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Proposed Counsel to the Debtors and Debtors in Possession

**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)
)	
)	

NOTICE OF FILING OF COMMITMENT LETTER AND REDACTED FEE LETTERS

PLEASE TAKE NOTICE that on February 28, 2019, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), entered the *Order Granting Debtors’ Motion Seeking Entry of an Order Authorizing the Debtors to (I) Restrict Access to Certain Confidential Fee Letters Related to Proposed Debtor-in-Possession Financing and (II) Redact Certain Terms in the DIP Motion and Leone Declaration* [Docket No. 69] (the “Order”).

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.



PLEASE TAKE FURTHER NOTICE that the above-captioned debtors and debtors in possession (collectively, the “Debtors”) hereby file the Commitment Letter and redacted versions of the Agency Fee Letter and the DIP Fee Letter,² attached hereto as **Exhibit A**, **Exhibit B**, and **Exhibit C**, respectively, as a supplement to the *Debtors’ Amended Motion for Entry of Interim and Final Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503, and 507 (I) Authorizing the Debtors to Obtain Senior Secured Superpriority Postpetition Financing, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Authorizing Use of Cash Collateral, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* [Docket No. 42] (the “Motion”).

PLEASE TAKE FURTHER NOTICE that copies of all documents filed in these chapter 11 cases may be obtained free of charge by visiting the website of Kurtzman Carson Consultants LLC at <http://www.kccllc.net/windstream>. You may also obtain copies of any pleadings by visiting the Court’s website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

² Capitalized terms used but not defined herein have the meanings given to such terms in the Motion.

Dated: February 28, 2019
New York, New York

/s/ Stephen E. Hessler

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Exhibit A

Commitment Letter

EXECUTION VERSION

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CITIGROUP GLOBAL MARKETS INC.

390 Greenwich Street
New York, New York 10013

February 25, 2019

Windstream Holdings, Inc.
Windstream Services, LLC
4001 Rodney Parham Road
Mail Stop 1170-B1-F3-24A
Little Rock, Arkansas 72212-2442
Attention: Robert E. Gunderman

Commitment Letter

Ladies and Gentlemen:

Windstream Holdings, Inc., a Delaware corporation (“**Holdings**”), and Windstream Services, LLC, a Delaware limited liability company (the “**Company**”, and together with Holdings, “**you**”), have advised Citigroup Global Markets Inc. (collectively with certain of its affiliates as may be appropriate to perform the work or consummate the transactions contemplated herein, “**CGMI**”) that each of Holdings, the Company and certain of its domestic subsidiaries, is considering filing voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code (the “**Bankruptcy Code**”), and the Company desires to establish, for the Company as a debtor-in possession pursuant to the Bankruptcy Code, subject to the conditions set forth herein, a senior secured superpriority non-amortizing term loan facility in an aggregate principal amount of \$500,000,000 (the “**Term Facility**”) and a revolving credit facility in an aggregate amount not to exceed \$500,000,000 (the “**Revolving Facility**”, and together with the Term Facility, the “**DIP Facilities**”), substantially as described in the Summary of Terms and Conditions attached as Exhibit A hereto (the “**Term Sheet**” and together with this commitment letter, the “**Commitment Letter**”). Each capitalized term used but not defined herein shall have the meaning assigned to such term in the Term Sheet.

As used herein, the term “**Transactions**” means, collectively, the negotiation, entering into and funding of the DIP Facilities and all other transactions described in the Term Sheet and all transactions related thereto. The date on which the Company files a voluntary petition under chapter 11 of the Bankruptcy Code is referred to as the “**Petition Date**”, the date on which the initial funding under the DIP Facilities occurs is referred to herein as the “**Closing Date**” and the date on which the final draw under the Term Facility is funded is referred to as the “**Final Draw Date**”. The definitive documentation in respect of the DIP Facilities is referred to herein as “**DIP Loan Documents**”.

1. Commitments.

In connection with the foregoing, CGMI on behalf of Citi (as defined below) (in such capacity, the “**Initial Lender**”), is pleased to advise you of Citi’s commitment to provide 100% of the DIP Facilities, solely upon the terms and subject to the conditions set forth in this Commitment Letter. For purposes of this Commitment Letter, “**Citi**” means CGMI, Citibank, N.A., Citicorp USA, Inc., Citicorp

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North America, Inc., and/or any of their affiliates as may be appropriate to consummate the transactions contemplated hereby.

2. Titles and Roles.

It is agreed that (a) CGMI will act as a lead arranger and a bookrunner for the DIP Facilities (in such capacity, the “**Arranger**” and, together with the Initial Lender, collectively, the “**Financial Institutions**”, “**we**” or “**us**”) and (b) Citibank, N.A. will act as the sole administrative agent and sole collateral agent for the DIP Facilities, in each case upon the terms and subject to the conditions set forth or referred to in this Commitment Letter and/or the Term Sheet. Notwithstanding the foregoing, you may, on or prior to the date that is five (5) business days from the date of the commencement of the Cases, appoint up to five (5) additional agents, co-agents, lead arrangers, bookrunners, managers or arrangers or confer other titles in respect of the DIP Facilities (any such agent, co-agent, lead arranger, bookrunner, manager, arranger or other titled institution, an “**Additional Arranger**”) in a manner and with economics determined by you in consultation with the Arranger (it being understood that (w) Citi will have “*left*” placement in any and all marketing materials or other documentation used in connection with the DIP Facilities, (x) you may not allocate more than 80% of the total economics in respect of the DIP Facilities to the Additional Arrangers (or their affiliates), (y) each such Additional Arranger (or its affiliate) shall assume a proportion of the commitments with respect to the DIP Facilities that is equal to the proportion of the economics allocated to such Additional Arranger (or its affiliates) and shall assume a pro rata portion of the commitments across each of the DIP Facilities, with such reduction allocated to reduce the commitments of CGMI on the date hereof on a pro rata basis according to the respective amounts of their commitments in each case, unless CGMI otherwise consents in writing and (z) to the extent you appoint (or confer titles on) any Additional Arranger in respect of the DIP Facilities, subject to clause (x) above, the economics allocated to, and the commitment amounts of, CGMI in respect of the DIP Facilities will be reduced by the amount of the economics allocated to, and the commitment amount of, such Additional Arranger (or its affiliate), in each case upon the execution and delivery by such Additional Arranger of customary joinder documentation acceptable to you and Citi and, thereafter, such Additional Arranger shall constitute an “Initial Lender” and/or an “Arranger”, as applicable, under this Commitment Letter and under the fee letter dated on or about the date hereof and delivered herewith with respect to the Transactions (the “**DIP Fee Letter**”).

3. Syndication.

The Arranger reserves the right, before or after the execution of the DIP Loan Documents, to syndicate, in consultation with the Company, all or a portion of the DIP Facilities to a group of banks, financial institutions and other institutional lenders (together with the Initial Lender, the “**Lenders**”) identified by us in consultation with the Company and reasonably acceptable to us and the Company (and to the extent reasonably practicable, the initial offer of syndication shall be made to such banks, financial institutions and other institutional lenders consisting of existing creditors (and their affiliates) holding the Company’s issues and outstanding indebtedness outstanding under that certain Sixth Amended and Restated Credit Agreement, originally dated as of July 17, 2006, as amended and restated as of April 24, 2015 and as further amended as of June 6, 2018, among the Company, as borrower, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, the other agents and other entities party thereto and the financial institutions and other persons or entities party thereto as lenders, and such creditors are deemed reasonably acceptable to you and the Company); provided, that, for the avoidance of doubt, such syndication shall not relieve the Initial Lender of its obligations set forth herein to fund the initial Borrowing under the DIP Facilities on the Closing Date (but not on any date (or with respect to any Borrowing) thereafter) on the terms and conditions set forth in this Commitment Letter. Notwithstanding the foregoing, the Initial Lender will not syndicate to (x) those banks, financial

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institutions and other institutional lenders separately identified in writing as such by you to us prior to the date hereof, (y) those competitors of the Company and its subsidiaries separately identified in writing as such by you to us prior to the date hereof or from time to time following the Closing Date or (z) any affiliates of the foregoing that are reasonably identifiable on the basis of their name (the foregoing, collectively, "**Disqualified Lenders**"); it being understood that the Company may withhold its consent to any person that is known by it to be an affiliate of a Disqualified Lender regardless of whether such person is reasonably identifiable as an affiliate of such person on the basis of such affiliate's name; provided, that no such identification shall retroactively disqualify any assignment or allocation to any such person prior to such designation. Notwithstanding anything set forth above, the revolving lenders and term lenders under the Company's credit facilities on the date hereof shall not be (or be deemed to be) Disqualified Lenders. Without limiting your obligations to assist with syndication efforts as set forth below, it is understood that the Initial Lender's commitments hereunder are not subject to commencement or completion of syndication of the DIP Facilities or your satisfaction of such obligations.

You agree actively to assist us in seeking to complete a reasonably satisfactory syndication of the DIP Facilities until the Final Order Entry Date (such date, the "**Syndication Date**") of the DIP Facilities. Such assistance shall include your using commercially reasonable efforts to (a) ensure that any syndication efforts benefit materially from your existing lending and investment banking relationships and the existing lending and investment banking relationships of you and your subsidiaries, (b) cause direct contact between senior management, representatives and advisors of you and the prospective Lenders, (c) assist in the preparation of customary marketing materials to be used in connection with the syndication, (d) provide customary projections of you and your subsidiaries, (e) host, with the Arranger, of one meeting of prospective Lenders (and one or more follow-up conference calls) at times and, if applicable, locations to be mutually agreed upon and (f) obtain as soon as reasonably practical following the Petition Date a public rating of the DIP Facilities from each of Moody's and one of Standard & Poor's or Fitch. Without limiting your obligations to assist with syndication efforts as set forth above, the completion of such syndication is not a condition to the commitments hereunder. For the avoidance of doubt, you will not be required to provide any information to the extent that the provision thereof would violate any attorney-client privilege (as reasonably determined by your counsel), law, rule or regulation, or any obligation of confidentiality binding on you, your subsidiaries and affiliates and owing to a third party (provided that you shall notify us if any such information is being withheld and shall use commercially reasonable efforts to obtain a consent from any such third party to disclosure to use of such confidential information).

You agree, at the request of the Arranger, to assist in the preparation of a version of the marketing materials and presentations to be used in connection with the syndication of the DIP Facilities consisting exclusively of information and documentation that is either (i) publicly available or (ii) not material with respect to you, Holdings or your and its respective subsidiaries or any of your or its respective securities for purposes of United States Federal and state securities laws (all such information and documentation being "**Public Lender Information**"). Any information and documentation that is not Public Lender Information is referred to herein as "**Private Lender Information**". It is understood that in connection with your assistance described above, customary authorization letters will be included in any information package and presentation whereby you authorize the distribution of such information to prospective Lenders, containing a customary "10b-5" representation and a representation by you that the Public Lender Information does not include material non-public information about you, Holdings, your or its respective affiliates or your or its securities and exculpating you, your affiliates and equity holders and us with respect to any liability related to the use of the contents of any marketing material by the recipients thereof. You acknowledge and agree that the following documents may be distributed to prospective Lenders wishing to receive only Public Lender Information (unless you promptly notify us otherwise and provided that you have been given a reasonable opportunity to review such documents and

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comply with U.S. Securities and Exchange Commission disclosure obligations): (a) drafts and final definitive documentation with respect to the DIP Facilities; (b) administrative materials prepared by Financial Institutions for prospective Lenders (such as a lender meeting invitation, allocations and funding and closing memoranda); and (c) notification of changes in the terms of the DIP Facilities. You also agree to use commercially reasonable efforts to identify that portion of any other Information (as defined below) or Projections (as defined below) (the “**Borrower Materials**”) to be distributed to “public side” lenders (i.e. lenders that do not wish to receive material non-public information with respect to you, Holdings or your or its respective affiliates), including by clearly and conspicuously marking such materials “PUBLIC” which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof. By marking Borrower Materials “PUBLIC”, you shall be deemed to have authorized the Financial Institutions and the prospective Lenders to treat such Borrower Materials as not containing any material non-public information with respect to you, Holdings or your or its respective affiliates or your or its respective securities for the purpose of United States federal and state securities laws (it being understood that you shall not be under any obligation to mark the Borrower Materials “PUBLIC”).

The Arranger will manage all aspects of any syndication of the DIP Facilities in consultation with you, including (in each case subject to the provisions set forth in this Commitment Letter) decisions as to the selection of institutions to be approached and when they will be approached, when their commitments will be accepted, which institutions will participate, the allocation of the commitments among the Lenders, any naming rights and the amount and distribution of fees among the Lenders.

You hereby agree that until the occurrence of the Syndication Date, the Company will not, and will not permit any of its subsidiaries that will commence chapter 11 proceedings under the Bankruptcy Code to, syndicate or issue, announce or authorize the announcement of the syndication or issuance of, any competing syndicated debt facility or debt security (other than the DIP Facilities), for Holdings, the Company or any of its subsidiaries that will commence chapter 11 proceedings under the Bankruptcy Code, without the prior written consent of the Arranger if such financing would have, in the reasonable judgment of the Arranger, a material detrimental effect upon the primary syndication of the DIP Facilities.

4. Information.

You hereby represent that (a) all written information concerning you or any of your subsidiaries or the Transactions other than the Projections and information of a general economic or industry specific nature (the “**Information**”) that has been or will be made available to us by you or any of your representatives, when taken as a whole, is or will be, when furnished, correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statements are made (after giving effect to all supplements and updates thereto) and (b) the financial and/or business projections and other forward-looking information (the “**Projections**”) that have been or will be made available to us by you or any of your representatives have been or will be prepared in good faith based upon assumptions that you believe to be reasonable at the time made and at the time such Projections are made available to us; it being recognized that such Projections are not to be viewed as facts and that actual results during the period or periods covered by any such Projections may differ significantly from the projected results, and that no assurance can be given that the projected results will be realized, that actual results may differ significantly from the projected results and that such differences may be material. You agree that if at any time prior to the later of the Closing Date and the Syndication Date, any of the representations in the preceding sentence would

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be incorrect in any material respect if the Information and Projections were being furnished, and such representations were being made, at such time, then you will promptly supplement the Information and the Projections so that such representations will be correct under those circumstances. In arranging and syndicating the DIP Facilities, we will be entitled to use and rely on the Information and the Projections without responsibility for independent verification thereof.

5. Fees.

As consideration for Citi's commitments hereunder, and its agreement to perform the services described herein, you agree to pay to us the fees set forth in the Term Sheet, the DIP Fee Letter and the administrative agent fee letter dated on or about the date hereof and delivered herewith with respect to the Transactions (the "**Agent Fee Letter**", and together with the DIP Fee Letter, collectively, the "**Fee Letter**") subject to the conditions set forth therein, it being understood that, to the extent any such payments are to be made after the commencement of the chapter 11 cases under the Bankruptcy Code, such payments will also be subject to the entry of an order of the Bankruptcy Court authorizing Holdings, the Company and the other subsidiaries that are debtors under such chapter 11 cases to perform their obligations under this Commitment Letter and the Fee Letter and to pay the fees and expenses set forth herein.

6. Conditions Precedent.

Citi's commitments, and its agreement to perform the services described herein, are subject solely to the conditions set forth in the Term Sheet section titled "Conditions to Initial Availability" and subsequently subject to the conditions set forth in the section titled "Conditions to Full Availability".

7. Indemnification; Expenses.

You agree (a) to indemnify and hold harmless Citi and each of its affiliates and each of their respective officers, directors, employees, agents, trustees, advisors, attorneys and other representatives (each, an "**Indemnified Party**") from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses and disbursements (including reasonable and documented fees and out-of-pocket costs and expenses of one law firm retained by the Indemnified Parties, taken as a whole, plus one local counsel in each relevant jurisdiction (and, in the event of any conflict of interest among the Indemnified Parties, one additional counsel (and one local counsel in each relevant jurisdiction) for each group of Indemnified Parties similarly situated that is subject to such conflict)), joint or several, of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted against any such Indemnified Party (including without limitation, in connection with any investigation, litigation or proceeding or the preparation of any defense in connection therewith), in each case arising out of or in connection with or by reason of this Commitment Letter, the Fee Letter or the DIP Loan Documents or any of the transactions contemplated hereby or thereby, any use made or proposed to be made with the proceeds of the DIP Facilities (any of the foregoing, an "**Action**"), regardless of whether any such Indemnified Party is a party thereto (and regardless of whether such Action is initiated by your equity holders, creditors or any other third party or by Holdings or any of its respective subsidiaries or affiliates), except to the extent such liability, obligation, loss, damage, penalty, claim, demand, action, judgment, suit, cost, expense or disbursement (i) is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnified Party or any of its Related Parties (as defined below), (ii) arises from a material breach by such Indemnified Party (or its Related Parties) of its obligations under this Commitment Letter as found in a final nonappealable judgment of a court of competent jurisdiction or (iii) arises out of a dispute solely among Indemnified Parties and not arising out of any act or omission of

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the Company or any of its subsidiaries (other than any claims, damages, losses, liabilities and expenses against the administrative agent or any of the arrangers in their capacities as such) and (b) if the Closing Date occurs, to pay or reimburse the Financial Institutions on demand from time to time, upon presentation of a reasonably detailed summary statement, for all reasonable documented out-of-pocket costs and expenses (including but not limited to expenses of our due diligence investigation, syndication expenses, travel expenses and fees, disbursements and other charges of counsel (except the allocated costs of in-house counsel but including the reasonable and documented fees and out-of-pocket costs and expenses of one primary outside counsel (which shall be Davis Polk & Wardwell LLP) and one local counsel in each other appropriate jurisdiction)), in each case, incurred in connection with the DIP Facilities and the preparation, negotiation and enforcement of this Commitment Letter, the Fee Letter, the DIP Loan Documents and any ancillary documents or security arrangements in connection therewith. “**Related Parties**” means, with respect to each Indemnified Party, such Indemnified Party’s affiliates and such Indemnified Party’s or affiliate’s officers, directors, employees, advisors, agents or other representatives.

No Indemnified Party shall be liable for any damages arising from the use by others of any information or other materials obtained through internet, electronic, telecommunications or other information transmission systems, except to the extent such damages have resulted from (in each case as finally determined by a court of competent jurisdiction in a final and non-appealable judgment) the willful misconduct, bad faith or gross negligence of such Indemnified Party (or its Related Parties). None of the Indemnified Parties or you or any of your affiliates or the respective directors, officers, employees, advisors, and agents of the foregoing shall be liable for any indirect, special, punitive or consequential damages in connection with this Commitment Letter, the Fee Letter, the DIP Facilities or the transactions contemplated hereby; provided, that the foregoing shall not limit your indemnification obligations set forth herein to the extent any such indirect, special, punitive or consequential damages are included in any third-party claim with respect to which the applicable Indemnified Party is entitled to indemnification pursuant to this Section 7. You shall not be liable for any settlement, compromise or consent to the entry of any judgment in any Action effected without your prior written consent (which consent shall not be unreasonably withheld or delayed), but if settled with your written consent or if there is a final judgment in any such Action, you agree to indemnify and hold harmless each Indemnified Party from and against any and all losses, claims, damages, liabilities and expenses by reason of such settlement or judgment in accordance with, and to the extent required by, this Section 7. You shall not, without the prior written consent of the applicable Indemnified Party (which consent shall not be unreasonably withheld or delayed, it being understood that any consent withheld in connection with any settlement not effected in accordance with the succeeding clauses (a) and (b) shall be reasonable), effect any settlement of any pending or threatened Action in respect of which indemnity could have been sought hereunder by such Indemnified Party unless (a) such settlement includes an unconditional release of such Indemnified Party in form and substance reasonably satisfactory to such Indemnified Party from all liability on claims that are the subject matter of such Action and (b) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of such Indemnified Party.

The foregoing provisions shall be superseded in each case by the applicable provisions contained in the DIP Loan Documents upon execution thereof to the extent covered thereby and thereafter shall have no further force and effect to such extent.

8. Sharing Information; Absence of Fiduciary Relationship; Affiliate Activities.

You acknowledge that each Financial Institution may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transactions described herein or otherwise. We will not

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furnish confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter or our other relationships with you to other companies. You also acknowledge that we do not have any obligation to use in connection with the transactions contemplated by this Commitment Letter, or to furnish to you, confidential information obtained by us from other companies.

You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and any Financial Institution is intended to be or has been created in respect of any of the transactions contemplated by this Commitment Letter, irrespective of whether any Financial Institution has advised or is advising you on other matters, (b) each Financial Institution, on the one hand, and you, on the other hand, have an arms-length business relationship that does not directly or indirectly give rise to, nor do you rely on, any fiduciary duty on the part of any Financial Institutions, (c) you are capable of evaluating and understanding, and you understand and accept, the terms, risks and conditions of the transactions contemplated by this Commitment Letter, (d) you have been advised that each Financial Institution is engaged in a broad range of transactions that may involve interests that differ from your interests and that Financial Institutions do not have any obligation to disclose such interests and transactions to you by virtue of any fiduciary, advisory or agency relationship, and (e) you waive, to the fullest extent permitted by law, any claims you may have against any Financial Institution for breach of fiduciary duty or alleged breach of fiduciary duty and agree that no Financial Institution shall have any liability (whether direct or indirect) to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors.

You further acknowledge that each Financial Institution and its affiliates (collectively, the “**Group**”) is a full service securities firms engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, member of the Group may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, you and your subsidiaries and other companies with which you or your subsidiaries may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any member of the Group, or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion. Accordingly, there may be situations where parts of the Group and/or their clients either now have or may in the future have interests, or take actions, that may conflict with the Company’s interests. For example, the Group may, in the ordinary course of business, engage in trading in financial products or undertake other investment businesses for their own account or on behalf of other clients, including without limitation, trading in or holding long, short or derivative positions in securities, loans or other financial products of the Company or its affiliates or other entities connected with the DIP Facilities or the transactions contemplated hereby.

In recognition of the foregoing, the Company agrees that the Group is not required to restrict its activities as a result of this Commitment Letter and that the Group may undertake any business activity without further consultation with or notification to the Company. Neither this Commitment Letter nor the receipt by Citi of confidential information nor any other matter will give rise to any fiduciary, equitable or contractual duties (including without limitation, any duty of trust or confidence) that would prevent or restrict the Group from acting on behalf of other customers or for its own account. Furthermore, the Company agrees that neither the Group nor any member or business of the Group is under a duty to disclose to the Company or use on behalf of the Company any information whatsoever about or derived from those activities or to account for any revenue or profits obtained in connection with such activities. However, consistent with the Group’s long-standing policy to hold in confidence the affairs of its customers, the Group will not use confidential information obtained from the Company

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except in connection with its services to, and its relationship with, the Company; provided, however, that the Group will be free to disclose information in any manner as required by law, regulation, regulatory authority or other applicable judicial or government order.

9. Assignments; Amendments; Governing Law, Etc.

This Commitment Letter shall not be assignable by any party without the prior written consent of the other parties hereto (and any attempted assignment without such consent shall be null and void), is intended to be solely for the benefit of the parties hereto (and Indemnified Parties), and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto (and Indemnified Parties). Any and all obligations of, and services to be provided by, any Financial Institution hereunder may be performed and any and all rights of such Financial Institution hereunder may be exercised by or through any of its respective affiliates or branches and the provisions of Section 7 shall apply with equal force and effect to any such entities so performing any such duties or activities, but Citi shall not be relieved of its obligations under this Commitment Letter. This Commitment Letter may not be amended or any provision hereof waived or modified except by an instrument in writing signed by each of us and you. This Commitment Letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Commitment Letter by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof. Section headings used herein are for convenience of reference only, are not part of this Commitment Letter and are not to affect the construction of, or to be taken into consideration in interpreting, this Commitment Letter. You acknowledge that information and documents relating to the Transactions may be transmitted through Syndtrak, Intralinks, the internet, e-mail or similar electronic transmission systems, and that none of us shall be liable for any damages arising from the unauthorized use by others of information or documents transmitted in such manner unless resulting from the gross negligence, bad faith or willful misconduct, as determined by a court of competent jurisdiction in a final and non-appealable judgment, of such Financial Institution or any of its Related Parties. Each Financial Institution may, in consultation with you, place customary advertisements in financial and other newspapers and periodicals or on a home page or similar place for dissemination of customary information on the Internet or worldwide web as they may choose, and circulate similar promotional materials, after the closing of the Transactions in the form of a “*tombstone*” or otherwise describing the names of you and your affiliates (or any of them), and the amount, type and closing date of such Transactions, all at the expense of such Financial Institution. **THIS COMMITMENT LETTER AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS COMMITMENT LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

10. Jurisdiction.

Each party hereto hereby irrevocably and unconditionally (a) submits, for itself and its property, to the exclusive jurisdiction of the bankruptcy court having jurisdiction over the chapter 11 cases of Holdings, the Company and its subsidiaries (the “**Bankruptcy Court**”) or, if such court denies jurisdiction or the Company elects not to file cases under the Bankruptcy Court, then any New York State court or Federal court of the United States of America sitting in the County of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Commitment Letter, the Fee Letter or the transactions contemplated hereby or thereby, and agrees that all claims in respect of any such action or proceeding may be heard and determined only in such court, (b) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Commitment Letter,

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the Fee Letter or the transactions contemplated hereby or thereby in any such court, (c) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court, and (d) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party hereto agrees that service of any process, summons, notice or document by registered mail addressed to you or us shall be effective service of process for any suit, action or proceeding brought in any such court.

11. Waiver of Jury Trial.

EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY OR ON BEHALF OF ANY PARTY RELATED TO OR ARISING OUT OF THIS COMMITMENT LETTER, THE FEE LETTER OR THE PERFORMANCE OF SERVICES HEREUNDER OR THEREUNDER.

12. Confidentiality.

This Commitment Letter is delivered to you on the understanding that neither this Commitment Letter nor the Fee Letter nor any of their terms or substance, shall be disclosed, directly or indirectly, by you to any other person except (a) to your officers, directors, employees, attorneys, accountants and advisors on a confidential and “need to know” basis, (b) as required by applicable law or regulation or legal, judicial or administrative proceedings or other compulsory process or as requested by any governmental authority (or necessary in connection with any of the foregoing) (in which case you agree, to the extent reasonably practicable and permitted by law, promptly to inform in writing in advance thereof), including as may be required to obtain court approval in connection with any acts or obligations to be taken pursuant to this Commitment Letter or the Fee Letter or the transactions contemplated hereby or thereby (but subject to the provisions of clause (ii) of the following sentence), (c) you may disclose this Commitment Letter and the contents hereof (but not the Fee Letter or the contents thereof other than the existence thereof and the contents thereof as part of projections, pro forma information and a generic disclosure of aggregate sources and uses to the extent customary in marketing materials and other required filings) (i) in any marketing materials relating to the Term Facility, (ii) with respect to the Term Sheet, to any rating agencies and (iii) to potential debt providers to obtain commitments to the Term Facility from such potential debt providers and (d) in connection with any remedy or enforcement of any right under this Commitment Letter or the Fee Letter. Notwithstanding anything to the contrary in the foregoing, you shall be permitted to (i) provide unredacted copies of the Commitment Letter and the Fee Letter to the Bankruptcy Court and the Office of the United State Trustee in connection with any motion seeking approval of the DIP Facilities, (ii) publicly disclose the Commitment Letter and the Fee Letter to the extent necessary to obtain approval of the Bankruptcy Court for the DIP Facilities, provided, that you agree to use commercially reasonable efforts to file and diligently pursue a motion or an ex parte request seeking an order authorizing you to file the Fee Letter under seal, (iii) provide unredacted copies of the Commitment Letter and the Fee Letter to the counsel and financial advisors to the official committee of unsecured creditors appointed in any of the chapter 11 cases of you or any of the Guarantors, in each case so long as such disclosure is on a confidential “professionals eyes only” basis and (iv) publicly file the Commitment Letter (but not the Fee Letter) in order to comply with any public disclosure requirements under the applicable rules of the Securities Exchange Commission.

Each Financial Institution shall use all confidential information received by it in connection with this Commitment Letter and the transactions contemplated hereby solely for the purposes of providing the services and entering into the Transactions and shall treat confidentially, together with

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the terms and substance of this Commitment Letter and the Fee Letter, all such information; provided, however, that nothing herein shall prevent such Financial Institution from disclosing any such information (a) to rating agencies (provided that we will disclose such information only through you and with your prior consent), (b) to any Lenders or participants or prospective Lenders or participants; provided that the disclosure of any such information to any Lenders or prospective Lenders or participants or prospective participants referred to above shall be made subject to the acknowledgment and acceptance by such Lender or prospective Lender or participant or prospective participant that such information is being disseminated on a confidential basis for the benefit of the Company (on substantially the terms set forth in this paragraph or as is otherwise reasonably acceptable to you and each Financial Institution, including, without limitation, as agreed in any confidential information memorandum or other marketing materials or pursuant to customary “click-through” or similar electronic agreements) in accordance with the standard syndication processes of such Financial Institution or customary market standards for dissemination of such type of information, (c) in any legal, judicial, administrative proceeding or other compulsory process or otherwise as required by applicable law or regulations (in which case such Financial Institution shall promptly notify you, in advance, to the extent reasonably practicable and permitted by law), (d) upon the request or demand of any regulatory authority having jurisdiction over such Financial Institution or its affiliates (in which case such Financial Institution shall, except with respect to any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority, promptly notify you, in advance, to the extent reasonably practicable and lawfully permitted to do so), (e) to the officers, directors, employees, legal counsel, independent auditors, professionals and other experts or agents of such Financial Institution (collectively, “**Representatives**”) who are informed of the confidential nature of such information and are or have been advised of their obligation to keep information of this type confidential and each Financial Institution shall be responsible for its Representatives’ compliance with this paragraph, (f) to any of its respective affiliates (provided that any such affiliate is advised of its obligation to retain such information as confidential and each Financial Institution shall be responsible for its affiliates’ compliance with this paragraph) solely in connection with the Transactions, (g) to the extent any such information becomes publicly available other than by reason of disclosure by such Financial Institution, its affiliates or Representatives in breach of this Commitment Letter, (h) to the extent that such information is received by such Financial Institution from a third party that is not, to such Financial Institution’s knowledge, subject to confidentiality obligations owing to you or any of your respective affiliates or related parties, (i) to the extent that such information is independently developed by such Financial Institution or (j) for purposes of establishing a “due diligence” defense. The provisions of this paragraph shall automatically terminate two years following the date of this Commitment Letter.

Please note that the Financial Institutions and their affiliates do not provide tax, accounting or legal advice. Notwithstanding any other provision herein, this Commitment Letter does not limit the disclosure of any tax strategies.

13. Surviving Provisions.

The compensation, reimbursement, indemnification, confidentiality, syndication, jurisdiction, governing law and waiver of jury trial provisions contained herein and in the Fee Letter shall remain in full force and effect regardless of whether the DIP Loan Documents shall be executed and delivered and notwithstanding the termination of this Commitment Letter or the Initial Lender’s commitments hereunder and our agreements to perform the services described herein; provided that your obligations under this Commitment Letter and the Fee Letter, other than those provisions relating to confidentiality, compensation, information and to the syndication of the Term Facility, shall automatically terminate and be superseded by the definitive documentation relating to the DIP Facilities to the extent

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covered thereby upon the initial funding thereunder, and you shall automatically be released from all liability in connection therewith at such time.

14. PATRIOT Act Notification.

We hereby notify you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the “***PATRIOT Act***”), each Lender is required to obtain, verify and record information that identifies the Company, Holdings and the other Guarantors, which information includes the name, address, tax identification number and other information regarding the Company, Holdings and the other Guarantors that will allow such Lender to identify such person in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to each Financial Institution and each Lender.

15. Acceptance and Termination.

If the foregoing correctly sets forth our agreement with you, please indicate your acceptance of the terms of this Commitment Letter and of the Fee Letter (together with the payment of fees and other amounts payable at signing under the Fee Letter) by returning to us executed counterparts hereof and of the Fee Letter not later than 12:00 p.m., New York City time, on February 25, 2019. Citi’s commitments hereunder, and Citi’s agreements to perform the services described herein, will expire automatically and without further action or notice and without further obligation to you at such time in the event that we have not received such executed counterparts in accordance with the immediately preceding sentence. In the event that the Closing Date does not occur on or before 5:00 p.m., New York City time, on March 1, 2019, then this Commitment Letter and Citi’s commitments hereunder, and our agreements to perform the services described herein, shall automatically terminate without further action or notice and without further obligation to you unless each of us shall, in our discretion, agree to an extension. You may terminate this Commitment Letter at any time for any reason.

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We are pleased to have been given the opportunity to assist you in connection with the financings.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

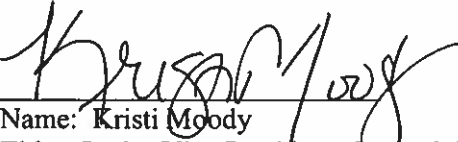
By: 

Name: David Smith

Title: Director

Accepted and agreed to as of
the date first written above:

WINDSTREAM HOLDINGS, INC.

By: 
Name: Kristi Moody
Title: Senior Vice President, General Counsel & Corporate Secretary

WINDSTREAM SERVICES, LLC

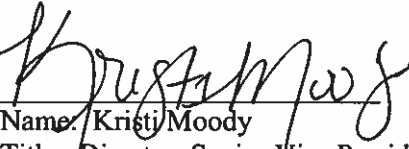
By: 
Name: Kristi Moody
Title: Director, Senior Vice President, General Counsel and Corporate Secretary

EXHIBIT A

Term Sheet

[separately attached]

Windstream Services, LLC

**SUMMARY OF TERMS AND CONDITIONS OF THE \$1,000,000,000
SENIOR SECURED SUPERPRIORITY DEBTOR-IN-POSSESSION FACILITIES**

Borrower:

Windstream Services, LLC (the “**Borrower**”), as a debtor-in-possession under Chapter 11 of the United States Bankruptcy Code (the “**Bankruptcy Code**”), in jointly administered cases with certain of its subsidiaries and affiliates as debtors-in-possession under Chapter 11 of the Bankruptcy Code (collectively, the “**Cases**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”) filed on or about February 25, 2019 (the “**Petition Date**”) and any other Debtors that Citi and the Borrower shall agree.

Guarantors:

All obligations under the Facilities (defined below) and the other DIP Loan Documents (as defined below) will be unconditionally guaranteed (the “**Guarantee**”) by (a) Windstream Holdings, Inc. (“**Holdings**”) and (b) each existing and future direct and indirect domestic subsidiary of the Borrower to the extent required by Section 5.10 of the Existing Credit Facility (the “**Subsidiary Guarantors**”, collectively with the Holdings, the “**Guarantors**”).

The Guarantors shall be debtors-in-possession under Chapter 11 of the United States Bankruptcy Code (such Guarantors, together with the Borrower, the “**Debtors**”, which have been identified in Annex I hereto).

**Certain Prepetition Facilities
/Secured Notes:**

Existing Credit Facility. That certain Sixth Amended and Restated Credit Agreement, originally dated as of July 17, 2006 and as amended and restated as of April 24, 2015 among the Borrower, as borrower, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, the other agents and other entities party thereto and the financial institutions and other persons or entities party thereto as lenders (in each case as amended, supplemented or otherwise modified prior to the date hereof, and including all exhibits and other ancillary documentation in respect thereof, the “**Existing Credit Facility**”).

Existing First Lien Notes. That certain Indenture dated as of November 6, 2017 for 8.625% notes due 2025 among the Borrower and Windstream Finance Corp., as co-issuers, the subsidiary guarantors party thereto, U.S. Bank, National Association, as trustee, as amended, supplemented or otherwise modified prior to the date hereof, and including all exhibits and other ancillary documentation in respect thereof, the “**Existing First Lien Notes**”).

Existing Midwest Notes. That certain Indenture dated as of February 23, 1998 for 6.75% notes due 2028 among the Windstream Holdings of the Midwest, Inc., as issuer, U.S. Bank, National Association, as trustee and holders party thereto (in each case as amended, supplemented or otherwise modified prior to the date hereof, and including all exhibits and other ancillary documentation in respect thereof, the “**Existing Midwest Notes**”).

Existing Second Lien Notes. That certain Indenture dated as of August 2, 2018 for 10.5% notes due 2024 among the Borrower and Windstream Finance Corp., as co-issuers, the subsidiary guarantors party thereto, Wilmington Trust, National Association, as trustee and notes collateral agent and holders party thereto (in each case as amended, supplemented or otherwise modified prior to the date hereof, and including all exhibits and other ancillary documentation in respect thereof, the “**Existing 2024 Second Lien Notes**”) and that Indenture dated as of August 2, 2018 for 9.0% notes due 2025 among the Borrower and Windstream Finance Corp., as co-issuers, the subsidiary guarantors party thereto, Wilmington Trust, National Association, as trustee and notes collateral agent and holders party thereto (in each case as amended, supplemented or otherwise modified prior to the date hereof, and including all exhibits and other ancillary documentation in respect thereof, the “**Existing 2025 Second Lien Notes**”, together with the Existing 2024 Second Lien Notes, the “**Existing Second Lien Notes**”).

DIP Facilities:

Term Facility: A superpriority term loan facility (the “**Term Facility**”) in an aggregate principal amount of up to \$500,000,000 (the “**Term Loan Commitments**”). Amounts paid or prepaid under the Term Facility may not be reborrowed.

Revolving Facility: A superpriority non-amortizing revolving credit facility (the “**Revolving Facility**” and, together with the Term Facility, the “**Facilities**”) in an aggregate principal amount of up to \$500,000,000 (the “**Revolving Commitments**” and, together with the Term Loan Commitments the “**Commitments**”), subject to Revolving Availability (as defined below). Up to \$50,000,000 of the Revolving Facility in connection with both the Initial Availability and Full Availability (as defined below), in each case subject to Revolving Facility Availability (as defined below), will be available in the form of letters of credit by the Issuer (as defined below) for the account of the Borrower (“**Letters of Credit**”).

The Commitment of each Lender (as defined below) will be set forth on Annex IV hereto.

The Facilities will be documented under one credit agreement.

Purpose/Use of Proceeds:

The proceeds of the Facilities will be used: (i) to pay related transaction costs, fees and expenses, (ii) to provide working capital for the Debtors and for other general corporate purposes of the Debtors, (iii) to pay

Adequate Protection (as defined herein) payments as authorized by the Bankruptcy Court in the Interim Order or the Final Order (each as defined herein), (iv) to pay obligations arising from or related to the Carve-Out and (v) to pay restructuring costs incurred in connection with the Cases.

Arranger:

Citigroup Global Markets Inc. (“**CGMI**”) on behalf of Citi (as defined below) and each Additional Arranger (as defined in the Commitment Letter) (collectively, together with their affiliates, the “**Arranger**”).

“**Citi**” means CGMI, Citibank, N.A., Citicorp USA, Inc., Citicorp North America, Inc. and/or any of their affiliates as Citi shall determine appropriate to provide the servicers contemplated herein.

Lenders:

With respect to the Term Facility, the Arranger and the other institutions identified in Annex IV hereto, and other financial institutions or entities acceptable to Citi and the Borrower (such acceptance not to be unreasonably withheld) (other than Disqualified Institutions) (collectively, the “**Term Lenders**”).

With respect to the Revolving Facility, the Arranger or any of their respective affiliates, and other financial institutions or entities acceptable to Citi and the Borrower (such acceptance not to be unreasonably withheld) (other than Disqualified Institutions) (collectively, the “**Revolving Lenders**”, and together with the Term Lenders, the “**Lenders**”).

Letter of Credit Issuer:

Citibank, N.A. or an affiliate thereof and each other Arranger under the Revolving Facility, on a pro rata basis in accordance with their commitments to the Revolving Facility (collectively, the “**Issuer**”).

**Term Facility
Administrative Agent:**

Citi (the “**Term Facility Agent**”).

**Revolving Facility
Administrative Agent:**

Citi or an affiliate (the “**Revolving Facility Agent**” and together with the Term Facility Agent, the “**Agents**”).

**Term Facility
Initial Availability:**

During the period commencing on the date (the “**Interim Order Entry Date**”) of the Bankruptcy Court’s entry of the Interim Order (as defined in Annex II attached hereto) and ending on the date the Bankruptcy Court enters a final non-appealable order in form and substance satisfactory to Citi (the “**Final Order**”) (such period, the “**Interim Period**”), a portion of the Term Loan Commitments shall be available to the Borrower, subject to satisfaction or waiver by all of the Lenders of the applicable conditions precedent set forth in Annex II of this Summary of Terms and Conditions (this “**Term Sheet**”) (the “**Initial Availability**”) in an amount equal to the lesser of \$300,000,000 and such other amount as may be approved by order of the Bankruptcy Court, to be made available on the first day of the Interim Period.

Term Facility Full Availability: Upon the Bankruptcy Court's entry of the Final Order (the "**Final Order Entry Date**"), the full remaining amount of the Term Loan Commitments shall be available to the Borrower, subject to the satisfaction or waiver by the Agent of the applicable conditions precedent in Annex II (the "**Full Availability**"). Subject to the terms hereof, the balance of the Term Facility may be borrowed in a single drawing on the Final Order Entry Date.

**Revolving Facility
Initial Availability:**

Availability under the Revolving Facility ("**Revolving Facility Initial Availability**") will be, at any date after the Interim Order Entry Date and prior to the Final Order Entry Date, an amount equal to \$100,000,000.

**Revolving Facility
Full Availability:**

From and after the Final Order Entry Date, the full remaining amount of the Revolving Facility shall be available to the Borrower on a revolving basis from time to time, subject to the satisfaction or waiver in accordance with the DIP Loan Documents of the Conditions to All Borrowings referred to below.

Budget:

As used in this Term Sheet and in Annex II hereto, "**Budget**" means the following (each in form and substance satisfactory to Citi exercising its judgment in good faith):

(a) in the case of the initial Budget (delivered as a condition to the closing and initial funding of the Facilities), a 13-week statement of sources and uses for the next 13 weeks of the Holdings and its subsidiaries, on a consolidated basis, broken down by week, including the anticipated uses of the Facilities for such period (a "**13-week Projection**"), and thereafter, prior to the Final Order Entry Date, at the end of each four week period (and thereafter, as shall have been agreed to in the Definitive Documentation), an updated 13-week Projection for the subsequent 13 week period; and

(b) a business plan and projected operating budget for a period of two (2) years (the "**Operating Forecast**"), broken down by month, including, without limitation, income statements, balance sheets, cash flow statements, projected capital expenditures, asset sales, cost savings and headcount reductions, targeted facility closures, targeted facility idlings and other milestones, a line item for total available liquidity for the period commencing on the date of such Budget, and which shall set forth the anticipated uses of the Facilities for such period; the associated underlying assumptions shall be mutually agreed by the Borrower and the Citi. Citi acknowledges and agrees that it has received the Operating Forecast and the underlying assumptions are acceptable to it.

- Maturity:** The maturity date of the Facilities will be (and all loans and obligations under the Facilities shall be repaid in full in cash on) the stated maturity, which shall be the date that is 24 months after the Closing Date (as defined herein) (the “**Maturity Date**”).
- Any confirmation order entered in the Cases shall not discharge or otherwise affect in any way any of the joint and several obligations of the Debtors to the Lenders under the Facilities and the DIP Loan Documents, other than after the payment in full and in cash to the Lenders of all obligations under the Facilities and the DIP Loan Documents on or before the effective date of a plan of reorganization and the termination of the Commitments.
- Closing Date:** The date on or before March 1, 2019 on which the specified portion of the Commitments is made available for borrowings under the Facilities (the “**Closing Date**”), which shall be no later than two (2) days after the Interim Order Entry Date, subject to satisfaction (or waiver) of the applicable conditions precedent set forth herein.
- Amortization:** None.
- Interest Rate and Fees:** As set forth on Annex III.
- Borrowing Procedure:** Borrowings under the Revolving Facility will be in minimum amounts of \$1,000,000 or multiples of \$250,000 in excess thereof (or, if less, the remaining available balance of the applicable Commitments).
- Borrowings under the Term Facility after the Interim Order Entry Date will be in minimum amounts to be set forth in the Definitive Documentation (or, if less, the remaining available balance of the applicable Commitments).
- Borrowing requests under each facility shall be signed by the Borrower and, after the Closing Date, made (i) on three business days’ notice, in the case of loans bearing interest at a rate based on LIBOR (“**LIBOR Loans**”) and (ii) on one business day’s notice, in the case of loans bearing interest based on the Alternate Base Rate (“**ABR Loans**”).
- Currency:** Borrowings may be made in U.S. Dollars. All payments under the Facilities will be made without setoff or counterclaim.
- Funding Protection:** Subject to the Documentation Standard.
- Voluntary Prepayments and Commitment Reductions:** The Borrower may repay the loans under the Term Facility and/or reduce the Term Loan Commitments (1) subject to a prepayment premium of 1.00% of the principal amount of loans under the Term Facility so prepaid or the Term Loan Commitments so reduced, if the prepayment or reduction occurs prior to the six month anniversary of the Closing Date or (2) without premium or penalty, if the prepayment or reduction occurs on or after the six month anniversary of the Closing

Date (other than breakage costs) upon (i) at least 3 business days' notice in the case of LIBOR Loans and (ii) one business day's notice in the case of ABR Loans; *provided* that in the case of repayment, each partial repayment shall be in an amount of \$1,000,000 or multiples of \$250,000 in excess thereof (or, if less, the outstanding amount of applicable loans), and, in the case of reduction of the Term Loan Commitments, each partial reduction shall be in an amount of \$1,000,000 or multiples of \$250,000 in excess thereof (or, if less, the remaining available balance of the Term Loan Commitments).

The Borrower may repay the loans under the Revolving Facility at any time without premium or penalty (other than breakage costs, if applicable) upon (i) at least 3 business days' notice in the case of LIBOR Loans and (ii) one business day's notice in the case of ABR Loans; *provided* that in the case of repayment, each partial repayment shall be in an amount of \$1,000,000 or multiples of \$250,000 in excess thereof (or, if less, the outstanding amount of applicable loans), and, in the case of reduction of the Revolving Commitments, each partial reduction shall be in an amount of \$1,000,000 or multiples of \$250,000 in excess thereof (or, if less, the remaining available balance of the Revolving Commitments).

Mandatory Prepayments:

The following mandatory prepayments shall be required:

1. Asset Sales: Prepayments of the Term Facility in an amount equal to 100% of the net cash proceeds of certain non-ordinary course sales or other dispositions to be mutually agreed of any property or assets of the Borrower or any of its respective subsidiaries that exceeds \$25,000,000 in the aggregate for each fiscal year.
2. Insurance Proceeds: Prepayments of the Term Facility in an amount equal to 100% of the net cash proceeds of insurance paid on account of any loss of any property or assets of the Borrower or any of its subsidiaries (other than any such proceeds received prior to the date of commencement of the Cases), subject to any Legal Limitations and with restrictions to be agreed, and subject to exceptions to be agreed on in the Definitive Documentation.
3. Incurrence of Indebtedness: Prepayments of the Term Facility in an amount equal to 100% of the net cash proceeds received from the incurrence of indebtedness by the Borrower or any of its other restricted subsidiaries (other than indebtedness otherwise permitted under the DIP Loan Documents), payable no later than the date of receipt
4. Revolving Facility Overdraw. On any date that outstanding loans under the Revolving Facility and Letter of Credit exposures exceed Revolving Facility Availability then, not later than the next business day, the Borrower must prepay the loans

under the Revolving Facility so that outstanding loans under the Revolving Facility and Letter of Credit exposures no longer exceed Revolving Facility Availability.

**Application of
Mandatory Prepayments:**

Any mandatory prepayments (other than 4 and 5 above) shall be applied, first, to repayment of the loans under the Term Facility until repaid in full and second to repayment of loans under the Revolving Facility (without a corresponding commitment of the Revolving Facility), until repaid in full.

**Mandatory Cancellation
of Commitments:**

Automatic if no loan under the Term Facility has been advanced by close of business in New York on the Closing Date.

Priority/Security:

All obligations of the Debtors to the Lenders under the DIP Loan Documents, including all loans made under the Facilities, shall, subject in each case to the Carve-Out (as defined below), at all times:

(i) pursuant to Bankruptcy Code section 364(c)(1), be entitled to joint and several superpriority administrative expense claim status in the Cases, which claims in respect of the Revolving Facility and the Term Facility shall be *pari passu*;

(ii) pursuant to Bankruptcy Code section 364(c)(2), be secured by a perfected first priority lien on the Collateral to the extent that such Collateral is not subject to valid, perfected and non-avoidable liens as of the commencement of the Cases or liens that were in existence immediately prior to the commencement of the Cases that are perfected as permitted by Section 546(b) of the Bankruptcy Code;

(iv) pursuant to Bankruptcy Code section 364(d), be secured by a perfected superpriority priming lien on all Collateral to the extent that such Collateral is subject to valid, perfected and non-avoidable liens in favor of third parties as of the commencement of the Cases, *including*, all accounts receivable, inventory, real and personal property, plant and equipment of the Debtors that secure the obligations of the Debtors under the Existing Credit Facility, the Existing First Lien Notes and the Existing Second Lien Notes (collectively, the “**Existing Primed Secured Facilities**”); the lenders, holders, agents and indenture trustees under the Existing Primed Secured Facilities, the “**Existing Primed Secured Parties**”);

subject in each case only to the carve-out set forth in the draft DIP Order sent by Davis Polk & Wardwell LLP to Kirkland & Ellis LLP at 3:02 p.m. New York City time on February 25, 2019, subject to changes acceptable to Citi and the Borrower (the “**Carve-Out**”).

“**Collateral**” means all now owned or hereafter acquired assets and property of the Debtors, including real and personal property, plant and

equipment and the proceeds thereof, but in each case not including the Excluded Assets.

“Excluded Assets” means: (a) all claims and causes of action under sections 502(d), 544, 545, 547, 548, 549 and 550 of the Bankruptcy Code (collectively, the **“Avoidance Actions”**) and the proceeds of Avoidance Actions (collectively, the **“Avoidance Action Proceeds”**), (b) the assets and properties set forth in the last proviso to Section 2(a) of the Security Agreement (as defined in the Existing Credit Facility), (c) prior to entry of the Final Order, any amounts surcharged pursuant to section 506(c) of the Bankruptcy Code and (d) proceeds of any of the foregoing, but only to the extent such proceeds would otherwise independently constitute **“Excluded Assets”** under clauses (a)-(d).

The Carve-Out shall be applied pro rata to the Collateral securing the Revolving Facility and to the Collateral securing the Term Facility.

All of the liens described herein shall be effective and perfected as of the Interim Order Entry Date and without the necessity of the execution of mortgages, security agreements, pledge agreements, financing statements or other agreements.

Adequate Protection:

Pursuant to sections 361, 363(e) and 364(d)(1) of the Bankruptcy Code, the administrative agents and the indenture trustees under the applicable Existing Primed Secured Facilities and the Existing Midwest Notes, for the benefit of themselves and the respective lenders and holders thereunder, shall be granted, respectively, the following adequate protection (collectively, the **“Adequate Protection”**) of their respective pre-petition security interests for, and equal in amount to, the diminution in the value (each such diminution, a **“Diminution in Value”**) of the pre-petition security interests of such lender under the Bankruptcy Code:

- (a) **Adequate Protection Lien**. As security for and solely to the extent of any Diminution in Value of the pre-petition security interests, the agents and indenture trustees under the Existing Primed Secured Facilities and Existing Midwest Notes shall be granted for their benefit and the benefit of the applicable lenders, effective and perfected as of Interim Order Entry Date and without the necessity of the execution of mortgages, security agreements, pledge agreements, financing statements or other agreements, a security interest in and lien on Collateral (provided that, with respect to the Existing Midwest Notes, a security interest and lien on only the assets of the issuer of the Existing Midwest Notes (the **“Prepetition Midwest Notes Issuer”**) and Windstream Network Services of the Midwest, Inc.) (together, the **“Adequate Protection Liens”**), subject and subordinate to (x) the Carve-Out and (y) the liens securing the Facilities, which Adequate Protection Liens shall rank in the same relative priority and right as do the respective security

interests and liens of the respective Existing Primed Secured Facilities as of the Petition Date.

- (b) Super-Priority Claim. To the extent of any Diminution in Value of the pre-petition security interests, the agents and indenture trustees under the Existing Primed Secured Facilities, on behalf of themselves and the applicable lenders and holders, shall be granted, subject to the payment of the Carve-Out, a superpriority administrative expense claim as provided for in section 507(b) of the Bankruptcy Code, immediately junior to the claims under section 364(c)(1) of the Bankruptcy Code held by the Term Facility Agent and Revolving Facility Agent and the lenders under the Facilities, which superpriority claim shall respectively among the Existing Primed Secured Parties and Existing Midwest Notes rank in the same right and priority as do the respective claims thereof as of the Petition Date, *provided* that the Agents, Lenders and holders under the Existing Primed Secured Facilities and Existing Midwest Notes shall not receive or retain any payments, property or other amounts in respect of the superpriority claims under section 507(b) of the Bankruptcy Code granted hereunder or under the Existing Primed Secured Facilities or Existing Midwest Notes unless and until the obligations under the Facilities have indefeasibly been paid in cash in full; *provided further*, that the Existing Midwest Notes' superpriority claim shall be payable only from the assets of the Prepetition Midwest Notes Issuer and Windstream Network Service of the Midwest, Inc.
- (c) Fees and Expenses. The agents and indenture trustees under the Existing Primed Secured Facilities and Existing Midwest Notes shall receive (for the benefit of the lenders thereunder) from the Debtors current cash payments of all reasonable professional fees and expenses payable to any agent or indenture trustees pursuant to the documentation of the Existing Primed Secured Facilities, including, but not limited to, the reasonable fees and disbursements of counsel, financial and other consultants for the agents and indenture trustees under the Existing Primed Secured Facilities promptly upon receipt of invoices therefor.
- (d) Monitoring of Pre-Petition Collateral. The agents and indenture trustees under the Existing Primed Secured Facilities and Existing Midwest Notes shall be permitted to retain expert consultants and financial advisors at the expense of the Debtors, which consultants and advisors shall be given reasonable access for purposes of monitoring the business of the Debtors and the value of the collateral that secures the Existing Primed Secured Facilities.
- (e) Financial Reporting. The Debtors shall continue to provide the agents and indenture trustees under the Existing Primed Secured Facilities and the Existing Midwest Notes with financial and other reporting substantially in compliance with the Existing Primed

Secured Facilities and the Existing Midwest Notes and any reporting described herein; provided that no audited financial statements shall be required as adequate protection and there shall be longer deadlines to be mutually agreed for certain reporting.

As additional adequate protection, the agent under the Existing Credit Facility, the Existing First Lien Notes and the Existing Midwest Notes, on behalf of itself and the lenders and noteholders thereunder, are hereby granted the following:

- (a) Interest. The agent under the Existing Credit Facility and trustees under the Existing First Lien Notes and Existing Midwest Notes shall receive from the Debtors (i) immediate cash payment of all accrued and unpaid interest on the Existing Credit Facility, Existing First Lien Notes and Existing Midwest Notes, as applicable, and letter of credit fees at the non-default rates provided for in the Existing Credit Facility, Existing First Lien Notes and Existing Midwest Notes, as applicable, and all other accrued and unpaid fees and disbursements owing to any of the agent or lenders under the Existing Credit Facility, Existing First Lien Notes and Existing Midwest Notes, as applicable, and incurred prior to the Petition Date and (ii) on the first business day of each month, subject to satisfaction of an excess cash flow test to be determined, all accrued but unpaid interest on the Existing Credit Facility, Existing First Lien Notes and Existing Midwest Notes, as applicable, and letter of credit and other fees at the non-default contract rate applicable on the Petition Date (including LIBOR pricing options available in accordance with the Existing Credit Facility) under the Existing Credit Facility, Existing First Lien Notes and Existing Midwest Notes, as applicable.

All intercompany/affiliate liens of the Debtors, if any (other than any liens securing the Revolving Facility or the Term Facility), will be contractually subordinated to the Facilities and to the Adequate Protection on terms satisfactory to Citi.

Documentation Standard:

(a) The Facilities will be documented in a credit agreement that will be negotiated in good faith and be substantially consistent with the Existing Credit Facility (including customary provisions regarding yank-a-bank, defaulting lenders, disqualified lenders and other customary provisions) (collectively, with the related collateral documents, the “**DIP Loan Documents**”) and will reflect the terms and provisions set forth in this Term Sheet, and (b) subject to the following, the DIP Loan Documents will be generally consistent with those in the Existing Credit Facility, as applicable, and the related collateral documents, in each case modified (i) to the extent required to reflect the express terms and conditions set forth in this Term Sheet, (ii) to the extent required to reflect the shorter tenor of the Facilities, (iii) to account for the existence and continuance of the Cases (including customary representations and warranties, covenants and events of default for facilities of this type), the operational needs and requirements of the Debtors between the commencement of the Cases and the Maturity Date and to include provisions applicable to debtor-in-possession facilities generally and other customary changes to be mutually agreed including with respect to additional restrictions on indebtedness, liens, restricted payments, asset sales and investments, (iv) to reflect changes in law and market practice since the date of the Existing Credit Facility, (v) to reflect the policies and procedures of the Administrative Agent in deals where it acts as administrative agent and (vi) as otherwise agreed between the Borrower and Citi. Notwithstanding the foregoing or any other provision hereof, certain “thresholds,” “baskets,” “grace periods,” and “cure periods” shall be modified in a customary manner for debtor-in-possession facilities and the Borrower and Citi agree to negotiate such modifications in good faith. The provisions of clauses (a) and (b) are collectively referred to as the “**Documentation Standard**.”

Representations and Warranties:

Each of the Debtors under the Facilities makes the representations and warranties set forth in the Existing Credit Facility (excluding the representations and warranties contained in Sections 3.04(b), 3.06(a), 3.06(c) and 3.07 (excluding clause (a) thereof) of the Existing Credit Facility and any other representations and warranties that cannot be made as a result of the commence of the Cases or the events and circumstances giving rise thereto) and, in addition, that: there are no defaults under material agreements entered into after the date of commencement of the Cases; specific material contracts have been continued and are in full force and effect; orders of the Bankruptcy Court remain in effect; the Debtors have not failed to disclose any material assumptions with respect to the Budget. The representations and warranties in the DIP Loan Documents will include the foregoing and be consistent with the Documentation Standards.

Covenants:

Affirmative covenants:

Each of the Debtors under the Facilities (with respect to itself and each of its subsidiaries) agrees to the affirmative covenants set forth in the Existing Credit Facility (excluding the affirmative covenants contained in Sections 5.01(a), 5.01(c), 5.02(a), 5.02(b) and 5.05 of the Existing Credit Facility and any other affirmative covenants that cannot be complied with, in each case, to the extent such non-compliance is a result of the commencement of the Cases or the events and circumstances giving rise thereto) and the following:

- (a) delivery of periodic updates of the Cash Flow Forecast (as defined in Annex II attached hereto) and weekly variance reports;
- (b) delivery of (i) annual audited financial statements within 90 days of the end of any fiscal year (commencing with the fiscal year ended December 31, 2018) and quarterly unaudited financial statements within 45 days of the end of the first three fiscal quarters of any fiscal year, and, with annual financial statements to be accompanied by an opinion of an independent accounting firm (which opinion shall not contain any scope qualification);
- (c) delivery of monthly reports by the company's financial advisor with respect to asset sales, cost savings, facility closures and other matters reasonably requested by the Lenders;
- (d) delivery to the Agent as soon as practicable in advance of filing with the Bankruptcy Court the Interim Order and the Final Order (which must be in form and substance satisfactory to the Agent in its capacity as such), any plan of reorganization or liquidation, and/or any disclosure statement related to such plan;
- (e) additional reporting requirements consistent with the Documentation Standard, including, without limitation, with respect to litigation, contingent liabilities, material contracts (together with consultation rights) and ERISA and environmental events;
- (f) access to information (including historical information) and personnel, including, without limitation, regularly scheduled telephonic meetings as mutually agreed with senior management and PJT and other company advisors and the Arranger shall be provided with access to all information it shall reasonably request; and
- (g) use of commercially reasonable efforts to obtain credit ratings in respect of the Facilities from (x) either of Standard & Poor's Ratings Services or Fitch Ratings and (y) Moody's Investors Service, Inc.

The affirmative covenants in the DIP Loan Documents will include the foregoing and be consistent with the Documentation Standards.

Negative covenants:

Each of the Debtors under the Facilities (with respect to itself and each of its subsidiaries) agrees to the negative covenants set forth in the Existing Credit Facility, modified to eliminate the baskets and carve-outs set forth therein (other than baskets and carveouts to the extent necessary for the Debtors to run their business in the ordinary course of business), and agrees that the DIP Loan Documents will contain negative covenants consistent with the foregoing and the Documentation Standard (with baskets and carve-outs to be agreed consistent therewith) and additional restrictions on the following:

- (a) creating or permitting to exist any liens or encumbrances on any assets, other than liens securing the Facilities and any permitted liens (which liens shall include scheduled liens in existence on the Closing Date to the extent subordinated pursuant to the orders, junior liens granted in connection with adequate protection granted by the Debtors as required hereunder) and other liens described in “Priority/Security” above;
- (b) creating or permitting to exist any other superpriority claim which is pari passu with or senior to the claims of the Lenders under the Facilities, except for the Carve-Out and liens securing the obligations;
- (c) disposing of assets outside of the ordinary course of business (including, without limitation, any sale and leaseback transaction and any disposition under Bankruptcy Code section 363) in respect of a transaction for total consideration of more than \$25 million in the aggregate for each fiscal year (with an exception for the currently pending sale of certain out-of-territory fiber network located in Nebraska for a sale price of approximately \$11,000,000);
- (d) modifying or altering (i) in any material manner the nature and type of its business or the manner in which such business is conducted or (ii) its organizational documents, except as required by the Bankruptcy Code or in a manner that is not materially adverse to the interests of the DIP lenders in their capacities as such;
- (e) paying pre-petition indebtedness, except as expressly provided for herein or pursuant to “first day” or other orders entered upon pleadings in form and substance reasonably satisfactory to Citi;
- (f) asserting any right of subrogation or contribution against any other Debtors until all borrowings under the Facilities are paid in full and the Commitments are terminated; and
- (g) making Investments (as defined in the Definitive Documentation) and restricted payments (including debt prepayments).

For the avoidance of doubt, intercompany transactions among the Debtors in the ordinary course of business shall be permitted if they are not otherwise prohibited.

Events of Default:

The Facilities shall be subject to the events of default set forth in the Existing Credit Facility (excluding, for the avoidance of doubt, the events of default contained in Sections 7(b), , 7(e), 7(g), 7(h), 7(j), 7(k), 7(l), 7(s) and 7(t)) of the Existing Credit Facility and any other events of defaults in each case to the extent triggered prior to the commencement of the Cases as a result of the commencement of the Cases or the events and circumstances giving rise thereto) and the following additional events of default. The DIP Loan Documents will contain events of default consistent with the Documentation Standard and the following:

The Facilities shall be subject to additional events of default consistent with the Documentation Standards, including the following:

- (a) The Interim Order Entry Date shall not have been occurred within 5 business days after the Petition Date;
- (b) The Final Order Entry Date shall not have been occurred within 60 days after the Petition Date;
- (c) Any of the Cases shall be dismissed or converted to a Chapter 7 Case; a trustee, receiver, interim receiver or receiver and manager shall be appointed in any of the Cases, or a responsible officer or an examiner with enlarged powers shall be appointed in any of the Cases (having powers beyond those set forth in Bankruptcy Code sections 1106(a)(3) and (4)); or any other superpriority administrative expense claim or lien (other than the Carve-Out) which is pari passu with or senior to the claims or liens of the Lender under the Facilities shall be granted in any of the Cases without the consent of the Arranger;
- (d) Other than payments authorized by the Bankruptcy Court in respect of “first day” or other orders entered upon pleadings in form and substance reasonably satisfactory to the Arranger, as required by the Bankruptcy Code, or as may be permitted in the DIP Loan Documents or herein, the Debtors shall make any payment (whether by way of adequate protection or otherwise) of principal or interest or otherwise on account of any pre-petition indebtedness or payables;
- (e) The Bankruptcy Court shall enter an order granting relief from the automatic stay to any creditor or party in interest to permit foreclosure (or the granting of a deed in lieu of foreclosure or the like) on any assets of the Debtors which have an aggregate value in excess of \$25,000,000 or to permit other actions that

would have a material adverse effect on the Debtors or their estates;

- (f) An order shall be entered reversing, amending, supplementing, staying for a period of five days or more, vacating or otherwise modifying the Interim Order or the Final Order, or any of the Borrower or any of their affiliates shall apply for authority to do so, without the prior written consent of the Lenders, or the Interim Order or Final Order with respect to the Facilities shall cease to be in full force and effect;
- (g) Any judgments which are in the aggregate in excess of \$25,000,000 as to any post-petition obligation shall be rendered against the Debtors or any other material subsidiaries and the enforcement thereof shall not be stayed (by operation of law, the rules or orders of a court with jurisdiction over the matter or by consent of the party litigants);
- (h) A plan shall be confirmed in any of the Cases that does not provide for termination of the Commitments under the Facilities and payment in full in cash of the Debtors' obligations under the DIP Loan Documents on the effective date of such plan of reorganization or liquidation, or an order shall be entered which dismisses any of the Cases and which order does not provide for termination of the Commitments under the Facilities and payment in full in cash of the Debtors' obligations under the DIP Loan Documents, or any of the Debtors shall seek, support, or fail to contest in good faith the filing or confirmation of such a plan or the entry of such an order;
- (i) The Debtors or any other material subsidiaries shall take any action in support of any of the foregoing or any person other than the Debtors or any other material subsidiaries shall do so and such application is not contested in good faith by the Debtors or any other material subsidiaries and the relief requested is granted in an order that is not stayed pending appeal; and
- (j) Any DIP Loan Document shall cease to be effective or shall be contested by Borrower or any of their affiliates.
- (k) Any of the Borrower or their affiliates shall fail to comply with the Interim Order or Final Order.
- (l) The filing of a motion, pleading or proceeding by any of the Borrower or their affiliates which could reasonably be expected to result in a material impairment of the rights or interests of the Lenders or a determination by a court with respect to a

motion, pleading or proceeding brought by another party which results in a material impairment.

- (m) DIP Loan Documents, in form and substance satisfactory to the Citi acting in good faith, shall not have been entered into within twenty-one days after the Interim Order Entry Date and prior to the Final Order Entry Date, unless such date is extended by Citi acting in good faith.

**Conditions Precedent
to Initial Borrowings:**

The obligation of the Lenders to make loans under the Facilities will be subject only to the conditions precedent listed on Annex II attached hereto.

**Conditions Precedent to
Full Availability:**

The obligation to provide extensions of credit up to the full amount of the Commitments shall be subject to the satisfaction or waiver by the Requisite Lenders and the Requisite Term Lenders of the applicable conditions precedent listed on Annex II attached hereto.

Conditions to All Borrowings:

The conditions to all borrowings will be limited to prior written notice of borrowing, the accuracy in all material respects of representations and warranties, the absence of any Default or Event of Default and the following:

- (a) As a result of such extension of credit, usage of the Commitments shall not exceed (i) the applicable Commitments then in effect, (ii) the aggregate amount authorized by the Interim Order or the Final Order, as the case may be and (iii) in the case of the Revolving Facility, Revolving Facility Availability;

- (b) The Interim Order or Final Order, as the case may be, and the cash management order, shall be in full force and effect, and shall not have been reversed, modified, amended, stayed, vacated or subject to a stay pending appeal, in the case of any modification, amendment or stay pending appeal, in a manner, or relating to a matter, that is materially adverse to the interests of the Lenders;

- (c) The Debtors shall have paid the balance of all fees then due and payable as referenced herein; and

- (d) The making of such extension of credit will not violate any requirement of material law and shall not be enjoined, temporarily, preliminarily or permanently.

**Assignments and
Participations:**

Each Lender may assign all or any part of the Facilities to one or more affiliates, banks, financial institutions or other entities (other than Disqualified Institutions) subject to the prior written consent of the Administrative Agent and Borrower, and in the case of an assignment under the Revolving Facility, each Issuer (each such consent not to be

unreasonably withheld, delayed or conditioned); provided that no consent of the Borrower shall be required with respect to any assignment to a Lender, an affiliate of such a Lender or a fund engaged in investing in commercial loans that is advised or managed by such a Lender (in each case, that is not a Disqualified Institution). Consent from the Borrower shall not be required during the continuance of an event of default under the DIP Loan Documents and shall be deemed given unless the Borrower shall object thereto by written notice to the Administrative Agent within five Business Days after having received notice thereof). Upon such assignment, such affiliate, bank, financial institution or entity will become a Lender for all purposes under the Loan Documents. The Lenders will also have the right to sell participations (other than to Disqualified Institutions), subject to customary limitations on voting rights, in the Facilities.

The Agents shall have the authority to make the list of Disqualified Institutions available to all Lenders.

Requisite Lenders:

The vote of Lenders holding more than 50% of total Commitments (or if no Commitments are outstanding, total exposure) under the Facilities (the “**Requisite Lenders**”) shall be required to amend, waive or modify either Facility, except that with respect to matters relating to, among others consistent with the Documentation Standard, the reduction in, or compromise of payment rights with respect to, principal or interest rates, extension of maturity, release of guarantees and/or liens granted on all or substantially all of the Collateral (other than liens on Collateral subject to permitted dispositions), any waiver of the definition of Requisite Lenders, Requisite Lenders will be defined as Lenders holding 100% of total Commitments (or if no Commitments are outstanding, total exposure) under such Facility affected thereby or all affected Lenders, as appropriate.

Taxes:

The Facilities will include customary provisions reasonably acceptable to the Arranger, to the effect that all payments are to be made free and clear of any taxes (other than applicable franchise taxes and taxes on overall net income), imposts, assessments, withholdings or other deductions whatsoever, subject to customary qualifications.

Indemnity; Expenses:

The Borrower shall indemnify, pay and hold harmless the Arranger and the Lenders and their affiliates (and their respective directors, officers, employees, agents and advisors) against any loss, liability, cost or expense incurred in respect of the financing contemplated hereby or the use or the proposed use of proceeds thereof (except to the extent resulting from the gross negligence or willful misconduct of the indemnified party) including the expenses incurred by the the Arranger and in connection with the negotiation, documentation and administration of the Facilities (including fees and expenses of counsel and other advisors), and expenses incurred by any Lender in connection with any default in respect of the Facilities and any exercise of remedies in respect thereof.

**Governing Law and
Jurisdiction:**

The Facilities will provide that the Debtors will submit to the exclusive jurisdiction and venue of the Bankruptcy Court in New York; and shall waive any right to trial by jury. New York law shall govern the Loan Documents (other than security documents to be governed by local law, to be determined by the Arranger).

ANNEX I

Windstream Services, LLC

LIST OF DEBTORS

<u>Name</u>	<u>Jurisdiction of Organization</u>
Allworx Corp.	Delaware
ARC Networks, Inc.	Delaware
ATX Communications, Inc.	Delaware
ATX Telecommunications Services of Virginia, LLC	Delaware
BOB, LLC	Illinois
Boston Retail Partners LLC	Massachusetts
BridgeCom Holdings, Inc.	Delaware
BridgeCom Solutions Group, Inc.	Delaware
Broadview Networks of Massachusetts, Inc.	Delaware
Broadview Networks of Virginia, Inc.	Virginia
Buffalo Valley Management Services, Inc.	Delaware
Business Telecom of Virginia, Inc.	Virginia
BV-BC Acquisition Corporation	Delaware
Cavalier IP TV, LLC	Delaware
Cavalier Services, LLC	Delaware

Cavalier Telephone, L.L.C.	Virginia
CCL Historical, Inc.	Delaware
Choice One Communications of Connecticut Inc.	Delaware
Choice One Communications of Maine Inc.	Delaware
Choice One Communications of Massachusetts Inc.	Delaware
Choice One Communications of Ohio Inc.	Delaware
Choice One Communications of Rhode Island Inc.	Delaware
Choice One Communications of Vermont Inc.	Delaware
Choice One of New Hampshire, Inc.	Delaware
Cinergy Communications Company of Virginia, LLC	Virginia
Conestoga Enterprises, Inc.	Pennsylvania
Conestoga Management Services, Inc.	Delaware
Connecticut Broadband, LLC	Connecticut
Connecticut Telephone & Communication Systems, Inc.	Connecticut
Conversent Communications Long Distance, LLC	New Hampshire

Conversent Communications of Connecticut, LLC	Connecticut
Conversent Communications of Maine, LLC	Maine
Conversent Communications of Massachusetts, Inc.	Massachusetts
Conversent Communications of New Hampshire, LLC	New Hampshire
Conversent Communications of Rhode Island, LLC	Rhode Island
Conversent Communications of Vermont, LLC	Vermont
CoreComm-ATX, Inc.	Delaware
CoreComm Communications, LLC	Delaware
CTC Communications of Virginia, Inc.	Virginia
D&E Communications, LLC	Delaware
D&E Management Services, Inc.	Nevada
D&E Networks, Inc.	Pennsylvania
Equity Leasing, Inc.	Nevada
Eureka Broadband Corporation	Delaware
Eureka Holdings, LLC	Delaware
Eureka Networks, LLC	Delaware

Eureka Telecom of VA, Inc.	Virginia
Heart of the Lakes Cable Systems, Inc.	Minnesota
Info-Highway International, Inc.	Texas
InfoHighway Communications Corporation	Delaware
InfoHighway of Virginia, Inc.	Virginia
Iowa Telecom Data Services, L.C.	Iowa
Iowa Telecom Technologies, LLC	Iowa
IWA Services, LLC	Iowa
KDL Holdings, LLC	Delaware
McLeodUSA Information Services LLC	Delaware
McLeodUSA Purchasing, LLC	Iowa
MPX, Inc.	Delaware
Norlight Telecommunications of Virginia, LLC	Virginia
Oklahoma Windstream, LLC	Oklahoma
Open Support Systems, LLC	Connecticut
PaeTec Communications of Virginia, LLC	Virginia
PAETEC Holding, LLC	Delaware

PAETEC iTEL, L.L.C.	North Carolina
PAETEC Realty LLC	New York
PAETEC, LLC	Delaware
PCS Licenses, Inc.	Nevada
Progress Place Realty Holding Company, LLC	North Carolina
RevChain Solutions, LLC	Delaware
SM Holdings, LLC	Delaware
Southwest Enhanced Network Services, LLC	Delaware
Talk America of Virginia, LLC	Virginia
Teleview, LLC	Georgia
Texas Windstream, LLC	Texas
US LEC of Alabama LLC	North Carolina
US LEC of Florida LLC	North Carolina
US LEC of South Carolina LLC	Delaware
US LEC of Tennessee LLC	Delaware
US LEC of Virginia LLC	Delaware
US Xchange Inc.	Delaware

US Xchange of Illinois, L.L.C.	Delaware
US Xchange of Michigan, L.L.C.	Delaware
US Xchange of Wisconsin, L.L.C.	Delaware
Valor Telecommunications of Texas, LLC	Delaware
WIN Sales & Leasing, Inc.	Minnesota
Windstream Alabama, LLC	Alabama
Windstream Arkansas, LLC	Delaware
Windstream Business Holdings, LLC	Delaware
Windstream BV Holdings, LLC	Delaware
Windstream Cavalier, LLC	Delaware
Windstream Communications Kerrville, LLC	Texas
Windstream Communications Telecom, LLC	Texas
Windstream CTC Internet Services, Inc.	North Carolina
Windstream Direct, LLC	Minnesota
Windstream Eagle Holdings LLC	Delaware
Windstream Eagle Services, LLC	Delaware
Windstream EN-TEL, LLC	Minnesota

Windstream Finance Corp	Delaware
Windstream Holding of the Midwest, Inc.	Nebraska
Windstream Iowa Communications, LLC	Delaware
Windstream Iowa-Comm, LLC	Iowa
Windstream KDL-VA, LLC	Virginia
Windstream Kerrville Long Distance, LLC	Texas
Windstream Lakedale Link, Inc.	Minnesota
Windstream Lakedale, Inc.	Minnesota
Windstream Leasing, LLC	Delaware
Windstream Lexcom Entertainment, LLC	North Carolina
Windstream Lexcom Long Distance, LLC	North Carolina
Windstream Lexcom Wireless, LLC	North Carolina
Windstream Montezuma, LLC	Iowa
Windstream Network Services of the Midwest, Inc.	Nebraska
Windstream NorthStar, LLC	Minnesota
Windstream NuVox Arkansas, LLC	Delaware
Windstream NuVox Illinois, LLC	Delaware

Windstream NuVox Indiana, LLC	Delaware
Windstream NuVox Kansas, LLC	Delaware
Windstream NuVox Oklahoma, LLC	Delaware
Windstream Oklahoma, LLC	Delaware
Windstream SHAL Networks, Inc.	Minnesota
Windstream SHAL, LLC	Minnesota
Windstream Shared Services, LLC	Delaware
Windstream South Carolina, LLC	South Carolina
Windstream Southwest Long Distance, LLC	Delaware
Windstream Sugar Land, LLC	Texas
Windstream Supply, LLC	Ohio
Xeta Technologies, Inc.	Oklahoma

Annex II

Windstream Services, LLC

SUMMARY OF CONDITIONS PRECEDENT TO THE FACILITIES

This Summary of Conditions Precedent outlines all of the conditions precedent to the Facilities referred to in the Summary of Terms and Conditions.

A. CONDITIONS TO INITIAL AVAILABILITY

1. Interim Order/Bankruptcy Matters.

- (a) The Bankruptcy Court shall have entered, upon motion in form and substance reasonably satisfactory to the Arranger, on such prior notice as may be reasonably satisfactory to the Arranger, an interim order (the “**Interim Order**”) as to the Initial Availability no later than three (3) business days after the date of commencement of the Cases, approving and authorizing the Facilities, all provisions thereof and the priorities and liens granted under Bankruptcy Code section 364(c) and (d), as applicable, in form and substance satisfactory to the Arranger and their counsel.
- (b) The Interim Order shall not have been reversed, modified, amended, stayed or vacated, in the case of any modification or amendment, in a manner, or relating to a matter, without the consent of the Arranger.
- (c) The Debtors shall be in compliance in all respects with the Interim Order.
- (d) The Cases shall have been commenced in the Bankruptcy Court for the Southern District of New York and all of the “first day orders” and all related pleadings to be entered at the time of commencement of the Cases or shortly thereafter shall have been reviewed in advance by the Arranger and shall be reasonably satisfactory in form and substance to the Arranger.
- (e) No trustee or examiner with enlarged powers (beyond those set forth in Bankruptcy Code sections 1106(a)(3) and (4)) shall have been appointed with respect to the Borrower or their respective properties.
- (f) A cash management order encompassing the cash management arrangements currently in place under the Existing Credit Facility and otherwise reasonably satisfactory to the Arranger shall be in full force and effect.
- (g) No material adverse change in the operations, assets, revenues, financial condition of Borrower and its subsidiaries (other than by virtue of the commencement of the Cases and the events and circumstances giving rise thereto) shall have occurred since December 31, 2017.

2. Financial Statements, Budgets and Reports.

- (a) The Arranger shall have received the Budget, which Budget shall be in form and substance reasonably satisfactory to them and at least in the detail attached in Annex II-1;

- (b) The Arranger shall have received a forecast of sources and uses of cash by the Debtors on a weekly basis for the succeeding 13 calendar weeks, which shall be in form and substance reasonably satisfactory to them (the “**Cash Flow Forecast**”); and
- (d) The Arranger shall have received such information (financial or otherwise) as may be reasonably requested by them.

3. Performance of Obligations.

- (a) All reasonable and documented costs, fees, expenses (including, without limitation, reasonable and documented legal fees) and other compensation contemplated by the Loan Documents to be payable to the Lenders shall have been paid to the extent due;
- (b) No Default or Event of Default shall exist; and
- (c) Representations and warranties shall be true and correct in all material respects.

4. Customary Closing Documents.

- (a) Satisfaction of all other customary closing conditions as to: (i) authority, authorization, execution and delivery; corporate records and documents from public officials; and officer’s certificates (ii) evidence of authority; (iii) obtaining of any material third party and governmental consents necessary in connection with the Facilities, the financing thereunder and related transactions; and (iv) Patriot Act and Beneficial Ownership.
- (b) Execution and delivery by the Debtors of this Term Sheet and promissory notes evidencing the loans made and to be made under the Facilities, in each case reasonably satisfactory in all respects to Citi; the parties hereto acknowledging that funding of the Initial Availability shall be made, as to loan documentation, solely on the basis of this Term Sheet and such promissory notes, and that funding of the Full Availability is subject to the parties entering into the DIP Loan Documents.
- (c) All corporate and judicial proceedings and all instruments and agreements in connection with the loan transactions among the Debtors and the Lenders contemplated by the Loan Documents shall be satisfactory in form and substance to the Arranger, and the Lenders shall have received all information and copies of all documents or papers requested by any of them.

B. CONDITIONS TO FULL AVAILABILITY

1. Final Order.

- (a) Not later than 60 days following the Petition Date, the Final Order shall have been entered by the Bankruptcy Court on a motion by the Debtors that is in form and substance reasonably satisfactory to the Arranger, which Final Order shall have been entered on such prior notice to such parties as may be reasonably satisfactory to the Arranger, approving and authorizing on a final basis the matters and containing the provisions described in A.1. above.
- (b) The Definitive Documentation shall have been entered into, and the lenders shall have perfection of liens and pledges on the UCC collateral securing the Facilities.

- (b) The Final Order shall not have been reversed, modified, amended, stayed or vacated.
- (c) The Debtors shall be in compliance with the Final Order.

2. Other Conditions.

- (a) The delivery of legal opinions as to authority, authorization, execution and delivery; corporate records and documents from public officials; and officer's certificates;
- (b) The Lenders shall have received the required periodic updates of the Cash Flow Forecast and weekly variance reports, each in form and substance reasonably satisfactory to the Arranger;
- (c) No Default or Event of Default shall exist under the Facilities;
- (d) Representations and warranties shall be true and correct in all material respects at the date of each extension of credit except to the extent such representations and warranties relate to an earlier date;
- (e) The Debtors shall have paid the balance of all fees then payable as referenced herein;

Annex III

Windstream Services, LLC

INTEREST AND FEES

Interest Rates:	<p>Loans under the Term Facility and the Revolving Facility will bear interest, at the option of the Borrower, at one of the following rates:</p> <p>(i) the Applicable Margin (as defined in the Fee Letter) <i>plus</i> the Alternate Base Rate which shall be defined as the highest of (i) Citibank's base rate, (ii) the three-month certificate of deposit rate plus 1/2 of 1%, (iii) the Federal Funds Effective Rate plus 1/2 of 1% and (iv) the one-month LIBO Rate plus 1.00% per annum, in each case, calculated on a 365/366-day basis and payable monthly in arrears; or</p> <p>(ii) the Applicable Margin <i>plus</i> the current LIBO rate as quoted by Reuters Screen LIBOR01 Page, adjusted for reserve requirements, if any, and subject to customary change of circumstance provisions, for interest periods of one month (the "LIBO Rate"), calculated on a 360-day basis and payable at the end of the relevant interest period, but in any event at least quarterly; <i>provided</i> that the LIBO Rate will at no time be less than 0% per annum.</p> <p>Not more than 5 LIBO Rate interest periods may be in effect at any one time under either Facility.</p>
Default Interest:	<p>During the continuance of an event of default under the Facilities, loans will bear interest at an additional 2% <i>per annum</i>.</p>
Unused Commitment Fee:	<p>From and after the Closing Date, a non-refundable unused commitment fee will accrue at the rate of 0.50% per annum on the daily average unused portion of the Revolving Facility (whether or not then available), payable quarterly in arrears and on the date when the Commitments are terminated.</p>
Letter of Credit Fees:	<p>A percentage per annum equal to the Applicable LIBOR Margin to the Lenders, and 0.125% per annum to the Issuer, will accrue on the outstanding undrawn amount of any Letter of Credit, payable quarterly in arrears and computed on a 360-day basis.</p>
OID	<p>The "Up-Front Fee" as defined in the fee letter, which may take the form of original issue discount to be paid in connection with each borrowing under the Term Facility based on the amount borrowed.</p>
Nature of Fees:	<p>Fully earned on the Closing Date and non-refundable under all circumstances</p>

Annex IV

Commitments

Lender	Term Loan Commitment	Revolving Commitment
Citi	\$500,000,000.00	\$500,000,000.00
Total	\$500,000,000.00	\$500,000,000.00

Exhibit B

Agency Fee Letter

Highly Confidential

CITIGROUP GLOBAL MARKETS INC.

390 Greenwich Street
New York, New York 10013

February 25, 2019

Windstream Holdings, Inc.
Windstream Services, LLC
4001 Rodney Parham Road
Mail Stop 1170-B1-F3-24A
Little Rock, Arkansas 72212-2442
Attention: Robert E. Gunderman

Administrative Agent Fee Letter

Ladies and Gentlemen:

Reference is made to the Commitment Letter dated the date hereof (the “**Commitment Letter**”) among Windstream Holdings, Inc. (“**Holdings**”), Windstream Services, LLC (the “**Company**”) and Citigroup Global Markets Inc. Terms used but not defined in this Fee Letter have the meanings assigned thereto in the Commitment Letter (including the attachments thereto). This letter agreement is the fee letter referred to in the Commitment Letter.

[REDACTED]

For the account of the Administrative Agent, the Company will pay (or cause to be paid) an administrative and collateral agency fee in respect of the DIP Facilities (the “**DIP Administration Fee**”) in the amount of [REDACTED], which DIP Administration Fee shall be payable [REDACTED].

The Company agrees to pay to Citi on the date hereof an expense deposit of [REDACTED] (the “**Deposit**”). From time to time, Citi can apply the Deposit against its expenses that are subject to reimbursement under the Commitment Letter, including the fees and disbursements of Davis Polk & Wardwell LLP, counsel to Citi. [REDACTED]

The fees set forth above are referred to herein, collectively, as the “**Fees**”. The Fees shall be payable in immediately available funds to Citi in U.S. dollars free and clear of and without deduction for any and all present or future applicable taxes, levies, imposts, deductions, charges or withholdings,

and all liabilities with respect thereto (with appropriate gross-up for withholding taxes). Once paid, the Fees shall not be refundable under any circumstances.

This Fee Letter is for the confidential use of Holdings and the Company only and will not, without the prior agreement of Citi, be disclosed by Holdings or the Company except as permitted by the Commitment Letter. Your obligations under this Fee Letter shall survive the expiration or termination of the Commitment Letter and the funding of the DIP Facilities.


This Fee Letter shall not constitute or give rise to any obligation to provide any financing; such an obligation will arise only under the Commitment Letter if accepted in accordance with its terms. This Fee Letter may not be amended or any provision hereof waived or modified except by an instrument in writing signed by each of us and you. This Fee Letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Fee Letter by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof. **THIS FEE LETTER AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS FEE LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

If the foregoing correctly sets forth our agreement with you, please indicate your acceptance of the terms of this Fee Letter by returning to us an executed counterpart hereof in accordance with the Commitment Letter.

[Signature Pages Follow]

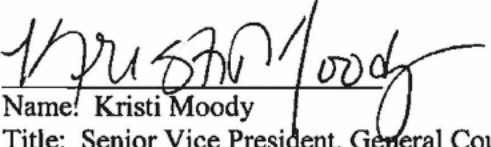
Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: 
Name: David Smith
Title: Director

Accepted and agreed to as of
the date first written above:

WINDSTREAM HOLDINGS, INC.

By: 
Name: Kristi Moody
Title: Senior Vice President, General Counsel & Corporate Secretary

WINDSTREAM SERVICES, LLC

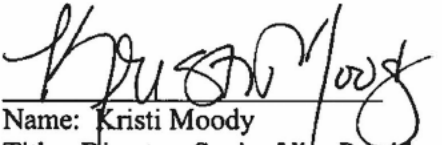
By: 
Name: Kristi Moody
Title: Director, Senior Vice President, General Counsel and Corporate Secretary

Exhibit C

DIP Fee Letter

EXECUTION VERSION

Highly Confidential

CITIGROUP GLOBAL MARKETS INC.

390 Greenwich Street
New York, New York 10013

February 25, 2019

Windstream Holdings, Inc.
Windstream Services, LLC
4001 Rodney Parham Road
Mail Stop 1170-B1-F3-24A
Little Rock, Arkansas 72212-2442
Attention: Robert E. Gunderman

Fee Letter

Ladies and Gentlemen:

Reference is made to the Commitment Letter dated the date hereof (the “**Commitment Letter**”) among Windstream Holdings, Inc. (“**Holdings**”), Windstream Services, LLC (the “**Company**”) and Citigroup Global Markets Inc. Terms used but not defined in this Fee Letter have the meanings assigned thereto in the Commitment Letter (including the attachments thereto). This letter agreement is the fee letter referred to in the Commitment Letter.

As consideration for Citi’s commitments under the Commitment Letter and Citi’s agreements to provide the DIP Facilities, the Company will pay (or cause to be paid) an underwriting fee to Citi in respect of the DIP Facilities (the “**Underwriting Fee**”) in an amount equal to [REDACTED]

[REDACTED] and such Underwriting Fee shall be earned and due and payable as follows: [REDACTED]

The fees set forth above are referred to herein, collectively, as the “**Fees**”. The Fees shall be payable in immediately available funds to Citi in U.S. dollars free and clear of and without deduction for any and all present or future applicable taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto (with appropriate gross-up for withholding taxes). Once paid, the Fees shall not be refundable under any circumstances.

Notwithstanding anything to the contrary in this letter agreement or the Commitment Letter, and in addition to any other rights expressly set forth herein or in the Commitment Letter, until the earlier of (x) the completion of a Successful Syndication (as defined below) and (y) the Syndication Date to make the any or all of following changes to the Facilities if (i) the Arranger reasonably determines (without the consent of, but in consultation with, you) that such changes are necessary or advisable to facilitate a Successful Syndication or (ii) Successful Syndication has not occurred on or prior to the Syndication Date:

a. [REDACTED]

“Successful Syndication” [REDACTED]

Prior to giving effect to the foregoing “market flex” provisions,

(1) ***“Applicable Margin”*** means

[REDACTED]
[REDACTED]
[REDACTED] and

(2) ***“Up-Front Fee”*** means [REDACTED]

This Fee Letter is for the confidential use of Holdings and the Company only and will not, without the prior agreement of Citi, be disclosed by Holdings or the Company except as permitted by the Commitment Letter. Your obligations under this Fee Letter shall survive the expiration or termination of the Commitment Letter and the funding of the DIP Facilities.

This Fee Letter shall not constitute or give rise to any obligation to provide any financing; such an obligation will arise only under the Commitment Letter if accepted in accordance with its terms. This Fee Letter may not be amended or any provision hereof waived or modified except by an instrument in writing signed by each of us and you. This Fee Letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Fee Letter by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof. **THIS FEE LETTER AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS FEE LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

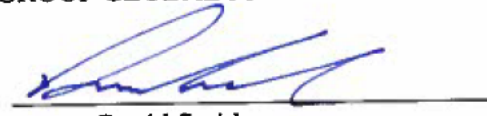
If the foregoing correctly sets forth our agreement with you, please indicate your acceptance of the terms of this Fee Letter by returning to us an executed counterpart hereof in accordance with the Commitment Letter.

[Signature Pages Follow]

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By:

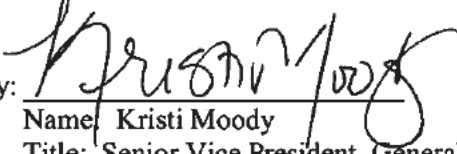


Name: David Smith

Title: Director

Accepted and agreed to as of
the date first written above:

WINDSTREAM HOLDINGS, INC.

By: 
Name: Kristi Moody
Title: Senior Vice President, General Counsel & Corporate Secretary

WINDSTREAM SERVICES, LLC

By: 
Name: Kristi Moody
Title: Director, Senior Vice President, General Counsel and Corporate Secretary