



May 30, 2018

## **Windstream Commences Consent Solicitation to Amend 8.625% Senior First Lien Notes due 2025 and Seeks to Amend Its Senior Secured Credit Facility**

LITTLE ROCK, Ark., May 30, 2018 (GLOBE NEWSWIRE) -- Windstream Holdings, Inc. (Nasdaq:WIN) announced today that its wholly-owned subsidiaries, Windstream Services, LLC and Windstream Finance Corp. (together, "*Windstream*" or the "*Company*"), are commencing the solicitation of consents (the "*Consent Solicitation*") to amend (the "*Proposed Amendments*") the indenture (the "*Indenture*") governing the Company's 8.625% Senior First Lien Notes due 2025 (the "*Notes*") (CUSIPs 97381LAB4 and U9701LAB9; ISINs US97381LAB45 and USU9701LAB90). The Consent Solicitation is being made in accordance with the terms and subject to the conditions stated in a Consent Solicitation Statement, dated May 30, 2018 (the "*Consent Solicitation Statement*"). As of the date of the Consent Solicitation Statement, the aggregate outstanding principal amount of the Notes was approximately \$600,000,000.

The Consent Solicitation is scheduled to expire at 5:00 p.m., New York City time, on June 5, 2018, unless extended or earlier terminated (the "*Expiration Date*"). Holders of Notes who validly deliver consents to the Proposed Amendments in the manner described in the Consent Solicitation Statement will be eligible to receive a consent payment equal to \$2.50 per \$1,000 principal amount of Notes (the "*Consent Payment*") for which consents have been validly delivered prior to the Expiration Date (and not validly revoked). Holders providing consents after the Expiration Date will not receive the Consent Payment. The Consent Payment will be paid to consenting holders promptly after the Expiration Date if the conditions to the Consent Solicitation have been satisfied or waived by such time and the Proposed Amendments have become effective and operative, as further described in the Consent Solicitation Statement.

The purpose of the Consent Solicitation is (i) to obtain consents to permit the issuers and guarantors under the Indenture to issue or incur indebtedness on a junior lien basis (which indebtedness is currently permitted by the Indenture to be incurred on a first-priority lien basis) and (ii) to authorize the collateral agent under the Indenture to enter into a junior lien intercreditor agreement upon the issuance or incurrence of junior lien secured indebtedness by the issuers and the guarantors under the Indenture.

The consummation of the Consent Solicitation is subject to a number of conditions that are set forth in the Consent Solicitation Statement, including, without limitation, (i) having received valid consents that have not been validly revoked from holders representing a majority of the outstanding aggregate principal amount of the Notes (the "*Requisite Consents*") and (ii) the absence of any law or regulation, and the absence of any injunction or action or other proceeding (pending or threatened) that (in the case of any action or proceeding if adversely determined) would make unlawful or invalid or enjoin the implementation of the Proposed Amendments or the payment of the Consent Payment or that would question the legality or validity thereof.

The Proposed Amendments will become effective and operative with respect to the Notes upon receipt of the Requisite Consents and the execution of a supplemental indenture to the Indenture (the "*Effective Time*"), which may occur prior to the Expiration Date if the Requisite Consents are received before that time. Upon receipt of the Requisite Consents, the Company and the guarantors party to the Indenture intend to execute a supplemental indenture to the Indenture governing the Notes setting forth the Proposed Amendments, and will deliver the supplemental indenture to the trustee and the collateral agent under the Indenture for execution. No consents may be revoked after the Effective Time. Upon the Proposed Amendments becoming effective and operative, all holders of the Notes would be bound by the terms thereof, even if they did not deliver consents to the Proposed Amendments.

The Company expressly reserves the right, in its sole discretion, subject to applicable law, at any time prior to the Effective Time with respect to the Consent Solicitation, to (i) abandon, terminate or withdraw the Consent Solicitation at any time for any reason, (ii) waive any of the conditions to the Consent Solicitation, (iii) extend the Expiration Date with respect to the Consent Solicitation, (iv) not extend the Expiration Date beyond the last previously announced date thereof, (v) amend the terms of the Consent Solicitation at any time for any reason or (vi) modify the form or amount of the consideration to be paid pursuant to the Consent Solicitation. No Consent Payment will be paid to holders of Notes if the Requisite Consents are not received for the Notes, if the Consent Solicitation is terminated or if the Proposed Amendments do not otherwise become effective and operative for any reason.

Citigroup Global Markets Inc. will act as the Solicitation Agent for the Consent Solicitation. Questions concerning the terms of the Consent Solicitation should be directed to Citigroup Global Markets Inc. at (212) 723-6106 (collect) or (800) 558-

3745 (toll-free). Ipreo LLC will act as the Information and Tabulation Agent for the Consent Solicitation. Questions or requests for assistance related to the Consent Solicitation and requests for copies of the Consent Solicitation Statement and other related materials should be directed to Ipreo LLC at (212) 849-3880 (collect) or (888) 593-9546 (toll-free).

**Holders are advised to check with any bank, securities broker or other intermediary through which they hold the Notes as to when such intermediary needs to receive instructions from a holder in order for that holder to be able to participate in, or revoke their instruction to participate in, the Consent Solicitation, before the deadline specified herein and in the Consent Solicitation Statement.**

None of the Company, its board of directors, its officers, the solicitation agent, the information and tabulation agent, the collateral agent or the trustee with respect to the outstanding Notes, or any of the Company's or their respective affiliates, makes any recommendation that holders deliver consents pursuant to the Consent Solicitation, and no one has been authorized by any of them to make such a recommendation. Holders must make their own decision as to whether to participate.

The Company's obligations to pay the Consent Payment are set forth solely in the Consent Solicitation Statement. This press release and the Consent Solicitation Statement shall not constitute an offer to sell nor a solicitation of an offer to purchase any Notes or other securities. The Consent Solicitation is being made only by, and pursuant to the terms of, the Consent Solicitation Statement, and the information in this news release is qualified by reference to the Consent Solicitation Statement. The Consent Solicitation is not being made in any jurisdiction in which the making thereof would not be in compliance with the applicable laws of such jurisdiction. In any jurisdiction in which the Consent Solicitation is required to be made by a licensed broker or dealer, the Consent Solicitation will be deemed to be made on behalf of the Company by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

### **Amendments to Senior Secured Credit Facility**

Concurrently with the Consent Solicitation, Windstream is also seeking an amendment to its senior secured credit facility to, among other things, (i) permit the issuance or incurrence of second-priority lien secured indebtedness, (ii) allow Windstream to use the proceeds from the issuance or incurrence of such second-priority lien secured indebtedness and other secured indebtedness to repay certain of its outstanding secured and unsecured indebtedness, (iii) permit the execution of a junior lien intercreditor agreement, and (iv) limit the ability of Windstream to declare and pay dividends in some respects (collectively, the "*Credit Facility Amendment*"). The Credit Facility Amendment is not conditioned upon the success of the Consent Solicitation, and the Consent Solicitation is not conditioned upon obtaining the Credit Facility Amendment.

If the Proposed Amendments and the Credit Facility Amendment become operative and effective, depending on market conditions, the Company's liquidity needs, contractual limitations and other factors, the Company may explore various financing alternatives to improve our capital structure, including issuing new junior lien secured indebtedness in one or more series or tranches or offering to exchange new junior lien secured indebtedness for one or more existing series of debt. The timing of any such transaction would be determined by the Company in its sole discretion, subject to market conditions and other factors.

### **About Windstream**

Windstream Holdings, Inc. (NASDAQ:WIN), a FORTUNE 500 company, is a leading provider of advanced network communications and technology solutions. Windstream provides data networking, core transport, security, unified communications and managed services to mid-market, enterprise and wholesale customers across the U.S. The company also offers broadband, entertainment and security services for consumers and small and medium-sized businesses primarily in rural areas in 18 states. Services are delivered over multiple network platforms including a nationwide IP network, our proprietary cloud core architecture and on a local and long-haul fiber network spanning approximately 150,000 miles.

Certain statements contained in this press release may constitute forward-looking statements. Forward-looking statements are subject to uncertainties that could cause actual future events and results to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on estimates, projections, beliefs, and assumptions that Windstream believes are reasonable but are not guarantees of future events and results. Actual future events and results of Windstream may differ materially from those expressed in these forward-looking statements as a result of a number of important factors, including those described in filings by Windstream with the Securities and Exchange Commission, which can be found at [www.sec.gov](http://www.sec.gov).

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