

Hearing Date: May 7, 2020 at 10:00 a.m. (Eastern)
Objection Deadline: May 1, 2020 at 10:00 a.m. (Eastern) (by extension)

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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.)	(Jointly Administered)
)	

**STATEMENT AND RESERVATION OF RIGHTS OF THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS WITH RESPECT TO
DEBTORS’ MOTION TO APPROVE (I) THE ADEQUACY OF INFORMATION IN
THE DISCLOSURE STATEMENT, (II) SOLICITATION AND NOTICE
PROCEDURES, (III) FORMS OF BALLOTS AND NOTICES IN CONNECTION
THEREWITH, AND (IV) CERTAIN DATES WITH RESPECT THERETO**

The Official Committee of Unsecured Creditors (the “Committee”) of Windstream Holdings, Inc. and its debtor affiliates, as debtors and debtors-in-possession (collectively, the “Debtors”), by and through its undersigned counsel, hereby files this statement and reservation of rights (the “Objection”) with respect to the *Debtors’ Motion to Approve (I) the Adequacy of Information in the Disclosure Statement, (II) Solicitation and Notice Procedures, (III) Forms of Ballots and Notices in Connection Therewith, and (IV) Certain Dates with Respect Thereto*

¹ The last four digits of Debtor Windstream Holdings, Inc.’s tax identification number are 7717. Due to the large number of Debtors in these chapter 11 cases, for which joint administration has been granted, 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’ 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.



[Docket No. 1633] (the “Motion”).² In support of this Statement, the Committee respectfully represents as follows:

STATEMENT AND RESERVATION OF RIGHTS

1. The Committee has provided the Debtors with comments to the Disclosure Statement, intended to ensure that general unsecured creditors have all relevant information needed to make an informed decision with respect to the Plan. In particular, the Committee has requested that the Disclosure Statement make clear that the Committee does not support the Plan or its treatment of Obligor General Unsecured Claims, which fails to ascribe any value to the Obligor Debtors’ unencumbered assets. The Committee also believes the Disclosure Statement should provide a clear explanation of the basis for designation and different treatment of Obligor General Unsecured Claims and Non-Obligor General Unsecured Claims. The Committee believes the Disclosure Statement should describe the Committee’s investigation of the liens securing the prepetition lenders’ claims, the potentially unencumbered assets identified as a result of that investigation, and the Committee’s efforts to value those assets as well as assets that are expressly excluded from the lenders’ prepetition collateral. Finally, the Committee believes the Disclosure Statement must explain the Committee’s position that the proceeds and other value attributable to the Debtors’ claims against Uniti (or any settlement of those claims) are unencumbered, and should therefore be allocated to satisfy unsecured claims.

2. The Committee has also provided the Debtors with comments to the Debtors’ proposed solicitation procedures and solicitation documents, which are intended to ensure, among other things, that (a) non-voting creditors have the ability to efficiently opt out of the Plan’s third party releases, and (b) creditors whose executory contracts and unexpired leases are

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

being assumed or rejected under the Plan have adequate time (at least fourteen days) to review and object to the proposed treatment (including cure amounts) of those contracts and leases.

3. The Debtors have indicated that the Committee's comments are generally acceptable. Based on that representation, the Committee anticipates that it will ultimately have no objection to entry of the order approving the Disclosure Statement and authorizing the Debtors to solicit votes on the Plan. However, the Committee has not yet received or had an opportunity to review revised drafts of the Disclosure Statement or solicitation documents incorporating all of its comments. In light of the pending objection deadline, the Committee files this Objection to preserve its right to object should the revised documents filed by the Debtors in advance of the hearing to approve the Disclosure Statement fail to reflect the Committee's comments. In addition, exhibits to the Disclosure Statement and ancillary documents related to the settlement with Uniti upon which the Plan is premised were filed by the Debtors just one day ago. *See* Docket Nos. 1722, 1723. The Committee is still reviewing those documents and reserves all rights with respect to them.

4. To be clear, assuming the Debtors accept the Committee's comments outlined above, thereby resolving the Committee's objection that the Disclosure Statement fails to provide "adequate information" pursuant to section 1125 of the Bankruptcy Code, the Committee's substantive objections to the Plan remain unresolved. The Committee remains convinced the Plan is unconfirmable because it transfers unencumbered assets to the Debtors' secured lenders when the value of those assets should instead be used to satisfy unsecured claims. The Committee is hopeful that a consensual resolution can be reached in advance of the confirmation hearing, but intends to vigorously prosecute its objections to the Plan absent such a resolution.

Dated: May 1, 2020
New York, New York

Respectfully submitted,

/s/ Lorenzo Marinuzzi

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