

# Windstream 401(k) Plan

## Summary Plan Description



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# THE PLAN AT A GLANCE

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<b>BENEFIT</b>	<p>The Windstream 401(k) Plan (the "Plan") is a tax advantaged way for you to save for retirement through payroll deduction. The contributions you make, along with company contributions and earnings, can be of significant value in building a strong financial future for you and your family.</p>
<b>ELIGIBILITY &amp; ENROLLMENT</b>	<p>If you are employed by Windstream Nebraska, Inc. (the "Company") and are covered by the collective bargaining agreement with the Communications Workers of America Local 7470 ("CWA 7470"), you are immediately eligible to participate in the Plan and can start making contributions as soon as administratively practicable following enrollment in the Plan. To enroll, go to the Bank of America Merrill Lynch website at <a href="http://www.benefits.ml.com">www.benefits.ml.com</a> or call 1.800.228.4015.</p> <p>If you were hired on or after October 16, 2016, you will be automatically enrolled in the Plan in accordance with Plan procedures at a 2% pretax contribution level unless you make an affirmative election. If you ceased active participation in the Windstream Pension Plan as of September 16, 2017 or December 31, 2018, respectively, you will be automatically enrolled in the Plan at that time in accordance with Plan procedures at a 2% pretax contribution level unless you have an election in effect of at least 2% or you make an affirmative election.</p>
<b>EMPLOYEE CONTRIBUTIONS</b>	<p>You can make pretax and/or Roth contributions up to 60% of your Plan compensation, subject to certain limits. The legal maximum is \$18,500 (for 2018). Also, if you will be at least age 50 during the year, you can make "Catch-up" contributions up to \$6,000 (for 2018).</p>
<b>COMPANY CONTRIBUTIONS</b>	<p>If you are employed in employment covered by the CWA 7470 collective bargaining agreement on the last day of the Plan Year (or retired, died or became disabled during the Plan Year), the Company will make matching contributions in cash or Windstream Common Stock for the period that you do <u>not</u> actively participate in the Windstream Pension Plan equal to 100% of the pretax</p>

	<p>and/or Roth contributions you make up to the first 3% of your Plan compensation plus 50% of the pretax and/or Roth contributions you make on the next 2% of your Plan compensation. For the period that you actively participate in the Windstream Pension Plan, no Company matching contributions are made on your behalf.</p> <p>If you are employed in employment covered by the CWA collective bargaining agreement and cease active participation in the Windstream Pension Plan effective as of September 16, 2017 or December 31, 2018, respectively, you will receive a \$10,000 Company nonelective contribution to the Plan.</p>
<b>INVESTMENT CHOICES</b>	You may invest your account balance among multiple investment funds.
<b>VESTING</b>	You generally are 100% vested in all contributions and earnings made to the Plan. See Appendix D regarding vesting of amounts transferred from prior plans.
<b>PAYMENT OF BENEFITS</b>	Generally, you may take your money when you retire or leave the Company. Under certain circumstances, you may also take a loan from or receive a withdrawal (e.g., on account of hardship) of part of your account balance.
<p><b>THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS COVERING SECURITIES THAT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933.</b></p>	

**This Summary Plan Description and Prospectus do not contain all of the technical details and legal expressions contained in the formal Plan documents. Any discrepancies between this Summary Plan Description and Prospectus and the formal Plan documents will be resolved in favor of the formal Plan documents. The Plan Administrator has the discretionary power and authority to construe the provisions of the Plan and to make factual determinations in deciding whether an applicant is entitled to benefits under the Plan.**

# WINDSTREAM 401(K) PLAN SUMMARY PLAN DESCRIPTION AND PROSPECTUS

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The Windstream 401(k) Plan (the "Plan") helps you build financial security for your retirement by providing you with a tax-advantaged opportunity to save for your retirement. The Plan is intended to satisfy the requirements of a qualified plan under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). The Windstream Stock Fund under the Plan, which is invested in Windstream Holdings, Inc. common stock ("Windstream Common Stock"), has been designated as an employee stock ownership plan under the Internal Revenue Code.

This Summary Plan Description and Prospectus have been written specifically for employees covered by the collective bargaining agreement between Windstream Nebraska, Inc. (the "Company") and CWA 7470. This Summary Plan Description and Prospectus generally describe the Plan as in effect on January 1, 2018. Separate summary plan descriptions and prospectuses have been prepared for non-bargaining employees and bargaining employees covered by other collective bargaining agreements. The Plan Sponsor is Windstream Services, LLC ("Windstream") and the Company is a participating employer. The Plan Administrator and the Trustee for the Plan are listed in the Plan Data section at the end of this document.

If you participated in a plan that was merged into the Plan or in a plan from which your account was transferred to the Plan (other than by rollover), see Appendix D (Prior Plans) to this Summary Plan Description and Prospectus for information regarding any benefits, rights, and features of your prior plan account that may be different than those described generally for the Plan. Appendix D applies to the mergers of or account transfers from the Windstream Profit-Sharing Plan, Valor Telecommunications Southwest, LLC Savings Plan, The Concord Telephone Company Employees' Savings Plus Plan, Lexcom 401(k) Plan, D&E Communications, Inc. Employees' 401(k) Savings Plan, Conestoga Telephone & Telegraph Local 1671 Tax Deferred Retirement Plan, NuVox Communications, Inc. Profit Sharing 401(k) Plan, Iowa Telecom Savings Plan, Iowa Telecom Hourly Savings Plan, Hosted Solutions Acquisition, LLC 401(k) Plan, PAETEC Holding Corp. 401(k) Plan, Network Telephone 401(k) Profit

Sharing Plan, BOB, LLC 401(k) Plan, EarthLink 401(k) Plan, and Broadview Networks Retirement Savings Plan.

## **ELECTIONS AND ACCOUNT INFORMATION**

Eligible employees can make certain elections described in this Summary Plan Description and Prospectus and access account information by calling the Plan's record keeper, Bank of America Merrill Lynch & Co., Inc. ("Bank of America Merrill Lynch"), at 1-800-228-4015 or accessing the Bank of America Merrill Lynch Benefits OnLine® website at [www.benefits.ml.com](http://www.benefits.ml.com). These systems are generally available 24 hours a day; however, the systems may not be available or processing may be delayed because of system problems, call volume, or other reasons.

## **ELIGIBILITY**

If you are employed by the Company and are covered by the collective bargaining agreement with the Communications Workers of America Local 7470 ("CWA 7470"), you are immediately eligible to participate in the Plan and can start making contributions as soon as administratively practicable following enrollment in the Plan. If you do not elect to enroll at the time you are first eligible to participate, you may enroll at any time during your employment as an eligible bargaining employee. Individuals who are not eligible to participate include leased employees, employees who do not have regularly stated compensation on a salaried or hourly wage basis, persons not classified as employees of a participating employer, and nonresident aliens with no U.S. income.

If you are employed in employment covered by the CWA 7470 collective bargaining agreement on the last day of the Plan Year (or retired, died or became disabled during the Plan Year), the Company will make matching contributions in cash or Windstream Common Stock for the period that you do not actively participate in the Windstream Pension Plan equal to 100% of the pretax and/or Roth contributions you make up to the first 3% of your Plan compensation plus 50% of the pretax and/or Roth contributions you make on the next 2% of your Plan compensation. For the period that you actively participate in the Windstream Pension Plan, no Company matching contributions are made on your behalf.

If you are employed in employment covered by the CWA collective bargaining agreement and cease active participation in the Windstream Pension Plan

effective as of September 16, 2017 or December 31, 2018, respectively, you will receive a \$10,000 Company nonelective contribution to the Plan.

## **ENROLLMENT/AUTO-ENROLLMENT**

You can start contributing to the Plan at any time after you are eligible. To make your contribution and investment elections, access the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or call the Bank of America Merrill Lynch Interactive Voice Response system at 1-800-228-4015.

If you were hired on or after October 16, 2016, you will be automatically enrolled in the Plan in accordance with Plan procedures at a 2% pretax contribution level unless you make an affirmative election. If you ceased active participation in the Windstream Pension Plan as of September 16, 2017 or December 31, 2018, respectively, you will be automatically enrolled in the Plan at that time in accordance with Plan procedures at a 2% pretax contribution level unless you have an election in effect of at least 2% or you make an affirmative election.

## **EMPLOYEE PRETAX AND ROTH CONTRIBUTIONS**

Generally, you may contribute between 1% and 60% of your Plan compensation for a payroll period to the Plan on a pretax and/or Roth basis, subject to certain limits. Your contributions may not exceed a certain dollar limit set each year by the IRS. For the 2018 Plan Year, the limit is \$18,500. (See next section regarding "Catch-up" contributions if you will be at least age 50 during the year.) Also, if you are a highly compensated employee, your contributions may be limited to satisfy IRS nondiscrimination rules. The amount you contribute to the Plan as pretax dollars, is not counted as part of your income for the purpose of calculating your federal income tax in the year in which you make the contributions. In addition, many states allow you to exclude these amounts from current taxes. Your pretax contributions and any earnings on your pretax contributions generally are not taxable under federal income tax rules until they are distributed to you from the Plan. The pretax amounts you contribute to the Plan do not affect your other salary-based benefits such as life insurance and disability insurance. The amounts you contribute to the Plan as Roth contributions are made on an after-tax basis. Distribution of Roth contributions and any associated investment earnings is tax-free if the distribution is made both after the fifth anniversary of the first day of the tax year of your first Roth contribution to the Plan and after you are at least 59½ years of age.



Your "Plan compensation" that is eligible for pretax and/or Roth contributions generally consists of all wages, salaries and other amounts paid to you as an eligible employee for services rendered as reported on your Form W-2, including amounts that would have been included in your compensation if they had not received special tax treatment because they were deferred under the Plan, a medical reimbursement plan or dependent care plan.

Plan compensation, however, does not include (i) deferred compensation, (ii) amounts realized from nonstatutory stock options, restricted stock, and statutory stock options, (iii) amounts that receive special tax benefits, (iv) other forms of remuneration similar to the above exclusions, (v) moving expenses, (vi) reimbursement or other expense allowances, (vii) fringe benefits (cash and non-cash), (viii) welfare benefits, (ix) severance pay and (vi) any amounts paid following your termination of employment except otherwise eligible regular pay or payments for certain unused vacation or sick pay that are paid by the end of the Plan Year or, if later, 2-1/2 months following your termination of employment. Plan compensation includes any tax rules limiting the amount of compensation that may be taken into account as Plan compensation each year (\$275,000 for 2018).

You may increase or decrease your contributions at any time by accessing the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or by calling a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015. Contributions must be made in increments of 1% (for example, you may not contribute 2.5%). As prescribed by the Plan Administrator, contribution elections may include an automatic increase feature.

Even though your Plan compensation may change, your contribution percentage will remain the same (unless you elect an increase or decrease in the percentage). In other words, the dollar amount of your contribution will increase or decrease in proportion to your Plan compensation because the contribution percentage remains the same.

You may stop your contributions at any time by accessing the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or by calling a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015. The adjustment is effective as soon as administratively possible (generally with the next full pay period). You may resume contributions at any time.

If you are an eligible employee and you become ineligible (see Eligibility section of this summary for additional details), you will be unable to make contributions to the Plan after you become an ineligible employee.

## **CATCH-UP CONTRIBUTIONS**

A Plan participant who will be at least age 50 during a Plan Year may contribute more than the annual deferral limit and/or the annual plan maximum contribution limit to the Plan. Catch-up contributions are subject to an annual limit. Participants who will be at least age 50 during a Plan Year may make pretax and/or Roth "Catch-up" contributions during the year, up to a maximum of \$6,000 for 2018, in accordance with rules specified by the Company. Catch-up contributions are not matched with Company matching contributions.

Catch-up Contribution elections can be made by accessing the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or by calling a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

## **COMPANY CONTRIBUTIONS**

### **Company Matching Contributions**

If you are employed in employment covered by the CWA 7470 collective bargaining agreement on the last day of the Plan Year (or retired, died or became disabled during the Plan Year), the Company will make matching contributions in cash or Windstream Common Stock for the period that you do not actively participate in the Windstream Pension Plan equal to 100% of the pretax and/or Roth contributions you make up to the first 3% of your Plan compensation plus 50% of the pretax and/or Roth contributions you make on the next 2% of your Plan compensation. For the period that you actively participate in the Windstream Pension Plan, no Company matching contributions are made on your behalf.

The Company matching contributions will be made as soon as administratively practicable following the end of the Plan Year. The Company matching contributions may be made in cash or shares of Windstream Common Stock as determined by the Company.

Note that, if you are eligible for Company matching contributions and have contributed at least 5% of your Plan compensation for a Plan Year to the Plan as

pretax and/or Roth contributions, the Company will make an aggregate matching contribution equal to 4% of your Plan compensation for the Plan Year.

The Company does not match Catch-up contributions.

Like your pretax contributions to the Plan, the Company matching contributions and any earnings on them generally are not taxable to you until they are distributed to you from the Plan.

## **Company Nonelective Contributions**

If you are employed in employment covered by the CWA collective bargaining agreement and cease active participation in the Windstream Pension Plan effective as of September 16, 2017 or December 31, 2018, respectively, you will receive a \$10,000 Company nonelective contribution to the Plan. If you are eligible for the Company nonelective contribution effective as of September 16, 2017, the Company will make the contribution by December 31, 2017. If you are eligible for the Company nonelective contribution effective as of December 31, 2018, the Company will make the contribution by March 31, 2019.

## **ROLLOVER CONTRIBUTIONS**

Rollover contributions from other retirement plans to the Plan may occur from time to time under certain circumstances. For example, you can roll over amounts from a previous employer's qualified plan (other than after-tax contributions). You can also roll over amounts you are entitled to as the spousal beneficiary of another qualified plan.

Subject to the approval of the Plan Administrator, you may elect to roll over qualified cash distributions from another retirement plan or roll over a conduit Individual Retirement Account (IRA) into the Plan. After-tax contributions, however, may not be rolled over to the Plan. Internal Revenue Code rules govern whether a distribution from another plan or a conduit IRA qualifies for rollover into the Plan. The Plan Administrator requires you to provide information to show that the distribution you want to roll over qualifies under the Internal Revenue Code rules.

If you want to roll over contributions from another plan, you must complete a 401(k) Plan Rollover Application Form. The form can be obtained by accessing the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com), or by calling the Bank of America Merrill Lynch Interactive

Voice Response system at 1-800-228-4015. Your rollover contribution funds must be delivered within 60 days of the date you received it to qualify as a tax-free rollover.

If you have amounts in the Plan from a rollover, a separate account will be established and maintained on your behalf. The account reflects the amounts credited to you from the rollover, and you may invest them in the Plan funds of your choice.

Once the rollover contribution is deposited into the Plan, the funds become subject to the rules and regulations of the Plan document.

## **INVESTMENTS**

The Plan offers multiple core investment funds for you to choose from with varying degrees of investment risk, including the Windstream Stock Fund, and also offers you the flexibility to invest in retail mutual funds through Self-Direct Brokerage (as described below). The core investment funds are described in Appendices A and B, and information regarding fund performance history is described in Appendix C to this Summary Plan Description and Prospectus. You will be charged \$.03 for each share of Windstream Common Stock you purchase or sell. For more complete information on the core investment funds, including their management fees and other charges and expenses, please consult the individual prospectus and comparable documents for the funds. The individual prospectus for and additional information about the core investment funds can be obtained on Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or by calling Bank of America Merrill Lynch at 1-800-228-4015.

Please review all individual prospectuses, disclosure documents, and other communication materials carefully before making an investment decision.

You may divide your contributions and Company contributions (other than Company contributions made in shares of Windstream Common Stock) among any of the core investment funds or Self-Direct Brokerage in increments of 1% or more. For example, you may allocate 25% of your contributions and Company contributions (other than Company contributions made in shares of Windstream Common Stock) to one fund, 50% to a second fund, 22% to a third fund, and 3% to a fourth fund. In addition, you may allow your contributions and Company contributions (other than Company contributions made in shares

of Windstream Common Stock) to accumulate in one fund and then direct future contributions to another fund. Company contributions that are made in shares of Windstream Common Stock are initially invested in the Windstream Stock Fund.

You may change your investment choices or percentages among the investment funds, including the Windstream Stock Fund, or Self-Direct Brokerage at any time, subject to processing cutoffs by the record keeper. Simply access the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or call Bank of America Merrill Lynch Interactive Voice Response system at 1-800-228-4015.

In addition to your investment direction for deposit of future contributions, you may make a separate election to reallocate your existing account balance among the investment funds or Self-Direct Brokerage. For example, you may allocate 25% of your total account balance to one fund, 60% to a second fund, and the remaining 15% to a third fund. This election will reallocate your entire plan account among the funds you select.

If you do not make an investment election, your contributions and Company contributions (other than Company contributions made in shares of Windstream Common Stock) will be invested in a manner deemed appropriate by the Windstream Investment Committee (generally to the qualified default investment alternative described in Appendix A).

## **Self-Direct Brokerage**

Self-Direct Brokerage is a separate brokerage account within the Plan that offers you the flexibility to invest in retail mutual funds separate from the investment options included in the Plan's core investment menu. This service is for participants interested in creating and managing their own investment strategy, providing the flexibility and control that comes with independent investing. If you choose to invest through Self-Direct Brokerage, it is your responsibility to research, evaluate and select your investments as well as monitor their performance. If you enroll in Self-Direct Brokerage, you will be charged an annual record keeping fee of \$100, and additional fees and commissions may apply to your mutual fund investments. To find out what retail mutual funds are available, you may visit the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

## Advice Access

Advice Access (AA) is an investment advisory service offered under the Plan. AA enables you to prepare for retirement and understand where you stand in reaching your financial goals, get specific recommendations for how much to save and how to invest to increase the likelihood that you will reach your financial goals, and benefit from an expert retirement strategy. There are three options to help you manage your account.

1. PersonalManager – Your participant portfolio is reviewed every 90 days. This regular review will consider any updates to your profile, such as a salary increase, change in marital status, or anything else related to your financial situation. It will also consider changes in financial markets, or with the funds you have in your portfolio. If necessary, the percentage of the portfolio in each fund will be adjusted, and/or one or more different investment funds may be brought into the mix.
2. Portfolio Rebalancing – Your portfolio is rebalanced every 90 days to maintain the existing targeted asset allocation, but no new funds are considered. Portfolio Rebalancing will not review your personal profile to reflect any possible changes and will not change your investments.
3. One-Time Implementation – After the one-time implementation, your investment profile is not reviewed and your portfolio is not rebalanced. You are solely responsible for managing your investments and making future changes.

You can access AA:

- Online at [www.benefits.ml.com](http://www.benefits.ml.com).
- By phone, from a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.
- Directly from your financial advisor. To set up a meeting with a financial advisor, please contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

The Advice Access service uses a probabilistic approach to determine the likelihood that you may be able to achieve your stated goals and/or to identify a range of potential wealth outcomes that could be realized. You should carefully

review the explanation of the methodology used, including key assumptions and limitations, which is provided in the Advice Access disclosure statement. It can be obtained through Benefits OnLine or through a Bank of America Merrill Lynch Retirement Specialist.

**IMPORTANT:** The projections or other information shown in the Advice Access service regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

## **Windstream Stock Fund**

The Plan permits you to invest in Windstream Holdings, Inc. through the Windstream Stock Fund. (See Appendices A and B to this Summary Plan Description and Prospectus for more detailed information regarding the Windstream Stock Fund.) You will be charged \$.03 for each share of Windstream Common Stock you purchase or sell. You should know that Plan accounts are not required to be invested in the Windstream Stock Fund and that you can change your investment elections daily to direct any future contributions (other than Company contributions made in shares of Windstream Common Stock) to another investment fund and/or transfer part or all of your existing balance from the Windstream Stock Fund to another investment fund.

## **ERISA Section 404(c)**

The Plan generally provides for participant direction of investment and, where participant direction of investment is provided, the Plan is intended to constitute a plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Title 29 of the *Code of Federal Regulations* Section 2550.404c-1. As an ERISA Section 404(c) plan, the fiduciaries of the Plan may be relieved of liability for any losses that are the direct and necessary result of investment instructions given by a participant or beneficiary. If you choose to invest through Self-Direct Brokerage, it is also your responsibility to research, evaluate and select your retail mutual fund investments as well as monitor their performance.

The Plan maintains certain procedures to ensure the confidentiality of any transaction involving Windstream Common Stock. All investment instructions to purchase or sell Windstream Common Stock are handled by a third-party administrator or designated employees of the human resources or benefits department and are forwarded to the Trustee of the Plan for execution. Your

investment instructions are not communicated to your supervisor, co-workers, or any member of management, excluding those designated employees necessary to process your instructions.

The Plan Administrator, whose name, address, and telephone number can be found in this Summary Plan Description and Prospectus, is responsible for monitoring the procedures established to maintain confidentiality of a participant's purchase, sale, holding, and exercise of voting and similar rights with respect to Windstream Common Stock. The Plan Administrator will designate an independent fiduciary to act in the event the Plan Administrator determines that such a fiduciary is needed to safeguard the confidentiality of certain transactions involving employer securities.

Upon your request, the Plan Administrator will furnish you with the following:

- the most current individual prospectus or similar document of each investment fund
- any available financial reports or statements of each investment fund
- information concerning the value of shares or units of each investment fund
- a list of the assets comprising the investment fund along with the value of each asset

Current investment fund information, including fee and expense information, is available through the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com).

## **EMPLOYER SECURITIES DIVERSIFICATION NOTICE**

Federal law provides specific rights concerning investments in employer securities (Windstream Common Stock). Because you may now or in the future have investments in Windstream Common Stock under the Plan, you should take time to read this notice carefully.

### **Your Rights Concerning Employer Securities.**

The Plan must allow you to elect to move any portion of your account that is invested in Windstream Common Stock (*i.e.*, through the Windstream Stock



Fund) from that investment into other investment alternatives under the Plan. This right extends to all of your investment in the Windstream Stock Fund under the Plan. You may contact the person identified below for specific information regarding this right, including how to make this election. In deciding whether to exercise this right, you will want to give careful consideration to the information below that describes the importance of diversification. All of the investment funds under the Plan are available to you if you decide to diversify out of the Windstream Stock Fund.

## **The Importance of Diversifying Your Retirement Savings.**

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. Therefore, you should carefully consider the rights described in this notice and how these rights affect the amount of money that you invest in the Windstream Stock Fund through the Plan.

It is also important to periodically review your investment portfolio, your investment objectives, and the investment funds under the Plan to help ensure that your retirement savings will meet your retirement goals.

## **For More Information**

If you have any questions about your rights regarding employer securities diversification, including how to make investment elections, you may access the

Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or call a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

## **ADMINISTRATION, FEES, AND REVENUE SHARING**

The Plan Administrator is responsible for the administration of the Plan and has sole discretionary authority to interpret and construe the terms of the Plan, determine your eligibility for benefits under the Plan, and resolve any disputes that arise under the Plan. Benefits under the Plan are paid only if the Plan Administrator (or its delegate) decides in its discretion that the applicant is entitled to benefits under the Plan. The expenses of administering the Plan are paid from Plan assets, unless the Company elects in its sole discretion to make payment directly from its general assets.

### **Valuation of Your Plan Account**

The value of your Plan account is adjusted on each valuation date to reflect any earnings or losses on your investment, any distributions you have received, and any contributions that have been made to your Plan account since the preceding valuation.

Typically, the Plan is valued daily on business days when the New York Stock Exchange is open for trading. There may be other times when daily valuation is unavailable. You will receive a written statement of your account at least quarterly in addition to daily online account balance information.

### **Fees and Revenue Sharing**

In making decisions regarding the Plan, you will want to consider the fees and expenses that will be charged to your Plan account. In general, fees can be classified into the following categories:

*Plan Administrative Fees.* Plan administration expenses may include, but are not limited to, plan record keeping, regulatory testing, financial reporting, audit, legal and investment advisor fees. A \$10.25 per quarter record keeping fee is charged to your account to cover record keeping and other Plan administration expenses (e.g., keeping track of your accounts and transactions). The Company may at its discretion elect to pay some or all of the Plan administrative expenses.

*Plan Transaction Fees.* Your account will be charged fees for certain Plan transactions, for example, a \$50 loan processing fee.

*Self-Direct Brokerage Fees.* If you enroll in Self-Direct Brokerage, you will be charged an annual record keeping fee of \$100, and additional fees and commissions may apply to your mutual fund investments. To find out what mutual funds are available, you may visit the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

*Investment Fund Fees.* Your account will be reduced by a number of expenses or fees associated with your investment choices, including fees charged by some or all of the following entities: the Trustee, investment advisors, investment managers, and securities brokers. The amount and allocation of fees and expenses are subject to change at any time.

For current information regarding fees and expenses, you may visit the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

*Revenue Sharing.* From time to time, managers of investment funds may agree to share revenue from management fees with the Plan. Any revenue shared with the Plan will be returned to participant accounts invested in those funds at the end of each month.

## **VESTING**

All the money contributed to the Plan, including your pretax and/or Roth contributions, Company contributions (*i.e.*, Company matching contributions and Company nonelective contributions) and rollover contributions, and the earnings (or losses) on the funds belong to you. In other words, you will always be 100% vested (entitled to the entire value of your account) regardless of your years of service.

See Appendix D (Prior Plans) to this Summary Plan Description and Prospectus, however, regarding vesting of amounts transferred from, or made with respect to, prior plans (e.g., Windstream Profit-Sharing Plan contributions are subject to a vesting schedule).

# **PARTICIPANT LOANS**

## **Loan Requirements**

The Plan allows you to receive a loan from your individual account if you are an employee of the Company or a related company. Only one loan at a time is allowed. To obtain a copy of the Windstream 401(k) Loan Policy, visit the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

You generally may borrow up to 50% of the value of your account up to \$50,000. The minimum loan amount is \$1,000. There is a \$50 administrative fee charged to your account at the time your loan request is processed.

All maximums are established by federal guidelines and may change from time to time. In addition, you may not be eligible to borrow the maximum if you have any outstanding loans from the Plan or another plan maintained by the Company or a related company, or if you had an outstanding loan balance in the previous 12 months.

For each loan, you will pay an interest rate comparable to that charged by a commercial lender according to the Loan Policy adopted by the Benefits Committee. Generally, any loan must be repaid within five years, although a longer repayment period may be granted for loans to acquire your principal residence. Loans will be repaid through payroll deductions.

To obtain a loan, access the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or call the Bank of America Merrill Lynch Interactive Voice Response system at 1-800-228-4015. Please allow a minimum of 15 business days after submitting your request for your loan to be processed.

A Plan loan is treated as an investment of your account. By signing, endorsing, depositing or cashing the loan proceeds check you are certifying that you agree to the terms and conditions of the loan and that your account may be charged for unpaid principal and interest if you default on the loan. If a loan is declared to be in default, the entire unpaid balance of the loan and accrued interest is immediately due and payable.

If the balance, including interest, is not paid, then the Trustee will charge your account with the amount of the loan balance and interest at the earliest date that distribution may be made to you without affecting the tax qualification of the Plan.

## **Loans and Taxes**

You don't have to pay taxes on your loan as long as you make the required payments in accordance with your loan agreement while employed with the Company, including during a leave of absence. However, if your employment terminates and you have an outstanding loan, you will have to repay the entire outstanding balance promptly or the loan will be treated as distributed and you will receive a Form 1099-R at year-end generally indicating the outstanding balance of the loan as taxable income in the year of the loan default.

## **IN-SERVICE WITHDRAWALS**

### **Hardship Withdrawals**

You may, while employed with the Company, withdraw your pretax and Roth contributions (but generally not earnings) in your account to alleviate the following financial hardships:

- to purchase your principal residence
- to finance certain expenses for post-secondary education for you, your spouse, or dependents
- to pay for non-reimbursable qualified medical expenses for you, your spouse, or dependents
- to prevent eviction from, or foreclosure on, your principal residence
- to pay funeral expenses for your parents, spouse, children or dependents
- to repair damage to your principal residence if the expense would qualify for a casualty deduction (without regard to whether the loss exceeds 10% of adjusted gross income)

Before applying for an in-service hardship withdrawal, you must have obtained all distributions and nontaxable loans currently available under all retirement plans maintained by the Company or a related company. To obtain a hardship withdrawal, you must complete a Hardship Withdrawal Request Form. The form

can be obtained by accessing the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or by calling the Bank of America Merrill Lynch Interactive Voice Response system at 1-800-228-4015. Please allow a minimum of 15 business days after submitting your request for your hardship withdrawal application to be approved and processed.

All applications are reviewed and must be approved by the Benefits Committee. Documentation of the circumstances necessitating an in-service hardship withdrawal is required.

After receiving the withdrawal, you will be suspended from making contributions to the Plan for six months.

## **Other Withdrawals**

You may, while employed with the Company, withdraw the vested portion of your account on or after attaining age 59½. You may also withdraw rollover contributions at any time. If you have amounts in your account that were merged into or transferred to the Plan (other than by rollover) from another qualified plan maintained by the Company or a related company, you may be eligible to withdraw a portion of those amounts, including certain amounts contributed prior to January 1, 1995. For further information regarding the portion of your account that may be eligible, contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

## **DISTRIBUTION OF YOUR ACCOUNT**

### **Timing of Distributions**

Distributions of your account will be made following your severance from employment with the Company and all related companies. Your account balance will be determined as of the most recent valuation date preceding your distribution.

If your account balance exceeds \$5,000, you may elect distribution at any time following your severance from employment or defer distribution until no later than the April 1<sup>st</sup> following the calendar year in which you reach age 70½. Your distribution will be made as soon as practicable after your request is made.

If your account balance is \$5,000 or less, you do not have the option to defer distribution of your account. A distribution will be made to you as soon as

practicable if you do not make an election within 90 days of the date of your severance from employment. If your account balance is \$1,000 or less, distribution will be made as a single sum (with, as applicable, mandatory 20% tax withholding) or, if elected by you, rolled over to an IRA or other eligible retirement plan. If your account balance is more than \$1,000, but not more than \$5,000, distribution will be made as elected by you (i.e., as a single sum or rollover to an IRA or other eligible retirement plan) or, if you do not make an election, in a rollover to an IRA designated by the Plan Administrator.

The IRA designated by the Plan Administrator for the mandatory rollovers described above will be invested in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. Fees and expenses of the designated IRA will be borne by you. For further information regarding the designated IRA, including the fees and expenses and the name of the IRA provider, contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

The Plan record keeper will provide you with a notice explaining your right to elect distribution from the Plan. If you do not make a distribution election, the Plan will commence distribution to you no later than the April 1 following the close of the calendar year in which you reach age 70½.

## **Forms of Benefit Payment**

If your account balance is \$5,000 or less, your account will be distributed to you (or your beneficiary, if applicable) in a single sum payment.

If your account balance is greater than \$5,000, you may elect to receive your distribution in a single sum or partial payment at any time following your severance from employment but no later than the April 1 following the calendar year you reach age 70½.

You may choose to take a distribution of any portion of your account invested in the Windstream Stock Fund in cash or in shares of Windstream Common Stock (regardless of the value of your account). If elected, you will receive a stock certificate (or equivalent) for whole shares and any fractional shares will be paid in cash.

## **Rollover of Distribution**

The IRS generally allows you (or, if applicable, your surviving spouse or non-spouse beneficiary) to directly roll over your distribution from the Plan to an IRA or another eligible retirement plan that will accept rollovers. In that case, you will not be taxed until you receive the rolled-over funds from the IRA or eligible retirement plan. See "Rollover to Roth IRAs" below for information regarding rollovers to Roth IRAs. Hardship withdrawals and mandatory distributions at age 70½ are not eligible for rollover. See "Federal Income Tax Disclosure" for more information regarding rollovers, taxation, and tax withholding.

## **Rollover to Roth IRAs**

The IRS allows you to directly rollover distributions from the Plan attributable to your Roth sub-account to a Roth IRA (or designated Roth account in another eligible retirement plan). You will not pay taxes currently on the amount you rollover and you will not have to pay taxes later on payments that are qualified distributions. A qualified distribution from a Roth IRA is a payment made both after you have had a Roth IRA for at least five years (measured from the first day of the tax year in which a contribution was made to the Roth IRA) and after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000).

The IRS also allows you to directly roll over distributions from the Plan attributable to amounts other than your Roth sub-account to a Roth IRA. The amount of such payment rolled over to the Roth IRA (reduced by any after-tax amounts) will be taxed. The 10% additional tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within 5 years, counting from January 1 of the year of the rollover). If you roll over all or part of your distribution to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover).

## **Distribution and Rollover Decisions**

It is your responsibility to research, evaluate and determine when to take a distribution from the Plan and whether to roll over that distribution to an IRA or another qualified plan. In making those decisions, there are a number of factors that you may want to consider, including available investments, fees, tax consequences (present and future), and legal and tax differences between IRAs and qualified plans (for example, net unrealized appreciation tax treatment for distributions of employer securities is only available from a qualified plan;



creditor's rights may differ, etc.). You are advised to consult your personal tax, legal and/or financial planner regarding distributions from the Plan.

## **BENEFICIARIES**

### **Designation of Beneficiary**

You may designate a beneficiary who will receive the money in your account should you die while a Plan participant. The beneficiary designation form can be obtained by accessing the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or by calling the Bank of America Merrill Lynch Interactive Voice Response system at 1-800-228-4015.

If you are married, your spouse will automatically be your beneficiary, unless he or she consents to waive this right in writing. A notary public or a Plan representative must witness the consent.

If you are not married and you do not designate otherwise, your estate will be deemed the beneficiary.

### **Distribution to Beneficiary**

If you die before distribution of your entire account has been made to you, distribution of your account will be made to your beneficiary in a single sum payment or partial distributions as follows.

- If distribution of your account has not been made or commenced to you and distribution of your account is to be made to a beneficiary who is your surviving spouse, distribution to your surviving spouse must be made no later than the end of the first calendar year beginning after your death or the end of the calendar year in which you would have reached age 70½, whichever is later.
- If distribution of your account has not been made or commenced to you and distribution of your account is to be made to a beneficiary who is not your surviving spouse, distribution to your non-spouse beneficiary of your entire account must be made no later than the end of the fifth calendar year beginning after your death.
- If distribution of your account commenced in installment payments prior to January 1, 2002, your beneficiary will continue receiving installment

payments for the remainder of the payment period, or your beneficiary may elect a lump sum distribution at any time.

## **CLAIMS PROCEDURE**

If you believe you are entitled to receive a benefit under the Plan, you must file a claim in writing on the form and in the manner required by the Plan Administrator. Your claim must be submitted within one year beginning on: (i) in the case of any separate account balance or transaction information, the date on which such information, as recorded for the separate account by the Plan, was first made available to you, (ii) in the case of any single payment, or series of payments, the date on which the single payment, or the first of the series of payments, was made, or (iii) for all other claims, the date on which the action complained or grieved of occurred.

If a claim for benefits is denied, in whole or in part, the Plan Administrator will issue a notice of the adverse benefit determination to you. The notice will be issued to you within a reasonable period of time but in no event later than 90 days from the date the claim for benefits was filed. The notice will be written in a manner to be understood by you and will include the following:

1. The specific reason or reasons for the adverse benefit determination.
2. The specific Plan provisions on which the adverse benefit determination is based.
3. A description of any further material or information which is necessary for you to perfect (complete) your claim and an explanation of why the material or information is needed.
4. An explanation of the Plan's claim review procedure and time limits applicable to the Plan's claim review procedures, including a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974 following an adverse benefit determination on review.

You or your duly authorized representative may submit to the Plan Administrator a written request for review of an adverse benefit determination within 60 days of the receipt of the notice of adverse benefit determination. Your request must contain the following information:

1. The date on which your request was filed with the Plan Administrator (although the actual date of filing will govern the timeliness of the request).
2. The specific portions of the adverse benefit determination that you request the Plan Administrator to review.
3. A statement by you setting forth the basis upon which you believe the Plan Administrator should reverse the previous adverse benefit determination and accept your claim as made.
4. Any written material (offered as exhibits) which you desire the Plan Administrator to examine in its consideration of your position.

You or your authorized representative may (i) submit written comments, documents, records and other information relating to your claim for benefits, (ii) review pertinent documents, and (iii) upon request in the manner and form required by the Plan Administrator and free of charge, be provided reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

The review by the Plan Administrator will take into account all comments, documents, records and other information submitted by you relating to the claim, without regard to whether the information was part of the initial benefit determination. The Plan Administrator will provide a written decision on review not later than 60 days after receipt of your written request for review, unless special circumstances require an extension of the time for processing the appeal. If an extension is needed, you will be provided with written notice of the extension prior to the beginning of the extension. With the extension, the written notice on review will be provided no later than 120 days after receipt of the request for review of the adverse benefit determination. The decision on review will be written in a manner to be understood by you, and, in the case of an adverse benefit determination on review, will include the following information:

1. The specific reasons for the adverse benefit determination on review.
2. References to specific Plan provisions on which the decision is based.

3. A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim for benefits.
4. A statement that there is no voluntary appeal procedure offered by the Plan.
5. A statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974 following the adverse benefit determination on review.

No civil action for benefits under the Plan may be brought unless you (i) timely filed a written claim for benefits as described above, (ii) been notified by the Plan Administrator that your claim has been denied, (iii) timely filed a request for review of the claim, (iv) been notified of an adverse benefit determination on review, and (v) filed the action within one year of the notice of adverse benefit determination on review. Any proceeding arising out of or relating to the Plan must be adjudicated in the federal courts for the Eastern District of Arkansas or the courts of the State of Arkansas located in the district embraced by the federal courts for the Eastern District of Arkansas.

## **OTHER IMPORTANT INFORMATION**

### **Uniformed (Military) Service**

Under the Uniformed Services Employment and Reemployment Rights Act ("USERRA"), you are entitled to a military leave of absence, with reinstatement rights. Upon reinstatement, you will be allowed to make up any contribution amounts that you may have been entitled to make, but did not make, during a military leave of absence, subject to IRS and Plan contribution limits and timing restrictions (make-up contributions are to be made within three times the length of your covered military service (not to exceed five years)).

If you die while performing qualified military service, survivor benefits will include any additional benefits (other than benefit accruals) that would have been provided under the Plan had you returned to employment (immediately prior to your death) and then terminated employment on account of death.

## **Nonalienation of Benefits**

Your account under the Plan is generally not subject to the claims of creditors. In addition, your account balance may not be assigned, sold, or used to secure a loan other than a Plan loan. However, the Plan Administrator may be required by law to recognize obligations you incur as a result of a state court domestic relations order (see Qualified Domestic Relations Order below) and to permit assignment in certain other situations (e.g., wrongdoing involving the Plan, offsets for overpayments, and Federal tax levies).

## **Qualified Domestic Relations Orders**

The division of marital property generally is governed by state domestic relations law; however, any assignments of your benefit in the Plan must also comply with ERISA and the Internal Revenue Code.

The Plan Administrator must honor a "qualified domestic relations order," which is a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child, or other dependent that meets specific legal requirements. The Plan Administrator will determine the qualified status of any domestic relations order received.

An order may provide for payment to an alternate payee as soon as practicable after the issuance of the qualified domestic relations order (QDRO) and receipt and approval of the order as qualified by the Plan Administrator. Distribution under these circumstances may occur whether or not the participant is eligible to receive a distribution from the Plan.

Procedures for determining if an order is a qualified domestic relations order are available to you, free of charge, at the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) in the Document Library.

## **No Employment Contract**

The purpose of this Summary Plan Description and Prospectus is to provide you with information about the benefits available under the Plan. The benefits described are not conditions of employment, nor is the Summary Plan Description and Prospectus intended to create an employment contract between you and the Company. Nothing in this Summary Plan Description and Prospectus should be interpreted as a limitation on your right or the Company's

right to terminate your employment at any time (subject to any applicable collective bargaining agreement provisions).

## **No Guarantees Regarding Investment Performance**

Neither the Company, the Plan Administrator, the Trustee, the Investment Committee, nor anyone else guarantees any particular investment gain or appreciation on your plan account or guarantees your plan account against investment losses or depreciation.

## **Exclusive Benefit**

The Company makes contributions to the Plan for the benefit of participants and their beneficiaries, and all assets of the Plan are held for the exclusive benefit of participants and their beneficiaries. A contribution, however, may be returned to the Company in accordance with federal law if the Company makes a contribution to the Plan on your behalf by mistake or if the Company cannot deduct a contribution made to the Plan on its tax return.

## **Employment with Successor Company**

Even though the Plan generally provides for distribution after severance from employment with the Company (and all related companies), under certain circumstances (e.g., a sale of the business in which you work), you may not be eligible for a distribution until your employment terminates with the successor company and any companies related to it.

## **No PBGC Insurance**

Because the Plan assets are held in individual accounts and are never less than the total benefits payable to participants, no insurance of benefits by the Pension Benefit Guaranty Corporation under Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") is necessary or available. The Plan is subject, however, to the applicable provisions of Title I of ERISA (protection of employee benefit rights) and Title II of ERISA (amendments to the Internal Revenue Code relating to retirement plans).

## **LESS THAN YOU EXPECTED – FORFEITURES ETC.**

You may receive less than you expected from the Plan in the following circumstances that may lead to a reduction, change, termination, forfeiture, or suspension of benefits:

- a delay in filing a proper application on a timely basis. You generally should request a distribution or withdrawal at least 30 days in advance of the distribution date.
- amendment or termination of the Plan.
- termination of employment before becoming fully vested in your account.
- your benefit is the value of your Plan account and you assume the risk of investment losses.
- your Plan account is subject to a variety of fees, including Plan administration, Plan transaction and investment fund fees.
- timing and manner (*e.g.*, rollover) of withdrawals or distribution of your Plan account including failing to defer receipt of your Plan account until normal retirement age.
- calculation errors discovered by subsequent audit.
- assignment or attachment of your benefits by others in certain circumstances (*e.g.*, wrongdoing involving the Plan, offsets for overpayments, and certain domestic relations orders).
- reaching the Internal Revenue Code limit on the annual contribution that can be made to the Plan and other tax-qualified plans maintained by the Company or the limit on annual pretax and Roth contributions (\$18,500 for 2018; \$24,500 if Catch-up contribution eligible in 2018).
- if you exceed the Internal Revenue Code annual pretax and Roth contribution limit based on contributions to all plans in which you participate, you have until March 1 of the year following the year in which the excess is contributed to request in writing to the Plan Administrator to have the excess returned to you.
- reaching the Internal Revenue Code limit on the amount of compensation that may be considered under the Plan (\$275,000 for 2018).
- if you are a highly compensated employee, your contributions may be limited to satisfy IRS nondiscrimination rules.
- failure to keep the Plan Administrator advised of your current address so that you may receive Plan information in a timely manner.

- if you cannot be located so as to receive your benefit, your benefit will be forfeited (subject to restoration if you file a claim for the benefit).
- you do not make and/or appeal claims or file a civil action in accordance with the Plan's strict time limits.
- benefits under the Plan are paid only if the Plan Administrator (or its delegate) decides in its discretion that the applicant is entitled to benefits under the Plan.
- any reduction, change, termination, forfeiture, or suspension of benefits that is necessary to maintain the tax-qualified status of the Plan.
- you must be employed on and elect the September 16, 2017 transition date from the Windstream Pension Plan to receive to receive a \$10,000 Company nonelective contribution to the Plan by December 31, 2017.
- you must be employed on and transition from the Windstream Pension Plan on December 31, 2018 to receive to receive a \$10,000 Company nonelective contribution to the Plan by March 31, 2019.
- the tax laws governing the Plan change.

## **AMENDMENT AND TERMINATION OF THE PLAN**

Windstream, the Plan Sponsor, intends to continue the Plan indefinitely but reserves the right, at its sole discretion, to amend or terminate the Plan at any time, by action of, or pursuant to authority of, the Board of Directors. Amendments are made in writing.

If the Plan is terminated, all assets of the Plan remaining after payment of Plan expenses belong to the participants in the Plan. Generally, Plan assets cannot revert to the Company.

If the Plan should terminate, all benefits due to the participants would be paid from the trust fund in accordance with federal law.



# GENERAL INFORMATION

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## STATEMENT OF ERISA RIGHTS

As a participant in this Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all plan participants shall be entitled to:

### Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary Plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

### Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other participants and beneficiaries.

No one, including your employer, or any other person, may fire you or otherwise discriminate against you because of exercising your rights under ERISA.

### Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the

decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file a suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that the Plan fiduciaries misuse the Plan's money or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay court costs and legal fees. If you lose, the court may order you to pay these costs and fees (for example, if it finds your claim is frivolous).

## **Assistance With Your Questions**

If you have any questions about your Plan, you should contact the Plan Administrator. If you have questions about this statement or your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest area office of the Employee Benefits Security Administration, U.S. Department of Labor (listed in your telephone directory) or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## **FEDERAL INCOME TAX DISCLOSURE**

The discussion of federal income tax consequences that follows is included for general information only and reflects the provisions of the Internal Revenue Code as in effect as of January 1, 2018 (the "Code"). The discussion does not describe all relevant tax matters (such as state and local income and inheritance taxes and federal estate and gift taxes) that should be considered in connection

with participation in the Plan and does not completely describe all provisions associated with the tax matters discussed. Accordingly, you are advised to consult a personal tax adviser for tax planning relevant to the Plan and are further advised not to rely exclusively on the discussion that follows.

The Plan is intended to qualify as a plan described in Sections 401(a) and 401(k) of the Code and the Trust is intended to be exempt from taxation under Section 501(a) of the Code. On this basis, Windstream believes that the operation of the Plan should result in the following treatment for federal income tax purposes.

## **Contributions**

Pretax contributions, pretax Catch-up contributions, Company contributions (*i.e.*, Company matching contributions and Company nonelective contributions) and rollover contributions made to the Plan, and any earnings or appreciation thereon, are not subject to federal income taxation until they are paid by the Plan to you. Pretax contributions and pretax Catch-up contributions are subject to Social Security (FICA) withholding. In addition, some states, cities, and counties may impose taxes on pretax contributions and pretax Catch-up contributions. The amounts you contribute to the Plan as Roth contributions or Roth Catch-up contributions are made on an after-tax basis.

Certain eligible individuals may be eligible for a tax credit for the amount of pretax and Roth contributions and pretax and Roth Catch-up contributions made to the Plan that do not exceed \$2,000 (for 2018) or \$4,000 (for 2018 if married filing jointly).

## **Distributions**

Distributions of Roth contributions and Roth Catch-up contributions and any associated investment earnings are tax-free if the distribution is made both after the fifth anniversary of the first day of the tax year of your first Roth contribution to the Plan and after you are at least 59½ years of age.

Distributions from all accounts other than your Roth sub-account generally will be subject to federal income taxation in the year they are paid to you or your beneficiary. You may be required to pay a 10% additional tax on taxable Plan distributions made before you attain age 59½; unless the distribution is

- rolled over into an eligible retirement plan (e.g., another qualified retirement plan or an IRA),

- made after separation from service if you will be at least age 55 in the year of the separation,
- made on account of your death or termination due to disability,
- made while employed after reaching age 59½,
- attributable to a distribution of certain employer stock dividends,
- made for payments up to the amount of your deductible medical expenses,
- made to an alternate payee under a qualified domestic relations order, or
- paid in equal installments over your life or life expectancy or the lives or life expectancies of you and your beneficiary.

If you directly roll over all or any portion of a taxable distribution to an eligible retirement plan (e.g., an IRA or another qualified retirement plan), you may avoid the 10% additional tax and defer taxation of the amounts rolled over until such amounts are distributed from the eligible retirement plan. (See "Income Tax Withholding" below).

Note that these tax rules apply to in-service withdrawals as well as distributions upon termination of employment.

Distributions of after-tax contributions (excluding any earnings) are generally not subject to federal income tax, because such contributions were made from your Plan compensation on an after-tax basis.

See "Rollovers to Roth IRAs" above for information regarding Federal income tax consequences for rollovers to Roth IRAs.

### **Born on or Before January 1, 1936**

If you were born on or before January 1, 1936, and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, Pension and Annuity Income.

### **Net Unrealized Appreciation**

If a lump sum distribution includes Windstream Common Stock or a distribution includes Windstream Common Stock that is attributable to employee "after-tax"

contributions, the appreciation (i.e., the excess of fair market value on the date of distribution over its cost) is not taxed at the time of distribution. Upon later sale, the appreciation is taxed as long term capital gain. Any subsequent appreciation is taxed at short term or long term capital gain rates, depending upon your personal holding period of the Windstream Common Stock. Please note that if you elect to make a direct rollover, you will not be entitled to take advantage of the net unrealized appreciation rules.

## **Special Rules for Distributions of After-Tax Contributions**

After-tax contributions that are distributed are not taxed. If you take a partial distribution of your benefit, an allocable portion of your after-tax contributions is generally included in the distribution. If you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether after-tax contributions are included in the distribution, and, if so, the amount thereof.

## **Income Tax Withholding**

The Plan's trustee is required to withhold 20% of any "eligible rollover distribution" paid to you unless you elect to have the trustee make a direct rollover of your distribution to an eligible retirement plan (e.g., another qualified retirement plan, IRA or Roth IRA). A distribution that is not an eligible rollover distribution is not subject to the mandatory 20% withholding and may not be rolled over.

Any payment from the Plan is an eligible rollover distribution except the following:

- a distribution paid over your life or life expectancy or the joint lives or the life expectancies of you and your beneficiary.
- a distribution paid over a specified period of 10 years or more.
- a distribution required due to attaining age 70½ (or if later, retirement).
- a hardship distribution.
- attributable to a distribution of certain employer stock dividends.

If you request a distribution of your Windstream Stock Fund in the form of stock rather than cash, your Windstream Common Stock will not be liquidated to pay

the withholding tax. However, the applicable taxes will be withheld from any cash portion of the distribution.

All non-eligible rollover distributions from the Plan are subject to federal income tax withholding unless you elect otherwise. Voluntary withholding is available for amounts rolled over to a Roth IRA (since pretax amounts rolled over to a Roth IRA are taxable).

## **Company Taxation**

Windstream will be allowed a tax deduction for Company contributions (*i.e.*, Company matching contributions and Company nonelective contributions), pretax contributions and Catch-up contributions made to the Plan to the extent the contributions satisfy the requirements of the Code.

# PLAN DATA

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**Name of Plan:** Windstream 401(k) Plan

**Plan Sponsor and Primary Agent for Service of Legal Process:**

Windstream Services, LLC  
4001 Rodney Parham Rd.  
Mailstop 1170 – B1F02 - 93  
Little Rock, AR 72212

Windstream Services, LLC was known before February 28, 2015 as Windstream Corporation.

Participants and beneficiaries may receive from the Plan Administrator, upon written request, a complete list of employers participating in the Plan, information as to whether a particular employer is a participating employer of the Plan, and, if the employer is a participating employer, the employer's address.

Service of legal process may also be made upon the Plan Trustee or Plan Administrator.

**Trustee:**

Bank of America, N.A.  
1400 Merrill Lynch Drive  
04-BSPRO  
Pennington, NJ 08534

**Plan Information may be obtained by writing to:**

Windstream Benefits Committee  
Windstream Services, LLC  
4001 Rodney Parham Rd.  
Mailstop 1170 – B1F02 - 93  
Little Rock, AR 72212

**Plan Administrator:**

Windstream Benefits Committee  
Windstream Services, LLC  
4001 Rodney Parham Rd.  
Mailstop 1170 – B1F02 - 93  
Little Rock, AR 72212

Telephone: (501) 748-7000

**Employer Identification Number:** 20-0792300

**Plan Identification Number:** 009

**Type of Plan:** The Plan is a qualified plan under Section 401(a) of the Internal Revenue Code, with a cash or deferred arrangement under Section 401(k) of the Internal Revenue Code. The portion of the Plan other than the Windstream Stock Fund is a profit sharing plan. The portion of the Plan that is the Windstream Stock Fund is a stock bonus plan and an employee stock ownership plan. The Plan is a defined contribution plan for purposes of ERISA. The Plan generally provides for participant direction of investments and, where participant direction of investments is provided, the Plan is intended to constitute an ERISA section 404(c) plan for purposes of ERISA.

**Type of Administration:** Administrative Services Agreement with the Retirement Group at Bank of America Merrill Lynch

**Funding Medium:** Windstream 401(k) Plan Trust

**PBGC Insurance:** This Plan is not covered by the Pension Benefit Guaranty Corporation since it is a defined contribution plan as defined by the Internal Revenue Code and pertinent regulations.

**Sources of Contributions of the Plan:** Employer and Employees

**Plan Year:** January 1 - December 31

**Normal Retirement Age:** age 65



# APPENDIX A

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## Description of Investments

(As of January 1, 2018)

### **Northern Trust Collective Aggregate Bond Index Fund - Lending (Tier M)**

*Ticker Symbol: NTGMT*

The primary objective of the Northern Trust Collective Aggregate Bond Index Fund, a collective fund for qualified plans, is to hold a portfolio representative of the overall United States bond and debt market, as characterized by the Barclays Capital Aggregate Index. The Fund seeks to provide the desired exposure using quantitative techniques which maintain the portfolio's neutrality to the index by monitoring a broad range of factors while avoiding illiquid securities and excessive transaction costs. The Fund may also participate in securities lending.

### **Blackrock MSCI EAFE Equity Index Fund (Class M)**

*Ticker Symbol: BMSCT*

This is an index fund that seeks to match the performance of the MSCI EAFE® Index by investing in stocks that make up the index. The Morgan Stanley Capital International (MSCI) EAFE® (Europe Australasia Far East) Index is comprised of approximately 1,000 foreign stocks representing established companies in developed countries across Western Europe and the Pacific Rim. Investing in foreign markets may offer additional diversification benefits to an investment portfolio. Diversification increases the chances that one investment's strong performance will offset another investment's poor performance. This fund is intended for long-term investors seeking to capture the earnings and growth potential of established companies in developed countries throughout Western Europe and the Pacific Rim.

### **Blackrock Core Bond Portfolio (Class I)**

*Ticker Symbol: BFM CX*

The investment seeks to maximize total return, consistent with income generation and prudent investment management. The fund normally invests at least 80% of its assets in bonds and maintains an average portfolio duration that is within  $\pm 20\%$  of the duration of the benchmark. The management selects bonds from several sectors including: U.S. treasuries and agency securities, commercial and residential mortgage-backed securities, CMOs, asset-backed securities and corporate bonds. The fund may invest up to 25% of its assets in assets of foreign issuers, of which 10% (as a percentage of the fund's assets) may be invested in emerging markets issuers.

## **Loomis Sayles High Income Fund (Class Y)**

*Ticker Symbol: NEHYX*

The investment seeks high current income plus the opportunity for capital appreciation to produce a high total return. The fund invests at least 65% of its assets in below investment grade fixed-income securities. It normally invests at least 65% of its assets in U.S. corporate or U.S. dollar-denominated foreign fixed-income securities. The fund may also invest up to 20% of its assets in foreign currency-denominated fixed-income securities, including those in emerging markets and related currency hedging transactions. It may also invest in structured notes, zero-coupon securities, pay-in-kind securities, Rule 144A securities, futures and swaps.<sup>1,2</sup>

## **Vanguard Institutional Index Institutional Plus Shares Fund**

*Ticker Symbol: VIIIX*

The investment seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

## **American Funds EuroPacific Growth Fund (Class R6)**

*Ticker Symbol: RERGX*

The investment seeks long-term growth of capital. The fund invests primarily in common stocks of issuers in Europe and the Pacific Basin that the investment adviser believes have the potential for growth. Growth stocks are stocks that the investment adviser believes have the potential for above-average capital appreciation. It normally invests at least 80% of its net assets in securities of issuers in Europe and the Pacific Basin. The fund may invest a portion of its assets in common stocks and other securities of companies in emerging markets.

## **Deutsche Real Estate Securities Fund (Class I)**

*Ticker Symbol: RRRRX*

The investment seeks long-term capital appreciation and current income. The fund will invest at least 80% of its net assets, plus the amount of any borrowing for investment purposes (calculated at the time of any investment), in equity securities of real estate investment trusts (REITs) and real estate companies. It may also invest a portion of its assets in other types of securities. These securities may include short-term securities, bonds, notes, securities of

companies not principally engaged in the real estate industry and other similar securities. The fund is non-diversified.

### **Columbia Small Cap Value Fund II (Class Institutional)**

*Ticker Symbol: NSVAX*

The investment seeks long-term capital appreciation. Under normal circumstances, the fund invests at least 80% of its net assets in equity securities of companies that have market capitalizations in the range of the companies in the Russell 2000 Value Index at the time of purchase that the fund's investment manager believes are undervalued and have the potential for long-term growth. It may invest up to 20% of its total assets in foreign securities, including depositary receipts. The fund normally invests in common stocks and also may invest in real estate investment trusts.

### **Windstream Stock Fund**

*Ticker Symbol: WIN*

Windstream Holdings, Inc. company stock gives you the opportunity to share in the ownership of Windstream, with the potential for capital appreciation. This option is a single stock investment. As there are no other forms or types of investments in this option, the value of the stock stands on its own and generally carries more risk than do the mutual funds offered through the Plan.

The Windstream Stock Fund is administered on the basis of "share accounting," which means that participant holdings in the fund are reflected in terms of the underlying securities (i.e., exchanges with respect to the fund are made through purchases and sales of the shares of the Windstream Common Stock).

The Trustee passes through to you the voting, tender, and similar rights with respect to your proportional interest in the shares of Windstream Common Stock held in the Windstream Stock Fund. Except as required by law, the Trustee will not vote or tender shares of Windstream Common Stock for which it does not receive your timely direction.

See Appendix B of this Summary Plan Description and Prospectus for additional disclosure regarding the Windstream Stock Fund.

### **BlackRock Extended Equity Market Fund (Class K)**

*Ticker Symbol: BEEMT*

This is an index fund that seeks to match the performance of the Dow Jones U.S. Completion Total Stock Market Index by investing in a diversified sample of the stocks that make up the Index. The Dow Jones U.S. Completion Total Stock Market Index is comprised of the stocks of all small and medium US companies with readily available price data that are not included in the S&P 500® Index. Investing in a broad-capitalization portfolio is an efficient way to participate in

the earnings and growth potential of small and medium-sized US companies. Because of their growth potential, these companies can offer higher returns than investing in more established companies. However, with this growth potential comes a higher risk level.

### **Pioneer Equity Income Fund (Class Y)**

*Ticker Symbol: PYEQX*

The investment seeks current income and long-term growth of capital from a portfolio consisting primarily of income producing equity securities of U.S. corporations. Normally, the fund invests at least 80% of its total assets in income producing equity securities of U.S. issuers. The income producing equity securities in which the fund may invest include common stocks, preferred stocks, exchange-traded funds (ETFs) that invest primarily in equity securities and equity interests in real estate investment trusts (REITs). The fund may invest up to 20% of its total assets in securities of non-U.S. issuers, including depository receipts.

### **Touchstone Small Company Fund Class Y**

*Ticker Symbol: SIGWX*

The investment seeks growth of capital. The fund invests at least 80% of its assets in small-capitalization companies. Small capitalization companies are companies that have market capitalizations within the range represented in the Russell 2000 ® Index. It invests primarily in common stocks of small-capitalization companies that the sub-advisor believes are high quality, have superior business models, solid management teams, sustainable growth potential and are attractively valued. The fund may invest without limitation in foreign securities.

### **Vanguard Federal Money Market Fund (Investor Class)**

**Ticker Symbol:** VMFXX

The investment seeks maximum current income consistent with liquidity and the maintenance of a portfolio of high quality short-term money market securities. The fund invests in a diversified portfolio of U.S. dollar denominated money market securities. These securities consist primarily of short-term U.S. government securities, U.S. government agency securities, and securities issued by U.S. government sponsored enterprises and U.S. government instrumentalities, commercial paper, repurchase agreements and variable and floating rate obligations. The fund's dollar-weighted average maturity will be 60 days or less.

### **Vanguard Target Retirement Date Institutional Funds**

Each Vanguard Target Retirement Date Institutional Fund is designed to provide an investment portfolio for investors who would rather use asset allocations

developed by Vanguard than try to build their own retirement investment portfolios. The Funds are constructed based on Vanguard's investment experience that, over the long term, stocks generally provide greater growth opportunities and greater risk than bonds, and bonds generally provide more income and lower volatility than stocks. The year in the Fund name refers to the approximate year (the target date) when an investor in the Fund would attain the age of 65. The year-specific Target Retirement Date Institutional Funds strive to produce more income and lower volatility as the target year approaches.

Once you determine your expected retirement year, you can consider choosing a Target Retirement Date Institutional Fund close to that date. As the target year approaches, the Funds' asset allocations begin to shift their emphasis away from stocks and towards bond investments to help provide more income and help reduce volatility. The Target Retirement Income Fund is intended for investors currently in retirement, and its asset allocation is expected to remain stable over time.

The Vanguard Target Retirement Date Institutional Funds are designed to provide you with a single Fund whose asset allocation changes over time and becomes more conservative as you approach retirement, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase.

The Vanguard Target Retirement Date Institutional Fund's investments seek to provide capital appreciation and current income consistent with its current asset allocation. At any given time, the fund's asset allocation may be affected by a variety of factors, such as whether the underlying funds are accepting additional investments. The fund's indirect stock holdings are a diversified mix of U.S. and foreign large-, mid-, and small-capitalization stocks.

## **Footnotes**

*<sup>1</sup>Non-investment grade debt securities, commonly referred to as high yield or junk bonds, may be subject to greater market fluctuations and risk of loss of income and principal than securities in higher rating categories.*

*<sup>2</sup>Investment in foreign securities involves special risks, including foreign currency risk and the possibility of substantial volatility due to adverse political, economic or other developments. These risks are magnified for investments made in emerging markets.*

## **PersonalManager**

PersonalManager is a managed account offered through Advice Access. PersonalManager uses a computer model and portfolios constructed by an independent financial expert, plus participant data, to create and manage a

personalized account for each participant. The independent financial expert constructs these portfolios from the menu of investment alternatives made available in the Plan. PersonalManager is an investment management service with respect to which a fiduciary, applying generally accepted investment theories, allocates the assets of a participant's individual account seeking to achieve varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures, offered through investment alternatives made available in the Plan, based on the Participant's age, target retirement date (such as normal retirement age under the Plan), life expectancy and personal data (i.e., savings rate and salary). Such portfolios are diversified so as to minimize the risk of large losses and change their asset allocations and associated risk levels for an individual account over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age. In the event that a participant does not provide necessary data (such as salary and savings rate after employment terminates), PersonalManager will retain the participant's current portfolio allocation for one year and then age alone will be used by PersonalManager to manage the participant's account.

PersonalManager will allocate the participant's Accounts among investment alternatives made available in the Plan. As such, the specific fees and expenses incurred by the participant defaulted into PersonalManager will be based on the underlying investments. For instance, PersonalManager may allocate to various mutual funds, which may have differing investment management fees (referred to as an "expense ratio"). The portion of each investment that makes up part of a participant's portfolio managed by PersonalManager and the expense ratio for each investment may periodically change. However, the current expense ratios for the mutual funds a participant may be invested in through PersonalManager can be found online at [www.benefits.ml.com](http://www.benefits.ml.com), by referring to your quarterly statements or by checking the individual prospectuses delivered to you.

### **Qualified Default Investment Alternative**

The Vanguard Target Retirement Date Institutional Fund that is closest to your retirement date (assuming retirement at age 65) is the default investment fund under the Plan and is intended to be a qualified default investment alternative (QDIA). The PersonalManager is also a QDIA for amounts that were defaulted into the PersonalManager on or before April 2, 2013. Since you are able to choose how your Accounts are invested including whether your Accounts are invested in the Vanguard Target Retirement Date Institutional Fund, the Plan's fiduciaries may be relieved of liability for any losses that are the direct and necessary result of the investment decisions (including any default investment decision) you make.

Circumstances under which your Accounts may be invested in the Vanguard Target Retirement Date Institutional Fund (i.e., the Plan's qualified default investment alternative) include the following:

1. Existing Balances. You may have affirmatively elected or elected by default to have all or a portion of your Accounts currently invested in the qualified default investment alternative.
2. Affirmative Investment Election. You may have your future contributions or Accounts invested in the qualified default investment alternative in accordance with your affirmative investment election.
3. Default Investment Election. In the unlikely event a contribution or investment is made on your behalf, but you have not made an investment election, the amount will be invested in the qualified default investment alternative. (The Plan is designed to give you the right to direct the investment of your contributions and Accounts; so, it is unlikely that a default election will occur.)

You can transfer amounts invested in the qualified default investment alternative to other investment options under the Plan, without penalty, at any time.

### **Self-Direct Brokerage**

Self-Direct Brokerage is a separate brokerage account within the Plan that offers you the flexibility to invest in retail mutual funds separate from the investment options included in the Plan's core investment menu. This service is for participants interested in creating and managing their own investment strategy, providing the flexibility and control that comes with independent investing. If you choose to invest through Self-Direct Brokerage, it is your responsibility to research, evaluate and select your investments as well as monitor their performance. If you enroll in Self-Direct Brokerage, you will be charged an annual record keeping fee of \$100, and additional fees and commissions may apply to your mutual fund investments. To find out what mutual funds are available, you may visit the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or contact a Bank of America Merrill Lynch Retirement Specialist at 1-800-228-4015.

### **More Information About the Core Investment Funds**

Merrill Lynch, American Funds, BlackRock, Loomis Sayles, Vanguard, Sentinel, Pioneer, and DWS may assess their funds fees for certain expenses relating to portfolio management, shareholder statements, tax reporting, and other services. A portion of the fees for these funds may be used to reduce administrative expenses for the Plan. Additional information regarding fees can be found in the individual prospectus for the fund.

With respect to all investment funds, including the Windstream Stock Fund, the Plan is intended to constitute a plan described in Section 404(c) of ERISA and Title 29 of the Code of Federal Regulations Section 2250.404c-1 where you have

the right to direct the investment of your account. See "ERISA Section 404(c)" above for a discussion of Section 404(c) of ERISA.

New investment funds may be added, and existing investment funds may be changed or deleted from time to time. The Plan Administrator will update the description of the available investment funds to reflect any changes.



# APPENDIX B

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## Additional Disclosure Regarding the Windstream Stock Fund

### Windstream Common Stock

Windstream Holdings, Inc. is the issuer and registrant of the Windstream Common Stock. Windstream Holdings, Inc. is a Delaware corporation.

### Common Stock Transactions

Windstream Common Stock is listed on the NASDAQ. The Trustee will make purchases or sales of Windstream Common Stock at its market price on the NASDAQ at the time of such purchase or sale.

### Reoffers and Resales of Windstream Common Stock by Certain Persons

If you are an "affiliate" of Windstream Holdings, Inc. for securities law purposes, you may be restricted in your ability to sell your interest in Windstream Common Stock. Further information covering the operations of securities laws to affiliates will be provided by Windstream Holdings, Inc. to you.

### Section 16 of the Securities Exchange Act of 1934 ("Exchange Act")

If you are subject to the short-swing profit provisions of Section 16 of the Exchange Act (an "insider"), you may be limited in your ability to purchase and sell equity securities of Windstream Holdings, Inc. by virtue of your participation in the Plan. Further information covering the operations of Section 16 to insiders will be provided by Windstream Holdings, Inc. to you.

# APPENDIX C

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## Fund Performance History – Annual Rates of Return

You may obtain information on the rates or return with respect to the Funds by accessing the Bank of America Merrill Lynch Benefits OnLine website at [www.benefits.ml.com](http://www.benefits.ml.com) or call Bank of America Merrill Lynch Interactive Voice Response system at 1-800-228-4015. The rates of return are also included as part of your quarterly statement. Please note the following:

1. The rates of return provided with respect to Windstream (then known as Valor Communication Group, Inc.) prior to the spin-off of the wireline business to Windstream are not deemed to be meaningful with respect to the performance of the Windstream Stock Fund. Accordingly, rates of return for those periods are not included.
2. The performance data that is provided for a fund represents past performance, which does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost.
3. Current performance may be lower or higher than the performance data that is provided for a fund. For more complete information on the investment options, including their management fees and other charges and expenses, please consult the individual prospectuses and other comparable documents. Investors should carefully consider the investment objectives, risks, charges and expenses before investing. This, and additional information about the investment options, can be found in the individual prospectuses, which can be obtained by calling Bank of America Merrill Lynch at 1-800-228-4015. Please read the documents carefully before investing.

# APPENDIX D

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## Prior Plans

If you have amounts in the Plan from a plan that merged into the Plan or from a plan from which your account was transferred to the Plan (other than by rollover), a separate account will be established and maintained on your behalf. The prior plan account reflects the amounts credited to you from the prior plan, and you may invest the prior plan account in the Plan investment funds of your choice.

Once a prior plan is merged into the Plan or an account is transferred to the Plan (other than by rollover), the amounts from the prior plan become subject to the rules and regulations of the Plan document. Certain rights, benefits, and features may differ for your prior plan account. This Appendix D generally describes those differences for the following prior plans.

### A. Windstream Profit-Sharing Plan

If you were a participant in the Windstream Profit-Sharing Plan (the "Profit-Sharing Plan") and your benefit under the Profit-Sharing Plan was merged into the Plan, the following applies to your prior plan account attributable to the Profit-Sharing Plan ("Profit-Sharing account").

**Loans:** Loans are not available from your Profit-Sharing account. The portion of your Profit-Sharing account, however, is included in determining the maximum loan you may take from the Plan. See "Loans" above for more information on the maximum loan amount available from the Plan.

**Vesting:** The portion of your Profit-Sharing account that is attributable to Company contributions becomes 100% vested upon the first to occur of the following:

- completion of five or more Years of Vesting Service
- attainment of age 65 while employed by the Company
- death while employed by the Company
- total and permanent disability while employed by the Company
- termination of the Plan

Years of Vesting Service are credited for service with the Company and related entities. Your Years of Vesting Service includes your Years of Vesting Service under the Profit-Sharing Plan (but with no duplication of service for any one period of employment). Years of Vesting Service may in certain cases be provided for service with a divested entity.

One Year of Vesting Service generally is credited for each calendar year in which you work at least 1,000 hours, including your time at work, vacations, holidays, paid sick days, jury duty, military duty, and approved leaves of absence.

**Forfeitures:** If you terminate employment before you are 100% vested in your Profit-Sharing account, you will forfeit the non-vested portion at the end of the Plan Year in which the earliest of the following occurs:

- your termination of employment if you do not have any vested interest under the Plan
- you receive a distribution of your vested interest under the Plan (if the distribution is made prior to the end of the second Plan Year following your termination of employment)
- you incur five consecutive Breaks in Service

A Break in Service occurs when you do not complete more than 500 hours of service in a calendar year. For purposes of determining whether a Break in Service occurs, hours are credited for certain maternity or paternity leaves of absence.

If you return to employment with the Company prior to incurring five consecutive Breaks in Service, the amount previously forfeited will be restored as of the last day of the Plan Year in which you return to employment. You will also be recredited with your Years of Vesting Service earned prior to your termination of employment after completing a Year of Vesting Service following your reemployment.

**Beneficiary Designation:** If you did not have a beneficiary designation in effect on March 1, 2007 under the Plan, your beneficiary designation under the Profit-Sharing Plan on March 1, 2007 is deemed to be your beneficiary designation under the Plan. See "Beneficiary" above for changing your beneficiary.

## **B. Valor Telecommunications Southwest, LLC Savings Plan**

**Distributions and Withdrawals:** If you were a participant in the Valor Telecommunications Southwest, LLC Savings Plan (the "Valor Plan") and your benefit under the Valor Plan was merged into the Plan as of March 1, 2007, the following forms of payment are available under the Plan for your prior plan account attributable to the Valor Plan ("Valor account").

- A single sum payment of your Valor account after termination of employment.
- While you are employed by the Company, withdrawal of your Valor account upon attainment of age 59½.

- While you are employed by the Company, withdrawal of your Valor account attributable to employee after tax contributions at any time.
- While you are employed by the Company, withdrawal of your Valor account attributable to rollover contributions at any time.
- While you are employed by the Company, withdrawal of your Valor account attributable to employer contributions maintained in the plan for at least 24 months.

**Vesting:** The account balances in the Valor account of participants who were active employees on March 1, 2007 are 100% vested. The non-vested portion of the accounts for employees terminated prior to March 1, 2007 were forfeited prior to the merger of the Valor Plan into the Plan, subject to restoration upon rehire only in accordance with IRS rules. The remaining account balance that was transferred to the Plan from the Valor Plan for employees who terminated prior to March 1, 2007, is 100% vested.

### **C. The Concord Telephone Company Employees' Savings Plus Plan**

**Distributions and Withdrawals:** If you were a participant in The Concord Telephone Company Employees' Savings Plus Plan (the "CTC Plan") and your benefit under the CTC Plan was merged into the Plan as of December 28, 2007, the following forms of payment are available under the Plan for your prior plan account attributable to the CTC Plan ("CTC account").

- A single sum payment of your CTC account after termination of employment.
- Periodic payments, but only for participants (or beneficiaries) who have commenced periodic payments prior to January 1, 2002.
- While you are employed by the Company, withdrawal of your CTC account attributable to matching contributions and supplemental matching contributions at any time.

**Vesting:** The account balances in the CTC account of participants who were active employees on August 31, 2007 are 100% vested. The non-vested portion of the accounts for employees terminated prior to August 31, 2007 were forfeited prior to the merger of the CTC Plan into the Plan, subject to restoration upon rehire only in accordance with IRS rules. The remaining account balance that was transferred to the Plan from the CTC Plan for employees who terminated prior to August 31, 2007, is 100% vested.

### **D. Lexcom 401(k) Plan**

**Distributions and Withdrawals:** If you were a participant in the Lexcom 401(k) Plan (the "Lexcom Plan") and your benefit under the Lexcom Plan was merged into the Plan as of March 15, 2010, the following forms of payment are available under the Plan for your prior plan account attributable to the Lexcom 401(k) Plan ("Lexcom account").

- A single sum payment of your Lexcom account after termination of employment.
- Minimum required distribution installments, but only for participants (or beneficiaries) who have commenced installment payments prior to March 15, 2010.
- While you are employed by the Company, hardship withdrawals of your Lexcom account attributable to elective deferrals (excluding any earnings on the elective deferrals credited after December 31, 1988).
- While you are employed by the Company, withdrawal of your Lexcom account attributable to rollover contributions at any time.
- While you are employed by the Company, withdrawal of your Lexcom account attributable to elective deferrals, employer matching contributions and employer non-elective contributions upon disability.
- While you are employed by the Company, withdrawal of your Lexcom account attributable to elective deferrals, employer matching contributions and employer non-elective contributions upon attainment of age 59½.

**Vesting:** The account balances in the Lexcom account of participants who were active employees on March 15, 2010 are 100% vested. The non-vested portion of the accounts for employees terminated prior to March 15, 2010 were forfeited prior to the merger of the Lexcom Plan into the Plan, subject to restoration upon rehire only in accordance with IRS rules. The remaining account balance that was transferred to the Plan from the Lexcom Plan for employees who terminated prior to March 15, 2010, is 100% vested.

#### **E. D&E Communications, Inc. Employees' 401(k) Savings Plan**

**Distributions and Withdrawals:** If you were a participant in the D&E Communications, Inc. Employees' 401(k) Savings Plan (the "D&E Plan") and your benefit under the D&E Plan was merged into the Plan as of April 1, 2010, the following forms of payment are available under the Plan for your prior plan account attributable to the D&E Plan ("D&E account").

- A single sum payment of your D&E account after termination of employment.
- Installment payments, but only for participants (or beneficiaries) who have commenced installment payments prior to June 27, 2003.
- Certain forms of annuity payments but only for participants (or beneficiaries) who have commenced the annuity payments prior to June 27, 2003.
- While you are employed by the Company, withdrawal of your D&E account upon attainment of age 59½.

- While you are employed by the Company, withdrawal of your D&E account attributable to frozen employee after tax contributions at any time.
- While you are employed by the Company, withdrawal of your D&E account attributable to rollover contributions at any time.
- While you are employed by the Company, hardship withdrawal of your D&E account attributable to deferral contributions (excluding any earnings on deferral contributions accrued after the later of December 31, 1988 or the last day of the last Plan Year ending before July 1, 1989).
- While you are employed by the Company, withdrawal of your D&E account attributable to employer matching contributions under the prior Telebeam, Inc. 401(k) Plan maintained in the Plan for at least 24 months.

**Vesting:** The account balances in the D&E account of participants who were active employees on April 1, 2010 are 100% vested. The non-vested portion of the accounts for employees terminated prior to April 1, 2010 were forfeited prior to the merger of the D&E Plan into the Plan on April 1, 2010, subject to restoration upon rehire only in accordance with IRS rules. The remaining account balance that was transferred to the Plan from the D&E Plan for employees who terminated prior to April 1, 2010, is 100% vested.

**F. The Conestoga Telephone & Telegraph Local 1671 Tax Deferred Retirement Plan**

**Distributions and Withdrawals:** If you were a participant in The Conestoga Telephone & Telegraph Local 1671 Tax Deferred Retirement Plan (the "Conestoga Plan") and your benefit under the Conestoga Plan was merged into the Plan as of April 1, 2010, the following forms of payment are available under the Plan for your prior plan account attributable to the Conestoga Plan ("Conestoga account").

- A single sum payment of your Conestoga account after termination of employment.
- Periodic payments, but only for participants (or beneficiaries) who have commenced periodic payments prior to March 8, 2010.
- Annuities but only for participants (or beneficiaries) who have commenced annuity payments prior to March 8, 2010.
- While you are employed by the Company, withdrawal of your Conestoga account upon attainment of age 59½.
- While you are employed by the Company, withdrawal of your Conestoga account attributable to employer match contributions at any time.
- While you are employed by the Company, withdrawal of your Conestoga account attributable to rollover contributions at any time.

- While you are employed by the Company, hardship withdrawal of your Conestoga account attributable to deferral contributions (excluding any earnings on deferral contributions accrued after the later of December 31, 1988 or the last day of the last Plan Year ending before July 1, 1989).

**Vesting:** The account balances in the Conestoga account of participants who were active employees on April 1, 2010 are 100% vested. The non-vested portion of the accounts for employees terminated prior to April 1, 2010 were forfeited prior to the April 1, 2001, subject to restoration upon rehire only in accordance with IRS rules. The remaining account balance that was transferred to the Plan from the Conestoga Plan for employees who terminated prior to April 1, 2010 is 100% vested.

#### **G. NuVox Communications, Inc. Profit Sharing 401(k) Plan**

**Distributions and Withdrawals:** If you were a participant in the NuVox Communications, Inc. Profit Sharing 401(k) Plan (the "NuVox Plan") and your benefit under the NuVox Plan was merged into the Plan as of July 7, 2010, the following forms of payment are available under the Plan for your prior plan account attributable to the NuVox Plan ("NuVox account").

- A single sum payment of your NuVox account after termination of employment.
- Installments, but only for participants (or beneficiaries) who have commenced installments prior to July 7, 2010.
- While you are employed by the Company, withdrawal of your NuVox account attributable to elective deferrals, employer matching contributions and employer nonelective contributions upon attainment of age 59½.
- While you are employed by the Company, hardship withdrawals of your NuVox account attributable to elective deferrals (excluding earnings).
- While you are employed by the Company, withdrawal of your NuVox account attributable to rollover contributions at any time.

**Vesting:** The account balances in the NuVox account on March 25, 2010 are 100% vested. Amounts forfeited prior to March 25, 2010 are subject to restoration upon rehire only in accordance with IRS rules.

#### **H. Iowa Telecom Savings Plan**

**Distributions and Withdrawals:** If you were a participant in the Iowa Telecom Savings Plan (the "Iowa Plan") and your benefit under the Iowa Plan was merged into the Plan as of December 31, 2010, the following forms of payment are available under the Plan for your prior plan account attributable to the Iowa Plan ("Iowa account").



- A single sum payment of your Iowa account after termination of employment.
- Installment form of payment of your Iowa account, but only for participants (or beneficiaries) who have commenced such installments prior to December 31, 2010.
- While you are employed with the Company, withdrawal of your Iowa account balance upon attainment of age 59½.
- While you are employed with the Company, withdrawals of your Iowa account attributable to after-tax contributions, subject to the following: allowed once in any six-month period, and, if the after-tax contributions were matched, only amounts attributable to after-tax contributions maintained in the account for at least 24 months are available.
- While you are employed with the Company, hardship withdrawals of your Iowa account's deferral contributions.
- While you are employed with the Company, withdrawals of Iowa account attributable to after-tax contributions from the prior Lakedale Telephone Company Savings Incentive Plan at any time.
- While you are employed with the Company, withdrawals of your Iowa account attributable to rollover contributions at any time.

**Vesting:** The account balances in the Iowa account on June 1, 2010 are 100% vested. Amounts forfeited prior to June 1, 2010 are subject to restoration upon rehire only in accordance with IRS rules.

#### **I. Iowa Telecom Hourly Savings Plan**

**Distributions and Withdrawals:** If you were a participant in the Iowa Hourly Telecom Savings Plan (the "Iowa Hourly Plan") and your benefit under the Iowa Hourly Plan was merged into the Plan as of December 31, 2010, the following forms of payment are available under the Plan for your prior plan account attributable to the Iowa Hourly Plan ("Iowa Hourly account").

- A single sum payment of your Iowa Hourly account after termination of employment.
- Installment form of payment of your Iowa Hourly account, but only for participants (or beneficiaries) who have commenced such installments prior to December 31, 2010.

- While you are employed with the Company, withdrawal of your Iowa Hourly account balance upon attainment of age 59½.
- While you are employed with the Company, withdrawals of your Iowa Hourly account attributable to after-tax contributions, subject to the following: allowed once in any six-month period, and, if the after-tax contributions were matched, only amounts attributable to after-tax contributions maintained in the account for at least 24 months are available.
- While you are employed with the Company, hardship withdrawals of your Iowa Hourly account's deferral contributions.
- While you are employed with the Company, withdrawals of your Iowa Hourly account attributable to rollover contributions at any time.

**Vesting:** The account balances in the Iowa Hourly account on June 1, 2010 are 100% vested. Amounts forfeited prior to June 1, 2010 are subject to restoration upon rehire only in accordance with IRS rules.

#### **J. Hosted Solutions Acquisition, LLC 401(k) Plan**

**Distributions and Withdrawals:** If you were a participant in the Hosted Solutions Acquisition, LLC 401(k) Plan (the "Hosted Solutions Plan") and your benefit under the Hosted Solutions Plan was merged into the Plan as of April 1, 2011, the following forms of payment are available under the Plan for your prior plan account attributable to the Hosted Solutions Plan ("Hosted Solutions account").

- A single sum payment of your Hosted Solutions account after termination of employment.
- While you are employed with the Company, withdrawal of your Hosted Solutions account balance upon attainment of age 59½.
- While you are employed with the Company, withdrawal of your Hosted Solutions account balance upon disability for participants in the Hosted Solutions Plan as of April 1, 2010.
- While you are employed with the Company, withdrawal of your Hosted Solutions account balance attributable to rollover contributions at any time.

**Vesting:** The account balances in the Hosted Solutions account on January 1, 2011 are 100% vested. Amounts forfeited prior to January 1, 2011 are subject to restoration upon rehire only in accordance with IRS rules.

**Roth Contributions:** Any Roth contributions that you made to the Hosted Solutions Plan are separately accounted for under the Plan. Payment from the Plan of your Hosted Solutions prior account balance attributable to Roth contributions will not be subject to Federal income tax if the distribution is a qualified distribution. A qualified distribution is a payment made both after you are age 59½ (or after your death or disability) and after you have had a designated Roth account in the Plan (including the prior Hosted Solutions Plan) for at least 5 years (measured from the first day of the tax year of your first Roth contribution to the Plan). Payment from the Plan of your Hosted Solutions prior account balance attributable to Roth contributions may be directly rolled over to a Roth IRA or a designated Roth account in an employer plan (tax-qualified plan or section 403(b) plan).

#### **K. PAETEC Holding Corp. 401(k) Plan**

**Distributions and Withdrawals:** If you were a participant in the PAETEC Holding Corp. 401(k) Plan (the "PAETEC Plan") and your benefit under the PAETEC Plan was merged into the Plan as of September 19, 2012, the following forms of payment are available under the Plan for your prior plan account attributable to the PAETEC Plan ("PAETEC account").

- A single sum payment of your PAETEC account after termination of employment.
- Installments, but only for participants (or beneficiaries) who have commenced installments prior to September 19, 2012.
- While you are employed by the Company, withdrawal of your PAETEC account, except for the amount attributable to the money purchase pension account of the Allworx Corporation 401(k) Profit Sharing Plan and Trust as of October 31, 2008 (the "Money Purchase Pension Sub-Account"), upon attainment of age 59½.
- While you are employed by the Company, withdrawal of your PAETEC account attributable to the Money Purchase Pension Sub-Account upon attainment of age 65.
- Purchase of a Qualified Joint and Survivor Annuity contract with your account balance attributable to the Money Purchase Pension Sub-Account after termination of employment.
- Purchase of a joint and 75% survivor annuity (for the Participant's life with the Participant's Spouse as the survivor annuitant) with your account balance attributable to the Money Purchase Pension Sub-Account after termination of employment.
- Following the death of a married Participant (under Federal law), purchase of a Qualified Preretirement Survivor Annuity contract with

your account balance attributable to the Money Purchase Pension Sub-Account.

- While you are employed by the Company, withdrawal of your PAETEC account attributable to after-tax contributions at any time.
- While you are employed by the Company, hardship withdrawals of your PAETEC account attributable to elective deferral contributions.
- While you are employed by the Company, withdrawals of your PAETEC account attributable to rollover contributions at any time.
- Distributions from your PAETEC account upon deemed severance from employment while on active military duty for more than 30 days.

**Qualified Joint and Survivor Annuity:** If you are married (under Federal law), your account balance attributable to the Money Purchase Sub-Account will be paid through the purchase of a Qualified Joint and Survivor Annuity contract unless you waive the Qualified Joint and Survivor Annuity and elect the lump sum form of payment with your spouse's written consent (which written consent must be witnessed by a notary). A Qualified Joint and Survivor Annuity provides an immediate annuity payable to you for your life and, following your death, 50% of that amount to your surviving spouse (under Federal law) for life. An election to waive the Qualified Joint and Survivor Annuity must be made in the form and manner prescribed by the Plan Administrator (e.g., within 180 days of the distribution date). If you are not married, your account balance attributable to the Money Purchase Sub-Account will be paid through the purchase of a single life annuity unless you elect the lump sum form of payment.

**Qualified Preretirement Survivor Annuity:** If you are married (under Federal law) when you die, your account balance attributable to the Money Purchase Sub-Account will be paid to your spouse through the purchase of a Qualified Preretirement Survivor Annuity contract. A Qualified Preretirement Survivor Annuity is a single life annuity for your spouse's life. Your spouse may in lieu of the Qualified Preretirement Survivor Annuity elect a lump sum payment. You may waive the Qualified Preretirement Survivor Annuity and designate with your spouse's written consent (which written consent must be witnessed by a notary) a beneficiary to receive your account balance attributable to the Money Purchase Sub-Account upon your death. An election to waive the Qualified Preretirement Survivor Annuity must be made in the form and manner prescribed by the Plan Administrator (e.g., waivers made while employed prior to the first day of the year in which you attain age 35 cease to be effective on the first day of the year in which you attain age 35).

**Vesting:** The account balances in the PAETEC account on September 19, 2012 are 100% vested. Amounts forfeited prior to September 19, 2012 are subject to restoration upon rehire only in accordance with IRS rules.

## **L. Network Telephone 401(k) Profit Sharing Plan**

**Distributions and Withdrawals:** If you were a participant in the Network Telephone 401(k) Profit Sharing Plan (the "Network Plan") and an employee on August 9, 2013, your benefit under the Network Plan was transferred to the Plan as of October 1, 2013. The following forms of payment are available under the Plan for your prior plan account attributable to the Network Plan ("Network account").

- A single sum payment of your Network account after termination of employment.
- Installments, but only for participants (or beneficiaries) who have commenced installments prior to October 1, 2013.
- While you are employed by the Company, withdrawal of your Network account, upon attainment of age 59½.
- While you are employed by the Company, withdrawal of your Network account attributable to rollover contributions at any time.

**Vesting:** The account balances in the Network account on October 1, 2013 are 100% vested.

## **M. BOB, LLC 401(k) Plan**

**Distributions and Withdrawals:** If you were a participant in the BOB, LLC 401(k) Plan (the "BOB Plan") and your benefit under the BOB Plan was merged into the Plan as of March 2, 2015, the following forms of payment are available under the Plan for your prior plan account attributable to the BOB Plan ("BOB account").

- A single sum payment of your BOB account after termination of employment.
- While you are employed with the Company, withdrawal of your BOB account balance upon total and permanent disability.
- While you are employed by the Company, withdrawal of your BOB account balance attributable to rollover contributions at any time.
- While you are employed by the Company, withdrawal of your BOB account balance upon attainment of age 59½.
- While you are employed by the Company, hardship withdrawals of your BOB account balance attributable to elective deferral contributions.

**Vesting:** The account balances in the BOB account of participants who were active employees on October 1, 2014 are 100% vested. The non-vested portion of the accounts for employees terminated prior to October 1, 2014 were forfeited prior to the merger of the BOB Plan into the Plan, subject to restoration

upon rehire only in accordance with IRS rules. The remaining account balance that was transferred to the Plan from the BOB Plan for employees who terminated prior to October 1, 2014, is 100% vested.

#### **N. EarthLink 401(k) Plan**

**Distributions and Withdrawals:** If you were a participant in the EarthLink 401(k) Plan (the "EarthLink Plan") and your benefit under the EarthLink Plan was merged into the Plan as of July 3, 2017, the following forms of payment are available under the Plan for your prior plan account attributable to the EarthLink Plan ("EarthLink account").

- A single sum payment of your EarthLink account after termination of employment.
- Installments for purposes of the required distribution rules under Section 401(a)(9) of the Internal Revenue Code, but only for participants (or beneficiaries) who have commenced installments prior to July 3, 2017.
- While you are employed by the Company, withdrawal of your EarthLink account balance upon attainment of age 59½.
- While you are employed by the Company, withdrawals of your EarthLink account balance attributable to rollover contributions at any time.

**Vesting:** The account balances in the EarthLink account of participants who were active employees on February 27, 2017 are 100% vested. Any other person is subject to the following vesting schedule: 1 year of vesting service – 25% vested, 2 years of vesting service – 50% vested, 3 years of vesting service – 75% vested, and 4 years of vesting service – 100% vested.

#### **O. Broadview Networks Retirement Savings Plan**

**Distributions and Withdrawals:** If you were a participant in the Broadview Networks Retirement Savings Plan (the "Broadview Plan") and your benefit under the Broadview Plan was merged into the Plan as of December 15, 2017, the following forms of payment are available under the Plan for your prior plan account attributable to the Broadview Plan ("Broadview account").

- A single sum payment of your Broadview account after termination of employment.
- Installments, but only for participants (or beneficiaries) who have commenced installments prior to December 15, 2017.
- While you are employed by the Company, withdrawals of your Broadview account balance attributable to rollover contributions at any time.
- While you are employed by the Company, withdrawal of your Broadview account balance upon attainment of age 59½.

- Distributions from your Broadview account upon deemed severance from employment while on active military duty for more than 30 days.
- Distribution of account balance upon total disability (i.e., disable, as a result of sickness or injury, to the extent you are prevented in engaging in any substantial gainful activity, and are eligible for and receiving disability benefits under the Social Security Act).

**Vesting:** The account balances in the Broadview account of participants who were active employees on July 28, 2017 are 100% vested. Any other person is subject to the following vesting schedule: 1 year of vesting service – 25% vested, 2 years of vesting service – 50% vested, 3 years of vesting service – 75% vested, and 4 years of vesting service – 100% vested.

## Notes



**SUPPLEMENTAL PROSPECTUS DOCUMENT FOR  
WINDSTREAM 401(k) PLAN**

(Effective as of January 1, 2018)

**THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS COVERING  
SECURITIES THAT HAVE BEEN REGISTERED UNDER THE SECURITIES  
ACT OF 1933.**

The following information and documents incorporated by reference are provided for purposes of this Supplemental Prospectus only and are **not** part of the Summary Plan Description and are neither communications from nor part of any communication from the Plan's fiduciaries. Windstream Holdings, Inc. (fka Windstream Corporation) originally filed on March 6, 2014 with the Securities Exchange Commission a Registration Statement covering an additional 15,000,000 shares of Windstream Holdings, Inc. common stock, \$.0001 par value, and the plan interests that may be offered and sold under the Plan. On March 1, 2017, Windstream Holdings, Inc. filed with the Securities Exchange Commission a Registration Statement covering an additional 20,000,000 shares of Windstream Holdings, Inc. common stock, \$.0001 par value, and the plan interests that may be offered and sold under the Plan.

The following documents filed by Windstream Holdings, Inc. pursuant to the Exchange Act are hereby incorporated by reference into the Prospectus:

1. The documents incorporated by reference in the Registration Statement on Form S-8 filed on March 1, 2017 (which documents included Windstream Holdings, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2016).
2. All other reports filed pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the annual reports indicated above.
3. The description of the class of securities contained in the registration statement filed under the Exchange Act, including any amendment or report filed for the purpose of updating such description.

In addition to the foregoing, all documents subsequently filed by Windstream Holdings, Inc. pursuant to Sections 13(a), 13(c), 14, and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities have been sold or which deregisters all securities then remaining unsold, is deemed to be incorporated by reference into the Prospectus and to be part of the Prospectus from the date of the filing of such documents.

Windstream Holdings, Inc. will provide you without charge, upon your written or oral request, a copy of (i) any or all of the documents (other than exhibits) that have been incorporated by reference in this Prospectus and (ii) other documents required to be delivered to participants pursuant to Rule

428(b) under the Securities Act of 1933. You can obtain documents or request additional information about the Plan and its administrator, the Windstream Benefits Committee, by writing to Windstream Benefits Committee, Windstream Services, LLC, 4001 Rodney Parham Rd., Mailstop 1170 – B1F02 – 93 or calling 1-501-748-7000.

You also may read and copy any reports, statements, or other information that Windstream Holdings, Inc. files, including the Registration Statement, without charge at the public reference room maintained by the SEC, located at 100 F Street, NE, Washington, D.C. 20549, and copies of all or any part of the Registration Statement may be obtained from such offices upon the payment of the fees prescribed by the SEC. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. The SEC also maintains an Internet website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the site is [www.sec.gov](http://www.sec.gov).

No person has been authorized to give any information or to make any representations other than those contained or incorporated by reference in this Prospectus in connection with the offer contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorized by Windstream Services, LLC. This Prospectus relates solely to the Plan and it may not be used or relied on in connection with any other offer or sale of securities of Windstream Holdings, Inc. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Windstream Holdings, Inc. since the date hereof. This Prospectus does not constitute an offer or solicitation in any state in which, or to any person to whom, it is unlawful to make such offer or solicitation.