administrator shall separately account for the different Plan Year's deferred amounts in accordance with Article 6.

Article 10. Subsequent Changes to Elections as to the Time and Form of Payment. A Participant's election with respect to the time and form of payment following a separation from service or a specified time may be not be changed except as permitted by the Committee and provided in this Article 10.

- (a) Any new election must be made at least 12 months prior to the date the payment is scheduled to be paid;
- (b) Under the new election, payment must be deferred for a period of not less than 5 years from the date such payment would otherwise have been paid; and
- (c) The new election may not take effect until 12 months after the new election is made.

Installment payments are treated as a single payment for purposes of this rule with respect to subsequent changes to elections.

Example: At the time of making a deferral election, Participant A chooses to have the deferred amount paid in five annual installments commencing August 1, 2015, (the year in which Participant A expects his first child to begin college). In 2013, Participant A is pleased to learn that his first child has qualified for a college scholarship. Before August 1, 2014, Participant A may elect to defer the commencement of the installments to a date no earlier than August 1, 2020. As part of the further deferral, Participant A may change the form of distribution from installments to a lump sum.

Article 11. Incapacity. If the Committee finds that any person to whom an Account is payable under this Plan is legally, physically, or mentally incapable of personally receiving and receipting for payment, the Committee may direct that such Account be paid to any person, persons, or institutions who have custody of such person, or are providing necessities of life (including, without limitation, food, shelter, clothing, and medical, or custodial care) to such person, to the extent deemed appropriate by the Committee. Any such payment shall constitute a full discharge of the liability of the Company to the extent thereof.

Article 12. No Funding. The amounts payable under this Plan shall be paid from the general assets of the Company, as the Company may determine, and a Participant shall have no right, title, or interest in or to investments, if any, which the Company may make to assist it in meeting its obligations under this Plan, including any deemed investments under Article 6. Beneficial ownership of any such investments shall at all times remain in the Company. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a fiduciary relationship between the Company and the Participant or any other person. To the extent that any person acquires a right to receive a payment from the Company under this Plan, such right shall be no greater than the right of an unsecured creditor.

The Company may establish a “rabbi trust” in order to assist the Company in satisfying its obligations under the Plan. If a rabbi trust is established, the arrangement shall be consistent with the preceding paragraph, and the arrangement shall be subject to the following conditions: (a) the establishment and maintenance of the trust shall not cause the Plan to be other than an “unfunded” plan for purposes of the Code and Title I of ERISA; (b) the Company shall be treated as the “grantor” of the trust for purposes of Section 677 of the Code; (c) the trust shall provide that its assets will be used to satisfy claims of the Company’s general creditors in the event of the Company’s insolvency; and (d) neither the rabbi trust nor the assets of the rabbi trust shall be located or transferred outside of the United States.

Article 13. Legal Status. This Plan is intended to constitute a nonqualified deferred compensation plan that is not subject to the qualification requirements of Section 401(a) of the Code. The Plan is also intended to be a “top-hat plan,” as described in Section 201(2) of ERISA. Prior to the actual payment of the amounts credited to an Account, there shall be no transfer of any assets to a Participant or for the benefit of a Participant under this Plan, and the Plan is intended to confer no current benefit that would be immediately taxable to the Participant under constructive receipt or other tax principles. The Plan has been designed to meet the requirements of Section 409A of the Code and shall be interpreted consistent with any guidance

issued by U.S. Department of Treasury, including the Internal Revenue Service, under Section 409A.

Article 14. Continued Employment. Nothing contained in this Plan shall be construed as conferring upon a Participant the right to continue in the service of the Company as an employee or in any other capacity.

Article 15. Nonassignment. Except as provided in this Article 15, the interests of a Participant hereunder may not be sold, transferred, assigned, pledged, or hypothecated, and no Participant may borrow against his or her Account. Notwithstanding the foregoing, if the Committee receives a “domestic relations order,” as defined in Section 414(p)(1)B) of the Code, with respect to a Participant’s Account, the Committee may direct payment of all or a portion of the Participant’s Account to an individual other than the Participant in accordance with and at the time specified by the domestic relations order.

Article 16. Amendment and Termination. The Committee may amend, modify, or terminate the Plan at any time, in its discretion. However, no amendment, modification, or termination of the Plan shall adversely affect a Participant’s rights with respect to amounts then accrued in the Participant’s Account.

Article 17. Tax Withholding. The payment of any amount under this Plan shall be conditioned upon the satisfaction of tax withholding or other withholding liabilities under state or federal law. The Participant shall be liable for any and all taxes applicable to payments under this Plan, and the Company shall not “gross-up” such payments for taxes.

Article 18. Indemnification. In addition to such other rights of indemnification as they may have as members of the Board of Directors of the Company, the Company shall indemnify the members of the Committee against all reasonable expenses, including attorneys’ fees, actually and reasonably incurred in connection with the defense of any action, suit, or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action or failure to act under or in connection with the Plan, and against all amounts reasonably paid by them in settlement thereof or paid by them in satisfaction of a judgment in any such action, suit, or proceeding, if such members acted in good faith and in a manner that they believed to be in, and not opposed to, the best interests of the Company.

Article 19. Claims Procedure. Any individual (“Claimant”) who has not received benefits under the Plan that he or she believes should be paid may make a claim for such benefits as follows:

(a) Written Claim. The Claimant initiates a claim by submitting to the Committee a written claim for the benefits.

(b) Timing of Committee Response. The Committee shall respond to the Claimant within 90 days after receiving the claim. If the Committee determines that special circumstances require additional time for processing the claim, the Committee may extend the response period by an additional 90 days by notifying the Claimant in writing, prior to the end of the initial 90-day period, that an additional period is required.

The notice of extension must set forth the special circumstances and the date by which the Committee expects to render its decision.

(c) Notice of Decision. If the Committee denies part or all of the claim, the Committee shall notify the Claimant in writing of such denial. The Committee shall write the notification in a manner calculated to be understood by the Claimant. The notification shall set forth: (i) the specific reasons for the denial; (ii) a reference to the specific provisions of the Plan on which the denial is based; (iii) a description of any additional information or material necessary for the Claimant to perfect the claim and an explanation of why it is needed; (iv) an explanation of the Plan's review procedures and the time limits applicable to such procedures; and (v) a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.

(d) Review Procedure. If the Committee denies part or all of the claim, the Claimant shall have the opportunity for a full and fair review by the Committee of the denial. To initiate the review, the Claimant, within 60 days after receiving the Committee's notice of denial, must file with the Committee a written request for review. The Claimant shall then have the opportunity to submit written comments, documents, records and other information relating to the claim. The Committee shall also provide the Claimant, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant (as defined in applicable ERISA regulations) to the Claimant's claim for benefits. In considering the review, the Committee shall take into account all materials and information the Claimant submits relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

(e) Committee Response. The Committee shall respond in writing to the Claimant within 60 days after receiving the request for review. If the Committee determines that special circumstances require additional time for processing the claim, the Committee may extend the response period by an additional 60 days by notifying the Claimant in writing, prior to the end of the initial 60-day period, that an additional period is required. The notice of extension must set forth the special circumstances and the date by which the Committee expects to render its decision. The Committee shall notify the Claimant in writing of its decision on review. The Committee shall write the notification in a manner calculated to be understood by the Claimant. The notification shall set forth: (i) the specific reasons for the denial; (ii) a reference to the specific provisions of the Plan on which the denial is based; (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant (as defined in applicable ERISA regulations) to the Claimant's claim for benefits, and (iv) a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA after exhausting all administrative claims and review procedures in this Article 19.

Article 20. Successors. All obligations of the Company under the Plan with respect to any Account hereunder shall be binding on any successor to the Company. If the Company enters into a contract to sell all or substantially all the assets of the Company, the Company shall require the buyer to assume the obligations under this Plan.

Article 21. Enforceability and Controlling Law. If any provision of this Plan is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions shall continue in full force and effect. Except to the extent preempted by ERISA, the provisions of this Plan shall be construed, administered, and enforced according to the laws of the State of Hawaii without giving effect to the conflict of laws principles.

RETENTION AGREEMENT

Between Bank of Hawaii and David W. Thomas dated December 16, 2005

This Retention Agreement ("Agreement") is between David W. Thomas ("you") whose mailing address is P.O. Box 3886, Honolulu, Hawaii 96812, and Bank of Hawaii Corporation and Bank of Hawaii (collectively, the "Bank") of 130 Merchant Street, Honolulu, Hawaii 96813. The purpose of this Agreement is to describe the terms of your retention and transition from employment with the Bank.

1. **Duties and compensation until your Separation Date.** Effective January 1, 2006, you will assume the new position of Chief Operating Officer with an annual base salary of \$450,000. You agree to work diligently in your new position (or in any higher position to which you may be promoted) through February 29, 2008 (the "Separation Date"), at which time you will be relieved of all duties and responsibilities. The Bank may advance your Separation Date to any date before February 29, 2008, or may extend your Separation Date to any date within three months after February 29, 2008. Any Separation Date after May 31, 2008, will require mutual agreement of the parties in writing.
 - a. You will be paid your salary and benefits through the Separation Date. You will participate in the Executive Incentive Plan for calendar years 2006, 2007, and 2008, with the amount payable for 2008 pro-rated based on your Separation Date. On December 16, 2005, you will receive a restricted stock grant. You will not participate in any other incentive, retention, bonus, or stock plan in 2006, 2007, 2008, or thereafter.
 - b. In the event you voluntarily terminate employment prior to the Separation Date, you will receive only your salary and vested benefits through the date of your termination of employment.
 - c. You acknowledge and agree that no compensation or other payment except as specified in this Agreement and in the restricted stock grant on December 16, 2005, will be owed to you after the Separation Date.
 2. **Return of Bank materials upon termination of employment and resignation from positions.** On or prior to the Separation Date, you:
 - a. Will return to the Bank any information you have about the Bank's practices, customers, strategies, procedures, or trade secrets, including but not limited to, customer data, lists and accounts, growth plans, business plans, and marketing strategies (collectively, the "Bank Information"). You will not retain any copies of the Bank Information in any form or medium.
 - b. You will also return any Bank property you have, including American Express card, keys, cell phone, or other Bank equipment.
 - c. You will resign any positions you hold as a director, officer, or other management official of any Bank affiliate or subsidiary, or as trustee or fiduciary of any Bank benefit plan or trust, effective on the Separation Date.
-

- d. You understand that effective on the Separation Date, there will be no further reimbursements for expenses you incur at the Oahu Country Club. Additional income to partially offset your periodic membership dues will end on your Separation Date. If you elect to discontinue your membership prior to that date, you must notify the Bank's Director of Human Resources in writing, at least thirty (30) days prior to the date of discontinuance. Upon timely receipt of your written notice, the Bank will consider your membership discontinued, and the additional income related to club dues will no longer be paid. You are responsible for abiding by your club's specific procedures for membership discontinuance and ensuring that no additional business expenses are incurred.
 - e. In the event your employment is terminated prior to your Separation Date (1) voluntarily, or (2) for "cause" pursuant to Paragraph 5, you will comply with these requirements as of your termination date ("Termination Date").
3. **Retention Payment and other benefits.** If you perform your duties to the Bank's satisfaction through February 29, 2008, (including your compliance with the requirements in Paragraph 2, above, and if you comply with the requirements of this Paragraph and Paragraphs 6, 8, and 9, below, and Exhibit "A" to the Agreement), you will receive a Retention Payment equal to twenty-four (24) months of your base monthly salary as of February 29, 2008, and the additional benefits described in this Paragraph 4.
- a. The Retention Payment will be paid in thirty-six (36) monthly payments and will commence on the first day of the seventh month after your Separation Date. The first payment will be in an amount equal to seven monthly payments; single monthly payments will continue thereafter for twenty-nine months.
 - b. You will be entitled to health insurance coverage under an insured preferred provider plan with the same percentage of shared premiums as prior to your Separation Date (except that there will be no pre-tax employee premiums) for a period of thirty-six (36) months after your Separation Date. If you are employed elsewhere before the thirty-six month period ends, the health insurance coverage will terminate at the time of your new employment. When the health insurance coverage ends under this paragraph, you will receive notice of your right to COBRA continuation coverage. After the Separation Date, you will no longer be eligible for contributions or benefit accruals under any of the Bank's tax-qualified retirement plans or nonqualified deferred compensation plans. Any outstanding stock option(s) will expire in accordance with the terms of the option(s).
 - c. The Bank will waive your obligation to reimburse the Bank for the remaining balance of the initial membership fee at the Oahu Country Club. This will result in imputed income to you in 2008. You are responsible for the payroll taxes on this income, and the Bank will withhold the appropriate amounts from your 2008 earnings.

4. **Effect of this Agreement on other severance arrangements.** Unless your employment is terminated for “cause” as defined in the next Paragraph, it will be terminated by way of resignation. You understand and agree that you are not entitled to benefits under our Basic Staff Severance Plan for termination by resignation. By acceptance of this Agreement and in consideration of the monetary consideration provided to you under this Agreement (“Monetary Consideration”), you are waiving and releasing any claim for benefits under that Plan. In addition, the Key Executive Change-in-Control Severance Agreement entered into by and between you and the Bank effective June 22, 2001, shall be deemed to have been terminated as of the Separation Date. Furthermore, if a Change in Control occurs prior to your Separation Date and you become entitled to benefits under the Key Executive Change-in-Control Severance Agreement, you will receive the benefits under the Change-in-Control Severance Agreement, but will not be entitled to any of the benefits provided under this Agreement. The Bank makes no representation to you concerning your possible entitlement to unemployment insurance benefits, and will truthfully report, should unemployment compensation authorities ask, that the termination of your employment was voluntary (or involuntary, if termination was for “cause”).
5. **When your employment may be terminated for cause.** You agree and understand that your employment with the Bank may be terminated for “cause” at any time on or before the Separation Date.
- a. “Cause” is defined to include: (1) your violation of the Bank’s Employee Handbook, to include the Bank’s Code of Ethics and Conduct (the “Code”), a copy of which has been provided to you; (2) your breach of the terms of this Agreement; (3) your failure to successfully complete your transition objectives or to make satisfactory progress toward your annual performance objectives through the Separation Date, as determined by the Bank’s Chief Executive Officer; or (4) your violation of the Code of Business Ethics and Conduct of the New York Stock Exchange (the “NYSE Code”), a copy of which has been provided to you. You understand and acknowledge that the provisions of the Code or the NYSE Code may be changed from time to time between the date on which you sign this Agreement (its “Execution Date”) and the Separation Date, and you agree that your violation of any of those changed provisions prior to the Separation Date will constitute grounds for terminating your employment for “cause”.
 - b. Termination for “cause” may be with or without notice. In the event that you are terminated for “cause,” you will forfeit all Monetary Consideration that has not been paid to you as of the Termination Date.
 - c. Your duties under this Agreement, including the information disclosure restrictions in Paragraph 9.a and the release of all claims in Paragraph 6.a, shall remain in the event you are terminated for “cause”. You agree that the payment to you of salary and benefits and/or other consideration on or after the date you sign this Agreement (the “Execution Date”) shall be good and sufficient consideration to require your adherence to the promises you have made in this

Agreement even if you are terminated for “cause” and forfeit any unpaid or unvested Monetary Consideration.

6. **Waiver of any claims you may have.** You waive, release, and forego any and all claims that you have or might have through the Execution Date of this Agreement against the Bank and any of its predecessors, subsidiaries, related entities, officers, directors, shareholders, agents, attorneys, employees, successors, or assigns (the “Bank Releasees”), including without restriction any claims arising from or related to your employment with the Bank and/or your separation from employment with the Bank.
 - a. The released claims include, but are not limited to, claims arising under statutory or common law in the United States (including federal, state, or local jurisdictions) or any foreign country. The released claims include, but are not limited to, claims under anti-discrimination statutes such as Title VII of the Civil Rights Act, the federal Age Discrimination in Employment Act (“ADEA”), and Hawaii’s civil rights laws (Hawaii Revised Statutes Chapter 368 and 378); claims under wage and hour laws; claims under the laws of contract and tort (such as claims for breach of contract, infliction of emotional distress, defamation, invasion of privacy, wrongful termination, etc.); claims based upon the Hawaii Whistleblowers’ Protection Act, H.R.S. § 378-61, et seq.; claims under the Sarbanes-Oxley Act of 2002, including Section 806 (18 U.S.C. § 1514A) of the Corporate and Criminal Fraud Accountability Act of 2002 (Title VIII of Sarbanes-Oxley Act of 2002); and claims for attorneys’ fees and/or costs. **THIS RELEASE COVERS ALL CLAIMS THAT ARE BASED UPON ANY EVENT THAT OCCURRED THROUGH THE EXECUTION DATE OF THIS AGREEMENT.**
 - b. You further agree that you will execute upon your Separation Date a further Release covering claims from the Execution Date through your Separation Date in the form attached hereto as Exhibit A. The Release is expressly incorporated into this Agreement as part of the Agreement.
7. **How we will respond to employment verification requests.** The Bank and you agree that any inquiries regarding verification of your employment will be handled through Bank of Hawaii, Human Resources. As is its practice, Human Resources will only release information confirming your dates of employment and position title to requesters or if we are required to report further information by law, regulation, or court order.
8. **Neither of us will make negative comments about the other.** The Bank agrees that neither its executive officers nor its directors will make any disparaging, negative, or derogatory statements about you. You agree that you will not make any disparaging, negative, or derogatory comments about the Bank or the Bank Releasees.

9. **Your agreement to keep secrets and not to compete.** You further agree as follows:

- a. Unless required or otherwise permitted by law, you will not disclose to others or use the Bank Information or any summary or derivative of that information.
- b. You acknowledge that your services under this Agreement are of a special, unique, unusual, extraordinary, and intellectual character and that you will have access to Bank Information of extremely confidential and sensitive nature crucial to the Bank's success. You further acknowledge and agree that if you were to engage in the conduct prohibited by Subparagraphs 9.c, 9.d, or 9.e, the Bank would be irreparably harmed.
- c. In consideration of your acknowledgements, our mutual promises and the Monetary Consideration, you agree that — for the duration of the term of your active employment by the Bank and for a period of twenty-four (24) full months following the earlier of your Separation Date or Termination Date (the "Non-Compete Period") — you will not, either directly or indirectly, engage in or invest in, own, manage, operate, finance, control, be employed by, work as a consultant or contractor for, or otherwise be associated with any Financial Institution doing business in the state of Hawaii; provided, however, that you may purchase or otherwise acquire up to one percent of any class of securities of any such Financial Institution (but without otherwise participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange or have been registered under Section 12(g) of the Securities Exchange Act of 1934. The term "Financial Institution" is defined as any commercial bank, savings institution, securities brokerage, mortgage company, insurance broker, or other company or organization that competes in the state of Hawaii with the Bank or any of its subsidiaries or related companies or entities (the "Bank or Related Entities").
- d. You agree that at any time following the Execution Date of this Agreement through twelve (12) full months following the end of the Non-Compete Period you will not solicit business of the same or similar type being carried on by the Bank or Related Entities from any company, person, or entity known by you to be a customer of the Bank or Related Entities, whether or not you had personal contact with such company, person, or entity by reason of your employment with the Bank.
- e. You will not, whether for your own account or the account of any other person at any time following the Execution Date of this Agreement through twelve (12) full months following the end of the Non-Compete Period solicit, employ, or otherwise engage as an employee, independent contractor, or otherwise, any person who is an employee of the Bank or in any manner induce or attempt to induce any employee of the Bank to terminate his or her employment with the Bank.

- f. You agree to notify the Bank in writing if you accept employment at any time between the Execution Date of this Agreement and one year following the end of the Non-Compete Period. You further agree that the Bank may notify your new employer of the terms of Paragraphs 8, 9, and 11 of this Agreement and, at the Bank's election, furnish the employer with a copy of this Agreement or relevant portions thereof.
10. **Where notices are to be sent.** Any notice required or permitted by this Agreement shall be in writing sent to the following addressees: For you, P.O. Box 3886, Honolulu, Hawaii 96812; for the Bank, Bank of Hawaii, Human Resources #320, P. O. Box 2900, Honolulu, HI 96846-6000.
11. **Enforcing this Agreement.** To the extent permitted by law, if you breach any of your obligations under this Agreement, the Bank will be entitled to recover the benefits paid under this Agreement and to obtain all other relief provided by law or equity. You acknowledge and agree that your breach of Paragraphs 2, 8, or 9 will result in irreparable harm to the Bank for which it will have no adequate remedy at law and for which the Bank will be entitled to immediate injunctive relief.
12. **Interpretation of this Agreement.** In deciding any question about the parties' intent in creating this Agreement, the following rules will be applied:
- a. If any covenant of Paragraph 9 is held by a court to be unreasonable, arbitrary, or against public policy, the covenant will be considered to be divisible with respect to scope, time, and/or geographic area, and enforced to the greatest extent permissible under law. If any provision of this Agreement is deemed to be unlawful, the provision will be deemed deleted from this Agreement and the remainder of the Agreement will continue in effect.
 - b. The paragraph headings and other guides in this Agreement, as well as any cover letter or other documents accompanying it, are only intended to improve the readability of the Agreement, and not to alter its substance.
 - c. This Agreement is formed at Honolulu, Hawaii, and is to be interpreted and enforced under the applicable federal and Hawaii state laws.
 - d. This Agreement represents the complete agreement of the parties and supersedes any and all prior agreements. Specifically, in consideration for this new Agreement and the benefits provided hereunder, you waive all rights and forever forfeit any benefits under the Retention Agreement entered into between you and the Bank on May 3, 2004.
 - e. This Agreement may only be amended in writing signed by both you and the Bank.

f. This Agreement is not intended to be and is not an admission of any fact or wrongdoing or liability by any of the parties.

13. **Older Workers Benefit Protection Act notice.** The following is required by the Older Workers Benefit Protection Act (“OWBPA”):

This Agreement includes a waiver of any claims you may have under the Age Discrimination in Employment Act (“ADEA”) through the Execution Date of the Agreement. You have up to 21 days from the date of this letter to accept the terms of this Agreement, although you may accept it at any time within those 21 days. To properly weigh the advantages and disadvantages of signing this Agreement and waiving your ADEA claims, you are advised to consult an attorney about this Agreement prior to signing. If you want to accept the Agreement prior to the expiration of the 21 days, you will need to indicate your waiver of the 21-day consideration period by signing in the space indicated below.

To accept this Agreement, please date, sign, and return it to the Bank's Executive Vice President & Director of Human Resources. *(An extra copy for your file is provided)*. Once you do so, pursuant to the OWBPA, you will still have an additional seven days in which to revoke your acceptance. To revoke, you must send the Bank's Executive Vice President & Director of Human Resources a written statement of revocation by registered mail, return receipt requested. If you revoke your acceptance of this Agreement, the Agreement will be void, and you will not receive the Monetary Consideration provided under the Agreement.

BANK OF HAWAII CORPORATION and
BANK OF HAWAII

By: /s/ Allan R. Landon
Allan R. Landon
Chairman of the Board, CEO, and President

By signing this Agreement, I acknowledge that I have had the opportunity to review it carefully with an attorney of my choice; that I have read and understand its terms; and that I voluntarily agree to them.

Dated: December 22, 2005 /s/ David W. Thomas
David W. Thomas

Pursuant to 29 C.F.R. § 1625.22(e)(6), I hereby knowingly and voluntarily waive the twenty-one (21) day pre-execution consideration period set forth in Older Workers Benefit Protection Act (29 U.S.C. § 626(f)(1)(F)(i)).

Dated: December 22, 2005 /s/ David W. Thomas
David W. Thomas

EXHIBIT A
[TO BE SIGNED ON THE SEPARATION DATE]

RELEASE OF CLAIMS

In consideration of the payments and other consideration provided for by the agreement ("Agreement") dated December 16, 2005, which is attached hereto and expressly incorporated herein, I hereby voluntarily and knowingly waive, release, and forever forego any and all claims, whether or not now known, suspected or claimed, that I ever had, now have, or may later claim to have had against Bank of Hawaii (the "Bank") and any of its predecessors, subsidiaries, related entities, officers, directors, shareholders, agents, insurers, attorneys, employees, successors, or assigns (the "Bank Releasees") through the date of my signature below (the "Release Date"), including without limitation all claims arising from or related to my employment with the Bank and/or the separation of my employment with the Bank.

These claims include, but are not limited to, claims arising under statutory or common law in the United States (including federal, state, or local jurisdictions) or any foreign country. The released claims include, but are not limited to, claims under anti-discrimination statutes such as Title VII of the Civil Rights Act, the federal Age Discrimination in Employment Act ("ADEA"), and Hawaii's civil rights laws (Hawaii Revised Statutes Chapter 368 and 378); claims under wage and hour laws; claims under the laws of contract and tort (such as claims for breach of contract, infliction of emotional distress, defamation, invasion of privacy, wrongful termination, etc.); claims based upon the Hawaii Whistleblowers' Protection Act, H.R.S. § 378-61, et seq.; claims under the Sarbanes-Oxley Act of 2002, including Section 806 (18 U.S.C. § 1514A) of the Corporate and Criminal Fraud Accountability Act of 2002 (Title VIII of Sarbanes-Oxley Act of 2002); and claims for attorneys' fees and/or costs. This Release covers all claims that are based upon any event, action, or inaction that occurred or was to have occurred through the Release Date.

I hereby acknowledge (1) that I have been advised to consult with an attorney prior to signing this Release, (2) that I have been given more than twenty-one days prior to signing in which to consider this Release, (3) that I have been advised that this Release covers ALL CLAIMS (including employment-related claims generally and ADEA claims specifically) I might have against the Bank or the Bank Releasees through the date of this Release; and (4) that I have seven days after signing this Release ("the Revocation Period") in which to revoke my agreement to this Release. I understand that I may revoke my agreement by notifying the Bank at any time during the Revocation Period. If I elect to revoke my agreement to this Release, the Agreement will be void, and I will not receive the Monetary Consideration provided under the Agreement.

UNDERSTOOD AND AGREED:

David W. Thomas

Date

Pursuant to 29 C.F.R. § 1625.22(e)(6), I hereby knowingly and voluntarily waive the twenty-one (21) day pre-execution consideration period set forth in Older Workers Benefit Protection Act (29 U.S.C. § 626(f)(1)(F)(i)).

Dated: _____

David W. Thomas



December 16, 2005

Alton T. Kuioka

Re: Revisions to Retention Agreement to Comply with Section 409A of the Internal Revenue Code

Dear Alton,

This letter agreement revises and replaces the retention agreement that Bank of Hawaii Corporation and Bank of Hawaii (collectively, the "Bank") entered into with you on May 3, 2004. These revisions are necessary to comply with Section 409A of the Internal Revenue Code, which applies new rules for deferred compensation effective January 1, 2005. If you agree with the terms of this letter agreement, please date, sign, and return it to the Bank's Director of Human Resources on or before December 30, 2005.

Retention Payment

If you perform your duties to the Bank's satisfaction through December 31, 2005, the Bank will pay you a retention payment equal to twenty-four (24) months of your base monthly salary as of December 31, 2005. The retention payment will be paid to you in a single lump sum on or before March 15, 2006. Also, the balance of your initial membership fees for the Oahu Country Club and the Waiialae Country Club will be imputed to you as income in January 2006.

On behalf of the Bank, I want to thank you for your many years of extraordinary service, and I look forward to your continuing involvement with the Bank and its customers.

BANK OF HAWAII CORPORATION and
BANK OF HAWAIIBy: /s/ Allan R. Landon
Allan R. Landon
Chairman of the Board, CEO, and President

I agree to the revision and replacement of the retention agreement dated May 3, 2004, with this letter agreement.

Dated: December 16, 2005

/s/ Alton T. Kuioka
Alton T. Kuioka



FOR IMMEDIATE RELEASE

Bank of Hawaii Announces Senior Management Changes

HONOLULU, HAWAII – (Dec. 19, 2005) - Bank of Hawaii Corporation (NYSE: BOH) today announced the following senior management changes:

Peter Ho, vice chairman of the Investment Services Group (ISG), will become vice chairman and chief banking officer. Ho will add responsibility for the Commercial Banking Group, currently overseen by Vice Chairman Alton Kuioka. Prior to being promoted to vice chairman for ISG, Ho had been executive vice president for Commercial Banking. Ho also becomes a member of the bank's Board of Directors.

Kuioka, who will continue as a vice chairman and member of the board, is reducing his overall responsibilities and will focus his attention on supporting client relationships.

David Thomas, vice chairman of the Retail Banking Group, will become vice chairman and chief operating officer acquiring the additional responsibility for the bank's Operations and Technology Divisions.

Operations and Technology currently report to Vice Chairman Neal Hocklander, who announced that he intends to leave the bank in June of next year as part of his planned transition. In the interim, Hocklander will continue to serve on the Managing Committee and oversee Human Services and related activities.

"The changes position us well for the future and recognize the talents and leadership skills of these senior managers," said Allan R. Landon, Bank of Hawaii's Chairman and Chief Executive Officer. "These appointments are part of our ongoing process to further integrate our business units."

The changes become effective Jan. 2, 2006.

Bank of Hawaii Corporation is a regional financial services company serving businesses, consumers and governments in Hawaii, American Samoa and the West Pacific. The company's principal subsidiary, Bank of Hawaii, was founded in 1897 and is the largest independent financial institution in Hawaii. For more information about Bank of Hawaii Corporation visit the company's web site at: www.boh.com.

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