

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2017 This Form is Open to Public Inspection
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For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

- **Round off amounts to nearest dollar.**
 ► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan WINDSTREAM PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF WINDSTREAM SERVICES, LLC	D Employer Identification Number (EIN) 20-0792300	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information			
1 Enter the valuation date:	Month <u>01</u> Day <u>01</u> Year <u>2017</u>		
2 Assets:			
a Market value.....		2a	812,429,110
b Actuarial value		2b	838,164,899
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	3,717	566,734,582	566,734,582
b For terminated vested participants	1,945	65,182,259	65,182,259
c For active participants	3,146	247,915,896	264,028,142
d Total	8,808	879,832,737	895,944,983
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions.....		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....		4b	
5 Effective interest rate.....		5	5.87%
6 Target normal cost		6	15,155,834

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Lillian Jersa <i>LJ</i> Signature of actuary	<u>9-24-2018.</u> Date 1706256
	LILLIAN JERSA, A.S.A. Type or print name of actuary	Most recent enrollment number 214-530-4200
	TOWERS WATSON DELAWARE INC. Firm name	Telephone number (including area code)
	500 NORTH AKARD STREET, SUITE 4100 DALLAS TX 75201 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> Substitute	

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	15,155,834	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	57,780,084	8,144,210
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	23,300,044	
35 Balances elected for use to offset funding requirement.....	Carryover balance	Prefunding balance	Total balance
	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	23,300,044	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	23,300,536	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	492	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	<input type="checkbox"/> 2 plus 7 years	<input type="checkbox"/> 15 years	
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008	<input type="checkbox"/> 2009	<input type="checkbox"/> 2010 <input type="checkbox"/> 2011
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

Employees are assumed to retire according to the rates in the following table:

All Participants		
Age	Retirement Rate	Probability Of Retirement
55	6.00%	6.00%
56	6.00%	5.64%
57	6.00%	5.30%
58	6.00%	4.98%
59	6.00%	4.69%
60	6.00%	4.40%
61	10.00%	6.90%
62	15.00%	9.31%
63	15.00%	7.92%
64	15.00%	6.73%
65	100.00%	38.13%
		100.00%
Weighted Average Retirement Age: 61.84		

The following changes have been made since the prior valuation:

- The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC §430.
- The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as required by IRC §430.
- The assumed plan-related expenses added to the target normal cost were changed from \$2,080,000 for the prior valuation to \$8,470,000 for the current valuation to account for higher expected expenses to be paid from the trust.
- The mortality table used for lump sum conversion was updated to reflect the table prescribed under IRC §417(e) for payments made during 2017.
- The segment interest rates used for lump sum conversion for non-Iowa participants were updated to be the same as the segment rates used to calculate the funding target and target normal cost.

The following changes have been made since the prior valuation:

- The valuation software used to produce the actuarial information submitted on this schedule has been changed and such modification may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Number and average plan compensation limited by IRC §401(a)(17) distributed by attained age and attained years of credited service

All monetary amounts shown in US Dollars

Attained Age	Statistic	Attained Years of Credited Service										
		Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	Count		2									
	Average Earnings											
25 to 29	Count		6	8								
	Average Earnings											
30 to 34	Count	2	38	28	12	1						
	Average Earnings		65,151	64,497								
35 to 39	Count		95	131	45	32	3					
	Average Earnings		64,733	63,783	66,008	65,415						
40 to 44	Count	1	75	195	74	70	6	2				
	Average Earnings		65,624	63,887	66,173	65,822						
45 to 49	Count		69	192	99	105	25	15				
	Average Earnings		65,624	64,454	64,664	64,159	64,979					
50 to 54	Count	2	27	107	110	97	75	60	18	5		
	Average Earnings		65,624	63,641	66,427	65,330	64,166	64,843				
55 to 59	Count	1	10	93	106	87	53	88	117	108	7	
	Average Earnings			64,373	65,014	64,581	63,676	63,427	64,951	65,296		
60 to 64	Count		3	69	62	44	36	45	76	126	56	
	Average Earnings			61,094	65,264	64,615	60,278	64,372	64,223	65,785	64,557	
65 to 69	Count			27	19	7	3	6	15	17	25	
	Average Earnings			67,049							62,035	
70 & up	Count			3		1			1	2	1	
	Average Earnings											

Census data as of January 1, 2017

Average earnings shown reflects only those participants accruing benefits under pay-related formulas as of January 1, 2017

**Schedule of Amortization Bases
 as of January 1, 2017**

	Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	01/01/2011	68,323,669	1	11,241,260	11,241,260
2	Shortfall	01/01/2012	(115,769,152)	2	(38,512,968)	(19,648,872)
3	Shortfall	01/01/2013	24,874,459	3	11,963,277	4,151,350
4	Shortfall	01/01/2014	(9,113,734)	4	(5,745,200)	(1,525,265)
5	Shortfall	01/01/2015	13,910,877	5	10,679,334	2,313,422
6	Shortfall	01/01/2016	21,641,540	6	19,213,827	3,575,690
7	Shortfall	01/01/2017	48,940,554	7	48,940,554	8,036,625
Total					57,780,084	8,144,210

Statement of actuarial assumptions and methods

Economic Assumptions

Interest rate basis:

- Applicable month September
- Interest rate basis Segment Rates

Interest rates:	Reflecting Corridors	Not Reflecting Corridors
▪ First segment rate	4.16%	1.52%
▪ Second segment rate	5.72%	3.80%
▪ Third segment rate	6.48%	4.79%
▪ Effective interest rate	5.87%	4.07%

Annual rates of increase

- Compensation:
 - Verizon Union 2.00%
 - Other Union 2.00%
 - Iowa Telecom 2.00%

Assumptions used for lump sum conversion:

- Mortality
 - Non-Iowa participants: 2017 IRC §417(e) mortality table prescribed by the IRS
 - Iowa Telecom participants: TPF&C forecast mortality table for males with ages set back two years.
- Interest rates
 - Non-Iowa participants: Segment interest rates – 4.16% first segment (years 1-5), 5.72% second segment (years 6-20), and 6.48% third segment (years 21+).
 - Iowa Telecom participants: 3.00%

Plan-related expenses \$8,470,000

Rates not reflecting stabilization are used to determine PBGC variable rate premiums if the alternative method is used, and are used to determine the PBGC FTAP and the PBGC 4010 FS.

Demographic Assumptions

Inclusion Date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

- **Healthy** Separate rates for non-annuitants (based on RP-2000 “Employees” table without collar or amount adjustments, projected to 2032 using Scale AA) and annuitants (based on RP-2000 “Healthy Annuitants” table without collar or amount adjustments, projected to 2024 using Scale AA).
- **Disabled** Separate rates for non-annuitants (based on RP-2000 “Employees” table without collar or amount adjustments, projected to 2032 using Scale AA) and annuitants (based on RP-2000 “Healthy Annuitants” table without collar or amount adjustments, projected to 2024 using Scale AA).

Termination The representative rates at which participants terminate by age are shown below:

Percentage leaving during the year

Attained Age	Rate
25	7.78%
30	5.83%
35	4.95%
40	4.13%
45	3.50%
50	2.95%
55	3.15%
60	6.30%

Disability (non-D&E/lowa participants)

75% of Table S-10 of 11th Railroad Retirement Board (modified).

The representative rates at which participants become disabled by age are shown below:

Percentage becoming disabled during the year

Age	Rate
30	0.45%
40	0.09%
50	0.39%
55	0.80%
60	1.86%
64	2.25%

Disability (D&E participants)

Not applicable

Disability (Iowa participants)

The representative rates at which participants become disabled by age are shown below:

Percentage becoming disabled during the year	
Age	Rate
30	0.02%
40	0.04%
50	0.13%
55	0.24%
60	0.33%
64	0.33%

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below:

Percentage retiring during the year	
Age	Rate
<=53	12%
54-60	6%
61	10%
62-64	15%
65+	100%

Benefit commencement dates:

- Preretirement death benefit Earliest possible commencement date
- Deferred vested benefit Age 65
- Disability benefit Upon disablement for former Kerrville, former Valor, Verizon union, former CTC, and former Iowa Telecom benefits; age 65 for all other benefits
- Retirement benefit Upon termination of employment

Form of payment

Benefits that can be received in the form of a lump sum are assumed to be taken in that form.

Benefits that cannot be received in the form of a lump sum: 50% single life annuity, 15% joint and survivor annuity with 50% continued, 10% joint and survivor annuity with 75% continued, and 25% joint and survivor annuity with 100% continued.

Percent married

85%; used to value pre-retirement surviving spouse benefits and in determining the optional forms expected to be elected at commencement

Spouse age

Wife three years younger than husband

Covered pay

Assumed plan compensation for the year beginning on the valuation date was determined as plan compensation provided by Milliman for the prior year adjusted at the assumed compensation increase rate.

Timing of benefit payments Annuity payments are payable monthly at the beginning of the month, and lump sum payments are payable on date of decrement.

Methods

Valuation date First day of plan year

Funding target Present value of accrued benefits as required by regulations under IRC §430.

Target normal cost Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during plan year as required by regulations under IRC §430.

Actuarial value of assets Average of the fair market value of assets on the valuation date and 12 and 24 months preceding the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year.)

Benefits Not Valued All benefits described in the Plan Provisions section of this report were valued based on discussions with the Company regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with the Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Sources of Data and Other Information

The plan sponsor, through its third party administrator, furnished participant data as of January 1, 2017. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates may have been made when data were not available.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Interest rate The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.

Plan-related expenses As required by regulations, plan-related expenses are calculated by estimating the expenses to be paid from the trust during the coming year (including, for example, expected PBGC premiums and actuarial, accounting, legal, administration and trustee fees to be paid from the trust).

Rate of compensation increase Assumed increase was chosen by the plan sponsor and represents an estimate of future experience.

Lump sum conversion rate As required by IRC §430, lump sum benefits are valued using “annuity substitution” so the interest rates assumed are the same as described above for the interest rate basis.

Assumed return for asset smoothing The assumed return used for asset smoothing is the third segment rate. Although we have not explicitly determined an expected return on assets, based on an analysis of the plan sponsor’s investment policy we believe the rate to be above the third segment rate.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality Assumptions used for funding purposes are as prescribed by IRC §430(h).

Disabled Mortality Assumptions used for funding purposes are as prescribed by IRC §430(h).

Termination Termination rates were based on an experience study conducted in 2013, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Disability Assumed disability rates differ by age because of expected differences in disability rates by age.

Retirement Retirement rates were based on an experience study conducted in 2013, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Benefit commencement date for deferred vested benefits Deferred vested participants’ assumed commencement age is based on an experience study conducted in 2013, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Form of payment Form of payment assumptions were based on an experience study conducted in 2013, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Percent married The assumed percentage married is based on general population statistics on the marital status of individuals of retirement age.

Spouse age The assumed age difference for spouses is based on general population statistics of the age difference for married individuals of retirement age.

Prescribed Methods

Funding methods The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Summary of principal plan provisions

Plan Provisions

The most recent amendment reflected in the following plan provisions was effective October 6, 2016.

Covered employees

Employees covered by a collectively bargained agreement that are eligible to participate. However, employees covered under the National Pension Bargaining Agreement that are hired (or rehired) after February 29, 2012 are not eligible to participate in the plan. Also, Nebraska CBA employees hired after October 31, 2013 who elect not to participate in the plan are not covered.

Employees who were:

- Participants under the former Alltel Plan or Valor Plan on December 31, 2005, had attained age 40 with two or more years of vesting service as of December 31, 2005, and were employees of Windstream on or after June 21, 2006 and before January 1, 2007;
- Participants of the Pension Plan of the Concord Telephone Company (CTC) on December 31, 2007;
- Participants of the D&E Communications, Inc. Employees' Retirement Plan (D&E Non-union) and The Conestoga Telephone & Telegraph Company Pension Plan for Members of Local 1671 (D&E Union) on December 31, 2009; or
- Former GTE employees who transferred employment to Iowa Telecom on July 1, 2000, members of the CWA who were hired between July 1, 2000 and December 31, 2000 and members of the IBEW who were hired between July 1, 2000 and May 31, 2001.

The following employees are not eligible to participate:

- Employees covered by a collective bargaining agreement unless it is agreed that such employees would be eligible to participate in the plan;
- Employees covered by an agreement with the company which prohibits inclusion in the plan;
- Leased employees;
- Any person who is not treated as an employee for purposes of Internal Revenue Code Section 3401;
- Non-resident aliens who receive no earned income from the Employer;
- Employees of Affiliated Employers unless such Affiliated Employers have specifically adopted this plan in writing; and
- Employees of Wavetel, L.C.C. effective June 13, 2000

Participation date

Date following completion of 1,000 hours of service during the year following the date of first hour of service, or any plan year with greater than 1,000 hours of service.

For Valor participants, date of hire if they complete 1,000 hours in first year of service.

For CTC participants, the January 1 or July 1 coincident with or next following the attainment of age 21 and completion of one year of service.

For D&E Non-union and D&E Union plan participants as of December 31, 2009, January 1, 2010.

Other than employees covered by a collectively bargained agreement, former Valor participants, or CTC participants, no person shall become a participant in the Plan after December 31, 2005.

Employees covered by the National Pension Bargaining Agreement that are hired (or rehired) after February 29, 2012 are not eligible to participate in the plan.

Nebraska CBA employees hired after October 31, 2013 who elect not to participate in the plan will not become participants.

Valor union employees hired (or rehired) after February 28, 2014 are not eligible to participate in the plan.

Definitions

Vesting service

One year for each plan year during which an employee has completed 1,000 hours of service.

For Valor participants:

- Service prior to January 1, 2007: number of whole one-year periods of vesting service credited under the Valor Plan as of December 31, 2006.
- Service after January 1, 2007: credited one year for each plan year during which an employee has completed 1,000 hours of service.

For D&E participants, elapsed time from date of completion of one hour of service to date of termination.

Benefit service

One year for each plan year during which an employee has completed 2,000 hours of service, with one-twelfth year granted for each 166-2/3 hours of service completed for each plan year with less than 2,000 hours but at least 1,000 hours of service.

For non-bargaining participants:

- Benefit service was frozen December 31, 2005 for participants who did not attain age 40 and two years of vesting service as of December 31, 2005.
- Benefit service was frozen December 31, 2010 for participants who attained age 40 and two years of vesting service as of December 31, 2005.

Accredited service

Accredited service is determined on a calendar year basis with fractional credit based on hours of service and customary hours worked (usually 2,080).

- For former Contel employees, accredited service includes the period of accredited service recognized under the Contel Pension Plan, if any, prior to the date of transfer to coverage under this plan.
- For former Valor participants of the Kerrville plan, accredited service accruals begin January 1, 2003.
- For former Valor participants who transferred from GTE Southwest, accredited service includes the period of credited service recognized under the pension plans sponsored by GTE Southwest, if any, prior to the date of transfer to coverage under this plan.
- For former CTC participants, accredited service includes the period of credited service recognized under the CTC Plan, if any, prior to the date of transfer to coverage under this plan.

Accredited service was frozen effective December 31, 2007 for the former CTC participants.

Accredited service was frozen effective June 30, 2005 for salaried participants in the former Iowa Telecom Pension Plan.

Net credited service

For Aliant union participants, elapsed time worked from original employment date to termination date.

Credited service

For D&E Non-union and Union participants, elapsed time from date of completion of one hour of service to date of termination.

Compensation

Total wages plus deferred compensation amounts, excluding non-wage taxable fringe benefits.

For non-bargaining participants, compensation after December 31, 2005 will not be considered for participants who did not attain age 40 and two years of vesting service as of December 31, 2005.

For non-bargaining participants, compensation after December 31, 2010 will not be considered for participants who attained age 40 and two years of vesting service as of December 31, 2005.

For former CTC participants, compensation after December 31, 2007 will not be considered.

For D&E Non-union and Union participants, compensation after December 31, 2009 will not be considered.

For hourly participants in the former Iowa Telecom Pension Plan, base rate of pay plus bonuses paid based on company performance and certain sales commissions.

Average annual compensation	<p>Average of the highest five consecutive years' compensation.</p> <p>For all D&E union participants and D&E Non-union participants hired on or before December 31, 1999 or after December 31, 2003: average of highest five consecutive years' compensation during the last ten years of credited service.</p> <p>For D&E Non-union participants hired on or after January 1, 2000 and before December 31, 2003: average of all years' compensation earned during entire period of credited service.</p>
Benefit percentage	<p>The sum of the percentage accrual rates applicable to each year of benefit accrual service as set forth in the plan.</p>
Normal form of benefit	<p>Single participants: single life annuity</p> <p>Married participants: 50% joint and survivor annuity; if the spouse of a D&E union participant predeceases a participant within two years after payments commence, the amount of the annuity reverts back to amount payable under the single life annuity option</p> <p>Former Kerrville plan benefit: 10-year certain and life annuity</p>
Social Security integration level	<p>The 35-year average annual earnings with respect to which Primary Social Security benefits would be payable assuming that earnings were equal to the maximum taxable wage base each year prior to termination of employment and the employee were age 65 on the date employment terminates.</p>
Normal retirement date (NRD)	<p>First of month coincident or next following age 65 and completion of five years of vesting service.</p> <p><u>Verizon union participants:</u></p> <p>First of month coincident or next following age 65 and completion of five years of vesting service if hired after age 60.</p> <p><u>CTC participants and D&E Non-union participants:</u></p> <p>First of month coincident or next following age 65.</p>

Monthly pension benefit

The annual accrued benefit as defined below divided by 12:

National Pension Bargaining Agreement union participants (“Windstream Union”):

The greater of (i) and (ii) below:

- (i) The benefit percentage multiplied by average annual compensation
- (ii) \$120 for each year of benefit service

Alltel union participants:

The greater of (i) and (ii) below:

- (i) The benefit percentage multiplied by average annual compensation
- (ii) \$120 for each year of benefit service

Former GTE union participants:

The sum of (i), (ii), and (iii) below:

- (i) 1.35% of average annual compensation multiplied by accredited service as of March 3, 1995
- (ii) For the periods March 4, 1995 to May 23, 1998 (IBEW group) and March 4, 1995 to March 30, 1999 (CWA group), the greater of (a) and (b) below:
 - (a) The benefit percentage multiplied by average annual compensation
 - (b) \$10 for each year of benefit service
- (iii) For each year of benefit service beginning May 24, 1998 (IBEW group) and beginning March 31, 2009 (CWA group), the sum of (a) and (b) below:
 - (a) 1% of compensation
 - (b) 0.4% of compensation in excess of the Social Security taxable wage base

Non-union salaried participants:

The sum of (i), (ii), and (iii) below:

- (i) The greater of (a) and (b) below:
 - (a) The benefit percentage at December 31, 1987 multiplied by average annual compensation at December 31, 1987
 - (b) \$10 for each year of benefit service at December 31, 1987
- (ii) 0.4% of average annual compensation (average rate of compensation for the highest three consecutive years during the period of service beginning January 1, 1966 and ending December 31, 1987) in excess of Social Security covered compensation multiplied by benefit service as of December 31, 1987

(iii) For each year of benefit service after December 31, 1987, the sum of (a) and (b) below:

- (a) 1% of compensation
- (b) 0.4% of compensation in excess of the Social Security taxable wage base

Aliant union participants:

The greater of (i) and (ii) below:

(i) Minimum annual benefit based on table below:

Years of Credited Service	Minimum Annual Benefit
20 but less than 21	\$1,830
21 but less than 22	\$1,950
22 but less than 30	\$2,040
30 but less than 40	\$2,160
40 or more	\$2,280

(ii) Credited service multiplied by multiplier(s) based on table below (pension band rates are as of January 1, 2007):

Pension Band	Years of Credited Service		
	First 25 years	Years 25.001 – 30	Years 30+
1 – 7	\$418.44	\$439.68	\$460.56
8	\$432.72	\$454.32	\$476.28
9	\$447.00	\$469.32	\$491.52
10	\$460.68	\$484.32	\$506.88
11	\$474.84	\$498.96	\$522.60
12	\$488.88	\$513.48	\$537.72
13	\$503.28	\$528.24	\$553.56
14	\$517.68	\$543.00	\$568.92
15	\$531.12	\$557.88	\$584.28
16	\$545.28	\$572.88	\$599.88
17	\$559.44	\$587.16	\$615.60
18	\$573.48	\$602.40	\$630.60
19	\$587.28	\$616.80	\$646.44
20	\$601.68	\$631.80	\$662.28
21	\$615.84	\$646.92	\$677.40

Verizon union participants (CWA and IBEW):

The greater of (i) and (ii) below:

(i) 1.35% of average annual compensation multiplied by accredited service

(ii) Minimum annual benefit based on table below:

Years of Accredited Service	Minimum Annual Benefit
15 but less than 20	\$7,200
20 but less than 25	\$8,400
25 but less than 30	\$9,240
30 but less than 35	\$10,200
35 but less than 40	\$11,280
40 or more	\$12,480

Valor non-union participants:

The greater of (i) and (ii) below:

- (i) The sum of (a) and (b) below:
 - (a) 1.15% of average annual compensation up to the Social Security integration level multiplied by accredited service
 - (b) 1.45% of average annual compensation in excess of the Social Security integration level multiplied by accredited service
- (ii) 1.35% of average annual compensation multiplied by accredited service

Benefit accruals for all Valor non-union participants were frozen as of December 31, 2006. Participants who attained age 40 and two years of vesting service as of December 31, 2005 continue to accrue benefits under the Windstream non-union salaried formula until December 31, 2010.

Valor union participants:

The sum of (i) and (ii) below:

- (i) 1.35% of average annual compensation multiplied by accredited service
- (ii) Minimum annual benefit based on table below:

Years of Accredited Service	Minimum Annual Benefit
15 but less than 20	\$5,429
20 but less than 25	\$7,046
25 but less than 30	\$8,663
30 but less than 35	\$10,280
35 but less than 40	\$11,897
40 or more	\$13,515

CTC participants:

The sum of (i) and (ii) below:

- (i) 1.1% of average annual compensation multiplied by accredited service (up to 40 years)
- (ii) 0.65% of average annual compensation in excess of the Social Security integration level multiplied by accredited service (up to 35 years)

Benefit accruals under the Plan for all former CTC participants were frozen as of December 31, 2007.

D&E Non-union participants:

Upon normal retirement, a member receives a monthly retirement benefit which is equal to 1.1% of the member's average pensionable compensation up to and including covered compensation plus 1.5% of the member's average pensionable compensation in excess of covered compensation multiplied by

his years of credited service (“New Formula”) through September 30, 2006.

For members of the D&E Plan before the merger hired prior to December 31, 1999, a member receives a monthly benefit equal to 1.6% of the member’s average pensionable compensation multiplied by his years of credited service through September 30, 2006.

For members of the D&E Plan before the merger and hired between January 1, 2000 and December 31, 2003, a member receives 1.6% of the member’s average pensionable compensation earned through December 31, 2003 multiplied by his years of credited service earned through December 31, 2003 (“D&E Post 2000 Formula”) plus the greater of 1) D&E Post 2000 Formula and 2) New Formula for service beginning January 1, 2004 through September 30, 2006.

For members of the Buffalo Valley Plan prior to December 31, 2003, a member receives a monthly retirement benefit which is equal to 1% of the member’s average pensionable compensation multiplied by credited service through December 31, 2003 plus the New Formula for service beginning January 1, 2004 through September 30, 2006.

For members of the Conestoga Plan prior to December 31, 2003, a member receives a monthly retirement benefit which is equal to 1.0% of average pensionable compensation multiplied by the first 20 years of credited service earned through December 31, 2003; plus 1.1% of average pensionable compensation multiplied by credited service in excess of 20 years but less than 30 years earned through December 31, 2003; plus 1.3% of average pensionable compensation multiplied by credited service in excess of 30 years but less than 40 years earned through December 31, 2003; plus 1.0% of average pensionable compensation multiplied by any remaining years of credited service earned through December 31, 2003 (“CTT Formula”) plus the greater of 1) additional benefit that would have been earned under the CTT Formula and 2) benefit that would be earned under the New Formula for service beginning January 1, 2004 through September 30, 2006.

In no event may a member who was a participant of the retirement plan in effect on December 31, 2003, receive less than the normal retirement benefit he would have received had he retired on such date.

For service after October 1, 2006, upon normal retirement, a member receives a monthly retirement benefit which is equal to 1.1% of the member’s average pensionable compensation multiplied by his years of credited service beginning October 1, 2006.

Benefit accruals for all former D&E Non-union participants were frozen as of December 31, 2009.

D&E Union participants:

Annual accrued benefit: 1.0% of average annual compensation multiplied by the first 20 years of benefit service; plus 1.2% of average annual compensation multiplied by benefit service in excess of 20 years but less than 30 years; plus 1.3% of average annual compensation multiplied by benefit service in excess of 30 years but less than 40 years; plus 1.0% of average annual compensation multiplied by any remaining years of benefit service; plus, for those hired prior to July 7, 2005, \$48 multiplied by the number of years of benefit service.

Benefit accruals for all former D&E Union participants were frozen as of December 31, 2009.

Iowa Telecom hourly participants:

1.35% of average annual compensation multiplied by accredited service, but not less than minimum benefits outlined below:

Accredited service	Non-IBEW participants	IBEW participants
15-19.9999	\$4,700	\$4,350
20-24.9999	6,100	5,650
25-29.9999	7,500	6,950
30-34.9999	8,900	8,250
35-39.9999	10,300	9,550
40+	11,700	10,850

For former Contel employees: benefits based on the greater of:

- The sum of the frozen Contel benefit and the benefit determined from formula above (ignoring minimum) based on service that excludes Contel accredited service.
- The benefit from formula above that includes Contel accredited service.

Benefit accruals for Iowa participants covered by CWA 7172 were frozen as of June 30, 2016.

Iowa Telecom salaried participants:

Frozen accrued benefit as of June 30, 2005

Monthly preretirement death benefit

50% of the monthly pension benefit as of the participant's date of death payable to the spouse on the participant's earliest possible commencement date, as if the death date was a termination date.

Eligibility for Benefits

Normal retirement

Retirement on NRD

Early retirement

Retirement prior to NRD after attainment of the following:

Earlier of 1) age 55 and 20 years of vesting service, or 2) age 60 and 15 years of vesting service

Verizon union and former Valor participants:

Earlier of 1) 30 years of accredited service, or 2) age plus accredited service greater than or equal to 76 (with at least 15 years of accredited service)

Aliant union participants:

Earlier of 1) 30 years of accredited service, 2) age 50 and 25 years of net credited service, or 3) age 55 and 20 years of net credited service

CTC participants:

Age 55 and 20 years of vesting service

D&E Non-union participants:

Age 55 and 5 years of credited service

D&E Union participants:

Earlier of 1) 55 and 10 years of vesting service, 2) 30 years of vesting service, or 3) age (at least 55) and years of vesting service (at least 5) totaling 80 or more.

Iowa Telecom participants:

Salaried: age plus accredited service greater than or equal to 76 (with at least 15 years of accredited service)

Hourly: Earlier of 1) 30 years of accredited service, or 2) age plus accredited service greater than or equal to 76 (with at least 15 years of accredited service)

Postponed retirement

Retirement after NRD

Vested termination

Termination for reasons other than death or retirement after completing five years of vesting service

D&E Non-union participants:

Termination for reasons other than death or retirement after completing five years of credited service

Disablement

For participants covered by a collective bargaining agreement and not covered under an employer-sponsored long-term disability plan: 10 years of vesting service and permanent and total disability prior to NRD.

Valor union participants:

15 years of vesting service and a disability which, in the opinion of the Committee and based on proper medical evidence, renders the employee unable to perform any occupation for which he is reasonably qualified and such disability is expected to be permanent.

Iowa Telecom union participants:

Disability after attainment of 15 years of accredited service, and qualification for Social Security disability benefits.

Preretirement death benefit

Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Benefits Paid Upon the Following Events

Normal retirement

Monthly pension benefit determined as of NRD

Early retirement

Monthly pension benefit reduced by the early retirement reduction defined below:

“55/20” early retirement: 0.25% for each complete calendar month preceding the month in which participant attains age 60

“60/15” early retirement: 0.25% for each complete calendar month preceding the month in which participant attains age 65

Verizon union and former Valor participants: 0.25% for each complete calendar month preceding the month in which the participant attains age 55; there is no reduction upon attainment of 30 years of accredited service

Aliant union participants: 0.5% for each complete calendar month preceding the month in which the participant attains age 55; there is no reduction upon attainment of 30 years of net credited service

CTC participants: 1/180th for each of the first 60 complete calendar months and 1/360th for each of the next 60 complete calendar months by which the commencement date precedes NRD

D&E Non-union participants: 0.5% for each of the first 60 complete calendar months and 0.333% for each additional complete calendar month by which the commencement date precedes NRD. If the member was i) hired on or before December 31, 1999 or ii) was part of the Buffalo Valley Plan or Conestoga Plan on or before December 31, 2003, and has attained age 55 and his age plus years of credited service at date of early retirement equal or exceed 80, his early retirement benefit is payable immediately with no reduction for the earlier commencement date.

D&E Union participants: 1/180th for each of the first 60 complete calendar months and 1/360th for each of the next 60 complete calendar months by which the commencement date precedes NRD. If the participant attained 30 years of vesting service or has age (at least 55) and years of vesting service (at least 5) totaling 80 or more, the participants is entitled to receive an unreduced early retirement benefit commencing at his early retirement date.

Postponed retirement

Iowa Telecom participants: 0.25% for each complete calendar month preceding age 55 (maximum reduction of 18%). If minimum benefit applies, then no reduction will be made. For hourly participants, there is no reduction for early retirement if 30 years of accredited service has been completed.

Monthly pension benefit determined as of actual retirement date

Vested termination

Monthly pension benefit determined as of termination date

Benefit may commence upon attainment of earlier of 1) age 55 and 20 years of vesting service, or 2) age 60 and 15 years of vesting service in an amount equal to the monthly pension benefit reduced 0.5% for each complete calendar month by which the commencement date precedes NRD.

Former Valor participants:

Monthly pension benefit determined as of termination date, except that the annual minimum pension for union employees is based on the accredited service projected to NRD then multiplied by the ratio of actual vesting service over vesting service projected to NRD. A reduced pension may be elected if the participant's age plus accredited service is 76 or more (with at least 15 years of accredited service). Alternatively, a reduced pension may be elected at age 55 or later if the participant has attained 10 years of accredited service. The early commencement reduction is 6.67% for the first five years, 5% for the next five years, 3.33% for the next five years by which the commencement date precedes NRD plus an actuarial equivalent reduction for any remaining years of early commencement.

Former CTC participants:

Monthly pension benefit determined as of termination date

Benefit may commence upon attainment of age 55 and 20 years of vesting service in an amount equal to the monthly pension benefit reduced 1/180th for each of the first 60 complete calendar months and 1/360th for each of the next 60 complete calendar months by which the commencement date precedes NRD.

Former D&E Non-union participants:

Monthly pension benefit determined as of termination date

Benefit may commence upon attainment of age 55 in an amount equal to the monthly pension benefit reduced in a manner consistent with that used in determining the early retirement benefit.

Former D&E Union participants:

Monthly pension benefit determined as of termination date

Benefit may commence upon attainment of age requirement for an early retirement benefit in an amount equal to the monthly pension benefit reduced in a manner consistent with that used in determining the early retirement benefit.

Iowa Telecom participants:

Monthly pension benefit determined as of termination date, except that the annual minimum pension is based on the accredited service projected to normal retirement date then multiplied by the ratio of actual vesting service over vesting service projected to normal retirement date. A reduced pension may be elected if the participant's age plus accredited service is 76 or more (with at least 15 years of accredited service); in this case, the reductions are the same as those for early retirement. Alternatively, an actuarially reduced pension may be elected at age 55 or later if the participant has attained 10 years of accredited service.

Disablement

Monthly pension benefit determined as of the date of disablement, reduced according to the early retirement provisions of the plan.

Valor union participants:

Monthly pension benefit determined as of the date of disablement unreduced for commencement prior to NRD.

D&E Non-union participants:

None.

D&E Union participants:

Monthly pension benefit payable immediately based on compensation and service as of date of disability.

Iowa Telecom union participants:

Monthly pension benefit determined as of the date of disablement unreduced for commencement prior to normal retirement date.

Preretirement death

Monthly preretirement death benefit reduced according to the early retirement provisions of the plan.

Valor participants:

The spouse of a participant who dies in active service or after becoming eligible for a disability pension may begin payment on first of any month following the death of the participant.

Iowa Telecom participants:

The spouse of a participant who dies in active service may begin unreduced payment on first of any month following the death of the participant.

The spouse of a vested participant who dies prior to payment of benefits may begin payment on first of any month following the death of the participant (not earlier than earliest retirement date). Payments prior to normal retirement date will be reduced based on the reductions described for early or vested termination retirement.

**Postretirement
death**

D&E Union participants:

\$5,000 from retirement until age 70. At age 70, the amount is reduced to \$3,000. Effective July 13, 2015, this benefit was eliminated for participants retiring after July 1, 2018.

Other Plan Provisions

Actuarial equivalence

Windstream non-union and union participants:

5% interest rate and RP-2000 Combined, Healthy Mortality Tables projected to 2010 using Scale AA equally weighted for male and female mortality and reflecting a blend of 25% blue collar and 75% white collar rates

D&E Non-union, D&E Union, and all other union participants:

Various bases as defined by plan.

Iowa Telecom participants:

For monthly optional forms of payment, 7% interest rate and TPF&C 1971 Group Forecast Mortality Table for males with ages set back two years for participants and four years for beneficiaries.

Forms of payment

Optional forms of payment are a 100% joint and survivor annuity, 50% joint and survivor annuity, or 10-year certain and life annuity.

For participants covered by a collective bargaining agreement, the following optional forms of payment are also available:

- (i) A reduced Pension payable during the joint lifetime of the Participant and the Participant's Spouse, and continuing thereafter in the same reduced amount for the life of the Spouse, or in the original unreduced amount for the life of the Participant.
- (ii) A reduced Pension payable during the joint lifetime of the Participant and the Participant's Spouse, and continuing thereafter in an amount which is 50% of that reduced amount for the life of the Spouse, or in the original unreduced amount for the life of the Participant.

Optional forms of payment for prior plan benefits are defined in the plan.

D&E Non-union participants: optional forms of payment are a single life annuity, joint and survivor annuity with 50%, 75%, or 100% continued, life annuity with 5, 10, or 15 year certain period. Benefits accrued as of June 30, 1997 under the Buffalo Valley Plan can be paid in the form of a lump sum.

D&E Union participants: optional forms of payment are a single life annuity, joint and survivor annuity with 50%, 75%, or 100% continued, life annuity with 5, 10, or 15 year certain period.

Iowa Telecom participants: optional forms of payment are a lump sum, joint and survivor annuity with 33-1/3%, 50%, 66-2/3%, 75%, or 100% continued, and life annuity with a 5 year certain period.

Pension increases

None.

Participant contributions

None.

Maximum on benefits and pay

All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are not assumed for determining contributions.

Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

The plan had the following amendments during 2016:

- Effective June 1, 2016, employees covered by the National Pension Agreement were given a one-time option to opt out of the defined benefit plan and into the defined contribution plan as of September 17, 2016.
- Effective October 6, 2016, the plan was amended to purchase annuities to satisfy the payment obligations to certain retirees.

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Windstream Services, LLC
EIN/PN	20-0792300/001
Plan Name	Windstream Pension Plan
Valuation Date	January 1, 2017
Enrolled Actuary	Lillian Jersa
Enrolled Number	17-06256

The actuarial assumptions that are not mandated by IRC §430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.