

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

HAWAIIAN TELCOM, INC. and
HAWAIIAN TELCOM SERVICES
COMPANY, INC. (Debtors-in-Possession)

WC Docket No. 10-41

Application for Consent to Transfer
Control of Domestic Authorizations Under
Section 214 of the Communications Act, as
Amended

SUPPLEMENTAL INFORMATION

Hawaiian Telcom, Inc. (“HTI”) and Hawaiian Telcom Services Company, Inc. (“HT Services,” and together with HTI, the “Applicants”) hereby provide certain additional information to supplement their Applications for transfer of control,¹ as requested by the Federal Communications Commission’s (“Commission” or “FCC”) staff.²

¹ Hawaiian Telcom, Inc. and Hawaiian Telcom Services Company, Application for Consent to Transfer Control of Domestic Authorizations Under Section 214 of the Communications Act, as Amended, WC Docket No. 10-41 (filed Jan. 22, 2010) (“Application”). Related applications and petitions are associated with file numbers: ITC-ASG-20100122-00038; ISP-PDR-20100122-00002; and 0004095753.

² The information included herein was requested by James Ball of the FCC’s International Bureau on March 23, 2010.

1. Description of Types of Common Carrier Licenses

Please provide a description of the types of common carrier licenses (by service) held by Hawaiian Telcom.

HTI holds the following types of common carrier licenses:

- Domestic Section 214 Authorizations
- International Section 214 Authorizations
- Common Carrier Fixed Point-to-Point Microwave
- Rural Radiotelephone
- Basic Exchange Telephone Radio Service
- Local Television Transmission

HT Services holds the following types of common carrier licenses:

- Domestic Section 214 Authorizations
- International Section 214 Authorizations

2. Information Regarding Trading and Additional Shares of Holdco Stock

The petition for declaratory ruling (at pg. 10) and Appendix A to the transfer application (at pg. 3) state that the Holdco common stock “may” or “will be” traded publicly. Does Holdco have an anticipated date by which public trading is expect to commence? Is Holdco able to state whether it anticipates offering additional shares in the company upon closing? If so, is the Company able to state the percentages of total capital stock and of voting stock that it plans to offer publicly and the diluting effect such offering may have on the Creditor interests?

The Applicants are seeking to have public trading of the new common stock of Hawaiian Telcom Holdco, Inc. (“Holdco”) commence shortly after the company emerges from bankruptcy. When and if this will occur is dependent upon obtaining the necessary approvals from the FCC and the Hawaii Public Utilities Commission and successful registration of the new common stock with the Securities and Exchange Commission and listing of the company with the NASDAQ Stock Exchange. Holdco does not expect to offer additional shares in the company upon emergence from Chapter 11, with the exception of the following, as provided for in the Plan of Reorganization:

- new common stock issued in connection with the rights offering, which is explained in further detail below
- the 10 percent of shares of new common stock reserved for the company’s management equity incentive program to be implemented following emergence from Chapter 11, and
- the potential exercise of the warrants for new common stock that will be distributed upon emergence to eligible senior notes claim holders (as defined below).

No shares will be offered to the public upon emergence from bankruptcy. Also, to clarify, all of the “capital stock” is “voting stock.”

3. Explanation of Rights Offering

The petition for declaratory ruling refers to “the rights offering” (at pgs. 2-3). Please explain the reference to the rights offering.

Pursuant to the Plan of Reorganization, certain senior notes holders with allowed claims (the “eligible senior notes claim holders”) who certified that they were qualified institutional buyers as defined in Rule 144A³ under the Securities Act of 1933, as amended, (“1933 Act”) or accredited investors as defined in Rule 501⁴ of the 1933 Act received subscription rights entitling them to purchase their pro rata share of 3,125,000 shares of the new Holdco common stock to be issued upon emergence from Chapter 11 or as soon as practicable thereafter. The rights offering commenced on October 14, 2009 and expired on November 16, 2009. Holders of subscription rights intending to participate in the rights offering were required to elect to exercise their subscription rights and pay the subscription purchase price of \$16.00 per share prior to the expiration of the rights offering. The rights offering was subject to a minimum participation of

³ 17 C.F.R. § 230.144A.

⁴ 17 C.F.R. § 230.501.

\$1,000,000.00. A total of three eligible senior notes claim holders timely exercised their subscription rights, paying a total of \$2,161,008.00 for the right to receive a total of 135,063 shares of new Holdco common stock upon emergence from Chapter 11.

4. Information Regarding Holdco Stock Trading Restrictions

The petition states (at pg. 5) that the Holdco common stock “may become” subject to certain trading restrictions for two years. Appendix A to the transfer application states (at pgs. 3-4) that the Holdco common stock “will be” subject to the restrictions. Please explain which is the correct statement.

Assuming the necessary approvals are obtained to allow the new Holdco common stock to be publicly traded, the stock will be subject to restrictions preventing any person or entity that controls 4.75 percent or more of the new common stock from acquiring any additional shares without prior approval from the Holdco Board of Directors for at least two years following emergence from Chapter 11. These trading restrictions are necessary to preserve important tax benefits of the company.

5. Information Regarding Post-Bankruptcy Equity and/or Voting Interests⁵

To obtain the information requested by the Commission staff, a supplemental survey was conducted of each of the more than one hundred entities that held claims in the Hawaiian Telcom bankruptcy estate as of December 18, 2009, the date used for compiling the information in the Petition for Declaratory Ruling (the “Record Date”). Lehman Commercial Paper, Inc. (“Lehman”) in its role as administrative agent for the secured lenders, together with Lehman’s legal counsel and Houlihan Lokey, Lehman’s financial advisor, assisted with the survey. The survey was conducted by circulating to all of the lenders a questionnaire seeking data on each of the specific factors identified by

⁵ For Holdco, the “Equity Interests” and the “Voting Interests” are the same.

Commission staff, and then following up with individual lenders to obtain responses to the extent practicable if the questionnaires were not returned in a timely manner.

Although the lenders are under no legal obligation to provide such information to the Applicants, lenders holding approximately 86.4 percent of the prospective equity in Holdco responded to this supplemental inquiry. As noted in the Applicant's prior filings, claims against the bankruptcy estate may be traded among the claim holders and with third parties. Because of this trading activity, while the information provided herein reflects claim holdings as of the Record Date, individual prospective equity ownership interests can and will change as described in prior filings.

Based on the information collected in this new survey as well as the information gathered previously, the following chart summarizes the information obtained by Applicants.⁶

⁶ A declaration attesting to the accuracy of the ownership information is attached hereto as an Exhibit.

Percentage Ownership

Shareholder	U.S.	WTO-member	Known Non-WTO Member	Unknown (Treated as Non-WTO)
Individual	0	0	0	0
Banks, insurance companies, pension plans, foundations/endowments	10.560	12.88 (Luxembourg, Netherlands, Switzerland, the United Kingdom)	0	0.658
Private Equity funds and management investment companies	35.939	32.862 (Australia, Bahamas, Belgium, Bermuda, British Virgin Islands, Canada, Cayman Islands, Denmark, France, Guernsey, Ireland, Italy, Japan, Jersey, Luxembourg, Netherlands, Norway, Singapore, the United Kingdom)	0.005 (Bahamas)	7.096
Total:	46.499	45.742	0.005	7.754

As shown above, Applicants anticipate that 46.499 percent of Holdco will be held by U.S. interests, 45.742 percent will be held by WTO-member country interests, 0.005 percent will be held by a non-WTO country interest, and 7.754 percent is unknown. Numerous shareholders make up 7.754 percent of claims for which the nationality of the holders is unknown, of which the largest single interest is 1.63 percent. Further details with respect to the “unknown” category and explanations of the information that is available to Applicants are provided below.

(a) Please provide the following information with respect to Holdco’s post-bankruptcy shareholders

- i) The aggregate percentage of total equity and voting stock held by or on behalf of individuals that are citizens of the United States;**

- ii) **The aggregate percentage of total equity and voting stock held by or on behalf of individuals that are citizens of foreign countries; and**
- iii) **A list of the countries of citizenship for the beneficial owners of the stock, including for any individual that holds the right to vote the stock. If any of these countries are non-WTO countries, please note the aggregate percentage of total equity and voting stock attributable to the non-WTO investment for each non-WTO country.**

There are no individuals among Holdco's initial post-bankruptcy shareholders.

All initial post-bankruptcy shareholders are expected to be institutional investors falling within other categories described below.

- iv) **The aggregate percentage of total equity and voting stock held by banks, insurance companies, pension plans and foundations/endowments organized in the United States and controlled by U.S. citizens;**

The aggregate percentage of total prospective equity and voting stock estimated to be held upon emergence by banks, insurance companies, pension plans and foundations/endowments organized in the United States and controlled by U.S. citizens is 10.560 percent. This figure includes banks, insurance companies, pension plans, and foundations/endowments holding approximately 0.826 percent of the prospective equity in Holdco that did not respond to the most recent inquiry undertaken to respond to these questions, but which had previously identified themselves as being organized or incorporated in the United States.

- v) **The aggregate percentage of total equity and voting stock held by banks, insurance companies, pension plans and foundations/endowments controlled by foreign citizens or organized in foreign countries; and**

The aggregate percentage of total prospective equity and voting stock estimated to be held by banks, insurance companies, pension plans, and foundations/endowments controlled by foreign citizens or organized in foreign countries is 13.538 percent.

- vi) **A list of the countries included in category (v) above. If any of these countries are non-WTO countries, please note the aggregate percentage of equity and voting stock attributable to the non-WTO investment for each non-WTO country.**

Of the 13.538 percent prospective equity and voting stock noted above, 12.88 percent is associated with the following WTO-member countries: Luxembourg, Netherlands, Switzerland, and the United Kingdom. Unfortunately, prospective shareholders owning the remaining 0.658 percent of prospective equity and voting stock held by banks, insurance companies, pension plans, and foundations/endowments failed to respond to multiple inquiries by the Applicants and their representatives. Consistent with Commission precedent, Applicants have attributed such unknown interests to unknown non-WTO countries.

- vii) **The aggregate percentage of total equity and voting stock held by private equity funds and management investment companies (*i.e.*, closed end funds and mutual funds) that are organized in the United States and that have their principal places of business in the United States. In making a principal place of business determination, the applicants should include in its determination for each investing entity the country of its world headquarters; tax jurisdiction; the citizenship or principal place of business of its controlling principals, directors and/or investment managers; and country(ies) from which the funds being managed were contributed.**

The aggregate percentage of total prospective equity and voting stock estimated to be held by private equity funds and management investment companies (*i.e.*, closed end funds and mutual funds) that are organized in the United States and that have their principal places of business in the United States is 35.939 percent. This figure includes private equity funds and management investment companies holding approximately 3.055 percent of the prospective equity in Holdco that did not provide information in response to the most recent inquiry undertaken to respond to these questions, but which

had previously identified themselves as being organized or incorporated in the United States.

- viii) The aggregate percentage of total equity and voting stock held by private equity funds and management investment companies (i.e., closed end funds and mutual funds) that are organized in a foreign country or that have their principal places of business in a foreign country; and**

The aggregate percentage of total prospective equity and voting stock estimated to be held by private equity funds and management investment companies (i.e., closed end funds and mutual funds) that are organized in a foreign country or that have their principal place of business in a foreign country is 39.963 percent.

- ix) For the investors in Category (viii) above, a list of the countries where the investors are organized and where they have their principal places of business. If any of these countries are non-WTO countries, please note the aggregate percentage of total equity and voting stock attributable to the non-WTO investment for each non-WTO country. In making a principal place of business determination, the applicant should include in its determination for each investor the country of its world headquarters; tax jurisdiction; the citizenship or principal place of business of its controlling principals, directors and/or investment managers; and country(ies) from which the funds being managed were contributed.**

Most of the prospective equity and voting stock to be held by private equity funds and management investment companies (35.939 percent) is to be held by investors in the following WTO-member countries: Australia, Bahamas, Belgium, Bermuda, British Virgin Islands, Canada, Cayman Islands, Denmark, France, Guernsey, Ireland, Italy, Japan, Jersey, Luxembourg, Netherlands, Norway, Singapore, and the United Kingdom. For purposes of providing a conservative estimate of foreign ownership, this list (and the foregoing foreign ownership percentage) includes countries from which the funds being managed were contributed, although other “principal place of business” indicators (such

as world headquarters, tax jurisdiction, citizenship of directors and/or investment managers) indicated that the entity was based within the United States.

The aggregate percentage of total prospective equity and voting stock attributable to the non-WTO investment held by private equity funds and management investment companies has been identified as 0.005 percent (Bahamas).

The jurisdiction of 7.096 percent is unknown, and thus under Commission precedent is treated as non-WTO investment. For purposes of providing a conservative estimate of non-WTO foreign ownership, the “unknown” percentage includes: (a) consistent with Commission precedent, those interests (equaling approximately 2.852 percent) for which a prospective shareholder failed to provide any information in response to multiple inquiries by the Applicants and their representatives for information; and (b) those interests (equaling approximately 4.244 percent) for which the prospective shareholder provided some information but could not identify in response to the most recent inquiry those country(ies) from which the funds being managed were contributed. In such cases, although information previously provided and other “principal place of business” indicators (such as world headquarters, tax jurisdiction, citizenship of directors and/or investment managers) might indicate that the entity operated primarily within the United States or another WTO country, the nationality of the entity has been treated herein as “unknown” for purposes of attribution.

Finally, where a private equity fund or management investment company did not provide information in response to the most recent inquiry undertaken, but had previously identified itself as being organized or incorporated in a foreign WTO country, that entity was associated with that same country in these responses rather than being treated as

“unknown”; lenders falling into this category represent approximately 6.185 percent of the prospective equity in Holdco.

- x) **In making the principal place of business determination for the private equity funds and management investment companies, please confirm that the applicant relied upon the factors listed above in making its determination (i.e., world headquarters; tax jurisdiction; the citizenship or principal place of business of its controlling principals, directors and/or investment managers; and country(ies) from which the funds being managed were contributed.). If the applicant used different criteria, please list the factors it considered in making its principal place of business determinations.**

The Applicants used the criteria identified above in question (x) to make the determinations herein, with the sole exception described previously: Where a lender did not respond to the Applicants’ most recent inquiry based upon these factors but did provide a partial response identifying its jurisdiction of organization/incorporation in response to prior inquiries, Applicants considered each such lender for the purposes of the responses herein to be associated with that jurisdiction.

- b) **For shareholders other than those covered by the questions above (i.e., individuals, banks, insurance companies, pension plans, foundations/endowments, private equity funds and management investment companies), please explain the nature of these investing entities and provide:**
 - i) **The aggregate percentage of total equity and voting stock for such investors that are organized in the United States and that have their principal places of business in the United States. For purposes of determining the investors’ principal places of business, please use the five factor test specified in the *Foreign Carrier Entry Order*, 11 FCC Rcd 3873, 3951, ¶ 207 (1995). See also *Foreign Ownership Guidelines*, 19 FCC Rcd 22612, 22623 (2004).**
 - ii) **The aggregate percentage of total equity and voting stock for such investors that are organized in a foreign country or that have their principal places of business in a foreign country; and**
 - iii) **For the investors in Category (ii) above, a list of the countries where the investors are organized and where they have their principal places of business. If any of these countries are non-WTO countries, please note**

the aggregate percentage commitment attributable to the non-WTO investment for each non-WTO country.

All of Holdco's post-bankruptcy shareholders are included in the categories described in part (a), above.

* * *

The Applicants appreciate this opportunity to provide additional information.

Respectfully submitted,

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May 5, 2010

Exhibit

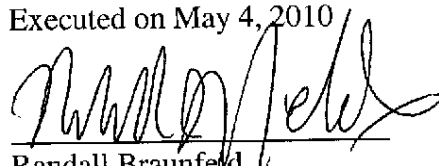
DECLARATION

I, Randall Braunfeld, am an Authorized Signatory of Lehman Commercial Paper, Inc.

I have reviewed the foregoing Supplemental Information pleading, and the statements pertaining to the ownership of those creditors that will take common stock in Hawaiian Telcom Holdco Inc. as contemplated by the Plan of Reorganization approved by the Bankruptcy Court are true and correct as of the date indicated in the pleading to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed on May 4, 2010

A handwritten signature in black ink, appearing to read "Randall Braunfeld", written over a horizontal line.

Randall Braunfeld

Authorized Signatory

Lehman Commercial Paper, Inc.

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New York, New York 10020