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**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)
)	

**DEBTORS’ MOTION
 FOR ENTRY OF INTERIM AND FINAL
 ORDERS AUTHORIZING THE DEBTORS TO CONTINUE (I) TO
 OPERATE THEIR CASH MANAGEMENT SYSTEM, HONOR CERTAIN
 PREPETITION OBLIGATIONS RELATED THERETO, AND MAINTAIN
 EXISTING BUSINESS FORMS AND (II) THEIR INTERCOMPANY TRANSACTIONS**

Windstream Holdings, Inc. and its debtor affiliates as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) respectfully state the following in support of this motion (this “Motion”):

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.



Relief Requested

1. The Debtors seek entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B** (respectively, the “Interim Order” and the “Final Order”): authorizing the Debtors to (a) (i) operate their cash management system (the “Cash Management System”) as described herein and as illustrated on **Exhibit 1** annexed to **Exhibit A** and **Exhibit B** attached hereto; (ii) honor certain prepetition obligations related thereto; and (iii) maintain existing business forms; and (b) (i) honor intercompany transactions in the ordinary course of business on a postpetition basis and (ii) grant superpriority administrative expense status to postpetition intercompany transactions. In addition, the Debtors request a final hearing be scheduled by the Bankruptcy Court (as defined below) within approximately 25 days of the Petition Date to consider approval of this Motion on a final basis.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) has 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 February 1, 2012. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Bankruptcy Court in connection with this Motion to the extent that it is later determined that the Bankruptcy Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105, 345, 363, 364, and 503 of title 11 of the United States Code (the “Bankruptcy Code”), Bankruptcy Rules 6003 and 6004,

and rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”).

Background

5. The Debtors are a leading provider of advanced network communications and technology solutions for businesses across the United States. The Debtors also offer broadband, entertainment, and security solutions to consumers and small businesses primarily in rural areas in 18 states. Additionally, the Debtors supply core transport solutions on a local and long-haul fiber network spanning approximately 150,000 miles. As of the date hereof, the Debtors had approximately 11,600 employees.

6. As set forth in greater detail in the *Declaration of Tony Thomas, Chief Executive Officer and President of Windstream Holdings, Inc., (I) in Support of Debtors’ Chapter 11 Petitions and First Day Motions and (II) Pursuant to Local Bankruptcy Rule 1007-2* (the “First Day Declaration”), on February 15, 2019, the United States District Court for the Southern District of New York entered a *Memorandum Decision and Order* against Debtor Windstream Services, LLC after trial in the matter styled *U.S. Bank National Association v. Windstream Services, Inc. v. Aurelius Capital Master, Ltd.*, Case No. 17-cv-7857 (JMF), that recognized an event of default under the Debtors’ prepetition unsecured bond indentures, which in turn resulted in a cross-default under the Debtors’ secured term loan and revolver credit facilities. As of the date hereof, the Debtors are obligated for approximately \$5.6 billion in funded debt obligations. To avoid any precipitous action against the Debtors’ assets that would have harmed the Debtors’ businesses and to gain access to much-needed liquidity in the form of debtor-in-possession financing, the Debtors commenced these chapter 11 cases.

7. On February 25, 2019 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their

business and manage their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. As of the date hereof, the Office of the United States Trustee for the Southern District of New York (the “U.S. Trustee”) has not appointed an official committee of unsecured creditors in these chapter 11 cases. Additional information regarding the Debtors’ business, their capital structure, and the circumstances leading to these chapter 11 filings is contained in the First Day Declaration.

The Cash Management System

I. Overview.

8. The Debtors’ integrated Cash Management System permits the Debtors to manage the cash flow of their operating units in a cost effective and efficient manner. Customer payments are deposited into 84 collection accounts depending on the billing system utilized in the payment, where cash is collected and swept daily into a master account maintained at Bank of America. Thereafter, the Debtors distribute their cash through 18 disbursement accounts to fund payroll and all other operating expenses. The Debtors have an idle investment account that holds *de minimis* funds and is no longer actively used for investment purposes. The Debtors also maintain 19 additional bank accounts to comply with certain security or letter of credit deposits and/or state and local requirements, as the case may be. The Cash Management System facilitates the timely and efficient collection, management, and disbursement of funds used in the Debtors’ business. Notably, it is the Debtors’ finance department that (a) oversees the Cash Management System, (b) implements cash management controls for entering, processing, and releasing funds, including in connection with intercompany transactions, and (c) regularly reconciles the Debtors’ books and records to ensure that all transfers are accounted for properly.

9. Because of the nature of the Debtors’ businesses, the volume of transactions processed through the Cash Management System on a daily basis, and the disruption to the

business that would result if they were forced to close their existing Bank Accounts, it is critical that the Bankruptcy Court permit the Debtors to continue to utilize the Cash Management System.

II. The Cash Management System.

10. The Cash Management System is comprised of 124 bank accounts (collectively, the “Bank Accounts”), each of which is identified on Exhibit 2 annexed to Exhibit A and Exhibit B attached hereto.² The Bank Accounts are collectively held at a variety of banking institutions, including:

- 58 Bank Accounts at Bank of America Corporation (“Bank of America”);
- 12 Bank Accounts at JPMorgan Chase Bank, N.A. (“Chase Bank”);
- 15 Bank Accounts at Citibank, N.A. (“Citibank”);
- Two Bank Accounts at Commerce Bancshares (“Commerce Bank”);
- One Bank Account at Exchange Bank;
- One Bank Account at Fifth Third Bank, N.A. (“Fifth Third Bank”);
- One Bank Account at First Bank;
- One Bank Account at First Central National Bank;
- One Bank Account at First Federal Savings;
- One Bank Account at Forcht Bank;
- One Bank Account at HSBC Bank (“HSBC”);
- One Bank Account at Park National Bank (“Park National”);
- Two Bank Accounts at M&T Bank;
- One Bank Account at Montezuma State Bank;

² The Debtors believe that Exhibit 2 is a complete list of their Bank Accounts. The Debtors request that the Interim Order and Final Order apply to all Bank Accounts actually in, or linked to, the Cash Management System. To the extent that any bank account has inadvertently been omitted from Exhibit 2, the Debtors request that the Interim Order and Final Order apply to such account.

- One Bank Account at Royal Bank of Canada (“RBC”);
- Four Bank Accounts at Regions Financial Corporation (“Regions Bank”);
- One Bank Account at Security State Bank & Trust;
- Two Bank Accounts at SunTrust Bank (“SunTrust”);
- One Bank Account at The Farmers Bank;
- One Bank Account at CIBC Bank USA (“CIBC”);
- One Bank Account at UMB Bank (“UMB”);
- One Bank Account at United Community Bank;
- Six Bank Accounts at U.S. Bank; and
- Eight Bank Accounts at Wells Fargo Bank (“Wells Fargo”).

11. As further illustrated on **Exhibit 1** annexed to **Exhibit A** and **Exhibit B** attached hereto, the Cash Management System is comprised of a central concentration collection account maintained at Bank of America (the “Collection Account”), 84 customer deposit accounts maintained at each of their financial institutions (collectively, the “Deposit Accounts”), 18 disbursement accounts maintained at Bank of America, Chase Bank, Citibank, M&T Bank, Park National, and RBC (collectively, the “Disbursement Accounts”), one idle investment account maintained at Citibank (the “Investment Account”), and 19 additional accounts generally used to facilitate the provision of a security or letter of credit deposit related to leases to which the Debtors are part or under certain credit card and merchant programs, as applicable, maintained at Bank of America, Chase Bank, Citibank, U.S. Bank, and Wells Fargo (collectively, the “Other Bank Accounts”). As of the Petition Date, the Debtors held approximately \$6,000,000 in cash on hand.

12. After the Petition Date, the Debtors propose to continue using the Bank Accounts identified on **Exhibit 2** annexed to **Exhibit A** and **Exhibit B** attached hereto, subject to the

Debtors’ rights to open and close certain accounts in their discretion.³ A diagram illustrating the role of each disbursement account is set forth in Exhibit 1 annexed to Exhibit A and Exhibit B attached hereto.

13. In addition to the Bank Accounts, the Cash Management System also includes related payment processing programs that the Debtors maintain with certain of the Banks and their affiliates (the “Payment Processing Programs”) including, without limitation, a merchant processing program that the Debtors maintain with Chase Bank and its wholly-owned subsidiary Paymentech, LLC (“Paymentech”) pursuant to a Merchant Services Agreement (the “Chase Bank Merchant Services Program”).

14. The following chart summarizes the roles of the key Bank Accounts:

Account	Account Description
Customer Deposit Accounts (xxx6399), (xxx6412), (xxx7781), (xxx1766), (xxx3834), (xxx7765), (xxx4507), (xxx5525), (xxx5586), (xxx5419), (xxx7948), (xxx0597), (xxx0571), (xxx6429), (xxx8396), (xxx1931), (xxx0882), (xxx7820), (xxx1529), (xxx0702), (xxx7841), (xxx5875), (xxx1821), (xxx6049), (xxx0600), (xxx1698), (xxx1724), (xxx1737), (xxx3741), (xxx1454), (xxx1441), (xxx1795), (xxx5301), (xxx5327), (xxx5314), (xxx4239), (xxx4998), (xxx4144), (xxx7509), (xxx7517), (xxx2757), (xxx2773), (xxx3425), (xxx8972), (xxx6643), (xxx2808), (xxx8595), (xxx8926), (xxx3268), (xxx3276), (xxx4678), (xxx5479), (xxx8489), (xxx6094), (xxx0382), (xxx3349), (xxx8741), (xxx0206), (xxx2580), (xxx7709),	The Customer Deposit Accounts are used by the Debtors to receive customer deposits from the Debtors’ business. Generally, each of the Customer Deposit Accounts are specific to a single billing system (ex. credit card, ACH, ePay, etc.). Approximately 71 of the Customer Deposit Accounts are swept daily into the Collection Account and account for approximately 99.5% of the monthly customer deposit cash receipts. The remaining 13 Customer Deposit Accounts related to retail store and payment agent customer receipts are generally consolidated weekly by manual sweep and make up the remaining 0.5% of monthly customer deposit cash receipts.

³ In the event that the Debtors open a new bank account, they will likely open it at one of their existing Banks or will open it at an authorized depository. Postpetition, the Debtors intend to open a new bank account to fund adequate assurance payments for their utility providers pursuant to the *Debtors’ Motion For Entry of an Order (I) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Utility Services, (II) Determining Adequate Assurance of Payment for Future Utility Services, and (III) Establishing Procedures for Determining Adequate Assurance of Payment*, filed contemporaneously herewith.

Account	Account Description
(xxx9736), (xxx9204), (xxx2501), (xxx2082), (xxx2469), (xxx2442), (xxx6708), (xxx6996), (xxx0795), (xxx4078), (xxx9486), (xxx0818), (xxx0393), (xxx0464), (xxx4351), (xxx3936), (xxx9924), (xxx8115), (xxx5700), (xxx1370), (xxx5518), (xxx269), (xxx3712), (xxx2092)	
Collection Account (xxx1805)	The Debtors use the Collection Account as the primary collections concentration account. Funds in the Depository Accounts are swept daily into the Collection Account via automated transfer or manual sweep, as applicable.
Disbursement Accounts (xxx8296), (xxx9254), (xxx2369), (xxx2933), (xxx2941), (xxx7973), (xxx4885), (xxx4919), (xxx5089), (xxx8985), (xxx4893), (xxx6445), (xxx1672), (xxx9872), (xxx4481), (xxx4529), (xxx5978), (xxx2912), (xxx1225)	The Disbursement Accounts fund various corporate accounts payable payments, including, but not limited to general accounts payable disbursements, purchase orders, payroll, customer refunds, commissions, property taxes, employee benefits. One Disbursement Account is under Debtor Windstream Holdings, Inc. and is used to wire funds related to Uniti Group, Inc. lease payments, dividends, and stock repurchase payments.
Investment Account (xxx2496)	The Investment Account is used to hold excess cash in certain investments. The Debtors transfer excess cash from the Collection Account to the Investment Account for investment on a discretionary basis. Likewise, the Debtors transfer cash from the Investment Account to the Collection Account to fund operations at the Debtors' discretion, as needed.
Other Bank Accounts (xxx2964), (xxx3288), (xxx3291), (xxx5309), (xxx5933), (xxx1531), (xxx1189), (xxx2139), (xxx5321), (xxx7016), (xxx8237), (xxx9378), (xxx8333), (xxx0195), (xxx0220), (xxx3880), (xxx4247), (xxx4234), (xxx5832)	The remaining Bank Accounts hold approximately \$5.6 million in the aggregate. These Bank Accounts are generally necessary to facilitate the provision of a security or letter of credit deposit related to leases to which the Debtors are party. The Other Bank Account ending in 1189 secures a credit card and merchant program utilized by Debtor Broadview Networks Inc. in the ordinary course of business. The Other Bank Account ending in 5832 serves as a collateral account for certain obligations under the Debtors' Bank of America employee credit card program.

III. Compliance with U.S. Trustee Guidelines and the Bankruptcy Code.

15. Bank of America, Chase Bank, Citibank, Fifth Third Bank, HSBC, M&T Bank, Regions Bank, SunTrust, CIBC Bank (as successor to The Private Bank (Chicago), UMB, U.S. Bank, and Wells Fargo are designated as authorized depositories in the Southern District of New York by the U.S. Trustee, pursuant to the Operating Guidelines and Reporting Requirements

for Debtors in Possession and Trustees (the “U.S. Trustee Guidelines”). As authorized depositories, each of these institutions are party to a uniform depository agreement with the U.S. Trustee, and therefore the Debtors believe that the Bank Accounts at these institutions will be collateralized in a manner consistent with the requirements of section 345 of the Bankruptcy Code. The remaining financial institutions at which the Bank Accounts are held are insured by the Federal Deposit Insurance Corporation, but not authorized depositories. Nevertheless, the Debtors believe that these institutions are well-capitalized and financially-stable institutions, and therefore the Debtors can maintain the Bank Accounts at these institutions without jeopardizing any parties in interest.

IV. Intercompany Transactions.

16. In the ordinary course of business, the Debtors engage in routine business relationships with each other (collectively, the “Intercompany Transactions”), which result in intercompany receivables and payables (the “Intercompany Claims”). Intercompany Transactions cover a number of different categories, including, but not limited to: (a) reimbursement of certain Debtors for various expenditures associated with their businesses, including, for example, payments from Windstream Services, LLC to fund Windstream Holdings, Inc.’s lease obligations, (b) fund transfers to certain Debtors’ bank accounts in anticipation of such expenditures, as needed, and (c) fund transfers up to the Collection Account when such excess revenue is available. At any given time, there may be Intercompany Claims owing by one Debtor to another Debtor. For example, the Collection Account receives funds from daily sweeps of the Customer Deposit Accounts and disburses funds, as necessary, throughout the Cash Management System. Specifically, the Collection Account funds the Debtors’ operations as the need arises, resulting in the creation of Intercompany Claims between the Debtors and between the Debtors. Other

Intercompany Claims are created through ordinary course operations, such as the provision of interconnection and transport services and acquisition of materials and supplies between Debtors.

17. Intercompany Claims are reflected as journal entry receivables and payables, as applicable, in the respective Debtors' accounting systems. The Debtors track all fund transfers in their respective accounting system and can ascertain, trace, and account for all Intercompany Transactions. The Debtors will continue to track postpetition intercompany transfers. Discontinuing the Intercompany Transactions would unnecessarily disrupt the Cash Management System and the Debtors' operations to the detriment of the Debtors, their creditors, and other stakeholders. The Debtors seek the authority to continue the Intercompany Transactions in the ordinary course of business on a postpetition basis, in a manner consistent with prepetition practice.

V. Bank Fees.

18. In the ordinary course, the Debtors incur periodic service charges and other fees in connection with maintaining the Cash Management System (collectively, the "Bank Fees"). The Debtors incur approximately \$1.17 million in Bank Fees each month under the Cash Management System in the aggregate. The Debtors estimate that approximately \$318,000 in prepetition Bank Fees remain outstanding as of the Petition Date (the "Prepetition Bank Fees"). To maintain the integrity of their Cash Management System, the Debtors request authority to pay any prepetition Bank Fees for prepetition transactions that are charged postpetition and to continue to pay the Bank Fees in the ordinary course on a postpetition basis.

VI. Business Forms.

19. As part of their Cash Management System, the Debtors use various preprinted business forms (the "Business Forms") in the ordinary course. To minimize expenses to their estates and avoid confusion during the pendency of these chapter 11 cases, the Debtors request

that the Bankruptcy Court authorize the Debtors' continued use of all existing preprinted correspondence and Business Forms (including, without limitation, letterhead, checks, and other Business Forms) as such forms were in existence immediately before the Petition Date, without reference to the Debtors' status as debtors in possession, rather than requiring the Debtors to incur the expense and delay of ordering entirely new Business Forms.

Basis for Relief

I. Maintaining the Existing Cash Management System Is Essential to Maximizing the Value of the Debtors' Estates.

20. The U.S. Trustee Guidelines require debtors in possession to, among other things: (a) establish one debtor-in-possession bank account for all estate monies required for the payment of taxes, including payroll taxes; (b) close all existing bank accounts and open new debtor-in-possession accounts; (c) maintain a separate debtor-in-possession account for cash collateral; and (d) obtain checks that bear the designation "debtor in possession" and reference the bankruptcy case number and type of account on such checks. These requirements are designed to provide a clear line of demarcation between prepetition and postpetition claims and payments and help protect against the inadvertent payment of prepetition claims by preventing banks from honoring checks drawn before the Petition Date. Considering, however, the complex Cash Management System that the Debtors have in place for the transfer and distribution of funds, which ties into the Debtors existing corporate accounting and cash forecasting reporting, enforcement of this provision of the U.S. Trustee Guidelines during these chapter 11 cases would disrupt the Debtors' ability to efficiently administer these chapter 11 cases.

21. Continuation of the Cash Management System is permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes the debtor in possession to "use property of the estate in the ordinary course without notice or a hearing." 11 U.S.C. § 363(c)(1).

Section 363(c)(1) of the Bankruptcy Code also allows a debtor in possession to engage in ordinary course transactions required to operate its business without additional oversight from its creditors or the court. *See, e.g., Med. Malpractice Ins. Ass'n v. Hirsch (In re Lavigne)*, 114 F.3d 379, 384 (2d Cir. 1997) (“Section 363(c)(1) of the Bankruptcy Code authorizes a debtor-in-possession to enter into transactions involving property of the estate within the ordinary course of business without notice or a hearing.”); *In re Enron Corp.*, Case No. 01-16034 (AJG), 2003 WL 1562202, at *15 (Bankr. S.D.N.Y. Mar. 21, 2003) (stating same). Included within the purview of section 363(c) of the Bankruptcy Code is a debtor’s ability to continue the “routine transactions” necessitated by a debtor’s cash management system. *In re Frigitemp Corp.*, 34 B.R. 1000, 1010 (S.D.N.Y. 1983), *aff'd*, 753 F.2d 230 (2d Cir. 1985); *see also Amdura Nat’l Distrib. Co. v. Amdura Corp. (In re Amdura Corp.)*, 75 F.3d 1447, 1453 (10th Cir. 1996).

22. Bankruptcy courts routinely treat requests for authority to continue utilizing existing cash management systems as a relatively “simple matter.” *See In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987). Additionally, courts have noted that an integrated cash management system “allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash.” *In re Columbia Gas Sys., Inc.*, 136 B.R. 930, 934 (Bankr. D. Del. 1992), *aff'd in part and rev'd in part*, 997 F.2d 1039 (3d Cir. 1993). As a result, courts have concluded that the requirement to maintain all accounts separately “would be a huge administrative burden and economically inefficient.” *Id.*, 997 F.2d at 1061; *see also In re Southmark Corp.*, 49 F.3d 1111, 1114 (5th Cir. 1995) (noting that maintaining an existing cash management system allows debtors “to administer more efficiently and effectively its financial operations and assets”).

23. Here, the Debtors respectfully request that the Bankruptcy Court allow them to operate each of the Bank Accounts identified on Exhibit 2 annexed to Exhibit A and Exhibit B attached. The Bank Accounts will be maintained in the ordinary course as they were before the Petition Date and are necessary to conduct the Debtors' routine prepetition transactions. As noted in the cases above, maintaining the Cash Management System and Bank Accounts allows efficient utilization of the Debtors' cash resources and will enable the Debtors' businesses to continue operating.

II. Maintaining the Existing Cash Management System Will Not Harm Parties in Interest.

24. The Debtors' continued use of their Cash Management System will facilitate the Debtors' transition into chapter 11 by, among other things, avoiding administrative inefficiencies, expenses, and distraction associated with disrupting this system and minimizing delays in the payment of postpetition obligations. The Debtors respectfully submit that parties in interest will not be harmed by the Debtors' maintenance of their existing Cash Management System, including maintenance of the Bank Accounts and continuance of the Intercompany Transactions, because the Debtors have implemented appropriate mechanisms to ensure that unauthorized payments will not be made on account of obligations incurred before the Petition Date. Specifically, with the assistance of their advisors, the Debtors have implemented internal control procedures that prohibit payments on account of prepetition debts without the prior approval of the Debtors' accounting department. In light of such protective measures, the Debtors submit that maintaining the Cash Management System is in the best interests of their estates and creditors.

III. Authorizing the Debtors to Continue Using Debit, Wire, and ACH Transfers Is Warranted.

25. The Debtors request that the Bankruptcy Court grant further relief from the U.S. Trustee Guidelines to the extent they require the Debtors to make all disbursements by check.

In particular, the U.S. Trustee Guidelines require that all receipts and all disbursements of estate funds must be made by check with a notation representing the reason for the disbursement. The Debtors conduct numerous transactions on a daily basis through ACH transfers and other similar methods. If the Debtors' ability to conduct transactions by debit, wire, ACH transfer, or other similar methods is impaired, the Debtors' day-to-day activities may be unnecessarily disrupted, and the estates will incur additional costs. Therefore, the Debtors submit that authorizing the continuation of using debit, wire, and ACH transfers is warranted.

IV. Authorizing the Banks to Continue to Maintain, Service, and Administer the Bank Accounts in the Ordinary Course Is Warranted.

26. The Debtors respectfully request that the Bankruptcy Court authorize the Banks to continue to maintain, service, and administer the Bank Accounts, without interruption and in the ordinary course. In this regard, the Banks should be authorized to (a) receive, process, honor, and pay any and all checks, ACH transfers, and other instructions and drafts payable through, drawn, or directed on such Bank Accounts after the Petition Date by holders, makers, or other parties entitled to issue instructions with respect thereto; (b) accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with any order of the Bankruptcy Court and governing law, whether such checks, drafts, wires, or ACH transfers are dated before or subsequent to the Petition Date; and (c) continue to charge the Debtors the Bank Fees and charge-back returned items to the Bank Accounts, whether such items are dated before, on, or subsequent to the Petition Date, in the ordinary course.

27. The Debtors also request that, to the extent a Bank honors a prepetition check or other item drawn on any account either: (a) at the direction of the Debtors; (b) in a good-faith belief that the Bankruptcy Court has authorized such prepetition check or item to be honored; or (c) as a result of an innocent mistake made despite implementation of customary item handling

procedures, such Bank will not be deemed to be liable to the Debtors or to the estates on account of such prepetition check or other item honored postpetition. This is reasonable and appropriate because the Banks are not in a position to independently verify or audit whether a particular item may be paid in accordance with a Court order or otherwise. The Debtors also request that the Bankruptcy Court authorize the Debtors to pay any prepetition Bank Fees for prepetition transactions that are charged postpetition.

28. Courts in this district have regularly waived certain U.S. Trustee Guidelines and allowed the continued use of cash management systems and prepetition bank accounts employed in the ordinary course of a debtor's prepetition business. *See, e.g., In re FULLBEAUTY Brands Holdings Corp.*, Case No. 19-22185 (RDD) (Bankr. S.D.N.Y. Feb. 7, 2019) (allowing debtors to continue using their cash management system); *In re Aegean Marine Petroleum Network Inc.*, Case No. 18-13374 (MEW) (Bankr. S.D.N.Y. Dec. 17, 2018) (same); *In re Nine West Holdings, Inc.*, Case No. 18-10947 (SCC) (Bankr. S.D.N.Y. Apr. 9, 2018) (same); *In re Cenveo, Inc.*, Case No. 18-22178 (RDD) (Bankr. S.D.N.Y. Feb. 2, 2018) (same); *In re 21st Century Oncology Holdings, Inc.*, Case No. 17-22770 (RDD) (Bankr. S.D.N.Y. June 20, 2017) (same).⁴

V. The Bankruptcy Court Should Authorize the Debtors to Continue Using Their Existing Business Forms.

29. To avoid disruption of the Cash Management System and unnecessary expense, the Debtors request that they be authorized to continue to use their existing Business Forms (including, without limitation, letterhead, checks, and other Business Forms) substantially in the form existing immediately before the Petition Date, without reference to their status as debtors in possession. The Debtors submit that parties in interest will not be prejudiced if they are authorized to continue

⁴ Because of the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request to the Debtors' proposed counsel.

to use their Business Forms substantially in the forms existing immediately before the Petition Date. Such parties will undoubtedly be aware of the Debtors' status as debtors in possession and, thus, changing Business Forms is unnecessary and would be unduly burdensome.

30. In other chapter 11 cases, courts in this district have allowed debtors to use their prepetition business forms without the "debtor in possession" label. *See, e.g., In re FULLBEAUTY Brands Holdings Corp.*, Case No. 19-22185 (RDD) (Bankr. S.D.N.Y. Feb. 7, 2019) (authorizing use of existing business forms); *In re Aegean Marine Petroleum Network Inc.*, Case No. 18-13374 (MEW) (Bankr. S.D.N.Y. Dec. 17, 2018) (same); *In re Nine West Holdings, Inc.*, Case No. 18-10947 (SCC) (Bankr. S.D.N.Y. Apr. 9, 2018) (same); *In re Cenveo, Inc.*, Case No. 18-22178 (RDD) (Bankr. S.D.N.Y. Feb. 2, 2018) (same); *In re 21st Century Oncology Holdings, Inc.*, Case No. 17-22770 (RDD) (Bankr. S.D.N.Y. June 20, 2017) (same).

VI. The Bankruptcy Court Should Authorize the Debtors to Continue Conducting Intercompany Transactions in the Ordinary Course and Grant Administrative Priority Status to Postpetition Intercompany Claims Among the Debtors.

31. The Debtors' funds move through the Cash Management System as described above. At any given time, there may be Intercompany Claims owing by one Debtor to another Debtor. Intercompany Transactions are made between and among Debtors in the ordinary course as part of the Cash Management System.⁵ The Debtors track all fund transfers in their accounting system and can ascertain, trace, and account for all Intercompany Transactions previously described. The Debtors, moreover, will continue to maintain records of such Intercompany Transactions.

⁵ Because the Debtors engage in Intercompany Transactions on a regular basis and such transactions are common among enterprises like it, the Debtors submit that the Intercompany Transactions are ordinary course transactions within the meaning of section 363(c)(1) of the Bankruptcy Code and, thus, do not require this Court's approval. Nonetheless, out of an abundance of caution, the Debtors seek express authority to engage in such transactions on a postpetition basis. Moreover, the continued performance of the ordinary course Intercompany Transactions is integral to ensure the Debtors' ability to operate their businesses as debtors in possession.

32. If the Intercompany Transactions were to be discontinued, the Cash Management System and related administrative controls could be disrupted to the Debtors' and the estates' detriment. Since these transactions represent extensions of intercompany credit made in the ordinary course of business that are an essential component of the Cash Management System, the Debtors respectfully request the authority to continue conducting the Intercompany Transactions in the ordinary course of business without need for further Bankruptcy Court order.

33. To ensure each individual Debtor will not, at the expense of its creditors, fund the operations of another entity, the Debtors respectfully request, pursuant to section 503(b)(1) of the Bankruptcy Code, that all postpetition payments from a Debtor to another Debtor on account of an Intercompany Transaction be accorded administrative expense status. This relief will ensure that each entity receiving payments from a Debtor will continue to bear ultimate repayment responsibility for such ordinary course transactions, thereby reducing the risk that these transactions would jeopardize the recoveries available to each Debtor's respective creditors.

34. Similar relief has been granted in other similarly situated chapter 11 cases in this district and other districts. *See, e.g., In re FULLBEAUTY Brands Holdings Corp.*, Case No. 19-22185 (RDD) (Bankr. S.D.N.Y. Feb. 7, 2019) (allowing intercompany transactions to continue); *In re Aegean Marine Petroleum Network Inc.*, Case No. 18-13374 (MEW) (Bankr. S.D.N.Y. Dec. 17, 2018) (same); *In re Nine West Holdings, Inc.*, Case No. 18-10947 (SCC) (Bankr. S.D.N.Y. Apr. 9, 2018) (same); *In re Cenveo, Inc.*, Case No. 18-22178 (RDD) (Bankr. S.D.N.Y. Feb. 2, 2018) (same); *In re 21st Century Oncology Holdings, Inc.*, Case No. 17-22770 (RDD) (Bankr. S.D.N.Y. June 20, 2017) (same).

VII. Cause Exists for Waiving the U.S. Trustee Guidelines Regarding Authorized Depositories on an Interim and Final Basis.

35. To the extent the Cash Management System does not strictly comply with section 345 of the Bankruptcy Code, the Debtors further seek a waiver, both on an interim and final basis, of the deposit and investment requirements set forth therein.

36. Section 345(a) of the Bankruptcy Code authorizes deposit or investment of money of estates, such as cash, as “will yield the maximum reasonable net return on such money, taking into account the safety of such deposit or investment.” For deposits that are not “insured or guaranteed by the United States or by a department, agency or instrumentality of the United States or backed by the full faith and credit of the United States,” section 345(b) of the Bankruptcy Code provides that the estate must require from the entity with which the money is deposited or invested a bond in favor of the United States secured by the undertaking of a corporate security, “unless the court for cause orders otherwise.” Additionally, under the U.S. Trustee Guidelines, debtors in possession must, among other things, close prepetition bank accounts and open new “debtor in possession” operating, payroll, and tax accounts at one or more Authorized Depositories.

37. Courts may waive compliance with the Bankruptcy Code section 345 and the U.S. Trustee Guidelines for “cause.” In evaluating whether “cause” exists, courts have considered a number of factors such as:

- (1) the sophistication of the debtor’s business;
- (2) the size of the debtor’s business operations;
- (3) the amount of the investments involved;
- (4) the bank ratings (Moody’s and Standard & Poor) of the financial institutions where the debtor in possession funds are held;
- (5) the complexity of the case;

- (6) the safeguards in place within the debtor's own business for ensuring the safety of the funds;
- (7) the debtor's ability to reorganize in the face of a failure of one or more of the financial institutions;
- (8) the benefit to the debtor;
- (9) the harm, if any, to the debtor;
- (10) the harm, if any, to the estate; and
- (11) the reasonableness of the debtor's request for relief from section 345(b) requirements in light of the overall circumstances of the case.

See In re Serv. Merch. Co., Inc., 240 B.R. 894, 896 (Bankr. M.D. Tenn. 1999).

38. Because the Bank Accounts are vital to the Cash Management System, requiring the Debtors to transfer funds to other banks would be unduly burdensome to the Debtors' operations and potentially cause severe tax consequences to the detriment of the Debtors' estates. In addition, the Bank Accounts are maintained at well-capitalized, highly-rated banks and, provide security for letters of credit related to leases to which the Debtors are party. Therefore, the Debtors submit that cause exists to waive the U.S. Trustee Guidelines and allow the Debtors to continue to maintain the Bank Accounts in the ordinary course of business.

39. Similar relief has been granted in other similarly situated chapter 11 cases in this district. *See, e.g., In re FULLBEAUTY Brands Holdings Corp.*, Case No. 19-22185 (RDD) (Bankr. S.D.N.Y. Feb. 7, 2019) (waiving U.S. Trustee Guidelines regarding authorized depositories); *In re Aegean Marine Petroleum Network Inc.*, Case No. 18-13374 (MEW) (Bankr. S.D.N.Y. Nov. 9, 2018) (waiving U.S. Trustee Guidelines regarding authorized depositories); *In re Nine West Holdings, Inc.*, Case No. 18-10947 (SCC) (Bankr. S.D.N.Y. June 26, 2018) (same); *In re Global A&T Electronics Ltd.*, Case No. 17-23931 (RDD) (Bankr. S.D.N.Y. Dec. 19, 2017) (same); *In re Avaya Inc.*, Case No. 17-10089 (SMB) (Bankr. S.D.N.Y. Mar. 31, 2017) (same).

The Requirements of Bankruptcy Rule 6003(b) Are Satisfied

40. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date “to the extent that relief is necessary to avoid immediate and irreparable harm.” Fed. R. Bankr. P. 6003. As set forth in this Motion, the Debtors believe an immediate and orderly transition into chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Debtors’ operations and cause irreparable harm. Furthermore, the failure to receive the requested relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors’ operations at this critical juncture and imperil the Debtors’ restructuring. Accordingly, the Debtors submit that they have satisfied the “immediate and irreparable harm” standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

41. To successfully implement the foregoing, the Debtors request that the Bankruptcy Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

Reservation of Rights

42. Nothing contained in this Motion or any actions taken pursuant to any order granting the relief requested by this Motion is intended or should be construed as (a) an admission as to the validity of any particular claim against the Debtors, (b) a waiver of the Debtors’ rights 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 Motion or any order granting the relief requested by this 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 this Motion are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens. If the Bankruptcy Court grants the relief sought herein, any payment made pursuant to the Bankruptcy Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

Motion Practice

43. This Motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated and a discussion of its application to this Motion. Accordingly, the Debtors submit that this Motion satisfies Local Rule 9013-1(a).

Notice

44. The Debtors will provide notice of this Motion to the following parties and/or their respective counsel, as applicable: (a) the Office of the United States Trustee for the Southern District of New York; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) the agent under the proposed postpetition debtor in possession financing facility; (d) the administrative agents and indenture trustees under the Debtors' prepetition credit agreement and note indentures; (e) Milbank LLP, counsel to an *ad hoc* group of second lien noteholders; (f) Paul, Weiss, Rifkind, Wharton & Garrison LLP, counsel to an *ad hoc* group of first lien term lenders; (g) Shearman & Sterling LLP, counsel to the Midwest noteholders; (h) the Pension Benefit Guaranty Corporation; (i) the United States Attorney's Office for the Southern District of New York; (j) the Internal Revenue Service; (k) the United States Securities and Exchange Commission; (l) the Environmental Protection Agency and all similar state environmental agencies; (m) the attorneys general in the states where the Debtors conducts their

business operations; (n) the Banks; and (o) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

45. No prior request for the relief sought in this Motion has been made to this or any other court.

[Remainder of page intentionally left blank.]

WHEREFORE, the Debtors respectfully request that the Bankruptcy Court enter the Interim Order and Final Order granting the relief requested herein and such other relief as the Bankruptcy Court deems appropriate under the circumstances.

Dated: February 25, 2019
New York, New York

/s/ Stephen E. Hessler

Stephen E. Hessler, P.C.

Marc Kieselstein, P.C.

Cristine Pirro Schwarzman

KIRKLAND & ELLIS LLP

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- and -

James H.M. Sprayregen, P.C.

Ross M. Kwasteniet, P.C. (*pro hac vice* pending)

Brad Weiland (*pro hac vice* pending)

John R. Luze (*pro hac vice* pending)

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Telephone: (312) 862-2000

Facsimile: (312) 862-2200

Proposed Counsel to the Debtors and Debtors in Possession

Exhibit A

Proposed Interim 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.)	(Joint Administration Requested)
)	

**INTERIM ORDER AUTHORIZING THE DEBTORS TO CONTINUE (I) TO
OPERATE THEIR CASH MANAGEMENT SYSTEM, HONOR CERTAIN
PREPETITION OBLIGATIONS RELATED THERETO, AND MAINTAIN
EXISTING BUSINESS FORMS AND (II) THEIR INTERCOMPANY TRANSACTIONS**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (this “Interim Order”): authorizing the Debtors to continue to: (a) (i) operate their cash management system (the “Cash Management System”); (ii) honor certain prepetition obligations related thereto; and (iii) maintain existing business forms; and (b) honor Intercompany Transactions in the ordinary course of business on a postpetition basis and granting superpriority administrative expense status to postpetition Intercompany Transactions, 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 and 1334 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 that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue

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.kcellc.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.

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

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 this is a core proceeding pursuant to 28 U.S.C. § 157(b); 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 no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing, if any, 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 on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on _____, 2019, at ___:___ .m., prevailing Eastern Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Eastern Time, on _____, 2019, and shall be served on: (a) the Debtors, Windstream Holdings, Inc., 4001 North Rodney Parham Road, Little Rock, Arkansas 72212, Attn.: Kristi M. Moody; (b) proposed counsel to the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Stephen E. Hessler, P.C., and Kirkland & Ellis LLP, 300 North LaSalle Street, Chicago, Illinois 60654, Attn.: Ross M. Kwasteniet, P.C., Brad Weiland, and John R. Luze; (c) counsel to any statutory committee appointed in these cases; and (d) the Office of The United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, New York 10014, Attn.: Paul K. Schwartzberg and Serene Nakano. In the event no objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

3. The Debtors are authorized, on an interim basis and in their sole discretion, to: (a) continue operating the Cash Management System, substantially as illustrated on **Exhibit 1** attached hereto; (b) honor their prepetition obligations related thereto; and (c) continue to perform Intercompany Transactions consistent with historical practice.

4. The Debtors are authorized, on an interim basis and in their sole discretion, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those Bank Accounts identified on **Exhibit 2** attached hereto; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (c) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; (d) pay all Prepetition Bank Fees; and (e) pay any ordinary course Bank Fees incurred in connection with the Bank Accounts and Payment Processing Programs, irrespective of whether such fees arose prior to the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts and Payment Processing Programs.

5. The Debtors are authorized, but not directed, to continue using, in their present form, the Business Forms, as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, without reference to the Debtors' status as debtors in possession; *provided, however*, that the Debtors shall use their reasonable best efforts to affix "Debtor In Possession" to existing Business Forms and once the Debtors have exhausted their existing stock of Business Forms, the Debtors shall ensure that any new Business Forms are clearly labeled "Debtor In Possession"; and *provided, further*, with respect to any Business Forms that exist or are generated electronically, the Debtors shall ensure that such electronic Business Forms are clearly labeled "Debtor In Possession."

6. The Banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession and maintain, service, and administer the Payment Processing Programs, in each case without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

7. All banks provided with notice of this Interim Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts, or otherwise issued before the Petition Date, absent further direction from the Debtors.

8. The Debtors will maintain records in the ordinary course reflecting transfers of cash, if any, including Intercompany Transactions, so as to permit all such transactions to be ascertainable.

9. In the course of providing cash management services to the Debtors, each of the Banks at which the Bank Accounts are maintained is authorized (and Paymentech with respect to the Chase Bank Merchant Services Program), without further order of this Court, to deduct the applicable fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors (including, without limitation, the Payment Processing Programs), whether arising prepetition or postpetition, from the appropriate accounts of the Debtors, and further, to charge back to, and take and apply reserves from, the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, merchant services transactions or other electronic transfers of any kind, regardless of whether such items were deposited or transferred

prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

10. Each of the Banks (and Paymentech with respect to the Chase Bank Merchant Services Program) is authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for: (a) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (b) all checks or other items deposited in one of the Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; (c) all undisputed prepetition amounts outstanding of the date hereof, if any, owed to any Bank or Paymentech as service charges for the maintenance of the Cash Management System; and (d) all reversals, returns, refunds, and chargebacks of checks, deposited items, and other debits credited to Debtor's account after the Commencement Date, regardless of the reason such item is returned or reversed (including, without limitation, for insufficient funds or a consumer's statutory right to reverse a charge).

11. Each of the Debtors' Banks may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

12. The Debtors are authorized to open any new bank accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided that* (a) those certain existing deposit agreements between the Debtors and their existing depository

and disbursement Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect; and (b) either the Debtors or the Banks (or Paymentech, with respect to the Chase Bank Merchant Services Program) may, without further order of this Court, implement changes to the Cash Management Systems and procedures in the ordinary course of business pursuant to the terms of those existing deposit agreements, including, without limitation, the opening of new bank accounts and closing of Bank Accounts; *provided, however*, that in the event the Debtors open a new bank account they shall open one at an authorized depository; *provided, further, however*, that the Debtors shall give notice of the opening of any new bank accounts or closing of any Bank Account to the U.S. Trustee.

13. Nothing contained herein shall prevent the Banks (or, as applicable, their affiliates) from modifying or terminating any Bank Accounts, Payment Processing Programs, or related services in accordance with the agreements governing such accounts, programs or services.

14. The requirement to establish separate bank accounts for cash collateral and/or tax payments is hereby waived.

15. Notwithstanding anything to the contrary set forth herein, the Debtors are authorized to continue Intercompany Transactions arising from or related to the operation of their business in the ordinary course.

16. All postpetition payments from the Debtors to another Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded superpriority administrative expense status under section 503(b) of the Bankruptcy Code.

17. Notwithstanding the Debtors' use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

18. The Debtor may, and does, authorize each of Wells Fargo, Chase Bank, and Paymentech, in their respective capacities as cash management service providers, and Wells Fargo, Chase Bank, and Paymentech may, without the need for further order of this Court, hold or otherwise set aside an amount of funds reasonably necessary to cover outstanding items and potential reversals, returns, refunds, or chargebacks of checks, deposited items, and other debits credited to Debtor's account and any fees and costs in connection therewith, and Wells Fargo, Chase Bank, and Paymentech shall each have a first-priority lien in such funds securing all cash management liabilities of Debtor owing to Wells Fargo, Chase Bank, or Paymentech, as the case may be (and including, with respect to Chase Bank and Paymentech, all liabilities and reserves arising in connection with the Chase Bank Merchant Services Program), such that (a) such interest in such funds shall be a permitted first-priority lien under any debtor-in-possession financing or cash collateral usage authorized in this case and (b) Wells Fargo, Chase Bank, and Paymentech may debit or setoff against such funds for any outstanding cash management liabilities owing to it in accordance with the existing deposit agreements and other cash management agreements between Debtor and Wells Fargo, Chase Bank, or Paymentech, as applicable. All payments to Wells Fargo, Chase Bank, and Paymentech authorized pursuant to this paragraph 18 and all Bank Fees shall be accorded superpriority administrative expense status pursuant to section 503(b) of the Bankruptcy Code.

19. Those certain existing deposit and service agreements between the Debtor and the Banks (and Paymentech, with respect to the Chase Bank Merchant Services Program) shall

continue to govern the postpetition cash management relationship between the Debtor and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination, chargeback, and fee provisions, shall remain in full force and effect.

20. The Debtor and the Banks (and Paymentech, with respect to the Chase Bank Merchant Services Program) may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts.

21. 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 any Bank Fees.

22. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (a) an admission as to the validity of any prepetition claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Interim Order or the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights or the rights of any other Person 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.

23. The Debtors' time to comply with Bankruptcy Code section 345(b), to the extent necessary for any particular Bank Account, is hereby extended for a period of forty-five (45) days from the date of this Order; *provided, however*, that such extension is without prejudice to the Debtors' right to (a) request a further extension of such relief or the waiver of the requirements of Bankruptcy Code section 345(b), and (b) assert that any particular Bank Account complies with Bankruptcy Code section 345(b).

24. Notwithstanding anything in the Motion or this Interim 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).

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

26. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

27. 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.

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

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

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

White Plains, New York

Dated: _____, 2019

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Cash Management System Schematic

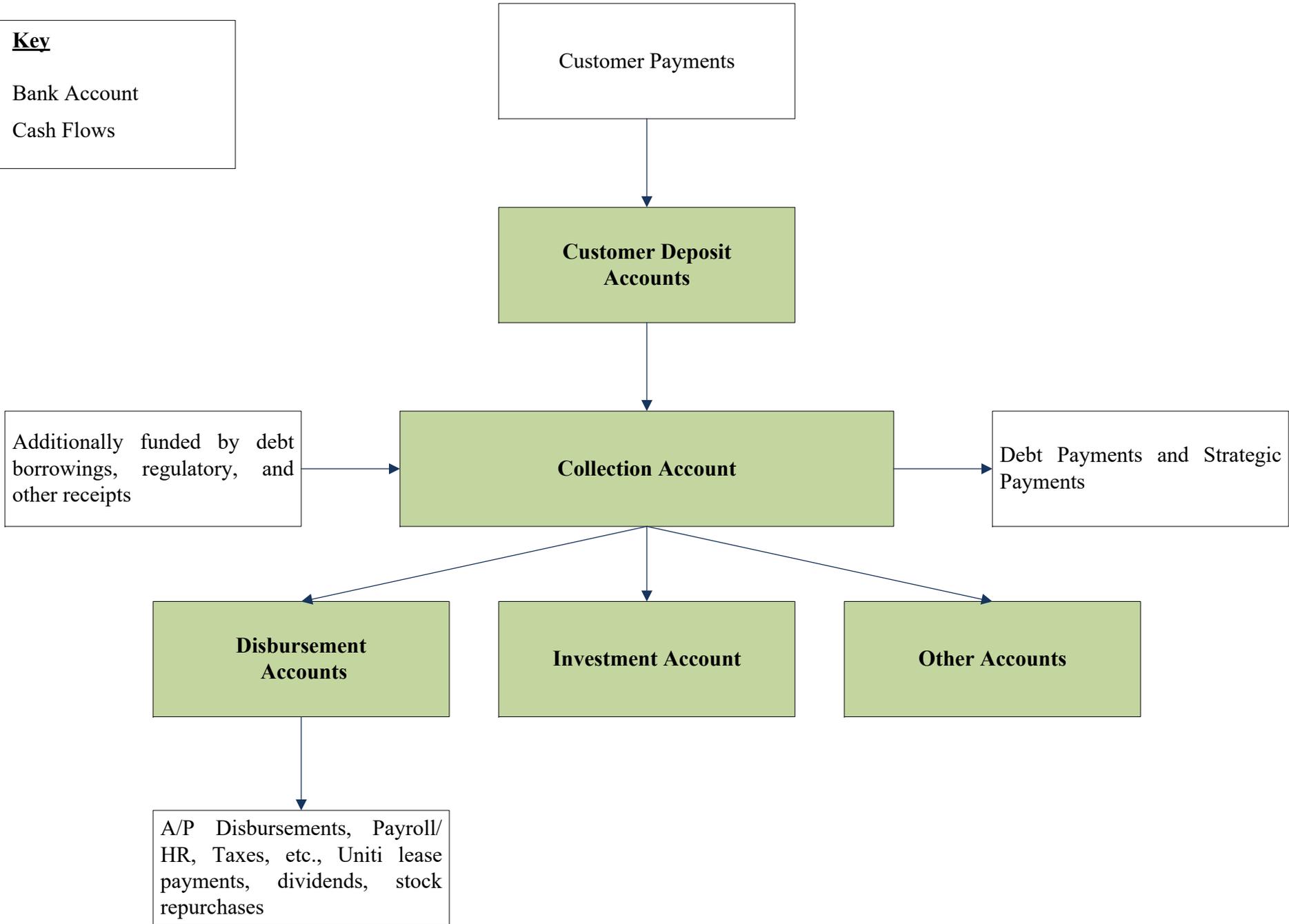
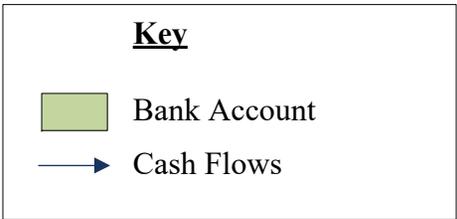


Exhibit 2

Bank Accounts

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
1.	Windstream Services, LLC	Bank of America	6399	Customer Deposit
2.	Windstream Services, LLC	Bank of America	6412	Customer Deposit
3.	Windstream Standard LL	Bank of America	7781	Customer Deposit
4.	Windstream Georgia Communications LLC	Bank of America	1766	Customer Deposit
5.	Windstream Georgia Communications LLC	Bank of America	3834	Customer Deposit
6.	Windstream Georgia Communications LLC	Bank of America	7765	Customer Deposit
7.	Windstream Georgia Communications LLC	Bank of America	4507	Customer Deposit
8.	Windstream South Carolina, LLC	Bank of America	5525	Customer Deposit
9.	Windstream Communications, LLC	Bank of America	5586	Customer Deposit
10.	Windstream Services, LLC	Bank of America	5419	Customer Deposit
11.	Windstream Services, LLC	Bank of America	7948	Customer Deposit
12.	Windstream Services, LLC	Bank of America	8296	Disbursement
13.	Windstream Kentucky West, LLC	Bank of America	0597	Customer Deposit
14.	Windstream Kentucky West, LLC	Bank of America	0571	Customer Deposit
15.	EarthLink Business LLC	Bank of America	6429	Customer Deposit
16.	CTC Communications Corp	Bank of America	8396	Customer Deposit
17.	American Telephone Company LLC	Bank of America	1931	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
18.	American Telephone Company LLC	Bank of America	2964	Other
19.	American Telephone Company LLC	Bank of America	9254	Disbursement
20.	D&E Management Services, Inc.	Bank of America	3288	Other
21.	PCS Licenses, Inc.	Bank of America	3291	Other
22.	PAETEC Communications, LLC	Bank of America	0882	Customer Deposit
23.	Windstream Communications, LLC	Bank of America	7820	Customer Deposit
24.	Windstream Communications Telecom, LLC	Bank of America	1529	Customer Deposit
25.	Windstream D & E Systems, LLC	Bank of America	0702	Customer Deposit
26.	Cavalier Telephone, LLC	Bank of America	7841	Customer Deposit
27.	Windstream Services, LLC	Bank of America	5875	Customer Deposit
28.	Windstream Holdings, Inc.	Bank of America	2369	Disbursement
29.	Windstream Services, LLC	Bank of America	2933	Disbursement
30.	Windstream Services, LLC	Bank of America	2941	Disbursement
31.	Windstream Services, LLC	Bank of America	1821	Customer Deposit
32.	Windstream Services, LLC	Bank of America	7973	Disbursement
33.	Windstream Services, LLC	Bank of America	1805	Collection
34.	Windstream Communications, LLC	Bank of America	6049	Customer Deposit
35.	Windstream Services, LLC	Bank of America	4885	Disbursement

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
36.	Windstream Services, LLC	Bank of America	4919	Disbursement
37.	Windstream Services, LLC	Bank of America	5089	Disbursement
38.	Windstream Services, LLC	Bank of America	5309	Other
39.	Windstream Services, LLC	Bank of America	8985	Disbursement
40.	Windstream Services, LLC	Bank of America	4893	Disbursement
41.	Windstream Communications, LLC	Bank of America	0600	Customer Deposit
42.	Windstream Communications, LLC	Bank of America	1698	Customer Deposit
43.	Windstream Communications, LLC	Bank of America	1724	Customer Deposit
44.	Windstream Communications, LLC	Bank of America	1737	Customer Deposit
45.	Windstream Communications, LLC	Bank of America	3741	Customer Deposit
46.	Windstream Communications, LLC	Bank of America	1454	Customer Deposit
47.	Windstream Communications, LLC	Bank of America	1441	Customer Deposit
48.	Windstream Communications, LLC	Bank of America	1795	Customer Deposit
49.	Windstream Communications, LLC	Bank of America	5301	Customer Deposit
50.	Windstream Communications, LLC	Bank of America	5327	Customer Deposit
51.	Windstream Communications, LLC	Bank of America	5314	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
52.	Windstream Communications, LLC	Bank of America	4239	Customer Deposit
53.	Windstream Nuvox, LLC	Bank of America	4998	Customer Deposit
54.	Windstream Services, LLC	Bank of America	6445	Disbursement
55.	Windstream Communications, LLC	Bank of America	1672	Disbursement
56.	American Telephone Company LLC	Bank of America	5933	Other
57.	Windstream Communications, LLC	Bank of America	4144	Customer Deposit
58.	MassCom, LLC	Chase Bank	1531	Other
59.	MassCom, LLC	Chase Bank	7509	Customer Deposit
60.	MassCom, LLC	Chase Bank	7517	Customer Deposit
61.	MassCom, LLC	Chase Bank	9872	Disbursement
62.	Windstream Kentucky West, LLC	Chase Bank	2757	Customer Deposit
63.	Windstream Kentucky West, LLC	Chase Bank	2773	Customer Deposit
64.	PAETEC Communications, Inc.	Chase Bank	3425	Customer Deposit
65.	Windstream Communications, LLC	Chase Bank	8972	Customer Deposit
66.	Windstream Communications, LLC	Chase Bank	6643	Customer Deposit
67.	Windstream Nuvox, LLC	Chase Bank	2808	Customer Deposit
68.	Windstream Nuvox, LLC	Chase Bank	8595	Customer Deposit
69.	Windstream Services, LLC	Chase Bank	8926	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
70.	Broadview Networks Inc.	Citibank	1189	Other
71.	Broadview Networks Inc.	Citibank	2139	Other
72.	Broadview Networks Inc.	Citibank	2496	Investment
73.	Broadview Networks Inc.	Citibank	3268	Customer Deposit
74.	Broadview Networks Inc.	Citibank	3276	Customer Deposit
75.	Broadview Networks Inc.	Citibank	4481	Disbursement
76.	Bridgecom Solutions Group Inc.	Citibank	4529	Disbursement
77.	ARC Networks Inc.	Citibank	4678	Customer Deposit
78.	Broadview Networks Inc.	Citibank	5321	Other
79.	BridgeCom International Inc.	Citibank	5479	Customer Deposit
80.	Eureka Networks, LLC	Citibank	5978	Disbursement
81.	Broadview Networks Inc.	Citibank	7016	Other
82.	Broadview Networks Inc.	Citibank	8237	Other
83.	Eureka Networks, LLC	Citibank	8489	Customer Deposit
84.	Broadview Networks Inc.	Citibank	9378	Other
85.	XETA Technologies, Inc.	Commerce Bank	6094	Customer Deposit
86.	Windstream Communications, LLC	Commerce Bank	0382	Customer Deposit
87.	Windstream Georgia Comm. LLC	Exchange Bank	3349	Customer Deposit
88.	EarthLink Business, LLC	Fifth Third Bank	8741	Customer Deposit
89.	Windstream North Carolina, LLC	First Bank	0206	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
90.	Windstream Ohio, LLC	First Central National Bank	2580	Customer Deposit
91.	Windstream Florida, LLC	First Federal Savings	7709	Customer Deposit
92.	Windstream Kentucky West, LLC	Forcht Bank	9736	Customer Deposit
93.	PAETEC Communications, LLC	HSBC	9204	Customer Deposit
94.	XETA Technologies, Inc.	M&T Bank	2912	Disbursement
95.	PAETEC Communications, LLC	M&T Bank	2501	Customer Deposit
96.	Windstream Montezuma, LLC	Montezuma State Bank	2082	Customer Deposit
97.	Broadview Networks, Inc.	RBC	1225	Disbursement
98.	Windstream Georgia, LLC	Regions Bank	2469	Customer Deposit
99.	Windstream Standard, LLC	Regions Bank	2442	Customer Deposit
100.	EarthLink Carrier LLC	Regions Bank	6708	Customer Deposit
101.	Deltacom, LLC	Regions Bank	6996	Customer Deposit
102.	Windstream Services, LLC	Security State Bank & Trust	0795	Customer Deposit
103.	Windstream North Carolina, LLC	SunTrust	4078	Customer Deposit
104.	Windstream New York, Inc.	SunTrust	9486	Customer Deposit
105.	Windstream Georgia, LLC	The Farmers Bank	818	Customer Deposit
106.	BOB, LLC	CIBC	0393	Customer Deposit
107.	Windstream Missouri, LLC	UMB	0464	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
108.	Teleview, LLC	United Community Bank	4351	Customer Deposit
109.	Windstream Nebraska, Inc.	U.S. Bank	3936	Customer Deposit
110.	Windstream Services, LLC	U.S. Bank	9924	Customer Deposit
111.	Windstream Georgia Communications, LLC	Wells Fargo Bank	8115	Customer Deposit
112.	Windstream Services, LLC	Wells Fargo Bank	5700	Customer Deposit
113.	Windstream Nebraska, Inc.	Wells Fargo Bank	1370	Customer Deposit
114.	Windstream Communications, LLC	Wells Fargo Bank	5518	Customer Deposit
115.	Windstream Communications, LLC	Wells Fargo Bank	0269	Customer Deposit
116.	Windstream Communications, LLC	Wells Fargo Bank	3712	Customer Deposit
117.	D&E Management Services, Inc.	U.S. Bank	8333	Other
118.	Conestoga Management Services, Inc.	U.S. Bank	0195	Other
119.	Buffalo Valley Management Services, Inc.	U.S. Bank	0220	Other
120.	PCS Licenses, Inc.	U.S. Bank	3880	Other
121.	Conestoga Management Services, Inc.	Wells Fargo Bank	4247	Other
122.	Buffalo Valley Management Services, Inc.	Wells Fargo Bank	4234	Other
123.	Windstream Services, LLC	Bank of America	5832	Other
124.	Windstream Ohio, Inc.	Park National	2092	Customer Deposit

Exhibit B

Proposed Final 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.)	(Joint Administration Requested)

**FINAL ORDER AUTHORIZING THE DEBTORS TO CONTINUE (I) TO
OPERATE THEIR CASH MANAGEMENT SYSTEM, HONOR CERTAIN
PREPETITION OBLIGATIONS RELATED THERETO, AND MAINTAIN
EXISTING BUSINESS FORMS AND (II) THEIR INTERCOMPANY TRANSACTIONS**

Upon the motion (the “Motion”)² 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 to: (a) (i) operate their cash management system (the “Cash Management System”); (ii) honor certain prepetition obligations related thereto; and (iii) maintain existing business forms; and (b) honor Intercompany Transactions in the ordinary course of business on a postpetition basis and granting superpriority administrative expense status to postpetition Intercompany Transactions, 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 that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue

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.kcellc.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.

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

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 this is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; 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 on a final basis as set forth herein.
2. The Debtors are authorized, in their sole discretion, to: (a) continue operating the Cash Management System, substantially as illustrated on **Exhibit 1** attached hereto; (b) honor their prepetition obligations related thereto; and (c) continue to perform Intercompany Transactions consistent with historical practice.
3. The Debtors are further authorized, in their sole discretion, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those Bank Accounts identified on **Exhibit 2** attached hereto; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (c) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers, and other debits; (d) pay all Prepetition Bank Fees; and (e) pay any ordinary course Bank Fees incurred in connection with the Bank Accounts and Payment Processing Programs, irrespective of whether such fees arose prior to the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts and Payment Processing Programs.

4. The Debtors are authorized, but not directed, to continue using, in their present form, the Business Forms, as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, without reference to the Debtors' status as debtors in possession; *provided, however*, that the Debtors shall use their reasonable best efforts to affix "Debtor In Possession" to existing Business Forms and once the Debtors have exhausted their existing stock of Business Forms, the Debtors shall ensure that any new Business Forms are clearly labeled "Debtor In Possession"; *provided, further*, with respect to any Business Forms that exist or are generated electronically, the Debtors shall ensure that such electronic Business Forms are clearly labeled "Debtor In Possession."

5. The Banks at which the Bank Accounts are maintained are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession and maintain, service, and administer the Payment Processing Programs, in each case without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be.

6. All banks provided with notice of this Final Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts, or otherwise issued before the Petition Date, absent further direction from the Debtors.

7. The Debtors will maintain records in the ordinary course reflecting transfers of cash, if any, including Intercompany Transactions, so as to permit all such transactions to be ascertainable.

8. In the course of providing cash management services to the Debtors, each of the Banks at which the Bank Accounts are maintained is authorized (and Paymentech with respect to

the Chase Bank Merchant Services Program), without further order of this Court, to deduct the applicable fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors (including, without limitation, the Payment Processing Programs), whether arising prepetition or postpetition, from the appropriate accounts of the Debtors, and further, to charge back to, and take and apply reserves from, the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, merchant services transactions or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

9. Each of the Banks (and Paymentech with respect to the Chase Bank Merchant Services Program) is authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for: (a) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (b) all checks or other items deposited in one of the Debtors' accounts with such Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; (c) all undisputed prepetition amounts outstanding of the date hereof, if any, owed to any Bank or Paymentech as service charges for the maintenance of the Cash Management System; and (d) all reversals, returns, refunds, and chargebacks of checks, deposited items, and other debits credited to Debtor's account after the Commencement Date, regardless of the reason such item is returned or reversed (including, without limitation, for insufficient funds or a consumer's statutory right to reverse a charge).

10. Each of the Debtors' Banks may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date and should be honored pursuant to this or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

11. The Debtors are authorized to open any new bank accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided that* (a) those certain existing deposit agreements between the Debtors and their existing depository and disbursement Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect; and (b) either the Debtors or the Banks (or Paymentech, with respect to the Chase Bank Merchant Services Program) may, without further order of this Court, implement changes to the Cash Management Systems and procedures in the ordinary course of business pursuant to the terms of those existing deposit agreements, including, without limitation, the opening of new bank accounts and closing of Bank Accounts; *provided, however,* that in the event the Debtors open a new bank account they shall open one at an authorized depository; *provided, further, however,* that the Debtors shall give notice of the opening of any new bank accounts or closing of any Bank Account to the U.S. Trustee.

12. Nothing contained herein shall prevent the Banks (or, as applicable, their affiliates) from modifying or terminating any Bank Accounts, Payment Processing Programs, or related services in accordance with the agreements governing such accounts, programs or services.

13. The requirement to establish separate accounts for cash collateral and/or tax payments is hereby waived.

14. Notwithstanding anything to the contrary set forth herein, the Debtors are authorized to continue Intercompany Transactions arising from or related to the operation of their businesses in the ordinary course.

15. All postpetition payments from the Debtors to another Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded superpriority administrative expense status under section 503(b) of the Bankruptcy Code.

16. Notwithstanding the Debtors use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

17. The Debtor may, and does, authorize each of Wells Fargo, Chase Bank, and Paymentech, in their respective capacities as cash management service providers, and Wells Fargo, Chase Bank, and Paymentech may, without the need for further order of this Court, hold or otherwise set aside an amount of funds reasonably necessary to cover outstanding items and potential reversals, returns, refunds, or chargebacks of checks, deposited items, and other debits credited to Debtor's account and any fees and costs in connection therewith, and Wells Fargo, Chase Bank, and Paymentech shall each have a first-priority lien in such funds securing all cash management liabilities of Debtor owing to Wells Fargo, Chase Bank, or Paymentech, as the case may be (and including, with respect to Chase Bank and Paymentech, all liabilities and reserves arising in connection with the Chase Bank Merchant Services Program), such that (a) such interest in such funds shall be a permitted first-priority lien under any debtor-in-possession financing or cash collateral usage authorized in this case and (b) Wells Fargo, Chase Bank, and Paymentech

may debit or setoff against such funds for any outstanding cash management liabilities owing to it in accordance with the existing deposit agreements and other cash management agreements between Debtor and Wells Fargo, Chase Bank, or Paymentech, as applicable. All payments to Wells Fargo, Chase Bank, and Paymentech authorized pursuant to this paragraph 17 and all Bank Fees shall be accorded superpriority administrative expense status pursuant to section 503(b) of the Bankruptcy Code.

18. Those certain existing deposit and service agreements between the Debtor and the Banks (and Paymentech, with respect to the Chase Bank Merchant Services Program) shall continue to govern the postpetition cash management relationship between the Debtor and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination, chargeback, and fee provisions, shall remain in full force and effect.

19. The Debtor and the Banks (and Paymentech, with respect to the Chase Bank Merchant Services Program) may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts.

20. 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 any Bank Fees.

21. 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 prepetition claim against a debtor entity; (b) a waiver of the Debtors' rights to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition

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 prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' rights or the rights of any other Person 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.

22. The Debtors' time to comply with Bankruptcy Code section 345(b), to the extent necessary for any particular Bank Account, is hereby extended for a period of forty-five (45) days from the date of this Order; *provided, however*, that such extension is without prejudice to the Debtors' right to (a) request a further extension of such relief or the waiver of the requirements of Bankruptcy Code section 345(b), and (b) assert that any particular Bank Account complies with Bankruptcy Code section 345(b).

23. 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).

24. 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.

25. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

26. 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.

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

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

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

White Plains, New York
Dated: _____, 2019

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Cash Management System Schematic

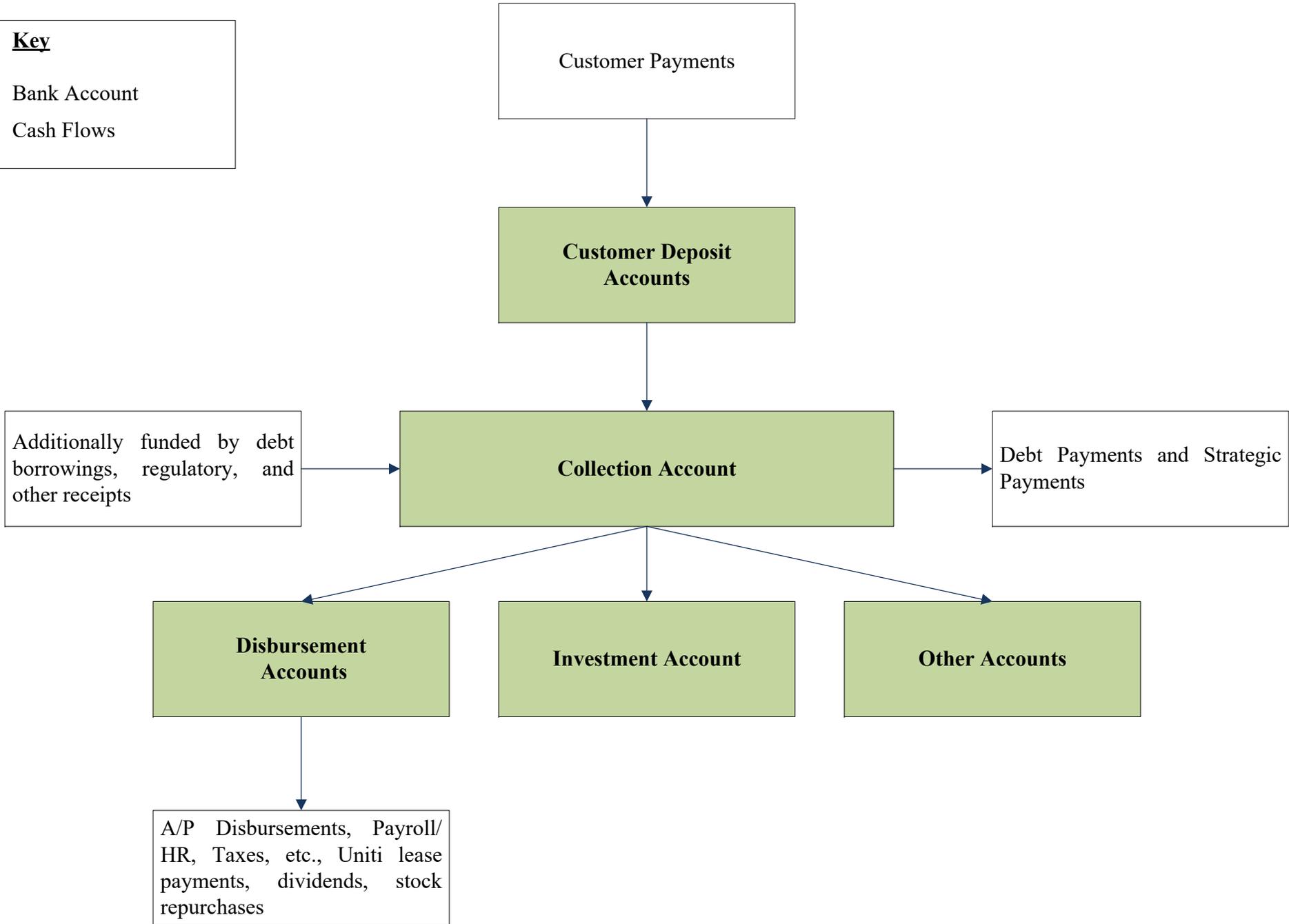
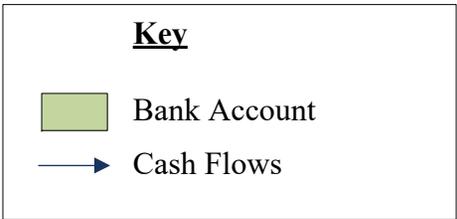


Exhibit 2

Bank Accounts

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
1.	Windstream Services, LLC	Bank of America	6399	Customer Deposit
2.	Windstream Services, LLC	Bank of America	6412	Customer Deposit
3.	Windstream Standard LL	Bank of America	7781	Customer Deposit
4.	Windstream Georgia Communications LLC	Bank of America	1766	Customer Deposit
5.	Windstream Georgia Communications LLC	Bank of America	3834	Customer Deposit
6.	Windstream Georgia Communications LLC	Bank of America	7765	Customer Deposit
7.	Windstream Georgia Communications LLC	Bank of America	4507	Customer Deposit
8.	Windstream South Carolina, LLC	Bank of America	5525	Customer Deposit
9.	Windstream Communications, LLC	Bank of America	5586	Customer Deposit
10.	Windstream Services, LLC	Bank of America	5419	Customer Deposit
11.	Windstream Services, LLC	Bank of America	7948	Customer Deposit
12.	Windstream Services, LLC	Bank of America	8296	Disbursement
13.	Windstream Kentucky West, LLC	Bank of America	0597	Customer Deposit
14.	Windstream Kentucky West, LLC	Bank of America	0571	Customer Deposit
15.	EarthLink Business LLC	Bank of America	6429	Customer Deposit
16.	CTC Communications Corp	Bank of America	8396	Customer Deposit
17.	American Telephone Company LLC	Bank of America	1931	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
18.	American Telephone Company LLC	Bank of America	2964	Other
19.	American Telephone Company LLC	Bank of America	9254	Disbursement
20.	D&E Management Services, Inc.	Bank of America	3288	Other
21.	PCS Licenses, Inc.	Bank of America	3291	Other
22.	PAETEC Communications, LLC	Bank of America	0882	Customer Deposit
23.	Windstream Communications, LLC	Bank of America	7820	Customer Deposit
24.	Windstream Communications Telecom, LLC	Bank of America	1529	Customer Deposit
25.	Windstream D & E Systems, LLC	Bank of America	0702	Customer Deposit
26.	Cavalier Telephone, LLC	Bank of America	7841	Customer Deposit
27.	Windstream Services, LLC	Bank of America	5875	Customer Deposit
28.	Windstream Holdings, Inc.	Bank of America	2369	Disbursement
29.	Windstream Services, LLC	Bank of America	2933	Disbursement
30.	Windstream Services, LLC	Bank of America	2941	Disbursement
31.	Windstream Services, LLC	Bank of America	1821	Customer Deposit
32.	Windstream Services, LLC	Bank of America	7973	Disbursement
33.	Windstream Services, LLC	Bank of America	1805	Collection
34.	Windstream Communications, LLC	Bank of America	6049	Customer Deposit
35.	Windstream Services, LLC	Bank of America	4885	Disbursement

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
36.	Windstream Services, LLC	Bank of America	4919	Disbursement
37.	Windstream Services, LLC	Bank of America	5089	Disbursement
38.	Windstream Services, LLC	Bank of America	5309	Other
39.	Windstream Services, LLC	Bank of America	8985	Disbursement
40.	Windstream Services, LLC	Bank of America	4893	Disbursement
41.	Windstream Communications, LLC	Bank of America	0600	Customer Deposit
42.	Windstream Communications, LLC	Bank of America	1698	Customer Deposit
43.	Windstream Communications, LLC	Bank of America	1724	Customer Deposit
44.	Windstream Communications, LLC	Bank of America	1737	Customer Deposit
45.	Windstream Communications, LLC	Bank of America	3741	Customer Deposit
46.	Windstream Communications, LLC	Bank of America	1454	Customer Deposit
47.	Windstream Communications, LLC	Bank of America	1441	Customer Deposit
48.	Windstream Communications, LLC	Bank of America	1795	Customer Deposit
49.	Windstream Communications, LLC	Bank of America	5301	Customer Deposit
50.	Windstream Communications, LLC	Bank of America	5327	Customer Deposit
51.	Windstream Communications, LLC	Bank of America	5314	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
52.	Windstream Communications, LLC	Bank of America	4239	Customer Deposit
53.	Windstream Nuvox, LLC	Bank of America	4998	Customer Deposit
54.	Windstream Services, LLC	Bank of America	6445	Disbursement
55.	Windstream Communications, LLC	Bank of America	1672	Disbursement
56.	American Telephone Company LLC	Bank of America	5933	Other
57.	Windstream Communications, LLC	Bank of America	4144	Customer Deposit
58.	MassCom, LLC	Chase Bank	1531	Other
59.	MassCom, LLC	Chase Bank	7509	Customer Deposit
60.	MassCom, LLC	Chase Bank	7517	Customer Deposit
61.	MassCom, LLC	Chase Bank	9872	Disbursement
62.	Windstream Kentucky West, LLC	Chase Bank	2757	Customer Deposit
63.	Windstream Kentucky West, LLC	Chase Bank	2773	Customer Deposit
64.	PAETEC Communications, Inc.	Chase Bank	3425	Customer Deposit
65.	Windstream Communications, LLC	Chase Bank	8972	Customer Deposit
66.	Windstream Communications, LLC	Chase Bank	6643	Customer Deposit
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77.	ARC Networks Inc.	Citibank	4678	Customer Deposit
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79.	BridgeCom International Inc.	Citibank	5479	Customer Deposit
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88.	EarthLink Business, LLC	Fifth Third Bank	8741	Customer Deposit
89.	Windstream North Carolina, LLC	First Bank	0206	Customer Deposit

No.	Entity	Bank Name	Last Four Digits of Account No.	Account Type
90.	Windstream Ohio, LLC	First Central National Bank	2580	Customer Deposit
91.	Windstream Florida, LLC	First Federal Savings	7709	Customer Deposit
92.	Windstream Kentucky West, LLC	Forcht Bank	9736	Customer Deposit
93.	PAETEC Communications, LLC	HSBC	9204	Customer Deposit
94.	XETA Technologies, Inc.	M&T Bank	2912	Disbursement
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99.	Windstream Standard, LLC	Regions Bank	2442	Customer Deposit
100.	EarthLink Carrier LLC	Regions Bank	6708	Customer Deposit
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104.	Windstream New York, Inc.	SunTrust	9486	Customer Deposit
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110.	Windstream Services, LLC	U.S. Bank	9924	Customer Deposit
111.	Windstream Georgia Communications, LLC	Wells Fargo Bank	8115	Customer Deposit
112.	Windstream Services, LLC	Wells Fargo Bank	5700	Customer Deposit
113.	Windstream Nebraska, Inc.	Wells Fargo Bank	1370	Customer Deposit
114.	Windstream Communications, LLC	Wells Fargo Bank	5518	Customer Deposit
115.	Windstream Communications, LLC	Wells Fargo Bank	0269	Customer Deposit
116.	Windstream Communications, LLC	Wells Fargo Bank	3712	Customer Deposit
117.	D&E Management Services, Inc.	U.S. Bank	8333	Other
118.	Conestoga Management Services, Inc.	U.S. Bank	0195	Other
119.	Buffalo Valley Management Services, Inc.	U.S. Bank	0220	Other
120.	PCS Licenses, Inc.	U.S. Bank	3880	Other
121.	Conestoga Management Services, Inc.	Wells Fargo Bank	4247	Other
122.	Buffalo Valley Management Services, Inc.	Wells Fargo Bank	4234	Other
123.	Windstream Services, LLC	Bank of America	5832	Other
124.	Windstream Ohio, LLC	Park National	2092	Customer Deposit