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Counsel to the Debtors and Debtors in Possession

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

In re:

WINDSTREAM HOLDINGS, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 19-22312 (RDD)
)
) (Jointly Administered)
)

**NOTICE OF FILING OF REVISED PROPOSED
ORDER APPROVING THE DEBTORS' KEY EMPLOYEE INCENTIVE PROGRAM**

PLEASE TAKE NOTICE that on April 23, 2019, the above-captioned debtors and debtors in possession (the "Debtors") filed the *Debtors' Motion for Entry of an Order Approving the Debtors' Key Employee Incentive Program* [Docket No. 405] (the "Motion").

PLEASE TAKE FURTHER NOTICE that the Debtors hereby file a revised proposed *Order Approving the Debtors' Key Employee Incentive Program* attached hereto as **Exhibit A** (the "Revised Proposed 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 a comparison between the Revised Proposed Order and order filed with the Motion is attached hereto as **Exhibit B**.

PLEASE TAKE FURTHER NOTICE that the hearing to consider approval of the Motion will be held before the Honorable Robert D. Drain, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York, at the United States Bankruptcy Court for the Southern District of New York, 300 Quarropas Street White Plains, New York 10601 on **May 14, 2019, at 10:00 a.m.** (prevailing Eastern Time) or as soon thereafter as counsel may be heard.

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.

[Remainder of page intentionally left blank.]

Dated: May 13, 2019
New York, New York

/s/ Stephen E. Hessler

Stephen E. Hessler, P.C.

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Counsel to the Debtors and Debtors in Possession

Exhibit A

Revised Proposed Order

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

)	
In re:)	Chapter 11
)	
WINDSTREAM HOLDINGS, INC., <i>et al.</i> , ¹)	Case No. 19-22312 (RDD)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 405
)	

ORDER APPROVING THE DEBTORS' KEY EMPLOYEE INCENTIVE PROGRAM

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), approving the key employee incentive program (the "KEIP") as set forth herein, all as more fully set forth in the Motion; and upon the Georgeson declaration and the Smith declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated December 1, 2016; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and

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² Capitalized terms used in this Order not defined have the meanings given to them in the Motion.

other parties in interest; and this Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Debtors’ KEIP as described in the Motion is hereby approved, subject to the following modifications: (a) the maximum KEIP payments based on the adjusted OIBDAR performance metric (*i.e.*, payments for achieving adjusted OIBDAR of ten percent above target or higher) will be set at 175 percent of the target payment (reduced from 200 percent of the target payment); and (b) 50 percent of all payments earned by each participant for each quarterly performance period will be deferred until the earlier of (i) the Debtors’ emergence from chapter 11 and (ii) March 1, 2020.
3. The deferred payment described in paragraph 2(a) shall be paid to the applicable recipient only if such recipient is employed by the Debtors on the payment date unless such recipient is terminated prior to the payment date (i) due to death or disability, (ii) by the Debtors without cause (as defined in the underlying KEIP documents), or (iii) by such recipient for good reason (as defined in the underlying KEIP documents) (in which case the deferred payment shall be paid as set forth in paragraph 2(a)).

4. The Debtors are authorized to take all actions necessary to implement the KEIP on the terms and conditions set forth in the Motion, including making any payments that become due pursuant to the terms of the KEIP.

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

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

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

White Plains, New York
Dated: _____, 2019

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

Exhibit B

Redline

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

In re:)	
)	Chapter 11
)	
WINDSTREAM HOLDINGS, INC., <i>et al.</i> , ¹)	Case No. 19-22312 (RDD)
)	
Debtors.)	(Jointly Administered)
)	
)	<u>Re: Docket No. 405</u>

ORDER APPROVING THE DEBTORS' KEY EMPLOYEE INCENTIVE PROGRAM

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), approving the key employee incentive program (the “KEIP”) as set forth herein, all as more fully set forth in the Motion; and upon the Georgeson declaration and the Smith declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of New York*, dated December 1, 2016; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and this Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing under the circumstances; and

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² Capitalized terms used in this Order not defined have the meanings given to them in the Motion.

this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The Debtors’ KEIP as described in the Motion is hereby approved, subject to the following modifications: (a) the maximum KEIP payments based on the adjusted OIBDAR performance metric (i.e., payments for achieving adjusted OIBDAR of ten percent above target or higher) will be set at 175 percent of the target payment (reduced from 200 percent of the target payment); and (b) 50 percent of all payments earned by each participant for each quarterly performance period will be deferred until the earlier of (i) the Debtors’ emergence from chapter 11 and (ii) March 1, 2020.

3. The deferred payment described in paragraph 2(a) shall be paid to the applicable recipient only if such recipient is employed by the Debtors on the payment date unless such recipient is terminated prior to the payment date (i) due to death or disability, (ii) by the Debtors without cause (as defined in the underlying KEIP documents), or (iii) by such recipient for good reason (as defined in the underlying KEIP documents) (in which case the deferred payment shall be paid as set forth in paragraph 2(a)).¶

4. The Debtors are authorized to take all actions necessary to implement the KEIP on the terms and conditions set forth in the Motion, including making any payments that become due pursuant to the terms of the KEIP.

~~4.5.~~ Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

~~5.6.~~ The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

~~6.7.~~ This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

White Plains, New York

Dated: _____, 2019

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE