



December 3, 2008

Dear Valued Hawaiian Telcom Supplier:

Hawaiian Telcom has taken an important step to better position itself for long-term success and since we see our suppliers as key partners in this process, we would like to give you an overview and describe what it means to you.

As you know, on Monday, December 1, 2008, the Company announced that to facilitate its balance sheet restructuring it filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. In addition, the Court granted us interim authority to use our \$75 million of cash on hand as of November 30. This is sufficient to fund customer programs and employee wages, and to pay vendors and suppliers for all post-petition goods and services and other amounts authorized by the Court.

Hawaiian Telcom is not going out of business. Chapter 11 means reorganization, not liquidation. It is a tool to enable us to restructure our debt and strengthen our business so that we can better navigate this challenging operating environment and more effectively compete in the marketplace.

We took this decisive action and made the difficult decision to utilize Chapter 11, which we believe provides the best course of action to support what is in the best interests of our customers, employees, and other critical constituents. We believe this course of action will make us a stronger and more financially secure company.

The Bankruptcy Code provides **priority status** for post-petition—goods and services received from the filing date forward—orders and shipments that you provide to us. Therefore, you can be assured that we can and will pay for the goods and services you provide to us going forward.

Unfortunately, federal law prohibits payment for goods and services received before the December 1, 2008 filing date except pursuant to a Plan of Reorganization that is accepted by creditors and approved by the Court. We want you to know that we are working toward a Plan of Reorganization as quickly as prudently possible. You will receive instructions on how to file a claim in the coming weeks. We sincerely regret any hardship this may cause.

Please note, if you are a supplier who provides goods or services under an executory contract with Hawaiian Telcom—such as a services contract, software license or maintenance agreement, real estate leases, development contracts, fiber leases and/or intellectual property licenses—under the Bankruptcy Code the Company must determine which contracts they intend to “assume” or keep, or “reject” or exit out of. Contracts the Company intends to assume must be “cured.” This means that pre-petition amounts owed on these contracts will be paid in full upon the assumption of the contract. For those contracts the Company rejects, the process for filing of a claim for the pre-petition amount owed will be resolved as described above.

In the weeks ahead, you can expect to receive various notices from the Bankruptcy Court alerting you to the filing, informing you of the meeting of creditors, as well as a notice of “Bar Date,” which is the date by which all claims must be filed. Do not be alarmed by these notices, they are standard and must be sent to all parties that may have a monetary claim against the

company. Moreover, receipt of these notices does not mean that a party does in fact have a claim.

We value our relationship with you and I want to thank you personally for your patience during our restructuring. We will do our best to keep you fully informed of our progress.

I encourage you to visit our website, www.hawaiiantel.com, where you will find additional information about the reorganization. We have also set-up a toll-free reorganization information hotline **(888) 733-1409** that you are welcome to call.

On behalf of our entire management team, we would like to thank you in advance for your continued support.

Sincerely,

Eric K. Yeaman