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**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Chapter 11
WINDSTREAM HOLDINGS, INC., <i>et al.</i> , ¹)	Case No. 19-22312 (RDD)
)	
Debtors.)	(Joint Administration Requested)
)	

**DECLARATION OF TONY THOMAS, CHIEF EXECUTIVE
 OFFICER AND PRESIDENT OF WINDSTREAM HOLDINGS, INC.,
 (I) IN SUPPORT OF DEBTORS’ CHAPTER 11 PETITIONS AND FIRST
 DAY MOTIONS AND (II) PURSUANT TO LOCAL BANKRUPTCY RULE 1007-2**

I, Tony Thomas, hereby declare under penalty of perjury:

1. I am the Chief Executive Officer and President of Windstream Holdings, Inc. (“Windstream Holdings”), a publicly traded, FORTUNE 500 company organized under the laws of Delaware and a debtor and debtor in possession in the above-captioned chapter 11 cases. Windstream Holdings’ common shares trade on the Nasdaq Global Select Market (“NASDAQ”) under the ticker symbol “WIN.” I have served as Windstream Holdings’ Chief Executive Officer

¹ The last four digits of Debtor Windstream Holdings, Inc.’s tax identification number are 7717. Due to the large number of debtor entities in these chapter 11 cases, for which the Debtors have requested joint administration, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at <http://www.kccllc.net/windstream>. The location of the Debtors’ service address for purposes of these chapter 11 cases is: 4001 North Rodney Parham Road, Little Rock, Arkansas 72212.



and President since 2014. Previously, I was Windstream Holdings' Chief Financial Officer from August 2009 through September 2014, and was responsible for overseeing the company's accounting, finance, capital planning, tax, procurement, audit, investor relations and treasury teams. I have held numerous other leadership roles within Windstream Holdings, including Controller and President of the Real Estate Investment Trust Operations. Prior to joining Windstream Holdings in 2006, I served in various management roles at Alltel. Before entering the communications industry, I was a senior auditor with Ernst & Young, where I worked in the telecommunications practice. I hold a master's degree in business administration from Wake Forest University and a bachelor's degree in accountancy from the University of Illinois.

2. I am generally familiar with the day-to-day operations, business and financial affairs, and books and records Windstream Holdings and its direct and indirect debtor subsidiaries (collectively, "Windstream"). I submit this declaration to assist the Court and parties in interest in understanding the circumstances that compelled the commencement of these chapter 11 cases and in support of (a) Windstream's petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and (b) the relief that Windstream has requested from the Court pursuant to the emergency motions and applications filed with this declaration (collectively, the "First Day Motions").

3. Except as otherwise indicated, all facts set forth in this declaration are based upon my personal knowledge, my discussions with other members of Windstream's management team and advisors, my review of relevant documents and information concerning Windstream's operations, financial affairs, and restructuring initiatives, or my opinions based upon my experience and knowledge. If called as a witness, I could and would testify competently to the

facts set forth in this declaration. I am authorized to submit this declaration on behalf of Windstream.

Introduction

4. Windstream is a leading provider of advanced network communications, technology, broadband, entertainment, security, and core transport solutions to both consumer and business customers across the United States, with a national footprint spanning approximately 150,000 fiber miles. Windstream offers broadband, entertainment and security solutions to consumers and small businesses, primarily in rural areas, in 18 states. Central to Windstream's growth is a focused operational strategy for each of its business segments with the overall objective of generating strong financial returns for its stakeholders. Windstream's operational performance is on an upward trajectory—throughout 2018, Windstream added over 14,000 new broadband subscribers and improved strategic sales revenue. As of the petition date, Windstream had approximately 11,600 employees.

5. Windstream did not arrive in chapter 11 due to operational failures and, currently, does not anticipate the need to restructure material operational obligations. Instead, as set forth in the First Day Motions, Windstream hopes and anticipates that its operations will continue uninterrupted and its employees will be able to continue to focus on providing best-in-class service to all of Windstream's valued customers, in each case largely unaffected by these chapter 11 cases. The primary aim of these chapter 11 cases is to serve as a foundation for a financial restructuring necessitated by an adverse ruling in the United States District Court for the Southern District of New York by Judge Jesse Furman, which found a default under an indenture governing certain of Windstream's unsecured notes. Through these chapter 11 cases, Windstream hopes to protect its business as a going concern, ensure long-term financial stability, and secure a sustainable go-forward capital structure.

6. Windstream operates in the highly competitive telecommunications industry. Since its formation in 2006 through a spinoff and merger transaction involving telecommunications companies Alltel and VALOR Communications Group, Windstream has sought to maximize its competitive advantage through geographical expansion (both acquisition-based and organic) and technological innovation, including upgrading its network presence and expanding its portfolio of next-generation technology solutions. Historically, Windstream's growth was funded in large part by debt. As of February 2019, Windstream had approximately \$5.6 billion in funded debt, including approximately \$800 million in first-lien revolving loan obligations, approximately \$1.8 billion in first-lien term loan obligations and notes (including \$100 million of secured notes issued by an indirect subsidiary of Windstream Holdings) and approximately \$2.9 billion of second-lien secured notes and unsecured notes.

7. Over the past several years, Windstream has consummated a number of refinancings, exchanges, and similar transactions. Additionally, in April 2015, Windstream Services and related debtor subsidiaries spun off certain telecommunications network, real estate, and other assets through a transaction involving a real estate investment trust now known as Uniti Group Inc. ("Uniti"). Subsequent to the Uniti spin-off, Windstream Holdings entered into a master lease agreement with certain subsidiaries of Uniti, pursuant to which it leases the assets (as further described below). As recently as mid-2018, Windstream had consummated certain exchange offers and was considering additional out-of-court transactions to manage its capital structure. But those plans were derailed due to an extreme, and sudden, liquidity crisis Windstream now faces as a consequence of Judge Furman's findings and attendant impact under Windstream's debt agreements.

8. In November 2017, U.S. Bank National Association (“U.S. Bank”), as indenture trustee (and at the behest of Aurelius Capital Master, Ltd. (“Aurelius”)), commenced litigation in the District Court for the Southern District of New York alleging a default under the indenture governing Windstream’s 6 3/8% senior unsecured notes due 2023 (the “6 3/8% Notes”). U.S. Bank and Aurelius asserted—more than two years after the transaction occurred—that the Uniti spin-off constituted a prohibited “Sale and Leaseback Transaction” under the indenture governing the 6 3/8% Notes (the “6 3/8% Notes Indenture”), even though Aurelius did not own any 6 3/8% Notes at the time of the Uniti spin-off and no other noteholder objected to the transaction. Additionally, on December 7, 2017, Aurelius issued a notice of acceleration to Windstream related to the 6 3/8% Notes.

9. Throughout 2017 and early 2018, Windstream consummated a series of exchange transactions and consent solicitations. The goal of these transactions was to extend near-term maturities, reduce interest expense, and obtain the requisite consents to waive any alleged default related to the Uniti spin-off. A significant majority of unsecured noteholders supported Windstream in its position that the Uniti spin-off did not violate the 6 3/8% Notes Indenture or any other applicable indenture, and agreed to waive the Aurelius-alleged defaults, but Aurelius and U.S. Bank nonetheless contested these exchange transactions in the litigation.

10. Despite overwhelming support from Windstream’s noteholders, on February 15, 2019, Judge Furman issued a decision in favor of one noteholder—Aurelius—finding that the Uniti spin-off constituted a prohibited Sale and Leaseback Transaction under the 6 3/8% Notes Indenture, that the late 2017 exchange and consent transactions did not cure the default, and that the December 2017 Aurelius notice of acceleration was valid.

11. Windstream respectfully disagrees with the court's findings of fact and conclusions of law and believes that the Uniti spin-off did not violate any provision of the 6 3/8% Notes Indenture. Furthermore, even if the Uniti spin-off was in violation, Windstream believes that the subsequent consent and exchange transactions addressed any alleged defaults. The findings found that an event of default under the 6 3/8% Notes Indenture had occurred and had not been cured or waived. As Judge Furman noted, such an event of default had the effect of validating Aurelius's 2017 notice of acceleration and opened the door for Aurelius to exercise remedies against Windstream and its assets. Moreover, the findings would give rise to a cross default under the credit agreement governing Windstream's secured term and revolving loan obligations and the valid acceleration of the 6 3/8% Notes by Aurelius would give rise to a cross-acceleration event of default under the indentures governing Windstream's other series of secured and unsecured notes..

12. Windstream historically has not retained significant amounts of excess cash on its balance sheet and instead has used excess cash to repay outstanding revolver borrowings. Therefore, the cross default under Windstream's term loan and revolving facilities meant that, in the absence of a waiver from a majority of its revolver lenders, Windstream suddenly found itself without access to the remaining approximately \$450 million in availability under its revolving credit facility, which it relies upon to smooth its cash flows and fund day-to-day cash needs. On February 15, 2019, the day Judge Furman issued his findings, Windstream had approximately \$6 million in cash on hand and limited access to additional liquidity.

13. During this time period, Windstream and its advisors explored a range of comprehensive out-of-court financing options in hopes of obviating the need for a chapter 11 filing. For the reasons described below, none of these options were actionable, and over the

following days, Windstream faced a significant liquidity shortfall and no access to further out-of-court financing.

14. Accordingly, on February 25, 2019, (the “Petition Date”), Windstream commenced these chapter 11 cases to both obtain the benefit of the automatic stay to enjoin Aurelius and other parties from taking collection action and to gain access to critical debtor-in-possession financing—the only financing available to Windstream at this time. Windstream intends to utilize the chapter 11 process to preserve and maximize value and as expediently as possible, negotiate and implement a financial restructuring for the benefit of all stakeholders, while maintaining existing operations.

15. Windstream’s business operations remain strong and its reorganizational prospects are promising. Notwithstanding the fact that Windstream arrived in chapter 11 without a pre-negotiated deal in place due to a sudden liquidity crisis, Windstream is optimistic that its creditor body as a whole is supportive of the company and its management team and will be supportive of an efficient reorganization. During the interim period between the court’s findings and the Petition Date, there has been a competitive process among many of Windstream’s stakeholders to provide DIP financing, allowing the company to obtain financing on market terms and indicating the strong interest among its creditors for an efficient and value maximizing restructuring. Windstream intends to engage with all stakeholders postpetition and use the chapter 11 process as to build consensus around a value-maximizing result that will inure to the benefit of stakeholders enterprise wide.

16. To familiarize the Court with Windstream, its business, the circumstances leading to these chapter 11 cases, and the relief Windstream is seeking in the First Day Motions, the declaration covers the following:

- **Part I** provides an overview of Windstream’s corporate structure and business operations.
- **Part II** provides an overview of Windstream’s capital structure.
- **Part III** describes the circumstances leading to these chapter 11 cases.
- **Part IV** sets forth the evidentiary basis for the relief requested in each of the First Day Motions.
- **Part V** describes Windstream’s pursuit of out-of-court financing alternatives and the proposed debtor-in-possession financing.
- **Part VI** sets forth certain additional information about Windstream, as required by rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”).

I. Background.

A. Windstream’s Corporate History and Structure.

17. Windstream traces its roots back to 1943, when Allied Telephone Company was founded in Little Rock, Arkansas to serve rural communities in Arkansas, Oklahoma, and Missouri. Over time Allied Telephone Company (subsequently re-branded as Alltel) grew into one of the country’s largest telephone companies. In 2006, Windstream Corporation was formed through the spinoff of Alltel’s landline business and merger with VALOR Communications Group. The new business initially served 3.4 million access lines in 16 states.² Windstream continued Alltel’s legacy of growth and innovation, expanding significantly both organically and through acquisitions. Most recently, in 2017, Windstream acquired EarthLink and Broadview Networks.

² Windstream’s business generates revenue by delivering voice and data services over channels known as “access lines”.

18. Windstream Holdings, Windstream’s publicly-traded holding company, was incorporated in the state of Delaware on May 23, 2013, and is the parent of Windstream Services, LLC (“Windstream Services”), formerly a Delaware corporation and now a Delaware limited liability company organized on March 1, 2004. Windstream Holdings’ only material asset is a 100 percent interest in Windstream Services. Windstream Services and its guarantor subsidiaries are the sole obligors of all of Windstream’s outstanding debt obligations. Windstream Holdings is not a guarantor of nor subject to the restrictive covenants included in any of Windstream Services’ debt agreements. Windstream’s complete corporate organization chart is attached hereto as **Exhibit A**.

B. Windstream’s Business Operations.

19. Windstream is a leading provider of advanced network communications and related technology that increase the network communication abilities for businesses across the United States, including in the banking, content and media, education, government, healthcare, hospitality, and retail spaces. Windstream also offers broadband, entertainment and security solutions to consumers and small businesses, primarily in rural areas, in 18 states. Additionally, Windstream supplies core transport solutions³ on a local and long-haul fiber network spanning approximately 150,000 miles. The market for the telecommunications services Windstream offers is highly competitive and continued industry-wide merger and acquisition activity has resulted in fewer customers and intensified pricing pressure. To maintain its competitive edge, Windstream keeps a sharp focus on providing a top of the line customer experience and continued technological innovation—objectives it has successfully pursued to date.

³ In Windstream’s industry, the term “core network” refers to the highly functional communication facilities that interconnect primary nodes. The core network delivers routes to exchange information among various sub-networks.

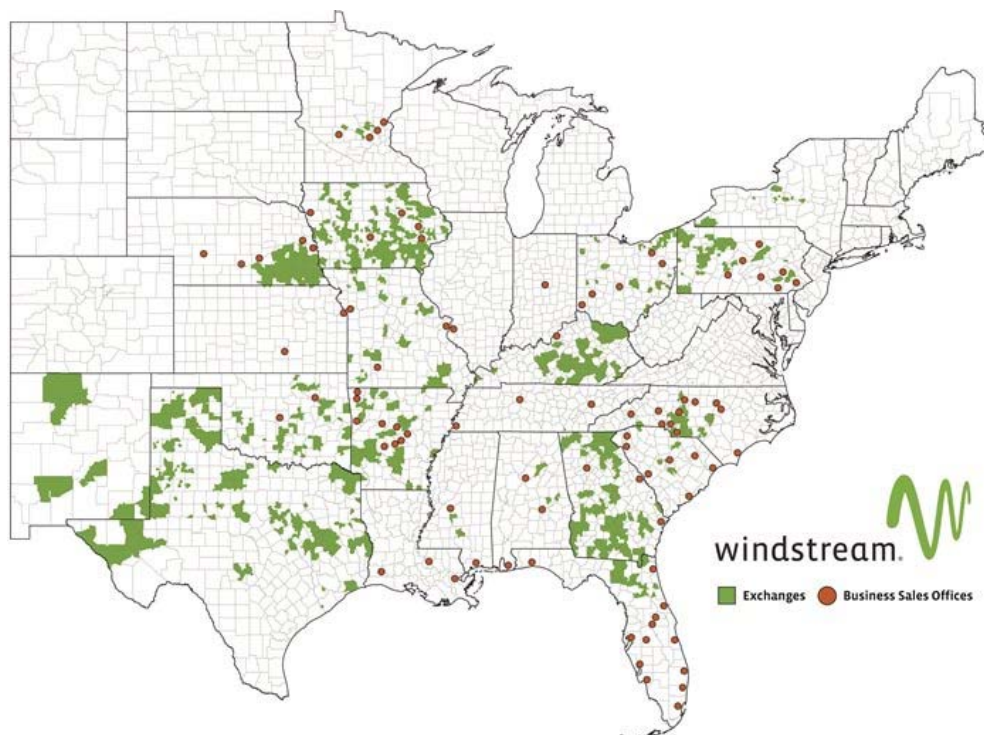
20. Windstream primarily conducts its operations through two business units: (i) the Consumer & Small Business business unit, which serves customers located in service areas in which Windstream is the incumbent local exchange carrier (“ILEC”);⁴ and (ii) the Enterprise & Wholesale business unit, which serves customers located in service areas in which Windstream is a competitive local exchange carrier (“CLEC”).⁵ Each unit is described in greater detail below.

21. ***Consumer & Small Business.*** The Consumer & Small Business unit includes approximately 1.4 million residential and small business customers. Windstream’s consumer services primarily consist of high-speed internet and traditional voice and video services, including 911 services. Windstream is also committed to providing high-speed broadband and additional value-added services to its consumer base, as well as bundling its service offerings to provide a comprehensive solution to meet its customers’ needs at a competitive value. During 2017, the Consumer & Small Business unit generated \$2 billion in revenue. The map below shows the coverage area for the residential customers in this segment.

⁴ An incumbent local exchange carrier is local telecommunications company (or its corporate successor) that held the regional monopoly on landline service in an area before regulation opened the market to competitive local exchange carriers. In much of the United States, ILECs trace their roots back to Bell Telephone Company (later AT&T), which at one time operated as a monopoly offering telephone services in the United States.

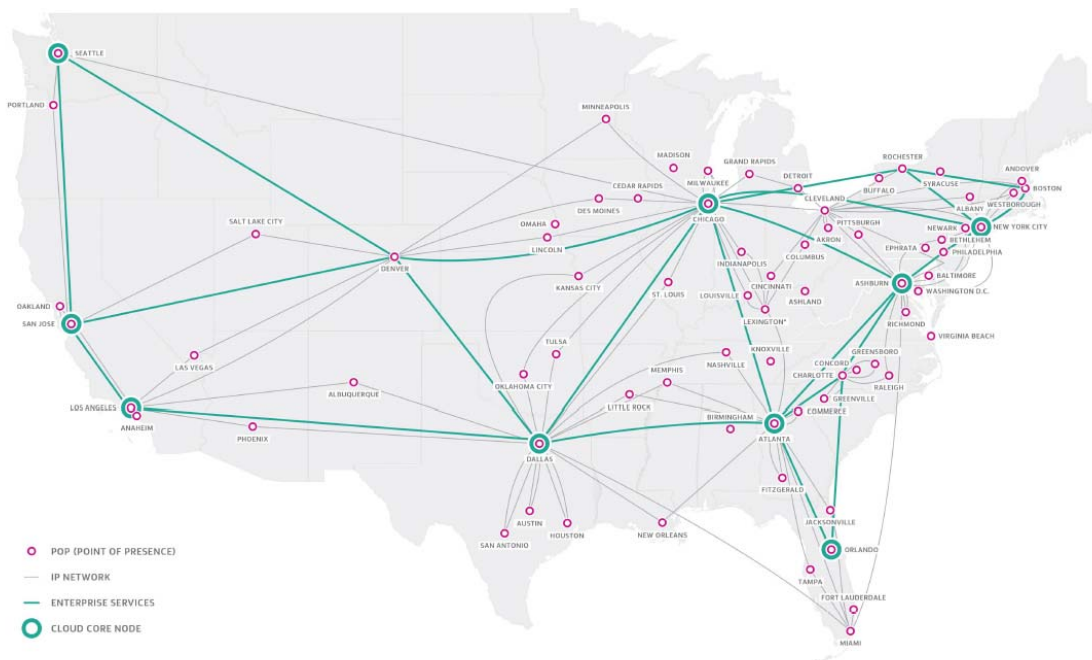
⁵ A competitive local exchange carrier is a telecommunications company that, through regulation, is allowed to compete in territories where ILECs had historically had a monopoly.

Residential Coverage



22. ***Enterprise & Wholesale.*** Windstream’s Enterprise business segment provides advanced network communications and technology solutions, including software defined wide area networking (SD-WAN) and unified communications as a service (UCaaS), to businesses across the United States and offers solutions to enable businesses to compete more effectively in the digital economy, as well as a variety of other data services including cloud computing as an alternative to traditional technology infrastructure. Windstream’s Enterprise segment supports some of the most demanding IT organizations within the retail, healthcare, financial services, manufacturing, government and education sectors. Throughout 2017, the Enterprise segment generated \$2.9 billion in revenue. The below map reflects Windstream’s connection points for their cloud-computing and data transmission services.

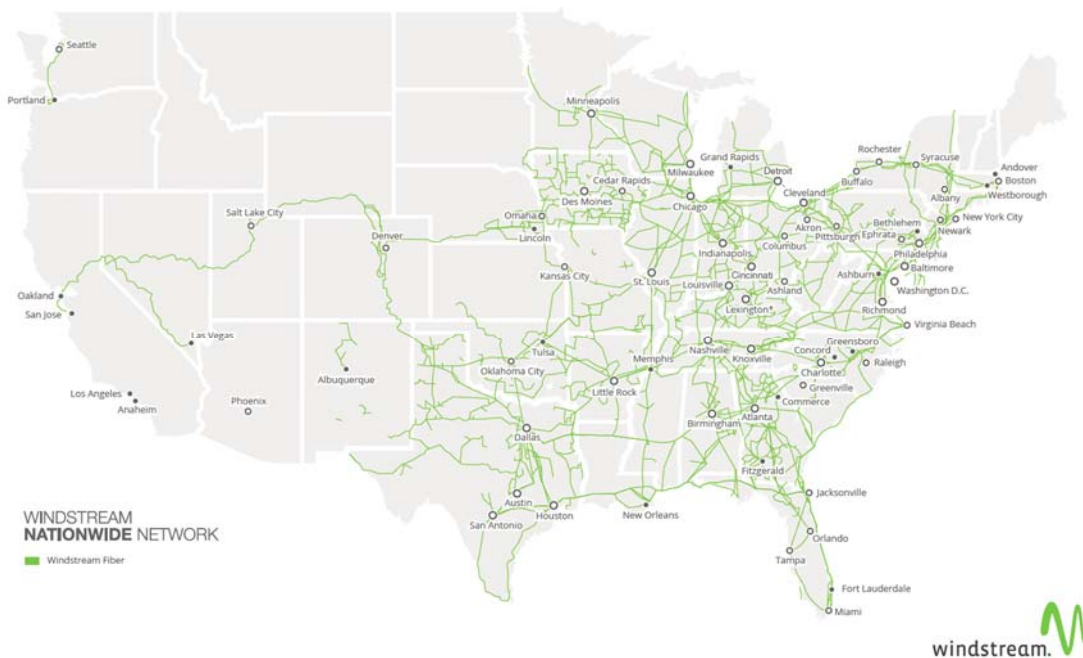
Cloud Computing and Data Transmission Footprint



23. The Wholesale segment leverages its nationwide network to provide 100 Gbps⁶ bandwidth and transport services to wholesale customers, including telecom companies, content providers, and cable and other network operators. In addition, Windstream offers voice and data carrier services to other communications providers and to larger-scale purchasers of network capacity. During 2017, the Wholesale segment generated \$757 million in revenue. Today, Windstream’s fiber network spans approximately 150,000 route miles of fiber, as depicted below.

⁶ Gbps stands for billions of bits per second and is a measure of bandwidth on a digital data transmission medium such as optical fiber.

National Fiber Footprint



C. The Uniti Spin-Off Transaction.

24. In March⁷ 2015, Windstream Holdings and Windstream Services entered into a Separation and Distribution Agreement with Uniti, pursuant to which, among other things, Windstream Services and certain of its subsidiaries contributed to Uniti (then a subsidiary of Windstream Services) certain assets consisting of approximately 66,000 route miles of fiber optic cable lines, 235,000 route miles of copper cable lines, central office land and buildings, beneficial rights to permits, pole agreements and easements, and a small consumer competitive local exchange carrier business owned by Windstream Services. Those assets were exchanged for (a) the issuance of Uniti common stock to Windstream Services, (b) the transfer of approximately \$1.035 billion in cash from Uniti to Windstream Services, and (c) the transfer from Uniti to

⁷ Although the Separation and Distribution Agreement was signed in March, the spin off was completed in April.

Windstream Services of approximately \$2.5 billion of Uniti debt, consisting of term loans and secured and unsecured notes. Services then distributed approximately 80.4% of the outstanding shares of Uniti common stock to Windstream Holdings. Windstream Holdings, in turn, distributed the shares of Uniti common stock pro rata to holders of Windstream Holdings common stock in a tax free spin-off. In two separate transactions completed in June 2016, Windstream Services transferred the remaining 19.6% of Uniti's common stock to its secured bank creditors in exchange for the retirement of \$672.0 million of aggregate borrowings outstanding under its revolver and to satisfy transaction-related expenses.

25. Windstream Holdings and Uniti entered into multiple further agreements to implement portions of and govern the relationship after the Uniti spin-off. One such agreement was the master lease by and among subsidiaries of Uniti on the one hand, and Windstream Holdings on the other hand (the "Master Lease"). Pursuant to the Master Lease, Windstream Holdings leased (and still leases) the assets contributed to Uniti.

26. The Uniti spin-off necessitated securing a private letter ruling from the Internal Revenue Service, a review of accounting matters from the Securities and Exchange Commission, and the advice of numerous attorneys and advisors. The transaction had many benefits for Windstream and created the opportunity to unlock value for shareholders through the creation of two independent public companies with distinct investment characteristics. The spin-off enhanced the credit profile of the Windstream business, providing Windstream with greater financial and strategic flexibility and reduced the actual or perceived competition for capital resources within Windstream. The spin-off transaction accelerated network investments to deliver faster internet speeds to consumers and further provided Uniti with increased flexibility to pursue its plan to expand its communications real estate platform (including through acquisitions that were unlikely

to be available absent the spin-off) and allowed Uniti's real property business to optimize its leverage. Windstream completed the Uniti spin-off, thereby creating significant value by reducing debt and increasing opportunities for investment in Windstream's network, which was then better positioned to better serve consumers, first responders, large enterprises, and small businesses.

II. Windstream's Prepetition Capital Structure.

27. As of the Petition Date, Windstream had approximately \$5.6 billion in aggregate funded-debt obligations. These obligations arise under a revolving credit facility, two tranches under Windstream's term loan facility, one series of secured first lien notes, two series of secured second lien notes and six series of unsecured notes, and one issuance of secured subsidiary notes. Windstream Holdings is not party to Windstream's debt obligations. All debt has been incurred by Windstream Services and its guarantor subsidiaries. The table below summarizes Windstream's capital structure as of the Petition Date.

<i>First Lien Debt Obligations</i>	<i>Principal Amount</i> <i>(in US\$ millions)</i>
Term Loan, Tranche B6 – variable rates, due March 29, 2021	1,180.6
Term Loan, Tranche B7 – variable rates, due February 17, 2024	568.4
Revolver – variable rates, due April 24, 2020	802.0
2025 First Lien Notes – 8.625%, due October 31, 2025	600.0
<i>Secured Subsidiary Notes</i>	
Subsidiary First Lien Notes – 6.75%, due April 1, 2028	100.0 ⁸
<i>Second Lien Debt Obligations</i>	
2024 Second Lien Notes - 10.500%, due June 20, 2024	414.9
2025 Second Lien Notes - 9.00%, due June 30, 2025	802.0

⁸ These notes were assumed as part of an acquisition transaction and are secured by certain assets of the issuer of these notes and its subsidiaries. The issuer of these notes, Windstream Holdings of the Midwest, Inc, is a guarantor of Windstream Services other debt obligations

Total Secured Debt Obligations	\$4,467.8
<i>Unsecured Note Issuances (in US\$ millions)</i>	
2020 Senior Notes – 7.750%, due October 15, 2020	78.1
2021 Senior Notes – 7.750%, due October 1, 2021	70.1
2022 Senior Notes – 7.500%, due June 1, 2022	36.2
2023 Senior Notes – 7.500%, due April 1, 2023	34.4
2023 Senior Notes – 6.375%, due August 1, 2023 (“6 3/8% Notes”) ⁹	806.9
2024 Senior Notes – 8.750%, due December 15, 2024	105.8
Total Unsecured Note Obligations	\$ 1,131.5
Total Funded-Debt Obligations	\$5,599.3 million¹⁰

28. In addition to outstanding funded-debt obligations, Windstream Holdings’ equity has traded publicly on the NASDAQ under the ticker symbol “WIN” since 2009 (having previously traded on the New York Stock Exchange from the time of its formation). In August 2017, Windstream Holdings’ board of directors elected to eliminate Windstream Holdings’ quarterly common stock dividend of \$.15 per share commencing in the third quarter of 2017, intending to use the cash savings from the elimination of the quarterly dividend payment to repay certain of its debt obligations.

29. Windstream’s capital structure is a product of the spin-off and merger that led to its formation and a series of financings, refinancings, and exchange transactions that have fueled Windstream’s growth and technical advancement over the last decade. In recent years, Windstream has engaged in a number of refinancings and debt repayments, including the March

⁹ The 6 3/8% Notes, as described above, are inclusive of outstanding 6.375% senior notes due 2023 issued in 2013 and 2017.

¹⁰ Includes less of a net discount on long term debt (31.7), unamortized debt issuance costs (60.8), and current maturities (17.9).

2016 closing of an incremental term loan to repurchase \$441 million of 7.875% Senior Notes due 2017; the September 2016 redemption of the remaining 7.875% Senior Notes due 2017 via incremental B-6 term loans and revolver borrowings; and the February 2017 closing of the \$580 million B-7 term loans to refinance term loans in prior tranches maturing in August 2019.

30. Windstream continued to actively monitor its balance sheet through 2017, and in mid-2017 was considering additional market transactions to improve its capital structure. But in mid-2017 and as further described below, Aurelius acquired the 6 3/8% Notes and alleged certain defaults under the 6 3/8% Notes Indenture related to the Uniti spin-off transaction, ultimately resulting in litigation in November 2017. The uncertainty left in the wake of Aurelius's actions effectively eliminated Windstream's access to the capital markets for additional unsecured debt or equity capital (and leaving exchange offers as the most viable alternative to strengthen their balance sheet).¹¹

III. Events Leading to the Commencement of the Chapter 11 Cases.

31. Beginning in early August 2017, Windstream became aware of market rumors that an unidentified fund was acquiring notes in one or more of Windstream's outstanding issuances of unsecured notes for the purpose of attempting to call a default under one of the indentures. Soon thereafter, Windstream learned that the fund was Aurelius, who had accumulated a position in the 6 3/8% Notes and intended to issue a notice of default related to the Uniti spin-off, which had closed more than two years earlier.

¹¹ Recently, Windstream engaged in an August 2018 notes exchange of \$414.8 million of 7.50% Senior Notes due 2020 in exchange for 10.500% Secured Second Lien Notes due 2024, as well as \$18.8 million of 7.75% Senior Notes due 2021, \$5.3 million of 7.50% Senior Notes due 2022, \$86.0 million of 7.50% Senior Notes due 2023, \$340.7 million of 2023 Notes, and \$578.6 million of 8.75% Senior Notes due 2024 in exchange for \$802.0 million of new 9.000% Secured Second Lien Notes due 2025.

A. District Court Litigation and Exchange and Consent Transactions.

32. In addition to learning that Aurelius had accumulated a position in the 6 3/8% Notes, in late 2017, Windstream also learned that Aurelius had accumulated a sizeable position in Windstream Services' credit default swaps, which would be triggered upon a payment default or bankruptcy filing. In a notice letter received September 22, 2017, Aurelius asserted a default under the 6 3/8% Notes indenture related to the Uniti spin-off transaction, although no other creditor or noteholder has previously complained. In simple terms, Aurelius alleged that the Uniti spin-off constituted a prohibited "Sale and Leaseback Transaction" under section 4.19 of the 6 3/8% Notes Indenture. The Aurelius notice purported to constitute a written notice of default under the 6 3/8% Notes Indenture, which would trigger a 60-day grace or cure period after which the indenture trustee or holders of at least 25% in aggregate principal amount of outstanding 6 3/8% Notes could declare the principal amount of all outstanding 6 3/8% Notes to be immediately due and payable.

33. Shortly after Aurelius issued its notice, Windstream Services filed suit against U.S. Bank, the indenture trustee under the 6 3/8% Notes Indenture, in Delaware Chancery Court, seeking a declaration that it had not violated any provision of the 6 3/8% Notes Indenture and related injunctive relief. On October 12, 2017, U.S. Bank, at Aurelius's direction, filed suit in the Southern District of New York seeking relief essentially mirroring the relief sought by Windstream in the Delaware Chancery Court action. Windstream Services responded to the Trustee's complaint the following day and asserted counterclaims against the Trustee and Aurelius for declaratory relief.

34. On October 18, 2017, Windstream Services launched debt exchange offers with respect to its senior notes, including the 6 3/8% Notes, and related consent solicitations. The transactions contemplated the exchange of outstanding notes with earlier maturities into new notes,

including into new 2023 Notes, coupled with consent solicitations that would waive any alleged defaults relating to the Uniti spin off, including the defaults alleged by Aurelius.

35. On October 31, 2017, it became clear that, based on tenders of notes in the exchange offers and consents delivered in the consent solicitations, holders representing the requisite percentage of the 6 3/8% Notes needed to waive the defaults alleged in the Aurelius purported notice of default would be received. On November 6, 2017, Windstream Services and U.S. Bank executed a supplemental indenture, and new 2023 Notes were issued, which sought to give effect to the waivers and consents for the 6 3/8% Notes. Windstream also completed other consent solicitations waiving any alleged default related to the Uniti spin-off under its other note issuances (which are based on substantially identical indentures). Aurelius and U.S. Bank subsequently challenged the validity of the exchange transactions and consent solicitation through litigation.

B. District Court Ruling and Chapter 11 Filing.

36. On February 15, 2019, Judge Furman issued findings of fact and conclusions of law stating that Windstream was in breach of its bond indentures by engaging in an impermissible Sale and Leaseback Transaction, and that any of Windstream's subsequent efforts to secure a waiver neither waived nor cured the default that arose from that breach. The immediate consequences of the findings were severe. Because the findings stated that Aurelius's Notice of Default ripened into an Event of Default on December 7, 2017, Aurelius would be entitled to a money judgment in the amount of the 6 3/8% Notes it holds plus interest, a figure amounting to approximately \$300 million, with additional interest accruing from July 23, 2018.

37. The findings also led to a cross default under the credit agreement governing Windstream's secured term and revolving loan obligations and the valid acceleration of the 6 3/8% Notes by Aurelius would give rise to a cross-acceleration event of default under the indentures governing Windstream's other series of secured and unsecured notes. In the absence of

Windstream filing for chapter 11, these defaults would have permitted Aurelius to exercise remedies against Windstream and ultimately its assets, potentially leading to a value-destructive piecemeal liquidation, and the defaults would have allowed other parties to accelerate other debt obligations and exercise similar remedies. For the avoidance of doubt, the Debtors reserve all rights with respect to the findings, including pursuit of remedies provided for under the Bankruptcy Code, such as equitable subordination.

IV. Immediate Financing Solutions and Proposed DIP Financing.

38. Due to the court's findings, Windstream lost the ability to draw on its revolving facility under its then existing terms, and therefore Windstream lacked the ability to fund day-to-day cash needs and faced a significant and near term liquidity shortfall. In response, Windstream immediately engaged in discussions with certain key stakeholders regarding potential means to resolve debt defaults and liquidity challenges in the days leading up to the Petition Date. Further, in the time leading to the filing of the chapter 11 cases, Windstream engaged Katten Munchin Rosenman LLP ("Katten") as conflicts counsel.

A. First Lien Credit Agreement Amendment and Waiver.

39. In connection with discussions of all available alternatives, Windstream pursued an amendment and waiver under its first lien revolving credit facility. On February 21, 2019, Windstream obtained a limited waiver from the required revolving lenders under the credit agreement regarding certain conditions to borrowing (the "Amendment and Waiver"). The Amendment and Waiver allowed Windstream to draw \$25 million in immediate funding and provided that any additional borrowings under the revolving credit facility were now subject to

consent from all revolving lenders. The liquidity resulting from the Amendment and Waiver allowed the Windstream critical additional days to plan for a smooth transition into chapter 11.

B. Out of Court Bridge Financing Proposal.

40. In addition to the Amendment and Waiver, Windstream explored the availability of any other out-of-court financing. On February 21, 2019, Windstream received a proposal which was revised on February 22, 2019 from certain large financial institutions (the “Out-of-Court Proposal”) for a new or refinanced revolving credit facility and other funding in an aggregate amount of up to \$1.5 billion. While the Out-of-Court Proposal would have offered the potential benefit of some runway (in the form of reopened borrowing availability under a revolving credit facility), it would have required the satisfaction of several challenging conditions. More specifically, the following:

- A majority of all first lien term loan and revolving lenders would have been required to waive defaults, pay the Aurelius judgment (or a bond in connection with an appeal) or redeem or repay the 6 3/8% Notes, and refinance the first lien revolver.
- The holders of a majority of the outstanding notes of each series (other than the 6 3/8% Notes) would have been required to waive cross-acceleration events of default. It was not at all certain that Windstream could have obtained these consents, at all or in the time available, especially in the face of defaults across its entire capital structure and challenging liquidity constraints.
- Any funding provided by Uniti (the structure and terms of which remained undetermined) potentially would have required additional consents under Windstream’s credit agreement and other debt instruments. Without being able to know what a developed funding proposal would ultimately be, it was not at all certain that Windstream could have obtained these consents, either.

41. Windstream believed that each of these hurdles needed to be cleared in a matter of days, or else the time required to negotiate, document, and implement a definitive transaction would likely have required additional interim funding. The most likely source of such funding—Windstream’s existing revolving lenders—was opposed to providing any further out-of-court

funding, and under the Amendment and Waiver any additional funding required the consent of 100% of revolving lenders.

42. In addition, Windstream debated whether the ultimate benefits of the Out-of-Court Proposal were material in light of the impending judgment related to the decision. Windstream likely would have had to use substantially all of the new revolving availability either to pay the Aurelius judgment or to post a bond in connection with an appeal or redeem or repay all of the 6 3/8% Notes. Accordingly, Windstream would have been required to exhaust the potential benefit of a liquidity runway almost immediately and would have been left, again, with severely constrained liquidity. The transaction would have increased the company's overall leverage and did not offer any improvement to the terms of the Uniti master lease—therefore putting increased strain on Windstream's cash flows without any accompanying relief.

43. Most importantly, other key stakeholders did not support the Out-of-Court Proposal. Windstream and its advisors engaged in discussions regarding the Out-of-Court Proposal with the first lien agent and revolving lenders, as well as the ad hoc first lien term lender group and their respective advisors. Neither constituency supported the Out-of-Court Proposal. Moreover, Windstream independently considered the Out-of-Court Proposal and determined it was not the best path forward.

44. On February 22, 2019, Windstream's advisors conveyed to the proposing institutions the challenges regarding the Out-of-Court Proposal. Windstream engaged in generally amicable and constructive discussions with the proposing institutions through the Petition Date. Ultimately, these factors led Windstream, in the exercise of the business judgment of its board of

directors and management, to end pursuit of the Out-of-Court Transaction and dedicate all efforts to preparing for a chapter 11 filing and securing acceptable debtor-in-possession financing.

C. Proposed DIP Financing.

45. In parallel with general chapter 11 preparations, negotiations of the Amendment and Waiver, and exploration of the Out-of-Court Proposal, Windstream and its advisors pursued an acceptable debtor-in-possession financing arrangement. More specifically, on February 20, 2019, PJT Partners (“PJT”), on behalf of Windstream, contacted eight different money-center banks, each an existing lender under the first lien revolving credit facility and having the financial wherewithal to provide up to \$1 billion in financing.

46. On February 21 and 22, PJT received six different debtor-in-possession financing proposals, each providing \$1 billion in financing allocated between term loan and revolving credit facilities. Ultimately, Windstream decided to pursue a proposal that provides a superpriority debtor-in-possession financing facility (the “Proposed DIP Financing”), which will provide Windstream with much-needed liquidity to fund its business and the administration of these chapter 11 cases. The Proposed DIP Financing represents the best of all available options and provides Windstream with postpetition financing in the form of a senior secured, superpriority term loan and revolving credit facility and contemplates consensual use of Windstream’s secured lenders’ cash collateral. Windstream believes that the extraordinary interest of its stakeholders, including the receipt of six bids to provide DIP financing obtained in two days, is a strong indication of the commitment and investment the company’s creditors have in supporting the Windstream’s restructuring.

47. Based on my knowledge and extensive discussions with Windstream’s management team and advisors, I believe that the Proposed DIP Financing gives the Debtors sufficient liquidity to stabilize its operations and fund the administration of these chapter 11 cases

as the Debtors seek to proceed expeditiously toward a value-maximizing resolution to these chapter 11 cases. Further, the Debtors have an immediate need for debtor-in-possession financing to fund immediate liquidity needs and provide comfort to their employee, customer, and vendor constituencies. Finally, based on extensive discussions with Windstream's advisors, I understand that the Proposed DIP Financing is on the most favorable terms available in light of the circumstances of these chapter 11 cases, the time available, and the current market for such financing.

48. While Windstream intends to proceed expeditiously with these chapter 11 cases, building consensus takes time, especially under these circumstances. Windstream commenced these chapter 11 cases to provide a steady foundation for the negotiation process and avoid a piecemeal destruction of Windstream's business. I am confident that preserving Windstream's going-concern value through the chapter 11 process, including through entry into the Proposed DIP Financing, will ultimately inure to the benefit of all stakeholders.

V. Evidentiary Support for First Day Motions.¹²

49. Contemporaneously herewith, Windstream filed a number of First Day Motions and is seeking orders granting various forms of relief intended to stabilize Windstream's business operations and facilitate the efficient administration of these chapter 11 cases. The First Day Motions seek authority to, among other things, ensure sufficient liquidity to run Windstream's business, ensure the continuation of Windstream's cash management systems, and allow for other business operations without interruption. I believe that the relief requested in the First Day

¹² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the respective First Day Motions.

Motions is necessary to give Windstream an opportunity to work towards successful chapter 11 cases that will benefit all of Windstream's stakeholders.

50. The First Day Motions request authority to pay certain prepetition claims. I understand that Rule 6003 of the Federal Rules of Bankruptcy Procedure provides, in relevant part, that the Court shall not consider motions to pay prepetition claims during the first 21 days following the filing of a chapter 11 petition, "except to the extent relief is necessary to avoid immediate and irreparable harm." In light of this requirement, Windstream has narrowly tailored its requests for immediate authority to pay certain prepetition claims to those circumstances where the failure to pay such claims would cause immediate and irreparable harm to Windstream and its estates. Other relief will be deferred for consideration at a later hearing.

51. I am familiar with the content and substance of the First Day Motions. The facts stated therein are true and correct to the best of my knowledge, information, and belief, and I believe that the relief sought in each of the First Day Motions is necessary to enable Windstream to operate in chapter 11 with minimal disruption to its business operations and constitutes a critical element in successfully implementing a chapter 11 strategy. A description of the relief requested and the facts supporting each of the First Day Motions is detailed in **Exhibit B**.

VI. Information Required by Local Bankruptcy Rule 1007-2.

52. Local Bankruptcy Rule 1007-2 requires certain information related to Windstream, which I have provided in the exhibits attached hereto as **Exhibit C** through **Exhibit N**.

Specifically, these exhibits contain the following information with respect to Windstream (on a consolidated basis, unless otherwise noted):¹³

- **Exhibit C.** Pursuant to Local Bankruptcy Rule 1007-2(a)(3), provides the names and addresses of the members of, and attorneys for, any committee organized prior to the order for relief in these chapter 11 cases, and a brief description of the circumstances surrounding the formation of the committee.
- **Exhibit D.** Pursuant to Local Bankruptcy Rule 1007-2(a)(4), provides the following information with respect to each of the holders of the debtors' 30 largest unsecured claims, excluding claims of insiders: the creditors name; the address (including the number, street, apartment, or suite number, and zip code, if not included in the post office address); the telephone number; the name(s) of the person(s) familiar with the debtors' account; the nature and approximate amount of the claim; and an indication of whether the claim is contingent, unliquidated, disputed, or partially secured.
- **Exhibit E.** Pursuant to Local Bankruptcy Rule 1007-2(a)(5), provides the following information with respect to each of the holders of the five largest secured claims against the debtors: the creditor's name; address (including the number, street, apartment, or suite number, and zip code, if not included in the post office address); the amount of the claim; a brief description of the claim; an estimate of the value of the collateral securing the claim; and an indication of whether the claim or lien is disputed at this time.
- **Exhibit F.** Pursuant to Local Bankruptcy Rule 1007-2(a)(6), provides a summary of the debtors' assets and liabilities.
- **Exhibit G.** Pursuant to Local Bankruptcy Rule 1007-2(a)(7), provides a summary of the publicly held securities of the debtors.
- **Exhibit H.** Pursuant to Local Bankruptcy Rule 1007-2(a)(8), provides the following information with respect to any property in possession or custody of any custodian, public officer, mortgagee, pledge, assignee of rents, or secured creditors, or agent for such

¹³ The information contained in **Exhibit C** through **Exhibit N** attached to this declaration does not constitute an admission of liability by, nor is it binding on, Windstream. Windstream reserves all rights to assert that any debt or claim listed herein is a disputed claim or debt, and to challenge the priority, nature, amount, or status of any such claim or debt.

entity: the name; address; and telephone number of such entity and the court in which any proceeding relating thereto is pending.

- **Exhibit I.** Pursuant to Local Bankruptcy Rule 1007-2(a)(9), provides a list of property comprising the premises owned, leased, or held under other arrangement from which the debtors operate their business.
- **Exhibit J.** Pursuant to Local Bankruptcy Rule 1007-2(a)(10), sets forth the location of the debtors' substantial assets, the location of their books and records, and the nature, location, and value of any assets held by the debtors outside the territorial limits of the United States.
- **Exhibit K.** Pursuant to Local Bankruptcy Rule 1007-2(a)(11), provides a list of the nature and present status of each action or proceeding, pending or threatened, against the debtors or their property where a judgment or seizure of their property may be imminent.
- **Exhibit L.** Pursuant to Local Bankruptcy Rule 1007-2(a)(12), sets forth a list of the names of the individuals who comprise the debtors' existing senior management, their tenure with the debtors, and a brief summary of their relevant responsibilities and experience.
- **Exhibit M.** Pursuant to Local Bankruptcy Rule 1007-2(b)(1)-(2)(A), provides the estimated amount of payroll to the debtors' employees (not including officers, directors, and equity holders) and the estimated amounts to be paid to officers, equity holders, directors, and financial and business consultants retained by the debtors, for the 30-day period following the Petition Date.
- **Exhibit N.** Pursuant to Local Bankruptcy Rule 1007-2(b)(3), provides a schedule, for the 30-day period following the Petition Date, of estimated cash receipts and disbursements, net gain or loss, obligations and receivables expected to accrue but remain unpaid, other than professional fees, for the 30-day period following the filing of the chapter 11 cases, and any other information relevant to an understanding of the foregoing.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true correct.

Dated: February 25, 2019
New York, New York

/s/ Tony Thomas

Name: Tony Thomas
Title: Chief Executive Officer and President
Windstream Holdings, Inc.

Exhibit A

Windstream's Corporate Structure



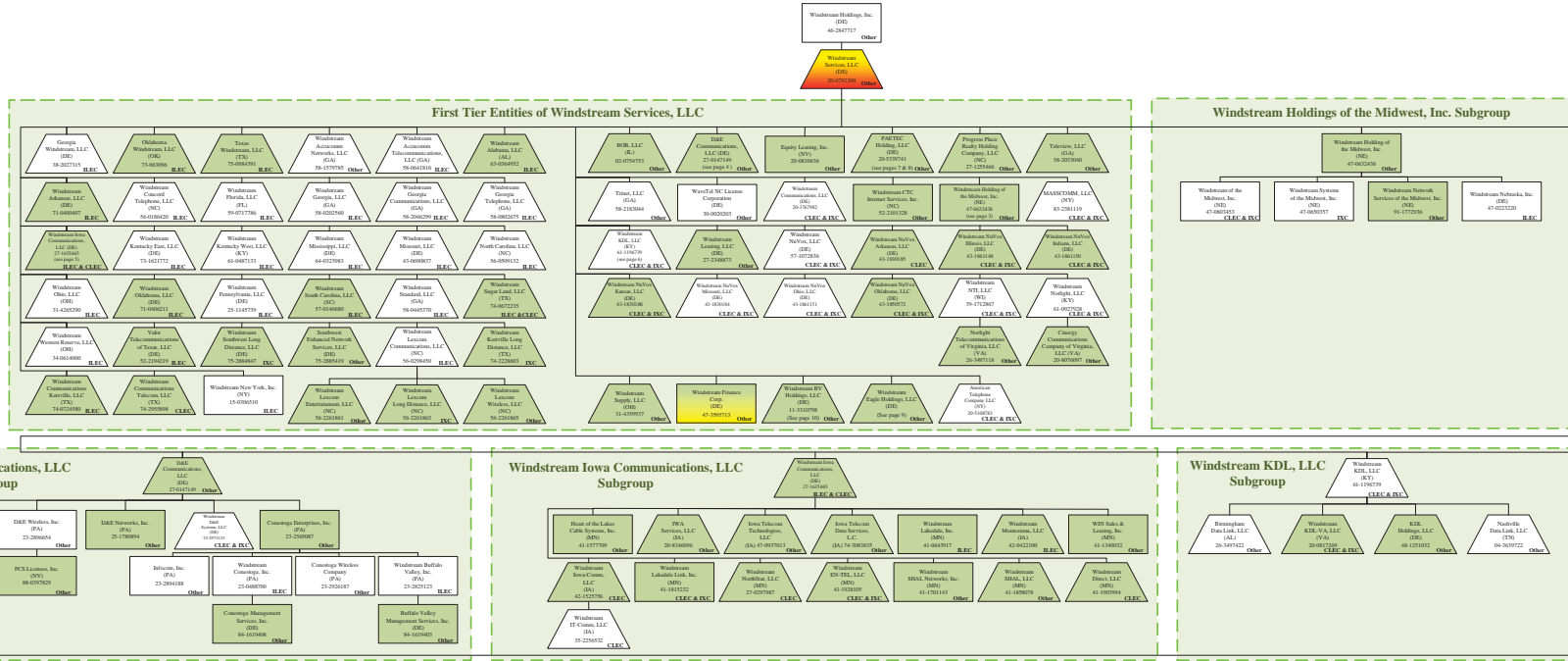
windstream

Organization Chart

As of December 31, 2018

* Unless otherwise indicated, all ownership percentages are 100%

SECURED FACILITY	MATURITY DATE	AMOUNTS OUTSTANDING (millions)
First Lien Debt Obligations		
Revolver	04/24/2020	\$1,017.0
Term Loan, Tranche B6	03/29/2021 ¹	\$1,180.5
Term Loan, Tranche B7	02/17/2024	\$568.4
8.625% 2025 Notes	10/31/2025	\$600.0
Second Lien Debt Obligations		
10.500% 2024 Notes	06/30/2024	\$414.9
9.000% 2025 Notes	06/30/2025	\$802.0
Other Obligations		
6.75% Subsidiary Notes ²	04/01/2028	\$100
Total Amount Outstanding		\$4,682.3
UNSECURED BONDS		
MATURITY DATE	AMOUNTS OUTSTANDING (millions)	
2020 Notes — 7.750%	10/15/2020	\$78.1
2021 Notes — 7.750%	10/01/2021	\$70.1
2022 Notes — 7.500%	06/01/2022	\$36.2
2023 Notes — 7.500%	05/01/2023	\$34.4
2023 Notes — 6.375%	08/01/2023	\$806.9
2024 Notes — 8.750%	12/15/2024	\$105.8
Total Amount Outstanding		\$1,131.5
Total Indebtedness		\$5,813.8



KEY

- △ Partnership
- ◻ Non-Entity LLC, LP or Branch
- Corporation
- Guarantor
- Nonguarantor
- Credit Agreement Borrower/ Notes Issuer
- Notes Issuer/ Guarantor

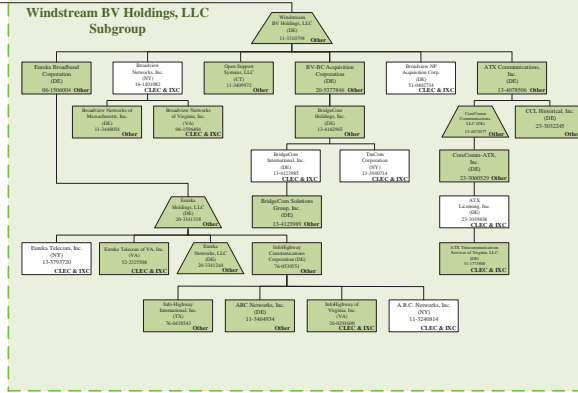
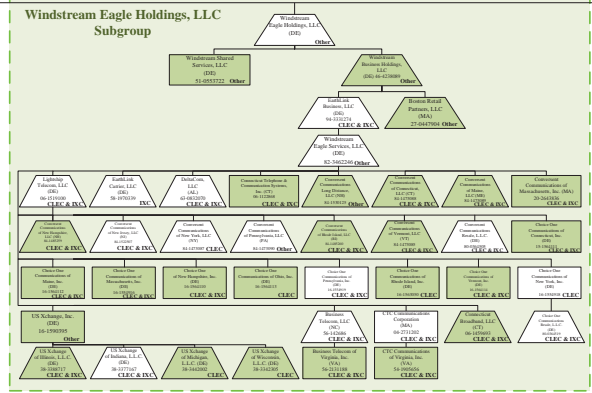
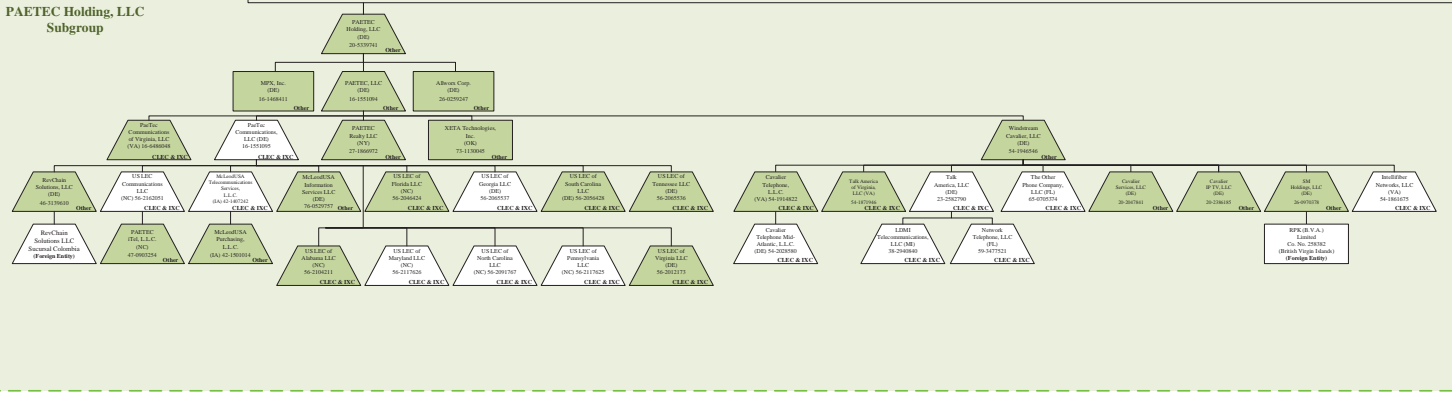


Exhibit B

Evidentiary Support for First Day Motions

EVIDENTIARY SUPPORT FOR FIRST DAY MOTIONS¹

Administrative and Procedural Motions

A. Debtors' Motion for Entry of an Order Directing Joint Administration of Chapter 11 Cases (the "Joint Administration Motion").

1. The Debtors have filed several purely administrative or procedural First Day Pleadings, including a motion to jointly administer the Debtors' bankruptcy cases. As in many large chapter 11 cases that are jointly administered, the Debtors do not maintain lists of the names and addresses of their respective creditors on a debtor-by-debtor basis. Given the integrated nature of the Debtors' operations, joint administration of these chapter 11 cases will provide significant administrative convenience without harming the substantive rights of any party in interest.

B. Debtors' Motion for Entry of Interim and Final Orders Establishing Certain Notice, Case Management, and Administrative Procedures (the "Case Management Motion").

2. Pursuant to the Case Management Motion, the Debtors seek entry of an order approving and implementing the notice, case management, and administrative procedures. The proposed Case Management Procedures, among other things: (a) establish requirements for filing and serving Court Filings; (b) delineate standards for notices of hearings and agenda letters; (c) fix periodic omnibus hearing dates and articulate mandatory guidelines for the scheduling of hearings and objection deadlines; and (d) limit matters that are required to be heard by the Bankruptcy Court. Given the size and complexity of these chapter 11 cases, implementing the Case Management Procedures will facilitate the fair and efficient administration of these cases and promote judicial economy.

¹ Capitalized terms used but not defined herein have the meanings given to them in the applicable First Day Motion.

C. Debtors' Motion for Entry of an Order (I) Extending Time to File Schedules of Assets and Liabilities, Schedules of Current Income and Expenditures, Schedules of Executory Contracts and Unexpired Leases, Statements of Financial Affairs, and Rule 2015.3 Financial Reports, and (II) Waiving Requirements to File Lists of Equity Holders (the "Schedules and Statements Extension Motion").

3. Pursuant to the Schedules and Statements Extension Motion, the Debtors seek entry of an order: (a) extending the deadline by which the Debtors must file their schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs by 30 days, for a total of 44 days from the Petition Date, without prejudice to the Debtors' ability to request additional extensions; (b) extending the deadline by which the Debtors must file their initial reports of financial information with respect to entities in which the Debtors hold a controlling or substantial interest as set forth in Federal Rule of Bankruptcy Procedure 2015.3 to the later of: (i) 30 days after the meeting of creditors to be held pursuant to section 341 of the Bankruptcy Code (the "341 Meeting") and (ii) 44 days from the Petition Date, or to file a motion with the Bankruptcy Court (as defined below) seeking a modification of such reporting requirements for cause, without prejudice to the Debtors' ability to request additional extensions; and (c) waiving the requirements to file lists of equity security holders, as set forth in Fed. R. Bankr. P. 1007(a)(3).

4. Given the size and complexity of the Debtors' business and financial affairs, and the critical matters that the Debtors' management and professionals were required to address prior to the commencement of these chapter 11 cases, the Debtors were not in a position to complete the Schedules and Statements as of the Petition Date. Accordingly, the relief requested in the Schedules and Statements Extension Motion is warranted under the circumstances.

D. Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to (A) Prepare a List of Creditors in Lieu of Submitting a Formatted Mailing Matrix and (B) File a Consolidated List of the Debtors' 50 Largest Unsecured Creditors, (II) Authorizing the Debtors to Redact Certain Personal Identification for Individual Creditors, and (III) Approving the Form and Manner of Notifying Creditors of Commencement of These Chapter 11 Cases (the "Creditor Matrix Motion").

5. Pursuant to the Credit Matrix Motion, the Debtors seek entry of an order: (a) authorizing the Debtors to: (i) prepare a consolidated list of creditors in lieu of submitting separate mailing matrices for each Debtor (the "Creditor Matrix"), (ii) file a consolidated list of the Debtors' 50 largest unsecured creditors, and (iii) mail initial notices through their Proposed Claims and Noticing Agent; (b) authorizing the Debtors to redact certain personal identification information for individual creditors; and (c) approving the form and manner of notifying creditors of commencement of these chapter 11 cases

6. *First*, the preparation of separate lists of creditors for each debtor would be expensive, and time consuming. Therefore, the Debtors have requested to file a consolidated creditor matrix. Moreover, filing a top 50 list will help alleviate administrative burdens, costs, and the possibility of duplicative service. *Second*, the list of creditors may include information of individual creditors with personal information; such information can be used to perpetrate identity theft. *Third*, mailing initial notices of bankruptcy through the Debtors' proposed claims and noticing agent, KCC, to parties in interest will maximize efficiency in administering these chapter 11 cases and will ease administrative burdens that would otherwise fall upon the Bankruptcy Court and the U.S. Trustee. Accordingly the relief requested in the Creditor Matrix Motion is warranted under the circumstances.

E. Debtors' Application for Appointment of Kurtzman Carson Consultants LLC as Claims and Noticing Agent (the "Claims Agent Application").

7. The Debtors have also requested the approval of a services agreement between the Debtors and KCC,² and the Debtors' retention and employment of KCC as claims and noticing agent for the Debtors in lieu of the Clerk of the United States Bankruptcy Court for the Southern District of New York. The Debtors anticipate that there will be thousands of entities to be noticed in these cases. In view of the number of anticipated claimants and the complexity of the Debtors' businesses, the Debtors submit that the appointment of the Claims and Noticing Agent is both necessary and in the best interests of the Debtors' estates and their creditors because the Debtors will be relieved of the burdens associated with Claims and Noticing Services.

Operational Motions

F. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to Continue (I) to Operate Their Cash Management System, Honor Certain Prepetition Obligations Related Thereto, and Maintain Existing Business Forms, and (II) Their Intercompany Transactions (the "Cash Management Motion")

8. Pursuant to the Cash Management Motion, the Debtors seek entry of interim and final orders authorizing the Debtors to: (a) (i) operate their cash management system; (ii) honor certain prepetition obligations related thereto; and (iii) maintain existing business forms; and (b) (i) honor intercompany transactions in the ordinary course of business on a postpetition basis and (ii) grant superpriority administrative expense status to postpetition intercompany transactions.

9. The Debtors operate a complex cash management system that is typical and comparable to the centralized cash management systems used by other similar companies to

² The Claims Agent Application is supported by a separate declaration of Evan Gershbein of KCC.

manage the cash flow of operating units in a cost-effective, efficient manner. The Debtors use their Cash Management System in the ordinary course to transfer and distribute funds to various operating accounts and to facilitate cash monitoring, forecasting, and reporting. The Debtors' finance department oversees the Cash Management System and implements cash management control protocols for entering, processing, and releasing funds, including in connection with intercompany transactions. Additionally, the Debtors' finance department regularly reconciles the Debtors' books and records to ensure that all transfers are accounted for properly.

10. The Cash Management System facilitates the timely and efficient collection, management, and disbursement of funds used in the Debtors' business. Because of the nature of the Debtors' business, the volume of transactions processed through the Cash Management System on a daily basis, and the disruption to the business that would result if they were forced to close their existing Bank Accounts, it is critical that the Bankruptcy Court permit the Debtors to continue to utilize the Cash Management System. As part of their Cash Management System, the Debtors use various preprinted business forms in the ordinary course. To minimize expenses to their estates and avoid confusion during the pendency of these chapter 11 cases, the Debtors request that the Bankruptcy Court authorize the Debtors' continued use of all existing preprinted correspondence and Business Forms.

11. In the ordinary course of business, the Debtors engage in Intercompany Transactions. At any given time there may be Intercompany Claims owing by one debtor entity to another. The Debtors track all fund transfers in their accounting system and can ascertain, trace, and account for all Intercompany Transactions previously described. The Debtors, moreover, will continue to maintain records of such Intercompany Transactions. If the Intercompany Transactions were to be discontinued, the Cash Management System and related administrative

controls could be disrupted to the Debtors and the estates' detriment. Since these transactions represent extensions of intercompany credit made in the ordinary course of business that are an essential component of the Cash Management System, the Debtors respectfully request the authority to continue conducting the Intercompany Transactions in the ordinary course of business without need for further Bankruptcy Court order.

12. I believe that the continuation of the Cash Management System is essential to the Debtors' business. Requiring the Debtors to implement changes to the Cash Management System during these chapter 11 cases would be expensive, burdensome, and unnecessarily disruptive to the Debtors' operations. Any disruption of the Cash Management System could have a severe and adverse effect on the Debtors' restructuring efforts. Indeed, requiring the Debtors to adopt a new cash management system could adversely affect the Debtors' ability to maximize value. In contrast, maintaining the current Cash Management System will facilitate the Debtors' transition into chapter 11 by, among other things, minimizing delays in paying postpetition debts and eliminating administrative inefficiencies. Accordingly, the relief requested in the Cash Management Motion should be approved by the Court.

G. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to (I) Pay Prepetition Employee Wages, Salaries, Other Compensation, and Reimbursable Employee Expenses; and (II) Continue Employee Benefits Programs (the "Wages Motion")

13. Pursuant to the Wages Motion, the Debtors seek entry of interim and final orders authorizing the Debtors to (a) pay prepetition wages, salaries, other compensation, and reimbursable employee expenses and (b) continue employee compensation and benefits programs in the ordinary course, including payment of certain prepetition obligations related thereto.

14. As of the Petition Date, the Debtors employed approximately 11,600 Employees, virtually all of whom are full-time Employees. As of the Petition Date, the Debtors were party to

22 unexpired CBAs, as well as to two NRP Agreements bargained for separately from the CBAs. Approximately 1,600 Represented Employees are represented pursuant to either the CBAs or the NPP Agreements. Additionally, the Employees perform a wide variety of functions which will be critical to the Debtors' go-forward business operations and the administration of these chapter 11 cases. In many instances, the Employees include personnel who are intimately familiar with the Debtors' businesses, processes, and systems, who possess unique skills and experience to the core business segments of the Debtors, and/or who have developed relationships with wholesalers and distributors that are essential to the Debtors' business. In addition to the Employees, as of the Petition Date, the Debtors retained from time to time specialized Independent Contractors to complete discrete projects, as well as a Temporary Staff to fulfill certain duties, including customer service, packaging, and shipping functions. Without the continued, uninterrupted services of the Employees and the Independent Contractors, the ability of the Debtors to maintain and administer their estates will be materially impaired.

15. In the ordinary course, the Debtors incur Wage Obligations. During the 2018 calendar year, the Debtors incurred a monthly average of approximately \$77,000,000.00 on account of the Wage Obligations. Additionally, as of the Petition Date, the Debtors estimate that they owe approximately \$25,500,000.00 on account of accrued but unpaid Wage Obligations. The Debtors also seek authority to continue their Workers' Compensation Programs in the ordinary course on a postpetition basis.

16. To minimize the personal hardship the Employees would suffer if employee obligations are not paid when due or as expected, the Debtors seek authority to pay and honor certain prepetition claims relating to, among other things, Wage Obligations, Unpaid Contractor and Temporary Staffing Obligations, Withholding Obligations, Reimbursable Expenses, Health

and Welfare Coverage and Benefits, a Workers' Compensation Program and a Workers' Compensation Insurance Policy, the 401(k) Plan and other retiree benefits, Paid Leave Benefits, Severance Obligations, and certain other benefits that the Debtors have provided in the ordinary course (collectively, the "Employee Compensation and Benefits"). In addition, the Debtors also are seeking to pay all costs incident to the Employee Compensation and Benefits. The Debtors seek authority to continue to honor Employee Compensation and Benefits obligations in the ordinary course of business, including prepetition obligations. The Debtors do not believe they owe Employees on account of accrued wages earned prepetition, and no employees are owed wages in excess of \$12,850.

17. I believe the Employees provide the Debtors with services necessary to conduct the Debtors' business, and absent the payment of the Employee Compensation and Benefits owed to the Employees and Independent Contractors, the Debtors may experience workforce turnover and instability at this critical time in these chapter 11 cases. Without these payments, the Debtors' workforce may become demoralized and unproductive because of the potential significant financial strain and other hardships the Employees and Independent Contractors may face. Such individuals may then elect to seek alternative employment opportunities.

18. Additionally, a significant portion of the value of the Debtors' business is tied to their workforce, which cannot be replaced without significant efforts—which efforts may not be successful given the overhang of these chapter 11 cases. Enterprise value may be materially impaired to the detriment of all stakeholders in such a scenario. Payment of the prepetition obligations with respect to the Employee Compensation and Benefits is a necessary and critical element of the Debtors' efforts to preserve value and will give the Debtors the greatest likelihood

of retention of their workforce as the Debtors seek to operate their business in these chapter 11 cases. Accordingly, the relief requested in the Wages Motion should be approved by the Court.

H. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to Maintain and Administer Their Existing Customer Programs and Honor Certain Prepetition Obligations Related Thereto (the "Customer Programs Motion")

19. The Debtors seek entry of interim and final orders authorizing the Debtors to maintain and administer their prepetition Customer Programs. The Debtors provide certain credits, adjustments, discounts, and other accommodations to customers to develop and maintain positive customer relationships. In the Debtors' competitive industry, maintaining the goodwill of their customers is critical to the Debtors' ongoing operations and the preservation and maximization of stakeholder value.

20. The Debtors seek to continue to honor the existing customer-related programs, including the Customer Contracts, Sale Promotions, Referral Program, Customer Reference Program, Email Campaigns, Service Level Guarantees, Third-Party Providers Program, and Wholesale Programs. The Debtors also seek to continue arrangements with the Channel Partners, through which the Debtors incentivize third-party entities and s to refer and to solicit orders for the Debtors' portfolio of products, solutions, and technology services to potential customers.

21. The Customer Programs are important aspect of the Debtors' relationship with their customers. Continuing to administer the Customer Programs and Third Party Providers Program without interruption during the pendency of these chapter 11 cases is critical to preserve the value of the Debtors' assets, which will inure to the benefit of the Debtors' estates and their creditors. In light of the foregoing, the relief requested in the Customer Programs Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest, and will enable the

Debtors to continue to operate their business during these chapter 11 cases without disruption. Accordingly, the relief requested in the Customer Programs Motion should be approved.

I. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to (I) Pay Their Obligations Under Prepetition Insurance Policies, (II) Continue to Pay Certain Brokerage Fees, (III) Renew, Supplement, Modify, or Purchase Insurance Coverage, and (IV) Enter Into New Financing Agreements in the Ordinary Course of Business (the "Insurance Motion")

22. The Debtors seek entry of interim and final orders authorizing the Debtors to:

- (a) pay its obligations under prepetition insurance policies;
- (b) continue to pay certain brokerage fees;
- (c) renew, supplement, modify, or purchase insurance coverage in the ordinary course; and
- (d) enter into new premium financing agreements in the ordinary course of business.

23. The Insurance Policies provide coverage for, among other things, director and officer liability, property, general liability, commercial automobile liability, underground storage tank liability, lawyers' professional liability, special risk, commercial crime, employment practices liability, and media errors and omissions liability. Continuation of the Insurance Policies and entry into new insurance policies and premium financing agreements, in the ordinary course, are essential to the preservation of the value of the Debtors' properties and assets. As of the Petition Date, the aggregate annual premium for the Insurance Policies totaled approximately \$7.4 million, plus applicable taxes and surcharges.

24. Continuation of the Insurance Policies and entry into new insurance policies and premium financing agreements, as required in the ordinary course of business, is essential to the preservation of the value of the Debtors' properties and assets. Moreover, in many instances, insurance coverage is required by the regulations, laws, and contracts that govern the Debtors' commercial activities, including the requirement by the U.S. Trustee that a debtor maintain adequate coverage given the circumstances of its chapter 11 case. Accordingly, the relief requested in the Insurance Motion should be approved by the Court.

J. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Payment of Certain Prepetition Taxes and Fees (the "Taxes Motion").

25. The Debtors seek entry of interim and final orders authorizing the Debtors, in their sole discretion, to remit and pay certain accrued and outstanding prepetition taxes, including sales and use taxes, income taxes, personal and real property taxes, and similar Taxes and Fees. The Debtors collect, incur, and pay sales and use taxes, personal and real property taxes, and/or various other governmental taxes, fees, and assessments to various federal, state, and local Governmental Authorities as described in greater detail in the Taxes Motion.

26. I believe that failing to pay the Taxes and Fees could materially disrupt the Debtors' business operations. Failure to pay Taxes and Fees would cause the Debtors to lose their ability to conduct business in certain jurisdictions. The Authorities could initiate audits, suspend operations, file liens, or seek to lift the automatic stay, which would unnecessarily divert the Debtors' attention from the reorganization process. Further, unpaid Taxes and Fees may subject certain of the Debtors' directors and officers to claims of personal liability or result in penalties, the accrual of interest, or both, which could negatively affect the Debtors' business. Finally, the Debtors collect and hold certain outstanding tax liabilities in trust for the benefit of the applicable Authorities, and these funds are the property of the Debtors' estate.

27. In light of the foregoing, the relief requested in the Taxes Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their business during these chapter 11 cases without disruption. Accordingly, the relief requested in the Taxes Motion should be approved.

K. Debtors' Motion for Entry of Interim and Final Orders Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock (the "Equity Trading Motion")

28. The Debtors seek entry of interim and final orders: (a) approving certain notification and hearing procedures (the "Procedures") related to certain transfers of, or declarations of worthlessness with respect to, Debtor Windstream Holdings, Inc.'s common stock or any Beneficial Ownership therein (any such record or Beneficial Ownership of common stock (the "Common Stock"); and (b) directing that any purchase, sale, other transfer of, or declaration of worthlessness with respect to any Beneficial Ownership of Common Stock in violation of the Procedures shall be null and void ab initio.

29. As of January 1, 2019, the Debtors estimate that they have approximately \$3.4 billion of federal NOLs³ and federal credit carryforwards of approximately \$27 million (collectively, and together with certain other tax attributes, the "Tax Attributes").⁴ The Tax Attributes are of significant value to the Debtors because the Debtors can potentially carry forward the Tax Attributes to offset taxable income in future years. Additionally, the Debtors may utilize such Tax Attributes to offset any taxable income generated by transactions consummated during these chapter 11 cases. The value of the Tax Attributes will inure to the benefit of all of the Debtors' stakeholders.

30. Implementation of the Procedures is necessary and appropriate to enforce the automatic stay and, critically, to preserve the value of the Tax Attributes for the benefit of the

³ The Debtors have determined that approximately \$1.5B of their \$3.4B of gross federal NOLs are unlikely to be able to be utilized in the ordinary course of business as a result of prior ownership limitations under section 382.

⁴ The Tax Attributes include certain alternative minimum tax credits. These credits are not discussed further herein as a result of changes to the treatment of such credits in the 2017 tax reform legislation. Additionally, the Debtors have substantial state tax attributes that may be subject to rules that are substantially similar to the federal rules under sections 382 and 383.

Debtors' estates. The Tax Attributes may provide the potential for material future tax savings (including in post-emergence years) or other tax structuring possibilities in these chapter 11 cases. The termination or limitation of the Tax Attributes could be materially detrimental to all parties-in-interest. Thus, granting the relief requested herein will preserve the Debtors' flexibility in operating their business during the pendency of these chapter 11 cases and also implementing an exit plan that makes full and efficient use of the Tax Attributes and maximizes the value of the Debtors' estates. Accordingly, on behalf of the Debtors, the relief requested in the Equity Trading Motion should be approved.

L. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to Pay Certain Prepetition Claims of (I) Critical Vendors, (II) Lien Claimants, (III) Section 503(B)(9) Claimants, and (IV) International Vendors in the Ordinary Course of Business on a Postpetition Basis (the "Vendors Motion").

31. Pursuant to the Vendors Motion, the Debtors seek entry of interim and final orders authorizing, but not directing, the Debtors to pay, in their sole discretion: (a) prepetition claims of Critical Vendors (the "Critical Vendor Claims"), in an amount not to exceed \$91 million; (b) prepetition claims (the "Lien Claims") of Shippers, Warehousemen, and Other Lien Claimants (collectively, the "Lien Claimants"), in an amount not to exceed \$91 million; and (c) prepetition claims of 503(b)(9) Claimants (the "503(b)(9) Claims"), in an amount not to exceed \$13 million. In addition, the Debtors request that the Court schedule a final hearing within approximately 25 days of the commencement of these chapter 11 cases to consider approval of this Motion on a final basis.

32. The Debtors request authorization to pay the prepetition claims of certain parties (collectively, the "Vendor Claims") in light of the importance of the products and services provided by such vendors. Because of the nature of the Debtors' businesses, the Debtors believe that many vendors will make credible and actionable threats that, unless paid on account of their

prepetition debt, they will cease to supply the Debtors with the specialized goods and services necessary to maintain the smooth operation of the Debtors' businesses while in chapter 11, or may otherwise impair the Debtors' ability to operate their businesses. Accordingly, to maintain stability during the opening days of these chapter 11 cases and to avoid jeopardizing the Debtors' ability to service their customers going forward, I believe that the relief requested in this Motion should be granted

33. ***The Critical Vendors.*** The Debtors have identified certain vendors (collectively, the "Critical Vendors") that supply products and services (collectively, the "Critical Vendor Products and Services") that are vital to the Debtors' operations. The Debtors rely on a range of Critical Vendor Products and Services without which they would not be able to operate their businesses. Specifically, certain of the Critical Vendors supply operational services that are critical to the Debtors' ability to effectively and efficiently serve their customers and generate revenue. The Debtors' trade relationships with their Critical Vendors are not generally governed by long term contracts, thus, the Debtors believe that such trade relationships may materially deteriorate, causing disruption to the Debtors' operations if the Debtors are unable to pay Critical Vendor Claims as provided herein. Accordingly, I believe that the payment of the Critical Vendor Claims is essential to avoid costly disruptions to the Debtors' businesses during these chapter 11 cases.

34. In many cases, the Critical Vendor Products and Services are available from only a limited number of vendors, and in some cases, only one vendor. Even where alternative vendors exist, the costs associated with switching from one vendor to another are often significant and would be detrimental to the Debtors' estates. The Debtors believe that jeopardizing their relationships with the Critical Vendors and attempting to procure the Critical Vendor Products and Services from replacement vendors would impose a severe strain on the Debtors' business

operations, and would likely result in significant revenue loss. Even a temporary halt of the provision of Critical Vendor Products and Services would impose a severe strain on the Debtors' operations, and the cumulative impact of such events could have a significant adverse effect on the Debtors' operations and, particularly, on the ability of the Debtors to maintain business-as-usual and serve their customers. Accordingly, in light of the potential for immediate irreparable consequences if the Critical Vendors do not continue to provide uninterrupted and timely deliveries of goods and services, the Debtors have determined, in the exercise of their business judgment, that payment of the Critical Vendor Claims is essential to avoid costly disruptions to their operations.

35. ***Selection of Critical Vendors.*** With the assistance of their advisors, the Debtors have spent significant time reviewing and analyzing their books and records, consulting operations managers and purchasing personnel, reviewing contracts and supply agreements, and analyzing applicable law, regulations, and historical practice to identify certain critical business relationships and suppliers of goods and services—the loss of which would immediately and irreparably harm their businesses, among other things, shrinking their market share, reducing enterprise value, and ultimately impairing the Debtors' viability as a going-concern. Following this analysis, the Debtors identified approximately 263 vendors as Critical Vendors for purposes of the relief requested herein. This number represents only approximately 5 percent of the Debtors' vendors with outstanding accounts payable as of the Petition Date. As of the Petition Date, the Debtors believe they owed the Critical Vendors approximately \$80 million. The \$80 million of requested relief requested pursuant to the Final Order is approximately 20 percent of the Debtors' outstanding accounts payables as of the Petition Date.

36. ***The Lien Claimants.*** The Debtors routinely transact business with a number of third parties who may assert various statutory liens (the “Lien Claimants”), including mechanics’ lien, against the Debtors and their property if the Debtors fail to pay for the services rendered. The Lien Claimants primarily consist of SSP vendors who deploy the Debtors’ fiber optic systems. The Debtors’ business is highly dependent upon the full operation of the fiber network. Specifically, the Debtors supply core transport solutions on a local and long-haul fiber network spanning approximately 150,000 miles. Absent payments of the Lien Claims, the Lien Claimants may stop providing services that are essential to the Debtors’ operations. Accordingly, payment of the Lien Claimants is vital to avoid costly disruptions to the Debtors’ businesses. Moreover, the value of the assets in the possession of the Lien Claimants generally exceeds the value of their respective prepetition claims. The refusal of Lien Claimants to deliver or return the Debtors’ goods as a result of not being paid would severely disrupt the Debtors’ operations and potentially cost the Debtors a substantial amount of revenue and future business. The Debtors’ ability to maintain access to materials, goods, equipment, and services is critical to the continued viability of the Debtors’ business operations. As of the Petition Date, the Debtors estimate that approximately \$91 million is owed to Lien Claimants.

37. ***The 503(b)(9) Claims.*** The Debtors have received certain goods from various Vendors within the 20 days before the Petition Date (collectively, the “503(b)(9) Claimants”). Many of the Debtors’ relationships with the 503(b)(9) Claimants are not governed by long-term contracts. Rather, the Debtors often obtain supplies on an order-by-order basis. As a result, a 503(b)(9) Claimant may refuse to supply new orders without payment of its prepetition claims. The Debtors also believe certain 503(b)(9) Claimants could reduce the Debtors’ existing trade credit—or demand payment in cash on delivery—further exacerbating the Debtors’ limited

liquidity. As of the Petition Date, the Debtors believe they owed approximately \$13 million on account of the 503(b)(9) Claims.

38. Material disruption to the Debtors' businesses that may result from nonpayment of the Vendor Claims could threaten the Debtors' ability to consummate their restructuring. The goods and services the Creditors provide are absolutely necessary for the Debtors to conduct their business in the ordinary course, and it is prudent that the Debtors take any and all reasonable steps necessary to avoid imperiling the restructuring, including paying the Vendor Claims, subject to the vendors performing their obligations in accordance with Customary Terms. It is important that the Debtors obtain approval to pay prepetition Vendor Claims and to continue paying such Vendor Claims in the ordinary course of business on a postpetition basis.

M. Debtors' Motion for Entry of an Order Establishing a Record Date for Notice and Sell-Down Procedures for Trading in Certain Claims Against the Debtors' Estates (the "Record Date Motion")

39. Pursuant to the Record Date Motion, the Debtors seek entry of an order (a) establishing the date the Court enters the Record Date Order as the effective date for certain notice and sell-down procedures for trading in certain claims against the Debtors' estates in order to preserve the Debtors' ability to formulate a plan of reorganization that maximizes the use of their Tax Attributes; and (b) granting related relief pursuant to the Record Date Motion.

40. As of January 1, 2019, the Debtors estimate that they have federal NOLs in the amount of approximately \$3.4 billion⁵ and Business Credits in the amount of approximately \$27 million, translating to potential material future tax savings.

⁵ The Debtors have determined that approximately \$1.5B of their \$3.4B of gross federal NOLs are unlikely to be able to be utilized in the ordinary course of business as a result of prior ownership limitations under section 382.

41. Implementation of the controls set forth in the Record Date Motion is necessary and appropriate to enforce the automatic stay and, critically, to preserve the value of the Tax Attributes for the benefit of the Debtors' estates. The Tax Attributes may provide the potential for material future tax savings (including in post-emergence years) or other tax structuring possibilities in these chapter 11 cases. The termination or limitation of the Tax Attributes could be materially detrimental to all parties-in-interest. Thus, granting the relief requested herein will preserve the Debtors' flexibility in operating their businesses during the pendency of these chapter 11 cases and also implementing an exit plan that makes full and efficient use of the Tax Attributes and maximizes the value of the Debtors' estates. Accordingly, the relief requested in the Record Date Motion should be approved.

N. Debtors' Motion for Entry of a Final Order (I) Restating and Enforcing Anti-Discrimination Provisions of the Bankruptcy Code; and (II) Authorizing the Debtors to (A) Participate in Spectrum Auctions in the Ordinary Course of Business and (B) Honor All Obligations Related Thereto (the "Spectrum Auction Motion").

42. Through the Spectrum Auction Motion, the Debtors request that the Bankruptcy Court enter an order restating and enforcing the anti-discrimination provisions of the Bankruptcy Code in order to ensure that the Debtors receive the full protections of such provisions as it bids in and applies for auctions to assign licenses related to spectrum (the "Spectrum Auctions"). The Debtors also seek the Bankruptcy Court's authority to continue to participate in these Spectrum Auctions in the ordinary course of business and to honor all obligations related thereto.

43. The Debtors enter Spectrum Auctions put on by the FCC from time to time as they arise in order to obtain licenses related to spectrum. Because obtaining such licenses is a key piece of the Debtors' strategy, and the Spectrum Auctions do not happen frequently, missing even a single Spectrum Auction can lead to severe consequences for the Debtors. As a result, the Debtors seek the Bankruptcy Court's authority to continue participating in the Spectrum Auctions, and for

the restatement and enforcement of the anti-bankruptcy provisions to ensure that the Debtors have a full and fair chance to be a qualified bidder in each of these Spectrum Auctions.

O. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to Continue and Renew their Surety Bond Program (the "Surety Bond Motion").

44. By the Surety Bond Motion, the Debtors seek entry of an order authorizing the Debtors to maintain, renew, and modify their Surety Bond Program—including the procurement of new sureties—in the ordinary course of business on a postpetition basis and to pay outstanding prepetition amounts.

45. The Debtors have outstanding surety bonds issued by Argonaut Insurance Company, Aspen Insurance Company, Berkley Insurance Company, and RLI Insurance Company. As of the Petition Date, the Debtors have approximately 655 surety bonds totaling \$34.5 million outstanding on account of surety bond needs for facilities and assets owned by the Debtors. The premiums for the surety bonds generally are determined on an annual basis and are paid by the Debtors when the bonds are issued and annually upon each renewal. The Debtors believe they are current on all Premium payments and will pay any outstanding amounts as they come due in the ordinary course. The total estimated Premiums for the Debtors' surety bonds is approximately \$452,591.00. As such, the Debtors request authority to continue paying the Premiums in the ordinary course of business on a postpetition basis, including any prepetition obligations related thereto, to ensure uninterrupted coverage under the Surety Bond Program.

46. Continuation of the Surety Bond Program, as required in the ordinary course of business, is essential to the preservation of the value of the Debtors' properties and assets. Failing to provide, maintain, or timely replace their surety bonds will prevent the Debtors from complying with their state law obligations and undertaking essential functions related to their operations. The issuance of a surety bond shifts the risk of the Debtors' nonperformance or nonpayment from the

Debtors to a surety, and the inability to provide, maintain, or timely replace their surety bonds will jeopardize the Debtors' ability to manage their reorganization efforts. Accordingly, the relief requested in the Surety Bond Motion should be approved by the Court.

P. Debtors' Motion for Entry of an Order (I) Prohibiting Utility Providers for Altering, Refusing, or Discontinuing Utility Services, (II) Determining Adequate Assurance of Payment for Future Utility Services, and (III) Establishing Procedures for Determining Adequate Assurance of Payment (the "Utilities Motion").

47. Pursuant to the Utilities Motion, the Debtors seek entry of an order (a) prohibiting utility providers from altering, refusing, or discontinuing services; (b) determining adequate assurance of payment for future utility services; and (c) establishing procedures for determining adequate assurance of payment for future utility services.

48. In connection with the operation of their business, the Debtors obtain water, sewer service, telecommunications, electricity, waste disposal, natural gas, and other similar services from a number of utility providers or their brokers. On average, as of the Petition Date, the Debtors paid approximately \$5,000,000.00 each month on account of the Utility Services, based on a historical average of the Debtors' recent utility payments. Accordingly, the Debtors estimate that their cost for Utility Services during the next 30 days (not including any deposits to be paid) will total approximately \$5,000,000.00. As of the Petition Date, the Debtors estimate that they held approximately \$113,400.00 in the form of deposits, surety bonds, letters of credits, and other prepayments on behalf of certain Utility Providers. To provide additional assurance of payment, the Debtors propose to deposit cash in an amount equal to \$2,500,000.00 into a segregated account that will be created and funded after the Petition Date. The amount of the Adequate Assurance Deposit is equal to approximately one half of the Average Monthly Utility Expenses. The Adequate Assurance Deposit will be held in the segregated account at a bank selected by the

Debtors for the benefit of the Utility Providers, and, for the duration of these chapter 11 cases, may be applied to any postpetition defaults in payment to the Utility Providers.

49. Uninterrupted Utility Services are essential to the Debtors' ongoing business operations, and hence the overall success of these chapter 11 cases. Should any Utility Company refuse or discontinue service, even for a brief period, the Debtors' business operations would be severely disrupted, and such disruption would jeopardize the Debtors' ability to manage their reorganization efforts. Therefore, it is essential that the Utility Services continue uninterrupted during these chapter 11 cases. Accordingly, the relief requested in the Utilities Motion should be approved by the Court.

[Remainder of page intentionally left blank]

Exhibit C

Committees Organized Prepetition

Prepetition Committee	Counsel	Members
First Lien Term Lenders Ad Hoc Group	Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas New York, New York 10019 Attn: Brian S. Hermann and Samuel E. Lovette	Holders of at least 50 percent of the amount of First Lien Claims
Second Lien Noteholders Ad Hoc Group	Milbank LLP 28 Liberty Street New York, New York 10005 Attn: Dennis F. Dunne and Samuel Khalil	Holders of approximately 80 percent of the amount of Second Lien Claims

Exhibit D

Consolidated List of the Holders of the Debtors’ 50 Largest Unsecured Claims

Pursuant to Local Bankruptcy Rule 1007-2(a)(4), the following is a consolidated list of the Debtors’ creditors holding the 50 largest unsecured claims (the “Consolidated Creditor List”) based on the Debtors’ unaudited books and records as of the Petition Date. The Consolidated Creditor List has been prepared in accordance with Bankruptcy Rule 1007(d) and does not include (i) persons who come within the definition of “insider” set forth in section 101(31) of the Bankruptcy Code or (ii) secured creditors, unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 50 largest unsecured claims.

The information contained herein shall neither constitute an admission of liability by nor bind the Debtors. The Debtors reserve all rights to assert that any debt or claim included herein is a disputed claim or debt and to challenge the priority, nature, amount, or status of any such claim or debt. In the event of any inconsistencies between the summaries set forth below and the respective corporate and legal documents relating to such obligations, the descriptions in the corporate and legal documents shall control.

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim		
					Total claim, if partially secured	Deduction for value of collateral or setoff [1]	Unsecured Claim
1	U.S. BANK NATIONAL ASSOCIATION TWO MIDTOWN PLAZA 1349 WEST PEACHTREE STREET SUITE 1050 ATLANTA, GEORGIA 30309	ATTN: GLOBAL CORPORATE TRUST SERVICES TELEPHONE: (404) 898-8830 FACSIMILE: (404) 898-8844 EMAIL: N/A	BOND DEBT				\$806,900,000.00
2	U.S. BANK NATIONAL ASSOCIATION TWO MIDTOWN PLAZA 1349 WEST PEACHTREE STREET SUITE 1050 ATLANTA, GEORGIA 30309	ATTN: GLOBAL CORPORATE TRUST SERVICES TELEPHONE: (404) 898-8830 FACSIMILE: (404) 898-8844 EMAIL: N/A	BOND DEBT				\$105,800,000.00
3	U.S. BANK NATIONAL ASSOCIATION TWO MIDTOWN PLAZA 1349 WEST PEACHTREE STREET SUITE 1050 ATLANTA, GEORGIA 30309	ATTN: GLOBAL CORPORATE TRUST SERVICES TELEPHONE: (404) 898-8830 FACSIMILE: (404) 898-8844 EMAIL: N/A	BOND DEBT				\$78,100,000.00
4	U.S. BANK NATIONAL ASSOCIATION TWO MIDTOWN PLAZA 1349 WEST PEACHTREE STREET SUITE 1050 ATLANTA, GEORGIA 30309	ATTN: GLOBAL CORPORATE TRUST SERVICES TELEPHONE: (404) 898-8830 FACSIMILE: (404) 898-8844 EMAIL: N/A	BOND DEBT				\$70,100,000.00

¹ The Debtors reserve the right to assert setoff and other rights with respect to any of the claims listed herein.

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff [1]	Unsecured Claim
5	AT&T 208 SOUTH AKARD STREET DALLAS, TX 75202	ATTN: GENERAL COUNSEL TELEPHONE: 210-821-4105 FAX: 210-351-2198 EMAIL: DAVID.MCATEE@ATT.COM; WW0118@ATT.COM	TRADE				\$49,551,947.00
6	U.S. BANK NATIONAL ASSOCIATION TWO MIDTOWN PLAZA 1349 WEST PEACHTREE STREET SUITE 1050 ATLANTA, GEORGIA 30309	ATTN: GLOBAL CORPORATE TRUST SERVICES TELEPHONE: (404) 898-8830 FACSIMILE: (404) 898-8844 EMAIL: N/A	BOND DEBT				\$36,200,000.00
7	U.S. BANK NATIONAL ASSOCIATION TWO MIDTOWN PLAZA 1349 WEST PEACHTREE STREET SUITE 1050 ATLANTA, GEORGIA 30309	ATTN: GLOBAL CORPORATE TRUST SERVICES TELEPHONE: (404) 898-8830 FACSIMILE: (404) 898-8844 EMAIL: N/A	BOND DEBT				\$34,400,000.00
8	VERIZON 1095 AVENUE OF THE AMERICAS NEW YORK, NY 10036	ATTN: GENERAL COUNSEL TELEPHONE: 212-395-1000 FAX: 212-517-1897 EMAIL: CRAIG.SILLIMAN@VERIZON.COM	TRADE				\$34,054,820.00
9	AT&T PRO CABS 208 SOUTH AKARD STREET DALLAS, TX 75202	ATTN: GENERAL COUNSEL TELEPHONE: 210-821-4105 FAX: 210-351-2198 EMAIL: DAVID.MCATEE@ATT.COM; WW0118@ATT.COM	TRADE				\$8,802,645 .00
10	GLOBE COMMUNICATIONS INC. 950 48TH AVE NORTH SUITE 100 MYRTLE BEACH, SC 29577	ATTN: DIRECTOR OR OFFICER TELEPHONE: 843- 839-5544 FAX: 843-839-5545 EMAIL: RUSTYLUNDY@GLOBEINC.COM	TRADE				\$8,368,733.00
11	BELLSOUTH PRO CABS 600 N POINT PKWY ALPHARETTA, GA 30005	ATTN: ROC-CABS TELEPHONE: 404-249-2000; 404-249-2000 FAX: 404-249-2071 EMAIL: RT2547@ATT.COM	TRADE				\$7,467,897.00
12	CENTURYLINK 100 CENTURYLINK DRIVE MONROE, LA 71203	ATTN: GENERAL COUNSEL TELEPHONE: 318-388-9000 FAX: 318-388-9064 EMAIL: STACEY.GOFF@CENTURYLINK.COM	TRADE				\$7,028,123.00
13	FRONTIER 401 MERRITT 7 NORWALK, CT 06851	ATTN: GENERAL COUNSEL TELEPHONE: 203-614-5600 FAX: 203-614-4651 EMAIL: MARK.NIELSEN@FTR.COM	TRADE				\$6,892,743.00
14	LEC SERVICES INC. 138 VAN CAMP BLVD LOS LUNAS, NM 87031	ATTN: DIRECTOR OR OFFICER TELEPHONE: 505-301-3404 FAX: N/A EMAIL: DSCROSSLEY@ISP.COM	TRADE				\$6,582,326.00
15	INFINERA 140 CASPIAN COURT SUNNYVALE, CA 94089	ATTN: DIRECTOR OR OFFICER TELEPHONE: 408-572-5200 FAX: 408-572-5454 EMAIL: DHEARD@INFINERA.COM	TRADE				\$6,081,389.00

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff [1]	Unsecured Claim
16	TRIPLE D COMMUNICATIONS 3006 PARK CENTRAL AVENUE NICHOLASVILLE, KY 40356	ATTN: DANNY WHITE TELEPHONE: 859-887-4683 FAX: 859-885-9824 EMAIL: DWHITE@TRIPLEDLLC.COM	TRADE				\$5,928,006.00
17	VELOCLOUD NETWORKS INC. 3429 HILLVIEW AVE PALO ALTO, CA 94304	ATTN: VMWARE HILLTOP TELEPHONE: 650-209-4180 FAX: 650-475-5001 EMAIL: AOLLI@VMWARE.COM; CONTACT@VELOCLOUD.COM	TRADE				\$5,598,590.00
18	ELEMENT - FKA PHH 655 BUSINESS CENTER DRIVE SUITE 250 HORSHAM, PA 19044	ATTN: DIRECTOR OR OFFICER TELEPHONE: 267-960-4000 FAX: 267-960-4001 EMAIL: N/A	TRADE				\$5,435,197.00
19	TRAWICK CONSTRUCTION CO 1555 SOUTH BOULEVARD CHIPLEY, FL 32428-1626	ATTN: DIRECTOR OR OFFICER TELEPHONE: 850-638-0429 FAX: 850-638-8373 EMAIL: DOUG.TRAWICK@TRAWICKCONSTRUCTION.COM	TRADE				\$5,418,813.00
20	ADTRAN 901 EXPLORER BOULEVARD HUNTSVILLE, AL 35806	ATTN: DIRECTOR OR OFFICER TELEPHONE: 256-963-8000 FAX: 256-963-6300 EMAIL: KEITH.KALMAN@ADTRAN.COM	TRADE				\$5,279,202.00
21	LEVEL 3 COMMUNICATIONS, LLC GENERAL COUNSEL 1025 ELDORADO BLVD BROOMFIELD, CO 80021	ATTN: C/O CENTURYLINK TELEPHONE: 720-888-2750 FAX: 720-888-5422 EMAIL: STACEY.GOFF@CENTURYLINK.COM	TRADE				\$5,211,613.00
22	LIGHTTOWER FIBER NETWORKS 80 CENTRAL STREET BOXBOROUGH, MA 01719	ATTN: DIRECTOR OR OFFICER TELEPHONE: 978-264-6000 FAX: 978-264-6100 EMAIL: ESANDMAN@LIGHTTOWER.COM	TRADE				\$4,721,163.00
23	MICROSOFT ONE MICROSOFT WAY REDMOND, WA 98052	ATTN: DIRECTOR OR OFFICER TELEPHONE: 425-882-8080 FAX: 425-706-7329 EMAIL: BUSCOND@MICROSOFT.COM	TRADE				\$4,519,318.00
24	QWEST CORP GENERAL COUNSEL 100 CENTURYLINK DRIVE MONROE, LA 71203	ATTN: C/O CENTURYLINK TELEPHONE: 318-388-9000 FAX: 318-388-9064 EMAIL: STACEY.GOFF@CENTURYLINK.COM	TRADE				\$4,484,967.00
25	GENERAL DATATECH LP 999 METROMEDIA PLACE DALLAS, TX 75247	ATTN: DIRECTOR OR OFFICER TELEPHONE: 214-857-6165; 214-857-6100 FAX: 214-857-6500 EMAIL: EBLATARIC@GDT.COM	TRADE				\$4,118,389.00
26	FORSYTHE SOLUTIONS GROUP INC. 7770 FRONTAGE ROAD SKOKIE, IL 60077	ATTN: DIRECTOR OR OFFICER TELEPHONE: 847-213-7000 FAX: 847-675-8017 EMAIL: THOFFMAN@FORSYTHE.COM	TRADE				\$3,855,195.00

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff [1]	Unsecured Claim
27	ACTIONTEC ELECTRONICS 3301 OLCOTT ST SANTA CLARA, CA 95054	ATTN: TONG KHUC, VP TELEPHONE: 408-548-4762 FAX: 408-541-9003 EMAIL: TKHUC@ACTIONTEC.COM	TRADE			\$3,757,838.00	
28	TIME WARNER CABLE 400 ATLANTIC STREET ROOM 407 STAMFORD, CT 06901	ATTN: LEGAL DEPARTMENT TELEPHONE: 203-428-0281 FAX: 212-364-8460 EMAIL: SERENA.PARKER@CHARTER.COM	TRADE			\$3,591,108.00	
29	EXCLUSIVE NETWORKS USA 2075 ZANKER ROAD SAN JOSE, CA 95131	ATTN: FRED SILVERMAN TELEPHONE: 954-782-6056 FAX: 408-943-9198 EMAIL: FSILVERMAN@EXCLUSIVE-NETWORKS.COM	TRADE			\$3,466,808.00	
30	T3 WIRELESS INC 220 W MAIN STREET COUNCIL GROVE, KS 66846	ATTN: CHRIS CROWE, PRESIDENT TELEPHONE: 214-228-0930; 620-767-7193 FAX: 661-458-2329 EMAIL: INFO@T3WIRELESS.NET	TRADE			\$3,459,329.00	
31	ZAYO 1821 30TH STREET UNIT A BOULDER, CO 80301	ATTN: DIRECTOR OR OFFICER TELEPHONE: 303-381-4683 FAX: N/A EMAIL: BRAD.KORCH@ZAYO.COM; SHIRA.COOKS@ZAYO.COM	TRADE			\$3,219,650.00	
32	EQUINIX INC. 4252 SOLUTIONS CENTER CHICAGO, IL 60677-4002	ATTN: DIRECTOR OR OFFICER TELEPHONE: 650-598-6000 FAX: 650-598-6900 EMAIL: COLLECTIONS@EQUINIX.COM	TRADE			\$2,997,406.00	
33	CIENA CORP 7035 RIDGE ROAD HANOVER, MD 21076	ATTN: DIRECTOR OR OFFICER TELEPHONE: 410-694-5700 FAX: 410-694-5750 EMAIL: N/A	TRADE			\$2,952,217.00	
34	CBRE INC. 400 S HOPE STREET 25 TH FLOOR LOS ANGELES, CA 90071	ATTN: DIRECTOR OR OFFICER TELEPHONE: 213-613-3333 FAX: 216-613-3005 EMAIL: CORPCOMM@CBRE.COM; LEW.HORNE@CBRE.COM	TRADE			\$2,885,755.00	
35	BELLSOUTH 600 N POINT PKWY ALPHARETTA, GA 30005	ATTN: ROC-CABS TELEPHONE: 404-249-2000 FAX: 404-249-2071 EMAIL: RT2547@ATT.COM	TRADE			\$2,596,089.00	
36	MP NEXLEVEL LLC 500 COUNTY RD 37 E MAPLE LAKE, MN 55358	ATTN: DIRECTOR OR OFFICER TELEPHONE: 320-963-2410; 320-963-2400 FAX: 320-963-2438 EMAIL: N/A	TRADE			\$2,430,702.00	
37	ENSONO LP 3333 FINLEY ROAD DOWNERS GROVE, IL 60515	ATTN: DIRECTOR OR OFFICER TELEPHONE: 630-944-9337 FAX: 630-944-1432 EMAIL: JUDY.RASMUSSEN@ENSONO.COM; RICHARD.DRESDEN@ENSONO.COM	TRADE			\$2,161,902.00	

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff [1]	Unsecured Claim
38	FIBERTECH NETWORKS LLC 300 MERIDAN CENTRE ROCHESTER, NY 14618	ATTN: ACCOUNTS RECEIVABLE TELEPHONE: 585-697-5100 FAX: 585-442-8845 EMAIL: BDANGLER@FIBERTECH.COM	TRADE				\$2,133,547.00
39	METASWITCH NETWORKS 12007 SUNRISE VALLEY DR. STE 250 RESTON, VA 20191	ATTN: LEGAL DEPARTMENT TELEPHONE: 703-480-0500 FAX: 703-480-0499 EMAIL: N/A	TRADE				\$2,118,722.00
40	CONDUENT COMMERCIAL SOLUTIONS LLC 100 CAMPUS DRIVE SUITE FLORHAM PARK, NJ 07932	ATTN: DIRECTOR OR OFFICER TELEPHONE: 844-663-2638 FAX: N/A EMAIL: N/A	TRADE				\$2,083,394.00
41	PRODAPT 7565 SW MOHAWK STREET BUILDING M TUALATIN, OR 97062	ATTN: HEADQUARTERS TELEPHONE: 503-636-3737 FAX: 503-885-0850 EMAIL: N/A	TRADE				\$2,016,429.00
42	OUTPUT SERVICES GROUP BILLING SERVICES 100 CHALLENGER ROAD SUITE 303 RIDGEFIELD PARK, NJ 07660	ATTN: DIRECTOR OR OFFICER TELEPHONE: 201-871-1100 FAX: 201-871-3350 EMAIL: INFO@OSGBILLING.COM	TRADE				\$1,980,488.00
43	FAST TRACK CONSTRUCTION 1919 SW LOOP 304 CROCKETT, TX 75835	ATTN: DIRECTOR OR OFFICER TELEPHONE: 936-545-1506 FAX: 936-545-1598 EMAIL: CAROLYN@FASTTRACKTEXAS.COM	TRADE				\$1,804,801.00
44	COMCAST COMCAST CENTER 1701 JFK BOULEVARD PHILADELPHIA, PA 19103	ATTN: COMCAST CORPORATION TELEPHONE: FAX: 215-981-7790 EMAIL: N/A	TRADE				\$1,786,797.00
45	HOUSLEY COMMUNICATIONS INC. 3550 SOUTH BRYANT BOULEVARD SAN ANGELO, TX 76903	ATTN: DIRECTOR OR OFFICER TELEPHONE: 325-944-9905 FAX: 325-944-1781 EMAIL: INFO@HC-INC.COM	TRADE				\$1,715,204.00
46	TATA CONSULTANCY SERVICES LIMITED 379 THORNAL STREET 4TH FLOOR EDISON, NJ 08837	ATTN: JANARTHANAN ANGIYA TELEPHONE: 469-230-8743 FAX: 212-867-8652 EMAIL: N/A	TRADE				\$1,562,096.00
47	MITELTECHNOLOGIES INC. 1615 SOUTH 52ND STREET TEMPE, AZ 85281	ATTN: DIRECTOR OR OFFICER TELEPHONE: 480-449-8900 FAX: 480-449-8901 EMAIL: N/A	TRADE				\$1,526,652.00
48	USIC INC. 9045 NORTH RIVER ROAD SUITE 300 INDIANAPOLIS, IN 46240	ATTN: DIRECTOR OR OFFICER TELEPHONE: 317-575-7800 FAX: 317-575-7881 EMAIL: N/A	TRADE				\$1,477,432.00
49	COMMSCOPE TECHNOLOGIES LLC 1100 COMMSCOPE PLACE, SE HICKORY, NC 28602-3619	ATTN: DIRECTOR OR OFFICER TELEPHONE: 828-324-2200 FAX: 828-323-4849 EMAIL: N/A	TRADE				\$1,426,259.00

	Name of creditor and complete mailing address, including zip code	Name, telephone number, and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
					Total claim, if partially secured	Deduction for value of collateral or setoff [1]	Unsecured Claim
50	COX COMMUNICATIONS 1400 LAKE HEARN DRIVE ATLANTA, GA 30319	ATTN: DIRECTOR OR OFFICER TELEPHONE: 866-961-0027 FAX: 404-843-5280 EMAIL: COXCORP.CUSTOMERRELATIONS@COX.COM; VICTOR.COOPER@COX.COM	TRADE				\$1,396,561.00

Exhibit E

Consolidated List of the Holders of the Debtors' Five Largest Secured Claims

Pursuant to Local Bankruptcy Rule 1007-2(a)(5), the following is a list of creditors holding the five largest secured claims against the Debtors, on a consolidated basis, as of the Petition Date.

The information contained herein shall neither constitute an admission of liability by nor bind the Debtors. The Debtors reserve all rights to assert that any debt or claim included herein is a disputed claim or debt and to challenge the priority, nature, amount, or status of any such claim or debt. The descriptions of the collateral securing the underlying obligations are intended only as brief summaries. In the event of any inconsistencies between the summaries set forth below and the respective corporate and legal documents relating to such obligations, the descriptions in the corporate and legal documents shall control.

	Name of Creditor	Creditor Name, and complete mailing address, including zip code of employee, agents, or department of creditor familiar with claim who may be contacted	Amount of Claim (as of Petition Date)	Collateral Description and Value
1.	JPMORGAN CHASE BANK, N.A. (ADMINISTRATIVE AGENT AND COLLATERAL AGENT FOR TRANCHE B6 OF THE TERM LOAN)	CHASE BANK, N.A., FLOOR 3, 500 STANTON CHRISTIANA ROAD, OPS 2, NEWARK, DELAWARE 19713, ATTN: GEORGE D. IONAS TELEPHONE: (302) 634-3301 EMAIL: GEORGE.D.IONAS@JPMORGAN.COM WITH COPIES TO: JPMORGAN CHASE BANK, N.A., 383 MADISON AVENUE, 24TH FLOOR, NEW YORK, NEW YORK 10179, ATTN: TIMOTHY D. LEE TELEPHONE: (212) 270-5100 EMAIL: TIMOTHY.D.LEE@JPMORGAN.COM	\$1,180.5 million	Substantially all of the assets belonging to Windstream Services, LLC and the applicable subsidiaries, whether now owned or hereafter acquired, serve as collateral for certain obligations in applicable credit agreement, except to the extent that such assets are considered excluded in accordance therewith. The collateral's value is unknown as of the date hereof.
2.	JPMORGAN CHASE BANK, N.A. (ADMINISTRATIVE AGENT AND COLLATERAL AGENT FOR THE REVOLVER)	CHASE BANK, N.A., FLOOR 3, 500 STANTON CHRISTIANA ROAD, OPS 2, NEWARK, DELAWARE 19713, ATTN: GEORGE D. IONAS TELEPHONE: (302) 634-3301 EMAIL: GEORGE.D.IONAS@JPMORGAN.COM WITH COPIES TO: JPMORGAN CHASE BANK, N.A., 383 MADISON AVENUE, 24TH FLOOR, NEW YORK, NEW YORK 10179, ATTN: TIMOTHY D. LEE TELEPHONE: (212) 270-5100 EMAIL: TIMOTHY.D.LEE@JPMORGAN.COM	\$802.0 million	Substantially all of the assets belonging to Windstream Services, LLC and the applicable subsidiaries, whether now owned or hereafter acquired, serve as collateral for certain obligations in applicable credit agreement, except to the extent that such assets are considered excluded in accordance therewith. The collateral's value is unknown as of the date hereof.
3.	WILMINGTON TRUST, NATIONAL ASSOCIATION (TRUSTEE AND COLLATERAL AGENT FOR THE 9.000% 2025 NOTES)	WILMINGTON TRUST CENTER ADVISOR SOLUTIONS GROUP 1100 NORTH MARKET ST., 10TH FLOOR WILMINGTON, DELAWARE 19890 ATTN: N/A TELEPHONE: N/A EMAIL: N/A	\$802.0 million	Substantially all of the assets belonging to Windstream Services, LLC and the applicable domestic subsidiaries, whether now owned or hereafter acquired, serve as collateral for certain obligations in applicable indenture, except to the extent that such assets are considered excluded in accordance therewith. The collateral's value is unknown as of the date hereof.
4.	U.S. BANK NATIONAL ASSOCIATION (TRUSTEE AND COLLATERAL AGENT FOR THE 8.625% NOTES DUE 2025)	U.S. BANK NATIONAL ASSOCIATION TWO MIDTOWN PLAZA 1349 WEST PEACHTREE STREET SUITE 1050 ATLANTA, GEORGIA 30309 ATTN: GLOBAL CORPORATE TRUST SERVICES TELEPHONE: (404) 898-8830 FACSIMILE: (404) 898-8844 EMAIL: N/A	\$600.0 million	Substantially all of the assets belonging to Windstream Services, LLC and the applicable domestic subsidiaries, whether now owned or hereafter acquired, serve as collateral for certain obligations in applicable indenture, except to the extent that such assets are considered excluded in accordance therewith. The collateral's value is unknown as of the date hereof.

5.	<p>JPMORGAN CHASE BANK, N.A.</p> <p>(ADMINISTRATIVE AGENT AND COLLATERAL AGENT FOR THE TERM LOAN, TRANCHE B7)</p>	<p>CHASE BANK, N.A., FLOOR 3, 500 STANTON CHRISTIANA ROAD, OPS 2, NEWARK, DELAWARE 19713, ATTN: GEORGE D. IONAS TELEPHONE: (302) 634-3301 EMAIL: GEORGE.D.IONAS@JPMORGAN.COM</p> <p>WITH COPIES TO:</p> <p>JPMORGAN CHASE BANK, N.A., 383 MADISON AVENUE, 24TH FLOOR, NEW YORK, NEW YORK 10179, ATTN: TIMOTHY D. LEE TELEPHONE: (212) 270-5100 EMAIL: TIMOTHY.D.LEE@JPMORGAN.COM</p>	\$568.4 million	<p>Substantially all of the assets belonging to Windstream Services, LLC and the applicable subsidiaries, whether now owned or hereafter acquired, serve as collateral for certain obligations in applicable credit agreement, except to the extent that such assets are considered excluded in accordance therewith. The collateral's value is unknown as of the date hereof.</p>
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Exhibit F

Summary of the Debtors' Assets and Liabilities

Pursuant to Local Bankruptcy Rule 1007-2(a)(6), the following are estimates of the Debtors' total assets and liabilities on a consolidated basis. The following financial data is the latest available information and reflects the Debtors' financial condition, as consolidated among affiliated Debtors and non-Debtors as of the Petition Date.

The information contained herein shall neither constitute an admission of liability by nor bind the Debtors. The Debtors reserve all rights to assert that any debt or claim included herein is a disputed claim or debt and to challenge the priority, nature, amount, or status of any such claim or debt.

Assets and Liabilities	Amount
Total Assets (Book Value as of January 31, 2019)	\$ 13.1 billion
Total Liabilities (Book Value as of January 31, 2019)	\$11.2 billion

Exhibit G

Summary of the Publicly Held Securities of the Debtors

Pursuant to Local Bankruptcy Rule 1007-2(a)(7), the following lists the number and classes of shares of stock, debentures, or other securities of the Debtors that are publicly held and the approximate number of holders thereof as of the Petition Date.

	Debt Security	Value Outstanding
1.	2024 Secured Notes — 10.500%	\$414.9 million
2.	2025 Secured Notes — 9.000%	\$802.0 million
3.	2025 Secured Notes — 8.625%	\$600 million
4.	6.75% Subsidiary Notes	\$100 million
5.	2020 Unsecured Notes — 7.750%	\$78.1 million
6.	2021 Unsecured Notes — 7.750%	\$70.1 million
7.	2022 Unsecured Notes — 7.500%	\$36.2 million
8.	2023 Unsecured Notes — 7.500%	\$34.4 million
9.	2023 Unsecured Notes — 6.375%	\$806.9 million
10.	2024 Unsecured Notes — 8.750%	\$105.8 million

Equity Security	Number of Shares Outstanding
Common Stock	42,935,334

Windstream Holdings, Inc.'s common stock is held widely, and the precise number of holders of common stock and number of shares of common stock that the Debtors' officers and directors hold are not known at this time. Additional information will be provided during the pendency of these chapter 11 cases to the extent available.

Exhibit H

Summary of Debtors' Property Held by Third Parties

Pursuant to Local Bankruptcy Rule 1007-2(a)(8), the following lists the Debtors' property, as of the Petition Date, that is in the possession or custody of any custodian, public officer, mortgagee, pledge, assignee of rents, secured creditor, or agent for any such entity.

Certain property of the Debtors is likely to be in the possession of various other persons, including maintenance providers, shippers, common carriers, materialmen, custodians, public officers, mortgagees, pledges, assignees of rents, secured creditors, or agents. Through these arrangements, the Debtors' ownership interest is not affected. In light of the movement of this property, providing a comprehensive list of the persons or entities in possession of the property, their addresses and telephone numbers, and the location of any court proceeding affecting such property would be impractical. However, the Debtors estimates the aggregate value of utilities provider deposits, surety bonds, letters of credits, and other prepayment is approximately \$113,400.00. Any additional information that the Debtors might have with respect to the aforementioned will be provided during these chapter 11 cases.

Exhibit I

Summary of Debtors' Property From Which the Debtors Operate Their Business

Pursuant to Local Bankruptcy Rule 1007-2(a)(9), the following lists the premises location of real property owned or leased from which the Debtors and non-Debtor subsidiaries operate, or have operated, their businesses. Certain of the leased premises may have been vacated and/or surrendered as of the Petition Date.

The Debtors operate their business at 4001 North Rodney Parham Road in Little Rock, Arkansas, and, to the extent there are additional real properties that the Debtors own or lease, such information will be provided during these chapter 11 cases.

EXHIBIT J

Location of the Debtors' Substantial Assets, Books and Records, and Nature and Location of Debtors' Assets Outside the United States

Pursuant to Local Bankruptcy Rule 1007-2(a)(10), the following provides the location of the Debtors' substantial assets, books and records, and the nature, location, and value of any assets held by the Debtors outside the territorial limits of the United States as of the Petition Date.

The Debtors operate their business in the ordinary course in the following locations: (1) Canada; (2) Columbia; and (3) British Virgin Islands. Accordingly, the Debtors might have material assets and books and records in each location and each as applicable. Further information will be provided in documents to be filed in these chapter 11 cases.

Exhibit K

Summary of Legal Actions against the Debtors

Pursuant to Local Bankruptcy Rule 1007-2(a)(11), the following lists material actions and proceedings pending or threatened against the Debtors or their properties where a judgment against the Debtors or a seizure of their property may be imminent as of the Petition Date. This list reflects actions or proceedings considered material by the Debtors and, if necessary, will be supplemented in the corresponding schedules to be filed by the Debtors in these chapter 11 cases.

Entity	Counterparty	Nature of the Claim	Status
Windstream Communications, LLC	Margaret Abercrombie et al.	Breach of Contract	Pending
Windstream Services, LLC	U.S. Bank National Association, as Indenture Trustee for Windstream Services, LLC's 6.375% Notes Due 2023	Default	Pending
PAETEC Communications, Inc.	SAETEC	Breach of Contract	Pending
PAETEC	Bull Communications, Inc.	Breach of Contract	Pending
Earthlink Holdings and Windstream Holdings	Robert Murray, on behalf of himself and all others similarly situated	Securities Litigation	Pending
Windstream Communications, LLC	IRTH SOLUTIONS, LLC	Contract Dispute	Pending
Paetec Communications, Inc.	SAETEC	Contract Dispute	Pending
Windstream	Yadegarian	Securities Litigation	Pending
Windstream	Sisvel International S.A.	Patent	Pending

Entity	Counterparty	Nature of the Claim	Status
Network Telephone, LLC, et al.	Cobb County, Georgia and Gwinnett County Georgia	Service Charges Dispute	Pending
Windstream	Pocahontas County Joint E911 Service Board	Service Charges Dispute	Pending
Windstream, et al.	PRS for State of New Jersey	Service Charges Dispute	Pending
US LEC of Pennsylvania, Inc.,	Westmoreland County, Pennsylvania	Service Charges Dispute	Pending
Windstream	Allegheny County	Service Charges Dispute	Pending
Windstream	Pennsylvania	Service Charges Dispute	Pending
US LEC of Pennsylvania, Inc.	Butler County, Pennsylvania	Service Charges Dispute	Pending
Windstream Pennsylvania, Inc.	Beaver County, Pennsylvania	Service Charges Dispute	Pending
Windstream Pennsylvania, Inc.	Clarion County, Pennsylvania	Service Charges Dispute	Pending
Windstream Pennsylvania Inc.	Mercer County, Pennsylvania	Service Charges Dispute	Pending
Windstream Communications, Inc.,	Delaware County, Pennsylvania	Service Charges Dispute	Pending
Windstream D&E Systems Inc.	Lebanon County, Pennsylvania	Service Charges Dispute	Pending
US LEC of Pennsylvania, Inc.	Cumberland County, Pennsylvania	Service Charges Dispute	Pending

Entity	Counterparty	Nature of the Claim	Status
US LEC of Pennsylvania, Inc.	Washington County, Pennsylvania	Service Charges Dispute	Pending
US LEC of Pennsylvania, Inc.	Chester County, Pennsylvania	Service Charges Dispute	Pending
Windstream Pennsylvania, Inc.,	Berks County, Pennsylvania	Service Charges Dispute	Pending
US LEC of Pennsylvania Inc.	Lancaster County, Pennsylvania	Service Charges Dispute	Pending
Cavalier Telephone, LLC,	York County, Pennsylvania	Service Charges Dispute	Pending
US LEC of Pennsylvania, Inc	Dauphin County, Pennsylvania	Service Charges Dispute	Pending
Paetec Communications	Phone Recovery Services for Rhode Island	Service Charges Dispute	Pending
PAWTEC	Hamilton County Emergency Communications District	Service Charges Dispute	Pending
Deltacom	Blount County Emergency Communications District	Service Charges Dispute	Pending
Windstream	Verizon and Sprint	Contract Dispute	Pending
Windstream, its current past directors	Graham, Cindy, Derivatively Graham, Larry, Derivatively	Fiduciary Duties Breach	Pending

Exhibit L

Debtors' Senior Management

Pursuant to Local Bankruptcy Rule 1007-2(a)(12), the following provides the names of the individuals who constitute the Debtors' existing senior management, their tenure with the Debtors, and a brief summary of their responsibilities and relevant experience as of the Petition Date.

Name / Position	Relevant Experience / Responsibility	Tenure
Anthony W. Thomas, President and Chief Executive Officer	Tony Thomas has been with Windstream since 2009 and has more than twenty years' experience in the communications industry.	December 2014 – Present
Robert E. Gunderman, Chief Financial Officer and Treasurer	Bob Gunderman is responsible for overseeing the accounting, finance, capital planning, tax, procurement, audit, investor relations, and treasury teams and has served in multiple management positions including vice president of internal audit, vice president of revenue accounting and revenue assurance, director of financial planning, and director of mergers and acquisition prior to joining Windstream in 2008.	November 2017 – Present
Layne Levine, President Windstream Enterprise & Wholesale	Layne Levine is responsible for overseeing sales, financial performance, marketing, field technicians, service delivery and customer care, and repair for the company's enterprise, mid-market/commercial markets, and wholesale segments and has worked in the telecom industry for more than twenty-five years. He also oversees the company's channel program, including Value-Added Resellers (VARs), agents, Managed Service Providers (MSPs), and system integrators.	July 2017 – Present
Jeff Small, President of Consumer & Small and Medium-sized Business	Jeff Small oversees all aspects of the company's relationship with consumers as well as small and medium sized business customers in incumbent local exchange carrier markets and is responsible for the broadband engineering, broadband project management, and outside plant engineering groups in these markets.	May 2017 – Present

Name / Position	Relevant Experience / Responsibility	Tenure
Kristi Moody, Senior Vice President, General Counsel & Corporate Secretary	Kristi Moody oversees the company’s legal affairs, including strategic initiatives, regulatory and securities law compliance, corporate governance and records, contracts and state government affairs. She was in private practice for eleven years prior to joining Windstream.	February 2017 – Present
John C. Eichler, Senior Vice President and Controller	John Eichler is responsible for the company’s accounting, external reporting, regulatory reporting, retail billing, and revenue assurance functions. He previously served as vice president of internal audit for Windstream.	February 2018 – Present
Drew Smith, Senior Vice President of Financial Planning and Assistant Treasurer	Drew Smith oversees financial forecasting and planning, treasury and capital market functions, and debt management as well business development for the company. He previously served as president of consumer and small and medium-sized business services in markets where Windstream is a competitive local exchange carrier and served in senior leadership roles in access management, carrier relations, and service delivery.	May 2017 – Present
Kevin Halpin, Senior Vice President of Process Development and Project Management	Kevin Halpin works with business unit leaders across the company to enhance the customer experience and has worked in the communications industry for twenty years.	January 2015 – Present
Stephen Farkouh, Chief Information Officer	Stephen Farkouh oversees all of Windstream’s information technology operations and is responsible for partnering with the business to maximize the value of technology investments, generate revenue, and drive new opportunity. He has experience as senior vice president of cloud technology and platform development for Windstream.	January 2019 – Present
Ron “Buddy” Bayer, Chief Network Officer	Buddy Bayer is responsible for network engineering, architecture, network operations, and capital investment for the company. He was previously senior vice president of transport engineering.	June 2018 – Present

Name / Position	Relevant Experience / Responsibility	Tenure
Jack Brooks, Chief Human Resources Officers	Jack Brooks oversees all human resource functions, including compensation, benefits, recruiting, employee relations, labor relations, training, and corporate affairs. He recently served as executive vice president of global human resources prior to joining Windstream.	January 2018 – Present

Exhibit M

**Debtors' Payroll for the 30-Day Period Following the Filing of the
Debtors' Chapter 11 Petitions**

Pursuant to Local Bankruptcy Rules 1007-2(b)(1)-(2)(A) and (C), the following provides, for the 30-day period following the Petition Date, the estimated amount of weekly payroll to the Debtors' employees (exclusive of officers, directors, and stockholders), the estimated amount paid and proposed to be paid to officers, stockholders, and directors, and the estimate amount paid or proposed to be paid to financial and business consultants retained by Debtors.

Payments	Payment Amount
Payments to employees, officers, directors, and stockholders	\$67 million
Payments to financial and business consultants	\$0

Exhibit N

**Debtors' Estimated Cash Receipts and Disbursements for the 30-Day Period
Following the Filing of the Chapter 11 Petitions**

Pursuant to Local Bankruptcy Rule 1007-2(b)(3), the Debtors have estimated cash receipts and disbursements and net cash gain or loss. The Debtors intend to estimate their obligations and receivables expected to accrue and that will remain unpaid, other than professional fees, for the 30-day period following the Petition Date.

Type	Amount
Cash Receipts	\$982.6 million
Cash Disbursements	\$668.8 million
Net Cash Loss	\$313.8 million