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

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

**THIRD AMENDED VERIFIED STATEMENT OF THE FIRST LIEN AD HOC GROUP  
PURSUANT TO BANKRUPTCY RULE 2019**

Pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the ad hoc committee (the “First Lien Ad Hoc Group”)<sup>2</sup> of certain unaffiliated holders of loans or other indebtedness issued under (i) that certain Sixth Amended and Restated Credit Agreement, originally dated as of July 17, 2006, amended and restated as of April

<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are set forth in the *Debtors’ Motion for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief*. The location of the Debtors’ service address is: 4001 North Rodney Parham Road, Little Rock, Arkansas 72212.

<sup>2</sup> For the avoidance of doubt, the First Lien Ad Hoc Group is the First Lien Term Lender Ad Hoc Group (as defined in the *Interim Order (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Secured Parties, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief* [Docket No. 75]).



24, 2015 and subsequently amended (as amended and restated to date, the “Credit Agreement”), among Windstream Services, LLC, the other loan parties party thereto, the lenders from time to time party thereto, J.P. Morgan Chase Bank, N.A., as administrative agent and collateral agent and the other parties thereto (the commitments, loans and other obligations incurred thereunder, the “Credit Agreement Obligations”); and (ii) that certain Indenture for certain 8.625% notes due 2025 dated as of November 6, 2017 (as amended, restated, or otherwise supplemented to date, the “First Lien Note Indenture”), by and among Windstream Services, LLC and Windstream Finance Corp., the guarantor party thereto, Delaware Trust Company, as trustee and notes collateral agent and the holders thereunder (the obligations incurred thereunder, the “First Lien Note Obligations”, and together with the Credit Agreement Obligations, the “First Lien Obligations”), hereby submit this third amended verified statement (this “Third Amended Statement”) and in support thereof state as follows:

1. In February 2019, certain members of the First Lien Ad Hoc Group retained Paul, Weiss, Rifkind, Wharton & Garrison LLP (“Paul, Weiss”) to represent them in connection with a potential restructuring involving the above-captioned debtors and debtors-in-possession (the “Debtors”). From time to time thereafter, certain additional holders of First Lien Obligations joined the First Lien Ad Hoc Group.

2. On April 8, 2019, Paul, Weiss filed the *Verified Statement of the First Lien Ad Hoc Group Pursuant to Bankruptcy Rule 2019* [Docket No. 239]. On July 12, 2019, Paul, Weiss filed the *Amended Verified Statement of the First Lien Ad Hoc Group Pursuant to Bankruptcy Rule 2019* [Docket No. 790]. On November 19, 2019, Paul, Weiss filed the *Second Amended Verified Statement of the First Lien Ad Hoc Group Pursuant to Bankruptcy Rule 2019* [Docket No. 1228]. Since then, the members of the First Lien Ad Hoc Group and the disclosable

economic interests in relation to the Debtors that such members hold or manage have changed. Accordingly, pursuant to Bankruptcy Rule 2019, Paul, Weiss submits this Third Amended Statement.

3. As of the date of this Third Amended Statement, Paul, Weiss represents only the members of the First Lien Ad Hoc Group in their respective capacities as holders of First Lien Obligations, and does not represent or purport to represent any other entities with respect to the Debtors' chapter 11 cases.<sup>3</sup> In addition, each member of the First Lien Ad Hoc Group does not purport to act, represent or speak on behalf of any other entity in connection with the Debtors' chapter 11 cases.

4. The members of the First Lien Ad Hoc Group are either the beneficial holders of, or the investment advisors or managers to, funds and/or accounts that hold disclosable economic interests in relation to the Debtors. In accordance with Bankruptcy Rule 2019, and based upon information provided to Paul, Weiss by each member of the First Lien Ad Hoc Group, attached hereto as Exhibit A is a list of the names, addresses and nature and amount of each disclosable economic interest<sup>4</sup> of each present member of the First Lien Ad Hoc Group as of January 21, 2020.<sup>5</sup>

5. Nothing contained in this Third Amended Statement (or Exhibit A hereto) is intended to or should be construed to constitute (a) a waiver or release of any claims filed or to

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<sup>3</sup> While Paul, Weiss represents only the members of the First Lien Ad Hoc Group, Paul, Weiss communicates from time to time with other holders of First Lien Obligations that have not engaged Paul, Weiss.

<sup>4</sup> The amounts set forth in Exhibit A include only the disclosable economic interest of each present member of the First Lien Ad Hoc Group in the Debtors and do not include the economic interests that various members of the First Lien Ad Hoc Group may possess in Uniti Group, Inc. and its affiliates.

<sup>5</sup> Individuals associated with members of the First Lien Ad Hoc Group may own claims against or interests in the Debtors in their individual capacities, but Paul, Weiss does not represent such individuals in such capacities.

be filed against the Debtors held by any member of the First Lien Ad Hoc Group, its affiliates or any other entity, or (b) an admission with respect to any fact or legal theory. Nothing herein should be construed as a limitation upon, or waiver of, any rights of any member of the First Lien Ad Hoc Group to assert, file and/or amend any proof of claim in accordance with applicable law and any orders entered in these cases.

6. Paul, Weiss reserves the right to amend or supplement this Third Amended Statement as necessary in accordance with Bankruptcy Rule 2019.

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Dated: January 22, 2020  
New York, New York

/s/ Brian S. Hermann

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**EXHIBIT A**

**Disclosable Economic Interests of the Members of the First Lien Ad Hoc Group<sup>6</sup>**

<b>Name of Creditor<sup>7</sup></b>	<b>Address</b>	<b>Aggregate Principal Amount of Term Loan Obligations<sup>8</sup></b>	<b>Aggregate Principal Amount of Revolving Credit Facility Obligations<sup>9</sup></b>	<b>Aggregate Principal Amount of First Lien Note Obligations</b>	<b>Aggregate Principal Amount of DIP Obligations<sup>10</sup></b>
CarVal Investors	461 Fifth Avenue New York, NY 10017	-	\$19,950,000	-	\$9,000,000
Franklin Mutual Advisers, LLC	101 John F. Kennedy Parkway Short Hills, NJ 07078	\$43,089,000	\$192,449,530	-	-
HBK Master Fund L.P.	2300 North Field Street, Suite 2200 Dallas, Texas 75201	\$49,179,336	-	\$84,897,000	-

<sup>6</sup> To the best of Paul, Weiss’s knowledge, the information included herein is accurate as of January 21, 2020. The amounts set forth herein include only outstanding principal and do not include accrued and unpaid interest or other amounts that may be owing under the applicable debt documents. In addition, the amounts set forth herein may include, in certain circumstances, disclosable economic interests that are subject to pending trades or other transfers that have not settled or otherwise been closed as of the date hereof.

<sup>7</sup> Each entity on this Exhibit A holds disclosable economic interests, or acts as investment advisor or manager to funds and/or accounts or their respective subsidiaries that hold disclosable economic interests in relation to the Debtors.

<sup>8</sup> “Term Loan Obligations” means those term loans incurred in connection with the Credit Agreement.

<sup>9</sup> “Revolving Credit Facility Obligations” means those loans and other obligations relating to the revolving credit facility incurred in connection with the Credit Agreement.

<sup>10</sup> “DIP Obligations” means those obligations incurred under that certain Superpriority Secured Debtor-in-Possession Credit Agreement dated as of March 13, 2019 (as amended, restated, or otherwise supplemented to date).

Oaktree Capital Management, L.P.	333 South Grand Avenue, 28th Floor Los Angeles, CA 90071	\$188,107,039	\$90,495,596	\$6,126,000	-
Pacific Investment Management Company LLC	650 Newport Center Drive Newport Beach, CA 92660	\$375,018,676	-	-	-
<b>Total</b>		\$665,394,051	\$302,895,126	\$91,023,000	\$9,000,000