

**BEFORE THE  
DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS  
OF THE STATE OF HAWAII**

In the Matter of the Application of )  
DANIELS COMMUNICATIONS PARTNERS )  
LIMITED PARTNERSHIP doing business as )  
HAWAIIAN CABLEVISION COMPANY )  
 )  
For Approval of Plan to Refinance the )  
Perry Leff Notes )  
\_\_\_\_\_ )

Docket No. 93-03

**DECISION AND ORDER NO. 157**

On December 1, 1993, a final financing plan for Daniels Communications Partners Limited Partnership (DCPLP) was approved by the Director subject to certain conditions. DCPLP presented the plan in accordance with Amended Term and Condition 2.1 set out in Decision and Order No. 147. Amended Term and Condition 2.1 requires DCPLP to present a plan to refinance the Perry Leff notes for the Director's prior approval as a condition for extension of its franchise term. The purpose of this Order is to memorialize the conditions under which DCPLP's financing plan was approved.

DCPLP, doing business as Hawaiian Cablevision Company, provides cable services for the district of Lahaina on the island of Maui. On November 23, 1990, the Director issued Decision and Order No. 142 approving DCPLP's franchise renewal application subject to the Terms and Conditions incorporated by reference therein. The Terms and Conditions of Order No. 142 were subsequently amended by Decision and Order No. 146 and restated therein, and by Decision and Order No. 147.

Based on the information presented by DCPLP and the evaluation of this information, the Director believes it is in the public interest to approve the proposed loan agreement. Approval of the loan agreement necessitates amendments to the Amended Terms and Conditions of Order No. 142 incorporated in Decision and Order No. 146. Accordingly, Terms and Conditions 4.1, 4.2, 4.3 4.5 and 4.7 of the Amended Terms and Conditions of Order No. 142 are superseded by this Order. Except as amended, the Amended Terms and Conditions of Decision and Order No. 142 incorporated in Decision and Order No. 146 and further amended by Decision and Order No. 147 are hereby ratified and approved and shall remain in full force and effect.

NOW, THEREFORE, it is ordered that the amendments to Amended Terms and Conditions 4.1, 4.2, 4.3, 4.5 and 4.7 of Decision and Order No. 142 incorporated in Decision and Order No. 146 be APPROVED, subject to the attached Amended Terms and Conditions which are incorporated by reference herein.

DATED: Honolulu, Hawaii April 28, 1994.



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CLIFFORD K. HIGA  
Director of Commerce and  
Consumer Affairs

## AMENDED TERMS AND CONDITIONS 4.1, 4.2 4.3, 4.5 AND 4.7

Terms and Conditions 4.1, 4.2, 4.3, 4.5 and 4.7 are amended and superseded to read as follows:

### 4.1 Changes in Loan Agreement

Any material change in the terms and conditions of the Loan Agreement dated as of December 15, 1993, among Daniels Communications Partners Limited Partnership and Bank of America National Trust and Savings Association, or the General Partner Negative Pledge Agreement dated December 15, 1993, attached to the Loan Agreement as Exhibit D, subsequent to the date of this Order for the financing of the expansion or operation of the Maui cable system as reviewed and approved in this Docket shall require prior approval of the Director.

### 4.2 Covenant Violations

Upon acquiring knowledge of the existence of a violation of any covenant of the Loan Agreement, DCPLP shall promptly inform the Director in writing of the following:

- (a) The nature of the violation;
- (b) The period in which the violation has existed; and
- (c) The actions that DCPLP proposes to take with respect to the violation.

### 4.3 Collateralization of System Assets

The assets of DCPLP's Maui cable television system shall not be pledged as collateral for any borrowings which are not solely for the benefit of the Maui cable system. All collateralization of the system shall be reported to the Director.

#### 4.5 Transfers or Payments

Except as provided below, any transfer or payment from the Maui cable television system of a sum in excess of \$50,000 and not related to the cost of operating the Maui cable system (including debt service) shall require the prior approval of the Director. Prior approval shall not be required for payments to the partners of DCPLP in connection with advances, equity contributions, or subordinated borrowings as permitted in paragraph 4.4, above, provided that the Loan Agreement has been fully satisfied.

#### 4.7 Credit Agreement Compliance

(a) DCPLP shall furnish to the Director, promptly upon their mailing or transmittal, all documents which show DCPLP's compliance with the provisions of the Loan Agreement.

(b) As soon as available, but in no event later than April 30 of each year, DCPLP shall submit to the Director a statement from its General Partner and all documents reflecting DCPLP's compliance with the provisions of the Loan Agreement for the preceding calendar year.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Decision and Order No. 157 in Docket No. 93-03 was served upon the following parties at the addresses shown below by mailing the same, postage prepaid, on this 28th day of April, 1994:

Mr. Jim McBride  
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Hawaiian Cablevision Company  
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Sally Lent Ho  
Staff Attorney