

October 21, 2020

ELECTRONICALLY FILED

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Lindsey Flora
Deputy Executive Director
Public Service Commission
211 Sower Boulevard
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Frankfort, KY 40602-0615

RE: Re: In the Matter of the Application of Windstream Holdings, Inc., Windstream Services, LLC, American Telephone Company LLC, Broadview Networks, Inc., Business Telecom, LLC, CTC Communications Corp., DeltaCom, LLC, EarthLink Business, LLC, EarthLink Carrier, LLC, McLeodUSA Telecommunications Services, LLC, Network Telephone, LLC, PAETEC Communications, LLC, Talk America, LLC, The Other Phone Company, LLC, US LEC of Tennessee, LLC, Windstream Communications, LLC, Windstream KDL, LLC, Windstream Kentucky East, LLC, Windstream Kentucky West, LLC, Windstream Norlight, LLC, Windstream NTI, LLC, and Windstream NuVox, LLC

Case No. 2020-179 (Post-Case Correspondence File)

Dear Mr. Flora:

Windstream Holdings, Inc., Windstream Services, LLC, and its operating companies American Telephone Company LLC, Broadview Networks, Inc., Business Telecom, LLC, CTC Communications Corp., DeltaCom, LLC, EarthLink Business, LLC, EarthLink Carrier, LLC, McLeodUSA Telecommunications Services, LLC, Network Telephone, LLC, PAETEC Communications, LLC, Talk America, LLC, The Other Phone Company, LLC, US LEC of Tennessee, LLC, Windstream Communications, LLC, Windstream KDL, LLC, Windstream Kentucky East, LLC, Windstream Kentucky West, LLC, Windstream Norlight, LLC, Windstream NTI, LLC, and Windstream NuVox, LLC (collectively "Windstream Licensees") (and with Windstream Holdings, Inc., and Windstream Services, LLC collectively "Applicants") hereby provide notice of the completion of the proposed Transaction as described in the Application filed in the above referenced docket on June 1, 2020, and approved by the Kentucky Public Service Commission ("Commission").

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Pursuant to the Commission's order issued on August 25, 2020, the Applicants hereby provide notice of completion. On September 21, 2020, Windstream finalized its financial restructuring process, resulting in successful emergence from Chapter 11 proceedings. The process has allowed Windstream to reduce its debt by two-thirds or more than \$4 billion. With its enhanced balance sheet, Windstream has a robust capital investment program to expand 1 Gig Internet service in rural America and maintain its product and software leadership in SD-WAN and UCaaS for Enterprise customers.

In addition, the Applicants averred to provide updated information post-emergence:

In their Application, the Applicants provided approximate ownership percentages for each of the new owners. As described in the Application, these percentages have changed.

1. Nexus Aggregator, L.P. an investment fund affiliated with Elliott Management Corporation, holds 46.06% of reorganized Windstream's equity.
2. Franklin Resources, Inc. holds 27.96% of reorganized Windstream's equity.
3. Upon emergence PIMCO holds 0% equity in reorganized Windstream, and has taken warrants in reorganized Windstream.

All other owners hold warrants in reorganized Windstream as described in the Application. No other material ownership changes occurred. See Exhibit A for updated ownership organization charts.

Secondly, in the Application there was a reference to *pro forma* transactions that would occur. The *pro forma* transactions that occurred involve the insertion of two new holding companies Windstream Holdings II, LLC and Windstream Services II, LLC in the ownership chain above the Windstream Licensees. The transaction occurred in six (6) steps. In Step 1, Windstream Holdings II, LLC and Windstream Services II, LLC were formed. In Step 2, Windstream Holdings, Inc. contributed its assets to Windstream Services, LLC. In Step 3, Windstream Holdings, Inc. contributes Windstream Services II, LLC to Windstream Services, LLC. In Step 4, Windstream Services, LLC contributed its assets to Windstream Services II, LLC. In Step 5, Windstream Services, LLC contributes the equity of Windstream Services II, LLC to Windstream Holding II, LLC. In Step 6, Windstream Holdings, Inc. and Windstream Services, LLC will be dissolved, leaving Windstream Holdings II, LLC and Windstream Services II, LLC as the ultimate parent companies of the Windstream Licensees. (See Exhibit B for organizational charts illustrating the steps of the transaction.)

The *pro forma* transaction did not affect any of the operations or managerial or technical qualifications of the Windstream Licensees. All customer-facing operations such as ordering, service installation, customer service, and billing, continue to operate unchanged. Overall,

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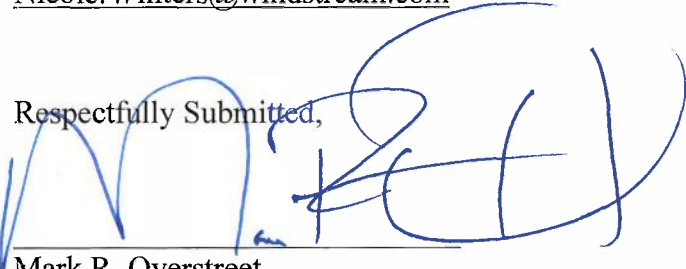
emergence and the *pro forma* changes have been transparent to Windstream's Kentucky customers.

If there are any questions regarding this notice, please do not hesitate to contact:

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Respectfully Submitted,



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MRO

Exhibit A

Windstream Post-Transaction Structure

Shows Disclosable interests through Step One and Step Two

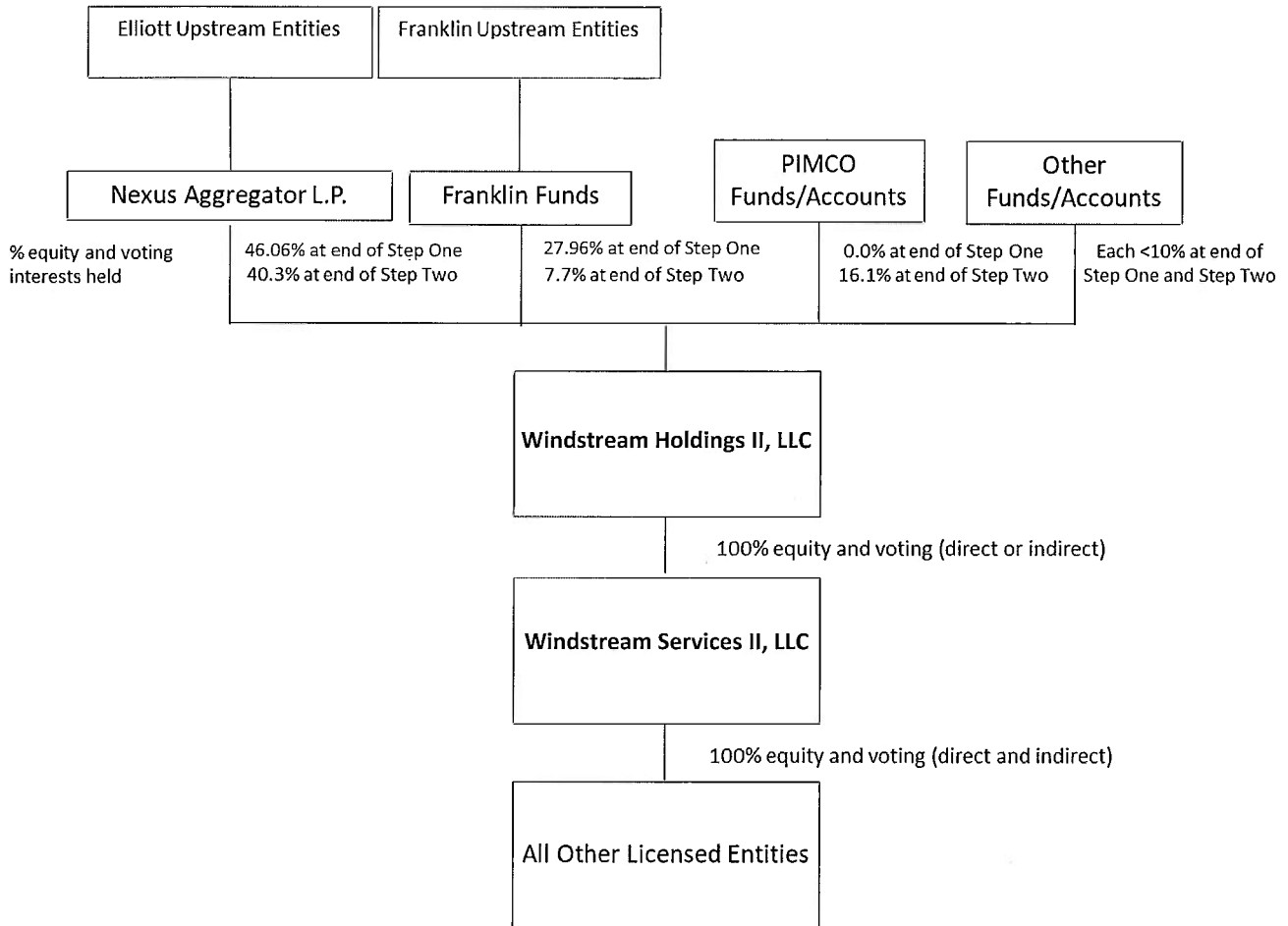
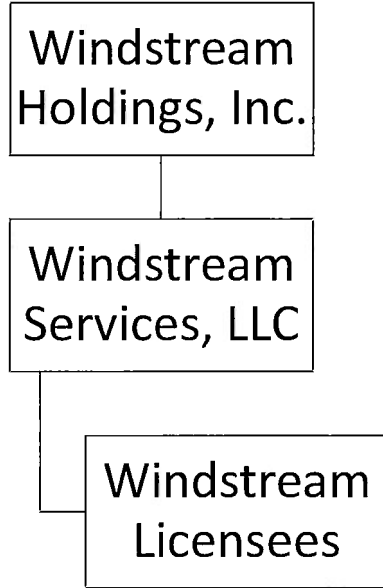


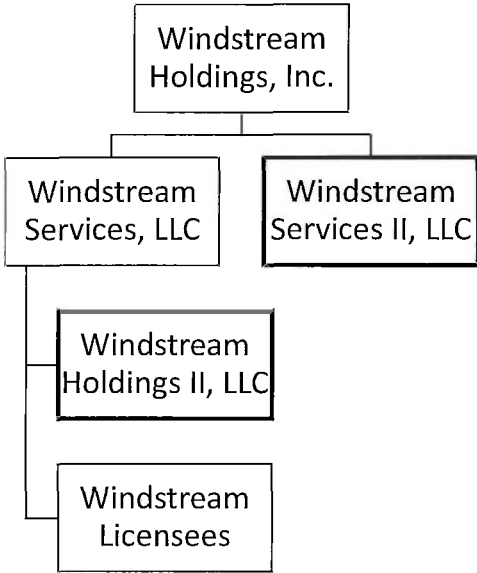
Exhibit B

EXHIBIT B
Pre-Emergence Organizational Chart



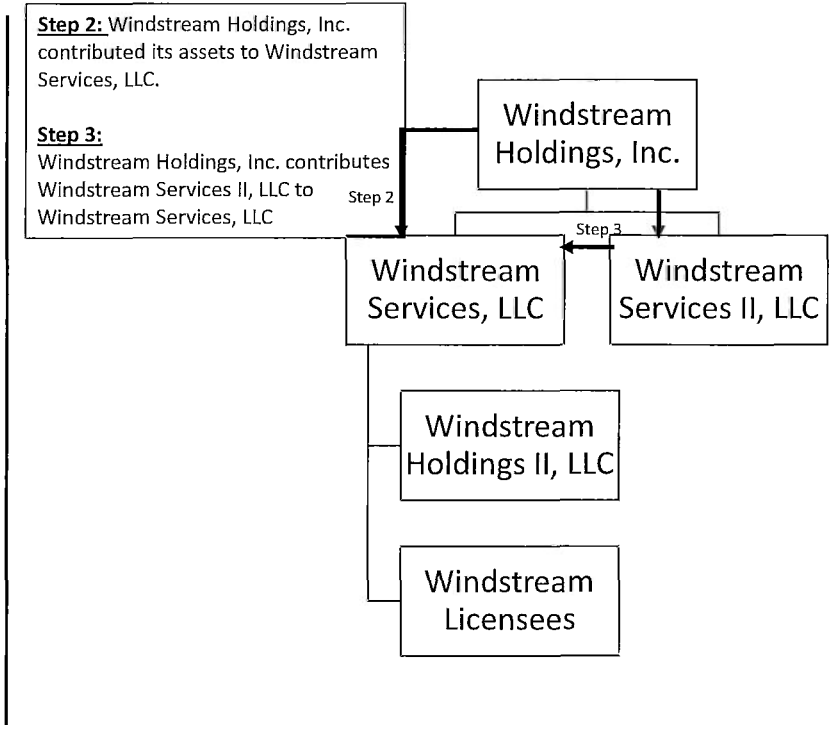
Pro Forma Transaction Steps

Step 1: Windstream Holdings II, LLC and Windstream II, LLC are formed.



Step 2: Windstream Holdings, Inc. contributed its assets to Windstream Services, LLC.

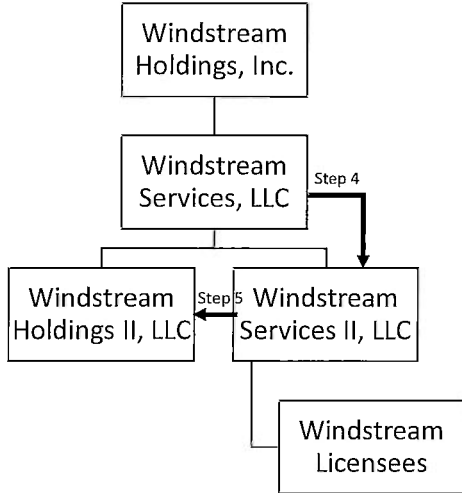
Step 3: Windstream Holdings, Inc. contributes Windstream Services II, LLC to Windstream Services, LLC



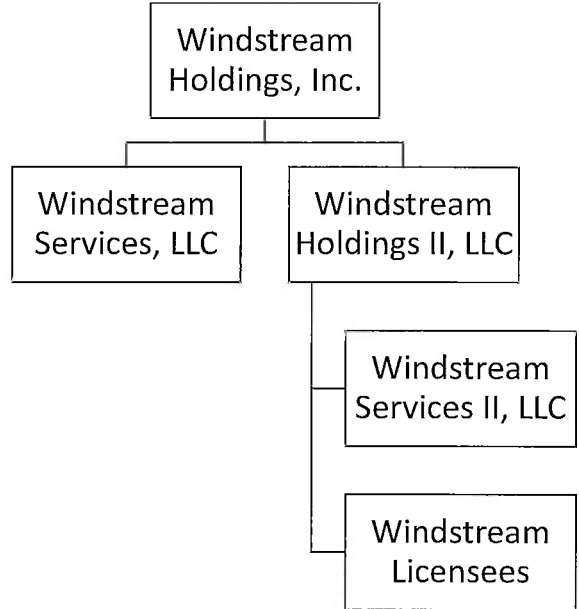
Pro Forma Transaction Steps

Step 4: Windstream Services, LLC contributes its assets to Windstream Services II, LLC

Step 5:
Windstream Services, LLC contributes the equity of Windstream Services II, LLC to Windstream Holdings II, LLC



Step 6: Windstream Holdings, Inc. and Windstream Services, LLC will be dissolved.



Post-Emergence Organizational Chart

