

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

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

**FINAL ORDER AUTHORIZING THE DEBTORS TO  
CONTINUE AND RENEW THEIR SURETY BOND PROGRAM**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of a Final Order (this “Final Order”), authorizing the Debtors to continue and renew the Surety Bond Program in the ordinary course of business consistent with historical practice, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a)-(b) and 1334(b) and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated February 1, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b) that this Court may decide by a final order consistent with Article III of the United States Constitution; and this Court having found that venue of the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors’ notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and that no

<sup>1</sup> 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.

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



other notice need be provided; and upon the record of the hearings held by the Court on the Motion and all of the proceedings herein; and after due deliberation this Court having determined that the legal and factual bases set forth in the Motion and at the hearings establish just cause for the relief granted herein, it is HEREBY ORDERED THAT:

1. The Motion is granted on a final basis as set forth herein.
2. The Debtors are authorized, but not directed, to maintain the Surety Bond Program on a postpetition basis in the ordinary course of business, including without limitation:  
(a) paying applicable surety bond Premiums and Brokerage Fees as they come due (including any such obligations that arose prior to the Petition Date); (b) maintaining, renewing or potentially acquiring additional bonds and/or bonding capacity as needed in the ordinary course of their businesses; (c) requesting releases from duplicate bonding obligations; (d) cancelling, revising and/or supplementing surety bonds; (e) honoring and paying any amounts due under the Surety Indemnity Agreements, including payment for any pre-petition amounts that may come due in connection with the Surety Indemnity Agreements; (f) renewing, supplementing and/or cancelling the Surety Indemnity Agreements as may be necessary; (g) replacing the Surety Broker as may be necessary; and (h) executing other agreements in connection with the Surety Bond Program; *provided, however*, that, notwithstanding any of the foregoing, the Debtors shall consult with the Official Committee of Unsecured Creditors (the "Committee") prior to paying any amount or making any material modification to the Surety Bond Program that, in either case, is outside the ordinary course of the Debtors' businesses and not consistent with the Debtors' past practices; *provided, further*, that any request for collateral and/or additional collateral for postpetition renewal of surety bonds shall only be in amounts consistent with past practices and in the ordinary course between the applicable Debtor and the applicable surety bond issuer, as

such practices and ordinary course existed prior to the commencement of these chapter 11 cases; *provided, further*, that to the extent the Debtors seek to provide collateral or grant administrative claims in connection with obtaining new surety bonds or provide additional collateral or grant administrative claims for the postpetition renewal of surety bonds, the Debtors shall provide the Committee with reasonable notice.

3. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the validity of any particular claim against the Debtors; (b) a waiver of the rights of Debtors or the Committee to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Final Order or the Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to the Motion are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens. Any payment made pursuant to this Order is not intended and should not be construed as an admission as the validity of any particular claim or a waiver of the Debtors' or the Committee's rights to subsequently dispute such claim.

4. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the

Debtors' designation of any particular check or electronic payment request as approved by this Final Order without any duty to inquire otherwise and without liability for following the Debtors' instructions.

5. Except as expressly set forth herein, to the extent any surety bond or related agreement is deemed an executory contract within the meaning of Section 365 of the Bankruptcy Code, neither this Final Order nor any payments made in accordance with this Final Order shall constitute: (a) the assumption or postpetition reaffirmation of those surety bonds or related agreements under Section 365 of the Bankruptcy Code; (b) a grant of third-party beneficiary status or bestowal of any additional rights on any third party; or (c) a waiver of any rights, claims or defenses of, or an admission by, the Debtors.

6. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

7. Notwithstanding anything in the Motion, the Interim Order, or this Final Order to the contrary, any payment made or action taken by any of the Debtors pursuant to the authority granted herein, as well as the exercise of any and all other rights and authorizations granted or approved hereunder, shall be subject in all respects to, as applicable: (i) the orders approving the Debtors' use of cash collateral and/or post-petition debtor-in-possession financing facilities (collectively, the "DIP Orders"); (ii) the other documentation governing the Debtors' use of cash collateral and postpetition financing facilities; and (iii) the Budget (as defined in the DIP Orders).

8. To the extent there is any inconsistency between the terms of any of the DIP Orders and this Final Order, the terms of the DIP Order (or DIP Orders, as applicable) shall control.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

11. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

12. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Dated: White Plains, New York  
April 22, 2019

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THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE