

WINDSTREAM HOLDINGS, INC.  
Form S-4/A  
January 09, 2017

As filed with the Securities and Exchange Commission on January 9, 2017

Reg. No. 333-214992

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Amendment No. 1

to

**Form S-4**

**REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933**

**Windstream Holdings, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**4813**

(Primary Standard Industrial  
Classification Code Number)

**46-2847717**

(I.R.S. Employer  
Identification No.)

**4001 Rodney Parham Road  
Little Rock, Arkansas 72212  
(501) 748-7000**

(Address, including ZIP code, and telephone number, including area code, of registrant's principal executive offices)

**Kristi Moody, Esq.**

**Senior Vice President and Corporate Secretary**

**4001 Rodney Parham Road  
Little Rock, Arkansas 72212  
(501) 748-7000**

(Name, address, including ZIP code, and telephone number, including area code, of agent for service)

**With Copies to:**

**Robert B. Pincus, Esq.  
Skadden, Arps, Slate,  
Meagher & Flom LLP**

**Samuel R. DeSimone,  
Jr., Esq.  
Executive Vice President,**

**Jeffrey D. Marell, Esq.  
Ross A. Fieldston, Esq.  
Paul, Weiss, Rifkind,**

**David M. Carter, Esq.  
Troutman Sanders LLP  
1001 Haxall Point**

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**One Rodney Square,  
7<sup>th</sup> Floor  
Wilmington, Delaware  
19801**

**(302) 651-3000**

**General Counsel and  
Corporate Secretary  
EarthLink Holdings Corp.  
1170 Peachtree Street,  
Suite 900  
Atlanta, Georgia 30309**

**(404) 815-0770**

**Wharton & Garrison LLP  
1285 Avenue of the  
Americas  
New York, New York 10019**

**(212) 373-3000**

**Richmond Virginia  
23219  
(804) 697-1200**

**Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon completion of the mergers described in the enclosed joint proxy statement/prospectus.**

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such dates as the SEC, acting pursuant to said Section 8(a), may determine.**

(This page intentionally left blank.)

The information in this joint proxy statement/prospectus is not complete and may be changed. The securities offered by this joint proxy statement/prospectus may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction where an offer or solicitation is not permitted.

**PRELIMINARY SUBJECT TO COMPLETION DATED JANUARY 9, 2017**

**MERGERS PROPOSED YOUR VOTE IS VERY IMPORTANT**

Windstream Holdings, Inc. (which we refer to as Windstream) and EarthLink Holdings Corp. (which we refer to as EarthLink) have entered into an Agreement and Plan of Merger, dated as of November 5, 2016 (which, as it may be amended from time to time in accordance with the terms thereof, we refer to as the merger agreement). Pursuant to the terms and subject to the conditions of the merger agreement, an indirect, wholly-owned subsidiary of Windstream (which we refer to as Merger Sub 1) will merge with and into EarthLink, with EarthLink continuing as the surviving corporation (which we refer to as the merger) and, immediately following the merger, the surviving corporation will merge with and into another indirect, wholly-owned subsidiary of Windstream (which we refer to as Merger Sub 2), with Merger Sub 2 continuing as the surviving company (which we refer to as the subsequent merger and, together with the merger, as the mergers).

Upon completion of the mergers, holders of outstanding shares of EarthLink common stock as of immediately prior to the effective time of the merger (other than Windstream, EarthLink, Merger Sub 1, Merger Sub 2 and their respective direct or indirect wholly-owned subsidiaries, whose shares will be automatically cancelled for no consideration) will receive for each share of EarthLink common stock that they own 0.818 shares of Windstream common stock (which we refer to as the exchange ratio) and cash in lieu of any fractional shares of Windstream common stock to which they otherwise would be entitled after giving effect to the exchange ratio. The exchange ratio is fixed and will not be adjusted to reflect stock price changes with respect to Windstream's or EarthLink's stock prior to the closing of the merger. Based on the closing price of Windstream common stock on the NASDAQ Global Select Market (which we refer to as the NASDAQ) on November 3, 2016, the last trading day before media reports of the possibility of a transaction were published, the merger consideration represented approximately \$5.55 in value for each share of EarthLink common stock. Based on the closing price of Windstream common stock on [ ], 2017, the latest practicable trading day before the date of this joint proxy statement/prospectus, the merger consideration represented approximately \$[ ] in value for each share of EarthLink common stock. Windstream stockholders will continue to own their existing Windstream shares. EarthLink common stock is currently traded on the NASDAQ under the symbol ELNK, and Windstream common stock is currently traded on the NASDAQ under the symbol WIN. Following the completion of the mergers, shares of Windstream common stock will continue to trade on the NASDAQ under the symbol WIN. We urge you to obtain current market quotations of EarthLink common stock and Windstream common stock before voting.

Based on the estimated number of shares of Windstream and EarthLink common stock that will be outstanding immediately prior to the closing of the mergers, we estimate that, upon closing, existing Windstream stockholders will own approximately 51% of the outstanding shares of Windstream and former EarthLink stockholders will own approximately 49% of the outstanding shares of Windstream.

Windstream and EarthLink will each hold special meetings of their respective stockholders in connection with the proposed mergers.

At the special meeting of Windstream stockholders, Windstream stockholders will be asked to consider and vote on (1) the proposal to approve the issuance of shares of Windstream common stock (which we refer to as the Windstream stock issuance) to EarthLink stockholders pursuant to the merger (which we refer to as the Windstream stock issuance proposal), (2) the proposal to approve an amendment to

Windstream's Amended and Restated Certificate of Incorporation, as amended (which we refer to as the Windstream charter amendment), increasing the number of authorized shares of Windstream common stock (which we refer to as the Windstream charter amendment proposal) in order for Windstream to have sufficient authorized shares to complete the Windstream stock issuance and for other general corporate purposes, including for purposes of future equity grants to Windstream employees and issuances in connection with future strategic opportunities that may arise, and (3) the proposal to adjourn the Windstream special meeting to solicit additional proxies if Windstream has not received proxies representing a sufficient number of shares of Windstream common stock to approve the Windstream stock issuance proposal or the Windstream charter amendment proposal (which we refer to as the Windstream adjournment proposal).

At the special meeting of EarthLink stockholders, EarthLink stockholders will be asked to consider and vote on (1) the proposal to adopt the merger agreement (which we refer to as the merger proposal), (2) the proposal to adjourn the EarthLink special meeting to solicit additional proxies if EarthLink has not received proxies representing a sufficient number of shares of EarthLink common stock to approve the merger proposal (which we refer to as the EarthLink adjournment proposal) and (3) the proposal to approve, on an advisory (non-binding) basis, the compensation that may be paid or become payable to EarthLink's named executive officers in connection with the mergers, and the agreements and understandings pursuant to which such compensation may be paid or become payable (which we refer to as the compensation proposal). We cannot complete the mergers unless the stockholders of Windstream approve the Windstream stock issuance proposal and the Windstream charter amendment proposal, and the stockholders of EarthLink approve the merger proposal, each as described above. **Your vote is very important, regardless of the number of shares of Windstream or EarthLink stock you own. Whether or not you expect to attend either special meeting, please submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the Windstream or EarthLink special meeting, as applicable.**

**The Windstream board of directors (which we refer to as the Windstream Board) has unanimously approved the merger agreement and the transactions contemplated thereby, including the adoption of the Windstream charter amendment and the issuance of shares of Windstream common stock to EarthLink stockholders pursuant to the merger, and has determined and declared that they are advisable and are in the best interests of Windstream and its stockholders. The Windstream Board unanimously recommends that the Windstream stockholders vote FOR the Windstream stock issuance proposal, FOR the Windstream charter amendment proposal and FOR the Windstream adjournment proposal.**

**The EarthLink board of directors (which we refer to as the EarthLink Board) has unanimously approved the merger agreement and the transactions contemplated thereby, including the mergers, and has determined and declared that they are advisable and are in the best interests of EarthLink and its stockholders. The EarthLink Board unanimously recommends that EarthLink stockholders vote FOR the merger proposal, FOR the EarthLink adjournment proposal and FOR the compensation proposal.**

The obligations of Windstream and EarthLink to complete the mergers are subject to the satisfaction or waiver of certain conditions described in the accompanying joint proxy statement/prospectus. The accompanying joint proxy statement/prospectus also contains detailed information about EarthLink, Windstream, the special meetings, the merger agreement and the mergers. You should read this joint proxy statement/prospectus carefully and in its entirety before voting, including the section entitled "Risk Factors" beginning on page 51.

We look forward to the successful completion of the mergers.

Sincerely,

Tony Thomas  
*President and Chief Executive Officer*  
Windstream Holdings, Inc.

Joseph F. Eazor  
*President and Chief Executive Officer*  
EarthLink Holdings Corp.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated [ ], 2017 and is first being mailed to EarthLink and Windstream stockholders on or about [ ], 2017.

**Windstream Holdings, Inc.  
4001 Rodney Parham Road  
Little Rock, Arkansas 72212  
(501) 748-7000**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

To the Stockholders of Windstream Holdings, Inc.:

You are invited to attend the special meeting of stockholders of Windstream Holdings, Inc., a Delaware corporation (which we refer to as Windstream), which will be held virtually via live webcast at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM), on [ ], 2017, at [ ] a.m. [central] time, to consider and vote on the following:

a proposal to approve the issuance of shares of Windstream common stock (which we refer to as the Windstream stock issuance) to the stockholders of EarthLink Holdings Corp., a Delaware corporation (which we refer to as EarthLink) as contemplated by the Agreement and Plan of Merger, dated as of November 5, 2016 (which, as it may be amended from time to time in accordance with the terms thereof, we refer to as the merger agreement), by and among EarthLink, Windstream, Europa Merger Sub, Inc., a Delaware corporation and an indirect, wholly-owned subsidiary of Windstream, and Europa Merger Sub, LLC, a Delaware limited liability company and an indirect, wholly-owned subsidiary of Windstream, a copy of which is included as Annex A to the joint proxy statement/prospectus of which this notice forms a part (which we refer to as the Windstream stock issuance proposal);

a proposal to approve the adoption of an amendment (which we refer to as the Windstream charter amendment) to Windstream's Amended and Restated Certificate of Incorporation increasing to 375,000,000 the number of authorized shares of Windstream's common stock (which we refer to as the Windstream charter amendment proposal); and

a proposal to adjourn the Windstream special meeting to solicit additional proxies if Windstream has not received proxies representing a sufficient number of shares of Windstream common stock to approve the Windstream stock issuance proposal and the Windstream charter amendment proposal (which we refer to as the Windstream adjournment proposal).

Because the Windstream special meeting is virtual and is being conducted electronically, stockholders will not be able to attend the special meeting in person. During the virtual meeting, you may ask questions and will be able to vote your shares electronically. To participate, you will need the 16-digit control number provided on the proxy card. Additional directions for participating in the special meeting are available at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM). We encourage you to allow ample time for online check-in, which will begin at [ ] a.m., [central] time.

Windstream will transact no other business at the special meeting. Please refer to the joint proxy statement/prospectus of which this notice forms a part for further information with respect to the business to be transacted at the special meeting.

Completion of the mergers is conditioned on, among other things, approval of the Windstream stock issuance and the adoption of the Windstream charter amendment.



**The Windstream board of directors (which we refer to as the Windstream Board) has unanimously approved the merger agreement and the transactions contemplated thereby, including the Windstream stock issuance and the Windstream charter amendment, and has determined and declared that they are advisable and are in the best interests of Windstream and its stockholders. The Windstream Board unanimously recommends that Windstream stockholders vote FOR the Windstream stock issuance proposal, FOR the Windstream charter amendment proposal and FOR the Windstream adjournment proposal.**

Only Windstream stockholders of record at the close of business on [ ], 2017, the record date for the Windstream special meeting, are entitled to receive notice of, and to vote at, the Windstream special meeting and any adjournments or postponements thereof. The Windstream stock issuance proposal requires the affirmative vote of holders of a majority of the votes cast by holders of Windstream common stock present or represented by proxy at the Windstream special meeting and entitled to vote on the proposal. The Windstream charter amendment proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Windstream common stock. The Windstream adjournment proposal requires the affirmative vote of holders of a majority of the votes cast by holders of Windstream common stock at the Windstream special meeting on such proposal, if a quorum is present, or the affirmative vote of the holders of a majority of the shares present or represented by proxy at the meeting, and entitled to vote at the meeting, if a quorum is not present.

A list of the names of Windstream stockholders of record entitled to vote at the Windstream special meeting will be available for ten days prior to the Windstream special meeting for inspection by Windstream stockholders for any purpose germane to the special meeting between the hours of 9:00 a.m. and 5:00 p.m., local time, at Windstream's headquarters, 4001 Rodney Parham Road, Little Rock, Arkansas 72212. The Windstream stockholder list will also be available during the Windstream special meeting for examination by any stockholder participating in the virtual meeting at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM).

**Your vote is very important, regardless of the number of shares of Windstream common stock you own.** For your convenience, in addition to submitting a proxy to vote your shares by signing and returning the enclosed proxy card in the postage-paid envelope provided, we have also made telephone and Internet voting available to you. Simply follow the instructions on the enclosed proxy. If you wish, you may revoke your proxy at any time prior to the time it is voted. If your shares are held in a 401(k) plan or in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the plan trustee or administrator, or record holder, as appropriate. Please note that if you hold shares in different accounts, it is important that you vote the shares represented by each account.

The enclosed joint proxy statement/prospectus provides a detailed description of the mergers and the merger agreement as well as a description of the Windstream common stock. We urge you to read the joint proxy statement/prospectus of which this notice forms a part, including any documents incorporated by reference and the Annexes, carefully and in their entirety. If you have any questions concerning the mergers or the joint proxy statement/prospectus, would like additional copies or need help voting your shares of Windstream common stock, please contact us using the following information:

**Windstream Holdings, Inc.**

4001 Rodney Parham Road  
Little Rock, Arkansas 72212  
Attn: Investor Relations  
(501) 748-7000

or

**Okapi Partners LLC**

1212 Avenue of the Americas  
New York, New York 10036  
(212) 297-0720 (Main)  
Stockholders Call Toll-Free: (855) 208-8903  
Email: [info@okapipartners.com](mailto:info@okapipartners.com)

By Order of the Board of Directors of Windstream  
Holdings, Inc.

Kristi Moody, Senior Vice President and Corporate  
Secretary

Little Rock, Arkansas, [ ], 2017

**EarthLink Holdings Corp.**  
**1170 Peachtree Street**  
**Suite 900**  
**Atlanta, Georgia 30309**  
**(404) 815-0770**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**To Be Held On [ ], 2017**

To the Stockholders of EarthLink Holdings Corp.:

You are invited to attend the special meeting of stockholders of EarthLink Holdings Corp., a Delaware corporation (which we refer to as EarthLink), which will be held at EarthLink's Atlanta offices, located at 1170 Peachtree Street, Suite 900, Atlanta, Georgia 30309, on [ ], 2017, at [ ] a.m., local time, to consider and vote on the following:

a proposal to adopt the Agreement and Plan of Merger, dated as of November 5, 2016 (which, as it may be amended from time to time in accordance with the terms thereof, we refer to as the merger agreement), by and among EarthLink, Windstream Holdings, Inc., a Delaware corporation (which we refer to as Windstream), Europa Merger Sub, Inc., a Delaware corporation and an indirect, wholly-owned subsidiary of Windstream (which we refer to as Merger Sub 1), and Europa Merger Sub, LLC, a Delaware limited liability company and an indirect, wholly-owned subsidiary of Windstream (which we refer to as Merger Sub 2), which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice. Pursuant to the merger agreement, Merger Sub 1 will be merged with and into EarthLink, with EarthLink surviving as an indirect, wholly-owned subsidiary of Windstream (which we refer to as the merger), and immediately thereafter, EarthLink will merge with and into Merger Sub 2, with Merger Sub 2 surviving as an indirect, wholly-owned subsidiary of Windstream (which we refer to as the subsequent merger and, together with the merger, the mergers). We refer to this proposal as the merger proposal;

a proposal to adjourn the EarthLink special meeting to solicit additional proxies if EarthLink has not received proxies representing a sufficient number of shares of EarthLink common stock to approve the merger proposal (which we refer to as the EarthLink adjournment proposal); and

a non-binding, advisory proposal to approve the compensation that may become payable to EarthLink's named executive officers in connection with the completion of the mergers (which we refer to as the compensation proposal).

EarthLink will transact no other business at the special meeting. Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the EarthLink special meeting.

Completion of the mergers is conditioned on, among other things, approval of the merger proposal.

**The EarthLink board of directors (which we refer to as the EarthLink Board) has unanimously approved the merger agreement and the transactions contemplated thereby, including the mergers, and has determined and declared that they are advisable and are in the best interests of EarthLink and its stockholders. The EarthLink Board unanimously recommends that EarthLink stockholders vote FOR the merger proposal, FOR the EarthLink adjournment proposal and FOR the compensation proposal.**

Only EarthLink stockholders of record at the close of business on [ ], 2017, the record date for the EarthLink special meeting, are entitled to notice of, and to vote at, the special meeting and at any adjournment or postponement thereof. The merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of EarthLink common stock entitled to vote on the proposal. Each of the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal requires the affirmative vote of holders of a majority of the number of shares of EarthLink stock entitled to vote present in person or represented by proxy at the EarthLink special meeting.

A list of the names of EarthLink stockholders of record entitled to vote at the EarthLink special meeting will be available for ten days prior to the EarthLink special meeting for inspection by stockholders for any purpose germane to the special meeting during ordinary business hours at EarthLink's executive offices and principal place of business at 1170 Peachtree Street, Suite 900, Atlanta, Georgia 30309. The EarthLink stockholder list will also be available at the EarthLink special meeting for examination by any stockholder present at such meeting.

**Your vote is very important, regardless of the number of shares of EarthLink common stock you own.** For your convenience, in addition to submitting a proxy to vote your shares by signing and returning the enclosed proxy card in the postage-paid envelope provided, we have also made telephone and Internet voting available to you. Simply follow the instructions on the enclosed proxy. If you wish, you may revoke your proxy at any time prior to the time it is voted. If your shares are held in a 401(k) plan or in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the plan trustee or administrator, or record holder, as appropriate. Please note that if you hold shares in different accounts, it is important that you vote the shares represented by each account.

The enclosed joint proxy statement/prospectus provides a detailed description of the mergers and the merger agreement. We urge you to read the enclosed joint proxy statement/prospectus, including any documents incorporated by reference, and the annexes carefully and in their entirety. If you have any questions concerning the mergers or the joint proxy statement/prospectus, would like additional copies or need help voting your shares of EarthLink common stock, please contact us using the following information:

**EarthLink Holdings Corp.**

1170 Peachtree Street,  
Suite 900  
Atlanta, Georgia 30309  
Attention: Investor Relations  
(404) 815-0770

or

**Mackenzie Partners, Inc.**

105 Madison Avenue  
New York, New York 10016  
earthlink@mackenziepartners.com  
(800) 322-2885 (toll-free)  
(212) 929-5500 (banks and brokers only)

By order of the Board of Directors,

Samuel R. DeSimone, Jr.  
*Executive Vice President, General Counsel and  
Corporate Secretary*

Atlanta, Georgia, [ ], 2017

**REFERENCES TO ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates important business and financial information about Windstream and EarthLink from documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus free of charge by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

**Windstream Holdings, Inc.**  
**4001 Rodney Parham Road**  
**Little Rock, Arkansas 72212**  
**(501) 748-7000**  
**Attn: Kristi Moody, Senior Vice President and**  
**Corporate Secretary**

or

**Okapi Partners LLC**  
**1212 Avenue of the Americas**  
**New York, New York 10036**  
**(212) 297-0720 (Main)**  
**Stockholders Call Toll-Free: (855) 208-8903**  
**Email: info@okapipartners.com**

**EarthLink Holdings Corp.**  
**1170 Peachtree Street, Suite 900**  
**Atlanta, Georgia 30309**  
**(404) 815-0770**  
**Attn: Samuel R. DeSimone, Jr., Executive Vice**  
**President, General Counsel and Corporate**  
**Secretary**

or

**MacKenzie Partners, Inc.**  
**105 Madison Avenue**  
**New York, New York 10016**  
**earthlink@mackenziepartners.com**  
**(800) 322-2885 (toll-free)**  
**(212) 929-5500 (banks and brokers only)**

**If you would like to request any documents, please do so no later than five business days before the date of Windstream's special meeting of stockholders (which is [ ], 2017) or five business days before the date of EarthLink's special meeting of stockholders (which is [ ], 2017), as applicable.**

For a more detailed description of the information incorporated by reference in this joint proxy statement/prospectus and how you may obtain it, see "Where You Can Find More Information" beginning on page 215.

ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission (which we refer to as the SEC) by Windstream, constitutes a prospectus of Windstream under the Securities Act of 1933, as amended (which we refer to as the Securities Act), with respect to the shares of Windstream common stock to be issued pursuant to the merger. This joint proxy statement/prospectus also constitutes a joint proxy statement for both EarthLink and Windstream under the Securities Exchange Act of 1934, as amended (which we refer to as the Exchange Act). It also constitutes a notice of meeting with respect to the special meeting of Windstream stockholders and the special meeting of EarthLink stockholders.

You should rely only on the information contained in or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated [ ], 2017, and you should assume that the information contained in this joint proxy statement/prospectus is accurate only as of such date. You should assume that the information incorporated by reference into this joint proxy statement/prospectus is only accurate as of the date of such information. Neither the mailing of this joint proxy statement/prospectus to EarthLink stockholders or Windstream stockholders nor the issuance by Windstream of shares of common stock pursuant to the merger will create any implication to the contrary.

**This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this joint proxy statement/prospectus regarding EarthLink has been provided by EarthLink and information contained in this joint proxy statement/prospectus regarding Windstream has been provided by Windstream.**

All references in this joint proxy statement/prospectus to Windstream refer to Windstream Holdings, Inc., a Delaware corporation; all references to EarthLink refer to EarthLink Holdings Corp., a Delaware corporation; all references to Merger Sub 1 refer to Europa Merger Sub, Inc., a Delaware corporation and an indirect, wholly-owned subsidiary of Windstream formed for the purpose of effecting the mergers; all references to Merger Sub 2 refer to Europa Merger Sub, LLC, a Delaware limited liability company and an indirect, wholly-owned subsidiary of Windstream formed for the purpose of effecting the mergers; all references to the combined company refer to Windstream and EarthLink following the completion of the mergers; and all references in this joint proxy statement/prospectus to we, our, us or similar terms refer to each of Windstream and EarthLink, as applicable. Unless otherwise indicated or as the context requires, all references to the merger agreement refer to the Agreement and Plan of Merger, dated as of November 5, 2016, as it may be amended from time to time in accordance with the terms thereof, by and among EarthLink, Windstream, Merger Sub 1 and Merger Sub 2, a copy of which is included as Annex A to this joint proxy statement/prospectus; all references to the merger refer to the merger of Merger Sub 1 with and into EarthLink, with EarthLink continuing as the surviving corporation; all references to the subsequent merger refer to the merger of the surviving corporation with and into Merger Sub 2, with Merger Sub 2 continuing as the surviving company; all references to the mergers refer to the merger and the subsequent merger, together; all references to Windstream common stock refer to the common stock, par value \$0.0001 per share, of Windstream; and all references to EarthLink common stock refer to the common stock, par value \$0.01 per share, of EarthLink.

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## QUESTIONS AND ANSWERS

*The following are some questions that you, as a stockholder of Windstream or EarthLink, as applicable, may have regarding the mergers, the merger proposal (as defined below), the compensation proposal (as defined below), the Windstream stock issuance (as defined below), the Windstream charter amendment (as defined below) and the other matters being considered at the special meetings and answers to those questions. Windstream and EarthLink urge you to carefully read the remainder of this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the mergers, the merger proposal, the compensation proposal, the Windstream stock issuance, the Windstream charter amendment and the other matters being considered at the special meetings. Additional important information is also contained in the Annexes to, and the documents incorporated by reference into, this joint proxy statement/prospectus.*

**Q: Why am I receiving this joint proxy statement/prospectus?**

A: You are receiving this joint proxy statement/prospectus because you were a stockholder of record of EarthLink or Windstream on [ ], 2017, the record date for the EarthLink special meeting and the Windstream special meeting, respectively. EarthLink and Windstream have agreed to the mergers pursuant to the terms of the merger agreement, as described in this joint proxy statement/prospectus. A copy of the merger agreement is included in this joint proxy statement/prospectus as Annex A.

In order to complete the mergers, among other things:

Windstream stockholders must vote to approve (i) the issuance of shares of Windstream common stock (which we refer to in this joint proxy statement/prospectus as the Windstream stock issuance) to EarthLink stockholders pursuant to the merger (which we refer to in this joint proxy statement/prospectus as the Windstream stock issuance proposal) and (ii) the amendment (which we refer to in this joint proxy statement/prospectus as the Windstream charter amendment) of Windstream's Amended and Restated Certificate of Incorporation, as amended (which we refer to in this joint proxy statement/prospectus as the Windstream charter) increasing the number of authorized shares of Windstream common stock (which we refer to as the Windstream charter amendment proposal); and

EarthLink stockholders must vote to adopt the merger agreement and approve the mergers (which we refer to in this joint proxy statement/prospectus as the merger proposal).

EarthLink and Windstream will hold separate special meetings of their respective stockholders to obtain these approvals (each of which we refer to in this joint proxy statement/prospectus as the EarthLink special meeting and the Windstream special meeting, respectively). In addition, EarthLink will solicit stockholder approval, on an advisory (non-binding) basis, of the compensation that may become payable to EarthLink's named executive officers in connection with the mergers (which we refer to in this joint proxy statement/prospectus as the compensation proposal). The separate vote, on an advisory (non-binding) basis, of the compensation proposal, is not a condition to the completion of the mergers. This joint proxy statement/prospectus, including its Annexes, contains and incorporates by reference important information about Windstream and EarthLink, the mergers, the merger proposal, the compensation proposal, the Windstream

stock issuance, the Windstream charter amendment and the Windstream and EarthLink special meetings, respectively. You should read all of the available information carefully and in its entirety. The enclosed proxy card and instructions allow you to vote your shares without attending the special meeting.

Your vote is important. Please vote as soon as possible.

**Q:**

**What will I receive in the mergers?**

**A:**

*EarthLink Stockholders:* If the mergers are completed, holders of shares of EarthLink common stock (other than Windstream, EarthLink, Merger Sub 1, Merger Sub 2 and their respective direct or indirect wholly-owned subsidiaries, whose shares will be automatically cancelled for no consideration, which we refer to in this joint proxy statement/prospectus as cancelled shares) will be entitled to receive 0.818 shares of Windstream common stock for each share of EarthLink common stock held as of immediately prior to the effective time of the merger (which we refer to in this joint proxy statement/prospectus as the exchange ratio or the merger consideration). EarthLink stockholders will not receive any fractional shares of Windstream common stock in the mergers. Instead, Windstream will pay cash in lieu of any fractional shares of Windstream common stock that an EarthLink stockholder would otherwise have been entitled to receive in the merger after giving effect to the exchange ratio.

*Windstream Stockholders:* Windstream stockholders will not receive any merger consideration and will continue to hold their shares of Windstream common stock.

**Q:**

**What is the value of the merger consideration?**

**A:**

Because Windstream will issue 0.818 shares of Windstream common stock in exchange for each share of EarthLink common stock held as of immediately prior to the effective time of the merger (other than the cancelled shares), the value of the merger consideration that holders of shares of EarthLink common stock receive will depend on the price per share of Windstream common stock at the effective time of the merger. That price will not be known at the time of the Windstream and EarthLink special meetings and may be more or less than the current price or the price at the time of such special meetings. The exchange ratio will not be adjusted for changes in the market price of either Windstream common stock or EarthLink common stock between the date of signing the merger agreement and completion of the mergers. Based on the closing price of Windstream common stock on the NASDAQ on November 3, 2016, the last trading day before media reports of the possibility of a transaction were published, the merger consideration represented approximately \$5.55 in value for each share of EarthLink common stock. Based on the closing price of Windstream common stock on [ ], 2017, the latest practicable trading day before the date of this joint proxy statement/prospectus, the merger consideration represented approximately \$[ ] in value for each share of EarthLink common stock.

Windstream stockholders will continue to own their existing shares of Windstream common stock. Windstream common stock is currently traded on the NASDAQ under the symbol WIN, and EarthLink common stock is currently traded on the NASDAQ under the symbol ELNK. We urge you to obtain current market quotations of Windstream common stock and EarthLink common stock.

**Q: If I am an EarthLink stockholder, can I attend the special meeting and vote my shares?**

A: Yes. If you are an EarthLink stockholder of record, you may vote your shares in person at the EarthLink special meeting by completing a ballot at the meeting. Even if you currently plan to attend the EarthLink special meeting, it is recommended that you also submit your proxy as described below, so your vote will be counted if you later decide not to attend the meeting. If you submit your vote by proxy and later decide to vote in person at the meeting, the vote you submit at the meeting will override your proxy vote. If you are a street name holder (i.e., you hold the shares in the name of your broker, bank, trust company or other nominee), you may vote your shares in person at the meeting only if you obtain and bring to the meeting a signed letter or other form of legal proxy from your broker, bank, trust company or other nominee giving you the right to vote the shares at the special meeting.

**Q: If I am a Windstream stockholder, can I attend the special meeting and vote my shares?**

A: Yes. If you are a Windstream stockholder of record, you may vote your shares via the Internet at the Windstream special meeting by following the instructions for joining and voting at the special meeting posted at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM). However, there will be very limited time to vote at the special meeting, and thus, you are encouraged to vote in advance or immediately at the start of the meeting. To vote during the meeting, you will need the 16-digit control number provided on your proxy card or voting instruction form. Broadridge Financial Solutions is hosting our virtual special meeting and, on the date of the special meeting, will be available via telephone at 1-855-449-0991 to answer your questions regarding how to attend and participate in the special meeting via the Internet. Even if you currently plan to attend the Windstream special meeting, it is recommended that you also submit your proxy as described below, so your vote will be counted if you later decide not to attend the meeting. If you submit your vote by proxy and later decide to vote at the meeting, the vote you submit at the meeting will override your proxy vote. If you are a street name holder (i.e., you hold the shares in the name of your broker, bank, trust company or other nominee), and you wish to vote your shares at the meeting, you must follow the instructions provided at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM).

**Q: How can I attend the meeting?**

A: *EarthLink Stockholders:* All of EarthLink's stockholders as of the record date (and their duly authorized proxyholders) are invited to attend the EarthLink special meeting. Proof of stock ownership as of this date and some form of government issued photo identification (such as a valid driver's license or passport) will be required for admission to the special meeting. If you hold your shares in street name, you will need to obtain a legal proxy from the record holder to attend the EarthLink special meeting. EarthLink reserves the right to refuse admittance to anyone without proper proof of share ownership (or proxy authority) and without proper photo identification.

To help EarthLink plan for the meeting, please indicate whether you expect to attend by responding affirmatively when prompted during Internet or telephone voting or by marking the attendance box on the proxy card.

*Windstream Stockholders:* All of Windstream's stockholders (and their duly authorized proxyholders) as of the record date are invited to attend the Windstream special meeting live online at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM). Stockholders may vote and submit questions while attending the special meeting online. In order to be able to enter the special meeting, you will need the 16-digit control number, which is included on your proxy card. Instructions on how to attend and participate are also posted online at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM).

**Q: When and where will the special stockholders meetings be held?**

A: *EarthLink Stockholders:* The special meeting of EarthLink stockholders will be held at EarthLink's Atlanta offices, located at 1170 Peachtree Street, Suite 900, Atlanta, Georgia 30309, on [ ], 2017, at [ ], local time.

*Windstream Stockholders:* The special meeting of Windstream stockholders will be held via live webcast at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM), on [ ], 2017, at [ ], [central] time. We encourage you to allow ample time for online check-in, which will begin at [ ] a.m., [central] time. Please note that you will not be able to attend the special meeting in person.

**Q: Who is entitled to vote at the special stockholders meetings?**

A: *EarthLink Stockholders:* The board of directors of EarthLink (which we refer to in this joint proxy statement/prospectus as the EarthLink Board) has set [ ], 2017 as the record date for the EarthLink special meeting. If you were a stockholder of record of issued and outstanding shares of EarthLink common stock at the close of business on [ ], 2017, you are entitled to vote at the EarthLink special meeting. As of the record date, [ ] shares of EarthLink's common stock, representing all of EarthLink's voting stock, were issued and outstanding and, therefore, eligible to vote at the EarthLink special meeting.

*Windstream Stockholders:* The board of directors of Windstream (which we refer to in this joint proxy statement/prospectus as the Windstream Board) has set [ ], 2017 as the record date for the Windstream special meeting. If you were a stockholder of record of outstanding shares of Windstream common stock at the close of business on [ ], 2017, you are entitled to vote at the Windstream special meeting. As of the record date, [ ] shares of Windstream's common stock, representing all of Windstream's voting stock, were issued and outstanding and, therefore, eligible to vote at the meeting.

**Q: What constitutes a quorum at the special stockholders meetings?**

A: *EarthLink Stockholders:* In accordance with EarthLink's Amended and Restated Bylaws (which we refer to in this joint proxy statement/prospectus as the EarthLink bylaws), stockholders who hold shares representing a majority of the number of shares of EarthLink stock outstanding and entitled to vote at the EarthLink special meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business at the EarthLink special meeting. Abstentions and shares of record held by a broker, bank, trust company or other nominee that are voted on any matter are included in determining whether a quorum is present. Shares of record held by a broker, bank, trust company or other nominee that are not instructed how to vote on any matter will not be included in determining whether a quorum is present.

*Windstream Stockholders:* In accordance with Windstream's Third Amended and Restated Bylaws (which we refer to in the joint proxy statement/prospectus as the Windstream bylaws), stockholders who hold shares representing a majority of the outstanding shares of Windstream common stock entitled to vote must be present or represented by proxy to constitute a quorum for the transaction of business at the Windstream special meeting. Abstentions and shares of record held by a broker, bank, trust company or other nominee, whether or not voted on any matter, will be included in determining whether a quorum is present.

**Q: What does it mean if I receive more than one set of proxy materials?**

A: If you receive more than one set of proxy materials or multiple control numbers for use in submitting your proxy, it means that you hold shares registered in more than one account or hold shares of both Windstream and EarthLink. To ensure that all of your shares are voted, sign and return each proxy card or voting instruction card you receive or, if you submit your proxy by Internet or telephone, vote once for each card or control number you receive.

**Q: How do I vote if I am a stockholder of record?**

*EarthLink Stockholders:* If you are a stockholder of record of EarthLink as of the close of business on the record date for the EarthLink special meeting, you may vote in person by attending the EarthLink special meeting or, to ensure your shares are represented at the EarthLink special meeting, you may authorize a proxy to vote by:

A:       accessing the Internet site listed on the proxy card;  
  
          calling the toll-free number listed on the proxy card; or  
  
          signing the enclosed proxy card and returning it by mail.

If you hold EarthLink shares in street name, you can vote your shares in the manner prescribed by your broker, bank, trust company or other nominee. Your broker, bank, trust company or other nominee has enclosed or otherwise provided a voting instruction card for you to use in directing such broker, bank, trust company or other nominee how to vote your shares. Without instructions from you, your broker, bank, trust company or other nominee cannot vote your shares, which will have the effect described below.

*Windstream Stockholders:* There will be very limited time to vote at the Windstream special meeting, and thus, you are encouraged to vote in advance or immediately at the start of the meeting. If you are a stockholder of record of Windstream as of the close of business on the record date for the Windstream special meeting, you may vote via live webcast by attending the Windstream special meeting at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM) or, to ensure your shares are represented at the Windstream special meeting, you may authorize a proxy to vote by:

          accessing the Internet site listed on the proxy card;  
  
          calling the toll-free number listed on the proxy card; or  
  
          signing the enclosed proxy card and returning it by mail.

If you hold Windstream shares in street name, you can vote your shares in the manner described at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM). Without instructions from you, your broker, bank, trust company or other nominee cannot vote your shares, which will have the effect described below.

**Q: What are my voting rights?**

**A:** *EarthLink Stockholders:* Holders of EarthLink's common stock are entitled to one vote per share. As of the close of business on the record date for the EarthLink special meeting, a total of [ ] votes are entitled to be cast at the EarthLink special meeting.

*Windstream Stockholders:* Holders of Windstream's common stock are entitled to one vote per share. As of the close of business on the record date for the Windstream special meeting, a total of [ ] votes are entitled to be cast at the Windstream special meeting.

**Q: What vote is required to approve each proposal?**

**A:** *EarthLink Stockholders:* Approval of the merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of EarthLink common stock entitled to vote on the proposal. Approval of each of the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal requires the affirmative vote of holders of a majority of the number of shares of EarthLink stock entitled to vote present in person or represented by proxy at the EarthLink special meeting.

*Windstream Stockholders:* Approval of the Windstream stock issuance proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting at which a quorum is present on such proposal. Approval of the Windstream charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Windstream common stock entitled to vote on such proposal. Approval of the Windstream adjournment proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting on such proposal, if a quorum is present, or the affirmative vote of the holders of a majority of the shares present or represented by proxy at the Windstream special meeting, and entitled to vote at the meeting, if a quorum is not present.

**Q: How does the EarthLink Board recommend that EarthLink stockholders vote?**

**A:** The EarthLink Board has unanimously approved the merger agreement and the transactions contemplated by the merger agreement, including the mergers, and has determined and declared that they are advisable and are in the best interests of EarthLink and its stockholders. The EarthLink Board unanimously recommends that EarthLink stockholders vote **FOR** the merger proposal, **FOR** the EarthLink adjournment proposal and **FOR** the compensation proposal.

**Q: How does the Windstream Board recommend that Windstream stockholders vote?**

**A:** The Windstream Board has unanimously approved the merger agreement and the transactions contemplated by the merger agreement, including the Windstream stock issuance and the Windstream charter amendment, and has determined and declared that they are advisable and are in the best interests of Windstream and its stockholders. The Windstream Board unanimously recommends that Windstream stockholders vote **FOR** the Windstream stock issuance proposal, **FOR** the Windstream charter amendment proposal and **FOR** the Windstream adjournment proposal.

**Q: What is the difference between a stockholder of record and a street name holder?**

A: If your shares are registered directly in your name, you are considered the stockholder of record with respect to those shares. If your shares are held in a stock brokerage account or by a bank, broker, trust company or other nominee, then the broker, bank, trust company or other nominee is considered to be the stockholder of record with respect to those shares, while you are considered the beneficial owner of those shares. In the latter case, your shares are said to be held in street name.

**Q: My shares are held in street name by my broker, bank, trust company or other nominee. Will my broker, bank, trust company or other nominee automatically vote my shares for me?**

A: No. Your broker, bank, trust company or other nominee cannot vote your shares on non-routine matters, as described below in the section titled What will happen if I return my proxy card without indicating how to vote, without instructions from you. This is often called a broker non-vote. You should instruct your broker, bank, trust company or other nominee as to how to vote your shares, following the directions it provides to you. Please check the voting form used by your broker, bank, trust company or other nominee. If you do not provide your broker, bank, trust company or other nominee with instructions on any matter, your shares will not be counted for purposes of determining a quorum at the EarthLink special meeting if you are an EarthLink stockholder; your shares will, however, be counted for purposes of determining a quorum at the Windstream special meeting if you are a Windstream stockholder. If you provide your broker, bank, trust company or other nominee with instructions on any matter, your shares will be counted for purposes of determining a quorum at the EarthLink special meeting and will be voted on each proposal on which you have provided instructions according to your instructions at each special meeting. Please note that you may not vote shares held in street name by returning a proxy card directly to EarthLink or Windstream or by voting at your special meeting unless, in the case of EarthLink, you first obtain a legal proxy from your broker, bank, trust company or other nominee.

**Q: What will happen if I fail to vote?**

A: *EarthLink Stockholders:* If you do not vote, it will be more difficult for EarthLink to obtain the necessary quorum to approve the merger proposal and the compensation proposal, and obtain the necessary vote to approve the EarthLink adjournment proposal.

If you are a stockholder of record and you fail to vote by proxy or by ballot at the special meeting, or if you hold your shares in street name and fail to instruct your broker, bank, trust company or other nominee how to vote on any matter, your shares will not be in attendance at the EarthLink special meeting and will not be counted for purposes of determining a quorum. However, if you hold your shares in street name and fail to instruct your broker, bank, trust company or other nominee how to vote on some but not all matters brought before the meeting, your shares will be in attendance at the EarthLink special meeting and counted for purposes of determining a quorum, but will be treated as a broker non-vote as to each uninstructed matter. Shares not in attendance at the EarthLink special meeting (whether due to a stockholder of record's failure to submit a proxy or vote at the meeting or a street name holder's failure to

instruct its broker, bank, trust company or other nominee how to vote on any matter) and broker non-votes will be treated in the following manner with respect to determining the votes received for each of the proposals:

with respect to stockholders of record, a failure to submit a proxy card or vote in person, by telephone, or through the Internet will have no effect on the EarthLink adjournment proposal or the compensation proposal, but will be treated as a vote **AGAINST** the merger proposal; and

with respect to street name holders,

a share not in attendance at the EarthLink special meeting because the broker, bank, trust company or other nominee has received no instructions regarding how to vote on any matter will have no effect on the EarthLink adjournment proposal or the compensation proposal, but will be treated as a vote **AGAINST** the merger proposal; and

a broker non-vote will be treated as a vote **AGAINST** the merger proposal, the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal.

*Windstream Stockholders:* If you do not vote, it will be more difficult for Windstream to obtain the necessary quorum to approve the Windstream stock issuance proposal and the Windstream charter amendment proposal, and obtain the necessary vote to approve the Windstream adjournment proposal.

All shares held on behalf of a street name holder of Windstream common stock by a broker, bank, trust company or other nominee will be counted for purposes of determining a quorum regardless of whether the street name holder instructs the broker, bank, trust company or other nominee how to vote on all, some or none of the matters brought before the Windstream special meeting, but will be treated as a broker non-vote as to each uninstructed matter. However, if you are the stockholder of record and you fail to vote by proxy or at the Windstream special meeting, your shares will not be counted for purposes of determining a quorum. Failures to submit a proxy card or vote at the Windstream special meeting and broker non-votes will be treated in the following manner with respect to determining the votes received for each of the proposals:

with respect to stockholders of record, a failure to submit a proxy card or vote at the special meeting, by telephone or through the Internet will have no effect on the Windstream stock issuance proposal or the Windstream adjournment proposal (whether or not a quorum is present), but will be treated as a vote **AGAINST** the Windstream charter amendment proposal; and

with respect to street name holders, a broker non-vote will be treated

as a vote **AGAINST** the Windstream charter amendment proposal;

if a quorum is not present and such share was instructed how to vote as to any other matter, as a vote **AGAINST** the Windstream adjournment proposal;

as having no effect on the Windstream stock issuance proposal or, if a quorum is present, the Windstream adjournment proposal; and

if a quorum is not present and such share was not instructed how to vote as to any matter, as having no effect on the Windstream adjournment proposal.



**Q: What will happen if I abstain from voting?**

A: *EarthLink Stockholders:* You may vote FOR, AGAINST or ABSTAIN on each of the proposals. An abstention will be counted for purposes of determining a quorum. However, an abstention will be treated as a vote **AGAINST** the merger proposal, the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal.

*Windstream Stockholders:* You may vote FOR, AGAINST or ABSTAIN on each of the proposals. An abstention will be counted for purposes of determining a quorum. However, an abstention will be treated as a vote **AGAINST** the Windstream charter amendment proposal and, if a quorum is not present, the Windstream adjournment proposal, but will have no effect on the Windstream stock issuance proposal or, if a quorum is present, the Windstream adjournment proposal.

**Q: What will happen if I return my proxy card without indicating how to vote?**

A: *EarthLink Stockholders:* If you are a stockholder of record and you submit your proxy by Internet, telephone or mail but do not specify how you want to vote your shares on a particular proposal, EarthLink will vote your shares:

**FOR** the merger proposal;

**FOR** EarthLink adjournment proposal; and

**FOR** the compensation proposal.

If you are a street name holder and fail to instruct the broker, bank, trust company or other nominee that is the stockholder of record how you want to vote your shares on a particular proposal, those shares are considered to be uninstructed with respect to such proposal. Stockholders of record of shares held in street name have the discretion to vote uninstructed shares on specified routine matters, but do not have the authority to vote uninstructed shares on non-routine matters, such as the merger proposal, the EarthLink adjournment proposal and the compensation proposal. If you fail to give any instructions and, as a result, your shares are uninstructed on all proposals brought before the EarthLink special meeting, your shares will not be in attendance at the meeting and will have no effect on the EarthLink adjournment proposal or the compensation proposal, but will be treated as a vote **AGAINST** the merger proposal. If you fail to give instructions on some but not all of the proposals brought before the EarthLink special meeting, your shares will be treated as a broker non-vote with respect to each uninstructed proposal. A broker non-vote will be treated as a vote **AGAINST** the merger proposal, the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal.

*Windstream Stockholders:* If you are a stockholder of record and you submit your proxy by Internet, telephone or mail but do not specify how you want to vote your shares on a particular proposal, Windstream will vote your shares:

**FOR** the Windstream stock issuance proposal;

**FOR** the Windstream charter amendment proposal; and

**FOR** the Windstream adjournment proposal.

If you are a street name holder and fail to instruct the broker, bank, trust company or other nominee that is the stockholder of record how you want to vote your shares on a particular proposal, those shares are considered to be uninstructed with respect to such proposal. Stockholders of record of shares held in street name have the discretion to vote uninstructed shares on specified routine matters, but do not have the authority to vote uninstructed shares on non-routine matters, such as the Windstream stock issuance proposal, the Windstream charter amendment proposal and the Windstream adjournment proposal. A broker non-vote will be treated (i) as a vote **AGAINST** the Windstream charter amendment proposal, (ii) if a quorum is not present and such share was instructed how to vote as to any other matter, as a vote **AGAINST** the Windstream adjournment proposal, (iii) as having no effect on the Windstream stock issuance proposal or, if a quorum is present, the Windstream adjournment proposal and (iv) if a quorum is not present and such share was not instructed how to vote as to any matter, as having no effect on the Windstream adjournment proposal.

**Q: Can I change my vote or revoke my proxy after I have returned a proxy or voting instruction card?**

A: Yes. If you are the holder of record of either EarthLink common stock or Windstream common stock, you can change your vote or revoke your proxy at any time before your proxy is voted at your special meeting. You can do this in one of four ways:

by submitting a later-dated proxy by Internet or telephone before the deadline stated on the enclosed proxy card;

by submitting a later-dated proxy card;

by sending a written notice of revocation to the Corporate Secretary of EarthLink or Windstream, as applicable, which must be received before the time of such special meeting; or

by voting in person by ballot or via live webcast at the EarthLink or Windstream special meeting, as applicable.

If you are a street name holder, please refer to the voting instructions provided to you by your broker, bank, trust company or other nominee.

Any holder of EarthLink common stock or Windstream common stock entitled to vote at the EarthLink or Windstream special meeting, respectively, may vote at the meeting regardless of whether a proxy has been previously given. A Windstream or EarthLink stockholder simply attending the Windstream or EarthLink special meeting, respectively, will not constitute revocation of a previously given proxy.

**Q: Will EarthLink be required to submit the merger proposal to its stockholders even if the EarthLink Board has withdrawn (or amended or modified in a manner adverse to Windstream) its recommendation?**

A: Yes, unless the merger agreement has been terminated by either party pursuant to the terms of the merger agreement. For more information regarding the ability of EarthLink or Windstream to terminate the merger agreement, see the sections entitled The Merger Agreement Termination beginning on page 166 and The Merger Agreement Payments, beginning on page 167.

**Q: Will Windstream be required to submit the Windstream stock issuance proposal and the Windstream charter amendment proposal to its stockholders even if the Windstream Board has withdrawn (or amended or modified in a manner adverse to EarthLink) its recommendation?**

A: Yes, unless the merger agreement has been terminated by either party pursuant to the terms of the merger agreement. For more information regarding the ability of Windstream or EarthLink to terminate the merger agreement, see the sections entitled The Merger Agreement Termination beginning on page 166 and The Merger Agreement Payments, beginning on page 167.

**Q: What are the material U.S. federal income tax consequences of the mergers to U.S. holders of shares of EarthLink common stock?**

A: Windstream and EarthLink intend for the mergers to qualify as a reorganization within the meaning of Section 368(a) of the United States Internal Revenue Code of 1986, as amended (which we refer to in this joint proxy statement/prospectus as the Code) such that U.S. holders (as defined under Material U.S. Federal Income Tax Consequences ) will not recognize gain or loss for U.S. federal income tax purposes upon the exchange of shares of EarthLink common stock for shares of Windstream common stock in the mergers, except with respect to cash received in lieu of fractional shares. It is a condition to Windstream's obligation to complete the mergers that Windstream receive an opinion from Skadden, Arps, Slate, Meagher & Flom LLP to the effect that the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code. It is a condition of EarthLink's obligation to complete the mergers that EarthLink receive an opinion from Paul, Weiss, Rifkind, Wharton & Garrison LLP to the effect that the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code.

You should read the section titled Material U.S. Federal Income Tax Consequences beginning on page 169 for a more complete discussion of the material U.S. federal income tax consequences of the mergers. **Tax consequences of the mergers to you will depend on your particular facts and circumstances. Please consult your tax advisor to determine the tax consequences of the mergers to you.**

**Q: When do you expect the mergers to be completed?**

A: EarthLink and Windstream hope to complete the mergers as soon as reasonably practicable and currently expect the closing of the mergers to occur in the first half of 2017. However, the mergers are subject to various regulatory clearances and the satisfaction or waiver of other conditions described in the merger agreement, and it is possible that factors outside the control of EarthLink and Windstream could result in the mergers being completed at a later time or not at all. There can be no assurances as to when or if the mergers will close.

**Q: Do I need to do anything with my shares of common stock other than voting for the proposals at the special meeting?**

A: *EarthLink Stockholders:* If you are an EarthLink stockholder, after the mergers are completed, each share of EarthLink common stock you hold as of immediately prior to the effective time of the merger (other than the cancelled shares) will be converted into the right to receive 0.818 shares of Windstream common stock and cash in lieu of any fractional shares of Windstream common stock to which you otherwise are entitled after giving effect to the

exchange ratio. You will receive instructions at that time regarding exchanging your shares for the merger consideration. You do not need to take any action at this time. Please do not send your EarthLink share certificates, if any, with your proxy card.

*Windstream Stockholders:* If you are a Windstream stockholder, after the mergers are completed, you are not required to take any action with respect to your shares of Windstream common stock.

**Q: Are stockholders entitled to appraisal rights?**

A: Under the General Corporation Law of the State of Delaware (which we refer to in this joint proxy statement/prospectus as the DGCL), neither Windstream stockholders nor EarthLink stockholders are entitled to exercise any appraisal rights in connection with the mergers or the other transactions contemplated by the merger agreement.

**Q: What happens if I sell my shares of Windstream common stock or EarthLink common stock before the special meeting?**

A: The record dates for the Windstream and EarthLink special meetings are earlier than the date of the special meetings and the date that the mergers are expected to be completed. If you transfer your shares of Windstream or EarthLink common stock after the applicable record date but before the applicable special meeting, you will retain your right to vote at the applicable special meeting. However, if you are an EarthLink stockholder, you will have transferred your right to receive the merger consideration in the merger. In order to receive the merger consideration, holders of EarthLink common stock must hold their shares through the completion of the merger.

**Q: What if I hold shares in both EarthLink and Windstream?**

A: If you are a stockholder of both EarthLink and Windstream, you will receive two separate packages of proxy materials. A vote cast as a Windstream stockholder will not count as a vote cast as an EarthLink stockholder, and a vote cast as an EarthLink stockholder will not count as a vote cast as a Windstream stockholder. Therefore, please separately submit a proxy for each of your EarthLink and Windstream shares.

**Q: Why am I being asked to cast an advisory (non-binding) vote to approve the compensation proposal?**

A: The Securities Exchange Act of 1934, as amended (which we refer to in this joint proxy statement/prospectus as the Exchange Act) and applicable SEC rules thereunder require EarthLink to seek an advisory (non-binding) vote with respect to certain payments that could become payable to its named executive officers in connection with the mergers.

**Q: What will happen if the stockholders of EarthLink do not approve the compensation proposal at the EarthLink special meeting?**

A: Approval of the compensation proposal is not a condition to the completion of the mergers. The vote with respect to the compensation proposal is an advisory vote and will not be binding on either EarthLink or Windstream. However, the companies will take under advisement the voting results on the compensation proposal. If the other requisite stockholder approvals are obtained and the mergers are completed, the amounts payable under the compensation proposal may still be paid to EarthLink's named executive officers in accordance with applicable agreements and understandings.

**Q: Who pays for the cost of proxy preparation and solicitation?**

A: Subject to the parties' respective rights to be reimbursed for their incurred expenses if the merger agreement is terminated in certain circumstances (as more fully described in this joint proxy statement/prospectus), EarthLink will bear the entire cost of proxy solicitation for the EarthLink special meeting, Windstream will bear the entire cost of proxy solicitation for the Windstream special meeting, and EarthLink and Windstream will bear all expenses incurred by such party in connection with the filing of the registration statement of which this document forms a part with the SEC and the printing and mailing of this document.

**Q: Who can answer my questions?**

A: Windstream stockholders or EarthLink stockholders who have questions about the mergers, the other matters to be voted on at the special meetings, or how to submit a proxy or who desire additional copies of this joint proxy statement/prospectus or additional proxy cards should contact:

**If you are a Windstream stockholder:**

**Windstream Holdings, Inc.**

4001 Rodney Parham Road  
Little Rock, Arkansas 72212  
(501) 748-7000  
Attn: Investor Relations

or

**Okapi Partners LLC**

1212 Avenue of the Americas  
New York, New York 10036  
(212) 297-0720 (Main)  
Stockholders Call Toll-Free: (855) 208-8903  
Email: info@okapipartners.com

**If you are an EarthLink stockholder:**

**EarthLink Holdings Corp.**

1170 Peachtree Street, Suite 900  
Atlanta, Georgia 30309  
(404) 815-0770  
Attn: Investor Relations

or

**MacKenzie Partners, Inc.**

105 Madison Avenue  
New York, New York 10016  
earthlink@mackenziepartners.com  
(800) 322-2885 (toll-free)  
(212) 929-5500 (banks and brokers only)

**SUMMARY**

*This summary highlights information contained elsewhere in this joint proxy statement/prospectus and may not contain all of the information that is important to you with respect to the mergers, the merger proposal, the compensation proposal, the Windstream stock issuance proposal and the Windstream charter amendment proposal and the other matters being considered at the Windstream and EarthLink special stockholder meetings. EarthLink and Windstream urge you to read the remainder of this joint proxy statement/prospectus carefully, including the attached Annexes, and the other documents to which we have referred you. See also the section entitled *Where You Can Find More Information* beginning on page 215. We have included page references in this summary to direct you to a more complete description of the topics presented below where appropriate.*

**The Companies**

*Windstream*

Windstream Holdings, Inc., a Delaware corporation, is a leading provider of advanced network communications and technology solutions for consumers, businesses, enterprise organizations and carrier partners across the United States. It provides data, cloud solutions, unified communications and managed services to small business and enterprise clients. Windstream also offers bundled services, including broadband, security solutions, voice and digital television to consumers. Windstream also supplies core transport solutions on a local and long-haul fiber-optic network spanning approximately 129,000 miles, the sixth largest fiber network in the nation.

Windstream's common stock is traded on the NASDAQ under the symbol WIN.

The principal executive offices of Windstream are located at 4001 Rodney Parham Road, Little Rock, Arkansas 72212 and its telephone number is (501) 748-7000.

*EarthLink*

EarthLink Holdings Corp., a Delaware corporation, together with its consolidated subsidiaries, is a leading managed network, security and cloud services provider to business and residential customers in the United States. EarthLink provides a broad range of data, voice and managed network services to retail and wholesale business customers. EarthLink also provides nationwide Internet access and related value-added services to residential customers. EarthLink operates an extensive network including more than 29,000 route fiber miles and 90 metro fiber rings. Through its owned and leased facilities, EarthLink provides data and voice IP service coverage across more than 90 percent of the United States.

EarthLink's common stock is traded on the NASDAQ under the symbol ELNK.

The principal executive offices of EarthLink are located at 1170 Peachtree St., Suite 900, Atlanta, Georgia 30309 and its telephone number is (404) 815-0770.

*Europa Merger Sub, Inc. and Europa Merger Sub, LLC*

Europa Merger Sub, Inc. and Europa Merger Sub, LLC, indirect, wholly-owned subsidiaries of Windstream, are a Delaware corporation and a Delaware limited liability company, respectively, each formed on November 1, 2016 for the sole purpose of effecting the mergers. In the merger, Merger Sub 1 will be merged with EarthLink, with EarthLink continuing as the surviving corporation. In the subsequent merger, which will occur immediately following the merger, the surviving corporation will be merged with Merger Sub 2, with Merger Sub 2 continuing as the surviving company and an indirect, wholly-owned subsidiary of Windstream.

### **Risk Factors**

In addition to other information included in and incorporated by reference into this document, including the matters addressed in the section entitled *Cautionary Statement Regarding Forward-Looking Statements*, you should carefully read and consider the risks related to the mergers, including the parties' ability to complete the mergers, the risks related to Windstream following the mergers and the risks associated with each of the businesses of EarthLink and Windstream, beginning on page 51, before deciding whether to vote for the proposals presented in this document.

### **The Mergers**

A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. The rights and obligations of Windstream and EarthLink are governed by the express terms and conditions of the merger agreement and not by this summary or any other information contained in this joint proxy statement/prospectus. Windstream and EarthLink stockholders are urged to read the merger agreement carefully and in its entirety as well as this joint proxy statement/prospectus before making any decisions regarding the mergers, including the approval of the merger proposal or the approval of the Windstream stock issuance proposal and the Windstream charter amendment proposal, as applicable. This summary is qualified in its entirety by reference to the merger agreement. For more information on the merger agreement, see the section entitled *The Merger Agreement* beginning on page 139.

#### *The Mergers (see page 139)*

The merger agreement provides that, on the terms and subject to the conditions set forth in the merger agreement, Merger Sub 1 will merge with and into EarthLink, with EarthLink continuing as the surviving corporation, and an indirect, wholly-owned subsidiary of Windstream. Immediately after the effective time of the merger, EarthLink will merge with and into Merger Sub 2, with Merger Sub 2 continuing as the surviving company, and an indirect, wholly-owned subsidiary of Windstream.

#### *Conversion of Shares; Exchange of Certificates (see page 139)*

At the effective time of the merger, each share of EarthLink common stock issued and outstanding immediately prior to the effective time of the merger (other than the cancelled shares) will be converted into the right to receive 0.818 shares of Windstream common stock.

Windstream will not issue fractional shares of Windstream common stock pursuant to the merger agreement. Instead, each EarthLink stockholder who otherwise would have been entitled to receive a fraction of a share of Windstream common stock will receive, in lieu of such fractional share, an amount in cash equal to the product obtained by multiplying (i) the fractional share interest to which such holder would otherwise be entitled by (ii) the closing price for a share of Windstream common stock on the NASDAQ on the business day immediately preceding the closing of the merger.

The exchange ratio will be equitably adjusted to reflect the effect of any reclassification, recapitalization, stock split (including reverse stock split) or combination, exchange or readjustment of shares, or any stock dividend or stock distribution or other change with respect to the shares of Windstream common stock or shares of EarthLink common stock prior to the effective time of the merger.

#### *Material U.S. Federal Income Tax Consequences (see page 169)*

Windstream and EarthLink intend for the mergers to qualify as a *reorganization* within the meaning of Section 368(a) of the Code such that U.S. holders (as defined under *Material U.S. Federal Income Tax Consequences*) will not recognize gain or loss for U.S. federal income tax purposes upon the exchange

of shares of EarthLink Common Stock for shares of Windstream Common Stock in the mergers, except with respect to cash received in lieu of fractional shares. It is a condition to Windstream's obligation to complete the mergers that Windstream receive an opinion from Skadden, Arps, Slate, Meagher & Flom LLP to the effect that the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code. It is a condition of EarthLink's obligation to complete the mergers that EarthLink receive an opinion from Paul, Weiss, Rifkind, Wharton & Garrison LLP to the effect that the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code. You should read the section titled "Material U.S. Federal Income Tax Consequences" beginning on page 169 for a more complete discussion of the material U.S. federal income tax consequences of the mergers. **Tax consequences of the mergers to you will depend on your particular facts and circumstances. Please consult your tax advisor to determine the tax consequences of the mergers to you.**

*Recommendation of EarthLink's Board of Directors (see page 81)*

After careful consideration, the EarthLink Board unanimously approved the merger agreement and the transactions contemplated thereby, including the mergers, and has determined and declared that they are advisable and are in the best interests of EarthLink and its stockholders. For more information regarding the factors considered by the EarthLink Board in reaching its decision to approve the merger agreement and the mergers, see the section entitled "EarthLink's Reasons for the Mergers" Recommendation of EarthLink's Board of Directors.

In considering the recommendation of the EarthLink Board with respect to the proposal to adopt the merger agreement and approve the mergers, you should be aware that the EarthLink directors and executive officers have interests in the mergers that may be different from, or in addition to, yours. See the section entitled "The Mergers" Interests of EarthLink Directors and Executive Officers in the Mergers" beginning on page 125.

**The EarthLink Board unanimously recommends that the EarthLink stockholders vote FOR the merger proposal, FOR the EarthLink adjournment proposal and FOR the compensation proposal.**

*Recommendation of Windstream's Board of Directors (see page 108)*

After careful consideration, the Windstream Board unanimously approved the merger agreement and the transactions contemplated thereby, including the Windstream stock issuance and the adoption of the Windstream charter amendment, and has determined and declared that they are advisable and are in the best interests of Windstream and its stockholders. For more information regarding the factors considered by the Windstream Board in reaching its decision to approve the merger agreement, to authorize the Windstream stock issuance and to adopt the Windstream charter amendment, see the section entitled "The Mergers" Windstream's Reasons for the Mergers" Recommendation of Windstream's Board of Directors" beginning on page 108.

**The Windstream Board unanimously recommends that Windstream stockholders vote FOR the Windstream stock issuance proposal, FOR the Windstream charter amendment proposal and FOR the Windstream adjournment proposal.**



*Opinions of EarthLink's Financial Advisors (see page 86)*  
**Foros Securities LLC**

Foros Securities LLC (which we refer to in this joint proxy statement/prospectus as Foros) delivered to the EarthLink Board an opinion, dated November 5, 2016, to the effect that, as of that date and based on and subject to the assumptions, limitations, qualifications and other matters set forth therein, the exchange ratio was fair, from a financial point of view, to the holders of EarthLink common stock.

**The full text of the written opinion of Foros, dated November 5, 2016, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection therewith, is attached as Annex B to this joint proxy statement/prospectus. Foros provided its opinion to the EarthLink Board for the benefit and use of the EarthLink Board (in its capacity as such) in connection with and for purposes of its evaluation of the mergers. Foros's opinion does not address any other aspect of the mergers and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the mergers or any other matter.**

***Goldman, Sachs & Co.***

Goldman, Sachs & Co. (which we refer to in this joint proxy statement/prospectus as Goldman Sachs) delivered its opinion to the EarthLink Board that, as of November 5, 2016 and based upon and subject to the factors and assumptions set forth therein, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to the holders (other than Windstream and its affiliates) of EarthLink common stock.

**The full text of the written opinion of Goldman Sachs, dated November 5, 2016, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C to this joint proxy statement/prospectus. Goldman Sachs provided its opinion for the information and assistance of the EarthLink Board in connection with its consideration of the mergers. The Goldman Sachs opinion is not a recommendation as to how any holder of EarthLink's common stock should vote with respect to the mergers or any other matter. Pursuant to an engagement letter between EarthLink and Goldman Sachs, EarthLink has agreed to pay Goldman Sachs a transaction fee of \$3,500,000, all of which is payable upon consummation of the mergers.**

For a more complete description of Foros's and Goldman Sachs's respective opinions, see *The Mergers Opinions of EarthLink's Financial Advisors* beginning on page 86. See also Annex B and Annex C to this joint proxy statement/prospectus.

*Opinion of Windstream's Financial Advisor (see page 112)*

Windstream engaged Barclays Capital Inc. (which we refer to in this joint proxy statement/prospectus as Barclays) to act as its financial advisor with respect to a possible transaction with EarthLink, pursuant to an engagement letter dated November 1, 2016. On November 5, 2016, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the Windstream Board that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the exchange ratio to be paid by Windstream was fair to Windstream, from a financial point of view.

**For a more complete description of Barclays' opinion, see *The Mergers Opinion of Windstream's Financial Advisor* beginning on page 112. See also the full text of Barclays' written opinion, dated as of November 5, 2016, attached as Annex D to this joint proxy statement/prospectus and**

**incorporated herein by reference. Barclays' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Barclays in rendering its opinion. You are encouraged to read the opinion carefully in its entirety.**

*Interests of Windstream Directors and Executive Officers in the Mergers (see page 125)*

The mergers do not constitute a change in control under Windstream's employment or change in control agreements entered into with its executive officers and therefore the merger will not trigger any benefits under such agreements. Likewise, the mergers do not constitute a change in control under the equity compensation plans of Windstream and therefore will not cause any acceleration of outstanding Windstream equity awards.

*Interests of EarthLink Directors and Executive Officers in the Mergers (see page 125)*

Certain members of the board of directors and executive officers of EarthLink may be deemed to have interests in the mergers that are in addition to, or different from, the interests of other EarthLink stockholders generally. The EarthLink Board was aware of and considered these interests, to the extent such interests existed at the time, among other matters, in evaluating and negotiating the merger agreement and the merger and in recommending that the merger agreement be adopted by the EarthLink stockholders. These interests include:

Outstanding EarthLink stock options held by the members of the EarthLink Board and EarthLink's executive officers will vest pursuant to their terms upon consummation of the merger and be settled for shares of Windstream common stock;

The employment agreement with Mr. Eazor and the Change-in-Control Accelerated Vesting and Severance Plan for executive officers provide for severance benefits upon certain qualifying terminations of employment following the consummation of the mergers;

Members of the EarthLink Board and EarthLink's executive officers are entitled to continued indemnification and insurance coverage under the merger agreement; and

Certain executive officers and key employees of EarthLink and certain members of the EarthLink Board may be offered post-closing offer letters or arrangements. Among such agreements, Windstream has entered into an offer letter in connection with the mergers with Mr. John Dobbins, EarthLink's Executive Vice President of Network Operations. The new offer letter is generally consistent with the terms of other compensation arrangements with Windstream executives. Further details of Mr. Dobbins' offer letter can be found in the *Interests of EarthLink Directors and Executive Officers in the Mergers* section beginning on page 125.

*Windstream Board; Governance Matters (see page 161)*

Prior to the closing of the mergers, Windstream will increase the size of the Windstream Board to twelve members and, effective as of the effective time of the merger, will appoint three members of the EarthLink Board (which we refer to in this joint proxy statement/prospectus as the EarthLink designees) selected by EarthLink to the Windstream Board. The EarthLink designees must be reasonably acceptable to Windstream, taking into account Windstream's normal corporate governance process for selection of directors to the Windstream Board.

The EarthLink designees will serve until Windstream's next annual meeting of stockholders, and must be nominated for election to the Windstream Board at the first annual meeting immediately following the closing of the mergers and Windstream must solicit proxies in favor of their election using efforts no less than the efforts used to solicit proxies in favor of the election of the other individuals nominated to the Windstream Board.

As of the date of this joint proxy statement/prospectus, EarthLink has not determined the identities of the EarthLink designees.

*Regulatory Clearances Required for the Mergers (see page 134)*

EarthLink and Windstream have each agreed to use reasonable best efforts to obtain all regulatory approvals required to complete the transactions contemplated by the merger agreement. These approvals include approval from or notices to the Department of Justice (which we refer to in this joint proxy statement/prospectus as the DOJ), the Federal Trade Commission (which we refer to in this joint proxy statement/prospectus as the FTC), the Federal Communications Commission (which we refer to in this joint proxy statement/prospectus as the FCC), certain state public service or state public utility commissions (which we refer to in this joint proxy statement/prospectus as PSCs), and possibly various other federal, state and local regulatory authorities.

EarthLink and Windstream have filed numerous applications and notifications to obtain the required regulatory approvals. Although EarthLink and Windstream believe that all required regulatory approvals can be obtained, EarthLink and Windstream cannot be certain when or if these approvals will be obtained.

*Treatment of Options to Purchase EarthLink Shares and EarthLink RSUs (see page 136)*

**Options**

At the effective time of the merger, each outstanding option to purchase EarthLink common stock will be cancelled and converted into the right to receive a number of shares of Windstream common stock equal to (i) the product of the number of shares of EarthLink common stock underlying such option and the exchange ratio, less (ii) that number of shares of Windstream common stock, if any, equal to the product of (A) the number of shares of EarthLink common stock subject to such option with a fair market value (determined based on the closing price of EarthLink common stock on the business day immediately prior to the closing of the merger) equal to the sum of (x) the aggregate exercise price of such EarthLink option plus (y) any required federal, state, local or foreign tax withholding on such option and (B) the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting fractional shares of Windstream common stock payable as merger consideration.

**Restricted Stock Units**

At the effective time of the merger, each outstanding EarthLink restricted stock unit will be assumed by Windstream and converted into a Windstream restricted stock unit with respect to that number of shares of Windstream common stock determined by multiplying the number of shares of EarthLink common stock subject to such EarthLink restricted stock unit by the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting fractional shares of Windstream common stock payable as merger consideration. The other pre-existing terms of the EarthLink restricted stock unit, including vesting, shall continue to apply to the Windstream restricted stock unit.

*Financing Efforts and Related Cooperation (see page 161)*

Each of EarthLink and Windstream has acknowledged and agreed that the obtaining of any financing is not a condition to the closing of the mergers.

Prior to the effective time of the mergers, EarthLink will provide (and will use reasonable best efforts to cause its directors, officers, employees, consultants, advisors, counsel, accountants, auditors and other representatives to provide) such cooperation as is reasonably requested by Windstream with respect to any financing of the mergers, subject to certain limitations, including, among other things, that EarthLink, its subsidiaries, and their respective officers, directors, managers, employees, advisors, accountants, consultants, auditors, agents and other representatives will not be required to take any action that would unreasonably interfere with the business of EarthLink and its subsidiaries or that would violate any material agreement of EarthLink or any of its subsidiaries.

Windstream will promptly reimburse EarthLink and its subsidiaries for all reasonable and documented out-of-pocket costs and expenses incurred by it and its subsidiaries in complying with the financing cooperation provisions of the merger agreement. Windstream will indemnify EarthLink and its subsidiaries, and each of their respective directors, officers, employees, agents and other representatives, from and against any and all losses, damages, claims, interest, costs, expenses, awards, judgments, penalties and amounts paid in settlement, suffered or incurred, directly or indirectly, in connection with any financing, other than any claims arising (i) from fraud, intentional misrepresentation, willful misconduct or gross negligence of EarthLink, its subsidiaries or their respective directors, officers, employees, agents and other representatives or (ii) as a result of information provided by EarthLink, its subsidiaries or their respective directors, officers, employees, agents and other representatives to Windstream specifically to be used in connection with the financing being materially misleading or materially incorrect.

Subject to certain limited exceptions, EarthLink and its subsidiaries have agreed to consent to the use of their logos in connection with any financing.

Prior to or at closing of the mergers, EarthLink must deliver an executed payoff letter in customary form for its Second Amended and Restated Credit Agreement, dated as of June 30, 2016.

EarthLink has agreed that Windstream and its affiliates may share any information with respect to EarthLink and its subsidiaries with financing sources in connection with any marketing efforts in connection with any financing. However, the recipients of such information must agree to customary confidentiality arrangements, including click through confidentiality agreements and confidentiality provisions contained in customary bank books and offering memoranda.

*Completion of the Mergers (see page 141)*

Unless the parties agree otherwise, the closing of the mergers will take place on the third business day after the satisfaction or waiver (subject to applicable law) of the conditions to the closing of the mergers (excluding conditions that, by their terms, cannot be satisfied until the closing of the mergers, but subject to the satisfaction or, where permitted, waiver of those conditions as of the closing of the mergers). The mergers will be effective on the date shown on the certificates of merger filed with the Secretary of State of the State of Delaware, in accordance with the laws of Delaware.

*No Solicitation of Alternative Transaction Proposals (see page 154)*

Each of EarthLink and Windstream has agreed that, from the date of the merger agreement until the earlier of the closing of the merger and the termination of the merger agreement (which we refer to as the no shop period), each of the parties and its respective subsidiaries will not and will instruct its affiliates and representatives not to, directly or indirectly, (i) solicit, initiate or knowingly facilitate or encourage

any alternative transaction proposal or any inquiry or proposal that would reasonably be expected to lead to an alternative transaction proposal or (ii) participate in any discussions or negotiations with any persons regarding, or furnish to any person non-public information with respect to, or knowingly cooperate in any way with any person in connection with soliciting, initiating, facilitating or encouraging, any alternative transaction proposal or the submission or making of an inquiry that would reasonably be expected to lead to an alternative transaction proposal. Prior to the necessary stockholder approval, each party's board of directors may make an adverse recommendation change and, in the case of an alternative transaction proposal, terminate the merger agreement to enter into a definitive agreement with respect to an alternative transaction proposal (i) if the party's board of directors determines that an alternative transaction proposal constitutes a superior proposal or (ii) in response to any event, fact, circumstance, development or occurrence that is material to the party and its subsidiaries, taken as a whole, that was not known to, or reasonably foreseeable by, such party's board of directors, that becomes known to such party's board of directors prior to such party's stockholder approvals required under the merger agreement and does not involve or relate to an alternative transaction proposal if, in either case, the party's board determines in good faith that the failure to do so would be reasonably likely to be inconsistent with its fiduciary duties. Neither party will be entitled to exercise its right to make an adverse recommendation change or, in the case of an alternative transaction proposal which constitutes a superior proposal, terminate the merger agreement to enter into a definitive agreement with respect to the superior proposal, unless (i) the party has given the other party at least three (3) business days' prior written notice that the party's board intends to take such action and specifying the reasons, including, in the case of a superior proposal, the material terms of any superior proposal, (ii) during such period, the party has negotiated, and has caused its representatives to negotiate, with the other party in good faith, to the extent the other party desires to negotiate, to enable the other party to propose in writing a binding offer to make such adjustments in the terms and conditions of the merger agreement so that, if applicable, the alternative transaction proposal ceases to constitute a superior proposal or, in connection with a change in recommendation not involving or relating to an alternative transaction proposal, would cause the party's board no longer to believe that the failure to make a recommendation change would be reasonably likely to be inconsistent with its fiduciary duties, and (iii) at the end of such period, the party's board must have considered in good faith such binding offer and determined that the superior proposal continues to constitute a superior proposal or, other than in the case of an alternative transaction proposal, that it would continue to be reasonably likely to be inconsistent with the party's board's fiduciary duties.

*Conditions to the Mergers (see page 164)*

The obligations of each of EarthLink and Windstream to effect the mergers are subject to the satisfaction, or waiver, of the following conditions:

EarthLink's stockholder approval of the merger proposal will have been obtained in accordance with applicable law;

Windstream's stockholder approval of the Windstream stock issuance proposal and the Windstream charter amendment proposal will have been obtained in accordance with the rules of the NASDAQ and the DGCL, respectively;

the Windstream charter amendment will have been duly filed with the Secretary of State and be in full force and effect;

no applicable law or other legal restraint or prohibition and no binding order or determination by any governmental entity will be in effect that prevents, makes illegal or prohibits the mergers;

the Form S-4 will have been declared effective under the Securities Act and will not be the subject of any stop order or proceedings seeking a stop order;

the shares of Windstream common stock issuable in the merger will have been approved for listing on the NASDAQ;

the waiting period (and any extension thereof) applicable to the mergers under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (which we refer to in this joint proxy statement/prospectus as the HSR Act) will have expired or been earlier terminated;

any and all authorizations required to be obtained from the FCC in connection with the consummation of the mergers will have been obtained and will be documented in an effective order or notice from the FCC; and

the consents requested in the applications to state regulators (which we refer to in this joint proxy statement/prospectus as the PSC applications) agreed pursuant to the merger agreement will have been obtained from the applicable PSCs, and such consents will be in full force and effect.

In addition, the obligations of EarthLink to effect the mergers are subject to the satisfaction, or waiver, of the following additional conditions:

The representations and warranties of Windstream in the merger agreement will be true and correct (i) in all material respects, with respect to certain representations and warranties regarding organization and qualification and authority to enter into the merger agreement, (ii) in all respects, with respect to certain representations and warranties regarding capitalization (other than *de minimis* inaccuracies) and Windstream's tax accounting and status and (iii) in all respects, with respect to all representations and warranties not referenced in clauses (i) and (ii), except where any failure to be true and correct has not had, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Windstream;

Windstream will have performed in all material respects all obligations and complied in all material respects with all covenants required by the merger agreement to be performed or complied with by it prior to the effective time of the merger;

Since November 5, 2016, there will have been no circumstance that has had, or would reasonably be expected to have a material adverse effect on Windstream;

EarthLink will have received a tax opinion of its tax counsel, dated as of the closing date, to the effect that, on the basis of the facts, representations and assumptions set forth in such opinion, the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code; and

Windstream will have delivered to EarthLink a certificate certifying to the effect that the conditions with respect to compliance with representations and warranties, compliance with covenants and the absence of a material adverse effect have been satisfied as of the effective time of the merger.

In addition, the obligations of Windstream, Merger Sub 1 and Merger Sub 2 to effect the mergers are subject to the satisfaction, or waiver, of the following additional conditions:

The representations and warranties of EarthLink in the merger agreement will be true and correct (i) in all material respects, with respect to certain representations and warranties regarding organization and qualification and authority to enter into the merger agreement, (ii) in all respects, with respect to certain representations and warranties regarding capitalization (other than *de minimis* inaccuracies) and (iii) in all respects, with respect to all representations and warranties not referenced in clauses (i) and (ii), except where any failure to be true and correct has not had, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on EarthLink;

EarthLink will have performed in all material respects all obligations and complied in all material respects with all covenants required by the merger agreement to be performed or complied with by it prior to the effective time of the merger;

Since November 5, 2016, there will have been no circumstance that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on EarthLink; and

Windstream will have received a tax opinion of its tax counsel, dated as of the closing date, to the effect that, on the basis of the facts, representations and assumptions in such opinion, the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code; and

EarthLink will have delivered to Windstream a certificate certifying to the effect that the conditions with respect to compliance with representations and warranties, compliance with covenants and the absence of a material adverse effect have been satisfied as of the effective time of the merger agreement.

Under the merger agreement, either party may waive compliance with the conditions to the closing of the mergers, except for those conditions that may not be waived under applicable law. Each of the Windstream Board and the EarthLink Board intends to resolicit stockholder approval if either party waives material conditions to the closing of the mergers and such changes in the terms of the mergers render the disclosure that Windstream or EarthLink previously provided to their stockholders materially misleading.

*Termination (see page 166)*

The merger agreement may be terminated and the mergers abandoned in the following circumstances:

by mutual written consent of EarthLink and Windstream at any time before the effective time of the merger;

by written notice of either EarthLink or Windstream:

at any time before the effective time of the merger, if the mergers are not consummated by November 5, 2017 (which we refer to in this joint proxy statement/prospectus as the termination date) (subject to a ninety (90) day extension if the only reason closing has not occurred is because of the failure to obtain governmental approvals);

at any time before the effective time of the merger, if any governmental entity issues a final and nonappealable order, decree or ruling or takes any other action permanently restraining, enjoining or otherwise prohibiting or making illegal the consummation of the mergers;

after the Windstream special meeting at which a vote was taken, if the Windstream stockholders fail to approve the Windstream stock issuance or the Windstream charter amendment at the Windstream stockholder meeting;

after the EarthLink special meeting at which a vote was taken, if the EarthLink stockholders fail to adopt the merger agreement at the EarthLink stockholder meeting;

by either party, at any time before the effective time of the merger, upon a breach of any representation, warranty, covenant or agreement contained in the merger agreement by the other party such that the conditions to the other party's obligations to complete the mergers are not

satisfied and, if such breach is capable of being cured, the breaching party has not commenced good faith efforts to cure the breach within twenty (20) calendar days or has not cured the breach within forty-five (45) calendar days following receipt of written notice of such breach;

by EarthLink, at any time prior to Windstream stockholder approval of the Windstream stock issuance proposal and the Windstream charter amendment proposal, if Windstream, the Windstream Board or any committee thereof for any reason will have failed to include in this joint proxy statement/prospectus the recommendation of the Windstream Board that such stockholders approve the Windstream charter amendment and the Windstream stock issuance, or made an adverse recommendation change;

by Windstream, at any time prior to the EarthLink stockholder approval of the merger proposal, if EarthLink, the EarthLink Board or any committee thereof for any reason will have failed to include in this joint proxy statement/prospectus distributed to the stockholders of EarthLink the recommendation of the EarthLink Board that such stockholders adopt the merger agreement and approve the mergers, or made an adverse recommendation change;

by EarthLink, at any time prior to the EarthLink stockholder approval of the merger proposal, if (i) EarthLink receives an alternative transaction proposal that the EarthLink Board determines constitutes a superior proposal, (ii) the EarthLink Board authorizes EarthLink to enter into a binding written agreement concerning the mergers that constitutes a superior proposal, (iii) EarthLink has complied in all material respects with the merger agreement regarding alternative transaction proposals and (iv) EarthLink, at or prior to the termination of the merger agreement, pays to Windstream the termination fee described below;

by Windstream, at any time prior to Windstream stockholder approval of the Windstream stock issuance proposal and the Windstream charter amendment proposal, if Windstream receives an alternative transaction proposal that the Windstream Board determines constitutes a superior proposal, (ii) the Windstream Board authorizes Windstream to enter into a binding written agreement concerning the transaction that constitutes a superior proposal, (iii) Windstream has complied in all material respects with the merger agreement regarding alternative transaction proposals and (iv) Windstream, at or prior to the termination of the merger agreement, pays to EarthLink the termination fee described below; and

by EarthLink, at any time before the effective time of the merger, if Windstream fails to close the merger when required to do so under the merger agreement or breaches its covenant to keep sufficient funds available to consummate the transactions contemplated by the merger agreement.

*Payments (see page 167)*

EarthLink will be required to pay a termination fee of \$35,000,000 in the event that (A) Windstream terminates the merger agreement due to an adverse recommendation change by the EarthLink Board, (B) EarthLink terminates the merger agreement in order to enter into a definitive agreement with respect to a superior proposal or (C) following announcement of an alternative transaction proposal, (i) the EarthLink stockholder approval is not obtained, the merger agreement is terminated following the termination date or the merger agreement is terminated due to a breach of the merger agreement by EarthLink, and (ii) an alternative transaction proposal is consummated, or a definitive agreement with respect to an alternative transaction proposal is executed, in each case within twelve (12) months after termination.



Windstream will be required to pay a termination fee of \$35,000,000 in the event that (A) EarthLink terminates the merger agreement due to an adverse recommendation change by the Windstream Board, (B) Windstream terminates the merger agreement in order to enter into a definitive agreement with respect to a superior proposal or (C) following announcement of an alternative transaction proposal, (i) the Windstream stockholder approval is not obtained, the merger agreement is terminated following the termination date or the merger agreement is terminated due to a breach of the merger agreement by Windstream, and (ii) an alternative transaction proposal is consummated, or a definitive agreement with respect to an alternative transaction proposal is executed, in each case within twelve (12) months after termination. Additionally, if Windstream fails to close the mergers when required to do so under the merger agreement or breaches its covenant to keep sufficient funds available to consummate the transactions contemplated by the merger agreement, Windstream will be required to pay a termination fee of \$70,000,000 to EarthLink upon termination of the merger agreement by EarthLink; provided that EarthLink may elect in its notice of termination to waive its right to receive the \$70,000,000 fee in order to bring a claim for damages under the merger agreement. In addition, EarthLink and Windstream will be obligated to reimburse the other party for up to ten million dollars (\$10,000,000) in incurred expenses if the merger agreement is validly terminated by either party because a party's required stockholder approval is not obtained.

*Accounting Treatment (see page 172)*

Windstream prepares its financial statements in accordance with GAAP. The mergers will be accounted for using the acquisition method of accounting. Windstream will allocate the purchase price to the fair value of EarthLink's tangible and intangible assets and liabilities at the acquisition date, with the excess purchase price being recorded as goodwill. Under GAAP, goodwill is not amortized but is tested for impairment at least annually.

*Appraisal Rights*

Under the DGCL, neither Windstream stockholders nor EarthLink stockholders are entitled to exercise any appraisal rights in connection with the mergers or the other transactions contemplated by the merger agreement.

*Comparison of Stockholder Rights and Corporate Governance Matters (see page 191)*

EarthLink stockholders receiving merger consideration will have different rights once they become stockholders of Windstream due to differences between the governing corporate documents of EarthLink and the governing corporate documents of Windstream. These differences are described in detail under the section entitled "Comparison of Rights of Windstream Stockholders and EarthLink Stockholders" beginning on page 191.

*Listing of Shares of Windstream Common Stock / Delisting and Deregistration of EarthLink Common Shares (see pages 137 and 138)*

It is a condition to the completion of the mergers that the shares of Windstream common stock to be issued pursuant to the merger be authorized for listing on the NASDAQ (or any successor inter-dealer quotation system or stock exchange thereto) at the effective time of the merger. Upon completion of the mergers, EarthLink common stock currently listed on the NASDAQ will cease to be listed on the NASDAQ and will be subsequently deregistered under the Exchange Act.

## The Meetings

### *The EarthLink Special Meeting (see page 63)*

The special meeting of EarthLink stockholders will be held at EarthLink's Atlanta offices, located at 1170 Peachtree Street, Suite 900, Atlanta, Georgia 30309, on [ ], 2017, at [ ], local time. The special meeting of EarthLink stockholders is being held to consider and vote on:

the merger proposal;

the EarthLink adjournment proposal; and

the compensation proposal.

Completion of the mergers is conditioned on approval of the merger proposal.

Only holders of record of EarthLink common stock at the close of business on [ ], 2017, the record date for the EarthLink special meeting, are entitled to vote at the EarthLink special meeting or any adjournments or postponements thereof. At the close of business on the record date, [ ] shares of EarthLink common stock were issued and outstanding.

You may cast one vote for each share of EarthLink common stock you own. The approval of the merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of EarthLink common stock entitled to vote on the merger proposal. The approval of each of the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal requires the affirmative vote of holders of a majority of the number of shares of EarthLink stock entitled to vote present in person or represented by proxy at the EarthLink special meeting.

### *The Windstream Special Meeting (see page 56)*

The special meeting of Windstream stockholders will be held virtually via live webcast by visiting [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM), on [ ], 2017, at [ ], local time. The special meeting of Windstream stockholders is being held to consider and vote on:

the Windstream stock issuance proposal;

the Windstream charter amendment proposal; and

the Windstream adjournment proposal.

Completion of the mergers is conditioned on approval of both the Windstream stock issuance proposal and the Windstream charter amendment proposal.

Only holders of record of Windstream common stock at the close of business on [ ], 2017, the record date for the Windstream special meeting, are entitled to vote at the Windstream special meeting or any adjournments or postponements thereof. At the close of business on the record date, [ ] shares of Windstream common stock were issued and outstanding.

You may cast one vote for each share of Windstream common stock you own. The approval of the Windstream stock issuance proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting on such proposal. The approval of the Windstream charter amendment proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Windstream common stock entitled to vote thereon. The approval of the

Windstream adjournment proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting on the proposal, if a quorum is present, or the affirmative vote of the holders of a majority of the shares present or represented by proxy at the meeting, and entitled to vote at the meeting, if a quorum is not present.

*Voting by EarthLink and Windstream Directors and Executive Officers (see pages 59 and 66)*

On the record date for the EarthLink special meeting, the directors and executive officers of EarthLink owned and were entitled to vote shares of EarthLink common stock, representing [ ]% of the issued and outstanding EarthLink common stock. EarthLink currently expects that its directors and executive officers will vote their shares in favor of the above-listed proposals, although none of them has entered into any agreements obligating him or her to do so.

On the record date for the Windstream special meeting, the directors and executive officers of Windstream owned and were entitled to vote shares of Windstream's common stock, representing [ ]% of the outstanding Windstream common stock. Windstream currently expects that its directors and executive officers will vote their shares in favor of the above-listed proposals, although none of them has entered into any agreements obligating him or her to do so.

### **Selected Historical Consolidated Financial Data**

#### *Selected Historical Consolidated Financial Data of EarthLink*

The following table presents selected historical consolidated financial data of EarthLink. The historical consolidated statements of operations data and statements of cash flows data for the years ended December 31, 2013, 2014 and 2015 and balance sheet data as of December 31, 2014 and 2015 below have been derived from EarthLink's audited consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP, which are contained in EarthLink's annual report on Form 10-K for the fiscal year ended December 31, 2015 and incorporated herein by reference. The historical consolidated statements of operations data and statements of cash flows data for the years ended December 31, 2011 and 2012 and the balance sheet data as of December 31, 2011, 2012 and 2013 have been derived from EarthLink's audited consolidated financial statements prepared in accordance with GAAP that are not included in this joint proxy statement/prospectus. The historical consolidated statements of operations data and statements of cash flows data for the nine months ended September 30, 2015 and 2016 and the balance sheet data as of September 30, 2016 below have been derived from EarthLink's unaudited consolidated financial statements, which are contained in EarthLink's quarterly report on Form 10-Q for the fiscal quarter ended September 30, 2016 and incorporated herein by reference, but include, in the opinion of EarthLink's management, all adjustments, consisting of normal recurring adjustments and accruals, necessary for their presentation of such data. The historical consolidated balance sheet data as of September 30, 2015 have been derived from EarthLink's unaudited consolidated financial statements, which are not contained in this joint proxy statement/prospectus, but include, in the opinion of our management, all adjustments, consisting of normal recurring adjustments and accruals, necessary for their presentation of such data. Results for interim periods are not necessarily indicative of the results for future periods.

You should read the selected historical combined financial data set forth below together with the Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations sections of EarthLink's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q incorporated by reference in this joint proxy statement/prospectus and the consolidated financial statements and the related notes contained in and incorporated by reference in this joint proxy statement/prospectus. See the section entitled Where You Can Find More Information beginning on page 215.

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	Year Ended December 31,					Nine Months Ended September 30,	
	2011(1)	2012	2013	2014	2015	2015	2016
	(in thousands, except per share amounts)						
<b>Statement of operations data:</b>							
Revenues	\$1,300,543	\$1,335,135	\$1,240,606	\$1,176,895	\$1,097,252	\$837,015	\$729,744
Operating costs and expenses (2)(3)	1,170,899	1,263,112	1,505,555	1,197,749	1,077,026	815,608	688,548
Income (loss) from operations	129,644	72,023	(264,949)	(20,854)	20,226	21,407	41,196
Income (loss) from continuing operations (4)	37,273	9,938	(536,866)	(72,371)	(43,210)	(30,928)	12,212
Loss from discontinued operations, net of tax (5)	(2,706)	(2,418)	(1,961)	(381)			
Net income (loss)	34,567	7,520	(538,827)	(72,752)	(43,210)	(30,928)	12,212
Basic net income (loss) per share							
Continuing operations	\$0.34	\$0.09	\$(5.23)	\$(0.71)	\$(0.42)	\$(0.30)	\$0.12
Discontinued operations	(0.03)	(0.02)	(0.02)				
Basic net income (loss) per share	\$0.32	\$0.07	\$(5.25)	\$(0.71)	\$(0.42)	\$(0.30)	\$0.12
Diluted net income (loss) per share							
Continuing operations	\$0.34	\$0.09	\$(5.23)	\$(0.71)	\$(0.42)	\$(0.30)	\$0.11
Discontinued operations	(0.02)	(0.02)	(0.02)				
Diluted net income (loss) per share	\$0.32	\$0.07	\$(5.25)	\$(0.71)	\$(0.42)	\$(0.30)	\$0.11
Basic weighted average common shares outstanding	108,098	105,221	102,599	102,313	103,388	103,228	105,090
Diluted weighted average common shares outstanding	108,949	105,983	102,599	102,313	103,388	103,228	108,344
Cash dividends declared per common share	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.15	\$0.15
<b>Cash flow data:</b>							
Cash provided by operating activities	146,234	191,055	124,156	139,995	167,448	126,089	98,460
Cash provided by (used in) investing activities	141,594	(163,836)	(112,500)	(102,777)	(87,468)	(60,413)	(35,496)
Cash used in financing activities	(318,997)	(81,381)	(52,641)	(19,721)	(122,817)	(112,186)	(95,283)
	As of December 31,				As of September 30,		
	2011	2012	2013	2014	2015	2015	2016
	(in thousands)						
<b>Balance sheet data:</b>							
Cash and cash equivalents	\$211,783	\$157,621	\$116,636	\$134,133	\$91,296	\$87,623	\$58,977
Investments in marketable securities	29,607	46,851					
Cash and marketable securities	241,390	204,472	116,636	134,133	91,296	87,623	58,977
Total assets	1,671,755	1,591,850	994,090	899,196	734,652	760,556	643,640
Long-term debt, including long-term portion of capital leases (6)	645,069	607,330	593,214	595,319	505,613	499,865	438,109
Total liabilities	918,611	873,046	831,872	824,412	711,806	723,430	617,033
Accumulated deficit	(613,668)	(606,148)	(1,144,975)	(1,217,727)	(1,260,937)	(1,248,655)	(1,248,725)
Stockholders' equity	753,144	718,804	162,218	74,784	22,846	37,126	26,607

- (1) On April 1, 2011, EarthLink acquired One Communications Corp, a privately-held integrated telecommunications solutions provider serving customers in the northeast, mid-Atlantic and upper midwest sections of the United States. The results of operations of One Communications have been included in EarthLink's consolidated financial statements since the acquisition date. The comparison of selected financial data is affected by this acquisition and, to a lesser extent, by other smaller acquisitions including STS Telecom, Inc., Logical Solutions and Business Vitals, LLC, among others, completed during the year ended December 31, 2011; CenterBeam, Inc. completed during the year ended December 31, 2013; and Boston Retail Partners, LLC completed during the nine months ended September 30, 2016.

- (2) Operating costs and expenses for the year ended December 31, 2013 includes a non-cash impairment charge of \$255.6 million related to goodwill. During 2013, EarthLink performed an interim goodwill impairment test following a sustained decrease in its stock price and market capitalization which resulted in an impairment charge in EarthLink's legacy Business Services reporting unit. Operating costs and expenses for the year ended December 31, 2014 includes non-cash impairment charge of \$14.3 million related to long-lived assets for certain work in progress and software licenses not expected to be used.
- (3) Operating costs and expenses for the years ended December 31, 2011, 2012, 2013, 2014 and 2015 include restructuring, acquisition and integration-related costs of \$32.1 million, \$18.2 million, \$40.0 million, \$20.1 million and \$19.3 million, respectively. Operating costs and expenses for the nine months ended September 30, 2015 and 2016 include restructuring, acquisition and integration-related costs of \$14.8 million and \$9.1 million, respectively.
- (4) During the year ended December 31, 2013, EarthLink recorded an income tax provision of approximately \$266.3 million to record a valuation allowance for deferred tax assets. These deferred tax assets related primarily to net operating loss carryforwards which EarthLink determined it more-likely-than-not would be unable to utilize.
- (5) The operating results of EarthLink's telecom systems business acquired as part of ITC^DeltaCom, Inc. have been separately presented as discontinued operations for all periods presented. On August 2, 2013, EarthLink sold its telecom systems business.
- (6) Includes the carrying amount of ITC^DeltaCom's 10.5% senior secured notes due 2016, EarthLink's 8.875% Senior Notes due 2019, EarthLink's 7.375% Senior Secured Notes due 2020 and amounts outstanding under EarthLink's credit facility. In 2012, EarthLink redeemed \$32.5 million aggregate principal amount of the ITC^DeltaCom Notes. In 2013, EarthLink redeemed the remaining \$292.3 million aggregate principal amount of the ITC^DeltaCom Notes and issued \$300.0 million aggregate principal amount of 7.375% Senior Secured Notes due 2020. In 2015, EarthLink redeemed or repurchased \$126.1 million aggregate principal amount of 8.875% Senior Notes due 2019 and drew down \$35.0 million (net of repayments) under its senior secured revolving credit facility. In 2016, EarthLink redeemed or repurchased \$97.4 million aggregate principal amount of 8.875% Senior Notes due 2019, repaid \$25.0 million (net of drawdowns) under its senior secured revolving credit facility and issued a \$50.0 million senior secured term loan.

*Selected Historical Consolidated Financial Data of Windstream*

The following table presents selected historical consolidated financial data of Windstream. The historical consolidated statements of statement of operations data for the years ended December 31, 2013, 2014 and 2015 and balance sheet data as of December 31, 2014 and 2015 below have been derived from Windstream's audited consolidated financial statements prepared in accordance with GAAP, which are contained in Windstream's annual report on Form 10-K for the fiscal year ended December 31, 2015 and incorporated herein by reference. The historical consolidated statements of operations data for the years ended December 31, 2011 and 2012 and the balance sheet data as of December 31, 2011, 2012 and 2013 have been derived from Windstream's consolidated financial statements prepared in accordance with GAAP that are not included in this prospectus. The historical consolidated statement of operations data for the nine months ended September 30, 2015 and 2016 and the balance sheet data as of September 30, 2016 below have been derived from Windstream's unaudited consolidated financial statements, which are contained in Windstream's quarterly report on Form 10-Q for the fiscal quarter ended September 30, 2016 and incorporated herein by reference, but include, in the opinion of Windstream's management, all adjustments, consisting of normal, recurring adjustments, necessary for a fair presentation of such

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data. The historical consolidated balance sheet data as of September 30, 2015 have been derived from Windstream's unaudited consolidated financial statements, which are not contained in this joint proxy statement/prospectus, but include, in the opinion of Windstream's management, all adjustments, consisting of normal, recurring adjustments, necessary for a fair statement of such data. Results for interim periods are not necessarily indicative of the results for future periods.

You should read the selected historical combined financial data set forth below together with the Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations sections of Windstream's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q incorporated by reference in this joint proxy statement/prospectus and the consolidated financial statements and the related notes contained in and incorporated by reference in this joint proxy statement/prospectus. See the section entitled Where You Can Find More Information beginning on page 215.

	Year Ended December 31,					Nine Months Ended September 30,	
	2011	2012	2013	2014	2015	2015	2016
<b>(Millions, except per share amounts)</b>							
<b>Revenues and sales</b>	\$ 4,279.6	\$ 6,139.5	\$ 5,988.1	\$ 5,829.5	\$ 5,765.3	\$ 4,338.3	\$ 4,077.9
<b>Operating income</b>	962.9	883.9	1,009.0	507.1	509.4	377.7	441.7
Dividend income on CS&L common stock					48.4	30.6	17.6
Other (expense) income, net	(0.1)	4.6	(12.5)	0.1	9.1	7.9	(2.5)
Gain on disposal of investment in CS&L common stock							15.2
Gain on sale of data center					326.1		
Loss on early extinguishment of debt	(136.1)	1.9	(28.5)		(36.4)	(35.8)	(18.0)
Other-than-temporary impairment loss on investment in CS&L common stock							(181.9)
Interest expense	(558.3)	(625.1)	(627.7)	(571.8)	(813.2)	(588.8)	(653.5)
(Loss) income from continuing operations before income taxes	268.4	265.3	340.3	(64.6)	43.4	(208.4)	(381.4)
(Loss) income before income taxes	99.4	98.2	105.3	(25.1)	16.0	(95.3)	(84.8)
(Loss) income from continuing operations	169.0	167.1	235.0	(39.5)	27.4	(113.1)	(296.6)
Discontinued operations, including tax expense of \$9.8, \$2.2, and \$0, for 2013, 2012 and 2011, respectively	0.5	0.9	6.0				
<b>Net (loss) income</b>	\$ 169.5	\$ 168.0	\$ 241.0	\$ (39.5)	\$ 27.4	\$ (113.1)	\$ (296.6)
<b>Basic and diluted (loss) earnings per share:</b>							
From continuing operations	\$1.94	\$1.69	\$2.35	(\$.45)	\$ .24	(\$1.16)	(\$3.19)
From discontinued operations			.06				
Net (loss) income	\$1.94	\$1.69	\$2.41	(\$.45)	\$ .24	(\$1.16)	(\$3.19)
Dividends declared per common share	\$6.00	\$6.00	\$6.00	\$6.00	\$2.31	\$2.16	\$.45
<b>Balance sheet data</b>							
Total assets	\$ 14,074.6	\$ 13,641.5	\$ 13,341.6	\$ 12,520.3	\$ 12,518.1	\$ 13,004.4	\$ 11,823.6
Total long-term debt and capital and other lease obligations (excluding premium and discount)	\$ 9,138.6	\$ 9,025.4	\$ 8,683.4	\$ 8,762.3	\$ 10,443.0	\$ 10,971.0	\$ 10,000.8
Total equity	\$ 1,495.3	\$ 1,104.8	\$ 840.2	\$ 224.8	\$ 306.4	\$ 174.3	\$ 250.3

- (1) Explanations for significant events affecting Windstream's historical operating trends during the periods January 1, 2013 through September 30, 2016 are provided in Management's Discussion and Analysis of Results of Operations and Financial Condition in Windstream's Annual Report on Form 10-K for the year ended December 31, 2015 and Windstream's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, which are incorporated herein by reference.

- (2) In 2011, Windstream changed its method of recognizing actuarial gains and losses for pension benefits to recognize actuarial gains and losses in our operating results in the year in which the gains and losses occur. The effect of this change in methodology can create volatility in actuarial gains and losses recognized based on market fluctuations which impacts pension expense (income) for the year. Pension expense (income) was \$1.2 million, \$128.3 million, \$(115.3) million, \$67.4 million and \$166.8 million in 2015, 2014, 2013, 2012, and 2011, respectively.
- (3) On November 30, 2011, Windstream acquired PAETEC Holding Corp., which affected Windstream's historical operating trends during 2012.
- (4) Pursuant to the terms of a Membership Interest Purchase Agreement, Windstream Services, LLC sold a portion of Windstream's data center business to TierPoint LLC (which we refer to in this joint proxy statement/prospectus as Tierpoint), effective as of December 18, 2015, and agreed to indemnify TierPoint for certain losses attributable to alleged breaches of representations and warranties made by Windstream. Such indemnification liability is generally capped at \$10.0 million. On November 22, 2016, TierPoint submitted a notice of a claim for indemnification from Windstream and payment of \$10.0 million. Windstream is reviewing the factual basis for the claim and its legal defenses thereto. While a final determination has yet to be made, at this time, it is reasonably possible that Windstream may pay up to \$10.0 million to resolve the claim.

#### **Selected Unaudited Pro Forma Condensed Combined Financial Information of EarthLink and Windstream**

The following tables show selected unaudited pro forma condensed combined financial information about the combined financial condition and operating results of Windstream after giving effect to the closing of the mergers. The unaudited pro forma condensed combined statement of operations data give effect to the closing of the mergers as if completed on January 1, 2015, and includes all adjustments which give effect to the events that are directly attributable to the mergers, are expected to continue and that are factually supportable. The unaudited pro forma condensed combined balance sheet data as of September 30, 2016 gives effect to the closing of the mergers as if they had been completed on September 30, 2016 and includes all adjustments which give effect to the events that are directly attributable to the mergers and that are factually supportable.

This information should be read in conjunction with the annual and quarterly reports and other information Windstream and EarthLink have filed with the SEC and incorporated by reference in this joint proxy statement/prospectus, and with the unaudited pro forma condensed combined financial statements and related notes incorporated by reference in this joint proxy statement/prospectus. See the sections entitled "Where You Can Find More Information" beginning on page 215 and "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 173. The unaudited pro forma condensed combined financial information is presented for illustrative purposes only and does not indicate the financial results of the combined company had the mergers actually been completed at the beginning of each period presented, nor the impact of possible business model changes. The unaudited pro forma condensed combined financial information also does not consider any potential impacts of current market conditions on revenues, cost savings, and asset dispositions, among other factors. In addition, as explained in more detail in the accompanying notes to the unaudited pro forma condensed combined financial statements, the aggregate value of purchase consideration and preliminary allocation of the pro forma purchase price reflected in the unaudited pro forma condensed combined financial statements are subject to adjustment and may vary significantly from the actual purchase price and allocation that will be recorded upon the closing of the mergers, which itself will be subject to further adjustment for up to one year following the closing.

	Year Ended December 31, 2015 (Unaudited) (In millions, except per share amounts)	Nine Months Ended September 30, 2016
<b>Statement of Operations Data</b>		
Revenues and sales	\$ 6,886.2	\$ 4,824.5
Operating income	\$ 483.6	\$ 432.1
Net loss	\$ (32.6)	\$ (310.3)
Basic and diluted loss per share	(\$0.20)	(\$1.74)

	As of September 30, 2016 (In millions)
<b>Summary Balance Sheet Data</b>	
Net property, plant and equipment	\$ 5,572.3
Goodwill	\$ 4,843.6
Total assets	\$ 13,279.7
Long-term debt, including current portion	\$ 5,374.0
Shareholders' equity	\$ 892.1

#### Unaudited Comparative Per Share Data

Presented below are EarthLink's historical per share data and Windstream's historical per share data for continuing operations for the nine months ended September 30, 2016 and for the year ended December 31, 2015, as well as unaudited pro forma combined per share data for the nine months ended September 30, 2016 and for the year ended December 31, 2015 after giving effect to the closing of the mergers as if completed on January 1, 2015. This information should be read together with the consolidated financial statements and related notes of EarthLink and Windstream that are incorporated by reference in this joint proxy statement/prospectus and with the unaudited pro forma condensed combined financial data included under the section entitled "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 173.

The unaudited pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the mergers had been completed as of the beginning of the periods presented, nor is it necessarily indicative of the future operating results or financial position of Windstream following the mergers. The historical book value per share is computed by dividing total stockholders' equity by the number of shares of common stock outstanding at the end of the period. The unaudited pro forma loss per share of Windstream following the mergers is computed by dividing the unaudited pro forma net loss by the unaudited pro forma weighted average number of shares outstanding. The unaudited pro forma book value per share of Windstream following the mergers is computed by dividing total unaudited pro forma stockholders' equity by the unaudited pro forma number of shares of Windstream common stock outstanding at the end of the period.



## Nine Months Ended September 30, 2016

	Windstream Historical (in millions, except per share data)	EarthLink Historical	Windstream Pro Forma	EarthLink Equivalent Pro Forma (1)
Net (loss) income per common share:				
Basic	(\$3.19)	\$ .12	(\$1.74)	(\$1.42)
Diluted	(\$3.19)	\$ .11	(\$1.74)	(\$1.42)
Cash dividends declared per common share (2)	\$ .45	\$ .15	\$ .45	\$ .37
Book value per common share (3)	\$2.60	\$ .25	\$4.89	\$4.00

(1) Represents Windstream's pro forma amounts adjusted by the exchange ratio of 0.818.

(2) Pro forma same as historical, as no change in Windstream's dividend policy is expected as a result of the mergers.

(3) Common shares outstanding excludes 7.3 million shares reserved for share-based awards that would be converted into the right to receive shares of Windstream common stock in accordance with the terms of the merger agreement.

## Year Ended December 31, 2015

	Windstream Historical (in millions, except per share data)	EarthLink Historical	Windstream Pro Forma	EarthLink Equivalent Pro Forma (1)
Net income (loss) per common share:				
Basic	\$.24	(\$ .42)	(\$ .20)	(\$ .16)
Diluted	\$.24	(\$ .42)	(\$ .20)	(\$ .16)
Cash dividends declared per common share (2)	\$ .60	\$ .20	\$ .60	\$ .49

(1) Represents Windstream's pro forma amounts adjusted by the exchange ratio of 0.818.

(2) Pro forma same as historical, as no change in Windstream's dividend policy is expected as a result of the mergers.

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This joint proxy statement/prospectus contains forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, as amended. These forward-looking statements include, but are not limited to, (i) statements about the benefits of the acquisition of EarthLink by Windstream, including financial and operating results and synergy benefits that may be realized from the acquisition and the timeframe for realizing those benefits; (ii) Windstream's and EarthLink's plans, objectives, expectations and intentions; (iii) other statements contained in this communication that are not historical facts; and (iv) other statements identified by words such as expects, anticipates, intends, plans, believes, seeks, estimates, goal, strategy, future, likely, may, should, could, will, and words with similar references to future periods.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, forward-looking statements are based only on current beliefs, assumptions and expectations regarding the future of our business, including the effects of the mergers, future plan and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are inherently subject to significant business, economic and competitive uncertainties, risks and contingencies, which may include third-party approvals, many of which are beyond Windstream's and EarthLink's control and are difficult to predict. Therefore, you are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include risks and uncertainties relating to the ability to obtain the requisite Windstream and EarthLink stockholder approvals required to complete the mergers; the ability to satisfy the conditions to consummation of the mergers, including obtaining governmental and regulatory approvals required for the mergers; the risk that required governmental and regulatory approvals may delay the mergers or result in the imposition of conditions that could cause the parties to abandon the mergers or materially impact the financial benefits of the proposed mergers; timing to consummate the proposed mergers; the risk that the businesses will not be integrated successfully; the risk that the cost savings and anticipated synergies from the proposed transaction may not be fully realized or may take longer to realize than expected; the anticipated future cash requirements of the proposed combined company; disruption from the proposed transaction making it more difficult to maintain relationships with customers, employees or suppliers; the diversion of management time on merger-related issues; dividend policy changes for the combined company; general worldwide economic conditions and related uncertainties; and the effect of any changes in governmental regulations. These risks and uncertainties also include those set forth under Risk Factors, beginning on page 51.

Other important factors that may affect Windstream's and the combined business' results of operations and financial condition include, but are not limited to: (i) the continued expansion in consumption of data and video via the Internet by consumers and businesses; (ii) continued uncertainty in the global financial markets and the global economy; (iii) disruptions in the financial markets that could affect Windstream's ability to obtain financing; and (iv) Windstream's ability to: increase revenue from the services it offers; successfully use new technology and information systems to support new and existing services; prevent process and system failures that significantly disrupt the availability and quality of the services that it provides; prevent its security measures from being breached, or its services from being degraded as a result of security breaches; develop new services that meet customer demands and generate acceptable

margins; effectively manage expansions to its operations; provide services that do not infringe the intellectual property and proprietary rights of others; attract and retain qualified management and other personnel; and meet all of the terms and conditions of debt obligations. Additional information concerning these and other important factors can be found within Windstream's and EarthLink's filings with the SEC, which discuss the foregoing risks as well as other important risk factors that could contribute to such differences or otherwise affect their business, results of operations and financial condition. Statements in this communication should be evaluated in light of these important factors. The forward-looking statements in this communication speak only as of the date they are made. Except for the ongoing obligations of Windstream and EarthLink to disclose material information under the federal securities laws, Windstream and EarthLink do not undertake any obligation to, and expressly disclaim any such obligation to, update or alter any forward-looking statement to reflect new information, circumstances or events that occur after the date such forward-looking statement is made unless required by law.

## RISK FACTORS

*In addition to the other information included and incorporated by reference in this joint proxy statement/prospectus, including the matters addressed in the section entitled **Cautionary Statement Regarding Forward-Looking Statements**, you should carefully consider the following risk factors before deciding whether to vote for the merger proposal, the compensation proposal, in the case of EarthLink stockholders, or for the proposals to approve the Windstream stock issuance and adoption of the Windstream charter amendment, in the case of Windstream stockholders. In addition, you should read and consider the risks associated with each of the businesses of EarthLink and Windstream because these risks will relate to Windstream following the completion of the mergers. Descriptions of some of these risks can be found in the Annual Reports on Form 10-K for the fiscal year ended December 31, 2015, and any amendments thereto, for each of EarthLink and Windstream, as such risks may be updated or supplemented in each company's subsequently filed Quarterly Reports on Form 10-Q, which are incorporated by reference into this joint proxy statement/prospectus. You should also consider the other information in this document and the other documents incorporated by reference into this document. See the section titled **Where You Can Find More Information** beginning on page 215.*

*The exchange ratio will not be adjusted if the price of Windstream common stock declines before the merger is completed. As a result, the value of the shares of Windstream common stock at the time EarthLink stockholders receive them could be less than the value of those shares on the date of this joint proxy statement/prospectus or the date of the EarthLink special meeting.*

In the merger, EarthLink stockholders (other than holders of cancelled shares) will be entitled to receive 0.818 shares of Windstream common stock for each share of EarthLink common stock owned by them as of immediately prior to the effective time of the merger and cash in lieu of any fractional shares of Windstream common stock to which they otherwise would be entitled after giving effect to the exchange ratio. Windstream and EarthLink will not adjust the exchange ratio as a result of any change in the market price of Windstream common stock between the date of this joint proxy statement/prospectus and the date on which EarthLink stockholders receive shares of Windstream common stock in exchange for their shares of EarthLink common stock. The market price of Windstream common stock will likely be different, and may be lower, on the date on which EarthLink stockholders receive their shares of Windstream common stock than the market price of Windstream common stock on the date of this joint proxy statement/prospectus. Differences in the market price of Windstream common stock may be the result of changes in the business, operations or prospects of Windstream, market reactions to the proposed mergers, regulatory considerations, general market and economic conditions or other factors.

*Regulators may impose conditions that could prevent completion of the mergers or reduce the anticipated benefits from the mergers. As a result, the price of Windstream common stock or EarthLink common stock may be adversely affected.*

As a condition to their respective obligations to complete the mergers, Windstream and EarthLink must obtain the approval of various regulatory authorities, including, without limitation, the DOJ, the FTC, the FCC and certain PSCs. The filings made with the FCC and relevant PSCs are, in many cases, subject to third-party comments and protests. Any of these regulators could object to or deny approval for the mergers and/or impose conditions or restrictions on their approvals that are materially adverse to Windstream, EarthLink and the combined company. Depending on their nature and extent, any objections, conditions or restrictions of regulatory authorities may jeopardize or delay completion of the mergers or may lessen or eliminate the anticipated potential benefits of the mergers. Under the merger agreement, Windstream and EarthLink are obligated to use reasonable best efforts to resolve any such objections, conditions or restrictions to permit the mergers to occur, but are not required to take any action that would have a material adverse effect on the assets, liabilities, business, results of operations

or condition (financial or otherwise) of Windstream and its subsidiaries, taken as a whole, after giving effect to the mergers (measured on a scale relative to Windstream and its subsidiaries, taken as a whole, immediately prior to the mergers).

*Each of Windstream and EarthLink expects to incur significant non-recurring expenses related to the mergers.*

Windstream and EarthLink are expected to incur significant non-recurring expenses related to the mergers and integration efforts. Neither Windstream nor EarthLink can be certain that the elimination of duplicative costs or the realization of other efficiencies related to the integration of the businesses will offset the transaction and integration costs in the near term, or at all.

*The merger agreement limits each of Windstream's and EarthLink's respective ability to pursue alternatives to the mergers, and in certain instances requires payment of a termination fee, which could deter a third party from proposing an alternative transaction to the mergers.*

While the merger agreement is in effect, subject to certain limited exceptions, each of EarthLink and Windstream is prohibited from soliciting, initiating, knowingly facilitating, knowingly encouraging or entering into certain transactions, such as a merger, sale of assets or other business combination, with any third party. As a result of these limitations, EarthLink and Windstream may lose opportunities to enter into a more favorable transaction than the mergers. See *The Merger Agreement No Solicitation of Alternative Transaction Proposals* beginning on page 154 for a description of the foregoing limitations. Moreover, under specified circumstances, Windstream and EarthLink may be required to pay the other a termination fee of \$35,000,000 in connection with the termination of the merger agreement, and Windstream may be required to pay EarthLink a termination fee of \$70,000,000 in the event Windstream fails to close the mergers when required under the merger agreement or breaches its covenant to keep sufficient funds available to consummate the mergers. Additionally, upon termination of the merger agreement under certain circumstances, Windstream and EarthLink may be required to reimburse the other for up to \$10,000,000 of incurred expenses. See *The Merger Agreement Payments* beginning on page 167 for a description of the obligations in these services.

*EarthLink will be subject to business uncertainties and contractual restrictions while the proposed mergers are pending that could adversely affect EarthLink's business.*

Uncertainty about the effect of the proposed mergers on EarthLink's employees and customers may have an adverse effect on EarthLink's business. These uncertainties may impair EarthLink's ability to attract, retain and motivate key personnel until the proposed mergers are completed and for a period of time thereafter, and could cause customers, suppliers and others that deal with EarthLink to seek to change existing business relationships with EarthLink. Employee retention may be particularly challenging during the pendency of the proposed mergers, as employees may experience uncertainty about their future roles with the combined company. If, despite EarthLink's retention efforts, key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company, EarthLink's business could be seriously harmed.

*Windstream may not realize the anticipated synergies from the mergers.*

Windstream expects to achieve annual operating and capital expense synergies. However, Windstream's ability to realize the anticipated synergies will depend upon the successful integration of EarthLink's business with that of Windstream. Even if Windstream successfully integrates EarthLink's business, there can be no assurance that this integration will result in the realization of the full benefit of the anticipated synergies or that these benefits will be realized within the expected time frames. For example, the elimination of duplicative costs may not be possible or may take longer than anticipated, benefits

from the merger may be offset by costs incurred in integrating Windstream and EarthLink, or regulatory authorities may impose adverse conditions on the combined company in connection with granting approval of the mergers.

*EarthLink stockholders will have reduced ownership and voting interests after the mergers and will exercise less influence over management of Windstream than they currently exercise over management of EarthLink.*

After the effective time of the mergers, EarthLink stockholders will own in the aggregate a smaller percentage of Windstream than they currently own of EarthLink. Following completion of the mergers, EarthLink stockholders are expected to own approximately [ ]% of the outstanding shares of Windstream common stock based on the number of shares of EarthLink common stock and Windstream common stock outstanding on the record date for the special meetings of EarthLink and Windstream stockholders. Consequently, EarthLink stockholders as a group will have less influence over the management and policies of Windstream than they currently exercise over the management and policies of EarthLink.

*EarthLink stockholders will have different rights with respect to their holdings following the mergers.*

Upon completion of the mergers, EarthLink stockholders will become stockholders of Windstream. There are differences between the rights of EarthLink stockholders under the EarthLink governing documents and the rights of Windstream stockholders under the Windstream governing documents. For a description of some of these differences, see *Comparison of Rights of Common Stockholders of Windstream and Common Stockholders of EarthLink* beginning on page 191.

*Windstream cannot assure you whether, when or in what amounts it will be able to utilize EarthLink's net operating losses following the mergers.*

Based on current tax law, EarthLink is estimated to have net operating losses (which we refer to in this joint proxy statement/prospectus as NOLs) for U.S. federal income tax purposes at the closing of the mergers. After the mergers, the combined company's ability to utilize these tax attributes to offset future taxable income will be subject to significant limitations under Sections 382 and 383 of the Code. Moreover, issuances or sales of Windstream stock following the mergers (including transactions outside of Windstream's control) could result in an ownership change further limiting the combined company's ability to utilize these NOLs. Determining whether an ownership change has occurred and the limitations applicable to the NOLs is technical and highly complex. For these and other reasons, Windstream cannot assure you that the combined company will be able to use EarthLink's NOLs after the mergers in the amounts it projects.

*Failure to quickly and efficiently integrate EarthLink's businesses, products and services could reduce Windstream's profitability, adversely affect its stock price, and either delay or prevent realization of many of the potential benefits of the mergers.*

In order to obtain the benefits of the mergers, Windstream must effectively integrate EarthLink's businesses, products and services with Windstream's businesses, products and services. Windstream may not be able to accomplish this integration quickly and effectively. Windstream may be required to spend additional time and money on operating compatibility, which would otherwise be spent on selling its own products and services and investing in its networks. If Windstream does not integrate operations effectively or uses too many resources on integration, it could harm the combined company's business, financial condition and results of operations.

*The time and effort required to be dedicated to the integration of EarthLink into Windstream could divert the attention of Windstream's management from other business concerns or otherwise harm Windstream's business.*

The integration process could result in the diversion of Windstream management's attention from other business concerns, in the disruption or interruption of, or the loss of momentum in, Windstream's ongoing business, or in inconsistencies in standards, controls, procedures and policies. Any of these impacts could adversely affect Windstream's ability to maintain relationships with its customers and employees or Windstream's ability to achieve the anticipated benefits of the mergers, or could reduce the earnings or otherwise adversely affect Windstream's business and financial results.

*Under the Amended and Restated Certificate of Incorporation of Windstream, as amended by the Windstream charter amendment, Windstream will be able to issue more shares of common stock than are expected to be outstanding immediately after the mergers are completed. As a result, such future issuances of common stock may have a dilutive effect on the earnings per share and voting power of Windstream's stockholders.*

If the mergers are completed, the Windstream charter amendment authorizes a greater number of shares of common stock than are expected to be outstanding immediately after the mergers. If the Windstream Board elects to issue additional shares of common stock in the future, whether in public offerings, in connection with mergers and acquisitions, for purposes of equity grants to Windstream employees or otherwise, such additional issuances may dilute the earnings per share and voting power of the combined company's stockholders and may adversely affect the market price of their shares of Windstream common stock.

**THE COMPANIES**

*Windstream Holdings, Inc.*

Windstream Holdings, Inc., a Delaware corporation, is a leading provider of advanced network communications and technology solutions for consumers, businesses, enterprise organizations and carrier partners across the United States. It provides data, cloud solutions, unified communications and managed services to small business and enterprise clients. Windstream also offers bundled services, including broadband, security solutions, voice and digital television to consumers. Windstream also supplies core transport solutions on a local and long-haul fiber-optic network spanning approximately 129,000 miles, the sixth largest fiber network in the nation.

Windstream's common stock is traded on the NASDAQ under the symbol WIN.

The principal executive offices of Windstream are located at 4001 Rodney Parham Road, Little Rock, Arkansas 72212 and its telephone number is (501) 748-7000.

*EarthLink Holdings Corp.*

EarthLink Holdings Corp., a Delaware corporation, together with its consolidated subsidiaries, is a leading managed network, security and cloud services provider to business and residential customers in the United States. EarthLink provides a broad range of data, voice and managed network services to retail and wholesale business customers. EarthLink also provides nationwide Internet access and related value-added services to residential customers. EarthLink operates an extensive network including more than 29,000 route fiber miles and 90 metro fiber rings. Through its owned and leased facilities, EarthLink provides data and voice IP service coverage across more than 90 percent of the United States.

EarthLink's common stock is traded on the NASDAQ under the symbol ELNK.

The principal executive offices of EarthLink are located at 1170 Peachtree St., Suite 900, Atlanta, Georgia 30309 and its telephone number is (404) 815-0770.

*Europa Merger Sub, Inc. and Europa Merger Sub, LLC*

Europa Merger Sub, Inc. and Europa Merger Sub, LLC, indirect, wholly-owned subsidiaries of Windstream, are a Delaware corporation and a Delaware limited liability company, respectively, each formed on November 1, 2016 for the sole purpose of effecting the mergers. In the merger, Merger Sub 1 will be merged with EarthLink, with EarthLink continuing as the surviving corporation. In the subsequent merger, which will occur immediately thereafter, the surviving corporation will be merged with Merger Sub 2, with Merger Sub 2 continuing as the surviving company.



### THE WINDSTREAM SPECIAL MEETING

This section contains information about the special meeting of Windstream stockholders that has been called to consider and approve the Windstream stock issuance, the Windstream charter amendment and the Windstream adjournment proposal. The Windstream special meeting will be held virtually via live webcast by visiting [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM) on [ ], 2017, at [ ] a.m., [central] time.

#### *Matters to Be Considered*

The purpose of the Windstream special meeting is to vote on:

the Windstream stock issuance proposal;

the Windstream charter amendment proposal; and

the Windstream adjournment proposal.

#### *Proxies*

Each copy of this document mailed to holders of Windstream common stock as of the record date is accompanied by a form of proxy with instructions for voting by mail, by telephone or through the Internet. If you hold stock in your name as a stockholder of record, you should submit a proxy by completing, signing and returning the proxy card accompanying this document or by following the instructions on the enclosed proxy card for Internet or telephone submissions, to ensure that your vote is counted at the Windstream special meeting, or at any adjournment or postponement of the special meeting, regardless of whether or not you plan to attend the Windstream special meeting.

If you are a street name holder (i.e., you hold your shares in the name of your broker, bank, trust company or other nominee), and you wish to vote your shares at the meeting, you must follow the instructions provided at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM).

If you hold stock in your name as a stockholder of record, you may revoke any proxy at any time before it is voted at the special meeting by properly submitting a later-dated proxy by mail, Internet or telephone before the deadline stated on the proxy card, by delivering a written notice of revocation to Windstream's Corporate Secretary, which must be received by us before the time of the special meeting, or by voting at the special meeting.

Any stockholder entitled to vote at the Windstream special meeting may vote regardless of whether or not a proxy has been previously given, but simply attending the Windstream special meeting will not constitute revocation of a previously given proxy.

Written notices of revocation and other communications about revoking your proxy should be addressed to:

#### **Windstream Holdings, Inc.**

4001 Rodney Parham Road  
Little Rock, Arkansas 72212  
(501) 748-7000

Attn: Kristi Moody, Senior Vice President and Corporate Secretary

If your shares are held in street name by a bank, broker, trust company or other nominee, you should follow the instructions of your bank, broker, trust company or other nominee regarding the revocation of proxies.

All shares represented by valid proxies that are received through this solicitation, and that are not revoked, will be voted in accordance with your instructions on the proxy card or as instructed via the Internet or telephone. **If you are a stockholder of record and you make no specification on your proxy card as to how you want your shares voted, your proxy will be voted FOR the Windstream stock issuance proposal, FOR the Windstream charter amendment proposal and FOR the Windstream adjournment proposal.** According to the Windstream bylaws, only such business that is specified in Windstream's notice of the meeting may be conducted at a special meeting of stockholders.

#### *Solicitation of Proxies*

The solicitation of proxies from Windstream stockholders is made on behalf of the Windstream Board. In accordance with the merger agreement, Windstream will bear the costs and expenses of proxy solicitation for the Windstream special meeting, and will bear the costs and expenses it incurs in connection with the preparation and filing of this joint proxy statement/prospectus. Windstream has retained Okapi Partners LLC to aid in the solicitation of proxies for a fee of approximately \$20,600, plus expenses. If necessary, Windstream may also use several of its directors, officers and other regular employees, who will not be specially compensated except reimbursement for actual expenses, to solicit proxies from Windstream stockholders, either personally or by telephone, facsimile, letter or other electronic means. Windstream will also request that banks, brokers and other record holders forward proxies and proxy materials to the beneficial owners of Windstream common stock and secure their voting instructions, and Windstream will provide customary reimbursement to such firms for the cost of forwarding these materials. EarthLink will pay the costs of soliciting and obtaining its proxies and all other expenses related to the EarthLink special meeting.

#### *Record Date*

The close of business on [ ], 2017 has been fixed as the record date for determining the Windstream stockholders entitled to receive notice of and to vote at the Windstream special meeting. At that time, shares of Windstream common stock were outstanding, held by approximately [ ] holders of record.

#### *Quorum*

In accordance with the Windstream bylaws, stockholders who hold shares representing a majority of the outstanding shares of Windstream common stock entitled to vote at the Windstream special meeting must be present or represented by proxy to constitute a quorum for the transaction of business at the Windstream special meeting. If a quorum is not present, the holders of a majority of the shares of Windstream common stock present or represented by proxy at the Windstream special meeting, and entitled to vote at the meeting, may adjourn the Windstream special meeting to another time and place. At any adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. Notice of any adjourned meeting need not be given except by announcement of the time and place thereof at the meeting at which adjournment is taken.

If a holder of Windstream common stock is a beneficial owner of shares held in street name by a bank, broker, trust company or other nominee and does not provide the organization that holds its shares with specific voting instructions then, under applicable rules, the organization that holds its shares may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds its shares does not receive instructions from such stockholder on how to vote its shares on a non-routine matter, that bank, broker, trust company or other nominee will inform the inspector.

of election at the Windstream special meeting that it does not have authority to vote on the matter with respect to its shares. This is generally referred to as a broker non-vote. Abstentions and broker non-votes will be included in the calculation of the number of shares of Windstream common stock represented at the special meeting for purposes of determining whether a quorum has been achieved.

*Vote Required; Effect of Abstentions and Broker Non-Votes*

Each share of Windstream common stock outstanding on the record date for the Windstream special meeting entitles the holder to one vote with respect to such share on each matter to be voted upon at the Windstream special meeting. Each of the proposals has the following vote requirement in order to be approved:

assuming a quorum is present, approval of the Windstream stock issuance proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting on such proposal;

approval of the Windstream charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Windstream common stock entitled to vote on such proposal; and

approval of the Windstream adjournment proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting on such proposal, if a quorum is present, or the affirmative vote of the holders of a majority of the shares present or represented by proxy at the Windstream special meeting, and entitled to vote at the meeting, if a quorum is not present. Abstentions, failures to submit a proxy card or vote and broker non-votes will be treated in the following manner with respect to determining the votes received for each of the proposals:

with respect to stockholders of record, a failure to submit a proxy card or vote at the special meeting, by telephone or through the Internet will have no effect on the Windstream stock issuance proposal or the Windstream adjournment proposal (whether or not a quorum is present), but will be treated as a vote **AGAINST** the Windstream charter amendment proposal;

an abstention will be treated as a vote **AGAINST** the Windstream charter amendment proposal and, if a quorum is not present, the Windstream adjournment proposal, but will have no effect on the Windstream stock issuance proposal or, if a quorum is present, the Windstream adjournment proposal; and

with respect to street name holders, a broker non-vote will be treated

as a vote **AGAINST** the Windstream charter amendment proposal;

if a quorum is not present and such share was instructed how to vote as to any other matter, as a vote **AGAINST** the Windstream adjournment proposal;

as having no effect on the Windstream stock issuance proposal or, if a quorum is present, the Windstream adjournment proposal; and

if a quorum is not present and such share was not instructed how to vote as to any other matter, as having no effect on the Windstream adjournment proposal.

**The Windstream Board urges Windstream stockholders to promptly vote by completing, dating and signing the accompanying proxy card and returning it promptly in the enclosed postage-paid envelope; calling the toll-free number listed in the proxy card instructions if voting by telephone; or accessing the Internet site listed in the proxy card instructions if voting through the Internet.** If you hold your stock in street name through a bank, broker, trust company or other nominee, please vote by following the voting instructions of your bank, broker, trust company or other nominee.

Windstream stockholders may also vote at the Windstream special meeting. Votes cast at the meeting or by proxy will be tallied by [ ], Windstream's inspector of election.

*Voting Power of Windstream's Directors and Executive Officers*

On the record date for the Windstream special meeting, the directors and executive officers of Windstream and their affiliates owned and were entitled to vote [ ] shares of Windstream's common stock, representing [ ]% of the outstanding Windstream common stock.

*Recommendation of Windstream's Board of Directors*

The Windstream Board has unanimously approved the merger agreement and the transactions contemplated thereby, including the Windstream stock issuance and the Windstream charter amendment, and has determined and declared that they are advisable and are in the best interests of Windstream and its stockholders. The Windstream Board unanimously recommends that you vote **FOR** the Windstream stock issuance proposal, **FOR** the Windstream charter amendment proposal and **FOR** the Windstream adjournment proposal. See the section titled "The Mergers" Windstream's Reasons for the Mergers; Recommendation of Windstream's Board of Directors beginning on page 108 for a more detailed discussion of the Windstream Board's recommendation.

*Attending the Windstream Special Meeting*

Stockholders may attend the special meeting virtually via the internet at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM). In order to vote or submit a question during the meeting, you will need to follow the instructions posted at [www.virtualshareholdermeeting.com/WIN17SM](http://www.virtualshareholdermeeting.com/WIN17SM) and will need the 16-digit control number provided to you with your proxy materials. Broadridge Financial Solutions is hosting our virtual annual meeting and, on the date of the special meeting, will be available via telephone at 1-855-449-0991 to answer your questions regarding how to attend and participate in the special meeting virtually via the live webcast.

## WINDSTREAM PROPOSALS

### Item 1. The Windstream Stock Issuance Proposal

(Item 1 on Windstream Proxy Card)

It is a condition to the completion of the mergers that Windstream stockholders approve the issuance of Windstream common stock to EarthLink stockholders in the merger pursuant to the rules of the NASDAQ. When the merger becomes effective, each share of EarthLink common stock outstanding immediately prior to the merger (other than the cancelled shares) will be converted into the right to receive 0.818 shares of Windstream common stock. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the mergers.

Under the NASDAQ's Listing Rules, a company listed on the NASDAQ is required to obtain stockholder approval prior to the issuance of securities in connection with the acquisition of the stock or assets of another company if, due to the present or potential issuance of common stock, or securities convertible into or exercisable for common stock, among other things, (A) the common stock so issued has or will have upon issuance voting power equal to or in excess of 20% of the voting power outstanding before the issuance of stock (or securities convertible into or exercisable for common stock) or (B) the number of shares of common stock to be issued is or will be equal to or in excess of 20% of the number of shares of common stock outstanding before the issuance of the stock or securities. If the merger is completed, it is estimated, as of the record date for the Windstream and EarthLink special meetings, that Windstream will issue approximately [ ] shares of Windstream common stock in connection with the merger. The aggregate number of shares of Windstream common stock issued in the merger will exceed 20% of the shares of Windstream common stock outstanding prior to such issuance, as well as 20% of Windstream's voting power outstanding prior to the issuance. For this reason, Windstream must obtain the approval of Windstream stockholders for the issuance of shares of Windstream common stock to EarthLink stockholders in the merger.

The approval of the Windstream stock issuance proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting on such proposal. The approval of the Windstream stock issuance proposal is necessary to effect the mergers.

**The Windstream Board unanimously recommends a vote FOR the Windstream stock issuance proposal (Item 1).**

### Item 2. The Windstream Charter Amendment Proposal

(Item 2 on Windstream Proxy Card)

It is a condition to the completion of the mergers that Windstream stockholders approve the amendment of Windstream's Amended and Restated Certificate of Incorporation, as amended (which we refer to in this joint proxy statement/prospectus as the Windstream charter), pursuant to the DGCL. The Windstream charter currently provides that the total number of shares of Windstream stock which Windstream has authority to issue is 200,000,000 shares, consisting of (i) 33,333,333 shares of preferred stock, par value \$0.0001 per share and (ii) 166,666,667 shares of Windstream common stock.

In connection with the Windstream stock issuance contemplated by the merger agreement, the Windstream Board has proposed to increase the number of shares of authorized common stock provided in its charter from 166,666,667 shares of common stock to 375,000,000 shares of common stock. As of [ ], 2017, the record date for the Windstream and EarthLink special meetings, Windstream intends to issue approximately [ ] shares of Windstream common stock to EarthLink stockholders in the merger.

The remaining proposed shares would be utilized for general corporate purposes, including for grants to employees pursuant to Windstream's equity incentive plans and EarthLink's equity incentive plans that will be assumed by Windstream should the mergers become effective and for issuances in connection with future strategic opportunities that may arise. The Windstream Board believes it is advisable to have additional authorized shares of Windstream common stock available for these important corporate purposes, allowing Windstream the ability to react quickly to future strategic opportunities that may arise and to attract and retain talented employees through the use of equity compensation.

The Windstream Board is submitting for consideration and approval by Windstream stockholders an amendment to increase the maximum number of authorized shares of Windstream common stock from 166,666,667 shares of common stock to 375,000,000 shares of common stock, and thereby increasing the total number of Windstream's authorized shares from 200,000,000 shares to 408,333,333 shares. Windstream intends to file the amendment, if approved by Windstream's stockholders, with the Secretary of State of the State of Delaware prior to the effectiveness of the merger. The full text of the form of proposed amendment is attached as Annex E to this joint proxy statement/prospectus.

The approval of the Windstream charter amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Windstream common stock entitled to vote on such proposal. The approval of the Windstream charter amendment proposal is necessary to effect the mergers.

**The Windstream Board unanimously recommends a vote FOR the Windstream charter amendment proposal (Item 2).**

### **Item 3. The Windstream Adjournment Proposal**

(Item 3 on Windstream Proxy Card)

The Windstream special meeting may be adjourned to another time or place to solicit additional proxies if Windstream has not received proxies representing a sufficient number of shares of Windstream common stock to approve the Windstream stock issuance proposal and the Windstream charter amendment proposal.

If, at the Windstream special meeting, the number of shares of Windstream common stock present or represented and voting in favor of the Windstream stock issuance proposal or the Windstream charter amendment proposal is insufficient to approve such proposal, Windstream intends to move to adjourn the Windstream special meeting in order to enable the Windstream Board to solicit additional proxies for approval of the Windstream stock issuance proposal and the Windstream charter amendment proposal.

In the Windstream adjournment proposal, Windstream is asking its stockholders to authorize the holder of any proxy solicited by the Windstream Board to vote in favor of granting discretionary authority to the proxyholders, and each of them individually, to adjourn the Windstream special meeting to another time and place for the purpose of soliciting additional proxies. If the Windstream stockholders approve the Windstream adjournment proposal, Windstream could adjourn the Windstream special meeting and any adjourned session of the Windstream special meeting and use the additional time to solicit additional proxies, including the solicitation of proxies from Windstream stockholders who have previously delivered proxies not in favor of the Windstream stock issuance proposal or the Windstream charter amendment proposal.

If a quorum is present, the approval of the Windstream adjournment proposal requires the affirmative vote of a majority of the votes of Windstream common stock cast at the Windstream special meeting on such proposal. If a quorum is not present, the approval of the Windstream adjournment proposal requires the affirmative vote of the holders of a majority of the shares present or represented by proxy at the meeting and entitled to vote at the meeting.

**The Windstream Board unanimously recommends a vote FOR the Windstream adjournment proposal (Item 3).**

### THE EARTHLINK SPECIAL MEETING

This section contains information about the special meeting of EarthLink stockholders that has been called to consider and approve the merger proposal, the EarthLink adjournment proposal and the compensation proposal.

Together with this document you will be sent a notice of the special meeting and a form of proxy that is solicited by the EarthLink Board. The EarthLink special meeting will be held on [ ], 2017, at [ ] a.m., local time, at EarthLink's Atlanta offices, located at 1170 Peachtree Street, Suite 900, Atlanta, Georgia 30309.

#### *Matters to Be Considered*

The purpose of the EarthLink special meeting is to vote on:

the merger proposal;

the EarthLink adjournment proposal; and

the compensation proposal.

#### *Proxies*

Each copy of this document mailed to holders of EarthLink common stock as of the record date is accompanied by a form of proxy with instructions for voting by mail, by telephone or through the Internet. If you hold stock in your name as a stockholder of record, you should submit a proxy by completing, signing and returning the proxy card accompanying this document or by following the instructions on the enclosed proxy card for Internet or telephone submissions, to ensure that your vote is counted at the EarthLink special meeting, or at any adjournment or postponement of the special meeting, regardless of whether or not you plan to attend the EarthLink special meeting.

If you hold your stock in street name through a bank, broker, trust company or other nominee, you must direct your bank, broker, trust company or other nominee to vote in accordance with the instructions you have received from your bank, broker, trust company or other nominee.

If you hold stock in your name as a stockholder of record, you may revoke any proxy at any time before it is voted at the special meeting by properly submitting a later-dated proxy by mail, Internet or telephone before the deadline stated on the proxy card, by delivering a written notice of revocation to EarthLink's corporate secretary, which must be received by us before the time of the special meeting, or by voting in person by ballot at the special meeting.

Any stockholder entitled to vote at the EarthLink special meeting may vote in person regardless of whether or not a proxy has been previously given, but simply attending the EarthLink special meeting will not constitute revocation of a previously given proxy.

Written notices of revocation and other communications about revoking your proxy should be addressed to:

EarthLink Holdings Corp.  
1170 Peachtree Street  
Suite 900  
Atlanta, Georgia 30309  
Attention: Corporate Secretary



If your shares are held in street name by a bank, broker, trust company or other nominee, you should follow the instructions of your bank, broker, trust company or other nominee regarding the revocation of proxies.

All shares represented by valid proxies that are received through this solicitation, and that are not revoked, will be voted in accordance with your instructions on the proxy card or as instructed via the Internet or telephone. **If you are a stockholder of record and you make no specification on your proxy card as to how you want your shares voted, your proxy will be voted FOR the merger proposal, FOR the EarthLink adjournment proposal and FOR the compensation proposal.** According to the EarthLink bylaws, the only business conducted at a special meeting of EarthLink stockholders shall be that business brought before the meeting pursuant to EarthLink's notice of meeting given in accordance with the EarthLink bylaws.

#### *Solicitation of Proxies*

The solicitation of proxies from EarthLink stockholders is made on behalf of the EarthLink Board. In accordance with the merger agreement, EarthLink will bear the costs and expenses of proxy solicitation for the EarthLink special meeting, and will bear the costs and expenses it incurs in connection with the preparation and filing of this joint proxy statement/prospectus. EarthLink has retained MacKenzie Partners, Inc. to aid in the solicitation of proxies for a fee of approximately \$25,000, plus expenses. In addition, if necessary, EarthLink may use several of its directors, officers and other regular employees, who will not be specially compensated except reimbursement for actual expenses, to solicit proxies from EarthLink stockholders, either personally or by telephone, facsimile, letter or other electronic means. EarthLink will also request that banks, brokers and other record holders forward proxies and proxy materials to the beneficial owners of EarthLink common stock and secure their voting instructions, and EarthLink will provide customary reimbursement to such firms for the cost of forwarding these materials. Windstream will pay the costs of soliciting and obtaining its proxies and all other expenses related to the Windstream special meeting.

#### *Record Date*

The close of business on [ ], 2017 has been fixed as the record date for determining the EarthLink stockholders entitled to receive notice of and to vote at the EarthLink special meeting. At that time, [ ] shares of EarthLink common stock were outstanding, held by approximately [ ] holders of record.

#### *Quorum*

In accordance with the EarthLink bylaws, stockholders who hold shares representing a majority of the number of shares of EarthLink stock outstanding and entitled to vote at the EarthLink special meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business at the EarthLink special meeting. The holders of a majority of the number of shares of EarthLink stock entitled to vote that are present in person or represented by proxy thereat, whether or not a quorum is present, may adjourn the EarthLink special meeting to another time and place. At any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted at the original meeting. Notice of any adjourned meeting need not be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, except if the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting.

If a holder of EarthLink common stock is a beneficial owner of shares held in street name by a bank, broker, trust company or other nominee and does not provide the organization that holds its shares with specific voting instructions then, under applicable rules, the organization that holds its shares

may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds its shares does not receive instructions from such stockholder on how to vote its shares on a non-routine matter, that bank, broker, trust company or other nominee will inform the inspector of election at the EarthLink special meeting that it does not have authority to vote on the matter with respect to its shares. This is generally referred to as a broker non-vote. Abstentions and broker non-votes will be included in the calculation of the number of shares of EarthLink common stock represented at the special meeting for purposes of determining whether a quorum has been achieved. However, if a beneficial owner of EarthLink common stock does not instruct its broker, bank, trust company or other nominee how to vote on any matter, the broker, bank, trust company or other nominee will not have discretion to vote on any proposal at the EarthLink special meeting and the shares will not be in attendance at the meeting or counted for purposes of determining whether a quorum has been achieved.

*Vote Required; Effect of Abstentions and Broker Non-Votes*

Each share of EarthLink common stock outstanding on the record date for the EarthLink special meeting entitles the holder to one vote on each matter to be voted upon at the EarthLink special meeting. Each of the proposals has the following vote requirement in order to be approved:

approval of the merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of EarthLink common stock entitled to vote on the proposal; and

approval of each of the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal (assuming a quorum is present) requires the affirmative vote of holders of a majority of the number of shares of EarthLink stock entitled to vote present in person or represented by proxy at the EarthLink special meeting.

Abstentions, failures to submit a proxy card or vote in person and broker non-votes will be treated in following manner with respect to determining the votes received for each of the proposals:

with respect to stockholders of record, a failure to submit a proxy card or vote in person, by telephone, or through the Internet will have no effect on the EarthLink adjournment proposal or the compensation proposal, but will be treated as a vote **AGAINST** the merger proposal;

an abstention will be treated as a vote **AGAINST** the merger proposal, the EarthLink adjournment proposal and the compensation proposal; and

with respect to street name holders,

a share not in attendance at the EarthLink special meeting because the broker, bank, trust company or other nominee has received no instructions regarding how to vote on any matter will have no effect on the EarthLink adjournment proposal or the compensation proposal, but will be treated as a vote **AGAINST** the merger proposal; and

a broker non-vote will be treated as a vote **AGAINST** the merger proposal, the EarthLink adjournment proposal (whether or not a quorum is present) and the compensation proposal.

**The EarthLink Board urges EarthLink stockholders to promptly vote by completing, dating and signing the accompanying proxy card and returning it promptly in the enclosed postage-paid envelope; calling the toll-free number listed in the proxy card instructions if voting by telephone; or accessing the Internet site listed in the proxy card instructions if voting through the Internet.** If you hold your stock in street name through a bank, broker, trust company or other nominee, please vote by following the voting instructions of your bank, broker, trust company or other nominee.

EarthLink stockholders may also vote at the EarthLink special meeting by ballot. Votes cast at the meeting, in person or by proxy, will be tallied by Broadridge Financial Solutions, Inc., EarthLink's inspector of election.

*Voting Power of EarthLink's Directors and Executive Officers*

On the record date for the EarthLink special meeting, the directors and executive officers of EarthLink and their affiliates owned and were entitled to vote [ ] shares of EarthLink's common stock, representing [ ]% of the outstanding EarthLink common stock.

*Recommendation of the EarthLink Board*

The EarthLink Board has unanimously approved the merger agreement and the transactions contemplated by it, including the mergers, and has determined and declared that they are advisable and are in the best interests of EarthLink and its stockholders. The EarthLink Board unanimously recommends that you vote **FOR** the merger proposal, **FOR** the EarthLink adjournment proposal and **FOR** the compensation proposal. See the section titled "The Mergers EarthLink's Reasons for the Mergers; Recommendation of EarthLink's Board of Directors" beginning on page 81 for a more detailed discussion of the EarthLink Board's recommendation.

*Attending the EarthLink Special Meeting*

Only stockholders who own EarthLink common stock as of the close of business on the record date (and their duly authorized proxyholders) will be entitled to attend the special meeting. Proof of stock ownership (or proxy authority) as of this date and some form of government issued photo identification (such as a valid driver's license or passport) will be required for admission to the special meeting. If you hold your shares of EarthLink common stock in a brokerage account or through another nominee, you are the beneficial owner of those shares but not the record holder and you will need to obtain a legal proxy from the record holder to attend the special meeting. EarthLink reserves the right to refuse admittance to anyone without proper proof of share ownership (or proxy authority) and without proper photo identification.

## THE EARTHLINK PROPOSALS

### Item 1. The Merger Proposal

(Item 1 on EarthLink Proxy Card)

As discussed throughout this joint proxy statement/prospectus, EarthLink is asking its stockholders to approve the merger proposal. Holders of EarthLink common stock should read carefully this joint proxy statement/prospectus in its entirety, including the Annexes hereto, for more detailed information concerning the merger agreement and the mergers. In particular, holders of EarthLink common stock are directed to the merger agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus. Approval of the merger proposal is required for completion of the mergers.

The affirmative vote of the holders of a majority of the outstanding shares of EarthLink common stock entitled to vote on such proposal is required to approve the merger proposal.

**The EarthLink Board unanimously recommends a vote FOR the merger proposal (Item 1).**

### Item 2. The EarthLink Adjournment Proposal

(Item 2 on EarthLink Proxy Card)

The EarthLink special meeting may be adjourned to another time or place to solicit additional proxies if EarthLink has not received proxies representing a sufficient number of shares of EarthLink common stock to approve the merger proposal.

If, at the EarthLink special meeting, the number of shares of EarthLink common stock for which EarthLink has received proxies in favor of the merger proposal is insufficient to approve such proposal, EarthLink intends to move to adjourn the EarthLink special meeting in order to enable the EarthLink Board to solicit additional proxies for approval of the merger proposal.

In the EarthLink adjournment proposal, EarthLink is asking its stockholders to authorize the holder of any proxy solicited by the EarthLink Board to vote in favor of granting discretionary authority to the proxyholders, and each of them individually, to adjourn the EarthLink special meeting to another time and place for the purpose of soliciting additional proxies. If EarthLink stockholders approve the EarthLink adjournment proposal, EarthLink could adjourn the EarthLink special meeting and use the additional time to solicit additional proxies, including the solicitation of proxies from EarthLink stockholders who have previously delivered proxies not in favor of the merger proposal.

Whether or not a quorum is present, approval of the EarthLink adjournment proposal requires the affirmative vote of holders of a majority of the number of shares of EarthLink stock entitled to vote present in person or represented by proxy at the EarthLink special meeting.

**The EarthLink Board unanimously recommends a vote FOR the EarthLink adjournment proposal (Item 2).**

### Item 3. The Compensation Proposal

(Item 3 on EarthLink Proxy Card)

As required by Section 14A of the Exchange Act of 1934 and the applicable SEC rules issued thereunder, which were enacted pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, EarthLink is required to submit a proposal to EarthLink stockholders for a non-binding, advisory vote to approve the payment by EarthLink of certain compensation to the named executive officers of EarthLink that is based on or otherwise relates to the mergers. This proposal, commonly known as the say-on-golden parachute proposal and which EarthLink refers to as the compensation proposal, gives EarthLink stockholders the opportunity to vote on a non-binding, advisory basis on the compensation that EarthLink's named executive officers may be entitled to receive from EarthLink that is based on or otherwise relates to the mergers.

The compensation that EarthLink's named executive officers may be entitled to receive from EarthLink that is based on or otherwise relates to the mergers is summarized and included in the section entitled "The Mergers' Interests of EarthLink's Directors and Executive Officers in the Mergers - Quantification of Potential Payments to EarthLink's Named Executive Officers in Connection with the Mergers" beginning on page 130. That summary includes all compensation and benefits that may be paid or become payable to EarthLink's named executive officers by EarthLink that are based on or otherwise relate to the mergers.

The EarthLink Board encourages you to review carefully the named executive officer merger-related compensation information disclosed in this joint proxy statement/prospectus.

The EarthLink Board unanimously recommends that EarthLink's stockholders approve the following resolution:

RESOLVED, that the stockholders of EarthLink approve, on a non-binding, advisory basis, the compensation that will or may become payable to EarthLink's named executive officers that is based on or otherwise relates to the mergers as disclosed pursuant to Item 402(t) of Regulation S-K in the section entitled "The Mergers' Interests of EarthLink's Directors and Executive Officers in the Mergers - Quantification of Potential Payments to EarthLink's Named Executive Officers in Connection with the Mergers."

Because the vote on the compensation proposal is advisory only, it will not be binding on either EarthLink or Windstream. Accordingly, if the merger agreement is adopted and the mergers are completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the non-binding, advisory vote of EarthLink's stockholders.

The affirmative vote of holders of a majority of the number of shares of EarthLink stock entitled to vote present in person or represented by proxy at the EarthLink special meeting is required to approve the compensation proposal.

**The EarthLink Board unanimously recommends a vote FOR the compensation proposal (Item 3).**

## THE MERGERS

### Effects of the Mergers

In the merger, Merger Sub 1, an indirect, wholly-owned subsidiary of Windstream that was formed for the purpose of effecting the mergers, will merge with and into EarthLink, with EarthLink continuing as the surviving corporation. In the subsequent merger, which will occur immediately following the merger, the surviving corporation will merge with and into Merger Sub 2, an indirect, wholly-owned subsidiary of Windstream that was formed for the purpose of effecting the mergers, with Merger Sub 2 continuing as the surviving company.

In the merger, each share of EarthLink common stock issued and outstanding immediately prior thereto (other than the cancelled shares) will be converted into the right to receive 0.818 shares of Windstream common stock and cash in lieu of any fractional shares of Windstream common stock to which a holder of EarthLink common stock otherwise would be entitled to receive after giving effect to the exchange ratio. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the mergers. Based on the closing price of Windstream common stock on the NASDAQ on November 3, 2016, the last trading day before media reports of the possibility of a transaction were published, the merger consideration represented approximately \$5.55 in value for each share of EarthLink common stock. Based on the closing price of Windstream common stock on [ ], 2017, the latest practicable trading day before the date of this joint proxy statement/prospectus, the merger consideration represented approximately \$[ ] in value for each share of EarthLink common stock. Windstream stockholders will continue to hold their existing shares of Windstream common stock.

### Background of the Mergers

Windstream, a Fortune 500 company and leading provider of advanced network communications and technology solutions for consumers, businesses, enterprise organizations and wholesale customers, was formed in July 2006 through Alltel Corporation's spinoff of its wireline telecommunications division and subsequent merger with VALOR Communications Group, Inc. Since its formation, Windstream has engaged in numerous discussions with a number of telecommunications-related companies regarding a variety of possible business opportunities in connection with the consolidation in the telecommunications industry during the past decade. These discussions ranged from possible commercial or partnering arrangements to possible acquisitions or other business combinations. From 2006 to the present, Windstream grew rapidly through a number of targeted, strategic acquisitions, which enabled Windstream to transform from a traditional rural-focused telephone company to a nationwide enterprise communications and service provider with a local and long-haul fiber network comprised of approximately 129,000 route miles, while realizing significant synergies from the increased scale the acquisitions brought to its overall operations. These acquisitions have permitted Windstream to expand its network infrastructure to offer advanced IP-based voice and data services, such as MPLS networking, cloud computing, managed hosting and managed services, to business customers and TDM special access, Ethernet, Wave transport and other wholesale voice and data services to carriers and network operators, while still delivering telephone, broadband, and related services to over one million primarily rural residential customers. These acquisitions served Windstream's goal of expanding in strategic growth areas to enhance its competitiveness, to better serve customers, and to deliver value to its stockholders, even as the telecommunications industry trended toward consolidation.

Similar to Windstream, the EarthLink Board and its management regularly review EarthLink's results of operations, prospects and competitive position in the business segments in which it operates, as well as business opportunities and strategic alternatives. In connection with these reviews, EarthLink from time to time evaluates potential transactions which would further its strategic objectives, and the potential

benefits and risks of those transactions in light of, among other things, the consolidation that has been occurring in the telecommunications industry and EarthLink's competitive position. In addition, from time to time, the members of EarthLink's senior management team meet with the senior management of other companies within the telecommunications industry to discuss industry developments and potential strategic transactions.

In 2014 and 2015, in addition to strategic business opportunities, Windstream began evaluating other unique ways to accelerate network investments and reduce debt. In July 2014, Windstream announced plans to spin off certain of its fiber and copper telecommunications network assets and other real estate into an independent, publicly traded real estate investment trust, Communications Sales & Leasing, Inc. (which we refer to in this joint proxy statement/prospectus as CS&L), and enter into a master lease agreement to lease those network assets back from CS&L (which we refer to in this joint proxy statement/prospectus as the REIT Spin-Off). In connection with the REIT Spin-Off, which was completed in April 2015, and the subsequent monetization of Windstream's approximate 20 percent retained equity interest in CS&L, Windstream reduced its debt by approximately \$3.9 billion. Additionally, in December 2015, Windstream sold its tier one data center business (14 of its 27 data centers) for approximately \$575 million in cash, allowing it to further reduce debt and make targeted investments in its core network.

Upon Joseph Eazor's commencement of employment as EarthLink's President and Chief Executive Officer in 2014, he began a strategic assessment of EarthLink's business in order to discover opportunities to improve the company's operations and financial performance. This assessment resulted in a more focused, market based strategy for each of EarthLink's customer segments, with an emphasis on being a leading managed network services provider for multi-location retail and services businesses. The company also aligned its organization into business units to better serve its customer segments and streamline operations. EarthLink's operating improvements resulted in improved financial performance and a stronger balance sheet. However, while these improvements were occurring, the EarthLink Board also acknowledged the continuing industry challenges facing EarthLink and its growth prospects as a stand-alone entity in a consolidating industry. These challenges include growing revenues from growth products and services to offset declining revenues in other products and services, responding to increased market competition, including competition with companies with greater scale, aligning costs with trends in revenues and ensuring adequate resources to invest in growth.

During the period from 2014 and continuing through the announcement of the merger agreement with Windstream in November 2016, the EarthLink Board regularly reviewed and evaluated its strategic plans and objectives as a regular topic of discussion at its meetings, which discussions included multiple specific potential strategic alternatives. As part of this process, in the summer of 2014 EarthLink engaged Foros Securities LLC (which we refer to in this joint proxy statement/prospectus as Foros) as its independent financial advisor to assist the EarthLink Board and management in their review of these strategic alternatives. As a result of this review of strategic alternatives, from time to time since the summer of 2014, EarthLink has held discussions with a number of potential financial and strategic parties regarding possible transactions, both in response to unsolicited inquiries and following contacts made by EarthLink. In addition to these various discussions, the EarthLink Board also continued to review other potential strategic alternatives.

As part of Windstream's ongoing evaluation of business opportunities in the telecommunications industry and EarthLink's ongoing review and evaluation of its strategic plans and objectives, representatives of EarthLink and Windstream had several calls, meetings and other communications in 2014 and 2015 regarding enhanced commercial agreements and/or various business combination alternatives, none of which resulted in any agreement or understanding with respect to a business combination because, at

the time of such discussions, Windstream remained focused on the REIT Spin-Off and monetizing its retained CS&L equity stake prior to pursuing strategic initiatives and EarthLink continued to review other potential strategic alternatives.

In June 2016, Windstream completed the monetization of its retained equity stake in CS&L. In August 2016, the Windstream Board and management began discussing broader long-term strategic alternatives, which included a review of a number of possible opportunities and potential transaction partners. Following the regularly scheduled quarterly Windstream Board meeting on August 3, 2016, Windstream management began preparing an M&A readiness workplan, including assembling a core team of internal senior leaders by business unit that would be ready to source, investigate and evaluate potential strategic opportunities, as and when they developed.

On September 1, 2016, Tony Thomas, Windstream's President and Chief Executive Officer and Mr. Eazor had a call to discuss ongoing commercial negotiations regarding network access between the companies, the potential opportunity for a broader commercial arrangement and whether a strategic business combination would be beneficial to the companies and their stockholders. Mr. Thomas noted that strategic conversations would need to wait until Windstream concluded certain pending financing transactions but commercial negotiations could continue. Messrs. Thomas and Eazor agreed to meet again in October 2016 to measure progress on the commercial arrangements under negotiation and whether a broader discussion between each company's respective management teams was warranted.

Later in the day on September 1, the EarthLink Board held a previously scheduled telephonic meeting to discuss strategic alternatives, with members of EarthLink management and a representative of Troutman Sanders LLP (which we refer to in this joint proxy statement/prospectus as Troutman Sanders), EarthLink's outside counsel, in attendance. During this meeting, Mr. Eazor informed the other members of the EarthLink Board about his conversation with Mr. Thomas.

As Windstream completed its work assessing the EarthLink network in September 2016, it became evident that the ability to drive large cost savings through each company's respective networks would make a strategic business combination between the companies very compelling. Following discussions between Messrs. Eazor and Thomas in early October 2016, the parties confirmed that they would hold an in-person meeting among the Windstream and EarthLink management teams on October 4, 2016, and that the principal topic for that meeting would be to discuss a possible strategic combination. In furtherance of that discussion, on October 3, 2016, Windstream and EarthLink entered into a confidentiality agreement to permit the exchange of non-public information. Following execution of the confidentiality agreement, the parties exchanged discussion materials prepared for the October 4, 2016 management meeting.

On October 4, 2016, members of EarthLink's and Windstream's management, including Messrs. Thomas and Eazor, met in Atlanta and discussed the companies' respective businesses, including selected financial and other business information. At the conclusion of the meeting, Mr. Thomas informed Mr. Eazor that Windstream would likely submit an indication of interest to EarthLink by October 6, 2016 for a strategic combination of the two companies. Mr. Eazor promptly informed the other members of the EarthLink Board of this development, which scheduled a telephonic board meeting for October 7, 2016 in anticipation of receiving Windstream's indication of interest by October 6.

On October 5, 2016, the Windstream Board met with Windstream management to discuss a potential strategic combination transaction with EarthLink and feedback from the management meetings. The Windstream Board reviewed and considered proposed terms of an indication of interest to provide to EarthLink, which included a fixed exchange ratio, a potential cash component, a customary termination fee, no financing condition and an opportunity for EarthLink to designate one individual to the



Windstream Board, and engaged in a discussion regarding the proposed pro forma dividend policy of the combined company. The Windstream Board also evaluated the potential transaction in light of Windstream's net operating losses and its ability to finance a transaction with EarthLink, including the repayment or replacement of EarthLink's existing indebtedness.

Following the October 5 Windstream Board meeting, Mr. Thomas sent Mr. Eazor Windstream's non-binding preliminary indication of interest (which we refer to as Windstream's October 5 proposal). Windstream's October 5 proposal contemplated a merger between the two companies in which each share of EarthLink common stock would be exchanged for 0.7 shares of Windstream common stock (which implied a 12.9% premium to EarthLink's 10-day average exchange ratio of 0.62x), which could include some per share portion in cash, with the final amount of any cash consideration to be determined in Windstream's discretion. In addition to the amount of proposed merger consideration, the proposal contemplated the following key terms: (1) a non-solicitation covenant restricting EarthLink's ability to solicit alternative transactions and a termination fee in the amount of \$35 million to be payable by EarthLink to Windstream to accept a superior alternative, but also a force the vote provision requiring EarthLink to submit the merger agreement with Windstream to a vote of EarthLink stockholders even if the EarthLink Board changed its recommendation; (2) the absence of any financing condition to Windstream's obligation to consummate the proposed transaction; (3) one EarthLink director would be appointed to the Windstream Board at closing; and (4) an approximately 30-day pre-signing exclusive negotiation period for Windstream to complete due diligence and negotiate definitive transaction agreements. In delivering the proposal, Mr. Thomas highlighted some of the reasons for EarthLink to consider a potential combination, including that the two companies could create more value together than apart, that EarthLink stockholders would own approximately 45% of the combined company, that substantial synergies would be expected from the combination and that the amount of the dividend currently paid to EarthLink stockholders would likely increase following the transaction.

Over the next several days, Windstream management continued due diligence reviews of EarthLink, and on October 7, 2016, with the guidance of the Windstream Board, engaged J.P. Morgan Chase & Co. (which we refer to in this joint proxy statement/prospectus as J.P. Morgan) to serve as its financial advisor on the potential transaction. J.P. Morgan was engaged because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the proposed transaction and has routinely provided Windstream with strategic and industry related advice. Based on J.P. Morgan's lack of any disclosed potential conflicts of interest, familiarity with Windstream and Windstream's business and qualifications, Windstream determined that J.P. Morgan was qualified to serve as its independent financial advisor.

On October 7, 2016, the EarthLink Board met telephonically to discuss Windstream's October 5 proposal with EarthLink's senior management and representatives of Foros and Troutman Sanders. During the course of this meeting, the attendees first received a presentation from management reviewing the directors' consideration of strategic alternatives to date, including the proposed transaction with Windstream and alternative business combinations EarthLink had considered but which were not completed. Mr. Eazor also provided an overview of Windstream's business based on the October 4 management meeting and discussed his views of the potential benefits of a transaction with Windstream, including the increased scale that could be added to EarthLink's business units, the more extensive nationwide network for EarthLink's products that could result from a combination, the potential improvement in on-net services and resulting cost advantages, and the substantial synergies that could be created in such a transaction. During this meeting, representatives of Foros also reviewed with the EarthLink Board certain financial aspects of Windstream's October 5 proposal and a preliminary financial analysis of the combined business. After discussion and consultation with its advisors, the

EarthLink Board determined that, while Windstream's October 5 proposal was inadequate and that accepting it would not be in the best interests of EarthLink's stockholders, it was sufficiently attractive to warrant continued discussions and negotiations with Windstream regarding a potential business combination. In this regard, the EarthLink Board continued to acknowledge EarthLink's competitive challenges as a stand-alone entity but also believed that in light of EarthLink's improved financial performance and stronger balance sheet, EarthLink could negotiate more favorable transaction terms with Windstream that would be in the best interests of EarthLink's stockholders. The EarthLink Board directed management to work together with Foros to propose for the directors' review and consideration a counterproposal to Windstream and to present that counterproposal to the EarthLink Board at a future meeting. The EarthLink Board also determined, based in part on the views expressed by management and the representatives of Foros regarding the company's previous outreach efforts and discussions with other parties as well as other factors relating to the M&A environment generally, not to direct Foros or management to contact or solicit alternative potential counterparties at that time. Among other things, the EarthLink Board concluded based on input from management and its advisors that there likely were no alternative counterparties that were currently interested in and financially capable of acquiring EarthLink and that, even if there were such counterparties, Windstream's October 5 proposal contemplated EarthLink's ability to negotiate with respect to and potentially accept unsolicited superior proposals. However, the EarthLink Board also decided not to grant Windstream's request for a 30-day exclusive negotiation period, and directed Foros and management to reject that aspect of Windstream's proposal.

During the October 7 EarthLink Board meeting, the representative of Troutman Sanders also reviewed with the members of the EarthLink Board their fiduciary duties as directors of a Delaware corporation in considering the proposed transaction. In connection with that review, the EarthLink Board considered and discussed Foros's qualifications to continue to serve as EarthLink's independent financial advisor in connection with the proposed transaction with Windstream. Based on Foros's lack of any disclosed potential conflicts of interest, substantial experience in transactions similar to the proposed transaction, reputation in the investment community and familiarity with EarthLink and EarthLink's business, the EarthLink Board determined that Foros remained qualified to serve as its independent financial advisor. During this discussion, the EarthLink Board also discussed the advisability of engaging a second independent financial advisor in light of the significance of the proposed transaction to EarthLink, its business and its stockholders and directed management to contact Goldman, Sachs & Co. (which we refer to in this joint proxy statement/prospectus as Goldman Sachs) regarding a potential engagement, and EarthLink ultimately engaged Goldman Sachs as an additional financial advisor. The EarthLink Board determined to contact and engage Goldman Sachs because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the proposed transaction. Goldman Sachs also informed EarthLink that it had concluded that, in its opinion, nothing would limit its ability to fulfill its responsibilities as financial advisor to EarthLink in connection with the contemplated transaction. The EarthLink Board considered disclosures made by Goldman Sachs to EarthLink and made an independent determination that Goldman Sachs was qualified to serve as the EarthLink Board's independent financial advisor. Additionally, the representative from Troutman Sanders led the EarthLink Board in a discussion regarding the company's publicly disclosed change in control arrangements and other compensation matters with EarthLink's officers and directors that would be affected by a transaction with Windstream. Following these discussions, the EarthLink Board scheduled another telephonic meeting for October 10, 2016 to review and consider a proposed counterproposal to Windstream's October 5 proposal.

In advance of the October 10 EarthLink Board meeting, EarthLink management provided the EarthLink Board the Windstream management presentation that was presented to EarthLink management at the October 4 meeting in Atlanta. At the telephonic board meeting held on October 10, with members of management and representatives of Foros and Troutman Sanders present, the EarthLink Board again reviewed the financial aspects of Windstream's October 5 proposal and a proposed counterproposal. After discussion and consultation with its advisors, the EarthLink Board directed Mr. Eazor to deliver

a counterproposal (which we refer to as EarthLink's October 10 proposal) to Windstream. EarthLink's October 10 proposal contemplated the following key revisions to Windstream's October 5 proposal: (1) an increase in the exchange ratio from 0.7 to 0.8 shares of Windstream common stock for each share of EarthLink common stock and for any cash consideration to be mutually agreed upon by the parties; (2) a reduction of the termination fee to be paid by EarthLink to accept an unsolicited superior proposal from \$35 million to \$25 million; (3) removal of the force the vote requirement if the EarthLink Board were to change its recommendation regarding the proposed transaction; (4) an increase in the number of EarthLink directors to be appointed to the combined company's board from one to not less than one-third of the total board size; (5) payment of a special dividend to EarthLink stockholders immediately prior to closing equalizing (after giving effect to the exchange ratio) the per share dividends received by EarthLink and Windstream stockholders between signing and closing pursuant to the companies' respective existing dividend policies; (6) the parties must mutually agree before signing upon the dividend policy for the combined company; and (7) rejection of Windstream's request for a 30-day exclusive negotiation period. During the meeting, the attendees also discussed engaging, and ultimately engaged Paul, Weiss, Rifkind, Wharton & Garrison LLP (which we refer to in this joint proxy statement/prospectus as Paul, Weiss) as special legal counsel in connection with the transaction. The EarthLink Board determined to engage Paul, Weiss based on its experience, qualifications and reputation in advising public companies in transactions of the kind contemplated by Windstream's October 5 proposal.

Following the October 10 EarthLink Board meeting, Mr. Eazor sent EarthLink's October 10 proposal to Mr. Thomas.

On October 11, 2016, the Windstream Board met to discuss EarthLink's October 10 proposal. After evaluating, among other things, the terms of EarthLink's counterproposal, as well as the advice of its financial and legal advisors, the Windstream Board authorized management to engage in further negotiations and additional diligence activities with EarthLink to determine if Windstream and EarthLink could reach agreement on the terms of a proposed business combination. The Windstream Board also authorized management to deliver a revised proposal to EarthLink (which we refer to as Windstream's October 11 proposal) that included: (1) a 0.75 exchange ratio; (2) increased the potential cash component up to \$1.00 per share of EarthLink common stock at the discretion of Windstream; (3) a termination fee payable by EarthLink upon entering into a superior proposal in the amount of \$35 million, with no force the vote requirement; (4) up to three directors to be appointed to the combined company's board by EarthLink and with the combined company's board size to be set at twelve directors; and (5) maintenance of Windstream's existing \$0.60 per share dividend policy following the transaction, at the discretion of the Windstream Board.

On October 12, 2016, the EarthLink Board held a telephonic meeting to discuss Windstream's October 11 proposal. Members of EarthLink's senior management and representatives of Foros, Paul, Weiss and Troutman Sanders were present at the meeting. EarthLink's senior management and the representatives of Foros discussed with the directors various financial aspects of Windstream's October 11 proposal, including the companies' respective financial profiles, a relative contribution analysis and an analysis at various exchange ratios. In addition, EarthLink's management discussed the necessary due diligence to fully evaluate the potential benefits and considerations of the proposed transaction, including its recommendation to engage Ernst & Young LLP (which we refer to in this joint proxy statement/prospectus as EY) to assist with due diligence relating to accounting and tax matters. Following these discussions, the EarthLink Board directed management to continue its due diligence and to engage EY as recommended. The EarthLink Board also determined after discussion and consultation with its advisors that Windstream's October 11 proposal remained inadequate and directed management

to send a revised counterproposal (which we refer to as EarthLink's October 12 proposal) contemplating: (1) that the exchange ratio be in the range of 0.75 to 0.8 shares of Windstream common stock per share of EarthLink common stock and subject to continuing negotiation; (2) that any additional cash consideration be in an amount agreed to by EarthLink prior to signing; (3) that the amount of the termination fee payable by EarthLink be in a range of \$25 million to \$35 million and subject to continuing negotiation; (4) clarification that the EarthLink Board would be free to change its recommendation or terminate the merger agreement to accept an unsolicited superior proposal; (5) that the number of EarthLink directors appointed to the combined company's board of directors be in the range of three to four and subject to continuing negotiation; and (6) that EarthLink stockholders receive a special dividend at closing to equalize the per share dividend differential paid to EarthLink and Windstream stockholders between signing and closing.

Following the EarthLink Board meeting on October 12, Mr. Eazor provided EarthLink's October 12 proposal to Mr. Thomas. After discussion of the revised term sheet and the parties' respective determinations that the broad terms of the proposal were sufficiently compelling to continue negotiations, the parties made available their respective electronic data rooms and commenced due diligence of non-public materials. Thereafter and continuing until the execution of the merger agreement on November 5, 2016, the management teams of Windstream and EarthLink, together with their respective financial, legal and accounting advisors, performed reciprocal due diligence reviews through a series of in-person and telephonic discussions and review of publicly available information and non-public information made available by each party.

During the week of October 17, 2016, EarthLink and Windstream management, along with representatives of Foros, Goldman Sachs, EY and J.P. Morgan held numerous in person and telephonic due diligence meetings, including in-person meetings on October 18, 19 and 20 in Atlanta.

The EarthLink Board met telephonically on October 21, 2016 with representatives of management, Foros, Goldman Sachs, Paul, Weiss and Troutman Sanders present. At the meeting, EarthLink management provided an update on the status of ongoing due diligence of each party's respective businesses and analysis of the potential synergies to be realized in the proposed transaction. The representatives of Foros then discussed with the EarthLink Board an updated preliminary analysis of the combined company. A representative of Paul, Weiss provided a detailed overview of the EarthLink directors' fiduciary duties and legal standards applicable to their decisions and actions with respect to their evaluation of the proposed transaction and answered questions regarding certain expected terms of the draft merger agreement based on the preliminary proposals exchanged between the parties from October 5 through 12, including, among others, EarthLink's ability to consider, negotiate and enter into unsolicited superior proposals after signing an agreement with Windstream and the termination fee payable by EarthLink to Windstream to accept such a superior proposal.

The parties continued to perform due diligence throughout the week of October 24, 2016, including analysis of Windstream's available financing for a transaction.

On October 24, 2016, Windstream's legal advisor, Skadden, Arps, Slate, Meagher & Flom LLP (which we refer to in this joint proxy statement/prospectus as Skadden), provided an initial draft of a proposed merger agreement to Paul, Weiss. Also on October 24, Windstream contacted Barclays Capital Inc. (which we refer to in this joint proxy statement/prospectus as Barclays) to evaluate the fairness to Windstream of the exchange ratio with respect to the possible transaction with EarthLink. Barclays was engaged because of its familiarity with Windstream and its qualifications, reputation and experience in the valuation of businesses and securities in connection with mergers and acquisitions generally, as well as its substantial experience in transactions comparable to the proposed transaction.

On October 26, 2016, the EarthLink Board met in person for a regularly scheduled meeting, which was attended in person by representatives of management, Foros, Goldman Sachs and Troutman Sanders and telephonically by representatives of Paul, Weiss. During the meeting, the EarthLink directors, members of management and their advisors again discussed the status of negotiations, including due diligence, with Windstream and the strategic rationale of the proposed transaction. In connection with that discussion, the representatives from each of Foros and Goldman Sachs discussed with the EarthLink Board various financial aspects of the proposed transaction. A representative of Paul, Weiss also reviewed with the EarthLink Board key issues raised by the first draft of the proposed merger agreement, including most notably that the exchange ratio and amount of additional cash to be paid as merger consideration remained subject to continuing negotiation; the absence of committed financing or any representations or covenants as to Windstream's availability of funds pre-closing to consummate the transactions contemplated by the draft proposed merger agreement, including primarily to repay or otherwise discharge EarthLink's outstanding indebtedness, and the related absence of any termination fee payable by Windstream to EarthLink if Windstream failed to consummate the proposed transaction when required under the proposed merger agreement, whether due to its inability to obtain financing or otherwise; the limited scope of Windstream's interim operating restrictions covenants; and the absence of any non-solicitation covenant applicable to Windstream between signing and closing. At the conclusion of the foregoing discussions and in consultation with its advisors, the EarthLink Board directed management and its independent financial and legal advisors to continue due diligence and negotiation efforts, stressing the importance of obtaining (1) Windstream's acceptance of the 0.8 exchange ratio EarthLink had proposed, (2) effective assurances regarding Windstream's availability of funds and (3) reciprocal interim operating and non-solicitation covenants applicable to Windstream. The EarthLink Board also discussed the advisability of meeting Mr. Thomas in person.

Mr. Eazor spoke with Mr. Thomas the following day to relay the key open issues identified by the EarthLink Board and to request a meeting between Mr. Thomas and the EarthLink Board, which was subsequently scheduled for November 2, 2016 in Atlanta. Later in the day on October 27, Paul, Weiss sent a revised version of the proposed merger agreement to Skadden, which among other things addressed the key issues identified by EarthLink Board at its October 26 meeting, including providing for reciprocal interim operating and non-solicitation covenants, a covenant requiring Windstream to keep sufficient funds available in a segregated account between signing and closing to be used solely in connection with consummating the proposed transaction and a termination fee to be payable by Windstream to EarthLink if Windstream breached that covenant or otherwise failed to close when required under the proposed merger agreement.

Messrs. Eazor and Thomas spoke several times on October 29, 2016 regarding the terms of the proposed transaction. In the last of these conversations on October 29, Mr. Thomas informed Mr. Eazor that Windstream would agree to an all-stock transaction at an exchange ratio of 0.8. Also on October 29 and again on October 30, Windstream's and EarthLink's respective chief financial officers had a number of discussions regarding Windstream's financing plans for the proposed transaction, the availability of funds under its existing credit facility and whether Windstream would be willing to agree to keep sufficient funds available in a segregated account between signing and closing and to be used solely in connection with the consummation of the proposed transaction.

On October 31, 2016, Skadden sent a revised draft of the proposed merger agreement to Paul, Weiss. Among other things, this revised draft provided for an all-stock transaction at a 0.8 exchange ratio, Windstream to maintain available funds at all times until closing to consummate the proposed transaction taking into account availability under its credit facility and without requiring that such funds be maintained in a segregated account, Windstream to pay a termination fee in the amount of \$35 million if it failed to close when required and various limitations and restrictions on EarthLink's ability to grant employee compensation between signing and closing, including a prohibition on granting any equity compensation.

Later in the day on October 31, the EarthLink Board held a telephonic meeting, also attended by representatives from management, EY, Foros, Goldman Sachs, Paul, Weiss and Troutman Sanders. During the meeting, management updated the EarthLink Board regarding its due diligence review of Windstream. EY also reported to the Board regarding its review of Windstream accounting and tax matters. Representatives of Paul, Weiss and the financial advisors discussed with the EarthLink Board remaining material open items in the revised draft of the proposed merger agreement. After discussion and consultation with its advisors, the EarthLink Board directed Paul, Weiss to continue its negotiation efforts to obtain greater certainty from Windstream regarding its contractual obligations to keep funds available to consummate the proposed transaction, a larger termination fee payable by Windstream if it breached its financing or closing obligations, and greater flexibility regarding EarthLink's ability to issue equity and other compensation to employees between signing and closing.

Thereafter, representatives of Windstream's and EarthLink's respective management teams, Skadden and Paul, Weiss held several discussions on October 31 and November 1, 2016 regarding the open issues in the revised draft of the proposed merger agreement. On November 1, Messrs. Eazor and Thomas also discussed these open issues.

On November 1, 2016, Windstream reviewed Barclays' disclosure regarding conflicts, which Windstream determined did not indicate any material conflicts in connection with the proposed transaction with EarthLink. Windstream executed an engagement letter with Barclays for the purpose of Barclays' evaluating the fairness to Windstream of the exchange ratio with respect to the possible transaction with EarthLink on a non-contingent fee basis.

On November 2, 2016, Paul, Weiss sent a revised version of the proposed merger agreement to Skadden.

Later in the day on November 2, the EarthLink Board met in person in Atlanta with representatives from management, Foros and Goldman Sachs in attendance and representatives from Goldman Sachs, Paul, Weiss and Troutman Sanders participating by phone. During the meeting, Mr. Eazor updated the directors on the status of negotiations regarding the remaining open issues in the proposed merger agreement, including EarthLink's proposal that, if Windstream failed to satisfy its financing covenant or failed to close when required, EarthLink would be entitled to terminate the agreement and demand a \$70 million termination fee as well as sue for any additional damages it suffered above \$70 million. The representatives of Foros and Goldman Sachs also discussed with the EarthLink Board various financial aspects of the proposed transaction. Mr. Thomas then joined the meeting and met in executive session with the non-management members of the EarthLink Board. During this portion of the meeting, Mr. Thomas discussed with the EarthLink directors his background and information regarding strategy, synergies, integration planning and financing plans. At the conclusion of that discussion, Mr. Thomas left the meeting and Mr. Eazor rejoined the meeting. The EarthLink Board then again discussed the key

open issues in the proposed merger agreement. A representative from Troutman Sanders also discussed with the EarthLink Board information regarding the interests of EarthLink's officers and directors in the proposed transaction resulting from publicly-disclosed change in control arrangements.

Following the meeting, Messrs. Eazor and Thomas met in person and discussed the status of the potential transaction. Later in the day on November 2, representatives of Windstream's and EarthLink's respective management teams, Skadden and Paul, Weiss again met by phone to discuss the remaining open issues in the proposed merger agreement, including Windstream's financing covenant, the related termination fee to be payable by Windstream and other remedies available to EarthLink if Windstream breached that covenant or failed to close when required, and employee compensation and retention matters.

On November 3, 2016, representatives of Windstream's and EarthLink's respective management teams, Skadden and Paul, Weiss exchanged drafts of the merger agreement and held extensive discussions regarding the remaining open issues in the proposed merger agreement, after which Paul, Weiss sent another revised draft of the proposed merger agreement to Skadden, reflecting the parties' agreement (subject to their respective boards' approval) on the outstanding open issues, including, among other items, Windstream's agreement to maintain through closing available funds necessary to consummate the proposed transaction, taking into account Windstream's unrestricted cash, availability under its credit facility, the proceeds of any subsequent borrowings or financings permitted by the agreement and incurred for the primary purpose of consummating the proposed transaction and any commitment letter issued by a financing source for the primary purpose of providing funds to finance the proposed transaction in form and substance reasonably acceptable to EarthLink; EarthLink's right to terminate the agreement if Windstream breaches that covenant or fails to close when required and, in connection with such termination, elect either to receive a termination fee payable by Windstream in the amount of \$70 million or to pursue an action for damages; and sufficient flexibility regarding EarthLink's ability to issue equity and other compensation to employees between signing and closing.

On the evening of November 3, 2016, Mr. Eazor contacted Mr. Thomas to discuss his concern that the implied transaction premium based on the proposed exchange ratio had decreased to low single digits based on each company's respective stock price. Messrs. Eazor and Thomas agreed to continue to monitor each company's respective stock price and to discuss further after the market closed on November 4, 2016.

On November 3, 2016, a reporter from Reuters contacted each of the corporate communications teams of the parties, as well as certain of the parties' respective advisors, seeking comment on reports of a potential transaction between the two companies. Although neither company nor any of their representatives provided any comment, Reuters published an article on the morning of November 4, 2016, indicating that the two companies were in discussions with respect to a potential transaction.

On November 4, 2016, the Windstream Board held its regularly scheduled quarterly meeting, with representatives of J.P. Morgan, Barclays and Skadden participating. At the meeting, members of Windstream senior management reviewed with the Windstream Board certain aspects of the proposed transaction and the other matters described below under "Windstream's Reasons for the Mergers; Recommendation of Windstream's Board of Directors." A representative of Skadden summarized the status of negotiations with respect to the proposed merger agreement, including a detailed discussion of the terms of the proposed transaction. The Skadden representative further advised the Windstream Board regarding certain considerations under Delaware law pertaining to the duties of a board of directors in connection with the evaluation of a business combination. Representatives of J.P. Morgan and Barclays reviewed with the Windstream Board their respective financial analyses of the 0.80 exchange ratio. The Windstream Board also discussed the intraday trading levels of each party and the likelihood that EarthLink may request an adjustment to the exchange ratio.

Following these presentations, and after further discussion and consideration, the Windstream Board approved the merger agreement on the terms presented. The Windstream Board recommended that Windstream issue shares of Windstream common stock to EarthLink stockholders in connection with the merger and that such recommendation be submitted to the Windstream stockholders for their approval in accordance with NASDAQ Listing Rules. The Windstream Board also unanimously approved an amendment to the Windstream charter to increase its authorized common stock from 166,666,667 shares to 375,000,000 shares to provide sufficient shares of Windstream common stock to issue in the transaction, subject to Windstream stockholder approval. The Windstream Board also unanimously recommended that the Windstream stockholders vote FOR the adoption of the Windstream charter amendment and FOR the approval of the Windstream stock issuance.

During the day on November 4, Mr. Eazor called Mr. Thomas to express concern regarding the proposed 0.8 exchange ratio in light of the market's reaction to the Reuters publication and requested that Windstream increase the proposed exchange ratio. EarthLink common shares closed on November 4, 2016 at \$6.22 per share, a 14.8% increase over the closing price per share of EarthLink common stock on November 3, 2016.

After market close on November 4, the EarthLink Board met telephonically, with representatives from management, Foros, Goldman Sachs, Paul, Weiss and Troutman Sanders in attendance. At the meeting, Mr. Eazor again reviewed with the attendees the strategic rationale for the proposed transaction and the company's prior consideration of strategic alternatives as well as the substantial progress that had been made on the proposed merger agreement since the EarthLink Board's November 2, 2016 meeting. He also informed the attendees of his discussions with Mr. Thomas during the day regarding proposed changes to the exchange ratio. Following that discussion, a representative from Paul, Weiss again reviewed with the EarthLink directors their fiduciary duties with respect to their evaluation of the proposed transaction and provided a detailed overview of the terms of the draft merger agreement and related documents. The representatives from Foros next reviewed with the EarthLink Board Foros's financial analysis of the proposed transaction. The EarthLink Board, management and the EarthLink Board's legal and financial advisors then again discussed the renewed negotiations regarding the proposed exchange ratio.

Following the EarthLink Board meeting, Mr. Eazor contacted Mr. Thomas to discuss the significant increase in EarthLink's stock price since the publication of news reports of the potential merger and requested that Windstream increase the proposed exchange ratio to reflect the premium expected by EarthLink's stockholders. Throughout the evening, each company's respective advisors discussed the terms of the proposed transaction and possible methods of, and merits to, increasing the transaction consideration, including additional cash consideration, paying EarthLink stockholders a special dividend or increasing the exchange ratio. After further discussion and analysis, the management teams of both parties agreed to present to their boards for approval an increase in the proposed exchange ratio to 0.818 Windstream shares for each EarthLink share. Based upon this further revised exchange ratio, it is estimated that, upon the closing of the mergers, existing Windstream stockholders will own approximately 51% of the outstanding shares of Windstream and former EarthLink stockholders will own approximately 49% of the outstanding shares of Windstream. Each party's ownership percentages of the combined company were negotiated on the basis of Windstream's and EarthLink's respective equity values as of September 30, 2016 and reflect Windstream's desire to deliver a premium on the price per share of EarthLink common stock to be paid to EarthLink stockholders in the merger. Although Windstream is a larger company than EarthLink, it has higher leverage than EarthLink, which makes the equity values of each company similar.



On November 5, 2016, the Windstream Board held a special meeting to discuss the revised transaction terms with representatives of Barclays and Skadden. Management discussed with the Windstream Board the negotiations with EarthLink over the previous 24 hours. In addition, representatives of Barclays reviewed with the board its financial analysis of the revised exchange ratio and delivered to the Windstream Board its oral opinion, which was subsequently confirmed by delivery of a written opinion dated November 5, 2016, a copy of which is attached as Annex D to this joint proxy statement/prospectus, to the effect that, as of November 5, 2016 and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the exchange ratio to be paid by Windstream was fair to Windstream, from a financial point of view. Following these presentations, and after further discussion and consideration, the Windstream Board unanimously determined that the transaction was advisable, and that it is in the best interests of Windstream and its stockholders to enter into the merger agreement on the revised terms presented to the Windstream Board.

The EarthLink Board also held a telephonic meeting on the morning of November 5, 2016, along with representatives from management, Foros, Goldman Sachs, Paul, Weiss and Troutman Sanders. Mr. Eazor first reported the outcome of the prior evening's negotiations and Windstream's agreement to increase the exchange ratio to 0.818. The representative of Paul, Weiss then again discussed with the EarthLink Board their fiduciary duties in evaluating the proposed transaction and the final terms of the proposed merger agreement. Representatives of Foros reviewed with the EarthLink Board Foros's financial analyses of the exchange ratio and delivered to the EarthLink Board an opinion, dated November 5, 2016, to the effect that, as of that date and based upon and subject to the assumptions, limitations, qualifications and other matters set forth therein, the exchange ratio was fair, from a financial point of view, to the holders of EarthLink common stock, which is summarized in the section entitled "Opinions of EarthLink's Financial Advisors Foros Securities LLC" beginning on page 86 of this joint proxy statement/prospectus. Representatives of Goldman Sachs next reviewed with the EarthLink Board Goldman Sachs's financial analyses of the exchange ratio and delivered to the EarthLink Board an opinion, dated November 5, 2016, to the effect that, as of that date and based upon and subject to the assumptions, limitations, qualifications and other matters set forth therein, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to the holders (other than Windstream and its affiliates) of the outstanding shares of EarthLink common stock, which is summarized in the section entitled "Opinions of EarthLink's Financial Advisors Goldman, Sachs & Co." beginning on page 96 of this joint proxy statement/prospectus. After further discussion and consultation with their advisors, including consideration of the factors described in the section entitled "EarthLink's Reasons for the Mergers; Recommendation of EarthLink's Board of Directors" beginning on page 81 of this joint proxy statement/prospectus, the EarthLink Board unanimously determined that the proposed merger agreement, the mergers and the other transactions contemplated by the merger agreement are fair to and in the best interests of EarthLink and its stockholders and unanimously approved and declared advisable the merger agreement, the mergers and the other transactions contemplated by the merger agreement. The EarthLink Board also directed the officers of the company to execute and deliver to Windstream and thereafter to cause EarthLink to perform the merger agreement, resolved that the merger agreement be submitted to the EarthLink stockholders for their approval and recommended that the EarthLink stockholders vote FOR the adoption of the merger agreement and FOR the compensation proposal.

Later on November 5, Mr. Eazor executed and delivered the merger agreement on behalf of EarthLink and Mr. Thomas executed and delivered the merger agreement on behalf of Windstream. For a discussion of the merger agreement, see the section entitled "The Merger Agreement" beginning on page 139 of this joint proxy statement/prospectus.

Prior to the opening of the U.S. financial markets on November 7, 2016, Windstream and EarthLink issued a joint press release announcing the execution of the merger agreement and the proposed combination.

**EarthLink's Reasons for the Mergers; Recommendation of EarthLink's Board of Directors**

In evaluating the merger agreement and the mergers, the EarthLink Board consulted with and received the advice of EarthLink's management and legal and financial advisors and, in reaching its decision at its meeting on November 5, 2016 to approve the merger agreement and the transactions contemplated by the merger agreement and to recommend that EarthLink's stockholders vote FOR the merger proposal, the EarthLink Board considered a number of factors in respect of the mergers, including, but not limited to, the following (not necessarily in order of relative importance):

*Merger Consideration*

the merger consideration to be paid per share of EarthLink common stock consisted of 0.818 shares of Windstream common stock, which represents a 13% premium to the average exchange ratio of 0.721 over the 30-day period ended November 3, 2016 (the last unaffected trading day before rumors about a possible transaction between EarthLink and Windstream were published by Reuters);

the course and history of the negotiations between EarthLink and Windstream, in which EarthLink was able to negotiate for an increase in the exchange ratio to be received by EarthLink stockholders, but which also led the EarthLink Board to believe, based on Windstream's positions during such negotiations, that the exchange ratio was the maximum exchange ratio that Windstream would be willing to agree to in the mergers; and

the fact that the mergers are expected to be completed as a tax-free reorganization for the purposes of U.S. federal income tax;

*Strategic Considerations*

the mergers will likely provide a number of significant strategic opportunities that EarthLink would not have as a stand-alone company, including the following:

EarthLink and Windstream have been successful recently in transforming their respective businesses, and the combined company likely will be able to build on these successes and accelerate progress;

EarthLink participates in a consolidating industry and the combined company will have increased scale and scope, giving it the ability to leverage complementary strategies and business units across a broader platform and be a stronger competitor in its industry and markets;

the mergers will result in an extensive national footprint spanning approximately 145,000 fiber route miles with more on-net services;

the combined company will be able to provide customers with an expanded and diverse set of advanced network connectivity, managed services, voice, internet and other value-added services;

customers of the combined company will also benefit from the addition of the scale of Windstream's assets bringing value to EarthLink's existing business;

the combined company will have a better revenue trajectory; and

the combined company will be a financially stronger company than either EarthLink or Windstream standing alone before the mergers, benefiting from a more diverse revenue base and an increase in free cash flow;

*Synergies and NOLs*

based on the advice of EarthLink management following such management's discussions with Windstream management and EarthLink's advisors, the mergers likely will create greater than \$125 million in annual operating and capital expense synergies expected to be realizable within three years of closing; and

the expectation that the combined company will benefit from utilization of Windstream's and EarthLink's respective accumulated net operating losses after the closing;

*Ability to Participate in Future Appreciation and Dividends*

the mergers provide EarthLink stockholders with the opportunity to participate in the equity value of the combined company, including the possible future industry competitiveness, revenue growth and expected synergies resulting from the mergers, with an implied ownership in the combined company of between 48-49% (as of November 4, 2016);

consistent with Windstream's current dividend practice, the Windstream Board expects to maintain its annual dividend of \$0.60 per share after the transaction closes, providing meaningful benefits to stockholders in the form of long-term capital returns; and

this dividend also represents a substantial increase in the annual dividend currently received by EarthLink stockholders;

*Board Representation*

three of the twelve members to serve on the Windstream Board following the mergers will be selected by EarthLink, provided they are reasonably acceptable to Windstream based on Windstream's normal corporate governance process for evaluating candidates for the Windstream Board;

*Financial Advisors' Opinions*

the opinion of Foros, dated November 5, 2016, to the EarthLink Board to the effect that, as of the date and based upon and subject to the assumptions, limitations, qualifications and other matters set forth therein, the exchange ratio was fair, from a financial point of view, to the holders of EarthLink common stock, as more fully described below in the section entitled "Opinions of EarthLink's Financial Advisors"; and

the opinion of Goldman Sachs, dated as of November 5, 2016, to the EarthLink Board that, as of the date of such opinion, and based upon and subject to the factors and assumptions set forth therein, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to the holders (other than Windstream and its affiliates) of the outstanding shares of EarthLink common stock, as more fully described below in the section entitled "Opinions of EarthLink's Financial Advisors";

*Alternatives*

the merger consideration to be paid per share of EarthLink common stock of 0.818 shares of Windstream common stock, together with the potential value creation from the combination of the two companies, was more favorable to EarthLink's stockholders than the potential value that might result from other alternatives reasonably available to EarthLink, including, but not limited to, the continued operation of EarthLink on a stand-alone basis, in light of a number of factors, including the following:

the benefits, potential risks and uncertainties associated with the mergers as compared to those of other potential strategic alternatives that might be available to EarthLink, as well as those of remaining as a stand-alone entity, in the context of EarthLink's business, assets and prospects, its historical and projected financial performance and the opportunities and challenges facing EarthLink and its industry, as well as broader economic developments affecting its businesses;

the strategic and other alternatives reasonably available to EarthLink, including the alternative of remaining a stand-alone public company, in light of a number of factors and the potential risks and uncertainties associated with those alternatives, none of which other alternatives was deemed likely to result in value to EarthLink's stockholders that would exceed, on a present-value basis, the value of the merger consideration;

Windstream was the most logical strategic partner in a consolidating industry in light of its complementary products and strategic position and the potential for the realization of synergies, such that a business combination transaction with Windstream was most likely to provide the highest long-term value to EarthLink's stockholders; and

the feasibility of executing other hypothetical strategic alternatives; and

the EarthLink Board's view that the terms of the merger agreement would not preclude or otherwise limit any third party with the financial capability and strategic interest of acquiring EarthLink from pursuing a potential superior proposal;

*High Likelihood of Completion*

the likelihood of completion of the mergers was high, particularly in light of the terms of the merger agreement, including its covenants and closing conditions, as well as the commitment of each of EarthLink and Windstream to use reasonable best efforts to complete the mergers and, subject to certain limitations, to avoid or resolve any impediment under antitrust laws that may be asserted by any governmental entity with respect to the transactions contemplated by the merger agreement;

*Termination Fee and Expense Reimbursement*

the merger agreement would require Windstream to pay EarthLink \$35 million if the merger agreement is terminated under certain circumstances;

the merger agreement provides EarthLink the right to elect to require Windstream to pay EarthLink \$70 million if EarthLink terminates the merger agreement due to Windstream's failure to close the mergers when required under the merger agreement or maintain sufficient funds to consummate the transactions contemplated by the merger

agreement; and

Windstream is required to reimburse EarthLink for its fees and expenses incurred in connection with the merger agreement and the transactions contemplated thereby up to a maximum of \$10 million if Windstream's stockholders fail to vote in favor of the Windstream stock issuance or the Windstream charter amendment.

The EarthLink Board also considered a number of potential risks and uncertainties in its deliberations concerning the mergers and the other transactions contemplated by the merger agreement, including, but not limited to, the following (not necessarily in order of relative importance):

the risk that the potential benefits of the mergers (including the amount of synergies) may not be fully or partially achieved, or may not be achieved within the expected time frame;

the risks and costs to EarthLink if the mergers are not completed, including the potential diversion of management and employee attention, potential employee attrition and the potential effects on business and customer and supplier relationships;

the potential challenges and difficulties relating to integrating the operations of EarthLink and Windstream after consummation of the mergers, including the cost to achieve synergies, which will require consolidating certain businesses and functions, integrating organizations, procedures, policies and operations, addressing differences in the business cultures of the two companies and retaining key personnel, and may disrupt each company's ongoing businesses or create inconsistencies which adversely affect relationships with customers, suppliers, employees and others;

the risk that the trading of Windstream's common stock is more volatile than EarthLink's;

the risk that Windstream is more leveraged than EarthLink;

the risk of diverting management focus and resources from operating EarthLink's businesses, as well as other strategic opportunities, and potential disruption associated with combining and integrating the companies;

the fact that following the closing of the mergers, the existing directors of Windstream will constitute a majority of the Windstream Board, the chief executive officer and chief financial officer of Windstream will continue in these roles, and the extent to which members of EarthLink management join the combined company is uncertain;

the risk that because the exchange ratio is fixed, the value of the consideration to EarthLink stockholders in the mergers could fluctuate between signing and closing the mergers, including after the EarthLink stockholder meeting;

certain provisions of the merger agreement could have the effect of discouraging third party offers for EarthLink, including the restriction on EarthLink's ability to solicit third party proposals for alternative transactions involving EarthLink and the termination fee EarthLink would be required to pay Windstream to terminate the merger agreement in order to accept a superior proposal from a third party;

the circumstances in which Windstream may terminate the merger agreement, including to enter into a superior proposal or if the EarthLink Board changes its recommendation in favor of the mergers;

the risk that EarthLink stockholders or Windstream stockholders may fail to adopt or approve, as applicable, the merger agreement and the transactions contemplated thereby;

that the merger agreement would require EarthLink to pay Windstream \$35 million in the case the merger agreement is terminated under certain circumstances, including a change in the recommendation of the EarthLink Board or a termination of the merger agreement by EarthLink to enter into a binding agreement providing for a superior alternative transaction (see *The Merger Agreement Payments* beginning on page 167), and the potential that such fee might affect the potential for EarthLink to receive alternative strategic transaction proposals both during the pendency of the merger as well as afterward should the mergers not be consummated;

that EarthLink is required to reimburse Windstream for its fees and expenses incurred in connection with the merger agreement and the transactions contemplated thereby up to a maximum of \$10 million if EarthLink's stockholders fail to vote in favor of the mergers;

the restrictions on the conduct of EarthLink's business prior to the completion of the mergers, which restrictions generally require EarthLink to operate its businesses in the ordinary course of business consistent with past practice with limited exceptions, which may delay or prevent EarthLink from undertaking business opportunities that may arise pending completion of the mergers;

the potential for litigation challenging the mergers, and the possibility that an adverse judgment for monetary damages could have a material adverse effect on the operations of the combined company after the mergers or that an adverse judgment granting permanent injunctive relief could indefinitely enjoin completion of the mergers;

the risk that regulatory, governmental or competition authorities might seek to impose conditions on or otherwise prevent or delay the mergers, or impose restrictions or requirements on the operation of the businesses of Windstream after completion of the mergers;

the fees and expenses associated with completing the mergers; and

various other risks associated with the combination and the businesses of EarthLink and Windstream described under *Risk Factors* beginning on page 51.

The EarthLink Board concluded that these potential risks and uncertainties were outweighed by the benefits that the EarthLink Board expected EarthLink and its stockholders to achieve as a result of the mergers. The EarthLink Board realized that there can be no assurance about future results, including results considered or expected as disclosed in the foregoing reasons.

In addition to considering the factors described above, the EarthLink Board considered that some officers and directors of EarthLink have interests in the mergers as individuals that are in addition to, and that may be different from, the interests of EarthLink stockholders generally (see *Interests of EarthLink Directors and Officers in the Mergers* beginning on page 125 of this joint proxy statement/prospectus).

The above discussion of the material factors considered by the EarthLink Board in its consideration of the mergers and the transactions contemplated by the merger agreement is not intended to be exhaustive, but does set forth the principal factors considered by the EarthLink Board. In light of the number and wide variety of factors considered in connection with the evaluation of the mergers, the EarthLink Board did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its final decision. The EarthLink Board viewed its position as being based on all of the information available to it and the factors presented to and considered by it. However, some directors may themselves have given different weight to different factors. The factors, potential risks and uncertainties contained in this explanation of EarthLink's reasons for the mergers

and other information presented in this section contain information that is forward-looking in nature and, therefore, should be read in light of the factors discussed in "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 49 of this joint proxy statement/prospectus.

#### **Opinions of EarthLink's Financial Advisors**

##### *Foros Securities LLC*

Foros delivered to the EarthLink Board an opinion, dated November 5, 2016, to the effect that, as of that date and based upon and subject to assumptions, limitations, qualifications and other matters set forth therein, the exchange ratio was fair, from a financial point of view, to the holders of EarthLink common stock.

The full text of the Foros written opinion to the EarthLink Board, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection therewith, is attached as Annex B to this joint proxy statement/prospectus. Foros provided its opinion to the EarthLink Board for the benefit and use of the EarthLink Board (in its capacity as such) in connection with and for purposes of the EarthLink Board's evaluation of the mergers. Foros's opinion does not address any other aspect of the mergers and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the mergers or any other matter.

In connection with rendering its opinion, Foros:

reviewed certain publicly available business and financial information relating to EarthLink and Windstream that Foros deemed relevant;

discussed the past and current business, operations, financial condition and prospects of EarthLink and Windstream with members of senior management of EarthLink;

discussed the past and current business, operations, financial condition and prospects of Windstream with members of senior management of Windstream;

reviewed certain information, including financial forecasts (which we refer to in this section of this joint proxy statement/prospectus as the Windstream Projections) and other financial and operating data concerning Windstream, prepared by the management of Windstream;

reviewed certain information, including financial forecasts (which we refer to in this section of this joint proxy statement/prospectus as the EarthLink Projections) and other financial and operating data concerning EarthLink, prepared by the management of EarthLink;

reviewed certain estimates as to the amount and timing of cost savings (which we refer to in this section of this joint proxy statement/prospectus as the synergies) anticipated by the management of EarthLink to result from the mergers;

reviewed the trading history for EarthLink common stock and a comparison of that trading history with the trading histories of certain other publicly traded companies Foros deemed relevant;

reviewed the relative financial contributions of EarthLink and Windstream to the future financial performance of the combined company on a pro forma basis;

reviewed the merger agreement; and

performed such other analyses and studies and considered such other factors as Foros deemed appropriate.



In arriving at its opinion, Foros assumed and relied upon, without independent verification, the accuracy and completeness of all of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with Foros, including without limitation the Windstream Projections, EarthLink Projections and synergies, and relied upon the assurances of the managements of EarthLink and Windstream that they were not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the Windstream Projections, Foros assumed, at the direction of the EarthLink Board and without independent verification, that such forecasts had been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Windstream as to the future financial performance of Windstream, and, at the direction of the EarthLink Board, Foros relied upon the Windstream Projections for purposes of its analysis. With respect to the EarthLink Projections, Foros assumed, at the direction of the EarthLink Board and without independent verification, that such forecasts had been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of EarthLink as to the future financial performance of EarthLink. With respect to the synergies, Foros assumed, at the direction of the EarthLink Board and without independent verification, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of EarthLink as to the matters covered thereby, and Foros assumed, at the direction of the EarthLink Board and without independent verification, that the synergies would be realized in the amounts and at the times projected.

Foros did not make, and was not provided with, any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of EarthLink or Windstream, nor did Foros make any physical inspection of the properties or assets of EarthLink or Windstream. Foros did not evaluate the solvency or fair value of EarthLink, Windstream or the combined company under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. Foros assumed, at the direction of the EarthLink Board, that the mergers would be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the mergers, no delay, limitation, restriction or condition would be imposed that would have an adverse effect on EarthLink or Windstream or the contemplated benefits of the mergers. Foros also assumed, at the direction of the EarthLink Board, that the mergers would qualify for federal income tax purposes as a reorganization under the provisions of Section 368(a) of the Code.

Foros expressed no view or opinion as to any terms or other aspects of the mergers (other than the exchange ratio to the extent expressly specified therein), including, without limitation, the form or structure of the mergers. Foros was not authorized by EarthLink or the EarthLink Board to solicit, and did not solicit, interest or proposals from third parties regarding a possible acquisition of all or any part of EarthLink or any alternative transaction. Foros's opinion was limited to the fairness, from a financial point of view, to holders of EarthLink common stock of the exchange ratio, and no opinion or view was expressed with respect to any consideration received in connection with the mergers by the holders of any class of securities, creditors or other constituencies of any party. In addition, no opinion or view was expressed with respect to the fairness of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the mergers, or class of such persons relative to the exchange ratio or otherwise. Furthermore, no opinion or view was expressed as to the relative merits of the mergers in comparison to other strategies or transactions that might be available to EarthLink or in which EarthLink might engage or as to the underlying business decision of EarthLink to proceed with or effect the mergers. Foros did not express any opinion as to what the value of Windstream common stock actually would be when issued or the prices at which Windstream common stock would trade at any time, including following announcement or consummation of the mergers.

Foros's opinion was not intended to be, and does not constitute, a recommendation to members of the EarthLink Board as to whether they should approve the mergers or the merger agreement, and Foros expressed no opinion or recommendation as to how any stockholder should vote or act in connection with the mergers or any related matter.

Foros's opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as they existed and could be evaluated on, and the information made available to Foros as of, the date of its opinion. It should be understood that subsequent developments may affect Foros's opinion, and Foros does not have any obligation to update, revise or reaffirm its opinion. The issuance of Foros's opinion was approved by Foros's Opinion Committee.

The following represents a summary of the material financial analyses presented by Foros to the EarthLink Board in connection with Foros's opinion. The order of the analyses described does not represent the relative importance or weight given by Foros to those analyses. The financial analyses summarized below include information presented in tabular format. The tables must be read together with the full text of each summary and are not alone a complete description of Foros's financial analyses. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by Foros. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before November 3, 2016, which was the last full trading day prior to a published article describing rumors about a possible transaction between EarthLink and Windstream, and is not necessarily indicative of current market conditions. Furthermore, any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below.

**Historical Exchange Ratio Review**

Foros reviewed the exchange ratios implied by the market prices of EarthLink common stock and Windstream common stock obtained by dividing the closing per share price of EarthLink common stock by the closing per share price of Windstream common stock for selected dates and for selected periods and noted the following implied exchange ratios, as compared to the exchange ratio of 0.818:

<b>Selected Periods</b>	<b>Implied Exchange Ratio</b>	<b>Premium/(Discount) to Exchange Ratio of 0.818</b>
November 4, 2016*	0.859	(5%)
November 3, 2016**	0.799	2%
10 Trading Day Average	0.743	10%
20 Trading Day Average	0.733	12%
30 Trading Day Average	0.698	17%
40 Trading Day Average	0.689	19%
Average Since August 4, 2016 (most recent Windstream earnings announcement)	0.711	15%
3-month Average	0.711	15%
6-month Average	0.720	14%

\* Last full trading day before the EarthLink Board approved the mergers.

\*\* Last full trading day prior to a published article describing rumors about a possible transaction between EarthLink and Windstream. Foros also reviewed the exchange ratios implied by the market prices of EarthLink common stock and Windstream common stock obtained by dividing the closing per share price of EarthLink common stock by the closing per share price of Windstream common stock for selected dates and for selected periods (including since the spin off by Windstream of assets into a real estate investment trust on April 27, 2015 (which we refer to as the REIT Spin Off), and since Windstream announced fourth quarter and full year 2015 earnings on February 25, 2016) and noted the following implied exchange ratios, as compared to the implied exchange ratio as of November 3, 2016, which was the last full trading day prior to a published article describing rumors about a possible transaction between EarthLink and Windstream:

<b>Selected Periods</b>	<b>Implied Exchange Ratio</b>	<b>Premium / (Discount) to November 3, 2016 Implied Exchange Ratio of 0.799</b>
November 3, 2016	0.799	0%
1-Month Average	0.721	11%
3-Month Average	0.711	12%
6-Month Average	0.720	11%
Average Since February 25, 2016*	0.722	11%
High Since February 25, 2016*	0.829	(4%)
Low Since February 25, 2016*	0.594	35%
1-Year Average	0.868	(8%)
Average Since April 27, 2015**	0.971	(18%)
High Since April 27, 2015**	1.702	(53%)
Low Since April 27, 2015**	0.575	39%

\* Date that Windstream announced its earnings for the fourth quarter and full year of 2015.

\*\* Date of the first trading day after REIT Spin Off.

*Selected Publicly Traded Companies Analysis*

Foros reviewed and compared certain financial information, ratios and multiples for EarthLink and Windstream to corresponding financial information, ratios and public market multiples for certain publicly traded telecommunications companies (which we refer to in this section of this joint proxy statement/prospectus as the Selected Companies). The Selected Companies are as follows:

Selected Companies

CenturyLink, Inc.

Cincinnati Bell Inc.

Consolidated Communications Holdings, Inc.

FairPoint Communications, Inc.

Frontier Communications Corporation

GTT Communications, Inc.

Internap Corporation

Level 3 Communications, Inc.

Lumos Networks Corp.

Vonage Holdings Corp.

Foros calculated and compared various financial multiples and ratios based on closing market share prices and other publicly available historical financial data for the Selected Companies, EarthLink and Windstream, and selected Wall Street research, FactSet and public filings and, with respect to EarthLink and Windstream, the EarthLink Projections and the Windstream Projections.

The Selected Companies were selected by Foros because they were deemed to be similar to EarthLink and Windstream in one or more respects, including the nature of their business, size and financial performance. No company used in this analysis is identical or directly comparable to EarthLink or Windstream. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involved complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which EarthLink and Windstream were compared. Foros believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the Selected Companies analysis. Foros also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of EarthLink and Windstream, respectively, and the Selected Companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis.

For each of the Selected Companies, Foros calculated and analyzed the following:

ratio of enterprise value, defined as equity market value plus indebtedness, the value of any preferred stock (at liquidation value) and minority interest and less cash and cash equivalents, to estimated earnings before interest, taxes, depreciation and amortization, stock-based compensation expense and pension expense (which, for the Selected Companies, we refer to in this section of this joint proxy statement/prospectus as EBITDA), for the calendar year 2016, or 2016E EBITDA, and calendar year 2017, or 2017E EBITDA; and

the ratio of enterprise value to estimated unlevered free cash flow, or UFCF, defined as EBITDA less capital expenditures, for the calendar year 2016, or 2016E UFCF, and calendar year 2017, or 2017E UFCF.

Each of these calculations was performed and based on publicly available financial data. This analysis indicated that the multiples of the Selected Companies were between 5.1x and 11.4x 2016E EBITDA (compared to EarthLink at 4.6x Adjusted EBITDA, which, as used in this section of this joint proxy statement/prospectus, means EarthLink's estimated Adjusted EBITDA, as reflected in the EarthLink Projections, and Windstream at 5.4x Adjusted EBITDAR, which, as used in this section of this joint proxy statement/prospectus, means Windstream's estimated Adjusted EBITDAR, as reflected in the Windstream Projections), 4.8x and 11.2x 2017E EBITDA (compared to EarthLink at 5.0x Adjusted EBITDA and Windstream at 5.5x Adjusted EBITDAR), 7.7x and 16.7x 2016E UFCF (compared to EarthLink at 7.7x UFCF, which, as used in this section of this joint proxy statement/prospectus, means EarthLink's estimated Unlevered Free Cash Flow, as reflected in the EarthLink Projections, and Windstream at 12.2x UFCF, which, as used in this section of this joint proxy statement/prospectus, means Windstream's estimated EBITDAR less capital expenditures, as reflected in the Windstream Projections as adjusted by EarthLink), and 7.8x and 33.0x 2017E UFCF (compared to EarthLink at 9.2x UFCF and Windstream at 9.8x UFCF).

#### *EarthLink*

Based on its qualitative judgments concerning the differences between the business, financial and operating characteristics and prospects of EarthLink and the Selected Companies, Foros selected enterprise value to EBITDA multiples ranging from 5.0x to 6.0x for calendar year 2017. Applying these selected multiples to the corresponding financial data for EarthLink Adjusted EBITDA, Foros derived an implied per share equity reference range for EarthLink of approximately \$5.51 to \$7.28, compared to the closing per share price of EarthLink common stock on November 3, 2016 of \$5.42.

#### *Windstream*

Based on its qualitative judgments concerning the differences between the business, financial and operating characteristics and prospects of Windstream and the Selected Companies, Foros selected enterprise value to EBITDA multiples ranging from 5.5x to 6.0x for calendar year 2017. Applying these selected multiples to the corresponding financial data for Windstream Adjusted EBITDAR, Foros derived an implied per share equity reference range for Windstream of approximately \$6.90 to \$16.02, compared to the closing per share price of Windstream common stock on November 3, 2016 of \$6.78.

#### *Relative Value Analysis*

Using the implied per share equity reference ranges of EarthLink and Windstream derived from the Selected Companies analyses summarized above, Foros calculated an implied exchange ratio range of 0.344 to 1.055, compared to the exchange ratio of 0.818. Foros calculated the top end of the foregoing implied exchange ratio range by dividing the top end of EarthLink's implied per share price derived from the Selected Companies analysis summarized above by the bottom end of Windstream's implied per share price derived from the Selected Companies analysis summarized above, and calculated the bottom end of the foregoing implied exchange ratio range by dividing the bottom end of EarthLink's implied per share price derived from the Selected Companies analysis summarized above by the top end Windstream's implied per share price derived from the Selected Companies analysis summarized above.

*Present Value of Future Share Price Analysis*

Foros performed a present value of future share prices analysis for each of EarthLink and Windstream, which analysis is designed to provide insight into the potential future equity value of a company as a function of the company's future earnings. The resulting implied future share price and anticipated cash dividends are subsequently discounted to arrive at an estimate of the present value for the company's potential future share price.

*EarthLink*

In arriving at the estimated implied per share prices of EarthLink common stock, Foros applied multiples ranging from 5.0x to 6.0x to EarthLink's estimated Adjusted EBITDA for the next twelve months (which we refer to in this joint proxy statement/prospectus as NTM) as of December 31, 2016, December 31, 2017 and December 31, 2018. Foros then discounted the share prices and dividends to be paid on EarthLink common stock through December 31, 2016, December 31, 2017 and December 31, 2018 based on EarthLink's current dividend policy to present value as of October 31, 2016 using a discount rate of 11.5%, which rate was selected based on EarthLink's estimated cost of equity. This analysis indicated a range of implied per share prices for EarthLink common stock as of October 31, 2016 of approximately \$5.54 to \$7.30, compared to the closing per share price of EarthLink common stock on November 3, 2016 of \$5.42.

In arriving at the estimated implied per share prices of EarthLink common stock, Foros also applied multiples ranging from 8.5x to 10.5x to EarthLink's estimated NTM UFCF as of December 31, 2016, December 31, 2017 and December 31, 2018. Foros then discounted the share prices and dividends to be paid on EarthLink common stock through December 31, 2016, December 31, 2017 and December 31, 2018 based on EarthLink's current dividend policy to present value as of October 31, 2016 using a discount rate of 11.5%, which rate was selected based on EarthLink's estimated cost of equity. This analysis indicated a range of implied per share prices for EarthLink common stock as of October 31, 2016 of approximately \$4.86 to \$6.75, compared to the closing per share price of EarthLink common stock on November 3, 2016 of \$5.42.

*Windstream*

In arriving at the estimated implied per share prices for Windstream common stock, Foros applied multiples ranging from 5.5x to 6.0x to Windstream's estimated NTM Adjusted EBITDAR as of December 31, 2016, December 31, 2017 and December 31, 2018. Foros then discounted the share prices and dividends to be paid on Windstream common stock through December 31, 2018 based on Windstream's current dividend policy to present value as of October 31, 2016 using a discount rate of 12.5%, which rate was selected based on Windstream's estimated cost of equity. This analysis indicated a range of implied per share prices for Windstream common stock as of October 31, 2016 of approximately \$6.78 to \$16.99, compared to the closing per share price of Windstream common stock on November 3, 2016 of \$6.78.

In arriving at the estimated implied per share prices for Windstream common stock, Foros also applied multiples ranging from 9.5x to 10.5x to Windstream's estimated NTM UFCF as of December 31, 2016, December 31, 2017 and December 31, 2018. Foros then discounted the share prices and dividends to be paid on Windstream common stock through December 31, 2018 based on Windstream's current dividend policy to present value as of October 31, 2016 using a discount rate of 12.5%, which rate was selected based on Windstream's estimated cost of equity. This analysis indicated a range of implied per share prices for Windstream common stock as of October 31, 2016 of approximately \$4.02 to \$18.93, compared to the closing per share price of Windstream common stock on November 3, 2016 of \$6.78.

*Relative Value Analysis*

Using the implied per share equity reference ranges of EarthLink and Windstream derived from the present value of future share price analyses summarized above based on EarthLink's estimated NTM Adjusted EBITDA and Windstream's estimated NTM Adjusted EBITDAR as of December 31, 2018, Foros calculated an implied exchange ratio range of 0.352 to 0.838, compared to the exchange ratio of 0.818. Foros determined the low end of the foregoing implied exchange ratio range by dividing the low end of EarthLink's present value of future share price as of December 31, 2018 (\$5.57) by the high end of Windstream's present value of future share price as of December 31, 2018 (\$15.80), and determined the high end of the foregoing implied exchange ratio range by dividing the high end of EarthLink's present value of future share price as of December 31, 2018 (\$6.99) by the low end of Windstream's present value of future share price as of December 31, 2018 (\$8.34).

*Discounted Cash Flow Analysis*

Foros performed a discounted cash flow analysis (which we refer to in this section of this joint proxy statement/prospectus as a DCF analysis or DCF) utilizing the EarthLink Projections and the Windstream Projections.

*EarthLink*

Foros calculated the net present value of the standalone unlevered, after-tax, free cash flows that EarthLink was forecasted to generate, defined as EarthLink's estimated Adjusted EBITDA less depreciation and amortization, less cash restructuring expense, less stock-based compensation expense, less taxes, plus depreciation and amortization, less capital expenditures and plus changes in net working capital, derived using the EarthLink Projections, from the fourth quarter ending December 31, 2016 through December 31, 2019 and of terminal values for EarthLink, plus the present value of the cash tax savings from EarthLink's federal and state net operating loss carryforwards, estimated by EarthLink management. Implied terminal values were derived by applying perpetuity growth rates ranging from 1.0% to 3.0%. Present values (as of October 31, 2016) of cash flows and terminal values were then calculated using discount rates of 8.3% to 8.8%, based on EarthLink's estimated weighted average cost of capital. Present values of net operating loss carryforwards were calculated using EarthLink's estimated cost of equity of 11.5%. The discounted cash flow analysis resulted in an implied per share present value range for EarthLink common stock of approximately \$5.18 to \$8.30, compared to the closing per share price of EarthLink common stock on November 3, 2016 of \$5.42.

*Windstream*

Foros calculated the net present value of the standalone unlevered, after-tax, free cash flows that Windstream was forecasted to generate, defined as Windstream's estimated Adjusted EBITDAR less depreciation and amortization, less cash restructuring expense, less stock-based compensation expense, less pension expense, less taxes, plus depreciation and amortization, less capital expenditures and plus changes in net working capital, derived using the Windstream Projections as adjusted by EarthLink, from the fourth quarter ending December 31, 2016 through December 31, 2019 and of terminal values for Windstream, plus the present value of the cash tax savings from Windstream's federal and state net operating loss carryforwards, estimated by Windstream management. Implied terminal values were derived by applying perpetuity growth rates ranging from 0% to 1.0%. Present values (as of October 31, 2016) of cash flows and terminal values were then calculated using discount rates of 7.3% to 8.5%, based on Windstream's estimated weighted average cost of capital. Present values of net operating loss carryforwards were calculated using Windstream's estimated cost of equity of 12.5%. The discounted cash flow analysis resulted in an implied per share present value range for Windstream common stock of approximately \$0 to \$18.04, compared to the closing per share price of Windstream common stock on November 3, 2016 of \$6.78.

Foros noted that, due to the high variability in the implied per share present values of Windstream common stock resulting from minimal differences in terminal year assumptions, among other factors, a DCF analysis of Windstream was of limited utility. As a result, Foros did not rely upon a DCF analysis of Windstream in its fairness determination and did not calculate a range of implied exchange ratios based on its DCF analyses of EarthLink and Windstream.

#### *Contribution Analysis*

Foros reviewed the relative contributions and implied exchange ratios of the market capitalization of EarthLink and Windstream, estimated Adjusted EBITDA of EarthLink and Adjusted EBITDAR of Windstream, estimated UFCF of EarthLink and UFCF of Windstream, and normalized leveraged free cash flows, or Normalized LFCF, defined as UFCF less interest and taxes for EarthLink and UFCF less interest and taxes for Windstream, in each case for EarthLink and Windstream on a stand-alone basis for calendar years 2017, 2018 and 2019, relative to the exchange ratio of 0.818. Financial data for EarthLink and Windstream were based on the EarthLink Projections and the Windstream Projections as adjusted by EarthLink, respectively. Based on the implied relative equity value contributions, Foros calculated the following implied exchange ratios, in each case compared to the exchange ratio of 0.818:

<b>Financial Metric</b>	<b>Contribution Percentage</b>		<b>Implied Exchange Ratio</b>
	EarthLink	Windstream	
Market Capitalization	48%	52%	0.799
Adjusted EBITDA/ Adjusted EBITDAR			
2017	56%	44%	1.076
2018	58%	42%	1.202
2019	60%	40%	1.307
UFCF			
2017	53%	47%	0.967
2018	53%	47%	0.973
2019	52%	48%	0.945
Normalized LFCF			
2017	44%	56%	0.678
2018	42%	58%	0.613
2019	38%	62%	0.519

#### *Comparison of EarthLink Estimated Standalone Value to Share of Pro Forma Value*

##### *DCF-Based Analysis*

Foros reviewed and compared the implied per share values of EarthLink common stock on a stand-alone basis using the DCF analysis summarized above with the implied per share values of the combined company using a DCF analysis. For the DCF analysis of the combined company, Foros calculated the net present value of the unlevered, after-tax, free cash flows for the combined company based on the standalone unlevered, after-tax, free cash flows for each of EarthLink and Windstream, derived as described above, including estimated synergies based on assumptions provided by EarthLink management, to be generated during the three fiscal quarters ending December 31, 2017 through December 31, 2019, and implied terminal values derived by applying perpetuity growth rates ranging from 0.0% to 1.0%, based on the Adjusted EBITDA and Adjusted EBITDAR-weighted average of EarthLink's and Windstream's estimated perpetuity growth rates. The present values (as of March 31, 2017) of the cash flows and the terminal values were then calculated using a range of discount rates of 7.5% to 8.5%, based on the Adjusted EBITDA and Adjusted EBITDAR-weighted average of EarthLink's and Windstream's estimated weighted average cost of capital, respectively, and the resulting implied equity values were then discounted



to present value (as of October 31, 2016) using the combined company's estimated cost of equity of 12.5%. Foros also calculated the present value of the combined company's estimated net operating loss carry forwards discounted to October 31, 2016 using the combined company's estimated cost of equity of 12.5%. The results of this analysis are summarized below:

**Implied Equity Value of EarthLink Common Stock on a Stand-Alone Basis**

\$5.18 - \$8.30

*Present Value of Future Share Price-Based Analysis*

**Implied EarthLink Per Share Value of Combined Company's Common Stock**

\$2.98 - \$15.60

Foros reviewed the implied per share values of EarthLink common stock on a stand-alone basis using a present value of future share price analysis described above, applying multiples ranging from 5.0x to 6.0x to EarthLink's estimated NTM Adjusted EBITDA as of December 31, 2018, and discounting the resulting share price and dividends to be paid on the EarthLink common stock through December 31, 2018 based on EarthLink's current dividend policy to October 31, 2016 using a range of discount rates of 10.5% to 12.5%, which rates were selected based on EarthLink's estimated cost of equity. Foros also reviewed the implied per share value of the combined company's common stock using a present value of future share price analysis for the combined company's estimated future share price as of December 31, 2018. For the present value of future stock price analysis of the combined company, Foros applied multiples ranging from 5.25x to 5.75x to the combined company's estimated NTM Adjusted EBITDAR as of December 31, 2018 based on the EarthLink Projections and the Windstream Projections as adjusted by EarthLink, including estimated synergies based on assumptions provided by EarthLink management. Foros then discounted the share price and dividends to be paid on the combined company's common stock through December 31, 2018 based on the combined company's anticipated dividend policy to October 31, 2016 using a range of discount rates of 11.5% to 13.5%, which rates were selected based on the combined company's estimated cost of equity. The results of this analysis are summarized below:

**Implied Equity Value of EarthLink Common Stock and Cash Dividends on a Stand-Alone Basis**

\$5.46 - \$7.13

**Implied EarthLink Per Share Value of Combined Company's Common Stock and Cash Dividends**

\$7.95 - \$12.13

**General**

Foros is a financial services firm that provides mergers and acquisitions and corporate finance advisory and capital raising services. EarthLink selected Foros to act as EarthLink's financial advisor in connection with the mergers because of Foros's substantial experience in transactions similar to the mergers, Foros's reputation in the investment community and Foros's familiarity with EarthLink and its business.

In connection with the review of the mergers by the EarthLink Board, Foros performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Foros's opinion. Foros did not form an opinion or recommendation as to whether any individual analysis or factor, considered in isolation, supported or failed to support its opinion. Foros considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis it considered. Rather, Foros made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses.

Foros prepared its analyses for purposes of providing its opinion to the EarthLink Board as to the fairness, from a financial point of view, of the exchange ratio. Foros's analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold or the prices at which any securities have traded or may trade at any time in the future. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by Foros's analyses. Because such analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Foros, EarthLink, Windstream or their respective affiliates or any other person, assumes responsibility if future results are materially different from those forecast.

The type and amount of consideration payable in the mergers was determined through arms-length negotiations between EarthLink and Windstream and was approved by the EarthLink Board. Foros provided advice to the EarthLink Board during these negotiations. Foros did not, however, recommend any specific amount of consideration to EarthLink or the EarthLink Board or that any specific amount of consideration constituted the only appropriate consideration for the mergers.

Foros acted as lead financial advisor to EarthLink in connection with the mergers and pursuant to the terms of EarthLink's engagement letter with Foros, EarthLink (i) has paid Foros retainer fees and (ii) has agreed to pay an opinion fee of \$2 million payable upon Foros rendering its opinion (or advising EarthLink that Foros would be unable to deliver an opinion after conducting the relevant analyses at the request of EarthLink), and a transaction fee estimated as of the date of this joint proxy statement/prospectus to be approximately \$13.5 million (against which the opinion fee and a portion of the retainer fees will be credited), which transaction fee is contingent upon the completion of the mergers. In addition, EarthLink has agreed to reimburse Foros's expenses and indemnify Foros against certain liabilities arising out of its engagement.

Foros and its affiliates in the past have provided investment banking and other financial services to EarthLink for which Foros has received compensation during the two year period prior to the date of Foros's opinion in the amount of approximately \$1.25 million, and in the future may provide investment banking and other financial services to EarthLink and Windstream for which Foros may receive compensation. During the two year period prior to the date of Foros's opinion, Foros did not provide investment banking or other financial services to Windstream.

The decision to recommend and enter into the merger agreement was solely that of the EarthLink Board. As described above in the section titled "EarthLink's Reasons for the Mergers; Recommendation of EarthLink's Board of Directors," Foros's opinion and analyses were only one of many factors considered by the EarthLink Board in its evaluation of the mergers and should not be viewed as determinative of the views of the EarthLink Board with respect to the mergers. The foregoing summary does not purport to be a complete description of the analyses performed by Foros in connection with its opinion and is qualified in its entirety by reference to the written opinion of Foros attached as Annex B to this joint proxy statement/prospectus.

*Goldman, Sachs & Co.*

Goldman Sachs rendered its opinion to the EarthLink Board that, as of November 5, 2016 and based upon and subject to the factors and assumptions set forth therein, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to the holders (other than Windstream and its affiliates) of EarthLink common stock.

**The full text of the written opinion of Goldman Sachs, dated November 5, 2016, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C. Goldman Sachs provided its opinion for the information and assistance of the EarthLink Board in connection with its consideration of the mergers. The Goldman Sachs opinion is not a recommendation as to how any holder of EarthLink's common stock should vote with respect to the mergers, or any other matter.**

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

the merger agreement;

annual reports to stockholders and Annual Reports on Form 10 K of EarthLink and Windstream for the five fiscal years ended December 31, 2015;

certain interim reports to stockholders and Quarterly Reports on Form 10-Q of EarthLink and Windstream;

certain publicly available research analyst reports for EarthLink and Windstream;

certain other communications from EarthLink and Windstream to their respective stockholders;

certain internal financial analyses and forecasts for Windstream prepared by its management, which forecasts are summarized below in the section entitled "Certain Prospective Financial Information of Windstream," beginning on page 123;

certain financial analyses and forecasts for Windstream prepared by the management of EarthLink, certain internal financial analyses and forecasts for EarthLink prepared by its management, which forecasts are summarized below in the section entitled "Certain Prospective Financial Information of EarthLink," beginning on page 106, and certain financial analyses and forecasts for Windstream pro forma for the mergers prepared by the management of EarthLink, in each case, as approved for Goldman Sachs' use by EarthLink (which we refer to collectively in this section of this joint proxy statement/prospectus as the Forecasts), including certain operating synergies projected by the management of EarthLink to result from the mergers, as approved for Goldman Sachs' use by EarthLink (which we refer to in this section of this joint proxy statement/prospectus as the Synergies); and

certain net operating loss utilization forecasts for EarthLink and Windstream prepared by the management of EarthLink and certain net operating loss utilization forecasts for Windstream pro forma for the mergers prepared by the management of EarthLink, in each case, as approved for Goldman Sachs' use by EarthLink (which we refer to in this section of this joint proxy statement/prospectus as the NOL Forecasts).

Goldman Sachs also held discussions with members of the senior managements of EarthLink and Windstream regarding their assessment of the strategic rationale for, and the potential benefits of, the mergers and the past and current business operations, financial condition, and future prospects of EarthLink and Windstream; reviewed the reported price and trading activity for the shares of EarthLink common stock and the shares of Windstream common stock; compared certain financial and stock market information for EarthLink and Windstream with similar financial and stock market information for certain other companies the securities of which are publicly traded; reviewed the financial terms of certain business combinations; and performed such other studies and analyses, and considered such other factors, as it deemed appropriate.

For purposes of rendering this opinion, Goldman Sachs, with EarthLink's consent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, it, without assuming any responsibility for independent verification thereof. In that regard, Goldman Sachs assumed with EarthLink's consent that the Forecasts, including the Synergies, and the NOL Forecasts were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of EarthLink. Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of EarthLink or Windstream or any of their respective subsidiaries and it was not furnished with any such evaluation or appraisal. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the mergers will be obtained without any adverse effect on EarthLink or Windstream or on the expected benefits of the mergers in any way meaningful to its analysis. Goldman Sachs has also assumed that the mergers will be consummated on the terms set forth in the merger agreement, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to its analysis.

Goldman Sachs' opinion does not address the underlying business decision of EarthLink to engage in the mergers or the relative merits of the mergers as compared to any strategic alternatives that may be available to EarthLink; nor does it address any legal, regulatory, tax or accounting matters. Goldman Sachs was not requested to solicit, and did not solicit, interest from other parties with respect to an acquisition of, or other business combination with, EarthLink or any other alternative transaction. Goldman Sachs' opinion addresses only the fairness from a financial point of view to the holders (other than Windstream and its affiliates) of EarthLink common stock, as of the date of the opinion, of the exchange ratio pursuant to the merger agreement. Goldman Sachs' opinion does not express any view on, and does not address, any other term or aspect of the merger agreement or the mergers or any term or aspect of any other agreement or instrument contemplated by the merger agreement or entered into or amended in connection with the mergers, including, the fairness of the mergers to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of EarthLink; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of EarthLink or Windstream, or class of such persons in connection with the mergers, whether relative to the exchange ratio pursuant to the merger agreement or otherwise. Goldman Sachs' opinion was necessarily based on economic, monetary, market and other conditions, as in effect on, and the information made available to it as of the date of the opinion and Goldman Sachs assumed no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after the date of its opinion. In addition, Goldman Sachs does not express any opinion as to the prices at which shares of Windstream common stock will trade at any time or as to the impact of the mergers on the solvency or viability of EarthLink or Windstream or the ability of EarthLink or Windstream to pay their respective obligations when they come due. Goldman Sachs' opinion was approved by a fairness committee of Goldman Sachs.

The following is a summary of the material financial analyses delivered by Goldman Sachs to the EarthLink Board in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs' financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before November 4, 2016, the last trading day before the public announcement of the mergers, and is not necessarily indicative of current market conditions.

Following Goldman Sachs' presentation to the EarthLink Board on November 5, 2016 (which we refer to in this section of this joint proxy statement/prospectus as the November 5 Presentation), Goldman Sachs determined that the estimates of unlevered free cash flows for EarthLink and Windstream for the fourth quarter of fiscal year 2016 used in the illustrative discounted cash flow analyses did not reflect the Forecasts and that the estimates of dividends used in the pro forma combined company illustrative present value of future stock price analysis and the range of implied terminal EBITDA multiples referenced in the illustrative discounted cash flow analyses were calculated incorrectly. Goldman Sachs subsequently performed such analyses, as of November 5, 2016, using the corrected estimates and calculations (as corrected, collectively referred to in this section of this joint proxy statement/prospectus as the Corrected Estimates and Calculations). Such subsequent analyses performed by Goldman Sachs do not address any circumstances, developments or events occurring after November 5, 2016, which is the date of the written opinion of Goldman Sachs, and Goldman Sachs' opinion set forth in its written opinion letter was provided only as of such date. Based upon and subject to the foregoing, Goldman Sachs confirmed to the EarthLink Board that, had Goldman Sachs performed its financial analyses set forth in the presentation on November 5, 2016 using the Corrected Estimates and Calculations, there would have been no change to the conclusion set forth in the written opinion of Goldman Sachs.

#### *Historical Stock Trading Analysis and Exchange Ratio Analysis*

Goldman Sachs reviewed the historical trading prices for the shares of EarthLink common stock for the 3-month and 52-week periods ended on November 4, 2016. Goldman Sachs calculated the premium (or discount) implied by the implied value per share of EarthLink common stock in the merger of \$5.92 (which implied value per share of EarthLink common stock was obtained by multiplying the exchange ratio by the closing price of shares of Windstream common stock on November 4, 2016) and (1) the closing price per share of EarthLink common stock on November 4, 2016; (2) the undisturbed closing price per share of EarthLink common stock on November 3, 2016, the last unaffected trading day before rumors about a possible transaction between EarthLink and Windstream were published by Reuters; (3) the volume-weighted average price, or VWAP, per share of EarthLink common stock during the three-month period ended on November 4, 2016; (4) the highest closing price per share of EarthLink common stock for the 52-week period ended on November 4, 2016; and (5) the lowest closing price per share of EarthLink common stock for the 52-week period ended on November 4, 2016. This analysis showed the following implied premia (or discounts):

<b>Historical Date or Period</b>	<b>Share price</b>	<b>Share Price Premia/(Discount)</b>
November 4, 2016 (Closing Price on Last Trading Day Prior to Announcement)	\$6.22	(4.8)%
November 3, 2016 (Undisturbed Share Price)	\$5.42	9.3%
3 month VWAP	\$6.27	(5.5)%
52 Week high	\$9.86	(39.9)%
52 week low	\$4.97	19.2%

Goldman Sachs also calculated (i) an implied exchange ratio on November 3 and 4, 2016, by dividing the closing price per share of EarthLink common stock on each such trading day by the closing price per share of Windstream common stock on the same trading day, and (ii) the historical average exchange ratios over the 1-month, 3-month, 6-month and 1-year periods ended on November 4, 2016, by first dividing the closing price per share of EarthLink common stock on each trading day during such period by the closing price per share of Windstream common stock on the same trading day and subsequently

taking the average of these daily historical exchange ratios over such periods. Goldman Sachs then calculated the premia (or discounts) implied by the exchange ratio to the historical average exchange ratio over the various periods. The following table presents the results of this analysis:

<b>Historical Date or Period</b>	<b>EarthLink/Windstream Implied Exchange Ratio</b>	<b>Premium (Discount) vs. Exchange Ratio</b>
November 4, 2016 (Closing Price on Last Trading Day Prior to Announcement)	0.859x	(4.8)%
November 3, 2016 (Undisturbed Share Price)	0.799x	2.4%
1-month	0.731x	12.0%
3-month	0.713x	14.7%
6-month	0.721x	13.4%
1-Year	0.866x	(5.6)%

#### *Illustrative Present Value of Future Stock Price Analysis*

Goldman Sachs performed an illustrative analysis of the implied present value, as of September 30, 2016, of the future stock price of EarthLink, Windstream and the pro forma combined company, respectively, which analysis is designed to provide an indication of the present value of a theoretical future value of the equity of EarthLink, Windstream and the pro forma combined company, as a function of EarthLink's, Windstream's and the pro forma combined company's respective Adjusted EBITDA, as reflected in the Forecasts (which, in the case of the pro forma combined company, included the Synergies) and one-year forward enterprise value (which we refer to in this section of this joint proxy statement/prospectus as EV)/Adjusted EBITDA multiples, for the fiscal years ending on December 31, 2017 and 2018.

For shares of EarthLink common stock, Goldman Sachs calculated the illustrative implied future stock price by (i) calculating the illustrative implied enterprise value for the fiscal years ending on December 31, 2017 and 2018, respectively, by applying multiples ranging from 4.5x to 5.5x to the one-year forward estimated Adjusted EBITDA as of such dates, as reflected in the Forecasts and (ii) deriving illustrative implied future equity values by subtracting from the illustrative implied enterprise values the respective amounts of EarthLink's net debt as of such dates, as reflected in the Forecasts. The illustrative implied future per share values for EarthLink were then calculated by dividing the illustrative implied future equity values by the total number of fully diluted shares of EarthLink outstanding as of December 31, 2018, as provided by the management of EarthLink. Goldman Sachs then added to the implied future per share values an aggregate amount of estimated per share dividends to be paid by EarthLink through December 31, 2017 or 2018, as applicable, as reflected in the Forecasts. These illustrative implied future per share values were then discounted to September 30, 2016, using a discount rate of 9.8%, reflecting an estimate of EarthLink's cost of equity. This analysis yielded an illustrative range of implied present values per share of (i) \$4.93 to \$6.60 using the estimated 2017 one-year forward EV/Adjusted EBITDA multiples and estimated 2018 Adjusted EBITDA and (ii) \$5.15 to \$6.68 using the estimated 2018 one-year forward EV/Adjusted EBITDA multiples and estimated 2019 Adjusted EBITDA. Goldman Sachs then compared the implied value per share of EarthLink common stock in the merger of \$5.92 to the illustrative range of implied present values per share of EarthLink common stock derived from such analyses using the estimated 2018 one-year forward EV/Adjusted EBITDA multiples and estimated 2019 Adjusted EBITDA.

For shares of Windstream common stock, Goldman Sachs calculated the illustrative implied future stock price by (i) calculating the illustrative implied enterprise value for the fiscal years ending on December 31, 2017 and 2018, respectively, by applying multiples ranging from 4.0x to 5.0x to the one-year forward estimated Adjusted EBITDA as of such dates, as reflected in the Forecasts and (ii) deriving illustrative implied future equity values by subtracting from the respective amounts of Windstream's net debt as of such dates, as reflected in the Forecasts. The implied future per share values for Windstream were then calculated by dividing the illustrative implied future equity values by the total number of fully diluted shares of Windstream outstanding as of December 31, 2018, as provided by the management of Windstream. Goldman Sachs then added to the implied future per share values an aggregate amount of estimated per share dividends to be paid by Windstream through December 31, 2017 or 2018, as applicable, as reflected in the Forecasts. These illustrative implied future per share values were then discounted to September 30, 2016, using a discount rate of 14.1%, reflecting an estimate of Windstream's cost of equity. This analysis yielded an illustrative range of implied present values per share of (i) \$0.97 to \$12.08 using the estimated 2017 one-year forward EV/Adjusted EBITDA multiples and estimated 2018 Adjusted EBITDA and (ii) \$1.92 to \$11.37 using the estimated 2018 one-year forward EV/Adjusted EBITDA multiples and estimated 2019 Adjusted EBITDA.

For shares of the pro forma combined company, Goldman Sachs calculated the illustrative implied future stock price by (i) calculating the illustrative implied enterprise value for the fiscal years ending on December 31, 2017 and 2018, respectively, by applying multiples ranging from 4.0x to 5.0x to the one-year forward estimated Adjusted EBITDA as of such dates, as reflected in the Forecasts and after giving effect to the Synergies and (ii) deriving illustrative implied future equity values by subtracting the respective amounts of the pro forma combined company's net debt as of such dates, as reflected in the Forecasts. The implied future per share values were then calculated by dividing the illustrative implied future equity values by the total number of fully diluted shares of the pro forma combined company outstanding as of December 31, 2018, as provided by the management of EarthLink. Goldman Sachs then added to the illustrative implied per share values an aggregate amount of estimated per share dividends to be paid by the pro forma combined company through December 31, 2017 or 2018, as applicable, as reflected in the Forecasts. These illustrative implied future per share values were then discounted to September 30, 2016, using a discount rate of 12%, reflecting an estimate of the pro forma combined company's cost of equity. As set forth in the November 5 Presentation, this analysis yielded an illustrative range of implied present values per share of (i) \$4.12 to \$11.42 using the estimated 2017 one-year forward EV/Adjusted EBITDA multiples and estimated 2018 Adjusted EBITDA and (ii) \$5.64 to \$12.28 using the estimated 2018 one-year forward EV/Adjusted EBITDA multiples and estimated 2019 Adjusted EBITDA. Using the Corrected Estimates and Calculations, this analysis yielded an illustrative range of implied present values per share of (i) \$4.40 to \$11.70 using the estimated 2017 one-year forward EV/Adjusted EBITDA multiples and estimated 2018 Adjusted EBITDA and (ii) \$5.89 to \$12.53 using the estimated 2018 one-year forward EV/Adjusted EBITDA multiples and estimated 2019 Adjusted EBITDA.

Goldman Sachs then calculated an illustrative range of implied present values per share of EarthLink's share, taking into account the exchange ratio, of the pro forma combined company using the illustrative EarthLink and pro forma combined company present value of future stock price analyses described above. These illustrative implied future per share values were then discounted to September 30, 2016, using discount rates ranging from 11.0% to 13.0%, reflecting estimates of the pro forma combined company's cost of equity. As set forth in the November 5 Presentation, this analysis yielded an illustrative range of \$4.46 to \$10.26 using the estimated 2018 one-year forward EV/Adjusted EBITDA multiples and estimated 2019 Adjusted EBITDA. Using the Corrected Estimates and Calculations, this analysis yielded an illustrative range of \$4.65 to \$10.47 using the estimated 2018 one-year forward EV/Adjusted EBITDA multiples and estimated 2019 Adjusted EBITDA.

*Illustrative Discounted Cash Flow Analysis*

Goldman Sachs performed an illustrative discounted cash flow analysis of EarthLink, Windstream and the pro forma combined company, in each case using the Forecasts (which, in the case of the pro forma combined company, included the Synergies). In the illustrative discounted cash flow analyses described in this section, unlevered free cash flows, which is projected Adjusted EBITDA, minus taxes (calculated by multiplying the tax rate contained in the Forecasts by projected earnings before interest and taxes), minus projected capital expenditures and minus the projected increase in net working capital, was calculated using the Forecasts. In addition, stock based compensation was treated as a cash expense for purposes of determining unlevered free cash flows.

For the discounted cash flow analysis of EarthLink, Goldman Sachs first calculated a range of illustrative implied enterprise values for EarthLink by discounting to present value, as of September 30, 2016, using discount rates ranging from 7.50% to 9.00%, reflecting estimates of EarthLink's weighted average cost of capital, (i) estimates of unlevered free cash flows for EarthLink for the period from September 30, 2016 through December 31, 2019, as reflected in the Forecasts and (ii) a range of illustrative terminal values for EarthLink derived by applying perpetuity growth rates ranging from 0.0% to 2.0% to a terminal year estimate of EarthLink's projected unlevered free cash flows, as reflected in the Forecasts, and which implied a range of terminal EBITDA multiples of 3.3x to 5.5x (as set forth in the Corrected Estimates and Calculations). Goldman Sachs then subtracted from such range of illustrative implied enterprise values the amount of EarthLink's reported net debt as of September 30, 2016 and added to such range of illustrative implied enterprise values the estimated net present value of EarthLink's net operating losses, as provided by the management of EarthLink, to derive a range of illustrative equity values for EarthLink. Goldman Sachs then divided the range of illustrative equity values by the number of fully diluted shares of EarthLink outstanding as of October 31, 2016, as provided by the management of EarthLink. As set forth in the November 5 Presentation, this analysis indicated a range of illustrative present values per share of EarthLink common stock ranging from \$4.24 to \$7.89, and using the Corrected Estimates and Calculations, this analysis indicated a range of illustrative present values per share of EarthLink common stock ranging from \$4.17 to \$7.81.

For the discounted cash flow analysis of Windstream, Goldman Sachs first calculated a range of illustrative implied enterprise values for Windstream by discounting to present value, as of September 30, 2016, using discount rates ranging from 7.75% to 8.75%, reflecting estimates of Windstream's weighted average cost of capital, (i) estimates of unlevered free cash flows for Windstream for the period from September 30, 2016 through December 31, 2019, as reflected in the Forecasts and (ii) a range of illustrative terminal values for Windstream derived by applying perpetuity growth rates ranging from 0.0% to 2.0% to a terminal year estimate of Windstream's projected unlevered free cash flows, as reflected in the Forecasts, and which implied a range of terminal EBITDA multiples of 3.4x to 7.2x (using the Corrected Estimates and Calculations). Goldman Sachs then subtracted from such range of illustrative implied enterprise values the amount of Windstream's reported net debt as of September 30, 2016 and added to such range of illustrative implied enterprise values the estimated net present value of Windstream's net operating losses, as provided by the management of EarthLink, to derive a range of illustrative equity values for Windstream. Goldman Sachs then divided the range of illustrative equity values by the number of fully diluted shares of EarthLink outstanding as of October 31, 2016, as provided by the management of Windstream. As set forth in the November 5 Presentation, this analysis indicated a range of illustrative present values per share of Windstream common stock ranging from \$0.00 to \$32.03, and using the Corrected Estimates and Calculations, this analysis indicated a range of illustrative present values per share of Windstream common stock ranging from \$0.00 to \$32.02.



For the discounted cash flow analysis of the pro forma combined company, Goldman Sachs first calculated a range of illustrative implied enterprise values for the pro forma combined company by discounting to present value, as of September 30, 2016, using discount rates ranging from 7.75% to 8.75%, reflecting estimates of the pro forma combined company's weighted average cost of capital, (i) estimates of unlevered free cash flows for the pro forma combined company for the period from September 30, 2016 through December 31, 2019, as reflected in the Forecasts and after giving effect to the Synergies and (ii) a range of illustrative terminal values for the pro forma combined company derived by applying perpetuity growth rates ranging from 0.0% to 2.0% to a terminal year estimate of the pro forma combined company's projected unlevered free cash flows, as reflected in the Forecasts and after giving effect to the Synergies. Goldman Sachs then subtracted from such range of illustrative implied enterprise values the amount of the pro forma combined company's implied net debt as of September 30, 2016, as provided by the management of EarthLink, and added the estimated net present value of the pro forma combined company's net operating losses, as provided by the management of EarthLink, to derive a range of illustrative equity values for the pro forma combined company. Goldman Sachs then divided the range of illustrative equity values by the number of fully diluted shares of the pro forma combined company outstanding as of October 31, 2016, as provided by the management of EarthLink. As set forth in the November 5 Presentation, this analysis indicated a range of illustrative present values of EarthLink's share, taking into account the exchange ratio, of the pro forma combined company ranging from \$0.77 to \$21.69, and using the Corrected Estimates and Calculations, this analysis indicated a range of illustrative present values per share of EarthLink's share, taking into account the exchange ratio, of the pro forma combined company ranging from \$0.72 to \$21.64.

#### *Illustrative Financial Contribution Analysis*

Goldman Sachs analyzed the implied equity contributions of EarthLink and Windstream to the pro forma combined company, based on specific estimated future financial metrics including revenue, Adjusted EBITDA, dividend yield and levered free cash flows (which we refer to in this section of this joint proxy statement/prospectus as LFCF) for the next twelve months and for estimated fiscal years ending on December 31, 2017 and 2018, as reflected in the Forecasts and using market data as of November 3, 2016. The analysis was conducted on a pro forma basis by applying (i) a blended multiple to EarthLink's and Windstream's respective revenue and Adjusted EBITDA metrics to arrive at an illustrative implied enterprise value as of the end of the next twelve months and December 31, 2017 and 2018 for each of EarthLink and Windstream and subtracting EarthLink's and Windstream's respective amounts of net debt as of such dates, as reflected in the Forecasts, to calculate an implied equity value for each of EarthLink and Windstream and (ii) a blended estimated yield to EarthLink's and Windstream's respective dividend and LFCF metrics to arrive at an implied equity value for each of EarthLink and Windstream.

The analysis resulted in the following implied equity contribution of EarthLink and Windstream, respectively, to the pro forma combined company and the implied exchange ratio for a share of EarthLink common stock into Windstream common stock, in each case, using each financial metric for EarthLink and Windstream for the next twelve months ended November 2017 and the estimated fiscal years ending on December 31, 2017 and 2018:

	Weighted Contribution to Pro Forma Combined Company		Implied Exchange Ratio
	Windstream	EarthLink	
<b>Revenue</b>			
NTM	48.8%	51.2%	0.901 x
2017E	49.0%	51.0%	0.894 x
2018E	43.6%	56.4%	1.110 x
<b>EBITDA</b>			
NTM	54.6%	45.4%	0.712 x
2017E	53.8%	46.2%	0.738 x
2018E	47.6%	52.4%	0.944 x
<b>Dividend</b>			
NTM	72.6%	27.4%	0.325 x
2017E	72.0%	28.0%	0.334 x
2018E	72.9%	27.1%	0.320 x
<b>LFCF</b>			
2017E	32.9%	67.1%	1.752 x
2018E	52.2%	47.8%	0.785 x

#### *Premia Analysis*

Using information obtained from Thomson Reuters, Goldman Sachs reviewed and analyzed the acquisition premia for certain publicly disclosed all-stock mergers since 2006 with a transaction value of less than \$5 billion, excluding any transaction involving a financial sponsor and transactions where the acquirer's market capitalization was more than 90% larger than the target's market capitalization at the time of the transaction, calculated relative to the target's closing share price (i) one day prior to announcement, (ii) one week prior to announcement and (iii) four weeks prior to announcement. Using such data, Goldman Sachs calculated the first and third quartile acquisition premia for these selected transactions as 5.4% and 28.0%, respectively, for the one day premia, 5.3% and 31.2%, respectively, for the one week premia and 12.8% and 37.0%, respectively, for the four week premia. Based on these calculations, Goldman Sachs applied the first and third quartile one day premia to the undisturbed closing share price of EarthLink common stock on November 3, 2016 to derive illustrative implied prices per share of EarthLink common stock of \$5.71 to \$6.94.

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs' opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to EarthLink or Windstream or the contemplated merger.

Goldman Sachs prepared these analyses for purposes of Goldman Sachs providing its opinion to the EarthLink Board as to the fairness from a financial point of view to the holders (other than Windstream and its affiliates) of EarthLink common stock, as of the date of the opinion, of the exchange ratio pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of EarthLink, Windstream, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

The exchange ratio was determined through arm's-length negotiations between EarthLink and Windstream and was approved by the EarthLink Board. Goldman Sachs provided advice to EarthLink during these negotiations. Goldman Sachs did not, however, recommend any specific exchange ratio to EarthLink or its board of directors or that any specific exchange ratio constituted the only appropriate exchange ratio for the merger.

As described below, Goldman Sachs' opinion to the EarthLink Board was one of many factors taken into consideration by the EarthLink Board in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex C.

Goldman Sachs and its affiliates are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs and its affiliates and employees, and funds or other entities in which they invest or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of EarthLink, Windstream, any of their respective affiliates and third parties or any currency or commodity that may be involved in the mergers contemplated by the merger agreement. Goldman Sachs acted as financial advisor to EarthLink in connection with, and participated in certain of the negotiations leading to, the mergers contemplated by the merger agreement. Goldman Sachs also has provided certain financial advisory and/or underwriting services to Windstream and/or its affiliates from time to time for which its Investment Banking Division has received, and may receive, compensation, including having acted as a joint bookrunner with respect to the transfer by Windstream of 14,703,993 shares of common stock of Communications Sales & Leasing, Inc., a former subsidiary of Windstream, in exchange for outstanding loans (aggregate principal amount \$309,000,000) under Windstream's revolving credit facility in April 2015. During the two-year period ended November 5, 2016, Goldman Sachs has received compensation for financial advisory and/or underwriting services provided by its Investment Banking Division to Windstream and/or its affiliates of approximately \$1,158,273. Goldman Sachs may also in the future provide investment banking services to EarthLink, Windstream and their respective affiliates for which the Investment Banking Division of Goldman Sachs may receive compensation. During the two-year period ended November 5, 2016, Goldman Sachs has not received any fees for investment banking or other financial services from EarthLink.

The EarthLink Board selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the mergers. Pursuant to a letter agreement dated October 24, 2016, EarthLink engaged Goldman Sachs to act as its financial advisor in connection with the contemplated mergers. The engagement letter between EarthLink and Goldman Sachs provides for a transaction fee of \$3,500,000, all of which is payable upon consummation of the mergers. In addition, EarthLink has agreed to reimburse Goldman Sachs for certain of its expenses, including attorneys' fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

#### **Certain Prospective Financial Information of EarthLink**

EarthLink does not as a matter of course make public long-term forecasts as to future performance or other prospective financial information beyond the current fiscal year, and EarthLink is especially wary of making forecasts or projections for extended periods due to the unpredictability of the underlying assumptions and estimates. However, as part of the due diligence review of EarthLink in connection with the mergers, EarthLink's management prepared and provided to Windstream, as well as to Foros and Goldman Sachs in connection with their respective evaluation of the fairness of the merger consideration, the EarthLink Projections, which include certain non-public, internal financial forecasts regarding EarthLink's projected future operations for the 2016 through 2019 fiscal years.

EarthLink has included below a summary of the EarthLink Projections for the purpose of providing stockholders and investors access to certain non-public information that was furnished to EarthLink's financial advisers, and such information may not be appropriate for other purposes. The EarthLink Projections were also considered by the EarthLink Board for purposes of evaluating the mergers. Windstream was also provided with a set of financial forecasts of EarthLink for purposes of its due diligence that were nearly identical to the EarthLink Projections, the differences of which included approximately \$1 million less for estimated Capital Expenditures for 2016, resulting in a corresponding difference of approximately \$2 million more, when rounded, for estimated Unlevered Free Cash Flows for 2016 (which are also referred to in this joint proxy statement/prospectus, where applicable, as the EarthLink Projections). The EarthLink Board also considered non-public, financial forecasts prepared by Windstream regarding Windstream's anticipated future operations for the 2016 through 2019 fiscal years for purposes of evaluating Windstream and the mergers. See the section entitled "Certain Prospective Financial Information of Windstream" beginning on page 123 for more information about the forecasts prepared by Windstream.

The EarthLink Projections, which are summarized below, were not prepared with a view toward public disclosure, nor were they prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial forecasts, or generally accepted accounting principles in the United States. Ernst & Young LLP has not examined, compiled or performed any procedures with respect to the accompanying prospective financial information and, accordingly, Ernst & Young LLP does not express an opinion or any other form of assurance with respect thereto. The Ernst & Young LLP reports incorporated by reference in this joint proxy statement/prospectus relate to EarthLink's historical financial information. They do not extend to the EarthLink Projections and should not be read to do so. The summary of the EarthLink Projections included below is not being included to influence your decision whether to vote for the mergers and the transactions contemplated in connection with the mergers, but because such EarthLink Projections were provided by EarthLink to Foros and Goldman Sachs.

While presented with numeric specificity, the EarthLink Projections were based on numerous variables and assumptions (including, but not limited to, those related to industry performance and competition and general business, economic, market and financial conditions and additional matters specific to EarthLink's businesses) that are inherently subjective and uncertain and are beyond the control of EarthLink's management. Important factors that may affect actual results and cause the EarthLink Projections to not be achieved include, but are not limited to, risks and uncertainties relating to EarthLink's business (including its ability to achieve strategic goals, objectives and targets over applicable periods), industry performance, general business and economic conditions and other factors described in the Risk Factors section of EarthLink's Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. The EarthLink Projections also reflect numerous variables, expectations and assumptions available at the time they were prepared as to certain business decisions that are subject to change. As a result, actual results may differ materially from those contained in the EarthLink Projections. Accordingly, there can be no assurance that the forecasted results summarized below will be realized.

The inclusion of a summary of the EarthLink Projections in this joint proxy statement/prospectus should not be regarded as an indication that any of EarthLink, Windstream or their respective affiliates, advisors or representatives considered the EarthLink Projections to be predictive of actual future events, and the EarthLink Projections should not be relied upon as such nor should the information contained in the EarthLink Projections be considered appropriate for other purposes. None of EarthLink, Windstream or their respective affiliates, advisors, officers, directors or representatives can give you any assurance that actual results will not differ materially from the EarthLink Projections, and none of them undertakes any obligation to update or otherwise revise or reconcile the EarthLink Projections to reflect circumstances existing after the date the EarthLink Projections were generated or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying these forecasts are shown to be in error. Since the forecasts cover multiple years, such information by its nature becomes less meaningful and predictive with each successive year. EarthLink does not intend to make publicly available any update or other revision to the EarthLink Projections summarized below. None of EarthLink or its affiliates, advisors, officers, directors or representatives has made or makes any representation to any stockholder or other person regarding EarthLink's ultimate performance compared to the information contained in the EarthLink Projections summarized below, or that the forecasted results will be achieved. EarthLink has made no representation to Windstream, in the merger agreement or otherwise, concerning the EarthLink Projections. The EarthLink Projections summarized below do not give effect to the mergers. EarthLink urges all stockholders to review EarthLink's reported financial results in its most recent SEC filings.

#### Summary of EarthLink Management Case

	2016	2017	2018	2019
(\$ in millions)	Estimate	Estimate	Estimate	Estimate
Total Revenue	\$960	\$905	\$910	\$938
Adjusted EBITDA <sup>1</sup>	\$215	\$202	\$209	\$217
Adjusted EBITDA Margin <sup>1</sup>	22.4%	22.3%	22.9%	23.1%
Capital Expenditures	\$85	\$93	\$96	\$102
Unlevered Free Cash Flow <sup>1</sup>	\$130	\$109	\$112	\$115

- (1) Adjusted EBITDA, Unlevered Free Cash Flow and Adjusted EBITDA Margin are non-GAAP measures and are not determined in accordance with GAAP. EarthLink management believes that these non-GAAP financial performance measures reflect EarthLink's ongoing business in a manner

that allows for meaningful comparisons and analysis of trends in its business, as they exclude the effect of non-operational items, such as restructuring, acquisition and integration-related costs, gain on sale of business and loss on extinguishment of debt and non-cash items, such as depreciation and amortization and stock-based compensation expense. EarthLink management believes that excluding the effects of certain non-operational and non-cash items enables investors to better understand and analyze the current period's results and provides a better measure of comparability. EarthLink management also believes that these non-GAAP financial measures enable investors to evaluate EarthLink's operating results and future prospects in the same manner as management. These non-GAAP financial measures may also facilitate comparing financial results across accounting periods and to those of peer companies.

There are limitations to using these non-GAAP financial measures. Adjusted EBITDA, Unlevered Free Cash Flow and Adjusted EBITDA Margin are not indicative of cash provided or used by operating activities and may differ from comparable information provided by other companies. Adjusted EBITDA, Unlevered Free Cash Flow and Adjusted EBITDA Margin should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with GAAP.

Adjusted EBITDA is defined as net income (loss) before interest expense and other, net, income taxes, depreciation and amortization, stock-based compensation expense, impairment of goodwill and long-lived assets, restructuring, acquisition and integration-related costs, gain on sale of businesses and loss on extinguishment of debt. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by total revenue. EarthLink management uses Adjusted EBITDA to evaluate the performance of EarthLink's business and for strategic planning and forecasting. Adjusted EBITDA is also used in incentive compensation arrangements and is a factor in calculating debt covenants.

Unlevered Free Cash Flow is defined as net income (loss) before interest expense and other, net, income taxes, depreciation and amortization, stock-based compensation expense, impairment of goodwill and long-lived assets, restructuring, acquisition and integration-related costs, gain on sale of businesses and loss on extinguishment of debt, less cash used for purchases of property and equipment. Unlevered Free Cash Flow is used by EarthLink management to evaluate the performance of EarthLink's business and to assess its ability to fund capital expenditures, make strategic acquisitions, service and repay debt and pay dividends.

EarthLink does not provide GAAP financial measures on a forward-looking basis because the company is unable to predict with reasonable certainty future changes in interest rates, changes in the company's effective income tax rates or the future impact of unusual gains and losses, restructuring, acquisition and integration-related costs and purchase accounting fair value adjustments without unreasonable effort. These items are uncertain, depend on various factors, and could be material to EarthLink's results computed in accordance with GAAP.

#### **Windstream's Reasons for the Mergers; Recommendation of Windstream's Board of Directors**

In reaching its decision to approve the merger agreement and recommend approval of the Windstream stock issuance and the adoption of the Windstream charter amendment, the Windstream Board consulted with Windstream's management, as well as with Windstream's legal and financial advisors, and also considered a number of factors that it viewed as supporting its decisions, including, but not limited to, the following (not necessarily in order of relative importance):

the mergers will create a stronger, more competitive national telecommunications provider with a nationwide network of approximately 145,000 fiber route miles;

the expectation that the mergers will expand Windstream's fiber network with strategic routes to increase wholesale transport opportunities and on-net traffic and meaningfully reduce access costs for the combined company;

the combined company will have greater potential to create value for stockholders than Windstream would otherwise have on a stand-alone basis, with a significant increase in scale and potential to achieve meaningful synergies through, among other factors, the consolidation of corporate overhead and duplicate functions;

the expectation that the transaction will be significantly accretive to Windstream's adjusted free cash flow per share, allowing greater financial flexibility for strategic network investments and debt reduction and providing support for the continued payment of Windstream's existing dividend after closing of the transaction;

the expectation that the mergers likely will create greater than \$125 million in annual operating and capital expense synergies expected to be realizable within three years of closing;

the expectation that the mergers will reduce pro forma gross leverage for the combined company after taking into account all anticipated synergies;

the fact that EarthLink's fiber footprint is highly complementary with Windstream's fiber footprint, especially in the Southeastern United States, and would expand Windstream's current network by 29,000 fiber route miles of which 16,000 miles will be unique fiber routes not currently serviced by Windstream;

the expectation that the similar operating structures and goals of the two companies will drive advancement of products and services, including SD WAN and UCaaS, allowing the combined company to be a stronger competitor in a market dominated by larger telecommunication providers;

the expectation that the combined company will benefit from utilization of Windstream's and EarthLink's respective accumulated net operating losses after the closing;

its knowledge of Windstream's business, operations, financial condition, earnings and prospects and its knowledge of EarthLink's business, operations, financial condition, earnings and prospects, taking into account the results of Windstream's thorough due diligence review of EarthLink conducted by its management team, key personnel and its advisors;

the fact that nine members of the proposed twelve-member combined company board will be members of the existing Windstream Board and that Mr. Thomas will be the chief executive officer and Mr. Gunderman will be the chief financial officer of the combined company;

the current and prospective business climate in the industry in which Windstream and EarthLink operate;

the projected financial results of Windstream and EarthLink as standalone companies and the fit of the transaction with Windstream's strategic goals;

the financial analysis presentation of Barclays and the oral opinion of Barclays rendered to the Windstream Board on November 5, 2016 (which was subsequently confirmed in writing) to the effect that, as of November 5, 2016, and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the exchange ratio to be paid by Windstream was fair to Windstream from a financial point of view as more fully described in the section entitled "Opinion of Windstream's Financial Advisor" beginning on page 112;

the historical stock prices of Windstream and EarthLink, including the fact that the implied value of the exchange ratio of 0.818 shares of Windstream common stock per share of EarthLink common stock represents a 13% premium to the average exchange ratio of 0.721 over the 30-day period ended November 3, 2016 (the last unaffected trading day before rumors about a possible transaction between EarthLink and Windstream were published by Reuters);

the terms and conditions of the merger agreement, including the strong commitments by both Windstream and EarthLink to complete the mergers;

the fact that the merger agreement provides for a fixed exchange ratio and that no adjustment will be made in the merger consideration to be received by EarthLink stockholders in the merger as a result of possible increases or decreases in the trading price of Windstream's common stock following the announcement of the merger; and

the fact that existing Windstream stockholders are expected to own approximately 51% of the combined company immediately after completion of the mergers and will have the opportunity to participate in the future performance of the combined company;

The Windstream Board weighed the foregoing against a number of potentially negative factors, including:

the risk that anticipated benefits of the mergers, including anticipated synergies, may not be realized as a result of difficulties integrating the two companies;

the risk that, despite the combined efforts of Windstream and EarthLink prior to the consummation of the mergers, the combined company may lose key personnel;

the risk that the terms of the merger agreement, including provisions relating to the payment of a termination fee under specified circumstances, could have the effect of discouraging other parties that would be interested in a transaction solely with Windstream from proposing such a transaction;

the risk that if EarthLink terminates the merger agreement because Windstream is unable to obtain sufficient financing to consummate the transactions pursuant to the merger agreement, then Windstream may be obligated to pay a termination fee of \$70 million;

the risks that anticipated revenues of the combined company will not be obtained due to exposure to EarthLink's large small business customer base, which is a very competitive segment of the market in which Windstream and EarthLink operate;

the risks that the combined company might incur higher costs than anticipated given that the majority of EarthLink's customers are off-net, which entail higher average access costs per customer than the majority of Windstream's customers;

the risk that credit rating agencies might downgrade Windstream's ratings or might place Windstream's credit ratings under review for downgrade as a result of the mergers;

the risk that changes in the regulatory landscape may adversely affect the business benefits anticipated to result from the mergers;

EarthLink's right, subject to certain conditions, to respond to and negotiate with respect to certain alternative takeover proposals made prior to the time EarthLink stockholders adopt the merger agreement;



the restrictions in the merger agreement on the conduct of Windstream's and EarthLink's respective businesses during the period between execution of the merger agreement and completion of the mergers;

the risk that Windstream or EarthLink stockholders may object to and challenge the mergers and take actions that may prevent or delay the completion of the mergers, including to vote down the applicable proposals at the Windstream or EarthLink special meetings;

the risk that applicable regulators may object to and challenge the mergers and take actions that may prevent, delay or condition the completion of the mergers;

the risk that the pendency of the mergers for an extended period of time following the announcement of the mergers could have an adverse impact on Windstream or the combined company;

the potential for diversion of management and employee attention during the period prior to completion of the mergers, and the potential negative effects on Windstream's and the combined company's businesses; and

the risks of the type and nature described under the heading "Risk Factors" beginning on page 51 and the matters described under the heading "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 49. The Windstream Board considered all of these factors as a whole, and, on balance, concluded that they supported a determination to (1) approve the merger agreement, (2) approve the mergers upon the terms and subject to the conditions set forth in the merger agreement, (3) approve the issuance by Windstream of 0.818 shares of Windstream common stock per share of EarthLink common stock pursuant to and in accordance with the terms and conditions of the merger agreement and (4) approve (subject to Windstream stockholder approval) the adoption of the Windstream charter amendment. The foregoing discussion of the factors considered by the Windstream Board is not intended to be exhaustive, but rather includes the principal factors considered by the Windstream Board. In light of the number and wide variety of factors considered in connection with its evaluation of the mergers and the complexity of these factors, the Windstream Board did not find it useful to, and did not attempt to, quantify, rank or otherwise assign any relative or specific weights to the various factors that it considered in reaching its decision. In considering these factors, individual members of the Windstream Board may have given differing weights to different factors. The Windstream Board conducted an overall review of the factors described above, including thorough discussions with Windstream's management and legal and financial advisors. In considering the recommendation of the Windstream Board to approve the share issuance proposal, Windstream stockholders should be aware that Windstream's directors may have interests in the mergers that are different from, or in addition to, those of Windstream stockholders generally. For additional information, see the section entitled "Interests of Windstream Directors and Officers in the Mergers" beginning on page 125.

The factors contained in this explanation of the reasoning of the Windstream Board and certain information presented in this section are forward-looking in nature. Therefore, the information should be read in light of the factors discussed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 49.

**The Windstream Board unanimously approved the merger agreement and the transactions contemplated thereby, including the Windstream stock issuance and the Windstream charter amendment, and has determined and declared that they are advisable and are in the best interests of Windstream and its stockholders. The Windstream Board unanimously recommends that the Windstream stockholders vote FOR the Windstream stock issuance proposal, FOR the Windstream charter amendment proposal and FOR the Windstream adjournment proposal.**

**Opinion of Windstream's Financial Advisor**

Windstream engaged Barclays to act as its financial advisor with respect to a possible transaction with EarthLink, as confirmed in an engagement letter dated November 1, 2016. On November 5, 2016, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the Windstream Board that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the exchange ratio to be paid by Windstream was fair to Windstream, from a financial point of view.

**The full text of Barclays' written opinion, dated as of November 5, 2016, is attached as Annex D to this joint proxy statement/prospectus and is incorporated herein by reference. Barclays' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Barclays in rendering its opinion. You are encouraged to read the opinion carefully in its entirety. The following is a summary of Barclays' opinion and the methodology that Barclays used to render its opinion. This summary is qualified in its entirety by reference to the full text of the opinion.**

Barclays' opinion, the issuance of which was approved by Barclays' Fairness Opinion Committee, is addressed to the Windstream Board, addresses only the fairness, from a financial point of view, of the exchange ratio to be paid by Windstream and does not constitute a recommendation to any stockholder of Windstream as to how such stockholder should vote with respect to the mergers or any other matter. The terms of the mergers were determined through arm's-length negotiations between Windstream and EarthLink and were unanimously approved by the Windstream Board. Barclays did not recommend any specific form of consideration to Windstream or that any specific form of consideration constituted the only appropriate consideration for the mergers. Barclays was not requested to address, and its opinion does not in any manner address, Windstream's underlying business decision to proceed with or effect the mergers, the likelihood of the consummation of the mergers, or the relative merits of the mergers as compared to any other transaction or business strategy in which Windstream might engage. In addition, Barclays expressed no opinion on, and its opinion does not in any manner address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the mergers, or any class of such persons, relative to the merger consideration to be offered to the stockholders of EarthLink in the mergers. No limitations were imposed by the Windstream Board upon Barclays with respect to the investigations made or procedures followed by it in rendering its opinion.

In arriving at its opinion, Barclays, among other things:

reviewed and analyzed the merger agreement and the specific terms of the mergers;

reviewed and analyzed publicly available information concerning Windstream and EarthLink that Barclays believed to be relevant to its analysis, including Windstream's and EarthLink's respective Annual Reports on Form 10-K for the fiscal year ended December 31, 2015 and Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2016 and June 30, 2016;

reviewed and analyzed drafts of Windstream's and EarthLink's respective Quarterly Reports on Form 10-Q for the fiscal quarter ended September 30, 2016;

reviewed and analyzed financial and operating information with respect to the business, operations and prospects of Windstream furnished to Barclays by Windstream, including the Windstream Projections;

reviewed and analyzed financial and operating information with respect to the business, operations and prospects of EarthLink furnished to Barclays by Windstream, including (i) the EarthLink Projections and (ii) financial projections of EarthLink prepared by management of Windstream (which we refer to in this joint proxy statement/prospectus as the Windstream EarthLink Projections);

reviewed and analyzed net operating loss projections of Windstream prepared by management of Windstream (which we refer to in this joint proxy statement/prospectus as the Windstream NOL Projections) and net operating loss projections of EarthLink prepared by management of Windstream (which we refer to in this joint proxy statement/prospectus, together with the Windstream NOL Projections, as the NOL Projections);

reviewed and analyzed the trading histories of Windstream's and EarthLink's common stock for the last twelve months as of November 3, 2016 (the last full trading day prior to news reports of a potential merger of Windstream and EarthLink) and a comparison of those trading histories with those of other companies that Barclays deemed relevant;

reviewed and analyzed a comparison of the historical financial results and present financial condition of Windstream and EarthLink with each other and with those of other companies that Barclays deemed relevant;

reviewed and analyzed a comparison of the financial terms of the mergers with the financial terms of certain other transactions that Barclays deemed relevant;

reviewed and analyzed the pro forma impact of the mergers on the future financial performance of the combined company, including (i) certain financial and operating information with respect to the business, operations and prospects of Windstream on a pro forma basis giving effect to the mergers furnished to Barclays by Windstream, including financial projections of Windstream on a pro forma basis giving effect to the mergers prepared by management of Windstream (which we refer to in this joint proxy statement/prospectus as the Pro Forma Projections) and (ii) cost savings and operating synergies expected by the management of Windstream to result from the mergers (which we refer to in this joint proxy statement/prospectus, collectively, as the Expected Synergies);

reviewed and analyzed published estimates of independent research analysts with respect to the future financial performance and price targets of Windstream and EarthLink;

reviewed and analyzed the relative contributions of Windstream and EarthLink to the future financial performance of the combined company on a pro forma basis;

had discussions with the management of Windstream concerning Windstream's and EarthLink's businesses, operations, assets, financial conditions and prospects; and

undertook such other studies, analyses and investigations as Barclays deemed appropriate.

In arriving at its opinion, Barclays assumed and relied upon the accuracy and completeness of the financial and other information used by Barclays without any independent verification of such information (and did not assume responsibility or liability for any independent verification of such information). Barclays also relied upon the assurances of management of Windstream that they were not

aware of any facts or circumstances that would make such information inaccurate or misleading in any material respect. With respect to the Windstream Projections, upon the advice and at the instruction of Windstream, Barclays assumed that such projections had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Windstream as to the future financial performance of Windstream and that Windstream would perform substantially in accordance with such projections. With respect to the EarthLink Projections, upon the advice and at the instruction of Windstream, Barclays assumed that such projections had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of EarthLink as to the future financial performance of EarthLink. With respect to the Windstream EarthLink Projections, upon the advice and at the instruction of Windstream, Barclays assumed that such projections had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Windstream as to the future financial performance of EarthLink and that EarthLink would perform substantially in accordance with such projections. With respect to the Pro Forma Projections, upon the advice and at the instruction of Windstream, Barclays assumed that such projections had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Windstream as to the future financial performance of Windstream on a pro forma basis giving effect to the mergers, that the pro forma adjustments to the Windstream Projections were appropriate and that the pro forma combined company would perform substantially in accordance with such Pro Forma Projections. With respect to the NOL Projections, upon the advice and at the instruction of Windstream, Barclays assumed that the amounts of the NOL Projections were reasonable and that the net operating losses contained in the NOL Projections would be realized in accordance with such estimates. Furthermore, upon the advice and at the instruction of Windstream, Barclays assumed that the amounts and timing of the Expected Synergies were reasonable and that the Expected Synergies would be realized in accordance with such estimates. Barclays assumed no responsibility for and it expressed no view as to any such projections or estimates or the assumptions on which they are based. In arriving at its opinion, Barclays did not conduct a physical inspection of the properties and facilities of Windstream or EarthLink and did not make or obtain any evaluations or appraisals of the assets or liabilities of Windstream or EarthLink. Barclays' opinion necessarily is based upon market, economic and other conditions as they exist on, and can be evaluated as of, November 5, 2016. Barclays assumed no responsibility for updating or revising its opinion based on events or circumstances that might occur after the date of its opinion. Barclays expressed no opinion as to the prices at which shares of EarthLink common stock would trade following the announcement of the mergers or shares of Windstream common stock would trade following the announcement or consummation of the mergers.

Barclays assumed the accuracy of the representations and warranties contained in the merger agreement and all the agreements related thereto. Barclays also assumed, upon the advice and at the instruction of Windstream, that all material governmental, regulatory and third party approvals, consents and releases for the mergers would be obtained within the constraints contemplated by the merger agreement and that the mergers would be consummated in accordance with the terms of the merger agreement without waiver, modification or amendment of any material term, condition or agreement thereof. Barclays further assumed, at the direction of Windstream, that the mergers would qualify as a reorganization within the meaning of Section 368(a) of the Code. Barclays did not express any opinion as to any tax or other consequences that might result from the mergers, nor did Barclays' opinion address any legal, tax, regulatory or accounting matters, as to which Barclays understood Windstream had obtained such advice as it deemed necessary from qualified professionals.

In connection with rendering its opinion, Barclays performed certain financial, comparative and other analyses as summarized below. In arriving at its opinion, Barclays did not ascribe a specific range of values to the shares of Windstream common stock or EarthLink common stock but rather made its determination as to fairness, from a financial point of view, of the exchange ratio to be paid by

Windstream in the proposed transaction on the basis of various financial and comparative analyses. The preparation of a fairness opinion is a complex process and involves various determinations as to the most appropriate and relevant methods of financial and comparative analyses and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to summary description.

In arriving at its opinion, Barclays did not attribute any particular weight to any single analysis or factor considered by it but rather made qualitative judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered by it and in the context of the circumstances of the particular transaction. Accordingly, Barclays believes that its analyses must be considered as a whole, as considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying its opinion.

The following is a summary of the material financial analyses used by Barclays in preparing its opinion to the Windstream Board. Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by Barclays, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses. In performing its analyses, Barclays made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Windstream or any other parties to the mergers. None of Windstream, EarthLink, Merger Sub 1, Merger Sub 2, Barclays or any other person assumes responsibility if future results are materially different from those discussed. Any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below. In addition, analyses relating to the value of the businesses do not purport to be appraisals or reflect the prices at which the businesses may actually be sold.

#### *Selected Comparable Company Analysis*

In order to assess how the public market values shares of similar publicly traded companies and to provide a range of relative implied equity values per share of Windstream and of EarthLink by reference to those companies, which could then be used to calculate implied exchange ratio ranges, Barclays reviewed and compared specific financial and operating data relating to Windstream and EarthLink with selected companies that Barclays, based on its experience in the telecommunications and network services industry, deemed comparable to Windstream and EarthLink. The selected comparable companies with respect to Windstream and EarthLink were:

CenturyLink, Inc.	Frontier Communications Corporation
Cincinnati Bell Inc.	Hawaiian Telcom Holdco, Inc.
Consolidated Communications Holdings, Inc.	Lumos Networks Corp.
FairPoint Communications, Inc.	

Barclays calculated and compared various financial multiples and ratios of Windstream and EarthLink and the selected comparable companies. As part of its selected comparable company analysis, Barclays calculated and analyzed each company's ratio of its enterprise value (which we refer to in this joint proxy statement/prospectus as EV) to its calendar year 2017 estimated earnings before interest, taxes, depreciation and amortization (which we refer to in this joint proxy statement/prospectus as EBITDA). Also, as part of its selected comparable company analysis, Barclays calculated and analyzed each company's ratio of its EV to its calendar year 2017 estimated EBITDA less capital expenditures (which

we refer to in this joint proxy statement/prospectus as Op. FCF). The EV of each company was obtained by adding its short and long-term debt to the sum of the market value of its common equity, the value of any preferred stock (at liquidation value) and the book value of any minority interest, and subtracting its cash and cash equivalents. All of the calculations for Windstream and EarthLink were performed with, and based on, the Windstream Projections and the Windstream EarthLink Projections, respectively. All of the calculations for the selected comparable companies were performed with, and based on, publicly available financial data and closing prices, as of November 4, 2016, the last trading date prior to the delivery of Barclays' opinion. The results of this selected comparable company analysis are summarized below:

	EV/2017E EBITDA Multiple	EV/2017E Op. FCF(3)
High	8.2x	14.0x
Median(1)	5.2x	9.5x
Low	4.4x	7.6x
Windstream(2)	4.5x	14.4x
EarthLink(2)	5.5x	10.1x

(1) Excludes Windstream and EarthLink

(2) Financial data as of November 3, 2016 (the last full trading day prior to news reports of a potential merger of Windstream and EarthLink)

(3) Cincinnati Bell Inc. and Lumos Networks Corp. excluded from range due to outlier multiples that, in Barclays' professional judgment, were not meaningful.

Barclays selected the comparable companies listed above because of similarities in one or more business or operating characteristics with Windstream or EarthLink. However, because of the inherent differences between the business, operations and prospects of Windstream or EarthLink and those of the selected comparable companies, Barclays believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected comparable company analysis. Accordingly, Barclays also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of Windstream, EarthLink and the selected comparable companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, profitability levels and degree of operational risk between Windstream, EarthLink and the companies included in the selected comparable company analysis.

*Windstream Standalone Valuation:* Based upon these judgments, Barclays selected a range of EV to calendar year 2017 estimated EBITDA multiples of 4.5x to 5.5x for Windstream. Barclays applied this range to Windstream's projected calendar year 2017 estimated EBITDA, as set out in the Windstream Projections, to calculate a range of implied EVs of Windstream. After deriving implied EVs for Windstream, Barclays derived implied equity values per share by subtracting Windstream's net debt as of September 30, 2016 from the implied EVs and dividing the result by the number of fully diluted shares of Windstream common stock calculated using information provided to Barclays by Windstream management. These calculations resulted in a range of implied equity values per share of Windstream common stock of \$6.78 to \$19.33 (which we refer to in this joint proxy statement/prospectus as the Windstream EBITDA Range).

Based upon its professional judgments discussed above, Barclays also selected a range of EV to calendar year 2017 estimated Op. FCF multiples of 10.0x to 14.0x for Windstream. Barclays applied this range to Windstream's projected calendar year 2017 estimated Op. FCF, as set out in the Windstream Projections,

to calculate a range of implied EVs of Windstream. After deriving implied EVs for Windstream, Barclays derived implied equity values per share by subtracting Windstream's net debt as of September 30, 2016 from the implied EVs and dividing the result by the number of fully diluted shares of Windstream common stock calculated using information provided to Barclays by Windstream management. These calculations resulted in a range of implied equity values per share of Windstream Common Stock of \$0.00 to \$5.13 (which we refer to in this joint proxy statement/prospectus as the Windstream Op. FCF Range). For purposes of these analyses, Barclays excluded any results with negative values.

*EarthLink Standalone Valuation:* Based upon its professional judgments discussed above, Barclays selected a range of EV to calendar year 2017 estimated EBITDA multiples of 4.5x to 5.5x for EarthLink. Barclays applied this range to EarthLink's projected calendar year 2017 estimated EBITDA, as set out in the Windstream EarthLink Projections, to calculate a range of implied EVs of EarthLink. After deriving implied EVs for EarthLink, Barclays derived implied equity values per share by subtracting EarthLink's net debt as of September 30, 2016 from the implied EVs and dividing the result by the number of fully diluted shares of EarthLink common stock calculated using information provided to Barclays by Windstream management. These calculations resulted in a range of implied equity values per share of EarthLink common stock of \$3.78 to \$5.38 (which we refer to in this joint proxy statement/prospectus as the EarthLink EBITDA Range).

Based upon its professional judgments discussed above, Barclays also selected a range of EV to calendar year 2017 estimated Op. FCF multiples of 10.0x to 14.0x for EarthLink. Barclays applied this range to EarthLink's projected calendar year 2017 estimated Op. FCF, as set out in the Windstream EarthLink Projections, to calculate a range of implied EVs of EarthLink. After deriving implied EVs for EarthLink, Barclays derived implied equity values per share by subtracting EarthLink's net debt as of September 30, 2016 from the implied EVs and dividing the result by the number of fully diluted shares of EarthLink common stock calculated using information provided to Barclays by Windstream management. These calculations resulted in a range of implied equity values per share of EarthLink Common Stock of \$5.34 to \$8.84 (which we refer to in this joint proxy statement/prospectus as the EarthLink Op. FCF Range).

*Implied Exchange Ratio:* Using the ranges of implied equity values per share for Windstream and EarthLink calculated using the comparable companies analyses summarized above, Barclays calculated ranges of implied exchange ratios. Barclays calculated the low end of the calendar year 2017 estimated EBITDA implied exchange ratio range by dividing the low end of the EarthLink EBITDA Range by the high end of the Windstream EBITDA Range, and Barclays calculated the high end of the calendar year 2017 estimated EBITDA implied exchange ratio range by dividing the high end of the EarthLink EBITDA Range by the low end of the Windstream EBITDA Range. These calculations resulted in a range of implied exchange ratios of 0.196x to 0.794x.

Barclays calculated the low end of the calendar year 2017E Op. FCF implied exchange ratio range by dividing the low end of the EarthLink Op. FCF Range by the high end of the Windstream Op. FCF Range. Barclays was unable to calculate a high end of the calendar year 2017E Op. FCF implied exchange ratio range because dividing the high end of the EarthLink Op. FCF Range by the low end of the Windstream Op. FCF Range resulted in an undefined value. Therefore, these calculations resulted in only a lower bound implied exchange ratio of 1.044x.

The following summarizes the result of these calculations:

	Range of Implied Exchange Ratios	
	Low	High
Calendar Year 2017E EBITDA	0.196x	0.794x
Calendar Year 2017E Op. FCF	1.044x	Undefined

**Selected Precedent Transaction Analysis**

Barclays reviewed and compared the purchase prices and financial multiples paid in selected other transactions that Barclays, based on its experience with merger and acquisition transactions, deemed relevant. Barclays chose such transactions based on, among other things, the similarity of the applicable target companies in the transactions to EarthLink with respect to the industry, business mix, margins and other financial and operating characteristics of their respective businesses.

The reasons for and the circumstances surrounding each of the selected precedent transactions analyzed were diverse and there are inherent differences in the business, operations, financial conditions and prospects of Windstream, EarthLink and the companies included in the selected precedent transaction analysis. Accordingly, Barclays believed that a purely quantitative selected precedent transaction analysis would not be particularly meaningful in the context of considering the mergers. Barclays therefore made qualitative judgments concerning differences between the characteristics of the selected precedent transactions and the mergers which would affect the acquisition values of the selected target companies and EarthLink.

Barclays examined the following rural local exchange carrier transactions:

<b>Announcement Date</b>	<b>Acquiror</b>	<b>Target</b>
2/5/2015	Frontier Communications Corporation	Certain assets of Verizon Communications Inc.
12/17/2013	Frontier Communications Corporation	AT&T Inc.'s Connecticut Wireline Assets
2/6/2012	Consolidated Communications Holdings, Inc.	SureWest Communications
4/22/2010	CenturyLink, Inc.	Qwest Communications International Inc.
11/24/2009	Windstream	Iowa Telecommunications Services, Inc.
9/8/2009	Windstream	Lexcom, Inc.
5/13/2009	Frontier Communications Corporation	Certain assets of Verizon Communications Inc.
5/11/2009	Windstream	D&E Communications Inc.

Barclays examined the following competitive local exchange carrier transactions:

<b>Announcement Date</b>	<b>Acquiror</b>	<b>Target</b>
2/22/2016	Verizon Communications Inc.	XO Communications Inc.
11/23/2015	Zayo Group Holdings, Inc.	Allstream, Inc.
6/30/2014	Consolidated Communications Holdings, Inc.	Enventis Corporation
4/21/2014	Birch Communications, Inc.	Cbeyond, Inc.
8/1/2011	Windstream	PAETEC Holding Corp.
12/20/2010	EarthLink	One Communications Corp.
10/1/2010	EarthLink	ITC^DeltaComm, Inc.
9/13/2010	PAETEC Holding Corp.	Cavalier Telephone Corporation
8/17/2010	Windstream	Kentucky Data Link, Inc. and Norlight, Inc.
11/3/2009	Windstream	NuVox, Inc.



Based upon its professional judgments discussed above, Barclays selected a range of last twelve month (which we refer to in this joint proxy statement/prospectus as LTM) EBITDA multiples of 5.0x to 6.0x. Barclays applied this range to EarthLink's estimated 2016 EBITDA, as set forth in the Windstream EarthLink Projections, to calculate a range of implied EVs of EarthLink. After deriving implied EVs for EarthLink, Barclays derived implied equity values per share by subtracting EarthLink's net debt as of September 30, 2016 from the implied EVs and dividing the result by the number of fully diluted shares of EarthLink common stock calculated using information provided by Windstream management. These calculations resulted in a range of implied equity values per share of EarthLink common stock of \$5.37 to \$7.13 (which we refer to in this joint proxy statement/prospectus as the 2016E EBITDA Range).

Based upon its professional judgments discussed above, Barclays selected a range of next twelve month (which we refer to in this joint proxy statement/prospectus as NTM) EBITDA multiples of 5.0x to 6.0x. Barclays applied this range to EarthLink's estimated 2017 EBITDA, as set out in the Windstream EarthLink Projections, to calculate a range of implied EVs of EarthLink. After deriving implied EVs for EarthLink, Barclays derived implied equity values per share by subtracting EarthLink's net debt as of September 30, 2016 from the implied EVs and dividing the result by the number of fully diluted shares of EarthLink common stock calculated using information provided by Windstream management. These calculations resulted in a range of implied equity values per share of EarthLink common stock of \$4.58 to \$6.18 (which we refer to in this joint proxy statement/prospectus as the 2017E EBITDA Range).

*Implied Exchange Ratio:* Using the ranges of implied equity values per share for EarthLink calculated using the precedent transaction analyses summarized above, Barclays calculated ranges of implied exchange ratios. Barclays calculated the low end of the LTM EBITDA multiple implied exchange ratio range by dividing the low end of the 2016E EBITDA Range by Windstream's November 3, 2016 closing share price on the NASDAQ (the last full trading day prior to news reports of a potential merger of Windstream and EarthLink), and Barclays calculated the high end of the LTM EBITDA multiple implied exchange ratio range by dividing the high end of the 2016E EBITDA Range by Windstream's November 3, 2016 closing share price on the NASDAQ (the last full trading day prior to news reports of a potential merger of Windstream and EarthLink). These calculations resulted in a range of implied exchange ratios of 0.792x to 1.051x.

Barclays calculated the low end of the NTM EBITDA multiple implied exchange ratio range by dividing the low end of the 2017E EBITDA Range by Windstream's November 3, 2016 closing share price on the NASDAQ (the last full trading day prior to news reports of a potential merger of Windstream and EarthLink), and Barclays calculated the high end of the NTM EBITDA multiple implied exchange ratio range by dividing the high end of the 2017E EBITDA Range by Windstream's November 3, 2016 closing share price on the NASDAQ (the last full trading day prior to news reports of a potential merger of Windstream and EarthLink). These calculations resulted in a range of implied exchange ratios of 0.676x to 0.912x.

The following summarizes the result of these calculations:

	Multiple Range	Range of Implied Exchange Ratios	
		Low	High
LTM EBITDA Multiple	5.0x - 6.0x	0.792x	1.051x
NTM EBITDA Multiple	5.0x - 6.0x	0.676x	0.912x

*Discounted Cash Flow Analysis*

In order to estimate the present value of Windstream common stock and of EarthLink common stock, Barclays performed a discounted cash flow analysis of Windstream and EarthLink. A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the present value of estimated future cash flows of the asset. Present value refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors.

*Windstream Standalone Valuation:* To calculate the estimated EV of Windstream using the discounted cash flow method, Barclays added (i) Windstream's projected after-tax unlevered free cash flows for fiscal years 2017 through 2019 based on the Windstream Projections to (ii) the terminal value of Windstream as of December 31, 2019, and discounted such amount to its present value using a range of selected discount rates. The after-tax unlevered free cash flows were calculated by taking the tax-affected earnings before interest and taxes and adding back depreciation and amortization expense, and subtracting capital expenditures and capital lease expenses. The residual value of Windstream at the end of the forecast period, or terminal value, was estimated by applying a range of terminal value multiples of 4.5x to 5.5x, which was derived by analyzing the results from the selected comparable company analysis and applying such range to the Windstream Projections. The range of after-tax discount rates of 7.00% to 8.00% was selected based on an analysis of the weighted average cost of capital of Windstream and the comparable companies discussed above. Barclays then calculated a range of implied prices per share of Windstream by subtracting estimated net debt as of December 31, 2016 from the estimated EV using the discounted cash flow method and dividing such amount by the fully diluted number of shares of Windstream common stock calculated using information provided by Windstream management. These calculations resulted in a range of implied equity values per share of \$1.13 to \$12.83 (which we refer to in this joint proxy statement/prospectus as the Windstream DCF Range). This range includes the present value of certain Windstream net operating losses contained in the NOL Projections, which Barclays calculated to have a present value of \$2.58 per share of Windstream common stock. In calculating the present value of the Windstream net operating losses contained in the NOL Projections, Barclays, upon the advice and at the instruction of Windstream management, assumed a tax rate of 35% and used a discount rate range of 5.85% to 7.50%.

*EarthLink Standalone Valuation:* To calculate the estimated EV of EarthLink using the discounted cash flow method, Barclays added (i) EarthLink's projected after-tax unlevered free cash flows for fiscal years 2017 through 2019 based on the Windstream EarthLink Projections to (ii) the terminal value of EarthLink as of December 31, 2019, and discounted such amount to its present value using a range of selected discount rates. The after-tax unlevered free cash flows were calculated by taking the tax-affected earnings before interest and taxes and adding back depreciation and amortization expense, and subtracting capital expenditures. The residual value of EarthLink at the end of the forecast period, or terminal value, was estimated by applying a range of terminal value multiples of 4.5x to 5.5x, which was derived by analyzing the results from the selected comparable company analysis and applying such range to the Windstream EarthLink Projections. The range of after-tax discount rates of 7.00% to 8.00% was selected based on an analysis of the weighted average cost of capital of EarthLink and the comparable companies discussed above. Barclays then calculated a range of implied prices per share of EarthLink by subtracting net debt as of September 30, 2016 (Windstream did not receive projections with respect to EarthLink net debt as of December 31, 2016, and thus Windstream instructed Barclays to use EarthLink net debt as of September 30, 2016, as that figure represented Windstream management's best available estimate and judgment with respect to EarthLink net debt as of December 31, 2016) from the estimated EV using the discounted cash flow method and dividing such amount by the fully diluted

number of shares of EarthLink common stock calculated using information provided to Barclays by Windstream management. These calculations resulted in a range of implied equity values per share of \$3.87 to \$5.12 (which we refer to in this joint proxy statement/prospectus as the Windstream EarthLink DCF Range). This range includes the present value of certain EarthLink net operating losses contained in the NOL Projections, which Barclays calculated to have a present value of \$1.44 per share of EarthLink common stock. In calculating the present value of the EarthLink net operating losses contained in the NOL Projections, Barclays, upon the advice and at the instruction of Windstream management, assumed a tax rate of 35% and used a discount rate range of 6.18% to 7.50%.

Barclays also calculated an alternative estimated EV for EarthLink using the discounted cash flow method based on the EarthLink Projections. To calculate the alternative EV of EarthLink using the discounted cash flow method, Barclays added (i) EarthLink's projected after-tax unlevered free cash flows for fiscal years 2017 through 2019 based on the EarthLink Projections to (ii) the terminal value of EarthLink as of December 31, 2019, and discounted such amount to its present value using a range of selected discount rates. The after-tax unlevered free cash flows were calculated by taking the tax-affected earnings before interest and taxes and adding back depreciation and amortization expense and subtracting capital expenditures. The residual value of EarthLink at the end of the forecast period, or terminal value, was estimated by applying a range of terminal value multiples of 4.5x to 5.5x, which was derived by analyzing the results from the selected comparable company analysis and applying such range to the EarthLink Projections. The range of after-tax discount rates of 7.00% to 8.00% was selected based on an analysis of the weighted average cost of capital of EarthLink and the comparable companies. Barclays then calculated a range of implied prices per share of EarthLink by subtracting net debt as of September 30, 2016 (Windstream did not receive projections with respect to EarthLink net debt as of December 31, 2016, and thus Windstream instructed Barclays to use EarthLink net debt as of September 30, 2016, as that figure represented Windstream management's best available estimate and judgment with respect to EarthLink net debt as of December 31, 2016) from the estimated EV using the discounted cash flow method and dividing such amount by the fully diluted number of shares of EarthLink common stock calculated using information provided to Barclays by Windstream management. These calculations resulted in a range of implied equity values per share of \$5.62 to \$7.38 (which we refer to in this joint proxy statement/prospectus as the EarthLink DCF Range). This range includes the present value of certain EarthLink net operating losses contained in the NOL Projections, which Barclays calculated to have a present value of \$1.44 per share of EarthLink common stock. In calculating the present value of the EarthLink net operating losses contained in the NOL Projections, Barclays, upon the advice and at the instruction of Windstream management, assumed a tax rate of 35% and used a discount rate range of 6.18% to 7.50%.

The Windstream and EarthLink DCF analyses summarized above do not include the value of the Expected Synergies. Using publicly available financial data and the Expected Synergies, Barclays calculated the present value, on a per share basis, of the Expected Synergies using a discounted cash flow method based on certain assumptions provided to Barclays by Windstream management, including a discount rate of 7.5% and a perpetuity growth rate of negative 3%. These calculations resulted in an implied value of \$3.82 per share of EarthLink common stock, pro forma for the mergers and an implied value of \$4.67 per share of Windstream common stock, pro forma for the proposed transaction.

*Implied Exchange Ratio:* Using the ranges of implied equity values per share for Windstream and EarthLink calculated using the discounted cash flow analyses summarized above, Barclays calculated ranges of implied exchange ratios. Barclays calculated the low end of the Windstream DCF implied exchange ratio range by dividing the low end of the Windstream EarthLink DCF Range by the high end of the Windstream DCF Range, and Barclays calculated the high end of the Windstream DCF implied

exchange ratio range by dividing the high end of the Windstream EarthLink DCF Range by the low end of the Windstream DCF Range. These calculations resulted in a range of implied exchange ratios of 0.302x to 4.529x.

Barclays also calculated an alternative range of implied exchange ratios using the EarthLink DCF Range and the Windstream DCF Range. Barclays calculated the low end of the EarthLink DCF implied exchange ratio range by dividing the low end of the EarthLink DCF Range by the high end of the Windstream DCF Range, and Barclays calculated the high end of the Windstream DCF implied exchange ratio range by dividing the high end of the EarthLink DCF Range by the low end of the Windstream DCF Range. These calculations resulted in a range of implied exchange ratios of 0.438x to 6.521x.

The following summarizes the result of these calculations:

	Range of Implied Exchange Ratios	
	Low	High
Windstream EarthLink DCF / Windstream DCF	0.302x	4.529x
EarthLink DCF / Windstream DCF	0.438x	6.521x

### **General**

Barclays is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. The Windstream Board selected Barclays because of its familiarity with Windstream and its qualifications, reputation and experience in the valuation of businesses and securities in connection with mergers and acquisitions generally, as well as its substantial experience in transactions comparable to the proposed transaction.

Barclays is acting as financial advisor to Windstream in connection with the proposed transaction. As compensation for its services in connection with the proposed transaction, Windstream agreed to pay Barclays \$1.5 million upon the delivery of Barclays' opinion, which is referred to as the Opinion Fee and which becomes payable upon the closing or the termination of the mergers. The Opinion Fee was not contingent upon the conclusion of Barclays' opinion or the consummation of the proposed transaction. In addition, Windstream has agreed to reimburse Barclays for expenses incurred in connection with the mergers and to indemnify Barclays for certain liabilities that may arise out of its engagement by Windstream and the rendering of Barclays' opinion. Barclays and its affiliates have performed various investment banking and financial services for Windstream and its affiliates in the past, and it expects to perform such services in the future, and has received, and expects to receive, customary fees for such services. Specifically, in the past two years, Barclays has performed the following investment banking and financial services for Windstream and its affiliates: (i) Joint Bookrunner and Joint Lead Arranger in connection with Windstream's 2016 Term Loan B offering; (ii) Joint Bookrunner in connection with Windstream's 2016 secondary equity offering of shares of Communications Sales & Leasing Inc. and participating creditor in connection with the related debt-for-equity exchange; and (iii) Joint Bookrunner in connection with Windstream's 2015 Revolving Credit Facility amendment and extension. As of the date of this joint proxy statement/prospectus, Barclays has received as consideration for such investment banking and financial services \$3.3 million. In the past two years, Barclays has not performed any investment banking or financial services for EarthLink or any of its affiliates.

Barclays and its affiliates engage in a wide range of businesses from investment and commercial banking, lending, asset management and other financial and non-financial services. In the ordinary course of its business, Barclays and affiliates may actively trade and effect transactions in the equity, debt and/or other securities (and any derivatives thereof) and financial instruments (including loans and other obligations) of Windstream and EarthLink for its own account and for the accounts of its customers and, accordingly, may at any time hold long or short positions and investments in such securities and financial instruments.

#### **Certain Prospective Financial Information of Windstream**

In the course of their mutual due diligence, on October 21, 2016, Windstream provided EarthLink with the Windstream Projections and EarthLink provided Windstream with the EarthLink Projections. In addition, Windstream's management made certain adjustments to the EarthLink Projections that they deemed appropriate, which yielded the Windstream EarthLink Projections (which we refer to in this joint proxy statement/prospectus, together with the Windstream Projections, the EarthLink Windstream Projections and the EarthLink Projections, as the Projections). Each of the Windstream Projections, the EarthLink Projections and the Windstream EarthLink Projections were provided to the Windstream Board to assist the Windstream Board in its evaluation of the strategic rationale for the mergers and were provided to Barclays in connection with its financial analysis described above under "Opinion of Windstream's Financial Advisor" beginning on page 112. EarthLink was also provided with a set of financial forecasts of Windstream that were nearly identical to the Windstream Projections, but which omitted Operating Cash Flow projections for the years ended December 31, 2018 and 2019. EarthLink provided to Windstream extrapolations prepared by EarthLink for the omitted Operating Cash Flow forecasts, which EarthLink estimated to be approximately \$446 million for 2018 and \$477 million for 2019, which Windstream indicated were generally consistent with Windstream's internal forecasts. The forecasts as provided to, and adjusted by, EarthLink are referred to in this joint proxy statement/prospectus as the EarthLink Windstream Projections. Each of the EarthLink Windstream Projections and the EarthLink Projections were also used by the EarthLink Board in its evaluation of the strategic rationale for the mergers and were furnished to and used by EarthLink's financial advisors in connection with their respective financial analyses as described under "Opinions of EarthLink's Financial Advisors" beginning on page 86.

The Projections, which are summarized below, are unaudited and were not prepared with a view toward public disclosure or compliance with published guidelines of the SEC or the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information or GAAP. PricewaterhouseCoopers LLP has not examined, compiled or performed any procedures with respect to the accompanying prospective financial information of Windstream and, accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto. The PricewaterhouseCoopers LLP reports incorporated by reference in this joint proxy statement/prospectus relate to Windstream's historical financial information. The inclusion of the Projections, which are summarized below, in this joint proxy statement/prospectus should not be regarded as an indication that any of Windstream, EarthLink or any other recipient of the Projections considered, or now considers, them to be necessarily predictive of actual future results. The inclusion of the Projections, which are summarized below, in this joint proxy statement/prospectus will not be deemed an admission or representation by Windstream that such Projections are material. The Projections make numerous assumptions, as further described below, many of which are beyond the control of Windstream and EarthLink, and do not reflect any transaction or event that has occurred or that may occur that was not anticipated at the time the Projections were prepared. The Projections cover multiple years and such information by its nature becomes less predictive with each successive year. Windstream does not intend to update or revise the Projections. The Projections are forward-looking statements. For more information on factors which may cause Windstream or EarthLink's future financial results to materially vary from those projected in the Projections, see "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 49 and "Risk Factors" beginning on page 51.

The Projections include Adjusted EBITDA, Adjusted EBITDAR and Operating Cash Flow as measures of cash flow. Adjusted EBITDA is defined as operating income before depreciation and amortization, adjusted for the impact of restructuring charges, pension costs and share-based compensation. Operating Cash Flow is defined as Adjusted EBITDA less capital expenditures. Adjusted EBITDAR is defined as operating income before depreciation, amortization and rent expenses, adjusted for the impact of restructuring charges, pension costs and share-based compensation.

While each of Adjusted EBITDA, Adjusted EBITDAR and Operating Cash Flow is a recognizable measure of operating performance for companies in the industry in which Windstream and EarthLink operate, the measure may not be directly comparable to similarly titled measures across companies, including between Windstream and EarthLink. Additionally, the Windstream Board and Barclays may have differing interpretations of Adjusted EBITDA, Adjusted EBITDAR and Operating Cash Flow.

*Windstream Projections*

(\$ in millions)	For the fiscal year ending December 31,			
	2016	2017	2018	2019
<b>Revenue</b>	\$5,429(1)	\$5,286	\$5,192	\$5,156
<b>Adj. EBITDA</b>	\$1,271	\$1,260	\$1,257	\$1,274
<b>Operating Cash Flow</b>	\$436	\$419	\$442	\$469
<b>Adj. EBITDAR</b>	\$1,925	\$1,914	\$1,913	\$1,933

*EarthLink Projections*

(\$ in millions)	For the fiscal year ending December 31,			
	2016	2017	2018	2019
<b>Revenue</b>	\$960	\$905	\$910	\$938
<b>Adj. EBITDA</b>	\$215	\$202	\$209	\$217
<b>Operating Cash Flow</b>	\$132	\$109	\$112	\$115

*Windstream EarthLink Projections*

(\$ in millions)	For the fiscal year ending December 31,			
	2016	2017	2018	2019
<b>Revenue</b>	\$959(2)	\$886	\$843	\$818
<b>Adj. EBITDA</b>	\$217	\$192	\$171	\$163
<b>Operating Cash Flow</b>	\$135	\$110	\$81	\$76

- (1) After providing the Windstream Projections to Barclays and the Windstream Board, Windstream provided Barclays an updated fiscal year 2016 total revenue figure of \$5,401,000,000, which represented a trended fiscal year 2016 revenue view based on actual revenue results through September 2016.
- (2) This Revenue projection includes the results from EarthLink's information-technology services business, which EarthLink sold in February 2016. This business accounted for \$3 million in revenue. For purposes of Barclays' financial analyses, Windstream instructed Barclays to use \$956,000,000 for fiscal year 2016 total revenue, which is pro forma for this sale.

Windstream does not provide GAAP financial measures on a forward-looking basis because it is unable to predict with reasonable certainty future changes in interest rates, changes in the company's effective income tax rates or the future impact of unusual gains and losses, acquisition-related expenses and

purchase accounting fair value adjustments without unreasonable effort. These items are uncertain, depend on various factors, and could be material to Windstream's results computed in accordance with GAAP.

#### **Interests of Windstream Directors and Executive Officers in the Mergers**

The mergers do not constitute a change in control under Windstream's employment or change in control agreements entered into with its executive officers and therefore the merger will not trigger any benefits under such agreements. Likewise, the mergers do not constitute a change in control under the equity compensation plans of Windstream and therefore will not cause any acceleration of outstanding Windstream equity awards.

#### **Interests of EarthLink Directors and Executive Officers in the Mergers**

When considering the recommendation of the EarthLink Board that stockholders vote to approve the merger proposal, stockholders should be aware that EarthLink's directors and executive officers may have interests in the mergers that are different from, or in addition to, interests of other EarthLink stockholders generally. The EarthLink Board was aware of and considered these interests, to the extent such interests existed at the time, among other matters, in evaluating and negotiating the merger agreement and the mergers and in recommending that the merger agreement be adopted by the EarthLink stockholders. In the discussion below, EarthLink has quantified payments and benefits to its executive officers and non-employee directors that may be due in connection with the mergers.

#### *Treatment of Equity Awards*

*Options.* At the effective time of the merger, each outstanding option to purchase shares of EarthLink common stock, whether vested or unvested, will be cancelled and converted into the right to receive a number of shares of Windstream common stock equal to (i) the product of the number of shares of EarthLink common stock underlying such option and the exchange ratio, less (ii) that number of shares of Windstream common stock equal to the product of (A) the number of shares of EarthLink common stock subject to such option with a fair market value (determined based on the closing price of EarthLink common stock on the business day immediately preceding the closing date of the merger) equal to the sum of (x) the aggregate exercise price of such EarthLink option plus (y) any withholding on such option and (B) the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting fractional shares of Windstream common stock payable as merger consideration.

*Restricted Stock Units.* Each outstanding EarthLink restricted stock unit will be assumed by Windstream and converted into a Windstream restricted stock unit with respect to that number of shares of Windstream common stock determined by multiplying the number of shares of EarthLink common stock subject to such EarthLink restricted stock unit by the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting fractional shares of Windstream common stock payable as merger consideration. The other terms of the EarthLink restricted stock unit, including vesting, shall continue to apply to the Windstream restricted stock unit.

*Executive Officer Options Value*

In addition to the merger consideration related to outstanding shares currently held by EarthLink's executive officers, assuming completion of the merger on December 31, 2016, approximate values related to outstanding and unexercised options, vested (*i.e.*, options that previously vested according to their standard terms; not options that become vested by operation of the merger) or unvested with respect to EarthLink's executive officers are as follows:

Executive	Value of Unvested Options (\$)	Value of Vested Options (\$)	Total Value of Options (\$)
Joseph F. Eazor	\$18,000	\$18,000	\$36,000
Louis M. Alterman	--	--	--
Valerie C. Benjamin	--	--	--
Gerard Brossard	--	--	--
Samuel R DeSimone, Jr.	--	--	--
John T. Dobbins	--	--	--
Bradley A. Ferguson	--	--	--
Jacob J. Ferro	--	--	--
Richard C. Froehlich	--	--	--

The foregoing information is based on such executives' equity compensation holdings as of December 31, 2016 and assume a price per share of EarthLink common stock of \$5.09 (the average closing price of shares of EarthLink common stock on the five days following the announcement of the mergers).

*Change-in-Control Accelerated Vesting and Severance Plan*

EarthLink maintains the Change-in-Control Accelerated Vesting and Severance Plan (the "CIC Plan"), which provides that the benefits described below will be paid to the executive officers in connection with a qualifying termination in connection with the mergers.

The CIC Plan contains two different benefit categories based on the employee's position with EarthLink, one for our executive officers and one for other plan participants. All of EarthLink's executive officers participate in the CIC Plan other than Mr. Eazor who receives change in control benefits under his employment agreement and Mr. Dobbins who will receive benefits under his offer letter with Windstream (discussed below).

If at any time within 24 months after a Change in Control (defined below) occurs, (i) the employment of an executive officer is terminated by EarthLink for any reason other than Cause (defined below), disability or death or (ii) an executive officer voluntarily terminates his employment for Good Reason (defined below), the executive officer is entitled to receive the following benefits: (a) a severance payment equal to 150% of the sum of the executive officer's salary plus bonus target less the amount of a non-compete payment (which is 66 2/3% of the sum of the executive officer's base salary and annual target bonus); (b) the non-compete payment and (c) payment of all amounts payable with respect to the executive officer's elected COBRA coverage (including for spouse and dependents) for 18 months from termination. The severance payment and the non-compete payment will be payable in a lump sum within 30 days of the termination date. The COBRA coverage amounts will be payable no less frequently than monthly over the 18 month period.

The CIC Plan also provides for equity award accelerated vesting benefits. If an executive officer's stock options are assumed or continued after a Change in Control, all outstanding stock options granted on or before the Change in Control will vest and be exercisable in full, if not already fully vested, on a



termination of the employee's employment by EarthLink without Cause or termination by the employee with Good Reason, within 24 months after the Change in Control occurs; however, if his or her stock options are not assumed or continued after the Change in Control, all outstanding stock options will vest and be exercisable in full contemporaneously with the Change in Control, if not already fully vested. If an executive officer's restricted stock units are assumed or continued after a Change in Control, generally all outstanding restricted stock units granted on or before the change in Control will vest and be earned and payable in full, if not already fully vested, on a termination of the employee's employment by EarthLink without Cause or termination by the employee with Good Reason, within 24 months after the Change in Control occurs; however, if his or her restricted stock units are not assumed or continued after the Change in Control, generally all outstanding restricted stock units will vest and be earned and payable in full contemporaneously with the Change in Control, if not already fully vested.

The CIC Plan restricts the participants from competing, directly or indirectly, with EarthLink or soliciting certain of its employees and officers for a period of 18 months following a qualifying termination of employment. The CIC Plan also requires the participants to execute a release and waiver for the benefit of EarthLink prior to any payments being made under the plan.

EarthLink has the right to amend the CIC Plan from time to time and may terminate it at any time; provided, however, that for a certain period of time before a Change in Control (as described in the CIC Plan) or after a Change in Control in EarthLink occurs, (i) no amendment may be made that diminishes any employee's rights following such Change in Control and (ii) the CIC Plan may not be terminated.

For purposes of the CIC Plan, Change in Control generally means a transaction pursuant to which any person acquires more than 50% of the voting power of EarthLink or any merger, reorganization or similar event where the owners of the voting stock of EarthLink before the event do not own voting stock representing at least 50% of the voting power of EarthLink or our successor after the event. For purposes of the CIC Plan, the merger will constitute a Change in Control. For purposes of the CIC Plan, Cause generally covers the willful, continued failure to perform employment duties after written notice or willful misconduct that is materially injurious to EarthLink, and Good Reason generally covers assignment of duties inconsistent with position or a substantial change in position, reduction of base salary or bonus, relocation of more than 35 miles from current base, failure to effect any incentive or benefit plan, failure of a successor to assume the CIC Plan or any termination that is not for Cause.

#### *Short-Term Incentive Bonus Plan*

Under EarthLink's 2016 Short-Term Incentive Bonus Plan, if any of the executive officers are terminated for any reason other than for cause or disability following a change in control during the 2016 bonus period, such executive officer will be entitled to a bonus payable for the full bonus period as paid to the other participants in the bonus plan and assuming an individual performance factor of 100%. However, the bonus paid to the executive officer will be pro rata in that it will be based only on the executive's compensation through the date of termination. The merger would be considered a change in control under the bonus plan. Such bonus payment would be paid in lump sum at the time of payout for the other participants, no later than March 31, 2017.

#### *Employment Agreement with Mr. Eazor*

EarthLink entered into an employment agreement with Mr. Eazor in connection with his appointment as EarthLink's Chief Executive Officer and President, which was amended and restated in 2016. The employment agreement with Mr. Eazor has a term which currently expires on August 31, 2019 and may be terminated on 90 days notice prior to the end of a term. However, upon a change in control, the term automatically extends until 24 months following the change in control. The merger would be considered a

change in control under the employment agreement. The employment agreement incorporates into one document all benefits that Mr. Eazor would receive upon termination of employment, including upon a change in control, and, as a result, Mr. Eazor does not participate in the CIC Plan.

Under the employment agreement, Mr. Eazor is entitled to certain benefits if he is terminated for any reason other than for cause (as defined in the employment agreement) or if Mr. Eazor terminates his employment for good reason (as defined in the employment agreement). For purposes of the employment agreement, cause generally covers acts of fraud, conviction of any felony or willful, continued failure to perform his duties to the company and good reason generally covers the following acts, which are not cured within 30 days after written notice: significant diminution of his position, failure by EarthLink to comply with the employment agreement, any requirement to be based outside of Atlanta, notice by EarthLink of non-renewal of the employment agreement or a breach by EarthLink of the employment agreement. In either such case, Mr. Eazor will receive an amount equal to (i) 200% of the sum of his base salary and his target bonus payment for the year in which the termination occurs less (ii) the amount of his non-compete payment (which is the sum of his base salary and annual target bonus for the year in which the termination of the employment occurs). Mr. Eazor also would receive the non-compete payment and payment of all amounts payable with respect to Mr. Eazor's elected COBRA coverage (including for spouse and dependents) for 18 months from termination. These amounts would all be payable in a lump sum within 30 days of the date of termination. The employment agreement also contains provisions for the treatment of outstanding equity awards that are substantially similar to the provisions in the CIC Plan and payment of a pro-rata bonus substantially similar to the provisions in the Short-Term Incentive Bonus Plan.

As an additional inducement to retain Mr. Eazor's services at the time the employment agreement was amended and restated in 2016, EarthLink also made a cash retention payment to Mr. Eazor of \$2.6 million. If EarthLink has become party to a definitive agreement to consummate a transaction that would result in a change in control in the twelve months following August 12, 2016 and the transaction that would result in the change in control is consummated, Mr. Eazor will be required to reimburse the cash retention payment to EarthLink.

The employment agreement restricts Mr. Eazor from competing, directly or indirectly, with EarthLink or soliciting certain of its employees and officers during the term of the employment agreement and for a period of 12 months following his termination of employment. The employment agreement also requires Mr. Eazor to execute a release for the benefit of EarthLink prior to any payments being made under the agreement.

#### *Indemnification and D&O Insurance*

Through the sixth anniversary of the effective date of the merger, Windstream has agreed that it will or will cause the surviving company to indemnify and hold harmless, to the fullest extent permitted by law, the present and former officers and directors of EarthLink and its subsidiaries against certain costs, liabilities and expenses arising out of or pertaining to (i) such person's service as an officer, director, fiduciary or agent of EarthLink or its subsidiaries or (ii) matters existing or occurring or services performed by such director or officer at the request of EarthLink at or before the effective time of the merger (including the merger agreement or the transactions contemplated thereby), whether asserted prior to, at or after the effective time of the merger. For a period of six years from the effective date of the merger, Windstream also is required to maintain directors' and officers' liability and fiduciary liability coverage containing terms and conditions that are not less advantageous in the aggregate as EarthLink's directors' and officers' liability and fiduciary liability policies as in effect on the effective date of the merger, subject to certain limits on the policy annual premiums as set forth in the merger agreement. Alternatively, EarthLink may purchase a six-year prepaid tail policy providing substantially equivalent

benefits, which Windstream must cause to be maintained in full force and effect for its full term and cause the surviving company to honor any obligations thereunder (or if cancelled, which Windstream must replace for any remaining term). A more complete description of the indemnification and insurance rights provided to EarthLink's directors and officers under the merger agreement is under the heading "The Merger Agreement - Indemnification and Insurance" beginning on page 160.

*Continuing Executive Officer and Non-Employee Directors*

Certain executive officers and key employees of EarthLink and certain members of the EarthLink Board may be offered post-closing employment agreements or arrangements, which may include cash, stock or other equity compensation and co-investment opportunities. Windstream has entered into an offer letter in connection with the mergers with Mr. John Dobbins, EarthLink's Executive Vice President of Network Operations. The new offer letter is generally consistent with the terms of other compensation arrangements with Windstream executives. Further details of Mr. Dobbins' offer letter can be found in the "Offer Letter with Mr. Dobbins" section below. The merger agreement provides that the EarthLink Board will appoint three members to sit on the Windstream Board effective as of the effective time of the merger. The directors and executive officers of EarthLink that may continue on with Windstream post-closing have not been determined as of the date of this joint proxy statement/prospectus.

*Offer Letter with Mr. Dobbins*

The following is a summary of the offer letter entered into between Windstream and Mr. Dobbins. All discussion between Windstream and Mr. Dobbins that resulted in the offer letter occurred subsequent to November 5, 2016, the date that the EarthLink Board approved the merger agreement. The offer letter will become effective on the consummation of the mergers.

Under the offer letter, Mr. Dobbins will serve as Executive Vice President of Access, pursuant to which he will receive (i) an annual base salary of \$385,000, (ii) an annual bonus opportunity targeted at 125% of his annual base salary, and (iii) a cash signing bonus of \$385,000 to be paid within thirty days of the closing of the mergers (to be repaid in full upon a non-qualifying termination of his employment within twelve months of the mergers). He will also participate in Windstream's long term incentive compensation plan with his 2017 long term incentive equal to 125% of his annual base salary. In addition, Mr. Dobbins will be eligible to participate in employee benefit plans and programs available to similarly situated employees. Mr. Dobbins' EarthLink equity awards that are outstanding as of immediately before the consummation of the mergers will continue to be outstanding and generally subject to the terms and conditions of the applicable award agreements, except that applicable definitions will have the meanings set forth in his offer letter.

On the effective date of the offer letter, Mr. Dobbins will forfeit all benefits he would be entitled to under the CIC Plan (described above). In exchange, Mr. Dobbins will be party to a Windstream Change in Control Agreement pursuant to which he will receive severance benefits generally consistent with Windstream executives.

If, during the period of the offer letter, Mr. Dobbins is terminated for any reason other than cause, disability, or death and a change in control of Windstream has not occurred, then subject to his compliance with the terms of the offer letter, he is entitled to: (i) twelve (12) months of his base salary, plus (ii) an amount in respect of his target bonus in effect at the time of the termination, plus (iii) a prorated portion of his target bonus in effect at the time of the termination (prorated based on the number of days Mr. Dobbins has been employed during the year in which such termination occurs), of which 50%

of the amount is generally payable in lump sum and 50% is payable in installments. Additionally, on such a termination any unvested EarthLink restricted stock units that were converted to Windstream restricted stock units at Closing will be fully vested as of the date of termination and any such restricted stock units that were performance-based will be deemed to vest at the maximum vesting level.

If, within twenty four months of the effective date of his offer letter, Mr. Dobbins resigns for good reason other than in connection with a change in control of Windstream, then subject to his compliance with the terms of the offer letter, he is entitled to: (i) eighteen months of his annual base salary; plus (ii) one and one-half (1.5) times his target bonus in effect at the time of the termination which amount is generally payable in lump sum. Additionally, on such a resignation for good reason, any unvested EarthLink restricted stock units that were converted to Windstream restricted stock units at closing of the merger will be fully vested as of the date of termination and any such restricted stock units that were performance-based will be deemed to vest at the maximum vesting level. For this purpose, "good reason" generally means the occurrence of any of the following (i) his assignment of duties inconsistent with his position or a substantial adverse alteration in his responsibilities; (ii) a reduction in his annual base salary; (iii) the relocation more than 35 miles away, except for required business travel; (iv) Windstream's failure to continue any material compensation plan in which he participates, unless he is provided an equitable alternative arrangement; or (v) Windstream's failure to continue to provide him with substantially similar benefits.

Mr. Dobbins' receipt of any severance payments is subject to his signing and not revoking a general release of claims on or before the 45th day following his separation from service. Mr. Dobbins is also subject to confidentiality and non-disclosure covenants as well as non-competition and non-solicitation covenants for 12 months post-termination. In addition, amounts payable under the offer letter are subject to the terms of the combined company's clawback policy. If payments under the agreement would be subject to any "golden parachute" excise tax, the payments will be reduced to an amount that is not subject to such tax if Mr. Dobbins would retain more benefit on an after-tax basis.

#### *Other Benefit Plans*

Following the effective time of the merger, Windstream will honor all EarthLink benefit plans as in effect immediately before the effective time of the merger, provided that Windstream will not be limited or otherwise impaired in amending or terminating such benefit plans in accordance with their terms. A more complete description of employee benefits to be provided to EarthLink's employees under the merger agreement is under the heading "The Merger Agreement Employee Matters" beginning on page 158.

#### *Quantification of Potential Payments to EarthLink's Named Executive Officers in Connection with the Mergers*

The information set forth in the tables below are intended to comply with Item 402(t) of Regulation S-K, which requires disclosures of information about certain compensation for each of EarthLink's named executive officers that is based on or otherwise relates to the mergers and assumes, among other things, that the named executive officers will experience a qualifying termination of employment immediately following the consummation of the merger.

Please note that the amounts described below are estimates based on multiple assumptions that may or may not actually occur or be accurate on the relevant date and do not reflect certain compensation actions that may occur before the completion of the mergers. For purposes of calculating such amounts, we have assumed:

December 31, 2016 as the closing date of the mergers,

a termination of each named executive officer's employment on December 31, 2016 by the surviving company that constitutes a qualifying termination, and

amounts are based on compensation and benefits in effect on December 31, 2016, which may be subject to change prior to the closing date of the mergers.

#### Golden Parachute Compensation

Name	Cash \$(1)	Equity \$(2)	Other \$(3)	Total \$(4)
Joseph F. Eazor	\$2,058,834	\$7,086,246	\$472,326	\$9,617,406
Louis M. Alterman	\$1,327,151	\$1,482,951	\$86,737	\$2,896,839
Gerard Brossard	\$1,566,747	\$1,242,331	\$55,258	\$2,864,336
John T. Dobbins	(5)	\$1,187,446	\$75,416	(5)
Bradley A. Ferguson	\$1,257,621	\$1,324,754	\$88,492	\$2,670,867
Rick C. Froehlich	\$1,131,876	\$1,441,228	\$99,205	\$2,672,309

- (A) The cash amount payable to Messrs. Alterman, Brossard, Ferguson and Froehlich is a lump sum cash payment consisting of the following components: (a) a severance payment equal to 150% of the sum of the executive officer's salary plus bonus target, less the amount of the non-compete payment (which is 66 2/3% of the sum of the executive officer's base salary and annual target bonus); (b) the non-compete payment; (c) the pro rata bonus amount due under the 2016 Short-Term Incentive Bonus Plan; and (d) all amounts payable with respect to the executive officer's elected COBRA coverage (including for spouse and dependents) for 18 months from the termination.

(B) The cash amount payable to Mr. Eazor is a lump-sum cash payment, consisting of the following components: (a) a severance payment equal to 200% of the sum of his base salary and his target bonus payment for the year in which the termination occurs less the amount of his non-compete payment (which is the sum of his base salary and annual target bonus for the year in which the termination of employment occurs); (b) the non-compete payment; (c) the pro rata bonus amount due under the 2016 Short-Term Incentive Bonus Plan; and (d) all amounts payable with respect to Mr. Eazor's elected COBRA coverage (including for spouse and dependents) for 18 months from the termination. The cash amount payable to Mr. Eazor provided in the table above has also been reduced by the previously-paid \$2.6 million retention payment amount in accordance with the terms of Mr. Eazor's employment agreement.

The severance payment, non-compete payment and COBRA payment components of the cash amount for the named executive officers (other than Mr. Eazor) are double-trigger (i.e., they are contingent upon a qualifying termination in the 24 months following the consummation of the mergers). All components of the cash amount for Mr. Eazor are only contingent upon a qualifying termination (the mergers need not be completed prior to the termination). In addition, the pro-rata portion of the 2016 bonus is only contingent upon a qualifying termination (and the mergers do not necessarily need to be completed prior to the termination). See Change-in-Control Accelerated Vesting and Severance Plan, Employment Agreement with Mr. Eazor and Short Term Incentive Bonus Plan for more information.

The cash amounts assume that the bonus under the 2016 Short-Term Incentive Bonus Plan is earned at the target level.

The estimated amount of each component of the cash payment is set forth in the table below.

Name	Severance Payment (\$)	Non-Compete Payment (\$)	COBRA Payment (\$)	Pro-Rata Bonus Payment (\$)	Previously-Paid Retention Payment (\$)
Joseph F. Eazor	\$1,815,000	\$1,815,000	\$38,834	\$990,000	\$(2,600,000)
Louis M. Alterman	\$566,644	\$453,356	\$27,151	\$280,000	--
Gerard Brossard	\$659,974	\$528,026	\$26,747	\$352,000	--
Bradley A. Ferguson	\$537,249	\$429,838	\$25,058	\$265,475	--
Rick C. Froehlich	\$481,647	\$385,353	\$26,876	\$238,000	--

- (2) As described in more detail above in Treatment of Equity Awards, upon the consummation of the merger, (a) options in respect of EarthLink common stock held by the named executive officers would vest (to the extent unvested) and be converted into the right to receive shares of Windstream common stock, and (b) restricted stock units in respect of EarthLink common stock held by the named executive officers would be converted into restricted stock unit with respect to Windstream common stock, but the pre-existing terms, including vesting, shall continue to apply. However, under the CIC Plan and the Employment Agreement with Mr. Eazor, the restricted stock units would vest in full in connection with a qualifying termination in the 24 months following the mergers (or just a qualifying termination, in the case of Mr. Eazor). Therefore, the vesting of the options is single-trigger (i.e., they are payable automatically as a result of the consummation of the merger), however the vesting of the restricted stock units is double-trigger and only occurs upon a qualifying termination following the merger.

The amounts above and in the table below assume a price per share of EarthLink common stock of \$5.09 (the average closing price of shares of EarthLink common stock on the five days following the announcement of the mergers). The estimated value of each type of equity-based award held by the named executive officers that would become vested in connection with the consummation of the mergers is set forth in the table below.

Name	Options (\$)	Restricted Stock Units (\$)
Joseph F. Eazor	\$36,000	\$7,050,246
Louis M. Alterman	--	\$1,482,951
Gerard Brossard	--	\$1,242,331
John T. Dobbins	--	\$1,187,446
Bradley A. Ferguson	--	\$1,324,754
Rick C. Froehlich	--	\$1,441,228

- (3) Other compensation represents deferred dividend payments to be paid upon vesting of outstanding restricted stock units.
- (4) The total amounts do not reflect any reductions to parachute payments as defined by Section 280G of the Code that may be economically beneficial to the named executive officers in order to avoid the excise tax imposed on individuals receiving excess parachute payments under Sections 280G and 4999 of the Code. A definitive analysis will depend on the effective date, the date of termination (if any) of the named executive officer and certain other assumptions used in the calculation.
- (5) Cash severance for Mr. Dobbins is discussed in the table in the below "Golden Parachute Compensation Mr. Dobbins" section beginning on page 133. Mr. Dobbins' cash severance is pursuant to the new offer letter entered into with Windstream in contemplation of the mergers and is thus not subject to shareholder vote.

*Golden Parachute Compensation Mr. Dobbins*

Only Mr. Dobbins may become entitled to such cash severance below under a new offer letter entered into between him and Windstream, which will become effective upon completion of the mergers. Any potential severance is not subject to a shareholder vote. Because Mr. Dobbins and Windstream entered into the offer letter in contemplation of the mergers, the table below identifies severance benefits payable under the offer letter as payments and benefits that are based on or that otherwise relate to the merger. Additional information regarding this agreement is set out in the section entitled "Interests of EarthLink Directors and Executive Officers in the Mergers Offer Letter with Mr. Dobbins" beginning on page 129.

The amounts indicated below are estimates of amounts that might become payable to Mr. Dobbins, subject to execution of a release of claims and compliance with certain noncompetition and other restrictive covenants. The estimates are based on multiple assumptions that may or may not actually occur. Some of the assumptions are based on information not currently available and, as a result, the actual amounts, if any, to be received by Mr. Dobbins may differ in material respects from the amounts set forth below. All dollar amounts set forth below have been rounded to the nearest whole number. The amounts set forth below have been calculated assuming (1) that the mergers were completed on December 31, 2016 (which is the latest practicable date prior to the filing of this joint proxy statement/prospectus), (2) that Mr. Dobbins became entitled to the severance that would have been payable under the terms of his new offer letter, and he experienced a qualifying termination of employment by Windstream on such date, and (3) a per share price of EarthLink common stock of \$5.09, the average per-share closing price of EarthLink's common stock over the first five business days following the first public announcement of the merger agreement. Except for the cash sign-on bonus to which Mr. Dobbins is entitled under the offer letter, no amounts shown in the table below would be paid absent a qualifying termination of employment (i.e., payable solely by reason of completion of the mergers).

**Golden Parachute Compensation**

<b>Named Executive Officer</b>	<b>Cash</b>	<b>Equity</b>	<b>Pension/ Non-Qualified Deferred Compensation</b>	<b>Perquisites/ Benefits (\$)</b>	<b>Tax Reimbursement (\$)</b>	<b>Other (\$)(3)</b>	<b>Total (\$)(4)</b>
John T. Dobbins	\$1,347,500	\$1,187,446	--	--	--	\$75,416	\$2,610,362

- (1) Represents the following to be paid on a termination without cause not in connection with a change in control of Windstream: (i) twelve (12) months of his base salary (equal to \$385,000), plus (ii) an amount in respect of his target bonus in effect at the effective time of the termination (\$481,250), plus (iii) a prorated portion of his target bonus in effect at the time of the termination (prorated based on the number of days Mr. Dobbins has been employed during the year in which such termination occurs (\$481,250)). The "Cash" column also includes an amount equal to \$385,000 in respect of Mr. Dobbins' cash signing bonus, payable upon consummation of the mergers.

If, within twenty four months of the effective date of his offer letter, Mr. Dobbins resigns for good reason other than in connection with a change in control of Windstream, he is entitled to a payment that would differ from the number in the column above and would be equal to: (i) eighteen months of his annual base salary (\$577,500); plus (ii) one and one-half (1.5) times his target bonus in effect at the time of the termination (\$721,875) equaling a total of \$1,299,375.

- (2) Please see above tables in the Quantification of Potential Payments to EarthLink's Named Executive Officers in Connection with the Mergers section beginning on page 130 detailing treatment of EarthLink equity held by Mr. Dobbins subject to a shareholder vote in connection with the mergers. The estimated value of the restricted stock units held by Mr. Dobbins that would become vested upon a qualifying termination in connection with the consummation of the mergers is \$1,187,446.
- (3) Other compensation represents deferred dividend payments to be paid upon vesting of outstanding restricted stock units.
- (4) The total amounts do not reflect any reductions to "parachute payments" as defined by Section 280G of the Code that may be economically beneficial to Mr. Dobbins in order to avoid the excise tax imposed on individuals receiving excess parachute payments under Sections 280G and 4999 of the Code. A definitive analysis will depend on the effective date, the date of termination (if any) of Mr. Dobbins and certain other assumptions used in the calculation.

#### **Board of Directors Following the Mergers**

Windstream has agreed prior to the closing of the mergers to increase the size of the Windstream Board to twelve members and to appoint to the Windstream Board, effective as of the effective time of the merger, three members of the EarthLink Board, to be selected by EarthLink and reasonably acceptable to Windstream, taking into account Windstream's normal corporate governance process for selection of directors to the Windstream Board.

The EarthLink designees will serve until the next annual meeting of Windstream stockholders. Windstream has agreed to nominate the EarthLink designees for election to the Windstream Board at the first annual meeting immediately following the closing of the mergers and solicit proxies in favor of their election using efforts no less than the efforts used to solicit proxies in favor of the election of the other individuals nominated to the Windstream Board.

As of the date of this joint proxy statement/prospectus, EarthLink has not determined the identities of the EarthLink designees.

#### **Regulatory Clearances Required for the Mergers**

EarthLink and Windstream have each agreed to use reasonable best efforts to obtain all regulatory approvals required to complete the transactions contemplated by the merger agreement. These approvals include approval from or notices to the DOJ, the FTC, the FCC, certain PSCs and possibly various other federal, and local and state regulatory authorities. EarthLink and Windstream have completed the filing of applications and notifications to obtain the required regulatory approvals.

**Antitrust Clearance.** Under the HSR Act and the rules and regulations promulgated thereunder, the mergers may not be consummated until notifications have been filed and certain information has been furnished to the FTC and the Antitrust Division of the DOJ and specified waiting periods have expired or have been terminated. EarthLink and Windstream filed the requisite notification forms under the HSR Act with the Antitrust Division of the DOJ and the FTC on November 17, 2016, and early termination of the HSR Act waiting period was granted on December 19, 2016. Both before and after the termination of the waiting period, the FTC and the DOJ retain the authority to challenge the mergers on antitrust grounds.

In addition, the mergers may be reviewed by the state attorneys general in the various states in which EarthLink and Windstream operate. While EarthLink and Windstream believe there are substantial arguments to the contrary, these authorities may claim that there is authority, under the applicable state and federal antitrust laws and regulations, to investigate and/or seek to prohibit the mergers under the circumstances and based on the standards set forth in applicable state laws and regulations. There can



be no assurance that one or more state attorneys general will not attempt to file an antitrust action to challenge the mergers. As of the date of this document, neither Windstream nor EarthLink has been notified by any state attorney general indicating any plan to review the mergers.

**Other Requisite U.S. Approvals, Notices and Consents.** Notifications and/or applications requesting approval must be submitted to various federal and state regulatory organizations in connection with the mergers, including applications and notices to the FCC and certain PSCs. EarthLink and Windstream have filed all the applications required to obtain these approvals and provided all required pre-closing notices.

**Timing.** There can be no assurances that all of the regulatory approvals described above will be obtained and, if obtained, there can be no assurances as to the timing of any approvals, Windstream's and EarthLink's ability to obtain the approvals on satisfactory terms or the absence of any litigation challenging such approvals.

EarthLink and Windstream believe that the mergers do not raise substantial antitrust or other significant regulatory concerns. Although EarthLink and Windstream believe that all required regulatory approvals necessary to complete the transactions contemplated by the merger agreement can be obtained, EarthLink and Windstream cannot be certain when or if these approvals will be obtained, or whether these approvals can be obtained without the imposition of any condition or restriction that would have a material adverse effect on EarthLink or Windstream. The parties' obligation to complete the mergers is conditioned on the receipt or waiver of all the necessary governmental or regulatory approvals required to complete the transactions contemplated by the merger agreement.

It is presently contemplated that if any governmental approvals or actions are deemed by Windstream or EarthLink to be necessary or appropriate, such approvals or actions will be sought. There can be no assurance, however, that any additional approvals or actions will be obtained. The parties are required to use their reasonable best efforts to file all the necessary documentation and obtain all consents of third parties that are necessary to complete the mergers and to comply with the terms and conditions of all consents, approvals and authorizations of any third party or governmental entity.

#### **Exchange of Shares in the Mergers**

Prior to the effective time of the mergers, Windstream will appoint an exchange agent to handle the exchange of shares of EarthLink common stock for shares of Windstream common stock. At the effective time of the merger, each issued and outstanding share of EarthLink common stock (other than the cancelled shares) will be converted into the right to receive 0.818 shares of Windstream common stock and cash in lieu of any fractional shares of Windstream common stock to which a holder of EarthLink common stock otherwise would be entitled after giving effect to the exchange ratio, without the need for any action by the holders of EarthLink common stock.

As promptly as practicable after the effective time of the merger, Windstream will cause the exchange agent to send a letter of transmittal specifying, among other things, that delivery will be effected, and risk of loss and title to any certificates representing EarthLink shares shall pass, upon proper delivery of such certificates to the exchange agent. The letter will also include instructions explaining the procedure for surrendering EarthLink share certificates, if any, in exchange for shares of Windstream common stock and cash in lieu of any fractional shares of Windstream common stock.

EarthLink stockholders will not receive any fractional shares of Windstream common stock pursuant to the merger. Instead of any fractional shares, each EarthLink stockholder who would otherwise receive a fractional share will receive, in exchange for such fractional share, cash as provided in the merger agreement.

After the effective time of the subsequent merger, shares of EarthLink common stock will no longer be issued and outstanding, will be canceled and will cease to exist, and each certificate, if any, that previously represented EarthLink common stock will represent only the right to receive the merger consideration as described above. With respect to such shares of Windstream common stock deliverable upon the surrender of EarthLink share certificates, until holders of such EarthLink share certificates have surrendered such stock certificates to the exchange agent for exchange, those holders will not receive dividends or distributions with respect to such shares of Windstream common stock with a record date after the effective time of the merger.

Windstream stockholders need not take any action with respect to their stock certificates.

#### **Treatment of Options to Purchase EarthLink Shares and EarthLink RSUs**

##### *Options*

At the effective time of the merger, each outstanding option to purchase EarthLink common stock will be cancelled and converted into the right to receive a number of shares of Windstream common stock equal to (i) the product of the number of shares of EarthLink common stock underlying such option and the exchange ratio, less (ii) that number of shares of Windstream common stock equal to the product of (A) the number of shares of EarthLink common stock subject to such option with a fair market value (determined based on the closing price of EarthLink common stock on the business day immediately prior to the closing of the merger) equal to the sum of (x) the aggregate exercise price of such EarthLink option plus (y) any required federal, state, local and foreign tax withholding on such option and (B) the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting fractional shares of Windstream common stock payable as merger consideration.

##### *Restricted Stock Units*

At the effective time of the merger, each outstanding EarthLink restricted stock unit will be assumed by Windstream and converted into a Windstream restricted stock unit with respect to that number of shares of Windstream common stock determined by multiplying the number of shares of EarthLink common stock subject to such EarthLink restricted stock unit by the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting fractional shares of Windstream common stock payable as merger consideration. The other terms of the EarthLink restricted stock unit, including vesting, shall continue to apply to the Windstream restricted stock unit.

#### **Dividend Matters**

EarthLink paid aggregate cash dividends in an amount equal to \$0.20 per share in 2015, 2014 and 2013; EarthLink has paid cash dividends of \$0.05 per share per quarter in 2016 in the first three quarters, and it is intended that EarthLink will continue to pay such quarterly amount, or \$0.05 per share, in the fourth quarter of 2016.

Windstream paid aggregate cash dividends in an amount equal to \$0.5763 per share in 2015 and \$1.00 per share in each of 2014 and 2013; Windstream has paid cash dividends of \$0.15 per share per quarter in 2016 in the first three quarters, and it is intended that Windstream will continue to pay such quarterly amount, or \$0.15 per share, in the fourth quarter of 2016.

Each of Windstream and EarthLink agreed under the merger agreement that they will continue to pay their respective quarterly dividends in accordance with past practice until the closing of the merger, provided that Windstream and EarthLink will coordinate to designate the business day immediately prior to the closing of the merger as the record and payment dates for a pro-rata portion of their respective quarterly dividends declared in the calendar quarter in which closing is to occur. After the closing of the mergers, all Windstream stockholders (including former EarthLink stockholders and former holders of options to purchase EarthLink common stock who receive Windstream common stock in the merger) will be entitled to receive Windstream's regular quarterly dividend, pro-rated for the number of days from the closing through such subsequent record date.

#### **Listing of Windstream Common Stock**

It is a condition to the completion of the mergers that the shares of Windstream common stock to be issued pursuant to the merger be approved for listing on the NASDAQ, subject to official notice of issuance.

#### **Financing Related to the Mergers**

Windstream Services, LLC, a direct wholly-owned subsidiary of Windstream (which we refer to in this joint proxy statement/prospectus as Windstream Services) has been advised by J.P. Morgan that a syndicate of lenders has indicated that they are willing to provide up to \$450 million aggregate principal amount of incremental term loans (which we refer to in this joint proxy statement/prospectus as the Incremental Loans) under Windstream Services' existing senior secured credit facilities, the proceeds of which are expected to be used to redeem, repurchase or discharge EarthLink's existing third-party debt and to pay fees and expenses in connection therewith.

The Incremental Loans are expected to be issued at a price of 99.0% of their principal amount. Interest on the Incremental Loans is expected to accrue at either the London Interbank Offered Rate (which we refer to in this joint proxy statement/prospectus as LIBOR) plus a margin of 4.00% per annum or, at the option of Windstream Services, at a base rate plus a margin of 3.00% per annum. LIBOR will be subject to a 0.75% floor. The Incremental Loans will be subject to quarterly amortization in an aggregate amount of approximately 0.25% of the initial principal amount of the loans, with the remaining balance payable on March 29, 2021. The Incremental Loans will be repayable at any time, subject to soft call protection for the first six months following incurrence.

The closing of the Incremental Loans is expected to occur concurrently with the closing of the merger. If the merger has not closed by March 15, 2017, it is expected that the Incremental Loans will be funded on March 15, 2017 and such proceeds at that time will be placed into escrow pending the closing of the merger. The Incremental Loans are expected to be subject to a ticking fee beginning on or about December 21, 2016 and ending on the funding date for the Incremental Loans.

It is expected that the closing with respect to the Incremental Loans will be subject to:

consummation of the merger pursuant to the terms of the merger agreement;

the redemption, repurchase or discharge in full of certain of EarthLink's existing third-party debt;

the payment of applicable fees that are due and payable on or prior to the closing of the Incremental Loans; and

other customary closing conditions to be more fully set forth in the incremental amendment.

The closing of the merger is not subject to the closing of the Incremental Loans. There can be no assurance that Windstream Services will successfully enter into definitive documentation with respect to the Incremental Loans on the terms described herein or at all.

**De-Listing and Deregistration of EarthLink Shares**

Upon completion of the mergers, the EarthLink common stock currently listed on the NASDAQ will cease to be listed on the NASDAQ and be subsequently deregistered under the Exchange Act.

**Appraisal Rights**

Under the DGCL, neither Windstream stockholders nor EarthLink stockholders are entitled to exercise any appraisal rights in connection with the mergers or the other transactions contemplated by the merger agreement.

## THE MERGER AGREEMENT

The following section summarizes material provisions of the merger agreement, which is included in this joint proxy statement/prospectus as Annex A and is incorporated herein by reference in its entirety. The rights and obligations of Windstream and EarthLink are governed by the express terms and conditions of the merger agreement and not by this summary or any other information contained in this joint proxy statement/prospectus. Windstream and EarthLink stockholders are urged to read the merger agreement carefully and in its entirety as well as this joint proxy statement/prospectus before making any decisions regarding the mergers, including the approval of the merger proposal, the Windstream stock issuance proposal and the Windstream charter amendment proposal, as applicable. This summary is qualified in its entirety by reference to the merger agreement.

The merger agreement is included in this joint proxy statement/prospectus to provide you with information regarding its terms and is not intended to provide any factual information about Windstream or EarthLink. The merger agreement contains representations and warranties that the parties made to each other as of the date of the merger agreement or other specific dates, solely for purposes of the contract between the parties, and those representations and warranties should not be relied upon by any other person. The assertions embodied in those representations and warranties are subject to important qualifications and limitations agreed to by the parties in connection with negotiating the merger agreement. You should not rely upon the representations and warranties as accurate or complete or characterizations of the actual state of facts as of any specified date since the representations and warranties:

may not be intended to establish matters of fact, but rather to allocate the risk between the parties to the merger agreement in the event the statements therein prove to be inaccurate;

have been modified in important part by certain underlying disclosures that were made between the parties in connection with the negotiation of the merger agreement, which are not reflected in the merger agreement itself or publicly filed; and

such disclosures are subject to contractual standards of materiality different from what is generally applicable to you or other investors.

Accordingly, the representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read together with the information provided elsewhere in this joint proxy statement/prospectus and in the documents incorporated by reference into this joint proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page 215.

### The Mergers

The merger agreement provides that, on the terms and subject to the conditions set forth in the merger agreement, Merger Sub 1 will merge with and into EarthLink, with EarthLink continuing as the surviving corporation and an indirect, wholly-owned subsidiary of Windstream. Immediately after the effective time of the merger, EarthLink will merge with and into Merger Sub 2, with Merger Sub 2 continuing as the surviving company and an indirect, wholly-owned subsidiary of Windstream.

### Conversion of Shares; Exchange of Certificates

In the merger, each share of EarthLink common stock issued and outstanding immediately prior to the effective time of the merger (other than the cancelled shares) will be converted into the right to receive 0.818 shares of Windstream common stock.

Windstream will not issue fractional shares of Windstream common stock pursuant to the merger agreement. Instead, each EarthLink stockholder who otherwise would have been entitled to receive a fraction of a share of Windstream common stock will receive, in lieu thereof, an amount in cash equal to the product obtained by multiplying (i) the fractional share interest to which such holder would otherwise be entitled by (ii) the closing price for a share of Windstream common stock on the NASDAQ on the business day immediately preceding the closing of the merger.

The merger consideration will be equitably adjusted to reflect the effect of any reclassification, recapitalization, stock split (including reverse stock split) or combination, exchange or readjustment of shares, or any stock dividend or stock distribution with respect to the shares of Windstream common stock or shares of EarthLink common stock prior to the effective time of the merger.

Prior to the effective time of the merger, Windstream will appoint an exchange agent to handle the exchange of shares of EarthLink common stock for shares of Windstream common stock and cash in lieu of any fractional shares of Windstream common stock. As promptly as practicable after the effective time of the merger, Windstream will cause the exchange agent to send a letter of transmittal specifying, among other things, that delivery will be effected, and risk of loss and title to any certificates representing EarthLink shares shall pass, upon proper delivery of such certificates to the exchange agent. The letter will also include instructions explaining the procedure for surrendering EarthLink share certificates, if any, in exchange for shares of Windstream common stock and cash in lieu of any fractional shares of Windstream common stock.

After the effective time of the subsequent merger, shares of EarthLink common stock will no longer be issued and outstanding, will be canceled and will cease to exist, and each certificate, if any, that previously represented EarthLink common stock will represent only the right to receive the merger consideration as described above. With respect to such shares of Windstream common stock deliverable upon the surrender of EarthLink share certificates, until holders of such EarthLink share certificates have surrendered such stock certificates to the exchange agent for exchange, those holders will not receive dividends or distributions with respect to such shares of Windstream common stock with a record date after the effective time of the merger.

#### **Treatment of Equity-Based Grants**

At the effective time of the merger, each outstanding option to purchase EarthLink common stock will be cancelled and converted into the right to receive a number of shares of Windstream common stock equal to (i) the product of the number of shares of EarthLink common stock underlying such option and the exchange ratio, less (ii) that number of shares of Windstream common stock equal to the product of (A) the number of shares of EarthLink common stock subject to such option with a fair market value (determined based on the closing price of EarthLink common stock on the business day immediately prior to the closing of the merger) equal to the sum of (x) the aggregate exercise price of such EarthLink option plus (y) any required federal, state, local and foreign tax withholding on such option and (B) the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting fractional shares of Windstream common stock payable as merger consideration.

At the effective time of the merger, each outstanding EarthLink restricted stock unit will be assumed by Windstream and converted into a Windstream restricted stock unit with respect to that number of shares of Windstream common stock determined by multiplying the number of shares of EarthLink common stock subject to such EarthLink restricted stock unit by the exchange ratio, provided that any resulting fractional shares of Windstream common stock will be treated in the same manner as any resulting

fractional shares of Windstream common stock payable as merger consideration. The other terms of the EarthLink restricted stock unit, including vesting, shall continue to apply to the Windstream restricted stock unit.

### **Completion of the Mergers**

Unless the parties agree otherwise, the closing of the mergers will take place on the third business day after the satisfaction or waiver (subject to applicable law) of the conditions to the closing of the mergers (excluding conditions that, by their terms, cannot be satisfied until the closing of the mergers, but subject to the satisfaction or, where permitted, waiver of those conditions as of the closing of the mergers). The mergers will be effective on the date shown on the certificates of merger filed with the Secretary of State of the State of Delaware, in accordance with the laws of Delaware.

### **Representations and Warranties**

The merger agreement contains representations and warranties made by each of EarthLink and Windstream. Each of EarthLink, on the one hand, and Windstream, Merger Sub 1 and Merger Sub 2, on the other hand, has made representations and warranties regarding, among other things:

its qualification and organization;

its capital stock;

its authority to enter into and perform the merger agreement;

its financial statements and SEC filings;

its internal controls and procedures;

the absence of any undisclosed liabilities;

the absence of any violation of law or permits;

environmental laws and regulations;

its employee benefit plans;

the absence of certain changes or events regarding its business;

investigations and litigation in which it is involved;

the information it supplied for inclusion in this Form S-4, including the information contained in this joint proxy statement/prospectus;

the absence of any stockholder rights plans (other than, in the case of Windstream, its publicly disclosed 382 rights agreement);

its lack of stock ownership of the other party;

tax matters;

labor matters;

its intellectual property;





the required vote of its stockholders to adopt the merger agreement and approve the mergers or approve the Windstream stock issuance and Windstream charter amendment, as applicable;

the opinion of its financial advisors;

its material contracts;

communications regulatory matters;

affiliate transactions;

takeover provisions;

insurance;

finders or brokers fees;

swap agreements;

real property, networks;

its compliance with the Foreign Corrupt Practices Act; and

its non-reliance on any representations or warranties of the other party not expressly stated in the merger agreement.

In addition, Windstream made representations and warranties to EarthLink regarding Windstream's availability of funds to consummate the mergers and the other transactions contemplated by the merger agreement, including the payoff or discharge of EarthLink's outstanding indebtedness, and the absence of any financing condition to Windstream's, Merger Sub 1's and Merger Sub 2's obligations under the merger agreement.

Many of the representations and warranties in the merger agreement are qualified by a materiality or material adverse effect standard (that is, they will not be deemed to be untrue or incorrect unless their failure to be true or correct, individually or in the aggregate, would, as the case may be, be material or have a material adverse effect). For purposes of the merger agreement, a material adverse effect on or with respect to a person means any effect, change, fact, event, occurrence, development or circumstance (any such item, a circumstance) that is or would reasonably be expected to result in a material adverse effect on or change in (A) the financial condition, properties, business or results of operations of such person and all of its subsidiaries, taken as a whole, or (B) the ability of such person to consummate the transactions contemplated by the merger agreement in the manner contemplated thereby prior to the termination date; provided, however, that no circumstance caused by or resulting from any of the following shall constitute, or be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect on or with respect to a person: (i) changes or developments generally affecting the industries in which such person and its subsidiaries operate, including changes in the use, adoption or non-adoption of technologies or industry standards, (ii) geopolitical conditions, the outbreak or escalation of hostilities, any acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of the merger agreement, (iii) any change affecting the economy, credit or financial or capital markets, in the United States or elsewhere in the world, including changes in interest or exchange rates, (iv) any change in such person's stock price or trading volume or any failure of such person to meet financial projections, forecasts, guidance, estimates, milestones, budgets or financial or operating predictions of revenue, earnings, cash flow or cash position (it being understood that the circumstances

giving rise to or contributing to such change in stock price or trading volume or such failure may (to the extent not otherwise falling within any of the exceptions set forth in clauses (i) through (ix) of this definition) be deemed to constitute, and may be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect), (v) the negotiation, announcement or execution of the merger agreement or the pendency of the consummation of the mergers (other than for purposes of Section 3.3(b), Section 3.3(c), Section 4.3(b) and Section 4.3(c) of the merger agreement, as applicable), including the impact thereof on relationships of such person and its subsidiaries with their respective customers, suppliers, distributors, partners, employees or regulators, or any litigation arising from allegations of breach of fiduciary duty or violation of law relating to the merger agreement or the transactions contemplated thereby, (vi) any change in any applicable law, rule or regulation or GAAP or any interpretation thereof after the date of the merger agreement, (vii) any hurricane, tornado, flood, earthquake or other natural disaster, (viii) the performance of or compliance with the express terms of the merger agreement, the taking of any action that is expressly contemplated or required by the merger agreement to be taken by the person taking such action, the failure to take any action that is prohibited by the merger agreement to be taken by the person failing to take such action, the taking of any action by EarthLink with Windstream's written consent or at Windstream's written request, the taking of any action by Windstream with EarthLink's written consent or at EarthLink's written request or the taking of any action that is identified in Section 5.1(a) of the Company Disclosure Letter (other than for purposes of Section 3.3(b), Section 3.3(c), Section 4.3(b) and Section 4.3(c) of the merger agreement, as applicable), or (ix) any change or prospective change in such person's credit ratings, unless (it being understood that the circumstances giving rise to or contributing to such change in credit ratings may be deemed to constitute, and may (to the extent not otherwise falling within any of the exceptions set forth in clauses (i) through (ix) of this definition) be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect), in the case of clauses (i), (ii), (iii), (vi) or (vii) above, such circumstance has had or would reasonably be expected to have a disproportionate adverse impact on the financial condition, properties, business or results of operations of such person and its subsidiaries, taken as a whole, relative to other persons operating in the industries in which such person and its subsidiaries operate (in which case the incremental disproportionate impact or impacts may be taken into account in determining whether there has been, or would reasonably be expected to be, a material adverse effect).

As described directly under "The Merger Agreement" beginning on page 139 above, the parties to the merger agreement made the representations and warranties contained therein solely for purposes of the contract between the parties, and those representations and warranties are intended to be and should not be relied upon by any other person. Further, the assertions embodied in those representations and warranties are subject to important qualifications and limitations agreed to by the parties in connection with negotiating the merger agreement, and you should not rely upon the representations and warranties as accurate or complete or characterizations of the actual state of facts as of any specified date.

### **Conduct of Business**

Each of EarthLink and Windstream has agreed to certain covenants in the merger agreement restricting the conduct of its business between the date of the merger agreement and the earlier of the effective time of the merger and the termination of the merger agreement, except as required by law, with the other party's consent (which may not be unreasonably withheld, conditioned or delayed), as expressly contemplated or required by the merger agreement or as set forth in the parties' respective disclosure letters. In general, EarthLink has agreed, except to the extent reasonably necessary to achieve targets set forth in the financial plan of EarthLink and its subsidiaries for fiscal years 2016 and 2017, to (i) conduct in all material respects its and its subsidiaries' business in the ordinary course of business consistent with past practice, (ii) use commercially reasonable efforts to preserve intact their business organizations, business and governmental relationships and goodwill and (iii) keep available the services of their

present officers and employees. Additionally, Windstream has agreed to (i) conduct in all material respects its and its subsidiaries' business in the ordinary course of business consistent with past practice, (ii) use commercially reasonable efforts to preserve intact their business organizations, business and governmental relationships and goodwill and (iii) keep available the services of their present officers and employees.

In addition, EarthLink has agreed to specific restrictions relating to the conduct of its business between the date of the merger agreement and the effective time of the merger, including not to do any of the following (subject, in each case, to exceptions specified below and in the merger agreement or previously disclosed in writing to the other party as provided in the merger agreement) without Windstream's prior written consent:

change EarthLink's current dividend policy of \$0.05 per share in cash per quarter, or declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property or any combination thereof) in respect of, any of its capital stock, other equity interests or voting securities, other than:

regularly quarterly cash dividends payable by EarthLink in respect of shares of EarthLink common stock of \$0.05 per share of EarthLink common stock; and

dividends and distributions by a direct or indirect wholly-owned subsidiary of EarthLink to its parent entity.

split, combine, subdivide or reclassify any of its capital stock, other equity interests or voting securities or securities convertible into or exchangeable or exercisable for such interests or securities;

repurchase, redeem, or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any capital stock or voting securities of, or equity interests in, EarthLink or its subsidiaries or any securities of EarthLink or its subsidiaries convertible into or exchangeable or exercisable for any such capital stock, voting securities or interests, or any warrants, calls, options or other rights to acquire any such capital stock, securities or interests except in connection with required tax withholdings in connection with the vesting or exercise of EarthLink restricted stock units or EarthLink stock options;

issue, deliver, sell, grant, pledge or otherwise encumber or subject to a lien:

any shares of EarthLink or its subsidiaries, except for the issuance of EarthLink common stock upon exercise of EarthLink stock options or settlement of EarthLink restricted stock units;

any other equity interests or voting securities of EarthLink or its subsidiaries;

any securities convertible into or exchangeable or exercisable for capital stock or voting securities of, or other equity interests in, EarthLink or its subsidiaries;

any warrants, calls, options, or other rights to acquire capital stock or voting securities of, or other equity interests in, EarthLink or its subsidiaries; and

any rights issued by EarthLink or its subsidiaries that are linked in any way to the price of EarthLink common stock or any other shares of capital stock of EarthLink or its subsidiaries, the value of EarthLink or its subsidiaries or any dividends or other distributions declared or paid on any shares of capital stock of EarthLink or its subsidiaries.

amend the certificate of incorporation or bylaws of EarthLink or its subsidiaries, except as may be required by law or the rules and regulations of the SEC and NASDAQ;

(i) grant to any current or former director or employee or other individual service provider of EarthLink or its subsidiaries any increase in the compensation or benefits, except to the extent required under any EarthLink benefit plan or in the ordinary course of business and consistent with past practice for purposes of annual salary and wage increases for 2017, and in connection with promotions not to exceed 10% of any individual's salary or wages, (ii) award short- or long-term non-equity incentive compensation to any employee or other service provider of EarthLink or any of its subsidiaries (provided that EarthLink may pay out bonuses for any completed fiscal year based on achievement of performance targets and may establish and adopt an annual non-equity incentive compensation program in 2017 in consultation with Windstream, which program must be consistent with past practices), (iii) promote employees at the level of vice president or above, or engage in any promotions or hiring of employees other than in the ordinary course of business consistent with past practice, (iv) grant any severance, retention, change in control or termination compensation or benefits, except as required in any EarthLink benefit plans or as set forth in the merger agreement, (v) enter into, adopt or terminate any EarthLink benefit plan or amend in any material respect any EarthLink benefit plan except as required by law, (vi) accelerate the vesting of, or lapse of restrictions on, any compensation for the benefit of any director, employee or other service provider, except to the extent required under EarthLink benefit plans or (vii) cause the funding of any rabbi trust or similar arrangement or take any action to fund the payment of compensation or benefits under any EarthLink benefit plan;

loan to any of its officers, directors, employees, affiliates, agents or consultants or make any change in existing borrowing or lending arrangements for or on behalf of such persons, except as required by any EarthLink benefit plan;

make any material change in financial accounting methods, except for any such change required by reason of a change in GAAP;

directly or indirectly acquire, or agree to acquire, any equity interest or business of any firm, corporation, partnership, company, limited liability company, trust, joint venture, association, or other entity;

except for purchases and sales of (i) inventory, supplies and real property in the ordinary course of business, consistent with past practice, and (ii) dark fiber consistent with past practice:

acquire any tangible property or assets;

sell, lease, license, mortgage, sell and leaseback or otherwise dispose of any tangible property or assets or any interests therein, except to EarthLink and any of its subsidiaries; and

encumber or subject to any lien any tangible properties or assets or any interests therein that, individually or in the aggregate, have a fair market value in excess of two million dollars (\$2,000,000).

(i) make or change any material tax election, (ii) settle or compromise any material tax liability, claim or assessment, (iii) enter into any closing agreement with respect to any material tax or surrender any right to claim a material tax refund or (iv) change its fiscal year;

except in the ordinary course of business, consistent with past practice, (i) grant or acquire, dispose of, permit to lapse, abandon, encumber, convey title, exclusively license or grant any rights or other licenses to any material EarthLink intellectual property or (ii) enter into licenses or agreements that impose material restrictions upon EarthLink or any of its affiliates with respect to intellectual property owned by a third party;

disclose to any person any material trade secrets, except in the ordinary course of business, consistent with past practice, or to representatives of Windstream;

incur any indebtedness, except for:

indebtedness incurred consistent with past practice not to exceed in the aggregate thirty-five million dollars (\$35,000,000), less any indebtedness incurred after the date of the merger agreement under EarthLink's revolving credit facility, provided that (i) the mergers and other transactions contemplated by the merger agreement do not conflict with or result in any violation of or default under, or give rise to a right of termination, cancellation, or acceleration of any obligation or any loss of a material benefit under, or result in the creation of any lien under such indebtedness and (ii) such indebtedness must be prepayable by EarthLink or its subsidiaries at any time without premium or penalty and on same day notice;

indebtedness in replacement of existing indebtedness, provided that (i) the mergers and other transactions contemplated by the merger agreement do not conflict with or result in any violation of or default under, or give rise to a right of termination, cancellation, or acceleration of any obligation or any loss of a material benefit under, or result in the creation of any lien under such replacement indebtedness, (ii) such replacement indebtedness must be on substantially similar terms or terms that are more favorable to EarthLink, and for the same or lesser principal amount, as the indebtedness being replaced and (iii) such replacement indebtedness must be prepayable by EarthLink or its subsidiaries at any time without premium or penalty and on same day notice;

guarantees by EarthLink of indebtedness of any wholly-owned subsidiary; or

the ongoing drawing down and repayment of EarthLink's revolving credit facility consistent with past practice and not exceeding thirty-five million dollars (\$35,000,000) in the aggregate.

make or agree to make aggregate capital expenditures in excess of the aggregate capital expenditures set forth in EarthLink's capital plans for 2016 and 2017 as disclosed to Windstream, or fail to make substantially all of the planned capital expenditures set forth in such capital plans during any quarterly period;

enter into or amend any contract or take any other action that would reasonably be expected to prevent or materially impede, interfere with, hinder, or delay the consummation of the mergers or any other transaction contemplated by the merger agreement or adversely affect in any material respect the expected benefits (taken as a whole) of the mergers to Windstream;

enter into or amend any material contract to the extent consummation of the mergers or compliance by EarthLink or any of its subsidiaries with the merger agreement would reasonably be expected to conflict with, or result in a violation of or default under, or give rise to a right of termination, cancellation or acceleration of any obligation to make an offer to purchase or redeem any indebtedness or capital stock or any loss of material benefit under, or result in the creation

of any lien upon any of the material properties or assets of EarthLink or any of its subsidiaries under, or give rise to any increased, additional, accelerated, or guaranteed right or entitlement of any third party under, any provision of such contract or amendment;

enter into, modify, amend or terminate any collective bargaining agreement or other labor union contract, except in the ordinary course of business, consistent with past practice or as required by law;

assign, transfer, lease, cancel, fail to renew or fail to extend any material EarthLink license issued by the FCC or a PSC or discontinue any operations that require prior regulatory approval for discontinuance;

voluntarily contribute or commit any funds to any pension plan, or to any entity for purposes of funding pension shortfalls, other than as required by law;

enter into any line of business in any geographic area other than the current lines of business of EarthLink and its subsidiaries and products and services reasonably ancillary thereto, including any current line of business and products and services reasonably ancillary thereto in any geographic area for which EarthLink or any of its subsidiaries currently holds a license authorizing the conduct of such business, product or service in that geographic area;

except as permitted in the merger agreement, take any actions or omit to take any actions that would be reasonably likely to:

result in any of the conditions set forth in Article VI of the merger agreement not being satisfied;

result in new or additional required approvals from a governmental entity in connection with the mergers and the other transactions contemplated by the merger agreement that would reasonably be expected to materially delay the consummation of the mergers; or

materially impair the ability of any of the parties to consummate the mergers and the other transactions contemplated by the merger agreement or materially delay such consummation;

settle, compromise, dismiss, discharge or otherwise dispose of any litigation, investigation, arbitration or proceeding other than those that:

do not involve damages payable by EarthLink or any of its subsidiaries in excess of one million dollars (\$1,000,000) individually or five million dollars (\$5,000,000) in the aggregate and do not involve any material injunctive or other non-monetary relief or impose material restrictions on the business or operations of EarthLink or its subsidiaries;

provide for a complete release of EarthLink and its subsidiaries from all claims and do not provide for any admission of liability;

provided that the written consent of Windstream (which may not be unreasonably withheld, conditioned or delayed) is required in order for EarthLink to settle, compromise, dismiss, discharge or otherwise dispose of any litigation, investigation, arbitration or other proceeding arising from or challenging the merger agreement or the consummation of the transactions contemplated by the merger agreement.

adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization;

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amend, alter or modify the terms of any currently outstanding rights, warrants or options to acquire or purchase any capital stock of, or ownership interest in, EarthLink, or any securities convertible into or exchangeable for such capital stock or ownership interest;

enter into and amend in any material respect any contract with respect to any mergers, consolidations, joint ventures or business combinations, or acquisitions of all or any substantial portion of the assets or securities of another business;

take any action to exempt any person (other than Windstream or its subsidiaries) or any action taken by such person from any state takeover statute or EarthLink organizational documents, other than in connection with the termination of the merger agreement and entry into a superior proposal in accordance with the merger agreement; or

authorize any of, or commit, resolve or agree to take any of, or participate in any negotiations or discussions with any other person regarding any of, the foregoing.

In addition, Windstream has agreed to specific restrictions relating to the conduct of its business between the date of the merger agreement and the effective time of the merger, including not to do any of the following (subject, in each case, to exceptions specified below and in the merger agreement or previously disclosed in writing to the other party as provided in the merger agreement):

change Windstream's current dividend policy of \$0.15 per share in cash per quarter, or declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property or any combination thereof) in respect of, any of its capital stock, other equity interests or voting securities, other than:

regularly quarterly cash dividends payable by Windstream in respect of shares of Windstream common stock of \$0.15 per share of Windstream common stock; and

dividends and distributions by a direct or indirect wholly-owned subsidiary of Windstream to its parent entity.

split, combine, subdivide or reclassify any of its capital stock, other equity interests or voting securities or securities convertible into or exchangeable or exercisable for such interests or securities;

repurchase, redeem, or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any capital stock or voting securities of, or equity interests in, Windstream or its subsidiaries or any securities of EarthLink or its subsidiaries convertible into or exchangeable or exercisable for any such capital stock, voting securities or interests, or any warrants, calls, options or other rights to acquire any such capital stock, securities or interests except in connection with required tax withholdings in connection with the vesting or exercise of Windstream restricted stock units or EarthLink stock options;

issue, deliver, sell, grant, pledge or otherwise encumber or subject to a lien, except for awards pursuant to the Windstream equity plans in the ordinary course of business or consistent with past practice:

any shares of Windstream or its subsidiaries, except for the issuance of Windstream common stock under Windstream's retirement plans or upon the exercise or settlement of Windstream stock options, Windstream restricted stock units, Windstream PSUs or Windstream restricted shares;

any other equity interests or voting securities of Windstream or its subsidiaries;

any securities convertible into or exchangeable or exercisable for capital stock or voting securities of, or other equity interests in, Windstream or its subsidiaries;

any warrants, calls, options, or other rights to acquire capital stock or voting securities of, or other equity interests in, Windstream or its subsidiaries; and

any rights issued by Windstream or its subsidiaries that are linked in any way to the price of Windstream common stock or any other shares of capital stock of Windstream or its subsidiaries, the value of Windstream or its subsidiaries or any dividends or other distributions declared or paid on any shares of capital stock of Windstream or its subsidiaries.

amend the certificate of incorporation or bylaws of Windstream or its subsidiaries, except as may be required by law or the rules and regulations of the SEC and NASDAQ;

(i) grant to any current or former director or employee or other individual service provider of Windstream or its subsidiaries any increase in the compensation or benefits, except to the extent required under any Windstream benefit plan or in the ordinary course of business and consistent with past practice, (ii) award short- or long-term non-equity incentive compensation to any employee or other service provider of Windstream or any of its subsidiaries (provided that Windstream may pay out bonuses for any completed fiscal year based on achievement of performance targets and may award short- or long-term non-equity incentive compensation for 2017 pursuant to applicable incentive programs in the ordinary course of business, consistent with past practice), (iii) grant any severance, retention, change in control or termination compensation or benefits, except as required in any Windstream benefit plans or in accordance with past practice, (iv) enter into, adopt, terminate or amend in any material respect any Windstream benefit plan, (v) accelerate the vesting of, or lapse of restrictions on, any compensation for the benefit of any director, employee or other service provider, except to the extent required under Windstream benefit plans or (vi) cause the funding of any rabbi trust or similar arrangement or take any action to fund the payment of compensation or benefits under any Windstream benefit plan;

loan to any of its officers, directors, employees, affiliates, agents or consultants or make any change in existing borrowing or lending arrangements for or on behalf of any such persons, except as required by any Windstream benefit plan;

make any material change in financial accounting methods, except for any such change required by reason of a change in GAAP;

directly or indirectly acquire, or agree to acquire, any equity interest or business of any firm, corporation, partnership, company, limited liability company, trust, joint venture, association, or other entity;

except for purchases and sales of (i) inventory, supplies and real property in the ordinary course of business consistent with past practice and (ii) dark fiber consistent with past practice:

acquire any tangible property or assets;

sell, lease, license, mortgage, sell and leaseback or otherwise dispose of any tangible property or assets or any interests therein, except to Windstream and any of its subsidiaries; or



encumber or subject to any lien any tangible properties or assets or any interests therein that, individually or in the aggregate, have a fair market value in excess of fifteen million dollars (\$15,000,000).

(i) make or change any material tax election, (ii) settle any material tax liability, claim or assessment, (iii) enter into any closing agreement with respect to any material tax or surrender any right to claim a material tax refund or (iv) change its fiscal year;

except in the ordinary course of business, consistent with past practice, (i) grant or acquire, dispose of, permit to lapse, abandon, encumber, convey title, exclusively license or grant any rights or other licenses to any material Windstream intellectual property, or (ii) enter into licenses or agreements that impose material restrictions upon Windstream or any of its affiliates with respect to intellectual property owned by a third party;

disclose to any person any material trade secrets, except in the ordinary course of business, consistent with past practice, or to representatives of EarthLink;

incur any indebtedness, except for:

indebtedness incurred under Windstream's revolving credit facility (which we refer to as the Windstream credit agreement), provided that Windstream may not increase the aggregate amount of commitments under the Windstream credit agreement;

indebtedness in replacement of existing indebtedness;

indebtedness incurred for the purpose of consummating the transactions contemplated by the merger agreement, provided that the mergers and other transactions contemplated by the merger agreement may not conflict with or result in any violation of or default under, or give rise to a right of termination, cancellation or acceleration of any obligation or loss of a material benefit under, or result in the creation of any lien under, such replacement indebtedness; or

guarantees by Windstream of indebtedness of any wholly-owned subsidiary of Windstream.

make or agree to make aggregate capital expenditures in excess of the aggregate capital expenditures set forth in Windstream's capital plans for 2016 and 2017 as disclosed to EarthLink, or fail to make substantially all of the planned capital expenditures set forth in such capital plans during any quarterly period;

enter into or amend any contract or take any other action that would reasonably be expected to prevent or materially impede, interfere with, hinder, or delay the consummation of the mergers or any other transaction contemplated by the merger agreement or adversely affect in any material respect the expected benefits (taken as a whole) of the mergers to EarthLink's stockholders;

enter into or amend any material contract to the extent consummation of the mergers or compliance by Windstream or any of its subsidiaries with the merger agreement would reasonably be expected to conflict with, or result in a violation of or default under, or give rise to a right of termination, cancellation or acceleration of any obligation to make an offer to purchase or redeem any indebtedness or capital stock or any loss of material benefit under, or result in the creation of any lien upon any of the material properties or assets of Windstream or any of its subsidiaries under, or give rise to any increased, additional, accelerated, or guaranteed right or entitlement of any third party under, any provision of such contract or amendment;

enter into, modify, amend or terminate any collective bargaining agreement or other labor union contract, except in the ordinary course of business, consistent with past practice or as required by law;

assign, transfer, lease, cancel, fail to renew or fail to extend any material EarthLink license issued by the FCC or a PSC or discontinue any operations that require prior regulatory approval for discontinuance;

voluntarily contribute or commit any funds to any pension plan, or to any entity for purposes of funding pension shortfalls, other than as required by law;

enter into any line of business in any geographic area other than the current lines of business of Windstream and its subsidiaries and products and services reasonably ancillary thereto, including any current line of business and products and services reasonably ancillary thereto in any geographic area for which Windstream or any of its subsidiaries currently holds a license authorizing the conduct of such business, product or service in that geographic area;

except as permitted in the merger agreement, take any actions or omit to take any actions that would be reasonably likely to:

result in any of the conditions set forth in Article VI of the merger agreement not being satisfied;

result in new or additional required approvals from a governmental entity in connection with the mergers and the other transactions contemplated by the merger agreement that would reasonably be expected to materially delay the consummation of the mergers; or

materially impair the ability of any of the parties to consummate the mergers and the other transactions contemplated by the merger agreement or materially delay such consummation;

settle, compromise, dismiss, discharge or otherwise dispose of any litigation, investigation, arbitration or proceeding other than those that:

do not involve damages payable by Windstream or any of its subsidiaries in excess of one million dollars (\$1,000,000) individually or five million dollars (\$5,000,000) in the aggregate and do not involve any material injunctive or other non-monetary relief or impose material restrictions on the business or operations of Windstream or its subsidiaries; or

provide for a complete release of Windstream and its subsidiaries from all claims and do not provide for any admission of liability;

provided that the written consent of EarthLink (which may not be unreasonably withheld, conditioned or delayed) is required in order for Windstream to settle, compromise, dismiss, discharge or otherwise dispose of any litigation, investigation, arbitration or other proceeding arising from or challenging the merger agreement or the consummation of the transactions contemplated by the merger agreement.

adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of Windstream, Merger Sub 1 or Merger Sub 2;

amend, alter or modify the terms of any currently outstanding rights, warrants or options to acquire or purchase any capital stock of, or ownership interest in, Windstream, or any securities convertible into or exchangeable for such capital stock or ownership interest;

enter into and amend in any material respect any contract with respect to any mergers, consolidations, joint ventures or business combinations, or acquisitions of all or any substantial portion of the assets or securities of another business;

take any action to exempt any person (other than EarthLink or its subsidiaries) or any action taken by such person from any state takeover statute or Windstream organizational documents, other than in connection with the termination of the merger agreement and entry into a superior proposal in accordance with the merger agreement;

amend the terms of the Windstream rights agreement in a manner intended to prevent or materially hinder or delay the consummation of the mergers; or

authorize any of, or commit, resolve or agree to take any of, or participate in any negotiations or discussions with any other person regarding any of, the foregoing.

**Tax Free Reorganization Treatment**

Each of EarthLink and Windstream has agreed that the mergers are intended to be treated as a single integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code. Neither EarthLink nor Windstream may, nor may they permit any of their respective subsidiaries to, take any action, or cause any action to be taken, that would result in the mergers failing to qualify as tax-free under Section 368(a). EarthLink and Windstream have both agreed to use their respective commercially reasonable efforts to cause the mergers to qualify as a reorganization under Section 368(a) of the Code, including the providing representation letters to each of EarthLink's and Windstream's respective tax counsel substantially in the form attached as Exhibit D to the Merger Agreement.

Each of EarthLink and Windstream has agreed to report the Combination as a reorganization under Section 368(a) of the Code on its United States federal income tax return, unless otherwise required pursuant to a determination within the meaning of Section 1313(a) of the Code.

**Access to Information; Confidentiality**

EarthLink has agreed to afford to Windstream, Windstream's officers, employees, accountants, consultants, legal counsel, financial advisors and agents and other representatives reasonable access to EarthLink's and its subsidiaries properties, contracts, commitments, books and records.

EarthLink will, and will cause its subsidiaries to, (i) furnish promptly to Windstream a copy of any document filed or received by it pursuant to federal and state law and (ii) use reasonable best efforts to cause its representatives to furnish promptly to Windstream such additional financial and operating data and other information as Windstream may reasonably request, except for any information that:

EarthLink determines, in its reasonable judgment, would be reasonably likely to cause a violation of any contract to which EarthLink is a party (provided that EarthLink must use its reasonable best efforts to obtain the required consent of the necessary party to such access or disclosure);

EarthLink determines, in its reasonable judgment, would be reasonably likely to cause a risk of loss of attorney-client privilege to EarthLink (provided that EarthLink must use its reasonable best efforts to allow for such access or disclosure (or as much of it as possible) in a manner that does not result in a loss of any attorney-client privilege);

relates to the negotiation and execution of the merger agreement or any alternative transaction proposal;

EarthLink determines, in its reasonable judgment, would be reasonably likely to expose EarthLink to risk of liability for disclosure of sensitive or personal information; or

EarthLink determines, in its reasonable judgment, would be reasonably likely to constitute a violation of applicable laws.

Notwithstanding the above, Windstream may not conduct any activities pursuant to its above access to information rights in a manner that interferes unreasonably with the business or operations of EarthLink.

Windstream has agreed to afford to EarthLink, EarthLink's officers, employees, accountants, consultants, legal counsel, financial advisors and agents and other representatives reasonable access to Windstream's and its subsidiaries' properties, contracts, commitments, books and records.

Windstream will, and will cause its subsidiaries to, (i) furnish promptly to EarthLink a copy of any document filed or received by it pursuant to federal and state law and (ii) use reasonable best efforts to cause its representatives to furnish promptly to EarthLink such additional financial and operating data and other information as EarthLink may reasonably request, except for any information that:

Windstream determines, in its reasonable judgment, would be reasonably likely to cause a violation of any contract to which Windstream is a party (provided that Windstream must use its reasonable best efforts to obtain the required consent of the necessary party to such access or disclosure);

Windstream determines, in its reasonable judgment, would be reasonably likely to cause a risk of loss of attorney-client privilege to Windstream (provided that Windstream must use its reasonable best efforts to allow for such access or disclosure (or as much of it as possible) in a manner that does not result in a loss of any attorney-client privilege);

relates to the negotiation and execution of the merger agreement or any alternative transaction proposal;

Windstream determines, in its reasonable judgment, would be reasonably likely to expose Windstream to risk of liability for disclosure of sensitive or personal information; or

Windstream determines, in its reasonable judgment, would be reasonably likely to constitute a violation of applicable laws.

Notwithstanding the above, EarthLink may not conduct any activities pursuant to its above access to information rights in a manner that interferes unreasonably with the business or operations of Windstream.

Each of EarthLink and Windstream agree to treat any information received pursuant to the merger agreement in accordance with the confidentiality agreement between EarthLink and Windstream, dated as of October 3, 2016. Each of EarthLink and Windstream further agree that the other party makes no representations or warranties to it regarding the accuracy of any information provided to it under its access to information rights other than as expressly set forth in the representations and warranties provisions of the merger agreement.

EarthLink has agreed to cooperate and participate, as reasonably requested by Windstream, in Windstream's efforts to plan the integration of the parties' operations, including providing reports on operational matters and participating in such integration planning teams and committees as Windstream may reasonably request.

### **No Solicitation of Alternative Transaction Proposals**

Each of EarthLink and Windstream has agreed that, from the date of the merger agreement until the earlier of the closing of the merger and the termination of the merger agreement (which we refer to as the no shop period), each of the parties and its respective subsidiaries will not and will not instruct its affiliates and representatives to, directly or indirectly, (i) solicit, initiate or knowingly facilitate or encourage any alternative transaction proposal or any inquiry or proposal that would reasonably be expected to lead to an alternative transaction proposal or (ii) participate in any discussions or negotiations with any persons regarding, or furnish to any person non-public information with respect to, or knowingly cooperate in any way with any person in connection with soliciting, initiating, facilitating or encouraging, any alternative transaction proposal or the submission or making of any inquiry or proposal that would reasonably be expected to lead to an alternative transaction proposal.

During the no shop period, each of the parties has agreed, and instructed its affiliates and representatives to, immediately cease and cause to be terminated all existing discussions or negotiations with any person conducted with respect to any alternative transaction proposal or any inquiry or proposal that would reasonably be expected to lead to an alternative transaction proposal, request the prompt return or destruction of all confidential information previously furnished and immediately terminate all physical and electronic dataroom access.

Prior to the time of the necessary stockholder approval, if a party receives an alternative transaction proposal, (i) the party and its representatives may contact the person or group making the alternative transaction proposal solely to clarify the terms and conditions of the proposal or to request that any oral proposal be made in writing, and (ii) if the party's board of directors determines in good faith (after consultation with its outside counsel and financial advisors) that an alternative transaction proposal constitutes or would reasonably be expected to lead to a superior proposal, then the party and its representatives may:

furnish information with respect to the party and its subsidiaries to the person or group making such alternative transaction proposal (provided that all such information has been provided to the other party or is provided to the other party prior to or substantially concurrent with the time it is provided to such person) pursuant to a customary confidentiality agreement not less restrictive on such person than the confidentiality agreement with Windstream or EarthLink, as applicable; and

participate in discussions regarding the terms of such alternative transaction proposal and the negotiation of such terms with the person or group making such alternative transaction proposal.

Each party has agreed that neither its board of directors nor any committee thereof may:

(i) withdraw (or modify in any manner adverse to the other party), or propose publicly to withdraw (or modify in any manner adverse to the other party), the approval, recommendation or declaration of advisability by the party's board or any of its committees of the matters to be approved at such party's special meeting of stockholders, or (ii) approve, recommend or declare advisable, or propose publicly to approve, recommend or declare advisable, any alternative transaction proposal; or

allow the party or its subsidiaries to execute or enter into, any binding agreement in connection with any alternative transaction proposal (other than a permitted confidentiality agreement).

Prior to the necessary stockholder approval, each party's board of directors may make an adverse recommendation change and, in the case of an alternative transaction proposal, terminate the merger agreement to enter into a definitive agreement with respect to an alternative transaction proposal (i) if

the party's board of directors determines that an alternative transaction proposal constitutes a superior proposal or (ii) in response to any event, fact, circumstance, development or occurrence that is material to the party and its subsidiaries, taken as a whole, that was not known to, or reasonably foreseeable by, such party's board of directors prior to the date of the merger agreement, subsequently becomes known to such party's board of directors and does not involve or relate to an alternative transaction proposal if, in either case, the party's board of directors determines in good faith that the failure to do so would be reasonably likely to be inconsistent with its fiduciary duties. Neither party will be entitled to exercise its right to make an adverse recommendation change or, in the case of an alternative transaction proposal which constitutes a superior proposal, terminate the merger agreement to enter into a definitive agreement with respect to the superior proposal, unless (i) the party has given the other party at least three (3) business days' prior written notice that the party's board of directors intends to take such action and specifying the reasons, including, in the case of a superior proposal, the material terms of any superior proposal, (ii) during such a period, the party has negotiated, and has caused its representatives to negotiate, with the other party in good faith, to the extent the other party desires to negotiate, to enable the other party to propose in writing a binding offer to make such adjustments in the terms and conditions of the merger agreement so that, if applicable, the alternative transaction proposal ceases to constitute a superior proposal or, in connection with a change in recommendation not involving or relating to an alternative transaction proposal, would cause the party's board of directors no longer to believe that the failure to make a recommendation change would be reasonably likely to be inconsistent with its fiduciary duties, and (iii) at the end of such period, the party's board of directors must have considered in good faith such binding offer and determined that the superior proposal continues to constitute a superior proposal or, other than in the case of an alternative transaction proposal, that it would continue to be reasonably likely to be inconsistent with the party's board of directors' fiduciary duties if it failed to make an adverse recommendation change.

The above does not prohibit the party from (i) taking and disclosing to its stockholders a position contemplated by Rule 14e-2(a) promulgated under the Exchange Act or making "stop-look-and-listen" communications under Rule 14d-9 of the Exchange Act or (ii) making any disclosure to the stockholders of the party if, in the good faith judgment of the party's board of directors (after consultation with its outside counsel), failure to disclose such information would be inconsistent with its obligations under applicable law.

An "alternative transaction proposal" for Windstream means any proposal or offer (whether or not in writing) by a third party or group relating to any transaction or series of related transactions resulting in any: (i) merger, consolidation, tender offer, exchange offer, share exchange, other business combination or similar transaction involving Windstream (A) pursuant to which any person (or the stockholders of any person) or group, other than the stockholders of Windstream (as a group) immediately prior to the consummation of such transaction, would hold Windstream common stock representing fifteen percent (15%) or more of the voting power of the surviving or resulting entity after giving effect to the consummation of such transaction or (B) as a result of which the stockholders of Windstream (as a group) immediately prior to the consummation of such transaction would hold Windstream common stock representing less than eighty-five percent (85%) of the voting power of the surviving or resulting entity after giving effect to the consummation of such transaction, (ii) sale, lease, contribution or other disposition, directly or indirectly (including by way of merger, consolidation, tender offer, exchange offer, share exchange, other business combination, partnership, joint venture, sale of capital stock of or other equity interests in a subsidiary of Windstream or otherwise), of any business or assets of Windstream or the subsidiaries of Windstream representing fifteen percent (15%) or more of the consolidated revenues, net income or assets of Windstream and the subsidiaries of Windstream, taken as a whole, (iii) issuance, sale or other disposition, directly or indirectly, to any person (or the stockholders of any person) or group of securities (or options, rights or warrants to purchase, or securities convertible into or exchangeable

for, such securities) representing fifteen percent (15%) or more of the voting power of Windstream, (iv) transaction in which any person (or the stockholders of any person) shall acquire, directly or indirectly, beneficial ownership, or the right to acquire beneficial ownership, or formation of any group which beneficially owns or has the right to acquire beneficial ownership of, fifteen percent (15%) or more of the Windstream common stock or (v) any combination of the foregoing (in each case, other than in connection with the Windstream stock issuance and the mergers).

A superior proposal for Windstream means any bona fide written alternative transaction proposal made by a third party or group (i) on terms which the Windstream Board determines in good faith (after consultation with its outside counsel and financial advisors) to be superior, from a financial point of view, to the transactions contemplated by the merger agreement, including the Windstream stock issuance and the mergers, for Windstream or holders of Windstream common stock, taking into account all the terms and conditions of such proposal and the merger agreement (including any changes proposed by EarthLink to the terms of the merger agreement), and (ii) that the Windstream Board determines in good faith (after consultation with its outside counsel and financial advisors) would reasonably be expected to be completed, taking into account all financial, regulatory, legal and other aspects of such proposal (including the financing terms of any such proposal and conditions to its consummation); provided, however, that for purposes of the reference to a Windstream alternative transaction proposal in this definition of superior proposal for Windstream, all references to fifteen percent (15%) and eighty-five percent (85%) in the definition of Windstream alternative transaction proposal shall be deemed to be references to fifty percent (50%).

An alternative transaction proposal for EarthLink means any proposal or offer (whether or not in writing) by a third party or group relating to any transaction or series of related transactions resulting in any: (i) merger, consolidation, tender offer, exchange offer, share exchange, other business combination or similar transaction involving EarthLink (A) pursuant to which any person (or the stockholders of any person) or group, other than the stockholders of EarthLink (as a group) immediately prior to the consummation of such transaction, would hold EarthLink common stock representing fifteen percent (15%) or more of the voting power of the surviving or resulting entity after giving effect to the consummation of such transaction or (B) as a result of which the stockholders of EarthLink (as a group) immediately prior to the consummation of such transaction would hold EarthLink common stock representing less than eighty-five percent (85%) of the voting power of the surviving or resulting entity after giving effect to the consummation of such transaction, (ii) sale, lease, contribution or other disposition, directly or indirectly (including by way of merger, consolidation, tender offer, exchange offer, share exchange, other business combination, partnership, joint venture, sale of capital stock of or other equity interests in a subsidiary of EarthLink or otherwise), of any business or assets of EarthLink or the subsidiaries of EarthLink representing fifteen percent (15%) or more of the consolidated revenues, net income or assets of EarthLink and the subsidiaries of EarthLink, taken as a whole, (iii) issuance, sale or other disposition, directly or indirectly, to any person (or the stockholders of any person) or group of securities (or options, rights or warrants to purchase, or securities convertible into or exchangeable for, such securities) representing fifteen percent (15%) or more of the voting power of EarthLink, (iv) transaction in which any person (or the stockholders of any person) shall acquire, directly or indirectly, beneficial ownership, or the right to acquire beneficial ownership, or formation of any group which beneficially owns or has the right to acquire beneficial ownership of, fifteen percent (15%) or more of the EarthLink common stock or (v) any combination of the foregoing (in each case, other than the mergers).

A superior proposal for EarthLink means any bona fide written alternative transaction proposal made by a third party or group (i) on terms which the EarthLink Board determines in good faith (after consultation with its outside counsel and financial advisors) to be superior, from a financial point of

view, to the transactions contemplated by the merger agreement, including the mergers, for the holders of EarthLink common stock, taking into account all the terms and conditions of such proposal and the merger agreement (including any changes proposed by Windstream to the terms of the merger agreement), and (ii) that the EarthLink Board determines in good faith (after consultation with its outside counsel and financial advisors) would reasonably be expected to be completed, taking into account all financial, regulatory, legal and other aspects of such proposal (including the financing terms of any such proposal and conditions to its consummation); provided, however, that for purposes of the reference to a EarthLink alternative transaction proposal in this definition of a superior proposal for EarthLink, all references to fifteen percent (15%) and eighty-five percent (85%) in the definition of EarthLink alternative transaction proposal shall be deemed to be references to fifty percent (50%).

#### **Preparation of SEC Documents; Stockholders Meetings**

Each of EarthLink and Windstream has agreed to jointly prepare and file with the SEC the joint proxy statement, and Windstream will prepare and file with the SEC the Form S-4. The parties have agreed to use reasonable best efforts to respond to any comments from the SEC and to have the Form S-4 declared effective under the Securities Act as promptly as practicable after such filing. The parties have agreed to take any action required to be taken under applicable state securities laws in connection with the issuance of Windstream common stock and Windstream restricted stock units in the merger and in connection with the reservation for issuance of shares of Windstream common stock. Each of EarthLink and Windstream must advise the other promptly after receipt of oral or written notice that the Form S-4 has become effective or any supplement or amendment has been filed.

As promptly as practicable following the Form S-4 being declared effective, each party has agreed to take all action necessary in accordance with applicable laws and their respective organizational documents to duly give notice of, convene and hold a meeting of its stockholders, to be held as promptly as practicable, and in any event within forty-five (45) days after the Form S-4 has been declared effective, to consider the adoption of the merger agreement and approval of the mergers (with respect to EarthLink) and the approval of the Windstream charter amendment and the Windstream stock issuance (with respect to Windstream). Each of the parties has agreed to use its reasonable best efforts to solicit from its stockholders proxies in favor of the adoption of the merger agreement and approval of the mergers (with respect to EarthLink) and in favor of the approval of the Windstream charter amendment and the Windstream stock issuance (with respect to Windstream). Each of the parties may postpone or adjourn its stockholders meeting if it has not received proxies representing a sufficient number of shares to obtain the stockholder approvals.

Without the prior written consent of EarthLink, Windstream may only propose to its stockholders at the stockholders meeting the following: (i) the approval of the Windstream charter amendment; (ii) the approval of the Windstream stock issuance; and (iii) if Windstream has not received proxies representing a sufficient number of shares of Windstream common stock to obtain Windstream stockholder approval, the adjournment of the stockholders meeting to solicit additional proxies. Without the prior written consent of Windstream, EarthLink may only propose to its stockholders at the stockholders meeting the following: (i) the adoption of the merger agreement and approval of the mergers, (ii) a non-binding, advisory vote to approve the payment by EarthLink of certain compensation to the named executive officers of EarthLink that is based on or otherwise relates to the mergers, and (iii) if EarthLink has not received proxies representing a sufficient number of shares of common stock to obtain the stockholder approval, the adjournment of the stockholders meeting to solicit additional proxies.

Windstream has agreed to promptly prepare and file with the NASDAQ a listing application covering the shares of Windstream common stock issuable in the merger and use all reasonable best efforts to obtain approval for the listing of such common stock.



Windstream and EarthLink have agreed to (i) cooperate with each other in order to lift any injunctions or remove any other impediment to the consummation of the transactions contemplated by the merger agreement and (ii) cooperate with each other in obtaining a written opinion of each party's respective legal counsel as to the qualification of the mergers as a reorganization under Section 368(a) of the Code.

#### **Employee Matters**

EarthLink and Windstream have agreed that, from the effective time of the merger, Windstream will honor all EarthLink benefit plans, in accordance with their terms as in effect immediately before the date of the merger agreement, provided that nothing will be deemed to limit or otherwise impair Windstream from amending or terminating any such benefit plans in accordance with their terms.

Windstream has agreed that, from the effective time of the merger and for twelve months thereafter, Windstream will ensure that each employee of EarthLink or its subsidiaries who continues in employment with Windstream or its subsidiaries, and who is not subject to a collective bargaining agreement, will receive a base salary or hourly wage rate no less than that provided by EarthLink and its subsidiaries immediately prior to the effective time of the merger. From the effective time of the merger to December 31, 2017, Windstream will provide to each EarthLink employee a cash commission opportunity and target cash bonus opportunity each no less than provided by EarthLink and its subsidiaries immediately prior to the effective time of the merger. From the effective time of the merger, Windstream will cause the surviving company and its subsidiaries to provide welfare and employee benefit plans, programs and arrangements (other than with respect to non-cash incentive or severance) that are substantially comparable, in the aggregate, to those provided to similarly situated employees of Windstream and its subsidiaries. For a period beginning at the effective time of the merger and ending no less than twelve months thereafter, Windstream will ensure that each EarthLink employee who is not a party to either an individual agreement providing severance benefits or the change in control severance plan of EarthLink will receive severance benefits that are no less favorable than those provided by EarthLink and its subsidiaries immediately prior to the effective time of the merger.

Windstream and its affiliates will recognize the service of employees with EarthLink and its subsidiaries and their predecessors prior to closing as service with Windstream for all purposes in connection with any employee benefit plan, program or arrangement maintained by Windstream or one of its affiliates following the closing, except (i) for benefit accrual purposes under any defined benefit pension plan, (ii) for purposes of any retiree welfare plan or (iii) as would result in a duplication of benefits.

Windstream and its affiliates will use commercially reasonable efforts to (i) waive, or cause its insurance carriers to waive, all limitations as to pre-existing and at-work conditions under any group health plan that is made available to such employees after the effective time of the merger, and (ii) provide credit to EarthLink employees for any co-payments, deductibles and out-of-pocket expenses paid by such employees under any group health plan of EarthLink or its subsidiaries during the portion of the relevant plan year following the effective time of the merger.

#### **Notification of Certain Matters**

EarthLink must give prompt notice to Windstream, and Windstream must give prompt notice to EarthLink, of (i) the occurrence of any event known to it which has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on it or has caused, or would reasonably be expected to cause, individually or in the aggregate, any condition to closing set forth in the merger agreement to be unsatisfied at any time prior to the effective time of the merger, or (ii) any action,

suit, proceeding, inquiry or investigation pending or, to the knowledge of EarthLink or Windstream, as applicable, threatened that questions or challenges the validity of the merger agreement or the consummation of the transactions contemplated by the merger agreement.

**Filings; Other Actions**

Each of EarthLink and Windstream has agreed to use its reasonable best efforts to take promptly, or cause to be taken, all actions, and to do promptly, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the mergers and other transactions contemplated by the merger agreement, including to (i) obtain all necessary consents from governmental entities and the making of all necessary registrations and filings and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any governmental entity, (ii) obtain all necessary consents from third parties, (iii) defend all lawsuits or other legal proceedings, whether judicial or administrative, challenging the merger agreement or the consummation of the transactions contemplated by the merger agreement and (iv) execute and deliver all additional instruments necessary to consummate the transactions contemplated by the merger agreement.

EarthLink and Windstream will:

within eight (8) business days from the date of the merger agreement, make or cause to be made (i) an appropriate filing of a notification and report form pursuant to the HSR Act relating to the mergers and (ii) all other necessary registrations, declarations, notices and filings relating to the mergers with other governmental entities under any other antitrust, competition, trade regulation or similar laws, or respond as promptly as practicable to any additional requests for information received from the Federal Trade Commission, the Antitrust Division of the United States Department of Justice, or any other governmental entities in connection with any filing referenced above;

(i) within eight (8) business days from the date of the merger agreement make or cause to be made, in consultation and cooperation with the other, all filings required to be made with the FCC in order to obtain the FCC consents required in connection with the mergers and all filings required to be made with any PSCs in order to obtain certain PSC consents required pursuant to the merger agreement, and within fifteen (15) business days from the date of the merger agreement, make or cause to be made, in consultation and cooperation with the other, all filings required to be made with any state regulators in order to obtain all other PSC consents agreed between the parties; (ii) respond as promptly as practicable to any additional requests for information received from the FCC, or any PSC by EarthLink or Windstream or any of their respective subsidiaries; and (iii) use reasonable best efforts to cure, not later than the effective time of the merger, any material violations or defaults under any FCC rules or rules of any PSC;

use their reasonable best efforts to cooperate with each other in (i) determining whether any filings are required to be made with, or consents are required to be obtained from, any other third parties or governmental entities in connection with the execution and delivery of the merger agreement and the consummation of the transactions contemplated by the merger agreement and (ii) timely making all such required or appropriate filings and timely seeking all required or appropriate consents, permits, clearances, authorizations or approvals; and

use their reasonable best efforts to take, or cause to be taken, all other actions and do, or cause to be done, all other things necessary, proper or advisable to consummate and make effective the transactions contemplated by the merger agreement.

EarthLink and Windstream will jointly and in cooperation with each other direct the parties' proceedings before any governmental entity with respect to the mergers, the merger agreement or any of the transactions contemplated by the merger agreement. Each of Windstream and EarthLink agree to take, and Windstream is required to take, any and all steps, and to make any and all reasonable undertakings, necessary to avoid or eliminate each and every impediment under any regulatory law that may be asserted by any third party or governmental entity with respect to the mergers so as to enable the closing to occur, provided that neither party will be required to (i) divest or dispose of any assets or businesses (or transfer to a trust or similar vehicle pending such divestiture) or (ii) undertake any efforts or take any action if the taking of such efforts or action is or would reasonably be expected to result, individually or in the aggregate, in a material adverse effect on the assets, liabilities, business, results of operations or condition (financial or otherwise) of Windstream and its subsidiaries (including the surviving company), taken as a whole, after giving effect to the mergers (it being understood that such material adverse effect will be measured solely on a scale relative to Windstream and its subsidiaries, taken as a whole, immediately prior to the mergers).

#### **Indemnification and Insurance**

Each of EarthLink and Windstream has agreed that all rights to indemnification and payment or reimbursement of fees and expenses incurred in advance of the final disposition of any claim related to acts or omissions occurring at or prior to the effective time of the merger will survive the mergers and will continue for a period of six (6) years after the effective time of the merger.

For a period of six (6) years after the effective time of the merger, Windstream will indemnify, among others, current and former directors and officers of EarthLink to the fullest extent permitted by applicable law against any losses, claims, damages, liabilities, costs, expenses, judgments, fines and, with Windstream's prior consent, amounts paid in settlement in connection with any threatened or actual civil, criminal or administrative action, suit, litigation, arbitration, mediation, claim, hearing, inquiry investigation or other proceeding to which an indemnified party is, or is threatened to be, made a party based in whole or in part on, or arising in whole or in part out of, or pertaining to:

the fact that such individual is or was a director or officer of EarthLink or any of its subsidiaries, or is or was serving at the request of EarthLink or any of its subsidiaries as a director or officer of another person; or

(ii) the merger agreement or any of the transactions contemplated thereby, whether asserted or arising before or after the effective time of the merger.

The merger agreement requires Windstream to cause the surviving company to maintain for a period of six (6) years after completion of the mergers directors' and officers' liability insurance in respect of acts or omissions occurring at or prior to the effective time of the merger, covering each person covered by EarthLink's currently in force directors' and officers' liability insurance, provided that if aggregate annual premiums for such insurance exceeds three hundred percent (300%) of the annual premium for such insurance as of the date of the merger agreement, then the surviving company or Windstream must obtain a policy covering such individuals with the greatest coverage then available, but not in excess of such three hundred percent (300%) amount. EarthLink may, in consultation with Windstream and in lieu of the policy in the previous sentence, purchase a six year pre-paid tail policy prior to closing on terms providing at least substantially equivalent benefits in the aggregate to such directors and officers as its current policy at an aggregate cost up to but not exceeding the aggregate maximum payable pursuant to the preceding sentence for such six-year prior.

### **Section 16 Matters**

Prior to the effective time of the merger, Windstream and EarthLink must use reasonable best efforts to approve in advance in accordance with the procedures set forth in Rule 16b-3 under the Exchange Act any dispositions of EarthLink common stock or acquisitions of Windstream common stock resulting from the transactions contemplated by the merger agreement by each respective officer or director of EarthLink who is subject to Section 16 of the Exchange Act.

### **Control of Operations**

Windstream and EarthLink agree that nothing contained in the merger agreement gives either party, directly or indirectly, the right to control or direct the other party's operations prior to the effective time of the merger.

### **Windstream Board; Governance Matters**

Prior to the closing, Windstream will increase the size of its board of directors to twelve members and, effective as of the effective time of the merger, will appoint three members of the EarthLink Board selected by EarthLink to the Windstream Board. The EarthLink designees must be reasonably acceptable to Windstream, taking into account Windstream's normal corporate governance process for selection of directors to the Windstream Board.

The EarthLink designees will serve until Windstream's next annual meeting of stockholders, and Windstream must re-nominate the EarthLink designees for election to the Windstream Board at the first annual meeting immediately following the closing of the mergers and solicit proxies in favor of their election using efforts no less than the efforts used to solicit proxies in favor of the election of the other individuals nominated to the Windstream Board.

### **Dividend Matters**

EarthLink and Windstream will coordinate with each other to designate the same record and payment dates for their respective quarterly dividends declared in any calendar quarter in which the closing might reasonably be expected to occur. However, EarthLink and Windstream must designate the business day immediately prior to the closing date as the record and payment date for each such party's final quarterly dividend, which will be in an amount equal to each party's respective regular quarterly cash dividend, pro-rated based on the number of days elapsed in such calendar quarter up to such record date. After the closing date, all holders of Windstream common stock (including former holders of EarthLink common stock and EarthLink options) will be entitled to receive with respect to each share of Windstream common stock, as and when declared by the Windstream Board, on the next record date for payment of dividends with respect to Windstream common stock, Windstream's regular quarterly cash dividend in effect as of the date of the merger agreement, pro-rated based on the number of days from the closing date through such subsequent record date.

### **Financing Efforts and Related Cooperation**

Windstream has agreed to keep EarthLink reasonably and promptly informed on the status of material developments in respect of any financing contemplated by the merger agreement in connection with the mergers.

Each of Windstream, Merger Sub 1 and Merger Sub 2 has acknowledged and agreed that the obtaining of any financing is not a condition to the closing of the mergers.

Prior to the effective time of the merger, EarthLink will provide (and will use reasonable best efforts to cause its directors, officers, employees, consultants, advisors, counsel, accountants, auditors and other representatives to provide) such cooperation as is reasonably requested by Windstream with respect to any financing of the mergers and other transactions contemplated by the merger agreement, subject to certain limitations, including, among other things, that EarthLink, its subsidiaries, and their respective officers, directors, managers, employees, advisors, accountants, consultants, auditors, agents and other representatives will not be required to take any action that would unreasonably interfere with the business of EarthLink and its subsidiaries or that would violate any material agreement of EarthLink or any of its subsidiaries.

Windstream will promptly reimburse EarthLink and its subsidiaries for all reasonable and documented out-of-pocket costs and expenses incurred by it and its subsidiaries in complying with the financing cooperation provisions of the merger agreement. Windstream will indemnify EarthLink and its subsidiaries, and each of their respective directors, officers, employees, agents and other representatives, from and against any and all losses, damages, claims, interest, costs, expenses, awards, judgments, penalties and amounts paid in settlement, suffered or incurred, directly or indirectly, in connection with any financing, other than any claims arising (i) from fraud, intentional misrepresentation, willful misconduct or gross negligence of EarthLink, its subsidiaries or their respective directors, officers, employees, agents and other representatives or (ii) as a result of information provided by EarthLink, its subsidiaries or their respective directors, officers, employees, agents and other representatives to Windstream specifically to be used in connection with the financing being materially misleading or materially incorrect.

Subject to certain limited exceptions, EarthLink and its subsidiaries have agreed to consent to the use of their logos in connection with any financing.

Prior to or at closing, EarthLink must deliver an executed payoff letter in customary form for its Second Amended and Restated Credit Agreement, dated as of June 30, 2016 (which we refer to as the EarthLink credit agreement). Windstream and its subsidiaries are required to provide the funds necessary for the payment in full of the EarthLink credit agreement and any other amounts payable under such payoff letter.

EarthLink has agreed that Windstream and its affiliates may share any information with respect to EarthLink and its subsidiaries with financing sources in connection with any marketing efforts in connection with any financing. However, the recipients of such information must agree to customary confidentiality arrangements, including click through confidentiality agreements and confidentiality provisions contained in customary bank books and offering memoranda.

#### **Treatment of Existing Indentures**

Windstream will be permitted to commence debt tender offers and to conduct consent solicitations related to any or all of EarthLink's 7.375% Senior Secured Notes due 2020 and/or 8.875% Senior Notes due 2019 (collectively, the existing notes), on such terms and conditions, that are acceptable to Windstream, and EarthLink will assist Windstream in connection with the above. Windstream will be responsible for the payment of all existing notes validly tendered (and not withdrawn) and accepted by it for purchase in any connection with any such debt tender offer.

EarthLink will, and will cause its subsidiaries to, and will use reasonable best efforts to cause its and its subsidiaries' respective representatives to, provide all cooperation reasonably requested by Windstream in connection with any debt tender offers and/or consent solicitations. The dealer manager, solicitation agent, information agent, depository or other agent retained in connection with the debt tender offer and/or consent solicitation will be selected by Windstream.

If requested by Windstream, in lieu of Windstream commencing a debt tender offer for any portion of any series of existing notes, EarthLink must use its reasonable best efforts to (i) substantially simultaneously with the closing, issue a notice of optional redemption for all of the outstanding aggregate principal amount of such series of existing notes, pursuant to the applicable existing indenture, and (ii) take any other actions at and after the effective time reasonably requested by Windstream to facilitate the satisfaction and discharge of such existing notes and the release of any liens in connection therewith. However, substantially simultaneously to EarthLink's being required to issue such notice of optional redemption, Windstream will deposit, or will cause to be deposited, with the trustee under the applicable existing indenture sufficient funds for such redemption, satisfaction and discharge.

Windstream will prepare all necessary and appropriate documentation in connection with any debt tender offer (including any related consent solicitation) and/or satisfaction and discharge, and EarthLink will have a reasonable opportunity to review and comment.

Notwithstanding anything to the contrary in the merger agreement, (i) no personal liability will be imposed on the respective officers, directors, managers, employees, advisors, accountants, consultants, auditors, agents or other representatives of EarthLink and its subsidiaries, (ii) EarthLink and its subsidiaries and their respective officers, directors, managers, employees, advisors, accountants, consultants, auditors, agents and other representatives will not be required to take any action that, among other things, would unreasonably interfere with the operation of the business of EarthLink and its subsidiaries or conflict with any material agreement of EarthLink or any of its subsidiaries, (iii) neither EarthLink nor its subsidiaries will be required to pay any fees or incur any other liability or obligation in connection with any offer to purchase, debt tender offer, consent solicitation or satisfaction and discharge, (iv) Windstream will not acquire any of the existing notes prior to closing and (v) any legal opinions in connection with the above will be delivered by counsel to Windstream.

Windstream has agreed to promptly reimburse EarthLink for all reasonable and documented out-of-pocket costs and expenses paid to third parties in connection with any offer to purchase, debt tender offer, consent solicitation or satisfaction and discharge. Windstream will indemnify EarthLink and its subsidiaries, and each of their respective officers, employees and other representatives, from and against any and all liabilities or losses, damages, claims, interest, costs, expenses, awards, judgments, penalties and amounts paid in settlement, suffered or incurred, directly or indirectly, in connection with any offer to purchase, debt tender offer, consent solicitation or satisfaction and discharge and any information utilized in connection therewith (other than arising from information provided in writing by EarthLink or on behalf of EarthLink by its representatives expressly for use in connection with the foregoing), except in the event such loss, damage or other amount is found by a court of competent jurisdiction to have resulted from the fraud, intentional misrepresentation, willful misconduct or gross negligence of EarthLink, its subsidiaries or their respective representatives.

#### **Windstream Charter Amendment**

Prior to the effective time of the merger, and subject to obtaining the approval of Windstream's stockholders, Windstream is required to file the Windstream charter amendment with the Secretary of State of the State of Delaware.

#### **Holding Company Formation**

EarthLink and Windstream must cooperate in good faith with each other in connection with analyzing the advisability of, prior to the effective time of the merger, EarthLink incorporating or causing to be incorporated a new Delaware corporation as a wholly-owned subsidiary of EarthLink Business

Holdings, LLC and contributing or causing to be contributed to such corporation all of the stock and other ownership interests in EarthLink's subsidiaries held by EarthLink Business Holdings, LLC. Any such reorganization will be in the sole discretion of EarthLink.

#### **Windstream Rights Agreement**

Windstream agrees not to amend the Windstream rights agreement in any way that alters any of the provisions of the amendment to the Windstream rights agreement that Windstream adopted in connection with its entry into the merger agreement.

#### **Availability of Funds**

From the date of the merger agreement until the effect time of the merger, Windstream must at all times maintain available funds necessary to consummate the mergers and the other transactions contemplated by the merger agreement, taking into account (i) unrestricted cash, (ii) availability under the Windstream credit agreement, (iii) the proceeds of any subsequent borrowings or of any other financing permitted by the merger agreement and incurred for the primary purpose of consummating the mergers and the other transactions contemplated by the merger agreement, and (iv) any commitment letter issued by a financing source for the primary purpose of providing funds to finance the mergers and the other transactions contemplated by the merger agreement in form and substance reasonably acceptable to EarthLink. Upon EarthLink's written request from time to time (not to exceed more than one request in any 30-day period) prior to the effective time of the merger, Windstream will provide EarthLink a written certification of its chief financial officer, together with reasonable supporting documentation, that such funds remain available in the manner required above.

#### **Conditions to the Mergers**

The obligations of each of EarthLink and Windstream to effect the mergers are subject to the satisfaction, or waiver, of the following conditions:

EarthLink stockholders' approval of the merger proposal will have been obtained in accordance with applicable law;

Windstream stockholders' approval of the Windstream stock issuance proposal and the Windstream charter amendment proposal will have been obtained in accordance with the rules of the NASDAQ and the DGCL, respectively;

the Windstream charter amendment will have been duly filed with the Secretary of State of the State of Delaware and be in full force and effect;

no applicable law or other legal restraint or prohibition and no binding order or determination by any governmental entity will be in effect that prevents, makes illegal or prohibits the mergers;

the Form S-4 will have been declared effective under the Securities Act and will not be the subject of any stop order or proceedings seeking a stop order;

the shares of Windstream common stock issuable in the merger will have been approved for listing on the NASDAQ;

the waiting period (and any extension thereof) applicable to the mergers under the HSR Act will have expired or been earlier terminated;

any and all authorizations required to be obtained from the FCC in connection with the consummation of the mergers will have been obtained and will be an effective order of the FCC; and

the consents requested in the PSC applications agreed pursuant to the merger agreement will have been obtained from the applicable PSC, and such consents will be in full force and effect.

In addition, the obligations of EarthLink to effect the mergers are subject to the satisfaction, or waiver, of the following additional conditions:

The representations and warranties of Windstream in the merger agreement will be true and correct (i) in all material respects, with respect to certain representations and warranties regarding organization and qualification and authority to enter into the merger agreement, (ii) in all respects, with respect to certain representations and warranties regarding capitalization (other than *de minimis* inaccuracies) and Windstream's tax accounting and status and (iii) in all respects, with respect to all representations and warranties not referenced in clauses (i) and (ii), except where any failure to be true and correct has not had, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Windstream;

Windstream will have performed in all material respects all obligations and complied in all material respects with all covenants required by the merger agreement to be performed or complied with by it prior to the effective time of the merger;

Since November 5, 2016, there will have been no circumstance that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on Windstream;

EarthLink will have received a tax opinion of its tax counsel, dated as of the closing date, to the effect that, on the basis of the facts, representations and assumptions set forth in such opinion, the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code; and

Windstream will have delivered to EarthLink a certificate certifying to the effect that the conditions with respect to compliance with representations and warranties, compliance with covenants and the absence of a material adverse effect have been satisfied as of the effective time of the merger.

In addition, the obligations of Windstream, Merger Sub 1 and Merger Sub 2 to effect the mergers are subject to the satisfaction, or waiver, of the following additional conditions:

The representations and warranties of EarthLink in the merger agreement will be true and correct (i) in all material respects, with respect to certain representations and warranties regarding organization and qualification and authority to enter into the merger agreement, (ii) in all respects, with respect to certain representations and warranties regarding capitalization (other than *de minimis* inaccuracies) and (iii) in all respects, with respect to all representations and warranties not referenced in clauses (i) and (ii), except where any failure to be true and correct has not had, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on EarthLink;

EarthLink will have performed in all material respects all obligations and complied in all material respects with all covenants required by the merger agreement to be performed or complied with by it prior to the effective time of the merger;

Since November 5, 2016, there will have been no circumstance that has had, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on EarthLink;



Windstream will have received a tax opinion of its tax counsel, dated as of the closing date, to the effect that, on the basis of the facts, representations and assumptions in such opinion, the mergers will qualify as a reorganization within the meaning of Section 368(a) of the Code; and

EarthLink will have delivered to Windstream a certificate certifying to the effect that the conditions with respect to compliance with representations and warranties, compliance with covenants and the absence of a material adverse effect have been satisfied as of the effective time of the merger agreement.

Under the merger agreement, either party may waive compliance with the conditions to the closing of the mergers, except for those conditions that may not be waived under applicable law. Each of the Windstream Board and the EarthLink Board intends to resolicit stockholder approval if either party waives material conditions to the closing of the mergers and such changes in the terms of the mergers render the disclosure that Windstream or EarthLink previously provided to their stockholders materially misleading.

#### **Termination**

The merger agreement may be terminated and the mergers abandoned in the following circumstances:

by mutual written consent of EarthLink and Windstream at any time prior to the effective time of the merger;

by written notice of either EarthLink or Windstream:

at any time prior to the effective time of the merger, if the mergers are not consummated by the termination date (subject to a ninety (90) day extension if governmental approvals have not been obtained);

at any time prior to the effective time of the merger, if any governmental entity issues a final and nonappealable order, decree or ruling or takes any other action having the effect of permanently restraining, enjoining or otherwise prohibiting the mergers;

after the Windstream special meeting at which a vote was taken, if the Windstream stockholders fail to approve the Windstream stock issuance or the Windstream charter amendment at the Windstream stockholder meeting;

after the EarthLink special meeting at which a vote was taken, if the EarthLink stockholders fail to adopt the merger agreement at the EarthLink stockholder meeting;

by either party, at any time prior to the effective time of the merger, upon a breach of any representation, warranty, covenant or agreement contained in the merger agreement by the other party such that the conditions to the other party's obligations to complete the mergers are not satisfied and, if such breach is capable of being cured, the breaching party has not commenced good faith efforts to cure the breach within twenty (20) calendar days or has not cured the breach within forty-five (45) calendar days following receipt of written notice of such breach;

by EarthLink, at any time prior to Windstream stockholder approval, if Windstream, the Windstream Board or any committee thereof for any reason will have failed to include in this joint proxy statement/prospectus the recommendation of the Windstream Board that such stockholders approve the Windstream charter amendment and the Windstream stock issuance, or made an adverse recommendation change;

by Windstream, at any time prior to the EarthLink stockholder approval, if EarthLink, the EarthLink Board or any committee thereof for any reason will have failed to include in this joint proxy statement/prospectus distributed to the stockholders of EarthLink the recommendation of the EarthLink Board that such stockholders adopt the merger agreement and approve the mergers, or made an adverse recommendation change;

by EarthLink, at any time prior to the EarthLink stockholder approval, if (i) EarthLink receives an alternative transaction proposal that the EarthLink Board determines constitutes a superior proposal, (ii) the EarthLink Board authorizes EarthLink to enter into a binding written agreement concerning the mergers that constitutes a superior proposal, (iii) EarthLink has complied in all material respects with the merger agreement regarding alternative transaction proposals and (iv) EarthLink, at or prior to the termination of the merger agreement, pays to Windstream the termination fee described below;

by Windstream, at any time prior to Windstream stockholder approval, if (i) Windstream receives an alternative transaction proposal that the Windstream Board determines constitutes a superior proposal, (ii) the Windstream Board authorizes Windstream to enter into a binding written agreement concerning the transaction that constitutes a superior proposal, (iii) Windstream has complied in all material respects with the merger agreement regarding alternative transaction proposals and (iv) Windstream, at or prior to the termination of the merger agreement, pays to EarthLink the termination fee described below; and

by EarthLink, at any time prior to the effective time of the merger, if Windstream fails to close the mergers when required to do so under the merger agreement or breaches its covenant to keep sufficient funds available to consummate the transactions contemplated by the merger agreement.

**Payments**

EarthLink will be required to pay a termination fee of \$35,000,000 in the event that (A) Windstream terminates the merger agreement due to an adverse recommendation change by the EarthLink Board, (B) EarthLink terminates the merger agreement in order to enter into a definitive agreement with respect to a superior proposal or (C) following announcement of an alternative transaction proposal, (i) the EarthLink stockholder approval is not obtained, the merger agreement is terminated following the termination date or the merger agreement is terminated due to a breach of the merger agreement by EarthLink, and (ii) an alternative transaction proposal is consummated, or a definitive agreement with respect to an alternative transaction proposal is executed, in each case within twelve months after termination.

Windstream will be required to pay a termination fee of \$35,000,000 in the event that (A) EarthLink terminates the merger agreement due to an adverse recommendation change by the Windstream Board, (B) Windstream terminates the merger agreement in order to enter into a definitive agreement with respect to a superior proposal or (C) following announcement of an alternative transaction proposal, (i) the Windstream stockholder approval is not obtained, the merger agreement is terminated following the termination date or the merger agreement is terminated due to a breach of the merger agreement by EarthLink, and (ii) an alternative transaction proposal is consummated, or a definitive agreement with respect to an alternative transaction proposal is executed, in each case within twelve months after termination. Additionally, if Windstream fails to close the mergers when required to do so under the merger agreement or breaches its covenant to keep sufficient funds available to consummate the transactions contemplated by the merger agreement, Windstream will be required to pay a termination

fee of \$70,000,000 to EarthLink upon termination of the merger agreement by EarthLink; provided that EarthLink may elect in its notice of termination to waive its right to receive the \$70,000,000 fee in order to bring a claim for damages under the merger agreement.

In addition, EarthLink and Windstream will be obligated to reimburse the other party for up to \$10,000,000 in expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement if the merger agreement is validly terminated by either party because a party's required stockholder approval is not obtained.

#### **Amendment or Supplement**

The merger agreement may be amended by the parties at any time before the Windstream and the EarthLink stockholder approval. However, after the EarthLink and the Windstream stockholder approvals, there may not be, without further approval of EarthLink's stockholders or Windstream's stockholders any amendment of the merger agreement for which applicable law or the merger agreement requires further stockholder approval without such approval.

#### **Miscellaneous**

##### *No Survival*

None of the representations and warranties in the merger agreement (other than the parties' respective representations and warranties regarding their non-reliance on extra-contractual representations or warranties) or in any instrument delivered pursuant to the merger agreement will survive the mergers, unless otherwise specified in the merger agreement.

##### *Expenses*

All costs and expenses incurred in connection with the mergers, the merger agreement and the transactions contemplated thereby will be paid by the party incurring or required to incur such expenses, unless otherwise specified in the merger agreement.

##### *Governing Law*

The merger agreement will be governed by and construed in accordance with the laws of the State of Delaware.

##### *Specific Performance; Jurisdiction*

Each of EarthLink and Windstream has agreed that the parties will be entitled to an injunction or injunctions to prevent breaches of the merger agreement and to enforce specifically the terms and provisions of the merger agreement, without proof of actual damages.

##### *Waiver of Jury Trial*

Windstream, Merger Sub 1, Merger Sub 2 and EarthLink have agreed to irrevocably waive all right to trial by jury.

##### *Assignment; Binding Effect*

Neither the merger agreement nor any of the rights, interests or obligations thereunder may be assigned by any of the parties without the prior written consent of the other parties. The merger agreement will be binding upon and will inure to the benefit of the parties and their respective successors and assigns.

### **MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES**

The following is a general discussion of the material U.S. federal income tax consequences of the mergers to U.S. holders (as defined below) of EarthLink common stock that receive Windstream common stock pursuant to the mergers. The discussion is limited to U.S. holders who hold their EarthLink common stock as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion is based on current provisions of the Code, Treasury regulations promulgated thereunder, judicial interpretations thereof and administrative rulings and published position of the Internal Revenue Service (which we refer to as the IRS), each as in effect as of the date hereof, and all of which are subject to change or differing interpretations, possibly with retroactive effect, and any such change or differing interpretation could affect the accuracy of the statements and conclusions set forth herein.

This discussion is for general information only and does not purport to address all aspects of U.S. federal income taxation that may be relevant to particular holders of EarthLink common stock in light of their particular facts and circumstances and does not apply to holders of EarthLink common stock that are subject to special rules under the U.S. federal income tax laws (including, for example, banks or other financial institutions, dealers in securities or currencies, traders in securities that elect to apply a mark-to-market method of accounting, insurance companies, tax-exempt entities, entities or arrangements treated as partnerships for U.S. federal income tax purposes or other flow-through entities (and investors therein), subchapter S corporations, retirement plans, individual retirement accounts or other tax-deferred accounts, real estate investment trusts, regulated investment companies, holder liable for the alternative minimum tax, certain former citizens or former long-term residents of the United States, holder that are not U.S. holders, U.S. holders having a functional currency other than the U.S. dollar, holders who hold shares of EarthLink common stock as part of a hedge, straddle, constructive sale, conversion transaction or other integrated transaction, and holders who acquire (or will acquire) their shares of EarthLink common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan). This discussion does not address any considerations under U.S. federal tax laws other than those pertaining to the income tax, nor does it address any considerations under the 3.8% Medicare contribution tax on unearned income or any state, local or non-U.S. tax laws.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds shares of EarthLink common stock, the tax treatment of a person treated as a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Persons that for U.S. federal income tax purposes are treated as a partner in a partnership holding shares of EarthLink common stock should consult their tax advisors regarding the tax consequences of the mergers to them.

**ALL HOLDERS OF EARTHLINK COMMON STOCK SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE MERGERS, INCLUDING THE APPLICABILITY AND EFFECT OF ANY U.S. FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS.**

For purposes of this discussion, the term U.S. holder means any beneficial owner of shares of EarthLink common stock that is, for U.S. federal income tax purposes:

an individual who is a citizen or resident of the United States;

a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia;

an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust (a) if a court within the United States is able to exercise primary supervision over the trust's administration and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes.

*General*

EarthLink and Windstream intend for the mergers to qualify as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to Windstream's obligation to complete the mergers that Windstream receive an opinion from Skadden, Arps, Slate, Meagher & Flom LLP, counsel to Windstream, to the effect that the mergers will be treated as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to EarthLink's obligation to complete the mergers that EarthLink receive an opinion from Paul, Weiss, Rifkind, Wharton & Garrison LLP, counsel to EarthLink, to the effect that the mergers will be treated as a reorganization within the meaning of Section 368(a) of the Code. These conditions may not be waived by EarthLink or Windstream after receipt of the approval of the mergers by the stockholders of EarthLink and Windstream, respectively, without further stockholder approval.

These opinions will be based on customary assumptions and representations from EarthLink, Windstream, Merger Sub 1 and Merger Sub 2, as well as certain covenants and undertakings by EarthLink, Windstream, Merger Sub 1 and Merger Sub 2. If any of the assumptions, representations, covenants or undertakings is incorrect, incomplete, inaccurate or is violated, the validity of the opinions described above may be affected and the U.S. federal income tax consequences of the mergers could differ materially from those described in this joint proxy statement/prospectus.

An opinion of counsel represents counsel's legal judgment but is not binding on the IRS or any court, so there can be no certainty that the IRS will not challenge the conclusions reflected in the opinions or that a court would not sustain such a challenge. Neither EarthLink nor Windstream intends to obtain a ruling from the IRS with respect to the tax consequences of the mergers. If the IRS were to successfully challenge the reorganization status of the mergers, the tax consequences would be different from those set forth in this joint proxy statement/prospectus.

*U.S. Federal Income Tax Consequences of the Mergers to U.S. Holders*

On the basis of the opinions described above, and subject to the discussion below relating to the receipt of cash in lieu of fractional shares:

a U.S. holder of EarthLink common stock will not recognize any gain or loss upon the exchange of shares of EarthLink common stock for shares of Windstream common stock in the mergers;

a U.S. holder of EarthLink common stock will have a tax basis in the Windstream common stock received in the mergers (including any fractional shares of Windstream common stock deemed received and exchanged for cash as described below) equal to the tax basis of the EarthLink common stock surrendered in exchange therefor;

a U.S. holder of EarthLink common stock will have a holding period for shares of Windstream common stock received in the mergers (including any fractional shares of Windstream common stock deemed received and exchanged for cash as described below) that includes its holding period for its shares of EarthLink common stock surrendered in exchange therefor.

*Cash in Lieu of Fractional Shares*

No fractional shares of Windstream common stock will be distributed to holders of EarthLink common stock in connection with the mergers. A U.S. holder that receives cash in lieu of a fractional share of Windstream common stock as part of the mergers will generally be treated as having received the fractional share pursuant to the mergers and then as having sold that fractional share of Windstream common stock for cash. As a result, such U.S. holder will recognize capital gain or loss measured by the difference between the cash received for such fractional share and the portion of the U.S. holder's tax basis in the shares of EarthLink common stock allocable to the fractional share. Such capital gain or loss will generally be long-term capital gain or loss if the holding period for such shares of EarthLink common stock is more than one year. Long-term capital gain of certain non-corporate taxpayers, including individuals, is generally taxed at preferential rates. The deductibility of capital losses is subject to limitations.

*Backup Withholding*

Backup withholding at the applicable rate (currently 28%) may apply with respect to certain payments, such as cash received for fractional shares, unless the U.S. holder of the EarthLink common stock receiving such payments (i) is an exempt holder (and that, when required, provides certification as to its exempt status) or (ii) provides a properly completed IRS Form W-9 containing the holder's name, address, correct federal taxpayer identification number and a statement that the holder is exempt from backup withholding. Backup withholding is not an additional tax, and any amounts withheld from payments to a U.S. holder under the backup withholding rules will be allowed as a refund or credit against the holder's U.S. federal income tax liability, if any, provided the required information is timely furnished to the IRS.

**ACCOUNTING TREATMENT**

Windstream prepares its financial statements in accordance with GAAP. The mergers will be accounted for using the acquisition method of accounting. Windstream will allocate the purchase price to the fair value of EarthLink's tangible and intangible assets and liabilities at the acquisition date, with the excess purchase price being recorded as goodwill. Under GAAP, goodwill is not amortized but is tested for impairment at least annually.

**UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS**

The unaudited pro forma condensed combined financial statements presents the combination of historical financial statements of Windstream and EarthLink adjusted to give effect to the mergers. The unaudited pro forma combined statements of operations assume the mergers had been completed on January 1, 2015, while the unaudited pro forma combined balance sheet assumes the mergers had been completed on September 30, 2016.

The unaudited pro forma condensed combined financial statements are based upon the historical financial statements of Windstream and EarthLink and have been prepared in accordance with Article 11 of Regulation S-X. The pro forma condensed combined financial statements are based on various assumptions, including assumptions relating to the consideration paid and the allocation thereof to the assets acquired and liabilities assumed from EarthLink based on preliminary estimates of fair value. The pro forma assumptions and adjustments are described in the accompanying notes to the unaudited pro forma condensed combined financial statements. Pro forma adjustments are those that are directly attributable to the transaction, are factually supportable and, with respect to the unaudited pro forma statement of operations, are expected to have a continuing impact on the results of operations of the combined company. The unaudited pro forma condensed combined financial statements do not reflect any incremental costs incurred in integrating the two companies or any cost savings from operating efficiencies, synergies or other restructurings that could result from the mergers.

The pro forma adjustments are preliminary and have been made solely for informational purposes. As of the date of this joint proxy statement/prospectus, Windstream has not completed the appraisals necessary to arrive at the fair market value of the assets and liabilities to be acquired and the related allocations of purchase price. Once Windstream has completed the appraisals necessary to finalize the required purchase price allocation after the consummation of the mergers, the final allocation of purchase price will be determined. The final purchase price allocation will be determined by management with the assistance of third party appraisals and may be different than that reflected in the pro forma purchase price allocation reflected in the accompanying pro forma financial statements and this difference may be material.

The unaudited pro forma condensed combined financial statements are not intended to represent and are not necessarily indicative of what the combined company's financial condition or results of operations would have been had the mergers been completed on January 1, 2015 or September 30, 2016, as the case may be. In addition, the pro forma financial statements do not purport to project the future financial condition and results of operations of the combined company. The accompanying notes are an integral part of the unaudited pro forma condensed combined financial statements and should be read in conjunction therewith.

The unaudited pro forma condensed combined financial statements should be read in conjunction with the separate historical consolidated financial statements and accompanying notes included in Windstream's Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2016, as well as EarthLink's Annual Report on Form 10-K for its fiscal year ended December 31, 2015 and Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2016, each of which are incorporated herein by reference.



**WINDSTREAM HOLDINGS, INC.**  
**UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET**  
**AS OF SEPTEMBER 30, 2016**

(Millions)	Windstream	EarthLink	Pro Forma Adjustments	Pro Forma
<b>Assets</b>				
Cash and cash equivalents	\$ 61.4	\$ 58.9	\$	\$ 120.3
Accounts receivable, net of allowance for doubtful accounts	649.7	70.9		720.6
Other current assets	209.9	23.6		233.5
Goodwill	4,213.6	141.9	488.1 (A)	4,843.6
Other intangibles, net	1,365.3	3.3	326.7 (B)	1,695.3
Net property, plant and equipment	5,238.8	333.5		5,572.3
Other assets	84.9	11.5	(2.3) (C)	94.1
<b>Total Assets</b>	<b>\$ 11,823.6</b>	<b>\$ 643.6</b>	<b>\$ 812.5</b>	<b>\$ 13,279.7</b>
<b>Liabilities</b>				
Current maturities of long-term debt	\$ 13.4	\$ 2.3	\$ 3.7 (D)	\$ 19.4
Current portion of long-term lease obligations	164.5			164.5
Accounts payable	327.8	19.7		347.5
Other current liabilities	642.7	127.0		769.7
Long-term debt	4,852.7	427.2	74.7 (E)	5,354.6
Long-term lease obligations	4,875.7			4,875.7
Deferred income taxes	199.7	4.4	118.9 (F)	323.0
Other liabilities	496.8	36.4		533.2
<b>Total liabilities</b>	<b>11,573.3</b>	<b>617.0</b>	<b>197.3</b>	<b>12,387.6</b>
<b>Shareholders Equity</b>				
Common stock		2.0	(2.0 ) (G)	
Additional paid in capital	569.3	2,018.2	(1,320.6 ) (G)	1,266.9
Accumulated other comprehensive loss	(10.3 )			(10.3 )
Accumulated deficit	(308.7 )	(1,248.7)	1,192.9 (G)	(364.5 )
Treasury stock		(744.9 )	744.9 (G)	
Total shareholders equity	250.3	26.6	615.2	892.1
<b>Total Liabilities and Shareholders Equity</b>	<b>\$ 11,823.6</b>	<b>\$ 643.6</b>	<b>\$ 812.5</b>	<b>\$ 13,279.7</b>

The accompanying notes are an integral part of the unaudited pro forma condensed combined financial statements.

**WINDSTREAM HOLDINGS, INC.**  
**UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016**

(Millions, except per share amounts)	Windstream	EarthLink	Pro Forma Adjustments	Pro Forma
<b>Revenues and sales:</b>				
Service revenues	\$ 3,990.8	\$ 729.7	\$ 16.9 (H)	\$ 4,737.4
Product sales	87.1			87.1
Total revenues and sales	4,077.9	729.7	16.9	4,824.5
<b>Costs and expenses:</b>				
Cost of services	2,013.5	335.7	16.9 (H)	2,366.1
Cost of products sold	74.6			74.6
Selling, general and administrative	590.8	237.4	11.8 (I)	840.0
Depreciation and amortization	934.0	106.3	39.0 (J)	1,079.3
Merger and integration costs	10.5	6.6		17.1
Restructuring charges	12.8	2.5		15.3
Total costs and expenses	3,636.2	688.5	67.7	4,392.4
<b>Operating income</b>	<b>441.7</b>	<b>41.2</b>	<b>(50.8)</b>	<b>432.1</b>
Dividend income on CS&L common stock	17.6			17.6
Other expense, net	(2.5)			(2.5)
Gain on disposal of investment in CS&L common stock	15.2			15.2
Gain on sale of businesses		9.1		9.1
Loss on early extinguishment of debt	(18.0)	(4.8)		(22.8)
Other-than-temporary impairment loss on investment in CS&L common stock	(181.9)			(181.9)
Interest expense	(653.5)	(31.8)	8.5 (K)	(676.8)
(Loss) income before income taxes	(381.4)	13.7	(42.3)	(410.0)
Income tax (benefit) expense	(84.8)	1.5	(16.4) (L)	(99.7)
Net (loss) income	\$ (296.6)	\$ 12.2	\$ (25.9)	\$ (310.3)
<b>(Loss) income per share:</b>				
Basic	(\$3.19)	\$.12		(\$1.74)
Diluted	(\$3.19)	\$.11		(\$1.74)
<b>Weighted average shares:</b>				
Basic	93.6	105.1	86.0 (M)	179.6
Diluted	93.6	108.3	86.0 (M)	179.6

The accompanying notes are an integral part of the unaudited pro forma condensed combined financial statements.

**WINDSTREAM HOLDINGS, INC.**  
**UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

(Millions, except per share amounts)	Windstream	EarthLink	Pro Forma Adjustments	Pro Forma
<b>Revenues and sales:</b>				
Service revenues	\$ 5,598.6	\$ 1,097.2	\$ 23.7 (H)	\$ 6,719.5
Product sales	166.7			166.7
Total revenues and sales	5,765.3	1,097.2	23.7	6,886.2
<b>Costs and expenses:</b>				
Cost of services	2,762.0	500.6	23.7 (H)	3,286.3
Cost of products sold	145.2			145.2
Selling, general and administrative	866.5	368.8	15.8 (I)	1,251.1
Depreciation and amortization	1,366.5	188.3	30.2 (J)	1,585.0
Merger and integration costs	95.0	9.5		104.5
Restructuring charges	20.7	9.8		30.5
Total costs and expenses	5,255.9	1,077.0	69.7	6,402.6
<b>Operating income</b>	<b>509.4</b>	<b>20.2</b>	<b>(46.0)</b>	<b>483.6</b>
Dividend income on CS&L common stock	48.4			48.4
Other income (expense), net	9.1	(1.0)		8.1
Gain on sale of data center	326.1			326.1
Loss on early extinguishment of debt	(36.4)	(9.7)		