

**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)
)	

DECLARATION OF ANTHONY THOMAS

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.



I, Anthony Thomas, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am the President and Chief Executive Officer at Windstream and have held those positions since December 2014. I also have been a member of the Windstream Board of Directors since December 2014.

2. I have held a senior management position at Windstream since it was spun off from Alltel in 2006. I served as Windstream's Controller from 2006 to 2009 and as its Chief Financial Officer from 2009 to 2014. I also served as Windstream's Treasurer from 2012 to 2014. In August 2014, I was appointed President of the Real Estate Investment Trust Operations and oversaw the operations of the group that would go on to become Uniti until I was appointed Chief Executive Officer of Windstream. I am an accountant by training and obtained a MBA from Wake Forest University.

3. I support the *First Amended Joint Chapter 11 Plan of Reorganization of Windstream, Inc., et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1812] and all amendments and modifications (the "Plan"),² the related Disclosure Statement, and the chapter 11 cases.

4. I understand that this Declaration is intended to be submitted in lieu of direct testimony and that I will be subject to cross-examination.

I. The Proposed Restructuring.

5. I believe that the Plan is the exclusive option for Windstream to emerge from chapter 11 as a healthy and viable enterprise. Not only does it provide for a significant

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or the *Disclosure Statement Relating to the First Amended Joint Chapter 11 Plan of Reorganization of Windstream Holdings, Inc., et al., Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1813] (the "Disclosure Statement"), as applicable.

deleveraging of Windstream's balance sheet, it also contemplates an infusion of capital through a combination of exit financing, a fully backstopped rights offering, and approximately \$1.224 billion in net present value realized through settlement of the Uniti Adversary Proceeding.

6. The Plan and the significant consensus it represents is the product of many months of good-faith, arm's-length negotiations among Windstream, the Consenting Creditors, and other key constituents, who all worked towards a consensual, value-maximizing restructuring. I understand that the Plan enjoys robust support throughout Windstream's capital structure, with approximately \$4.13 billion of Windstream's approximately \$5.60 billion in prepetition funded debt party to the Plan Support Agreement. The Plan provides for a significant balance sheet restructuring that will significantly delever Windstream's capital structure, sending a strong message to the market and Windstream's employees, vendors, customers, and other business partners that they are well positioned for future success. Under the Plan:

- a. Holders of Secured Claims will receive, at Windstream's option, in consultation with the Required Consenting Creditors and the Requisite Backstop Parties: (a) payment in full in cash; (b) collateral securing its Allowed Other Secured Claim; (c) reinstatement of its Allowed Other Secured Claim; or (d) such treatment rendering its Allowed other Secured Claim unimpaired.
- b. Holders of Other Priority Claims will receive treatment in a manner consistent with section 1129(a)(9) of the Bankruptcy Code, rendering the claims unimpaired.
- c. Holders of First Lien Claims will receive its pro rata share of: (a) 100% of the Reorganized Windstream Equity Interests, subject to dilution on account of the Rights Offering, the Backstop Premium, the Special Warrants, and the Management Incentive Plan; (b) cash in an amount equal to the sum of (i) the Distributable Exit Facility Proceeds, (ii) the Distributable Flex Proceeds, (iii) the cash proceeds of the Rights Offering, and (iv) all other cash held by Windstream as of the Effective Date in excess of the Minimum Cash Balance; (c) the Distributable Subscription Rights; and (d) as applicable, the First Lien Replacement Term Loans.

- d. Holders of Midwest Notes Claims will receive its pro rata share of the Midwest Notes Exit Facility Term Loans, which shall be \$100 million, plus any interests and fees due and owing under the Midwest Notes Indenture and/or the Final DIP Order to the extent unpaid as of the Effective Date, and any additional Midwest Notes OID Consideration.
- e. Holders of Second Lien Claims will receive: (a) cash in an amount equal to \$0.00125 for each \$1.00 of Allowed Second Lien Claims, if holders vote as a class to accept the Plan; or (b) treatment consistent with section 1129(a)(7) of the Bankruptcy Code if holders vote as a class to reject the Plan.
- f. Holders of Non-Obligor General Unsecured Claims will receive, at the election of the Requisite Backstop Parties, in consultation with Windstream: (b) reinstatement; or (b) payment in full, in cash.³

7. From the inception of this case, it has been Windstream's intent to reorganize as a going concern. On the petition date, and throughout this case, Windstream did not contemplate a foreclosure sale and never intended to surrender collateral to the secured creditors.

8. I believe that the terms of and transactions set forth in the Plan Support Agreement and the Plan set forth a clear path to emergence and will leave Reorganized Windstream better able to compete in the telecommunications industry. I believe the Plan is in the best interests of Windstream and all their stakeholders and, accordingly, that the Court should confirm the Plan.

II. The Plan Fully Complies with the Applicable Provisions of the Bankruptcy Code — § 1129(a)(1).

9. For the reasons detailed below, I believe the Plan satisfies the applicable Bankruptcy Code requirements for confirmation of a plan of reorganization. I have set forth the reasons for such belief below, except where such compliance is apparent on the face of the Plan,

³ See Plan, Art. III.B

the Plan Supplement, and the related documents or where it will be the subject of other evidence introduced at the Confirmation Hearing.

A. Proper Classification of Claims and Interests — § 1122.

10. I believe that each of the claims and interests in each particular class is substantially similar to the other claims and interests in such class. Article III.A of the Plan provides for the following Classes: Class 1 (Other Secured Claims); Class 2 (Other Priority Claims); Class 3 (First Lien Claims); Class 4 (Midwest Notes Claims); Class 5 (Second Lien Claims); Class 6A (Obligor General Unsecured Claims); Class 6B (Non-Obligor General Unsecured Claims); Class 7 (Intercompany Claims); Class 8 (Intercompany Interests); and Class 9 (Interests in Windstream).

11. In general, I believe that the Plan's classification scheme follows Windstream's capital structure. Valid business, legal, and factual reasons justify the separate classification of the particular claims or interests into the classes created under the Plan, and no unfair discrimination exists between or among holders of claims and interests. For example, debt and equity are classified separately. I believed that the differences in classification are in the best interest of creditors, foster Windstream's reorganization efforts, do not violate the absolute priority rule, and do not needlessly increase the number of classes. Accordingly, I believe that the Plan fully complies with and satisfies section 1122 of the Bankruptcy Code.

A. Designation of Classes of Claims and Equity Interests — § 1123(a)(1).

12. I can confirm that Article III of the Plan properly designates classes of Claims and Interests. Each class contains Claims or Interests that are substantially similar.

B. Specification of Unimpaired Classes — § 1123(a)(2).

13. I can confirm that the Plan identifies each class in Article III that is Unimpaired.

The Plan identifies Classes 1, 2, and 6B as unimpaired.⁴

C. Treatment of Impaired Classes — § 1123(a)(3).

14. I can confirm that the Plan sets forth the treatment of each Class in Article III that is Impaired. The Plan identifies Classes 3, 4, 5, 6A, and 9 as impaired.⁵

D. Equal Treatment of Similarly Situated Claims and Interests — § 1123(a)(4).

15. It is my understanding that holders of Allowed Claims or Interests will receive the same rights and treatment as other holders of Allowed Claims or Interests within such holders' respective Class.

E. Means for Implementation — § 1123(a)(5).

16. I believe that the Plan provides adequate means for implementation. The Plan satisfies this requirement because Article IV of the Plan, as well as other provisions thereof, provides for the means by which the Plan will be implemented. Among other things, Article IV of the Plan provides for:

- a. the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, reorganization, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan;
- b. the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms to which the applicable parties agree;

⁴ See *id.*

⁵ See *id.*

- c. the filing of appropriate certificates or articles of incorporation, reincorporation, formation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution or other certificates or documentation for other transactions as described in clause (i), pursuant to applicable state law;
- d. the execution and delivery of the Reorganized Windstream Organizational Documents and any certificates or articles of incorporation, bylaws, or such other applicable formation, organizational, governance, or constitutive documents (if any) of Reorganized Windstream (including all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by Windstream and/or Reorganized Windstream, as applicable), and the issuance, distribution, reservation, or dilution, as applicable, of the New Common Stock, as set forth herein;
- e. the execution and delivery of the Exit Facility Documents cases, including all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by Windstream and/or Reorganized Windstream, as applicable;
- f. the execution and delivery of the Special Warrant Agreement, and the issuance and distribution of the Special Warrants;
- g. the adoption of the Management Incentive Plan and the issuance and reservation of equity thereunder to the participants in the Management Incentive Plan on the terms and conditions set by the Reorganized Windstream Board after the Effective Date; and
- h. all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law in connection with the Restructuring Transactions.

17. The precise terms governing the execution of these transactions are set forth in the applicable definitive documents or forms of agreements included in the Plan Supplement.

F. Prohibition of Issuance of Non-Voting Stock — § 1123(a)(6).

18. I can confirm that Article IV.K of the Plan provides that the Reorganized Windstream Organizational Documents contain a provision prohibiting the issuance of non-voting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code and

further, that the Reorganized Windstream Organizational Documents shall contain such a prohibition.

G. Selection of Officers and Directors — § 1123(a)(7).

19. I believe that the Plan is consistent with the interests of all stakeholders with respect to the manner of selection of directors to the Reorganized Windstream Board.

20. I can confirm that the Plan Supplement sets forth the structure of the Reorganized Windstream Board, members of which shall be appointed in accordance with the New Organizational Documents and other constituent documents of Reorganized Windstream. It is my understanding that the selection process and composition of the Reorganized Windstream Board accords with applicable state law, the Bankruptcy Code, the interests of creditors and equity security holders, and public policy. Accordingly, I believe the Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code.

H. Windstream Proposed the Plan in Good Faith — § 1129(a)(3).

21. I believe that the Plan was proposed in good faith with the legitimate and honest purpose of reorganizing Windstream's business and to enable Windstream to achieve a fresh start. The Plan is the product of extensive arm's-length negotiations among Windstream, lenders, and other key stakeholders. The Plan's widespread support across voting classes is strong evidence that the Plan is likely to succeed.

I. Payment of Professional Fees and Expenses Are Subject to Court Approval — § 1129(a)(4).

22. It is my understanding that section 1129(a)(4) of the Bankruptcy Code requires that certain fees and expenses paid by the plan proponent, by a debtor, or by a person receiving distributions of property under the plan, be approved by the Bankruptcy Court as reasonable or remain subject to approval by the Bankruptcy Court as reasonable. I can confirm that

Professional Fee Claims and corresponding payments are subject to prior Court approval and the reasonableness requirements under sections 328 or 330 of the Bankruptcy Code. Article II.C of the Plan, moreover, provides that Professionals shall file all final requests for payment of Professional Fee Claims no later than 45 days after the Effective Date, thereby providing an adequate period of time for interested parties' to review such Professional Fee Claims.

J. Compliance with Governance Disclosure Requirements — §1129(a)(5).

23. It is my understanding that Windstream will make all appropriate disclosures regarding the identities and affiliations of all persons proposed to serve on the Reorganized Windstream Board, as well as those persons that will serve as officers of Reorganized Windstream, in a Plan Supplement filed with the Bankruptcy Court.

K. Governmental Regulatory Approval of Rate Changes — § 1129(a)(6).

24. It is my understanding that section 1129(a)(6) of the Bankruptcy Code permits confirmation only if any regulatory commission that has or will have jurisdiction over a debtor after confirmation has approved any rate change provided for in the Plan. No such rate changes are provided for in the Plan.

L. Priority Cash Payments — § 1129(a)(9).

25. It is my understanding that the Bankruptcy Code generally requires that claims entitled to administrative priority must be repaid in full in cash or receive certain other specified treatment. I can confirm that the Plan provides that each holder of an Allowed Administrative Claim will receive Cash equal to the amount of such Allowed Administrative Claim on the Effective Date, or as soon as reasonably practicable thereafter, or at such other time defined in Article II.A of the Plan. In addition, no holders of the types of Claims specified by section 1129(a)(9)(B) of the Bankruptcy Code are impaired under the Plan. Finally, the Plan

specifically provides that each holder of Allowed Priority Tax Claims shall be paid in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

M. Impaired Accepting Class of Claims — § 1129(a)(10).

26. It is my understanding that the Bankruptcy Code provides that, to the extent there is an impaired class of claims, at least one impaired class of claims must accept the plan “without including any acceptance of the plan by any insider,” as an alternative to the requirement under section 1129(a)(8) of the Bankruptcy Code that each class of claims or interests must either accept the plan or be unimpaired under the plan. It is my understanding that holders of Claims and Interests in Classes 3, 4, and 5—which are impaired classes under the Plan—voted to accept the Plan independent of any insiders’ votes.

N. The Plan Is Feasible — § 1129(a)(11).

27. In connection with proposing the Plan and presenting the Plan to the Bankruptcy Court for Confirmation, Windstream and its advisors have thoroughly analyzed their ability post-confirmation to meet their obligations under the Plan and continue as a going concern without the need for further financial restructuring. Windstream’s executive management team, with assistance from its financial advisors at Alvarez & Marsal, LLP (“A&M”), prepared a set of financial projections for fiscal years 2020 through 2026 (the “Projected Period”), filed as Exhibit C to the Disclosure Statement (the “Financial Projections”). I am familiar with the methods used in the preparation of the Financial Projections and the conclusions reached. I have been involved in the formulation of the material assumptions included in the Financial Projections. Therefore, I can represent that they were prepared in good faith and are reasonable and appropriate to provide the foundation for the Financial Projections and the Plan. The Financial Projections demonstrate Windstream’s ability to meet their obligations under the Plan, and Windstream has concluded

that it will be able to make all payments required under the Plan while conducting ongoing business operations.

28. Based on my review of the Financial Projections, Windstream anticipates that the Reorganized Windstream Board will review post-emergence financial projections and the Reorganized Windstream Board and Reorganized Windstream reserve the right to make public any post-emergence projections. To the extent that the Reorganized Windstream Board revisits the post-emergence financial projections, Windstream anticipates that main drivers of the financial projections that may change are the following: (a) customer add/disconnect assumptions, (b) pricing strategies, (c) possible capital investments, (d) known initiatives, and (e) historical trends. Any decisions to adopt or revise post emergence projections are subject to the Reorganized Windstream Board's consent.

29. Implementation of the Plan will enable Windstream to significantly delever their balance sheet by billions of dollars. During the Projected Period, Windstream's earnings before depreciation, amortization, and goodwill impairment are expected to grow from approximately \$1.743 billion to approximately \$1.809 billion. In addition, Windstream will make significant capital investments over the Projection Period, primarily in fiber investment to the premise for and fixed wireless infrastructure. Capital investments over the Projected Period accumulate to over \$5.7 billion, equipping Windstream for continued growth and optimization.

30. In sum, the assets and Financial Projections of Reorganized Windstream demonstrate a reasonable assurance that Windstream will have and maintain sufficient liquidity and capital resources to pay amounts due under the Plan and fund operations during the Projected Period.

O. The Plan Provides for Payment of All Fees — § 1129(a)(12).

31. It is my testimony that Article II.E of the Plan provides that all such fees and charges, to the extent not previously paid, will be paid for each quarter until these chapter 11 cases are converted, dismissed, or closed, whichever occurs first.

III. The Principal Purpose of the Plan is not the Avoidance of Taxes as Required under Section 1129(D) of the Bankruptcy Code.

32. The Plan has not been filed for the purpose of avoidance of taxes or the application of section 5 of the Securities Act of 1933, as amended. Moreover, no party that is a governmental unit, or any other entity, has requested that the Court decline to confirm the Plan on the grounds that the principal purpose of the Plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933. Rather, I believe Windstream filed the Plan to accomplish the objective of efficiently and responsibly reorganizing the capital structure, preserving the going concern value of the business, and providing recoveries to stakeholders.

IV. The Plan Complies With the Discretionary Provisions of 1123(b) of the Bankruptcy Code.

33. I understand that the Plan includes various discretionary provisions that are consistent with section 1123(b) of the Bankruptcy Code, but not necessary for confirmation under the Bankruptcy Code. For example, the Plan classifies certain Classes of Claims and Interests as Impaired and leaves others Unimpaired, provides a structure for Claim allowance and disallowance, and establishes a distribution process for the satisfaction of Allowed Claims entitled to distributions under the Plan. In addition, the Plan contains provisions implementing certain releases and exculpations discharging claims and interests, and permanently enjoining certain causes of action. These provisions are the product of arm's-length negotiations, have been critical to obtaining support for the Plan by its various constituencies, are given for valuable

consideration, and are fair and equitable and in the best interests of Windstream and its stakeholders.

A. The Debtor Release.

34. I believe that the Debtor release is appropriate, justified, in the best interests of the stakeholders, and an integral part of the Plan. The Debtor Release is a sound exercise of Windstream's business judgment, as it reflects the important contributions, concessions, and compromises made by the Released Parties in the process of formulating and supporting the Uniti Settlement and the Plan. Moreover, the Plan, including the Debtor Release, was heavily negotiated by sophisticated entities that were represented by able counsel and financial advisors. I believe that the result is a compromise that reflects the give-and-take of a true arm's-length negotiation process.

35. Further, I believe that the Debtor Release provides Windstream and the Released Parties with a substantial level of finality that is beneficial to Windstream and all parties in interest. Moreover, the Debtor Release is a central component of the balance sheet restructuring and is key to bringing the core parties to the deal. Finally, Windstream's directors, officers, and other agents, as well as the creditors' professionals and other agents, have been instrumental in negotiating, formulating, and implementing the restructuring transactions contemplated under the Plan Support Agreement and the Plan. These contributions enabled the successful administration of these chapter 11 cases, will facilitate Windstream's emergence from these chapter 11 cases, and avoid potentially costly and time-consuming litigation.

B. The Third Party Release.

36. In addition to the Debtor Release, the Plan provides for a consensual release by certain holders of Claims and Interests. Specifically, Article VIII.D of the Plan provides that

each Releasing Party⁶ shall release any and all claims and Causes of Action such parties could assert against Windstream, Reorganized Windstream, and the Released Parties (the “Third-Party Release” and together with the Debtor Release, the “Releases”). Notably, I have been advised that each holder of a Claim or Interest was provided with the opportunity to opt out of the Third Party Release or was deemed not to be a Releasing Party.

37. In addition to being fully consensual, the Third Party Release is substantively warranted for the Released Parties. For months throughout these chapter 11 cases, the Released Parties worked constructively with Windstream and its advisors to negotiate and implement a value-maximizing settlement to resolve the Uniti Adversary Proceeding. The settlement of litigation with Uniti will bring over \$1.224 billion in net present value to Windstream’s estates and ultimately led to agreement on the terms embodied in the Plan Support Agreement. The support afforded to the Plan enables Windstream to emerge from these chapter 11 cases with a right-sized capital structure and the ability to continue to provide customers with the highest quality of communications services. I believe that the Third-Party Release allows Windstream to obtain the finality they need by minimizing the potential for distracting post-emergence litigation or other disputes.

⁶ The “Releasing Parties” means, collectively, (a) the Consenting Creditors; (b) the Backstop Parties; (c) the Uniti Parties; (d) the indenture trustees and administrative agents under the Debtors’ prepetition Secured credit agreement and Secured notes indentures; (e) the DIP Lenders; (f) the DIP Agent; (g) all holders of Claims or Interests that vote to accept the Plan; (h) all holders of Claims or Interests that abstain from voting on the Plan and who do not affirmatively opt out of the releases provided by the Plan by checking the box on the applicable ballot indicating that they opt not to grant the releases provided in the Plan; (i) all holders of Claims or Interests that vote to reject the Plan and who do not affirmatively opt out of the releases provided by the Plan by checking the box on the applicable ballot indicating that they opt not to grant the releases provided in the Plan; and (j) with respect to each of the Debtors, the Reorganized Debtors, and each of the foregoing Entities in clauses (a) through (i), such Entity and its current and former Affiliates and subsidiaries, and such Entities’ and their current and former Affiliates’ and subsidiaries’ current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such collectively.

38. Finally, throughout these chapter 11 cases and the related negotiations, Windstream's directors and officers steadfastly maintained their duties to maximize value for the benefit of all stakeholders, investing countless hours in and out of mediation, and reviewing numerous settlement and restructuring proposals, in addition to performing their ordinary course responsibilities. Litigation by Windstream against Windstream's officers and directors would be a distraction to Windstream's business and would decrease rather than increase the value of the estates. Accordingly, I believe that the Third-Party Release is appropriate.

C. The Exculpation Provision.

39. Article VIII.E of the Plan provides that each Exculpated Party shall be released and exculpated from any Cause of Action arising out of acts or omissions in connection with these chapter 11 cases and certain related transactions, except for acts or omissions that are found to have been the product of actual fraud, gross negligence, or willful misconduct (the "Exculpation"). The Exculpated Parties include Windstream and each current and former affiliate or related party of each of the aforementioned entities.

40. The Exculpation is intended to prevent collateral attacks against estate fiduciaries or parties that have acted in good faith to help facilitate Windstream's reorganization. The Exculpation was the product of extensive negotiations with third parties, many of whom played a critical role in formulating the Unit Settlement, Plan Support Agreement, the Plan, and related documents in furtherance of the reorganization efforts. These negotiations were conducted with a high degree of transparency, at arm's-length, and in good faith. The Exculpation was important to the development of a feasible, confirmable Plan, and many of the Exculpated Parties are participating in the chapter 11 cases in reliance upon the protections afforded to the constituents involved by the Exculpation.

41. Here, Windstream proposes to exculpate the Exculpated Parties whose contributions and concessions have made the Unit Settlement and Plan possible. In light of the record in these chapter 11 cases, I believe the protections afforded by the Exculpation are reasonable and appropriate. The Exculpation represents an integral piece of the Unit Settlement and the Plan and is the product of good-faith, arm's-length negotiations, and significant sacrifice by non-Debtor Exculpated Parties. Based on conversations with my advisors and review of materials, I understand that the exculpation is narrowly tailored to exclude acts of actual fraud, gross negligence or willful misconduct, relates only to acts or omissions in connection with, or arising out of, Windstream's restructuring, and ultimately inures to the benefit of only those parties traditionally considered estate fiduciaries or those that have made similar contributions. The chapter 11 cases could not have progressed as productively absent the significant contributions of the Exculpated Parties, whose efforts were instrumental to the success of Windstream's efforts culminating in the Unit Settlement and a value-maximizing plan supported by the vast majority of their stakeholders. As such, I believe the Exculpation is appropriate and should be approved.

D. The Injunction Provision.

42. It is my belief that the injunction set forth in Article VIII.F of the Plan (the "Injunction") is also essential and integral to the Plan. The Injunction is necessary to preserve and enforce the Debtor Release, the Third-Party Release, and the Exculpation each as set forth in Article VIII of the Plan. The Injunction permanently enjoins all Entities from commencing or continuing any action on account of, or in connection with, or with respect to any such Claims, Interests, Causes of Action, or liabilities discharged, released, settled, compromised, or exculpated under the Plan against Windstream, Reorganized Windstream, the Released Parties, or the Exculpated Parties. The Injunction is thus a key provision of the Plan

because it is necessary to preserve and enforce the discharge provisions in the Plan, the Debtor Release, the Third-Party Release, and the Exculpation that are central to the Plan, and I understand that it is narrowly tailored to achieve that purpose.

43. Based on my review of the Plan, my knowledge of the circumstances leading up to its development, and my discussions with Windstream's advisors, it is my understanding and belief that each of the discharge, injunction, release, and exculpation provisions set forth in Article VIII of the Plan are proper because, among other reasons, they: (a) are an integral part of the Plan; (b) were critical to obtaining the support of the various constituencies for the Plan; (c) are the product of arm's-length negotiations; and (d) are a condition to the Plan Support Agreement. Without these provisions, and the enforcement of such releases through the Injunction, the Released Parties indicated that they would not be willing to make their contributions under the Plan Support Agreement and Plan. Absent those contributions, Windstream would not be able to satisfy their obligations under the Plan Support Agreement and the Plan would not be feasible. The Injunction is necessary to preserve and enforce the Debtor Release, the Third-Party Release, and the Exculpation contained in the Plan. As such, these provisions are foundational to the success of the Plan and the chapter 11 cases.

V. The Uniti Settlement.

44. On May 12, 2020, the Court approved the Uniti Settlement that provided Windstream with \$1.224 billion of net present value [Dkt. 1807].

45. As the Chief Executive Officer of Windstream, I am knowledgeable regarding Windstream's dealings with Uniti and the facts underlying the Uniti Adversary Proceeding. Based on my review of the complaint and market discussions, I believe that the value of the Uniti Settlement is almost entirely attributable to the recharacterization claim.

VI. The Degradation of Windstream's Business While Operating in Bankruptcy.

46. Windstream filed these chapter 11 cases nearly 16 months ago. Since the Petition Date, Windstream has faced challenges associated with operating their businesses in bankruptcy.

47. Prior to filing these chapter 11 cases, Windstream's board approved a business plan on February 6, 2019 (the "February 2019 Business Plan") that projected the company's EBITDA. I am familiar with these projections and believe that they were reasonable and reliable when made.

48. On February 15, 2019, Windstream received an adverse ruling from Judge Furman in the litigation with Aurelius. Ten days later, on February 25, 2019, Windstream filed these chapter 11 proceedings.

49. Although Windstream faced a liquidity shortfall, there was no material change to Windstream's business operations from when Windstream finalized the February 2019 Business Plan (February 6) and when Windstream filed these bankruptcy cases (February 25). Accordingly, on the Petition Date, Windstream's businesses continued to operate normally and as projected in the February 2019 Business Plan. Moreover, at the time of filing, Windstream believed that its first lien lenders were fully secured.

50. Additionally, shortly after Judge Furman's ruling, Windstream began negotiating with lenders to obtain debtor-in-possession ("DIP") financing and provided lenders nearly identical EBITDA projections as the February 2019 Business Plan, which ultimately led to Windstream obtaining DIP financing.

51. In March 2019, after filing these chapter 11 cases, Windstream revised the business plan in order to account for future harm to the company associated with operating in bankruptcy. As time has passed, Windstream has, in fact, experienced hardship associated with these proceedings. For example, Windstream began experiencing a higher rate of customer

churn and a lower rate of contract renewal, particularly in light of uncertainty regarding the date of emergence. At the end of 2019, the company adjusted its business plan to reflect the actual decline of its businesses that had occurred following the petition date, which was even greater than anticipated in March 2019.

52. Throughout 2020, the ongoing deleterious effects of operating in bankruptcy have continued to be a drag on Windstream's business operations. The Financial Projections attached as Exhibit C to the Disclosure Statement reflect the extent to which Windstream's business has suffered since the Petition Date, and I believe the Financial Projections accurately reflect Windstream's view of the business as it exists today.

Conclusion

53. In conclusion, it is my opinion as the Chief Executive Officer of Windstream, and having been involved in virtually every aspect of the chapter 11 cases and the negotiation of the Plan Support Agreement and Plan, that confirmation of the Plan is appropriate, is in the best interests of all parties-in-interest, and should be approved.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: June 21, 2020

Little Rock, Arkansas

/s/ Anthony Thomas

Anthony Thomas