As filed with the Securities and Exchange Commission on March 12, 2015

File No. 001-36708

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 3 to
FORM 10

**GENERAL FORM FOR REGISTRATION OF SECURITIES
PURSUANT TO SECTION 12(b) OR 12(g) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Communications Sales & Leasing, Inc.
(Exact name of registrant as specified in its charter)

Maryland	**46-5230630**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
4001 Rodney Parham Road Little Rock, Arkansas	
(Address of principal executive offices)	**72212 (Zip Code)**

**Registrant's telephone number, including area code:
(501) 748-4491**

Securities to be registered pursuant to Section 12(b) of the Act:

Title of each class to be so registered	**Name of each exchange on which each class is to be registered**
Common Stock, par value $0.0001 per share	**NASDAQ Global Select Market**

**Securities to be registered pursuant to Section 12(g) of the Act:
None**

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Communications Sales & Leasing, Inc.
INFORMATION REQUIRED IN REGISTRATION STATEMENT
CROSS-REFERENCE SHEET BETWEEN INFORMATION STATEMENT AND ITEMS OF FORM 10

Certain information required to be included in this Form 10 is incorporated by reference to specifically-identified portions of the body of the information statement filed herewith as Exhibit 99.1. None of the information contained in the information statement shall be incorporated by reference herein or deemed to be a part hereof unless such information is specifically incorporated by reference.

Item 1. ***Business.***

The information required by this item is contained under the sections of the information statement entitled "Summary," "Risk Factors," "Cautionary Statement Regarding Forward-Looking Statements," "The Spin-Off," "Description of Financing and Material Indebtedness," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business and Properties," "Certain Relationships and Related Person Transactions," "Our Relationship with Windstream Following the Spin-Off," "U.S. Federal Income Tax Considerations" and "Where You Can Find More Information." Those sections are incorporated herein by reference.

Item 1A. ***Risk Factors.***

The information required by this item is contained under the sections of the information statement entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." Those sections are incorporated herein by reference.

Item 2. ***Financial Information.***

The information required by this item is contained under the sections of the information statement entitled "Summary—Summary Historical and Pro Forma Condensed Combined Financial Data," "CS&L's Unaudited Pro Forma Combined Financial Data," "Windstream Holdings' Unaudited Pro Forma Combined Financial Data," "Selected Combined Historical Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Those sections are incorporated herein by reference.

Item 3. ***Properties.***

The information required by this item is contained under the sections of the information statement entitled "Summary," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business and Properties." Those sections are incorporated herein by reference.

Item 4. ***Security Ownership of Certain Beneficial Owners and Management.***

The information required by this item is contained under the sections of the information statement entitled "Management" and "Security Ownership of Certain Beneficial Owners and Management." Those sections are incorporated herein by reference.

Item 5. ***Directors and Executive Officers.***

The information required by this item is contained under the section of the information statement entitled "Management." That section is incorporated herein by reference.

Item 6. ***Executive Compensation*****.**

The information required by this item is contained under the section of the information statement entitled "Management." That section is incorporated herein by reference.

Item 7. ***Certain Relationships and Related Transactions, and Director Independence*****.**

The information required by this item is contained under the sections of the information statement entitled "Management" and "Certain Relationships and Related Person Transactions." Those sections are incorporated herein by reference.

Item 8. ***Legal Proceedings*****.**

The information required by this item is contained under the section of the information statement entitled "Business and Properties—Legal Proceedings." That section is incorporated herein by reference.

Item 9. ***Market Price of, and Dividends on, the Registrant's Common Equity and Related Stockholder Matters.***

The information required by this item is contained under the sections of the information statement entitled "Summary," "The Spin-Off," "Dividend Policy," "Management" and "Description of Our Capital Stock." Those sections are incorporated herein by reference.

Item 10. ***Recent Sales of Unregistered Securities.***

Not applicable.

Item 11. ***Description of Registrant's Securities to be Registered.***

The information required by this item is contained under the sections of the information statement entitled "Summary," "The Spin-Off" and "Description of Our Capital Stock." Those sections are incorporated herein by reference.

Item 12. ***Indemnification of Directors and Officers.***

The information required by this item is contained under the section of the information statement entitled "Description of Our Capital Stock—Indemnification of Directors and Executive Officers." That section is incorporated herein by reference.

Item 13. ***Financial Statements and Supplementary Data.***

The information required by this item is contained under the sections of the information statement entitled "Summary—Summary Historical and Pro Forma Condensed Combined Financial Data," "CS&L's Unaudited Pro Forma Combined Financial Data," "Windstream Holdings' Unaudited Pro Forma Combined Financial Data," "Selected Combined Historical Financial Data" and "Index to Financial Statements" (and the financial statements and related notes referenced therein). Those sections and the financial statements and related notes referenced therein are incorporated herein by reference.

Item 14. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.***

Not applicable.

Item 15. ***Financial Statements and Exhibits.***

(a) Financial Statements

The information required by this item is contained under the sections of the information statement entitled "CS&L's Unaudited Pro Forma Combined Financial Data," "Windstream Holdings' Unaudited Pro Forma Combined Financial Data" and "Index to Financial Statements" (and the financial statements and related notes referenced therein). Those sections and the financial statements and related notes referenced therein are incorporated herein by reference.

(b) Exhibits

See below.

The following documents are filed as exhibits hereto:

Exhibit Number	Exhibit Description
2.1*	Form of Separation and Distribution Agreement
3.1*	Form of Articles of Amendment and Restatement of Communications Sales & Leasing, Inc.
3.2*	Form of Amended and Restated Bylaws of Communications Sales & Leasing, Inc.
4.1*	Specimen Stock Certificate of Communications Sales & Leasing, Inc.
10.1*	Form of Master Lease
10.2*	Form of Tax Matters Agreement
10.3*	Form of Transition Services Agreement
10.4*	Form of Employee Matters Agreement
10.5*	Form of Intellectual Property Matters Agreement
10.6*	Form of Wholesale Master Services Agreement
10.7*	Form of Stockholder's and Registration Rights Agreement
10.8**	Limited Partnership Agreement of CSL National, LP
10.9*	Employment Agreement between Communications Sales & Leasing, Inc. and Kenneth Gunderman, effective as of February 12, 2015
10.10*	Form of Master Services Agreement
10.11*	Form of Reverse Transition Services Agreement
10.12*	Communications Sales & Leasing, Inc. 2015 Equity Incentive Plan
21.1**	List of Subsidiaries of Communications Sales & Leasing, Inc.
99.1*	Preliminary Information Statement of Communications Sales & Leasing, Inc., subject to completion, dated March 12, 2015

* Filed herewith.

** Previously filed.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Communications Sales & Leasing, Inc.

By: /s/ Kenneth Gunderman
Name: Kenneth Gunderman
Title: President and Chief Executive Officer

Date: March 12, 2015

Exhibit 2.1

SEPARATION AND DISTRIBUTION AGREEMENT

BY AND AMONG

WINDSTREAM HOLDINGS, INC.,

WINDSTREAM SERVICES, LLC

AND

COMMUNICATIONS SALES & LEASING, INC.

Dated , 2015

ANNEXES

SCHEDULES

EXHIBITS

SEPARATION AND DISTRIBUTION AGREEMENT

This SEPARATION AND DISTRIBUTION AGREEMENT, dated as of , 2015 (this "Agreement"), is by and among Windstream Holdings, Inc., a Delaware corporation ("WHI"), Windstream Services, LLC, a Delaware limited liability company ("Windstream"), and Communications Sales & Leasing, Inc., a Maryland corporation ("CS&L" and, together with WHI and Windstream, the "Parties").

W I T N E S S E T H:

WHEREAS, the board of directors of WHI has determined that it is advisable and in the best interests of WHI and its stockholders to separate Windstream's business into two companies in order to accelerate the transformation of its consumer and enterprise network and create additional value for shareholders, and to spin off certain assets into CS&L which will become an independent, publicly traded real estate investment trust;

WHEREAS, CS&L has been incorporated solely for these purposes and has not engaged in activities except in preparation for its corporate reorganization and the distribution of its stock;

WHEREAS, in furtherance of the foregoing, the board of directors of each of WHI, Windstream and CS&L have approved the transfer by Windstream and its Subsidiaries of the Assigned Assets (as hereinafter defined) to CS&L and its Subsidiaries in actual or constructive exchange for (i) the assumption or incurrence, as applicable, by CS&L and certain of its Subsidiaries of the Assumed Liabilities (as hereinafter defined), (ii) the issuance by CS&L to Windstream of all of the outstanding shares of the common stock, par value $0.0001 per share, of CS&L (the "CS&L Common Stock"), (iii) the transfer by CS&L, directly or indirectly, to Windstream of the Cash Payment (as hereinafter defined), and (iv) the transfer by CS&L, directly or indirectly, to Windstream of certain debt securities and loans under a term loan facility to be issued by CS&L or its Subsidiaries as part of the Financing Arrangements (as hereinafter defined), all as more fully described in this Agreement and the Transaction Agreements (together with certain related transactions, the "Reorganization");

WHEREAS, in advance of the Reorganization, WHI, Windstream and its Subsidiaries intend to undertake certain internal reorganization steps (the "Internal Reorganization");

WHEREAS, the board of directors of Windstream has determined that it is advisable and in the best interests of Windstream and its sole stockholder, WHI, to effect a distribution to WHI of shares of CS&L Common Stock in an amount equal to 80.1 percent of the outstanding CS&L Common Stock (the "Internal Distribution"), and the board of directors of WHI has determined that it is advisable and in the best interests of WHI and its stockholders to effect a distribution (the "External Distribution" and, together with the Internal Distribution, the "Distribution") to the holders of the outstanding shares of common stock, par value $0.0001 per share, of WHI (the "WHI Common Stock"), on a pro rata basis, of all shares of CS&L Common Stock received by WHI in the Internal Distribution so that, following the Distribution, WHI and CS&L will be two independent, publicly traded companies; and

WHEREAS, Windstream will temporarily retain a passive ownership interest in shares of CS&L Common Stock in an amount no more than 19.9 percent of the outstanding CS&L Common Stock, pending its opportunistic use of the CS&L Common Stock pursuant to the plan that includes the Reorganization and Distribution, subject to market conditions, to retire debt;

WHEREAS, the number of shares of CS&L Common Stock distributed pursuant to the Internal and External Distributions, and the number of shares of CS&L Common Stock temporarily retained by Windstream, shall each be calculated as of the record date of the Distribution in accordance with the formula set forth on Annex I hereto and shall be certified by an officer of Windstream;

WHEREAS, the Reorganization and the Distribution will, among other benefits, (i) provide WHI, Windstream and CS&L with increased flexibility to pursue the plan to expand Windstream's existing real estate platform and acquisition strategy, including alternatives that are unlikely to be available absent the Distribution; (ii) enable CS&L to issue equity on meaningfully more favorable terms in connection with investments and acquisitions, which management believes is critical to the success of the plan to expand Windstream's existing real estate platform; (iii) meaningfully enhance the ability of the extensive copper cable network and local and long-haul fiber optic cable network utilized in the provision of advanced network communications and technology solutions to businesses and consumers to raise capital by issuing equity on more favorable terms than would be possible, absent the Distribution, in the public markets to institutional investors that invest in real estate investment trusts ("REITs" or, individually, a "REIT"); (iv) reduce the actual or perceived competition for capital resources within the WHI Group (as defined below); (v) meaningfully enhance each of WHI's, Windstream's and CS&L's ability to attract and retain qualified management; and (vi) allow the business of extensive copper cable network and local and long-haul fiber optic cable network utilized in the provision of advanced network communications and technology solutions to businesses and consumers to optimize its leverage and enhance the credit profile of the business of advanced network communications and technology solutions to businesses and consumers, providing the WHI Group with greater financial and strategic flexibility;

WHEREAS, it is the intention of the Parties that the Reorganization and the Distribution, together with certain related transactions, qualify as a reorganization within the meaning of Sections 355, 368(a)(1)(D), and 361 of the Code;

WHEREAS, WHI has received a private letter ruling from the IRS to the effect that, among other things, certain aspects of the Reorganization and the Distribution, together with certain related transactions, qualify as tax-free to WHI, Windstream and CS&L and the holders of WHI Common Stock for U.S. federal income tax purposes under Sections 355, 368(a)(1)(D) and 361 of the Code (the "Private Letter Ruling");

WHEREAS, this Agreement is intended to be, and is hereby adopted as, a "plan of reorganization" within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3(a); and

WHEREAS, it is appropriate and desirable to set forth the principal corporate transactions required to effect the Reorganization and the Distribution and to set forth certain other agreements that will, following the Distribution, govern certain matters relating to the Reorganization and the Distribution and the relationship between WHI, Windstream and their Subsidiaries, on the one hand, and CS&L and its Subsidiaries, on the other hand.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

"Action" means any demand, action, claim, dispute, suit, countersuit, arbitration, inquiry, subpoena, proceeding or investigation of any nature (whether criminal, civil, legislative, administrative, regulatory, prosecutorial or otherwise) by or before any federal, state, local, foreign or international Governmental Authority or any arbitration or mediation tribunal.

"Affiliate" means, when used with respect to a specified Person, a Person that directly or indirectly, through one (1) or more intermediaries, controls, is controlled by or is under common control with such specified Person. For the purpose of this definition and the definitions of "CS&L Group" and "WHI Group," "control" (including with correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. It is expressly agreed that, from and after the Effective Time and for purposes of this Agreement and the other Transaction Agreements, no member of the CS&L Group shall be deemed to be an Affiliate of any member of the WHI Group, and no member of the WHI Group shall be deemed to be an Affiliate of any member of the CS&L Group.

"Agreement" has the meaning set forth in the Preamble.

"Amended and Restated Bylaws" has the meaning set forth in Section 3.1(f).

"Approvals or Notifications" means any consents, waivers, approvals, permits or authorizations to be obtained from, notices, registrations or reports to be submitted to, or other filings to be made with, any third Person, including any Governmental Authority.

"Arbitrable Dispute" has the meaning set forth in Section 9.1(a).

"Articles of Amendment and Restatement" has the meaning set forth in Section 3.1(f).

"Assets" means all rights, properties or other assets, whether real, personal or mixed, tangible or intangible, of any kind, nature and description, whether accrued, contingent or otherwise, and wherever situated and whether or not carried or reflected, or required to be carried or reflected, on the books of any Person.

"Assigned Assets" has the meaning set forth in Section 2.2(a).

"Assigned Contracts" means any contract, agreement, arrangement, commitment or understanding listed or described on Schedule 1.1(a) (or any applicable licenses, leases, addenda and similar arrangements thereunder as described on Schedule 1.1(a)).

"Assignment Agreements" means, collectively, the Assignment, Conveyance and Assumption Agreement for Pole Agreements, the Assignment, Conveyance and Assumption Agreement for Permits, the Assignment, Conveyance and Assumption Agreement for Franchises, the Assignment, Conveyance and Assumption Agreement for Easements and the Assignment, Conveyance and Assumption Agreement for Tangible Assets, each in substantially the form set forth in Exhibit I attached hereto with such conforming changes are are necessary to reflect the applicable State and parties.

"Assumed Liabilities" has the meaning set forth in Section 2.3(a).

"Audited Financial Statements" has the meaning set forth in Section 5.8(a).

"Cash Payment" has the meaning set forth in Section 3.2(j).

"Closing Balance Sheet" has the meaning set forth in Section 8.9(a).

"Closing Net Working Capital" has the meaning set forth in Section 8.9(a).

"Closing Statement" has the meaning set forth in Section 8.9(a).

"Code" means the Internal Revenue Code of 1986, as amended.

"Consumer CLEC Business" means the business of owning and operating a competitive local exchange carrier business offering voice, broadband, long distance and value-added services to consumer customers on a resale, non-facilities basis pursuant to one or more Wholesale Master Services arrangements.

"CPR" means the International Institute for Conflict Prevention & Resolution.

"CPR Arbitration Rules" has the meaning set forth in Section 9.2(a).

"CS&L" has the meaning set forth in the Preamble.

"CS&L Business" means (i) the business of owning and operating an extensive copper cable network and local and long-haul fiber optic cable network located in the Facilities

and utilized in the provision of advanced network communications and technology solutions to businesses and consumers (but, for the avoidance of doubt, not the actual provision of advanced network communications and technology solutions to businesses and customers) and (ii) the Consumer CLEC Business.

"CS&L Common Stock" has the meaning set forth in the Recitals.

"CS&L Confidential Information" has the meaning set forth in Section 8.2(a).

"CS&L Group" means CS&L, each Subsidiary of CS&L and each other Person that is controlled directly or indirectly by CS&L, in each case immediately after the Effective Time; provided, however, that no director, officer, employee, agent or other representative of any of the foregoing who is a natural person shall be deemed to be a member of the CS&L Group.

"CS&L Indemnified Parties" has the meaning set forth in Section 7.3.

"Dispute" has the meaning set forth in Section 9.1(a).

"Distribution" has the meaning set forth in the Recitals.

"Distribution Agent" means Computershare Investor Services L.L.C.

"Distribution Date" means , 2015, or such other time as determined by WHI in accordance with Section 3.3(b).

"Distribution Systems" has the meaning set forth in Section 2.2(a)(i)(C).

"Effective Time" means the time at which the External Distribution occurs on the Distribution Date, which shall be deemed to be 12:01 a.m., New York City Time, on the Distribution Date.

"Electronics" means any and all electronics used in connection with the Facilities that process, compress, modify and route signals along the Distribution Systems, including, but not limited to, digital subscriber line access multiplexers, digital loop carriers, routers, wave division multiplexers and switches.

"Employee Matters Agreement" means the Employee Matters Agreement in substantially the form attached hereto as Exhibit C, to be entered into by and among certain members of the WHI Group and certain members of the CS&L Group on or prior to the Distribution Date.

"Environmental Law" means any Law relating to pollution, protection or restoration of or prevention of harm to the environment or natural resources, including the use, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Materials or the protection of or prevention of harm to human health and safety.

"Environmental Permit" means any license, certificate, permit, registration, approval, authorization or consent that is required pursuant Environmental Laws.

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time that reference is made.

"Excluded Assets" has the meaning set forth in Section 2.2(b).

"Excluded Liabilities" has the meaning set forth in Section 2.3(b).

"External Distribution" has the meaning set forth in the Recitals.

"Facilities" means those operational facilities categorized by geographic area set forth in Schedule 1.1(b) hereto and to be further generally described in a letter, dated on or around the Distribution Date, delivered by WHI and WIN and acknowledged by CS&L, which are the subject of the Master Lease and this Agreement.

"Financing Arrangements" has the meaning set forth in Section 3.2(j).

"Force Majeure" means, with respect to a Party, an event beyond the control of such Party (or any Person acting on its behalf), which by its nature could not reasonably have been foreseen by such Party (or such Person), or, if it could have reasonably been foreseen, was unavoidable, and includes acts of God, storms, floods, riots, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one (1) or more acts of terrorism or failure of energy sources. Notwithstanding the foregoing, the receipt by a Party of an unsolicited takeover offer or other acquisition proposal, even if unforeseen or unavoidable, and such Party's response thereto shall not be deemed an event of Force Majeure.

"GAAP" means United States generally accepted accounting principles, consistently applied throughout the periods presented in accordance with WHI's historical policies and practices.

"Governmental Authority" means any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, government and any executive official thereof.

"Group" means the WHI Group or the CS&L Group, as the context requires.

"Hazardous Materials" means any chemical, material, substance, waste, pollutant, emission, discharge, release or contaminant that could result in liability under, or that is prohibited, limited or regulated by or pursuant to, any Environmental Law, and any natural or artificial substance (whether solid, liquid or gas, noise, ion, vapor or electromagnetic) which could cause harm to human health or the environment, including petroleum, petroleum products and byproducts, asbestos and asbestos-containing materials, urea formaldehyde foam insulation, electronic, medical or infectious wastes, polychlorinated biphenyls, radon gas, radioactive substances, chlorofluorocarbons and all other ozone-depleting substances.

"Improvements" has the meaning set forth in Section 2.2(a)(i)(B).

"Indemnified Party" has the meaning set forth in Section 7.6(a).

"Indemnifying Party" has the meaning set forth in Section 7.6(a).

"Indemnity Payment" has the meaning set forth in Section 7.6(a).

"Information" means information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney-client privileged communications), memoranda and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

"Information Statement" means the information statement, attached as an exhibit to the Registration Statement, and any related documentation to be provided to holders of WHI Common Stock in connection with the External Distribution, including any amendments or supplements thereto.

"Insurance Proceeds" means those monies (i) received by an insured from an insurance carrier, (ii) paid by an insurance carrier on behalf of the insured or (iii) received (including by way of set off) from any third Person in the nature of insurance, contribution or indemnification in respect of any Liability; in any such case net of any applicable premium adjustments (including reserves and retrospectively rated premium adjustments) and net of any costs or expenses incurred in the collection thereof.

"Intellectual Property Matters Agreement" means the Intellectual Property Matters Agreement in substantially the form attached hereto as Exhibit D, to be entered into by and among certain members of the WHI Group and certain members of the CS&L Group on or prior to the Distribution Date.

"Interim Pro Forma Income Statements" has the meaning set forth in Section 5.8(b).

"Internal Distribution" has the meaning set forth in the Recitals.

"Internal Reorganization" has the meaning set forth in the Recitals.

"IRS" means the United States Internal Revenue Service.

"Land" has the meaning set forth in Section 2.2(a)(i)(A).

"Law" means any national, supranational, federal, state, provincial, local or similar law (including common law), statute, code, order, ordinance, rule, regulation, treaty

(including any income tax treaty), license, permit, authorization, approval, consent, decree, injunction, binding judicial or administrative interpretation or other requirement, in each case, enacted, promulgated, issued or entered by a Governmental Authority.

"Liabilities" means any and all debts, guarantees, liabilities, costs, expenses, interest and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured, reserved or unreserved, or determined or determinable, including those arising under any Law, claim (including any third Person product liability claim), demand, Action, whether asserted or unasserted, or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority and those arising under any contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment or undertaking, or any fines, damages or equitable relief that is imposed, in each case, including all costs and expenses relating thereto.

"Lien" means any pledge, claim, lien, mortgage, deed of trust, charge, restriction, control, easement, right of way, exception, reservation, lease, license, grant, covenant or condition, encumbrance or security interest of any kind or nature whatsoever.

"Listing Application" has the meaning set forth in Section 3.1(b).

"Master Lease" means the Master Lease Agreement to be entered into among WHI, CSL National, LP and the other entities listed on the schedules thereto as "Landlord" prior to or as of the Effective Time.

"Master Services Agreement" means the Master Services Agreement in substantially the form attached hereto as Exhibit G, to be entered into by and among certain members of the WHI Group and certain members of the CS&L Group on or prior to the Distribution Date.

"NASDAQ" means The NASDAQ Global Select Market.

"Net Working Capital" means (A) the sum of all accounts receivable balances (to be collected and retained by WHI Group), net of allowance for bad debt, relating to the CS&L Business less (B) the sum of all accrued interconnection costs and accrued payroll paid by the WHI Group relating to the CS&L Business, in each case computed in accordance with GAAP and in a manner consistent with the sample calculation set forth in Schedule 8.9 hereto and, to the extent not inconsistent therewith, all accounting principles, practices, methodologies and policies used in the preparation of the financial statements included in the Information Statement.

"Offering Memorandum" means any offering memorandum related to the Financing Arrangements.

"Parties" has the meaning set forth in the Preamble.

"Permitted Lien" means: (i) Liens securing Taxes, the payment of which is not delinquent, that may be paid without interest or penalties or the validity or amount of which is actively being contested in good faith by appropriate proceedings diligently pursued; (ii) zoning laws, building codes, rights-of ways and other land use laws and ordinances applicable to the

Assigned Assets that are not violated by the existing structures or present uses thereof or the transfer of the Assigned Assets; (iii) carriers', warehousemen's, materialmen's, workmen's, repairmen's and mechanics' liens, and other similar liens arising or incurred in the ordinary course of business that secure payment of obligations arising in the ordinary course of business not more than 60 days past due or which are being contested in good faith by appropriate proceedings diligently pursued; (iv) subleases, including but not limited to any rights to use through a dark fiber agreement, a dim fiber agreement, or a collocation agreement, and (v) easements, pole agreements, permits, rights-of-way, restrictions (including zoning restrictions), covenants, encroachments, protrusions and other similar charges or encumbrances, and minor title deficiencies on or with respect to any Facilities, not individually or in the aggregate materially interfering with the conduct of the business on the Facilities, taken as a whole.

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, Governmental Authority or other entity.

"Plan of Reorganization" has the meaning set forth in Section 2.1(a).

"Private Letter Ruling" has the meaning set forth in the Recitals.

"Record Date" means , 2015.

"Registration Statement" means the registration statement on Form 10 of CS&L with respect to the registration under the Exchange Act of the CS&L Common Stock, including any amendments or supplements thereto.

"REIT(s)" has the meaning set forth in the Recitals.

"Reorganization" has the meaning set forth in the Recitals.

"Representatives" has the meaning set forth in Section 8.2(a).

"Required Approvals" means those Approvals or Notifications set forth in Schedule 2.5(a).

"Reverse Transition Services Agreement" means the Reverse Transition Services Agreement in substantially the form attached hereto as Exhibit H, to be entered into by and among certain members of the WHI Group and certain members of the CS&L Group on or prior to the Distribution Date.

"RUS" means the Rural Utilities Service.

"RUS Stimulus Assets" means the assets that constitute collateral under the RUS grant and security agreements pursuant to which members of the WHI Group obtained grants pursuant to the American Recovery and Reinvestment Act of 2009.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the United States Securities Act of 1933, as amended, and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time that reference is made.

"Security Interest" means any mortgage, security interest, pledge, lien, charge, claim, option, right to acquire, voting or other restriction, right-of-way, covenant, condition, easement, encroachment, restriction on transfer, or other encumbrance of any other nature.

"Skadden" has the meaning set forth in Section 3.2(c).

"Software" means any and all (i) computer programs, including any and all software implementation of algorithms, models and methodologies, whether in source code, object code, human readable form or other form, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow charts and other work products used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (iv) documentation, including user manuals and other training documentation, relating to any of the foregoing.

"Special Damages" has the meaning set forth in Section 7.9.

"Stockholder's and Registration Rights Agreement" means the Stockholder's and Registration Rights Agreement in substantially the form attached hereto as Exhibit F, to be entered into by and between Windstream and CS&L on or prior to the Distribution Date.

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (i) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (A) the total combined voting power of all classes of voting securities of such Person, (B) the total combined equity interests or (C) the capital or profit interests, in the case of a partnership, or (ii) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

"Tax" has the meaning set forth in the Tax Matters Agreement.

"Tax Matters Agreement" means the Tax Matters Agreement, in substantially the form attached hereto as Exhibit B, to be entered into by and among certain members of the WHI Group and certain members of the CS&L Group on or prior to the Distribution Date.

"Tax Return" has the meaning set forth in the Tax Matters Agreement.

"Third Party Claim" has the meaning set forth in Section 7.7(a).

"Transaction Agreements" means this Agreement, the Master Lease, the Transition Services Agreement, the Tax Matters Agreement, the Employee Matters Agreement, the Intellectual Property Matters Agreement, the Wholesale Master Services Agreement, the Stockholder's and Registration Rights Agreement, the Master Services Agreement, the Reverse Transition Services Agreement and the Transfer Agreements.

"Transactions" means, collectively, (i) the Internal Reorganization, (ii) the Reorganization, (iii) the Distribution and (iv) all other transactions contemplated by this Agreement or any other Transaction Agreement.

"Transfer Agreements" means the Assignment Agreements and any other document executed by WHI, Windstream, CS&L or their applicable Affiliates or Subsidiaries in connection with the transactions contemplated by Section 2.1(b) and Section 2.4(b).

"Transition Services Agreement" means the Transition Services Agreement in substantially the form attached hereto as Exhibit A, to be entered into by and among certain members of the WHI Group and certain members of the CS&L Group on or prior to the Distribution Date.

"WHI" has the meaning set forth in the Preamble.

"WHI Business" means the provision of advanced network communications and technology solutions to businesses and customers and any other businesses and operations conducted prior to the Effective Time by any member of the WHI Group that are not included in the CS&L Business.

"WHI Common Stock" has the meaning set forth in the Recitals.

"WHI Confidential Information" has the meaning set forth in Section 8.2(b).

"WHI Group" means WHI, each Subsidiary of WHI and each other Person that is controlled directly or indirectly by WHI, in each case immediately after the Effective Time; provided, however, that no director, officer, employee, agent or other representative of any of the foregoing who is a natural person shall be deemed a member of the WHI Group.

"WHI Indemnified Parties" has the meaning set forth in Section 7.2.

"Wholesale Master Services Agreement" means the Wholesale Master Services Agreement in substantially the form attached hereto as Exhibit E, to be entered into by and among certain members of the WHI Group and certain members of the CS&L Group on or prior to the Distribution Date.

"Windstream" has the meaning set forth in the Preamble.

ARTICLE II

THE REORGANIZATION

2.1 Transfer of Assets; Assumption of Liabilities.

(a) Prior to the Distribution, WHI, Windstream and CS&L shall complete the Internal Reorganization and the Reorganization in accordance with the plan and structure set forth on Schedule 2.1(a) (such plan and structure being referred to herein as the "Plan of

Reorganization"). As part of the Plan of Reorganization, and without limiting the other steps set forth in the Plan of Reorganization:

(i) Windstream and CS&L shall or shall cause their Subsidiaries to execute the Assignment Agreements, pursuant to the terms of which, in the aggregate, Windstream and its Subsidiaries shall transfer, convey and deliver to CS&L and its Subsidiaries, and CS&L and its Subsidiaries shall accept from Windstream, the Assigned Assets (but not the Excluded Assets) and CS&L and its Subsidiaries shall accept, assume and agree faithfully to perform, discharge and fulfill all the Assumed Liabilities (but not the Excluded Liabilities) in accordance with their respective terms. From and after the execution of the Assignment Agreements, CS&L and its Subsidiaries shall be responsible for all Assumed Liabilities, regardless of when or where such Assumed Liabilities arose or arise or against whom such Assumed Liabilities are asserted, and regardless of whether arising from or alleged to arise from negligence, recklessness, violation of Law, fraud or misrepresentation by any member of the WHI Group or the CS&L Group, or any of their respective directors, officers, employees, agents, Subsidiaries or Affiliates; and

(ii) Contemporaneously with the execution of the Assignment Agreements, CS&L shall issue to Windstream the CS&L Common Stock and transfer, directly or indirectly, to Windstream the Cash Payment and those certain debt securities and loans to be issued by CS&L as part of the Financing Arrangements.

(b) In furtherance of the assignment, transfer, conveyance and delivery of the Assigned Assets and the assumption of the Assumed Liabilities in accordance with Section 2.1(a)(i) and the issuance by CS&L to Windstream of the CS&L Common Stock and the transfer by CS&L to Windstream of the Cash Payment and debt securities and loans in accordance with Section 2.1(a)(ii), on the date that such Assignment Agreements are signed (i) Windstream shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such additional bills of sale, quitclaim deeds, stock or equity powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment and other documents as and to the extent deemed by CS&L to be reasonably necessary to evidence the transfer, conveyance and assignment of the Assigned Assets to CS&L and its Subsidiaries, and (ii) CS&L shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such additional assumptions of contracts and other instruments of assumption, additional bills of sale, quitclaim deeds, stock or equity powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment and other documents as and to the extent deemed by Windstream to be reasonably necessary to evidence the valid and effective assumption of the Assumed Liabilities by CS&L and its Subsidiaries, the issuance by CS&L to Windstream of the CS&L Common Stock and the transfer to Windstream of those certain debt securities and loans reference in Section 2.1(a)(ii) above.

(c) If at any time or from time to time (whether prior to or after the Effective Time), any Party (or any member of such Party's respective Group), shall receive or otherwise possess any Asset or Liability that is allocated to any other Person pursuant to this Agreement or any other Transaction Agreement, such Party shall, as applicable, promptly transfer or accept, or cause to be transferred or accepted, such Asset or Liability, as the case may be, to the Person entitled to such Asset or responsible for such Liability, as the case may be. Prior to any such

transfer, the Person receiving, possessing or responsible for such Asset or Liability shall be deemed to be holding such Asset or Liability, as the case may be, in trust for any such other Person.

(d) CS&L, on its own behalf and on behalf of each other member of the CS&L Group, hereby waives compliance by each and every member of the WHI Group with the requirements and provisions of any "bulk-sale" or "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the transfer or sale of any or all of the Assigned Assets to any member of the CS&L Group.

2.2 Assigned Assets.

(a) For purposes of this Agreement, "Assigned Assets" shall mean (without duplication):

(i) All of the WIN Group's rights, title and interest in and to the following with respect to each of the Facilities:

(A) the real property or properties specifically listed in the letter contemplated in the definition of Facilities and all other real property or properties owned by the WIN Group in the geographical areas of the Facilities that are (i) the locations for central offices, remote switching locations, or other switching facilities and (ii) necessary for the use and operation of, or currently used in the operation of, the Distribution Systems associated with such Facilities (the "Land");

(B) all buildings, structures, and other improvements and fixtures of every kind now or hereafter located on the Land or connected thereto including, but not limited to, alleyways and connecting tunnels, sidewalks, utility pipes, conduits and lines (on-site and off-site to the extent the WIN Group has obtained any interest in the same), parking areas and roadways appurtenant to such buildings and structures, including all HVAC systems and components, generators and fire suppression systems (the "Improvements");

(C) all fiber optic cable lines, copper cable lines, conduits, telephone poles, attachment hardware (including bolts and lashing), guy wires, anchors, pedestals, concrete pads, amplifiers and such other fixtures, and other items of property, including all components thereof (such as cross connect cabinets, windstream outside plant mini-cabinet mounting post (WOMP), fiber distribution hubs, fiber access terminals and first entry fiber splice cases), that are now or hereafter located in, on or used in connection with and permanently affixed to or otherwise incorporated into the Facilities, together with all replacements, modifications, alterations and additions thereto, up through and at the meeting and demarcation points described on Schedule 2.2(a)(i)(C) (the "Distribution Systems"); and

(D) all system maps and records for the Distribution Systems.

(ii) all Assigned Contracts;

(iii) all rights to the "Talk America" name and logo and related domains; and

(iv) any and all Assets owned or held immediately prior to the Effective Time by Windstream or any of its Subsidiaries that are used primarily in, or that primarily relate to, the CS&L Business (the intention of this clause (iv) is only to rectify any inadvertent omission of transfer or conveyance of any Assets that, had the Parties given specific consideration to such Asset as of the date hereof, would have otherwise been classified as an Assigned Asset; no Asset shall be deemed to be an Assigned Asset solely as a result of this clause (iv) if such Asset is within the category or type of Asset expressly covered by the terms of another Transaction Agreement unless the Party claiming entitlement to such Asset can establish that the omission of the transfer or conveyance of such Asset was inadvertent).

(b) For the purposes of this Agreement, "Excluded Assets" shall mean (without duplication), (i) any and all Assets of the WHI Group as of the Effective Time that are not expressly contemplated by this Agreement to be Assigned Assets and (ii) those Assets listed or described on Schedule 2.2(b).

2.3 Assumed Liabilities.

(a) For the purposes of this Agreement, "Assumed Liabilities" shall mean (without duplication):

(i) all Liabilities to the extent relating to, arising out of or resulting from any Assigned Assets, whether arising before, at or after the Effective Time; and

(ii) those Liabilities set forth on Schedule 2.3(a).

(b) For the purposes of this Agreement, "Excluded Liabilities" shall mean (without duplication), (i) any and all Liabilities of WHI, Windstream and their respective Subsidiaries as of the Effective Time that are not expressly contemplated by this Agreement to be Assumed Liabilities, and (ii) those Liabilities listed or described on Schedule 2.3(b).

2.4 Transfer of Assets and Assumption of Liabilities from and after the Effective Time.

(a) To the extent any Excluded Asset is transferred or assigned to, or any Excluded Liability is assumed by, a member of the CS&L Group at the Effective Time or is owned or held by a member of the CS&L Group after the Effective Time, and to the extent any Assigned Asset has not been transferred or assigned to, or any Assumed Liability has not been assumed by, a member of the CS&L Group at the Effective Time or is owned or held by a member of the WHI Group after the Effective Time, from and after the Effective Time:

(i) CS&L or WHI, as applicable, shall, and shall cause its applicable Subsidiaries to, promptly assign, transfer, convey and deliver to the other Party or certain of its Subsidiaries designated by such Party, and CS&L or WHI, or such Subsidiaries, as applicable, shall accept from WHI or CS&L and such applicable Subsidiaries, such Assets of WHI or CS&L; and

(ii) WHI or CS&L, as applicable, or certain Subsidiaries of WHI or CS&L designated by such Party, shall promptly accept, assume and agree faithfully to perform, discharge and fulfill all such Liabilities of WHI or CS&L in accordance with their respective terms.

(b) In furtherance of the assignment, transfer, conveyance and delivery of Assets and the assumption of Liabilities set forth in this Section 2.4, and without any additional consideration therefor: (A) the applicable Party shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such bills of sale, quitclaim deeds, stock or equity powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment as and to the extent necessary to evidence the transfer, conveyance and assignment of all of such Party's and its Subsidiaries' right and interest in and to the applicable Assets to the other Party and its Subsidiaries, and (B) the applicable Party shall execute and deliver such assumptions of contracts and other instruments of assumption as and to the extent necessary to evidence the valid and effective assumption of the applicable Liabilities by such Party.

2.5 Approvals and Notifications.

(a) The Parties will use their commercially reasonable efforts to obtain all Required Approvals as soon as reasonably practicable; provided, however, that, except to the extent expressly provided in any of the other Transaction Agreements, neither WHI nor CS&L shall be obligated to contribute capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation) to any Person in order to obtain or make such Required Approvals.

(b) If and to the extent that it is mutually determined by the Parties prior to the Distribution Date that the transfer or assignment of any Assets or assumption of any Liabilities would be violative, in any material respect, of an applicable Law notwithstanding the receipt of the Required Approvals then, unless the Parties mutually shall otherwise determine, the transfer or assignment of such Assets or the assumption of such Liabilities, as the case may be, shall be automatically deemed deferred and any such purported transfer, assignment or assumption shall be null and void until such time as all Approvals or Notifications necessary to resolve such violation of Law have been obtained or made; provided, however, that if such Approvals or Notifications are not obtained or made, in each case by the second (2nd) anniversary of the Distribution Date, then, unless the Parties mutually shall otherwise determine, all Assets and Liabilities that are held by any member of the WHI Group or the CS&L Group, as the case may be, will be retained by such Party indefinitely, and the Parties shall execute mutually acceptable documentation to such effect in accordance with applicable Law.

(c) If any transfer or assignment of any Assigned Asset or any assumption of any Assumed Liability intended to be transferred, assigned or assumed hereunder, as the case may be, is not consummated on or prior to the Distribution Date, whether as a result of the provisions of Section 2.5(b) or for any other reason, then the Parties shall use reasonable best efforts to effect such transfer, assignment or assumption as promptly following the Distribution Date as shall be practicable. The member of the WHI Group retaining such Assigned Asset or such Assumed Liability, as the case may be, shall thereafter hold such Assigned Asset or Assumed Liability, as the case may be, for the use and benefit of the member of the CS&L

Group entitled thereto (at the expense of the member of the CS&L Group entitled thereto) until such Assigned Asset or Assumed Liability is transferred to a member of the CS&L Group or until such Assigned Asset or Assumed Liability is retained by the member of the WHI Group pursuant to Section 2.5(b), whichever is sooner, and CS&L shall, or shall cause the applicable member of the CS&L Group to, pay or reimburse the Party retaining such Assumed Liability for all amounts paid or incurred in connection with the retention of such liability. In addition, for such period, the member of the WHI Group retaining such Assigned Asset or such Assumed Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such Assigned Asset or Assumed Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the member of the CS&L Group to whom such Assigned Asset is to be transferred or assigned, or which will assume such Assumed Liability, as the case may be (including possession, use, risk of loss, potential for gain, and dominion, control and command over such Assigned Asset or Assumed Liability), in order to place such member of the CS&L Group in a substantially similar position as if such Assigned Asset or Assumed Liability had been transferred, assigned or assumed as contemplated hereby and so that all the benefits and burdens relating to such Assigned Asset or Assumed Liability, as the case may be, including use, risk of loss, potential for gain, and dominion, control and command over such Assigned Asset or Assumed Liability, as the case may be, is to inure from and after the Effective Time to the CS&L Group. In furtherance of the foregoing, the Parties agree that, as of the Distribution Date, each member of the CS&L Group shall be deemed to have acquired complete and sole beneficial ownership over all of the Assigned Assets, together with all rights, powers and privileges incident thereto, and shall be deemed to have assumed in accordance with the terms of this Agreement all of the Assumed Liabilities, and all duties, obligations and responsibilities incident thereto, which such member is entitled to acquire or required to assume pursuant to the terms of this Agreement.

(d) With respect to Assigned Assets or Assigned Liabilities described in Section 2.5(c), each of WHI and CS&L shall, and shall cause the members of its respective Group to, (i) treat for all income Tax purposes, (A) any Assigned Asset retained by the WIN Group as having been transferred to and owned by the member of the CS&L Group entitled to such Assigned Asset not later than the Distribution Date and (B) any Assigned Liability retained by the WHI Group as a liability having been assumed and owned by the member of the CS&L Group intended to be subject to such Assumed Liabilities not later than the Distribution Date and (ii) neither report nor take any income Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by a change in applicable Tax Law or good faith resolution of a Tax Contest relating to income Taxes).

(e) If and when any violation of Law contemplated in Section 2.5(b) has been resolved, the transfer or assignment of the applicable Assigned Asset or the assumption of the applicable Assumed Liability, as the case may be, shall be effected in accordance with the terms of this Agreement and/or the applicable Transaction Agreement.

(f) Any member of the WHI Group retaining an Assigned Asset or Assumed Liability due to the deferral of the transfer or assignment of such Assigned Asset or the deferral of the assumption of such Assumed Liability, as the case may be, shall not be obligated, in connection with the foregoing and unless required by the Master Lease or the Parties have executed documentation providing for such asset or liability to be retained by such Party

pursuant to Section 2.5(b), to expend any money unless the necessary funds are advanced (or otherwise made available) by CS&L or the member of the CS&L Group entitled to the Assigned Asset or Assumed Liability, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by CS&L or the member of the CS&L Group entitled to such Assigned Asset or Assumed Liability.

(g) To the extent any Assigned Asset intended to be subject to the Master Lease is retained by a member of the WHI Group, the rent payable under the Master Lease and the other obligations of the tenant under the Master Lease with respect to such Assigned Asset shall not be impacted by the retention of such Assigned Asset by a member of the WHI Group (and such rent and other obligations shall be determined as if such Assigned Asset had been transferred or assigned to CS&L or a member of the CS&L Group).

2.6 Responsibility for Assumed Liabilities Retained by WHI. If WHI or CS&L is unable to obtain, or to cause to be obtained, any consent, substitution, approval, amendment or release required to transfer an Assumed Liability to a member or members of the CS&L Group, then until the second (2nd) anniversary of the Effective Time, the applicable member of the WHI Group shall continue to be bound by such agreement, lease, license or other obligation or Liability and, unless not permitted by the terms thereof or by Law, CS&L shall, as agent or subcontractor for such member of the WHI Group, as the case may be, pay, perform and discharge fully all the obligations or other Liabilities of such member of the WHI Group that constitute Assumed Liabilities, as the case may be, thereunder from and after the Effective Time. CS&L shall indemnify each WHI Indemnified Party, and hold each of them harmless, against any Liabilities arising in connection therewith; provided, that pursuant hereto CS&L shall have no obligation to indemnify any WHI Indemnified Party that has engaged in any knowing and intentional violation of Law, breach of contract, tort, fraud or misrepresentation in connection therewith. WHI shall cause each member of the WHI Group without further consideration, to pay and remit, or cause to be paid or remitted, to CS&L, promptly all money, rights and other consideration received by it or any member of the WHI Group in respect of such performance (unless any such consideration is an Excluded Asset). If and when any such consent, substitution, approval, amendment or release shall be obtained or the obligations under such agreement, lease, license or other obligations or Liabilities shall otherwise become assignable or able to be novated, WHI shall promptly assign, or cause to be assigned, all its obligations and other Liabilities thereunder or any obligations of any member of the WHI Group to CS&L without payment of further consideration and CS&L shall, without the payment of any further consideration, assume such obligations in accordance with the terms of this Agreement and/or the applicable Transaction Agreement.

ARTICLE III

THE DISTRIBUTION

3.1 Actions on or Prior to the Distribution. Prior to the Distribution, the following shall occur:

(a) *Securities Filings*. Prior to the date of this Agreement, the Parties have caused the Registration Statement to be prepared and filed with the SEC and to become effective

and have either caused the Information Statement to be mailed to the holders of record of WHI Common Stock as of the Record Date or posted the Information Statement online and caused a notice of the availability thereof to be mailed to the holders of record of WHI Common Stock as of the Record Date. The Parties shall cooperate in preparing, filing with the SEC and causing to become effective any registration statements or amendments or supplements thereto that are necessary or appropriate in order to effect the Transactions, or to reflect the establishment of, or amendments to, any employee benefit plans contemplated hereby. The Parties shall take all such action as may be necessary or appropriate under state and foreign securities or "blue sky" Laws in connection with the Transactions.

(b) *Listing*. Prior to the date of this Agreement, the Parties have caused an application for the listing on NASDAQ, of the CS&L Common Stock that will be issued to the holders of WHI Common Stock in the External Distribution (the "Listing Application") to be prepared and filed. The Parties shall use commercially reasonable efforts to have the Listing Application approved, subject to official notice of issuance, as soon as reasonably practicable following the date of this Agreement. WHI shall give NASDAQ notice of the Record Date in compliance with Rule 10b-17 under the Exchange Act.

(c) *Distribution Agent*. WHI shall enter into a distribution agent agreement with the Distribution Agent or otherwise provide instructions to the Distribution Agent regarding the Distribution.

(d) *Efforts*. To the extent that any Required Approval has not been obtained prior to the date of this Agreement, the Parties will use commercially reasonable efforts to obtain, or cause to be obtained, such Required Approval prior to the Effective Time. If any Approval or Notification other than a Required Approval has not been obtained from or made to any third Person prior to the Effective Time, the Parties shall use their reasonable best efforts to implement the applicable provisions of this Agreement to the fullest extent practicable and, if any provision of this Agreement cannot be implemented due to the absence of such Approval or Notification, the Parties shall negotiate in good faith to implement the provision in a mutually satisfactory manner.

(e) *Transaction Agreements*. Prior to the Effective Time, each Party shall execute and deliver, and shall cause each applicable member of its Group to execute and deliver, as applicable, the Transaction Agreements and such other written agreements, documents or instruments as the Parties may agree are reasonably necessary or desirable in connection with the Transactions.

(f) *Governance Matters*. On or prior to the Distribution Date, the Parties shall take all necessary actions to adopt the Articles of Amendment and Restatement of CS&L (the "Articles of Amendment and Restatement") and the Amended and Restated Bylaws of CS&L (the "Amended and Restated Bylaws"), each substantially in the forms filed by CS&L with the SEC as exhibits to the Registration Statement. On or prior to the Distribution Date, the Parties shall take all necessary action so that, as of the Distribution Date, the officers and directors of CS&L will be as set forth in the Information Statement, with such changes as may be reasonably acceptable to WHI.

3.2 Conditions Precedent to Distribution. In no event shall the Distribution occur unless each of the following conditions shall have been satisfied (or waived by WHI, in whole or in part, in its sole discretion):

(a) each of the other Transaction Agreements shall have been duly executed and delivered by the parties thereto;

(b) the Internal Reorganization and the Reorganization shall have been completed in accordance with the Plan of Reorganization;

(c) the Private Letter Ruling shall not have been revoked or modified in any material respect and WHI shall have received the opinions of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden"), in form and substance satisfactory to WHI, confirming, among other things, that certain aspects of the Reorganization and Distribution, together with certain related transactions, should qualify as tax-free to WHI, Windstream, CS&L and holders of WHI Common Stock for U.S. federal income tax purposes under Sections 355, 368(a)(1)(D) and 361 and related provisions of the Code;

(d) WHI and Windstream shall have received such solvency opinions and appraisals, each in such form and substance, as they shall deem necessary, appropriate or advisable in connection with the consummation of the Transactions;

(e) the Registration Statement shall have been declared effective by the SEC, with no stop order in effect with respect thereto, and no proceedings for such purpose shall be pending before, or threatened by, the SEC, and the Information Statement shall have been mailed to holders of WHI Common Stock as of the Record Date;

(f) all actions and filings necessary or appropriate under applicable federal, state or foreign securities or "blue sky" Laws and the rules and regulations thereunder shall have been taken and, where applicable, become effective or been accepted;

(g) the CS&L Common Stock to be delivered in the Distribution shall have been accepted for listing on NYSE or NASDAQ, subject to compliance with applicable listing requirements;

(h) no order, injunction or decree issued by any court of competent jurisdiction or other legal restraint or prohibition preventing consummation of the Distribution or any of the transactions related thereto, including the Internal Reorganization or the Reorganization, shall be threatened, pending or in effect;

(i) all Required Approvals shall have been obtained and be in full force and effect;

(j) (i) CS&L shall have entered into the financing transactions described in the Registration Statement or the Information Statement and contemplated to occur on or prior to the Distribution Date, and WHI and Windstream shall have entered into the financing transactions and credit agreement amendments to be entered into in connection with the Plan of Reorganization (collectively, the "Financing Arrangements") and the respective amendments thereunder

shall have become effective and financings thereunder shall have been consummated and shall be in full force and effect, and (ii) CS&L shall have transferred to WHI or the applicable member of the WHI Group, no later than immediately prior to the Distribution, as contemplated by the Plan of Reorganization, (x) CS&L debt securities with a principal amount approximately equal to $[•] billion, (y) an amount in cash that will not exceed the total adjusted basis of all of the Assigned Assets (the "Cash Payment"), and (z) all of the stock of CS&L;

(k) on or prior to the Distribution, the persons specified in the Information Statement shall have been duly elected as members of CS&L's board of directors;

(l) WHI, Windstream and CS&L shall each have taken all necessary action that may be required to provide for the adoption by CS&L of the Articles of Amendment and Restatement and the Amended and Restated Bylaws, and CS&L shall have filed the Articles of Amendment and Restatement with the Maryland State Department of Assessments and Taxation;

(m) at or prior to the Effective Time, WHI, Windstream and CS&L shall have taken all actions as may be necessary to approve the stock-based employee benefit plans of CS&L in order to satisfy the applicable rules and regulations of NYSE or NASDAQ; and

(n) no other condition shall fail to be satisfied and no event or development shall have occurred or exist that, in the judgment of the board of directors of WHI, in its sole discretion, makes it inadvisable to effect the Transactions.

Notwithstanding Section 3.1(d) or any other provision hereof, each of the foregoing conditions is for the sole benefit of WHI and shall not give rise to or create any duty on the part of WHI or its board of directors to waive or not to waive any such condition or to effect the Internal Reorganization, the Reorganization and the Distribution, or in any way limit WHI's rights of termination set forth in this Agreement. Any determination made by WHI prior to the Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 3.2 shall be conclusive and binding on the Parties.

3.3 The Distribution.

(a) Subject to the terms and conditions set forth in this Agreement, including Section 3.3(b), (i) on or prior to the Distribution Date, WHI shall deliver to the Distribution Agent for the benefit of holders of record of WHI Common Stock on the Record Date book-entry transfer authorizations for such number of the issued and outstanding shares of CS&L Common Stock necessary to effect the External Distribution, (ii) the External Distribution shall be effective at the Effective Time, and (iii) WHI shall instruct the Distribution Agent to distribute, on or as soon as practicable after the Effective Time, to each holder of record of WHI Common Stock as of the Record Date, by means of a pro rata distribution, one (1) share of CS&L Common Stock, or such other number of shares of CS&L Common Stock as shall have been agreed to by the Parties and set forth in the Information Statement, for every one (1) share of WHI Common Stock so held. Following the Distribution Date, CS&L agrees to provide all book-entry transfer authorizations for shares of CS&L Common Stock that WHI or the Distribution Agent shall require in order to effect the External Distribution.

(b) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, WHI SHALL, IN ITS SOLE AND ABSOLUTE DISCRETION, DETERMINE THE DISTRIBUTION DATE AND ALL TERMS OF THE DISTRIBUTION, INCLUDING THE FORM, STRUCTURE AND TERMS OF ANY TRANSACTIONS AND/OR OFFERINGS TO EFFECT THE DISTRIBUTION AND THE TIMING OF AND CONDITIONS TO THE CONSUMMATION THEREOF. IN ADDITION, WHI MAY AT ANY TIME AND FROM TIME TO TIME UNTIL THE COMPLETION OF THE DISTRIBUTION DECIDE TO ABANDON THE DISTRIBUTION OR MODIFY OR CHANGE THE TERMS OF THE DISTRIBUTION, INCLUDING BY ACCELERATING OR DELAYING THE TIMING OF THE CONSUMMATION OF ALL OR PART OF THE DISTRIBUTION.

(c) The Parties agree that this Agreement constitutes a "plan of reorganization" within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3(a).

ARTICLE IV

ACCESS TO INFORMATION

4.1 Agreement for Exchange of Information. After the Effective Time (or such earlier time as the Parties may agree) and until the fifth (5th) anniversary of the date of this Agreement, each of WHI and CS&L, on behalf of its respective Group, agrees to provide, or cause to be provided, to the other Group, as soon as reasonably practicable after written request therefor, any Information in the possession or under the control of such respective Group which the requesting Party reasonably needs; provided, however, that in the event that any Party determines that any such provision of Information could be commercially detrimental, violate any Law or agreement, or waive any attorney-client privilege, the Parties shall take all reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence.

4.2 Ownership of Information. Any Information owned by one Group that is provided to a requesting Party pursuant to Section 4.1 shall be deemed to remain the property of the providing Party, except where such Information is an Asset of the requesting Party pursuant to the provisions of this Agreement or any other Transaction Agreement. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any Information requested or provided pursuant to Section 4.1.

4.3 Compensation for Providing Information. The Party requesting Information agrees to reimburse the other Party for the reasonable out-of-pocket costs and expenses, if any of creating, gathering and copying such Information to the extent that such costs are incurred in connection with such other Party's provision of Information in response to the requesting Party.

4.4 Record Retention.

(a) To facilitate the possible exchange of Information pursuant to this Article IV and other provisions of this Agreement after the Effective Time, the Parties agree to use their commercially reasonable efforts to retain all Information in their respective possession

or control in accordance with the policies or ordinary course practices of WHI in effect on the Distribution Date (including any Information that is subject to a "Litigation Hold" issued by any Party prior to the Distribution Date) or such other policies or practices as may be reasonably adopted by the appropriate Party after the Effective Time.

(b) Except in accordance with its, or its applicable Subsidiaries', policies and ordinary course practices, no Party will destroy, or permit any of its Subsidiaries to destroy, any Information that would, in accordance with such policies or ordinary course practices, be archived or otherwise filed in a centralized filing system by such Party or its applicable Subsidiaries; in furtherance of the foregoing, no Party will destroy, or permit any of its Subsidiaries to destroy, any Information required to be retained by applicable Law.

(c) In the event of any Party's or any of its Subsidiaries' inadvertent failure to comply with its applicable document retention policies as required under this Section 4.4, such Party shall be liable to the other Party solely for the amount of any monetary fines or penalties imposed or levied against such other Party by a Governmental Authority (which fines or penalties shall not include any Liabilities asserted in connection with the claims underlying the applicable Action, other than fines or penalties resulting from any claim of spoliation) as a result of such other Party's inability to produce Information caused by such inadvertent failure and, notwithstanding Sections 7.2 and 7.3, shall not be liable to such other Party for any other Liabilities.

4.5 Liability. No Party shall have any liability to any other Party in the event that any Information exchanged or provided pursuant to this Agreement which is an estimate or forecast, or which is based on an estimate or forecast, is found to be inaccurate in the absence of willful misconduct by the Party providing such Information.

4.6 Other Agreements Providing for Exchange of Information.

(a) The rights and obligations granted under this Article IV are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange, retention or confidential treatment of Information set forth in any other Transaction Agreement.

(b) Any Party that receives, pursuant to a request for Information in accordance with this Article IV, Information that is not relevant to its request shall (i) either destroy such Information or return it to the providing Party and (ii) deliver to the providing Party a certificate certifying that such Information was destroyed or returned, as the case may be, which certificate shall be signed by an officer of the requesting Party holding the title of vice president or above.

(c) When any Information provided by one Group to the other (other than Information provided pursuant to Section 4.4) is no longer needed for the purposes contemplated by this Agreement or any other Transaction Agreement or is no longer required to be retained by applicable Law, the receiving Party will promptly after request of the other Party either return to the other Party all Information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other Party that it has destroyed such Information (and such copies thereof and such notes, extracts or summaries based thereon).

4.7 Production of Witnesses; Records; Cooperation.

(a) After the Effective Time, except in the case of an adversarial Action by one Party against another Party, each Party hereto shall use its commercially reasonable efforts to make available to each other Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its respective Group as witnesses and any books, records or other documents within its control or which it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with any Action in which the requesting Party may from time to time be involved, regardless of whether such Action is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall bear all reasonable out-of-pocket costs and expenses in connection therewith.

(b) If an Indemnifying Party chooses to defend or to seek to compromise or settle any Third Party Claim, the Indemnified Party shall use commercially reasonable efforts to make available to such Indemnifying Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its respective Group as witnesses and any books, records or other documents within its control or which it otherwise has the ability to make available, to the extent that any such persons (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with such defense, settlement or compromise, or the prosecution, evaluation or pursuit thereof, as the case may be, and shall otherwise cooperate in such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be. The Indemnifying Party shall bear all reasonable out-of-pocket costs and expenses in connection therewith.

(c) For the avoidance of doubt, the provisions of this Section 4.7 are in furtherance of the provisions of Section 4.1 and shall not be deemed to in any way limit or otherwise modify the Parties' rights and obligations under Section 4.1.

4.8 Conflicts; Privilege. Each of the Parties acknowledges that WHI and Windstream retained Skadden to act as counsel to the WHI Group in connection with the Transactions, Skadden has not acted as counsel for any other Person in connection with the Transactions, and no other Person has the status of a client of Skadden for conflict of interest or any other purposes in connection with such Transactions. Each of the Parties further acknowledges that after the Effective Time, Skadden may act as counsel to the WHI Group in connection with matters arising out of or related to this Agreement, the Transactions and the business activities of the WHI Group prior to the Effective Time, and that Skadden's prior representation of the WHI Group shall not be deemed to be a disabling conflict with respect to such representation. Each of the Parties hereby waives any conflict of interest resulting from the foregoing. The Parties further agree that, as to all communications, whether written or electronic, among Skadden and any member of the WHI Group, and all of their files, attorney notes, drafts or other documents, that relate in any way to the Transactions, that predate the Effective Time and that are protected by the attorney-client privilege, the expectation of client confidence or any other rights to any evidentiary privilege, such protections belong to the WHI Group and may be controlled by the directors and officers of WHI and shall not pass to or be claimed by the CS&L Group. The

Parties agree to take, and to cause their respective affiliates to take, all steps necessary to implement the intent of this Section 4.8. The Parties further agree that Skadden and its partners and employees are third party beneficiaries of this Section 4.8.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF WHI AND WINDSTREAM

Except as disclosed in any form, statement, document, schedule or report, together with any amendments thereto and exhibits or other information incorporated therein, filed with or furnished to the SEC by WHI or Windstream and publicly available on the EDGAR system prior to the date of this Agreement (excluding any disclosures set forth in any section thereof entitled "Risk Factors" or "Forward-Looking Statements" or any other disclosures included therein to the extent that they are predictive or forward-looking in nature), each of WHI and Windstream hereby represents and warrants to CS&L as follows:

5.1 Organization and Authority. WHI is a corporation and Windstream is a limited liability company, each duly organized, validly existing and in good standing under the Laws of the State of Delaware. Each of WHI and Windstream has all requisite power and authority to enter into this Agreement and to carry out the Transactions, and to own, lease or operate its property and to carry on its business as presently conducted and, to the extent required under applicable Law, is, in all material respects, qualified to do business and in good standing in each jurisdiction in which the nature of its business or the character of its property make such qualification necessary.

5.2 Due Authorization. The execution, delivery and performance of this Agreement by each of WHI and Windstream has been duly and validly authorized by all necessary action of WHI and Windstream, as applicable. This Agreement constitutes the legal, valid and binding obligation of each of WHI and Windstream, enforceable against each of WHI and Windstream in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium or other similar Law relating to creditors' rights and general principles of equity.

5.3 Consents and Approvals. Except for the Required Approvals:

(a) no material Approval or Notification is required to be obtained from or made to any Governmental Authority by WHI or Windstream in connection with the execution, delivery and performance of this Agreement or the consummation of the Transactions, and

(b) no Approval or Notification is required to be obtained from or made to any third Person (other than a Governmental Authority or under and applicable Law) by WHI or Windstream in connection with the execution, delivery and performance of this Agreement or the consummation of the Transactions that, if not obtained, would reasonably be expected to result in a material adverse effect on the CS&L Business.

5.4 No Violation. None of the execution, delivery or performance of this Agreement, or the consummation of the Transactions does or will, with or without the giving of notice, lapse of time, or both, violate, conflict with, result in a material breach of, or constitute a material default under or give to others any right of termination, acceleration, cancelation or other right under

(a) the organizational documents of WHI or Windstream, (b) any material agreement, document or instrument to which WHI or Windstream is a party or by which WHI or Windstream (or their assets or properties) are bound or (c) any term or provision of any judgment, order, writ, injunction or decree binding on WHI or Windstream (or their assets or properties).

5.5 Litigation. Except as may be listed in a letter, dated on or around the Distribution Date, delivered by WHI and WIN and acknowledged by CS&L, there is no material Action, litigation, claim or other proceeding, either judicial or administrative (including, without limitation, any governmental action or proceeding), pending or, to WHI's or Windstream's knowledge, threatened in the last twelve months, against WHI, Windstream or their Subsidiaries with respect to any Assigned Asset or the CS&L Business. WHI, Windstream and their Subsidiaries are not bound by any material outstanding order, writ, injunction or decree of any Governmental Authority against or affecting all or any portion of the Assigned Assets or the CS&L Business.

5.6 Solvency. WHI and Windstream have been and will be solvent at all times prior to and immediately after giving effect to the Internal Reorganization, the Reorganization and the Distribution.

5.7 Ownership of Assigned Assets.

(a) Windstream or its Subsidiaries are, and as of immediately prior to the execution of the Assignment Agreements will be, the owner of the Assigned Assets and have the power and authority to transfer, sell, assign and convey to CS&L and its Subsidiaries the Assigned Assets free and clear of any Liens, except for Permitted Liens, and, upon delivery of the consideration for such Assigned Assets as provided in this Agreement, CS&L will, except for Permitted Liens and as set forth in Schedules 1.1(a) and 2.2(b), acquire good and valid title thereto, free and clear of any Liens. Except as provided for or contemplated by this Agreement, there are no rights, subscriptions, warrants, options, conversion rights, preemptive rights, agreements, instruments or understandings of any kind outstanding (a) relating to the Assigned Assets or (b) to purchase, transfer or to otherwise acquire, or to in any way encumber, any of the Assigned Assets.

(b) Windstream or its Subsidiaries have good and marketable title in fee simple to all Land included within the Assigned Assets, free and clear of all Liens, other than Permitted Liens. There is no existing or, to WHI's or Windstream's knowledge, proposed or threatened condemnation, eminent domain or similar proceeding, or private purchase in lieu of such a proceeding, in respect of all or any material portion of any Land included within the Assigned Assets.

5.8 No Undisclosed Liabilities; Absence of Certain Changes or Events. No material liabilities or obligations (whether direct or indirect, accrued, contingent or otherwise) have been incurred with respect to the CS&L Business other than such liabilities and obligations as have been disclosed prior to the date hereof. Since January 1, 2014, there has not been any effect, change, fact, event, occurrence or circumstance that, individually or in the aggregate, has had or would reasonably be expected to result in a material adverse effect on the CS&L Business.

5.9 Taxes. WHI, Windstream or their Subsidiaries have filed all material Tax Returns and material reports required to be filed by them (after giving effect to any filing extension properly granted by a Governmental Authority having authority to do so) with respect to the Assigned Assets and the CS&L Business and all such returns and reports are accurate and complete in all material respects, and have paid (or had paid on their behalf) all material Taxes as required to be paid by them. No material deficiencies for any Taxes have been proposed, asserted or assessed against any WHI, Windstream or their Subsidiaries with respect to the Assigned Assets or the CS&L Business, and no material requests for waivers of the time to assess any such Taxes are pending.

5.10 Compliance With Laws. The Assigned Assets have been maintained and operated, and on the date hereof are, in compliance in all material respects with all applicable Laws (including, without limitation, those currently relating to fire, life safety, health codes and sanitation, Americans with Disabilities Act, zoning and building laws) whether Federal, state or local, foreign, except for Environmental Laws which are addressed solely by Section 5.12.

5.11 Licenses and Permits. To WHI's and Windstream's knowledge, all material licenses, permits and certificates (including certificates of occupancy), required in connection with the ownership, construction, use, occupancy, management, leasing and operation of the Assigned Assets have been obtained, are, in all material respects, in full force and effect and in good standing.

5.12 Environmental Compliance. To WHI's and Windstream's knowledge, the Assigned Assets are currently being operated in compliance in all material respects with all applicable Environmental Laws and Environmental Permits. Neither WHI nor Windstream has received, and to WHI's and Windstream's knowledge none of their Subsidiaries has received, any written notice from any Governmental Authority or any other Person claiming that WHI, Windstream or any of their Subsidiaries are in material violation of, or has any material liability under, any Environmental Law or Environmental Permit with respect to the Assigned Assets or the CS&L Business. To WHI's and Windstream's knowledge, there has been no spill or release of any Hazardous Materials that would reasonably be likely to result in any material claim under any Environmental Laws or Environmental Permit with respect to the Assigned Assets or the CS&L Business.

5.13 Exclusive Representations. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS ARTICLE V, WHI, WINDSTREAM AND THEIR SUBSIDIARIES HAVE NOT MADE AND DO NOT HEREBY MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS AND WARRANTIES, STATUTORY OR OTHERWISE, OF ANY NATURE, INCLUDING ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY IN CONNECTION WITH THE ASSIGNED ASSETS, THE INTERNAL REORGANIZATION, THE REORGANIZATION, THE DISTRIBUTION OR THE TRANSACTIONS. Except as set forth in Article VI, WHI and Windstream acknowledge that no representation or warranty has been made by CS&L or its Subsidiaries with respect to the legal and tax consequences of the Internal Reorganization, the Reorganization, the Distribution or any other aspect of the Transactions and that they have not relied upon any other such representation or warranty.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF CS&L

Except as disclosed in the Registration Statement or the Information Statement, together with any amendments thereto and exhibits or other information incorporated therein, filed with or furnished to the SEC by CS&L and publicly available on the EDGAR system prior to the date of this Agreement (excluding any disclosures set forth in any section thereof entitled "Risk Factors" or "Forward-Looking Statements" or any other disclosures included therein to the extent that they are predictive or forward-looking in nature), CS&L hereby represents and warrants to WHI and Windstream as follows:

6.1 Organization and Authority. CS&L is a corporation duly organized, validly existing and in good standing under the Laws of the State of Maryland. CS&L has all requisite power and authority to enter into this Agreement and to carry out the Transactions, and to own, lease or operate its property and to carry on its business as presently conducted and, to the extent required under applicable Law, is, in all material respects, qualified to do business and in good standing in each jurisdiction in which the nature of its business or the character of its property make such qualification necessary.

6.2 Due Authorization. The execution, delivery and performance of this Agreement by CS&L has been duly and validly authorized by all necessary action of CS&L. This Agreement constitutes the legal, valid and binding obligation of CS&L, enforceable against CS&L in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium or other similar Law relating to creditors' rights and general principles of equity.

6.3 Consents and Approvals. Except as shall have been satisfied on or prior to the Effective Time, no material consent, waiver, approval or authorization of, or filing with, any Person or Governmental Authority or under any applicable Law is required to be obtained by CS&L in connection with the execution, delivery and performance of this Agreement or the Transactions.

6.4 No Violation. None of the execution, delivery or performance of this Agreement, or the consummation of the Transactions, does or will, with or without the giving of notice, lapse of time, or both, violate, conflict with, result in a material breach of, or constitute a material default under or give to others any right of termination, acceleration, cancelation or other right under (a) the organizational documents of CS&L, (b) any agreement, document or instrument to which CS&L is a party or by which CS&L (or its assets or properties) is bound or (c) any term or provision of any judgment, order, writ, injunction, or decree binding on CS&L (or its assets or properties).

6.5 Validity of CS&L Common Stock. The shares of CS&L Common Stock to be issued to Windstream pursuant to this Agreement have been duly authorized by CS&L and, when issued against the consideration therefor, will be validly issued by CS&L, free and clear of all Liens created by CS&L.

6.6 Litigation. There are no actions, suits or proceedings pending or, to CS&L's knowledge, threatened against CS&L that arise from, are based upon, or challenge the validity of this Agreement or the consummation of the Transactions or that seek to prevent the consummation of the Transactions and that, in each case, if adversely determined could adversely impact CS&L's ability to consummate the Transactions.

6.7 Solvency. CS&L has been and will be solvent at all times prior to and immediately after giving effect to the Distribution.

6.8 Limited Activities. Except as described in the Information Statement, CS&L and its Subsidiaries have not engaged in any material business or incurred any material obligations.

6.9 Exclusive Representations. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS ARTICLE VI, CS&L AND ITS SUBSIDIARIES HAVE NOT MADE AND DO NOT HEREBY MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS AND WARRANTIES, STATUTORY OR OTHERWISE, OF ANY NATURE, INCLUDING ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY IN CONNECTION WITH THE INTERNAL REORGANIZATION, THE REORGANIZATION, THE DISTRIBUTION OR THE TRANSACTIONS. Except as set forth Article V, CS&L acknowledges that no representation or warranty has been made by WHI, Windstream or their Subsidiaries with respect to the Internal Reorganization, the Reorganization, the Distribution or any other aspect of the Transactions and that CS&L has not relied upon any other such representation or warranty.

ARTICLE VII

RELEASE AND INDEMNIFICATION

7.1 Release of Pre-Distribution Claims.

(a) Except as provided in Section 7.1(c), effective as of the Effective Time, CS&L does hereby, for itself and each other member of the CS&L Group, release and forever discharge WHI and the other members of the WHI Group, their respective Affiliates, successors and assigns, and all Persons who at any time prior to the Effective Time have been shareholders, directors, officers, agents or employees of any member of the WHI Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at Law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Effective Time, including in connection with the Transactions and all other activities to implement the Transactions.

(b) Except as provided in Section 7.1(c), effective as of the Effective Time, WHI does hereby, for itself and each other member of the WHI Group, release and forever discharge CS&L, the other members of the CS&L Group, their respective Affiliates, successors and assigns, and all Persons who at any time prior to the Effective Time have been directors, officers, agents or employees of any member of the CS&L Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at Law or in equity (including any

right of contribution), whether arising under any contract or agreement, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Effective Time, including in connection with the Transactions and all other activities to implement the Transactions.

(c) Nothing contained in Section 7.1(a) or Section 7.1(b) shall impair any right of any Person to enforce this Agreement or any other Transaction Agreement, in each case in accordance with its terms. In addition, nothing contained in Section 7.1(a) or Section 7.1(b) shall release any member of a Group from:

(i) any Liability, contingent or otherwise, assumed by, or allocated to, such Person in accordance with this Agreement or any other Transaction Agreement;

(ii) any Liability that such Person may have with respect to indemnification or contribution pursuant to this Agreement or any other Transaction Agreement for claims brought by third Persons, which Liability shall be governed by the provisions of this Article IX and, if applicable, the appropriate provisions of such other Transaction Agreements; or

(iii) any Liability the release of which would result in the release of any Person other than an Indemnitee; provided, that the Parties agree not to bring suit, or permit any other member of their respective Group to bring suit, against any Indemnitee with respect to such Liability.

(d) CS&L shall not make, and shall not permit any member of the CS&L Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against WHI, Windstream or any member of the WHI Group, or any other Person released pursuant to Section 7.1(a), with respect to any Liabilities released pursuant to Section 7.1(a). WHI and Windstream shall not, and shall not permit any member of the WHI Group, to make any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification against CS&L or any member of the CS&L Group, or any other Person released pursuant to Section 7.1(b), with respect to any Liabilities released pursuant to Section 7.1(b).

7.2 General Indemnification by CS&L. Except as provided in Section 7.6, CS&L shall, and shall cause the other members of the CS&L Group to, indemnify, defend and hold harmless each member of the WHI Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "WHI Indemnified Parties"), from and against:

(i) any Assumed Liability, including the failure of any member of the CS&L Group or any other Person to pay, perform or otherwise promptly discharge any Assumed Liabilities in accordance with their respective terms, whether prior to, at or after the Effective Time; and

(ii) any breach by any member of the CS&L Group of any covenant or other agreement (but not the inaccuracy of any representation or warranty) set forth in this Agreement or of any Transaction Agreements other than the Master Lease, subject to any limitations of liability provisions and other provisions applicable to any such breach set forth therein; and

in each case, without regard to when or where the loss, claim, accident, occurrence, event or happening giving rise to the Liability took place, or whether any such loss, claim, accident, occurrence, event or happening is known or unknown, or reported or unreported and regardless of whether such loss, claim, accident, occurrence, event or happening giving rise to the Loss existed prior to, on or after the Distribution Date or relates to, arises out of or results from actions, inactions, events, omissions, conditions, facts or circumstances occurring or existing prior to, on or after the Distribution Date.

7.3 General Indemnification by WHI and Windstream. Except as provided in Section 7.6, WHI and Windstream shall jointly and severally indemnify, defend and hold harmless each member of the CS&L Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "CS&L Indemnified Parties"), from and against:

(i) any Excluded Liability, including the failure of any member of the WHI Group or any other Person to pay, perform or otherwise promptly discharge any Excluded Liabilities in accordance with their respective terms, whether prior to, at or after the Effective Time; and

(ii) any breach by any member of the WHI Group of any covenant or other agreement (but not the inaccuracy of any representation or warranty) set forth in this Agreement or of any of the Transaction Agreements other than the Master Lease, subject to any limitations of liability provisions and other provisions applicable to any such breach set forth therein;

in each case, without regard to when or where the loss, claim, accident, occurrence, event or happening giving rise to the Liability took place, or whether any such loss, claim, accident, occurrence, event or happening is known or unknown, or reported or unreported and regardless of whether such loss, claim, accident, occurrence, event or happening giving rise to the Loss existed prior to, on or after the Distribution Date or relates to, arises out of or results from actions, inactions, events, omissions, conditions, facts or circumstances occurring or existing prior to, on or after the Distribution Date.

7.4 Disclosure Indemnification. CS&L agrees to indemnify and hold harmless the WHI Indemnified Parties from and against any and all Liabilities arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, Information Statement or Offering Memorandum or any amendment of any thereof other than information that relates solely to the WHI Business. WHI and Windstream agree to jointly and severally indemnify and hold harmless the CS&L Indemnified Parties from and against any and all Liabilities arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, Information Statement or Offering Memorandum or any amendment of any thereof that relates solely to the WHI Business.

7.5 Contribution. If the indemnification provided for in this Article VII is unavailable to, or insufficient to hold harmless, an indemnified Party under Section 7.4 hereof in respect of any Liabilities referred to therein, then each indemnifying Party shall contribute to the amount paid or payable by such indemnified Party as a result of such Liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the indemnifying Party and the indemnified Party in connection with the actions which resulted in Liabilities as well as any other relevant equitable considerations. The relative fault of such indemnifying Party and indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying Party or indemnified Party, and the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. For the purposes of this Section 7.5, the information relating to WHI and Windstream after the Effective Time set forth in the Registration Statement, Information or Offering Memorandum shall be the only "information supplied by" WHI and Windstream and all other information shall be deemed "information supplied by" CS&L.

7.6 Indemnification Obligations Net of Insurance Proceeds and Other Amounts.

(a) Any Liability subject to indemnification or contribution pursuant to this Article VII will be net of Insurance Proceeds that actually reduce the amount of the Liability or Loss, as applicable. Accordingly, the amount which any Party (an "Indemnifying Party") is required to pay to any Person entitled to indemnification under this Article VII (an "Indemnified Party") will be reduced by any Insurance Proceeds (net of expenses related to recovery of such Insurance Proceeds) theretofore actually recovered by or on behalf of the Indemnified Party in respect of the related Liability, as applicable. If an Indemnified Party receives a payment (an "Indemnity Payment") required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds, then the Indemnified Party will pay to the Indemnifying Party an amount equal to such Insurance Proceeds but not exceeding the amount of the Indemnity Payment paid by the Indemnifying Party in respect of such Liability.

(b) An insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto. The Indemnified Party shall use its commercially reasonable efforts to seek to collect or recover any third-party Insurance Proceeds (other than Insurance Proceeds under an arrangement where future premiums are adjusted to reflect prior claims in excess of prior premiums) to which the Indemnified Party is entitled in connection with any Liability for which the Indemnified Party seeks indemnification pursuant to this Article VII; provided, that the Indemnified Party's inability to collect or recover any such Insurance Proceeds shall not limit the Indemnifying Party's obligations hereunder.

7.7 Procedures for Indemnification of Third Party Claims.

(a) If an Indemnified Party receives written notice that a Person (including any Governmental Authority) that is not a member of the WHI Group or the CS&L Group has asserted any claim or commenced any Action (collectively, a "Third Party Claim") that may implicate an Indemnifying Party's obligation to indemnify pursuant to Sections 7.2, 7.3 or 7.4, or any other Section of this Agreement or any other Transaction Agreement, the Indemnified Party shall provide the Indemnifying Party written notice thereof as promptly as practicable (and no

later than twenty (20) days or sooner, if the nature of the Third Party Claim so requires) after becoming aware of the Third Party Claim. Such notice shall describe the Third Party Claim in reasonable detail and include copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third Party Claim. Notwithstanding the foregoing, the failure of an Indemnified Party to provide notice in accordance with this Section 7.7(a) shall not relieve an Indemnifying Party of its indemnification obligations under this Agreement, except to the extent to which the Indemnifying Party is actually prejudiced by the Indemnified Party's failure to provide notice in accordance with this Section 7.7(a).

(b) Subject to this Section 7.7(b) and Section 7.7(c), an Indemnifying Party may elect to control the defense of (and seek to settle or compromise), at its own expense and with its own counsel, any Third Party Claim. Within thirty (30) days after the receipt of notice from an Indemnified Party in accordance with Section 7.7(a) (or sooner, if the nature of the Third Party Claim so requires), the Indemnifying Party shall notify the Indemnified Party whether the Indemnifying Party will assume responsibility for defending the Third Party Claim and shall specify any reservations or exceptions to its defense. After receiving notice of an Indemnifying Party's election to assume the defense of a Third Party Claim, whether with or without any reservations or exceptions with respect to such defense, an Indemnified Party shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the Indemnified Party shall be responsible for the fees and expenses of its counsel and, in any event, shall cooperate with the Indemnifying Party in such defense and make available to the Indemnifying Party, at the Indemnifying Party's expense, all witnesses, information and materials in such Indemnified Party's possession or under such Indemnified Party's control relating thereto as are reasonably required by the Indemnifying Party. If an Indemnifying Party has elected to assume the defense of a Third Party Claim, whether with or without any reservations or exceptions with respect to such defense, then such Indemnifying Party shall be solely liable for all fees and expenses incurred by it in connection with the defense of such Third Party Claim and shall not be entitled to seek any indemnification or reimbursement from the Indemnified Party for any such fees or expenses incurred during the course of its defense of such Third Party Claim, regardless of any subsequent decision by the Indemnifying Party to reject or otherwise abandon its assumption of such defense.

(c) Notwithstanding Section 7.7(b), if any Indemnified Party shall in good faith determine that there is an actual conflict of interest (whether legal, business or otherwise) if counsel for the Indemnifying Party represented both the Indemnified Party and Indemnifying Party, then the Indemnified Party shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, and the Indemnifying Party shall bear the reasonable fees and expenses of one (1) separate counsel for all Indemnified Parties.

(d) If an Indemnifying Party elects not to assume responsibility for defending a Third Party Claim, or fails to notify an Indemnified Party of its election within thirty (30) days after the receipt of notice from an Indemnified Party as provided in Section 7.7(b), the Indemnified Party may defend the Third Party Claim at the cost and expense of the Indemnifying Party. If the Indemnified Party is conducting the defense against any such Third Party Claim, the Indemnifying Party shall cooperate with the Indemnified Party in such defense and make available to the Indemnified Party, at the Indemnifying Party's expense, all witnesses, information and materials in such Indemnifying Party's possession or under such Indemnifying Party's control relating thereto as are reasonably required by the Indemnified Party.

(e) Without the prior written consent of any Indemnifying Party, which consent shall not be unreasonably withheld, conditioned or delayed, no Indemnified Party may settle or compromise, or seek to settle or compromise, any Third Party Claim; provided, however, in the event that the Indemnifying Party elects not to assume responsibility for defending a Third Party Claim or fails to notify the Indemnified Party of its election within thirty (30) days after the receipt of notice from the Indemnified Party as provided in Section 7.7(b), the Indemnified Party shall have the right to settle or compromise such Third Party Claim in its sole discretion. Without the prior written consent of any Indemnified Party, which consent shall not be unreasonably withheld, conditioned or delayed, no Indemnifying Party shall consent to the entry of any judgment or enter into any settlement of any pending or threatened Third Party Claim for which the Indemnified Party is seeking or may seek indemnity pursuant to this Section 7.7 unless such judgment or settlement is solely for monetary damages, does not impose any expense or obligation on the Indemnified Party, does not involve any finding or determination of wrongdoing or violation of law by the Indemnified Party and provides for a full, unconditional and irrevocable release of that Indemnified Party from all liability in connection with the Third Party Claim.

7.8 Additional Matters.

(a) Indemnification or contribution payments in respect of any Liabilities for which an Indemnified Party is entitled to indemnification or contribution under this Article VII shall be paid by the Indemnifying Party to the Indemnified Party as such Liabilities are incurred upon demand by the Indemnified Party, including reasonably satisfactory documentation setting forth the basis for the amount of such indemnification or contribution payment, including documentation with respect to calculations made and consideration of any Insurance Proceeds that actually reduce the amount of such Liabilities. The indemnity and contribution agreements contained in this Article VII shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnified Party, (ii) the knowledge by the Indemnified Party of Liabilities for which it might be entitled to indemnification or contribution hereunder and (iii) any termination of this Agreement.

(b) Any claim for indemnification under this Agreement which does not result from a Third Party Claim shall be asserted by written notice given by the Indemnified Party to the applicable Indemnifying Party. Such Indemnifying Party shall have a period of thirty (30) days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such thirty (30)-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such thirty (30)-day period or rejects such claim in whole or in part, such Indemnified Party shall be free to pursue such remedies as may be available to such party as contemplated by this Agreement and the other Transaction Agreements without prejudice to its continuing rights to pursue indemnification or contribution hereunder.

(c) If payment is made by or on behalf of any Indemnifying Party to any Indemnified Party in connection with any Third Party Claim, such Indemnifying Party shall be

subrogated to and shall stand in the place of such Indemnified Party as to any events or circumstances in respect of which such Indemnified Party may have any right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any other Person. Such Indemnified Party shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(d) In an Action in which the Indemnifying Party is not a named defendant, if either the Indemnified Party or Indemnifying Party shall so request, the parties shall endeavor to substitute the Indemnifying Party for the named defendant if they conclude that substitution is desirable and practical. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this section, and the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions imposed by a court, attorneys' fees, experts fees and all other external expenses), the costs of any judgment or settlement, and the cost of any interest or penalties relating to any judgment or settlement.

(e) For all Tax purposes other than for purposes of Section 355(g) of the Code, WHI, Windstream and CS&L agree to treat (i) any payment required by this Agreement (other than payments with respect to interest accruing after the Effective Time) as either a contribution by Windstream to CS&L or a distribution by CS&L to Windstream, as the case may be, occurring immediately prior to the Effective Time or as a payment of an assumed or retained Liability, and (ii) any payment of interest as taxable or deductible, as the case may be, to the party entitled under this Agreement to retain such payment or required under this Agreement to make such payment, in either case except as otherwise required by applicable Law.

7.9 Remedies Cumulative; Limitations of Liability. The rights provided in this Article VII shall be cumulative and, subject to the provisions of Article IX, shall not preclude assertion by any Indemnified Party of any other rights or the seeking of any and all other remedies against any Indemnifying Party. Notwithstanding the foregoing, neither CS&L or its Affiliates, on the one hand, nor WHI, Windstream or their Affiliates, on the other hand, shall be liable to the other for any special, indirect, punitive, exemplary, remote, speculative or similar damages in excess of compensatory damages (collectively, "Special Damages") of the other arising in connection with the Transactions (provided, that any such liability with respect to a Third Party Claim shall be considered direct damages).

7.10 Survival of Indemnities. The rights and obligations of each of WHI and CS&L and their respective Indemnified Parties under this Article VII shall survive the sale or other transfer by any Party of any Assets or businesses or the assignment by it of any Liabilities.

ARTICLE VIII

OTHER AGREEMENTS

8.1 Further Assurances.

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties will cooperate with each other and use (and will cause their respective Subsidiaries and Affiliates to use) commercially reasonable efforts, prior to, on and after the Distribution Date, to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part under applicable Law or contractual obligations to consummate and make effective the Transactions.

(b) Without limiting the foregoing, prior to, on and after the Distribution Date, each Party shall cooperate with the other Parties, and without any further consideration, but at the expense of the requesting Party from and after the Effective Time, to execute and deliver, or use its commercially reasonable efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to obtain or make any Required Approvals from or with any Governmental Authority or any other Person under any permit, license, agreement, indenture or other instrument, and to take all such other actions as such Party may reasonably be requested to take by any other Party hereto from time to time, consistent with the terms of this Agreement and the other Transaction Agreements, in order to effectuate the provisions and purposes of this Agreement and the other Transaction Agreements and the transfers of the Assigned Assets and the assignment and assumption of the Assumed Liabilities and the other Transactions. Without limiting the foregoing, each Party will, at the reasonable request, cost and expense of any other Party, take such other actions as may be reasonably necessary to vest in such other Party good and marketable title to the Assets allocated to such Party under this Agreement or any of the other Transaction Agreements, free and clear of any Security Interest except as contemplated by any of the Financing Arrangements or any Transaction Agreement.

(c) At or prior to the Effective Time, WHI and CS&L in their respective capacities as direct and indirect shareholders of their respective Subsidiaries, shall each ratify any actions that are reasonably necessary or desirable to be taken by WHI, CS&L or any of their respective Subsidiaries to effectuate the Transactions.

8.2 Confidentiality.

(a) From and after the Effective Time, subject to Section 8.2(c) and except as contemplated by or otherwise provided in this Agreement or any other Transaction Agreement, WHI and Windstream shall not, and shall cause their Affiliates and their officers, directors, employees, and other agents and representatives, including attorneys, agents, customers, suppliers, contractors, consultants and other representatives of any Person providing financing (collectively, "Representatives"), not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person other than Representatives of such Party or of its Affiliates who reasonably need to know such information in providing services to any member of the WHI Group, any CS&L Confidential Information. If any disclosures are made to any member of the WHI Group in connection with any services provided to a member of the CS&L Group under this Agreement or any other Transaction Agreement, then the CS&L Confidential Information so disclosed shall be used only as required in connection with the receipt of such services. WHI and Windstream shall use the same degree of care to prevent and restrain the unauthorized use or disclosure of the CS&L Confidential Information by any of its Representatives as they currently use for their own confidential information of a like nature, but in no event less than a reasonable standard of care. For purposes of this Section 8.2(a), any Information, material or documents

relating to the CS&L Business currently or formerly conducted, or proposed to be conducted, by any member of the CS&L Group furnished to, or in possession of, WHI or Windstream, irrespective of the form of communication, and all notes, analyses, compilations, forecasts, data, translations, studies, memoranda or other documents prepared by WHI, Windstream, or their officers, directors and Affiliates, that contain or otherwise reflect such information, material or documents is hereinafter referred to as "CS&L Confidential Information." CS&L Confidential Information does not include, and there shall be no obligation hereunder with respect to, information that (i) is or becomes generally available to the public, other than as a result of a disclosure by WHI or Windstream not otherwise permissible hereunder, (ii) WHI or Windstream can demonstrate was or became available to WHI or Windstream from a source other than CS&L or its Affiliates or (iii) is developed independently by WHI or Windstream without reference to the CS&L Confidential Information; provided, however, that, in the case of clause (ii), the source of such information was not known by WHI or Windstream to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, CS&L or any member of the CS&L Group with respect to such information.

(b) From and after the Effective Time, subject to Section 8.2(c) and except as contemplated by this Agreement or any other Transaction Agreement, CS&L shall not, and shall cause its Affiliates and their respective Representatives, not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person other than Representatives of such Party or of its Affiliates who reasonably need to know such information in providing services to CS&L or any member of the CS&L Group, any WHI Confidential Information. If any disclosures are made to any member of the CS&L Group in connection with any services provided to a member of the CS&L Group under this Agreement or any other Transaction Agreement, then the WHI Confidential Information so disclosed shall be used only as required in connection with the receipt of such services. The CS&L Group shall use the same degree of care to prevent and restrain the unauthorized use or disclosure of the WHI Confidential Information by any of their Representatives as they use for their own confidential information of a like nature, but in no event less than a reasonable standard of care. For purposes of this Section 8.2(b), any Information, material or documents relating to the businesses currently or formerly conducted, or proposed to be conducted, by WHI, Windstream or any of their Affiliates (other than any member of the CS&L Group) furnished to, or in possession of, any member of the CS&L Group, irrespective of the form of communication, and all notes, analyses, compilations, forecasts, data, translations, studies, memoranda or other documents prepared by CS&L, any member of the CS&L Group or their respective officers, directors and Affiliates, that contain or otherwise reflect such information, material or documents is hereinafter referred to as "WHI Confidential Information." WHI Confidential Information does not include, and there shall be no obligation hereunder with respect to, information that (i) is or becomes generally available to the public, other than as a result of a disclosure by any member of the CS&L Group not otherwise permissible hereunder, (ii) CS&L can demonstrate was or became available to CS&L from a source other than WHI, Windstream and their respective Affiliates or (iii) is developed independently by such member of the CS&L Group without reference to the WHI Confidential Information; provided, however, that, in the case of clause (ii), the source of such information was not known by CS&L to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, WHI, Windstream or their Affiliates with respect to such information.

(c) If WHI, Windstream or their Affiliates, on the one hand, or CS&L or its Affiliates, on the other hand, are requested or required (by oral question, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) by any Governmental Authority or pursuant to applicable Law to disclose or provide any CS&L Confidential Information or WHI Confidential Information (other than with respect to any such information furnished pursuant to the provisions of Article IV of this Agreement), as applicable, the Person receiving such request or demand shall use commercially reasonable efforts to provide the other Party with written notice of such request or demand as promptly as practicable under the circumstances so that such other Party shall have an opportunity to seek an appropriate protective order. The Party receiving such request or demand agrees to take, and cause its representatives to take, at the requesting Party's expense, all other reasonable steps necessary to obtain confidential treatment by the recipient. Subject to the foregoing, the Party that received such request or demand may thereafter disclose or provide any CS&L Confidential Information or WHI Confidential Information, as the case may be, to the extent required by such Law (as so advised by counsel) or by lawful process or such Governmental Authority.

(d) Each of WHI, Windstream and CS&L acknowledges that it and the other members of its Group may have in their possession confidential or proprietary information of third Persons that was received under confidentiality or non-disclosure agreements with such third Person prior to the Distribution Date. WHI, Windstream and CS&L each agrees that it will hold, and will cause the other members of its Group and their respective Representatives to hold, in strict confidence the confidential and proprietary information of third Persons to which it or any other member of its respective Group has access, in accordance with the terms of any agreements entered into prior to the Distribution Date between or among one (1) or more members of the applicable Party's Group and such third Persons to the extent disclosed to such Party.

8.3 Allocation of Costs and Expenses. All costs and expenses incurred and directly related to the Transactions shall: (i) to the extent incurred and payable on or prior to the Distribution Date, be paid by WHI; and (ii) to the extent arising and payable following the Distribution Date, be paid by the Party incurring such cost or expense.

8.4 Litigation; Cooperation.

(a) WHI and Windstream agree that at all times from and after the Effective Time if a Third Party Claim relating primarily to the WHI Business is commenced naming both WHI or Windstream (or any member of the WHI Group), on the one hand, and CS&L (or any member of the CS&L Group), on the other hand, as defendants thereto, then WHI and Windstream shall use its commercially reasonable efforts to cause CS&L (and any member of the CS&L Group) to be removed from such Third Party Claim; provided, that, if WHI and Windstream are unable to cause CS&L (and any member of the CS&L Group) to be removed from such Third Party Claim, WHI and Windstream, on the one hand, and CS&L, on the other hand, shall cooperate and consult to the extent necessary or advisable with respect to such Third Party Claim.

(b) CS&L agrees that at all times from and after the Effective Time if a Third Party Claim relating primarily to the CS&L Business is commenced naming both WHI or

Windstream (or any member of the WHI Group), on the one hand, and CS&L (or any member of the CS&L Group) , on the other hand, as defendants thereto, then CS&L shall use its commercially reasonable efforts to cause WHI and Windstream (and any member of the WHI Group) to be removed from such Third Party Claim; provided, that, if CS&L is unable to cause WHI and Windstream (and any member of the WHI Group) to be removed from such Third Party Claim, WHI and Windstream, on the one hand, and CS&L, on the other hand, shall cooperate and consult to the extent necessary or advisable with respect to such Third Party Claim.

(c) The Parties agree that at all times from and after the Effective Time if a Third Party Claim which does not relate primarily to the CS&L Business or the WHI Business is commenced naming both WHI or Windstream (or any member of the WHI Group), on the one hand, and CS&L (or any member of the CS&L Group), on the other hand, as defendants thereto, then WHI and Windstream, on the one hand, and CS&L, on the other hand, shall cooperate fully with each other, maintain a joint defense (in a manner that would preserve for both the WHI Group and the CS&L Group any attorney-client privilege, joint defense or other privilege with respect thereto) and consult each other to the extent necessary or advisable with respect to such Third Party Claim.

8.5 Tax Matters. WHI and CS&L shall enter into the Tax Matters Agreement on or prior to the Distribution Date. To the extent that any representations, warranties, covenants or agreements between the Parties with respect to Taxes or other Tax matters are set forth in the Tax Matters Agreement, such Taxes and other Tax matters shall be governed exclusively by the Tax Matters Agreement and not by this Agreement.

8.6 Employment Matters. WHI and CS&L shall enter into the Employee Matters Agreement on or prior to the Distribution Date. To the extent that any representations, warranties, covenants or agreements between the Parties with respect to employment matters are set forth in the Employee Matters Agreement, such employment matters shall be governed exclusively by the Employee Matters Agreement and not by this Agreement.

8.7 Intellectual Property Matters. WHI and CS&L shall enter into the Intellectual Property Matters Agreement on or prior to the Distribution Date. To the extent that any representations, warranties, covenants or agreements between the Parties with respect to intellectual property matters are set forth in the Intellectual Property Matters Agreement, such intellectual property matters shall be governed exclusively by the Intellectual Property Matters Agreement and not by this Agreement.

8.8 Agreements Among CS&L and its Subsidiaries. CS&L and its certain of its Subsidiaries shall enter into an employee and cost sharing agreement contemporaneous with the Distribution on the Distribution Date in such form as CS&L and such Subsidiaries shall deem to be necessary, appropriate or advisable.

8.9 Net Working Capital Payment.

(a) Within thirty (30) days after the Distribution Date, WHI shall cause to be prepared and delivered to CS&L a combined balance sheet of the CS&L Business as of 12:01 a.m.

on the Distribution Date (the "Closing Balance Sheet") and a statement derived from the Closing Balance Sheet (the "Closing Statement") setting forth the Net Working Capital of the CS&L Business as of 12:01 a.m. on the Distribution Date ("Closing Net Working Capital"). The Closing Balance Sheet and Closing Statement shall be prepared in accordance with GAAP and the sample calculation set forth in Schedule 8.9 hereto and, to the extent not inconsistent therewith, all accounting principles, practices, methodologies and policies used in the preparation of the financial statements included in the Information Statement.

(b) Following the Distribution Date, each of WHI and CS&L shall give the other party and its representatives access at all reasonable times to the properties, books, records, working papers and personnel of the CS&L Business to the extent required to prepare and review the Closing Balance Sheet and the Closing Statement. CS&L shall have thirty (30) days following the delivery of the Closing Balance Sheet and the Closing Statement during which to notify WHI of any dispute of any item contained in the Closing Statement, which notice shall set forth in reasonable detail the nature and amount of any such dispute. If CS&L fails to notify WHI of any such dispute within such thirty (30) day period, the Closing Statement delivered to CS&L shall be deemed to be final, conclusive and binding on the parties hereto. In the event that CS&L shall so notify WHI of a dispute within such thirty (30) day period, WHI and CS&L shall cooperate in good faith to resolve such dispute as promptly as practicable.

(c) If WHI and CS&L do not resolve any such disputed item within thirty (30) days after the delivery by CS&L of its notice of dispute, such disputed item shall be resolved by an internationally recognized accounting firm mutually selected and agreed upon by WHI and CS&L. In connection therewith, the accounting firm shall address only items disputed by the parties and may not assign an amount to any disputed item greater than the greatest amount for such item that is claimed by a party or less than the lowest amount for such item that is claimed by a party. The accounting firm shall make its determinations with respect to any such disputed item as promptly as practicable and such determination shall be final, conclusive and binding on the parties and shall be enforceable in any court of competent jurisdiction and may be entered as a judgment in any such court. Any expenses relating to the engagement of the accounting firm shall be shared equally between WHI and CS&L. The Closing Statement, as modified by resolution of any disputed items by the accounting firm, shall be final, conclusive and binding on the parties hereto.

(d) If the Closing Net Working Capital as set forth in the final, binding and conclusive Closing Statement (as modified by the accounting firm, if applicable) exceeds $0, then WHI shall pay to CS&L an amount equal to the Closing Net Working Capital. If the Closing Net Working Capital as set forth in the final, binding and conclusive Closing Statement (as modified by the accounting firm, if applicable) is less than $0, then CS&L shall pay to WHI an amount equal to the Closing Net Working Capital. Any payment to be made pursuant to this Section 8.9(d) shall be made as promptly as practicable by wire transfer of immediately available funds, together with interest thereon from the Distribution Date through the date such payment is made, at the prime rate as reported as of the date of such payment by *The Wall Street Journal*.

ARTICLE IX

DISPUTE RESOLUTION

9.1 General Provisions.

(a) Any dispute, controversy or claim arising out of or relating to this Agreement or the other Transaction Agreements (other than the Master Lease), or the validity, interpretation, breach or termination thereof in which the amount in controversy (a "Dispute"), shall be resolved in accordance with the procedures set forth in this Section 9.1 and (i) if the amount in controversy in such Dispute is less than $5 million (an "Arbitrable Dispute"), via arbitration in accordance with Section 9.2, and (ii) if the amount in controversy in such Dispute equals or exceeds $5 million, via litigation in accordance with Section 10.2. Such provisions shall be the sole and exclusive procedures for the resolution of any Dispute unless otherwise specified in the applicable Transaction Agreement or in this Agreement.

(b) The Parties agree to cause their respective senior executives to exercise reasonable efforts to resolve any Dispute amicably for a period of thirty (30) days from the date all Parties have been made aware of the Dispute; provided, however, that if any Party reasonably determines that the resolution of such Dispute will require interim injunctive relief, such period shall be reduced to two (2) business days.

(c) THE PARTIES EXPRESSLY WAIVE AND FOREGO ANY RIGHT TO (I) SPECIAL DAMAGES (PROVIDED, THAT LIABILITY FOR ANY SUCH SPECIAL DAMAGES WITH RESPECT TO ANY THIRD PARTY CLAIM SHALL BE CONSIDERED DIRECT DAMAGES) AND (II) TRIAL BY JURY.

(d) The specific procedures set forth in this Article IX including the time limits referenced therein, may be modified by agreement of both of the Parties in writing.

(e) All applicable statutes of limitations and defenses based upon the passage of time shall be tolled while the procedures specified in this Article IX are pending. The Parties will take any necessary or appropriate action required to effectuate such tolling.

9.2 Arbitration.

(a) In the event of any Arbitrable Dispute, any Party may (i) pursuant to its rights under Section 10.10, submit a request for interim injunctive relief to the arbitral tribunal appointed pursuant to Section 9.2(b) (provided, that, if the tribunal shall not have been constituted, any Party may seek interim relief either before a special arbitrator, as provided for in Rule 14 of the CPR Arbitration Rules, or before any court of competent jurisdiction) if, in the reasonable opinion of such Party, such interim injunctive relief is necessary to preserve its rights pending resolution of the Arbitrable Dispute, and (ii) submit such Arbitrable Dispute to be finally resolved by binding arbitration, in each case, pursuant to the CPR Rules for Non-Administered Arbitration as then in effect (the "CPR Arbitration Rules").

(b) The neutral organization for purposes of the CPR Arbitration Rules will be the CPR. The arbitral tribunal will be composed of one arbitrator to be mutually agreed by the Parties or, if the Parties are unable to agree on an arbitrator, the arbitrator will be appointed by CPR from a list of eight (8) proposed neutrals submitted by the CPR each of whom shall have at least ten (10) years' experience in arbitrating commercial disputes. WHI and Windstream, on the one hand, and CS&L, on the other hand, may each strike no more than three (3) neutrals from the list submitted by CPR.

(c) Arbitration will take place in Little Rock, Arkansas. Along with the arbitrator appointed, the Parties will agree to a mutually convenient date and time to conduct the arbitration, but in no event will the hearing(s) be scheduled less than six (6) months from submission of the Arbitrable Dispute to arbitration unless the Parties agree otherwise in writing; provided, that, if injunctive or other interim relief contemplated by Section 9.2(d) below is requested, the hearing(s) will be expedited in accordance with any order entered by the court, tribunal or special arbitrator adjudicating that request.

(d) The arbitral tribunal will have the right to award, on an interim basis, or include in the final award, any relief which it deems proper in the circumstances, including money damages (with interest on unpaid amounts from the due date), injunctive relief (including specific performance) and attorneys' fees and costs; provided, that the arbitral tribunal will not award any relief not specifically requested by the Parties and, in any event, will not award Special Damages. Upon constitution of the arbitral tribunal following any grant of interim relief by a special arbitrator or court pursuant to Sections 9.2(a) and 10.10, the tribunal may affirm or disaffirm that relief, and the Parties will seek modification or rescission of the order entered by the special arbitrator or court as necessary to accord with the tribunal's decision.

(e) The Parties agree to be bound by the provisions of Rule 13 of the Federal Rules of Civil Procedure with respect to compulsory counterclaims (as the same may be amended from time to time); provided, that any such compulsory counterclaim shall be filed within thirty (30) days of the filing of the original claim.

(f) So long as any Party has a timely claim to assert, the agreement to arbitrate Arbitrable Disputes set forth in this Section 9.2 will continue in full force and effect subsequent to, and notwithstanding the completion, expiration or termination of, this Agreement.

(g) A Party obtaining an order of interim injunctive relief may enter judgment upon such award in any court of competent jurisdiction. The final award in an arbitration pursuant to this Article IX shall be conclusive and binding upon the Parties, and a Party obtaining a final award may enter judgment upon such award in any court of competent jurisdiction.

(h) It is the intent of the Parties that the agreement to arbitrate Arbitrable Disputes set forth in this Section 9.2 shall be interpreted and applied broadly such that all reasonable doubts as to arbitrability of a Arbitrable Dispute shall be decided in favor of arbitration.

(i) If a Dispute includes both arbitrable and nonarbitrable claims, counterclaims or defenses, the Parties shall arbitrate all such arbitrable claims, counterclaims or defenses and shall concurrently litigate, subject to and in accordance with Section 10.2, all such nonarbitrable claims, counterclaims or defenses.

(j) The Parties agree that any Dispute submitted to arbitration shall be governed by, and construed and interpreted in accordance with, Section 10.2 and, except as otherwise provided in this Article IX or mutually agreed to in writing by the Parties, the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., shall govern any arbitration between the Parties pursuant to this Section 9.2.

(k) Each Party shall bear (i) its own fees, costs and expenses and shall bear an equal share of the expenses of the arbitration, including the fees, costs and expenses of the arbitrator; provided, in the case of any Arbitrable Disputes relating to the Parties' rights and obligations with respect to indemnification under Article VII, the substantially prevailing Party shall be entitled to reimbursement by the other Party of its reasonable out-of-pocket fees and expenses (including attorneys' fees) incurred in connection with the arbitration.

(l) Commencing with a request contemplated by Section 9.2(a) above,, all communications among the Parties or their representatives in connection with the attempted resolution of any Arbitrable Dispute shall be deemed to have been delivered in furtherance of a Arbitrable Dispute settlement and shall be exempt from discovery and production, and shall not be admissible into evidence for any reason (whether as an admission or otherwise), in any arbitral or other proceeding for the resolution of any Arbitrable Dispute.

ARTICLE X

MISCELLANEOUS

10.1 No Survival of Representations and Warranties; Survival of Covenants. The representations and warranties of the Parties set forth in this Agreement shall not survive the Effective Time, and shall cease to have any force or effect immediately upon the Effective Time. Except as expressly set forth in any other Transaction Agreement, the covenants and other agreements contained in this Agreement and each other Transaction Agreement, and liability for the breach of any obligations thereunder, shall survive each of the Internal Reorganization, the Reorganization and the Distribution and shall remain in full force and effect in accordance with their terms.

10.2 Governing Law; Jurisdiction. This Agreement and, unless expressly provided therein, each other Transaction Agreement, shall be governed by and construed and interpreted in accordance with the State of Delaware irrespective of the choice of Laws principles of the State of Delaware. In addition, with respect to this Agreement (other than Arbitrable Disputes governed by Section 9.2) and, unless expressly provided therein, each other Transaction Agreement, the Parties agree that any legal action or proceeding shall be brought or determined exclusively in a state or federal court located within the County of New Castle in the State of Delaware.

10.3 Force Majeure. No Party (or any Person acting on its behalf) shall have any liability or responsibility for failure to fulfill any obligation (other than a payment obligation) under this Agreement or, unless otherwise expressly provided therein, any other Transaction Agreement, so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. A Party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event, (i) notify the other Parties of the nature and extent of any such Force Majeure condition and (ii) use due diligence to remove any such causes and resume performance under this Agreement as soon as feasible.

10.4 Notices. All notices, requests, claims, demands and other communications under this Agreement and, to the extent applicable and unless otherwise provided therein, under each of the other Transaction Agreements shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service) or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 10.4):

If to WHI or a member of the WHI Group, to:

c/o Windstream Holdings, Inc.
4001 Rodney Parham Road
Little Rock, Arkansas 72212
Attention: Chief Executive Officer

with copies to:

c/o Windstream Holdings, Inc.
4001 Rodney Parham Road
Little Rock, Arkansas 72212
Attention: General Counsel

and

Skadden Arps Slate Meagher & Flom LLP
One Rodney Square
920 N. King Street
Wilmington, Delaware 19801
Attention: Robert B. Pincus, Esq.

if to CS&L:

Communications Sales & Leasing, Inc.
10802 Executive Center Drive
Benton Building Suite 300
Little Rock, AR 72211
Attention: Chief Executive Officer

10.5 Termination. Notwithstanding any provision to the contrary, this Agreement may be terminated and the Transactions abandoned at any time prior to the Effective Time by and in the sole discretion of WHI, without the prior approval of any Person, including CS&L or Windstream. In the event of such termination, this Agreement shall become void and no Party, or any of its officers and directors shall have any liability to any Person by reason of this Agreement. After the Effective Time, this Agreement may not be terminated except by an agreement in writing signed by each of the Parties.

10.6 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any Law or as a matter of public policy, all other conditions and provisions of this Agreement shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the Transactions be consummated as originally contemplated to the greatest extent possible.

10.7 Entire Agreement. Except as otherwise expressly provided in this Agreement, this Agreement (including the Schedules and Exhibits hereto and, to the extent referred to herein, the other Transaction Agreements) constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements and undertakings, both written and oral, between or on behalf of the Parties hereto with respect to the subject matter of this Agreement.

10.8 Assignment; No Third-Party Beneficiaries. This Agreement shall not be assigned by any Party without the prior written consent of the other Parties hereto. Except as provided in Section 4.8 with respect to Skadden and its partners and employees or Article VII with respect to Indemnified Parties, this Agreement is for the sole benefit of the Parties to this Agreement and members of their respective Group and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.9 Public Announcements. From and after the Effective Time, the Parties agree that they shall make no public statement that would be inconsistent with any of the representations or assumptions underlying the Private Letter Ruling or that would otherwise in any manner compromise or undermine the tax treatment of any of the Transactions without the prior written consent of the other Parties, except as may be required by applicable Law, court process or by obligations pursuant to any listing agreement with any national securities exchange or national securities quotation system.

10.10 Specific Performance. Subject to the provisions of Article IX, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement or any other Transaction Agreement, the party or parties who are or are to be thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief (on an interim or permanent basis) of its rights under this Agreement or such Transaction Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The parties agree that the remedies at law for any breach or threatened breach, including monetary damages, may be inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the parties to this Agreement.

10.11 Amendment. No provision of this Agreement may be amended or modified except by a written instrument signed by all the Parties. No waiver by any Party of any provision of this Agreement shall be effective unless explicitly set forth in writing and executed by the Party so waiving. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

10.12 Rules of Construction. Interpretation of this Agreement shall be governed by the following rules of construction: (i) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (ii) references to the terms Article, Section, paragraph, clause, Exhibit and Schedule are references to the Articles, Sections, paragraphs, clauses, Exhibits and Schedules of this Agreement unless otherwise specified, (iii) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto, (iv) references to "$" shall mean U.S. dollars, (v) the word "including" and words of similar import when used in this Agreement shall mean "including without limitation," unless otherwise specified, (vi) the word "or" shall not be exclusive, (vii) references to "written" or "in writing" include in electronic form, (viii) provisions shall apply, when appropriate, to successive events and transactions, (ix) the table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement, (x) the Parties have each participated in the negotiation and drafting of this Agreement and, if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement or any interim drafts of this Agreement, and (xi) a reference to any Person includes such Person's successors and permitted assigns.

10.13 Counterparts. This Agreement may be executed in two (2) or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the Parties hereto have caused this Separation and Distribution Agreement to be executed on the date first written above by their respective duly authorized officers.

WINDSTREAM HOLDINGS, INC.

By: _____
Name:
Title:

WINDSTREAM SERVICES, LLC

By: _____
Name:
Title:

COMMUNICATIONS SALES & LEASING, INC.

By: _____
Name:
Title:

ANNEX I

Stock Calculation

The determination of the shares of CS&L Common Stock to be distributed or retained in the Distribution, respectively, by Windstream shall be calculated in accordance with the following formula:

- "D" represents the number of shares of CS&L Common Stock to be temporarily retained by Windstream following the distribution, and D equals (B minus A minus C minus E), where:
    - "A" represents the number of shares of CS&L Common Stock to be distributed in the Internal Distribution and the External Distribution, and A is calculated by dividing X by 5, where X equals the number of common shares of WHI on the record date of the Distribution.
    - B represents the fully diluted (pro forma to give effect to the Distribution and Reorganization) outstanding shares of CS&L Common Stock, and B is calculated by dividing the summation of A and E by 80.1.
    - C represents the number of CSL Restricted Shares to be issued to Retained Employees in accordance with the Employee Matters Agreement, and C is calculated by multiplying .2 times Y, where Y is equal to the number of WHI Restricted Shares issued to Retained Employees outstanding on the record date of the Distribution.
        - For the purpose of clarification, C does not include any CSL Stock Units to be issued in accordance with the Employee Matters Agreement, and C also does not include any CSL Restricted Shares to be issued to Transferred Employees
    - E represents the number of CSL Restricted Shares to be issued to Transferred Employees in accordance with the Employee Matters Agreement, and E is calculated by multiplying .2 times Z, where Z is equal to the number of WHI Restricted Shares issued to Transferred Employees outstanding on the record date of the Distribution
- Example Calculation (As of March 9, 2015):
    - X = 602,176,979
    - A = 120,435,396
    - D = 29,364,946
    - B = 150,366,271
    - C = 557,942
    - Y = 2,789,709
    - E = 7,987
    - Z = 39,937

SCHEDULE 1.1(a)

Assigned Contracts

(1) All of the WIN Group's rights (other than its legal title) in and to the following:

(a) all easements (whether express or prescriptive) or other rights-of-way real estate interests providing members of the WIN Group with the right to access and use the real property where the Distribution Systems are installed or located;

(b) all permits, franchises, licenses, or similar agreements granted by Governmental Authorities providing members of the WIN Group with the right to access and use public rights of way where the Distribution Systems are installed or located, including permits from highway departments and state and county agencies, franchise and rights-of-way license agreements with local governments, and permits from the Bureau of Land Management; and

(c) all pole attachment agreements, railroad crossing agreements, leases of conduits,, and similar agreements with third parties providing members of the WIN Group with the right to access and use telephone or utility poles, conduits or similar facilities where the Distribution Systems are installed or located.

(2) All of the WIN Group's rights in and to all contracts with customers of the Consumer CLEC Business.

SCHEDULE 1.1(b)

List of Facilities

AL-CLEC	1	Alabama CLEC
AL-ILEC	2	Alabama ILEC
AR-CLEC	3	Arkansas CLEC
AR-ILEC	4	Arkansas ILEC
CENTRAL-CLEC	5	Central US CLEC (Includes properties in KS, ND,MT & WY)
EAST-CLEC	6	Eastern US CLEC (Includes properties in CT, DC, MA, ME, NH, RI & VT)
FL-CLEC	7	Florida CLEC
FL-ILEC	8	Florida ILEC
GA-CLEC	9	Georgia CLEC
GA-ILEC	10	Georgia ILEC
IA-CLEC	11	Iowa CLEC
IA-ILEC	12	Iowa ILEC
IL-CLEC	13	Illinios CLEC
IN-CLEC	14	Indiana CLEC
KY-CLEC	15	Kentucky CLEC
KY-ILEC	16	Kentucky ILEC
MI-CLEC	17	Michigan CLEC
MO-CLEC	18	Missouri CLEC
MO-ILEC	19	Missouri ILEC
MS-CLEC	20	Mississippi CLEC
MS-ILEC	21	Mississippi ILEC
NC-CLEC	22	North Carolina CLEC
NC-ILEC	23	North Carolina ILEC
NM-Combined	24	New Mexico ILEC & CLEC
OH-CLEC	25	Ohio CLEC
OH-ILEC	26	Ohio ILEC
OK-CLEC	27	Oklahoma CLEC
OK-ILEC	28	Oklahoma ILEC
PA-CLEC	29	Pennsylvania CLEC
TN-CLEC	30	Tennessee CLEC
TX-CLEC	31	Texas CLEC
TX-ILEC	32	Texas ILEC
VA-CLEC	33	Virginia CLEC
WEST-CLEC	34	Western US CLEC (Includes properties in AZ, ID, NV, OR & WA)
WI-CLEC	35	Wisconsin CLEC
WV-CLEC	36	West Virginia CLEC

SCHEDULE 2.1(a)

Plan of Reorganization

Internal Reorganization

Prior to the Distribution, Windstream will have taken the following steps. Following these steps, all of the assets related to the CS&L Business (other than as noted in clause (b) below) will be treated as owned directly by Windstream for U.S. federal income tax purposes.

(a) CSL National, LP will create a new limited liability company called CSL North Carolina Realty GP, LLC to be the general partner of two Delaware limited partnerships. CSL National, LP will contribute 0.1% of its interest in CSL North Carolina System, LLC into CSL North Carolina Realty GP, LLC. Following the 0.1% contribution, CSL North Carolina System, LLC will convert into CSL North Carolina System, LP under Delaware law. CSL National, LP and CSL North Carolina Realty GP, LLC will form CSL North Carolina Realty, LP to hold non-ILEC assets located in North Carolina.

(b) CSL National, LP will create a new limited liability company called CSL Tennessee Realty Partner, LLC to serve as a partner in a new partnership which will own non-ILEC assets located in Tennessee. CSL Tennessee Realty Partner, LLC will elect to initially be regarded as a corporation.[1] CSL National, LP and CSL Tennessee Realty Partner, LLC form a new partnership under Delaware law called CSL Tennessee Realty, LLC to own non-ILEC assets located in Tennessee.

(c) Create Windstream Missouri, Inc. under Delaware law as a subsidiary of Windstream Corporation. Windstream Missouri, Inc. (a Missouri corporation) will merge with and into Windstream Missouri, Inc. (a Delaware corporation), with Windstream Missouri, Inc. (a Delaware corporation) surviving. Immediately thereafter, Windstream Missouri, Inc. (a Delaware corporation) will convert under Delaware law into a limited liability company (Windstream Missouri, LLC).

(d) Each of Windstream Western Reserve, Inc. (an Ohio corporation) and Windstream Ohio, Inc. (an Ohio corporation) will convert under Ohio law into a limited liability company (Windstream Western Reserve, LLC and Windstream Ohio, LLC, respectively).

(e) Windstream Florida Inc. (a Florida corporation) will convert under Florida law into a limited liability company (Windstream Florida, LLC).

(f) Each of Texas Windstream, Inc. (a Texas corporation) and Windstream Sugar Land, Inc. (a Texas corporation) will convert under Texas law into a limited liability company (Texas Windstream, LLC and Windstream Sugar Land, LLC, respectively).

(g) Windstream Concord Telephone, Inc. (a North Carolina corporation) will convert under North Carolina law into a limited liability company (Windstream Concord Telephone, LLC).

(h) Windstream Communications Inc. (a Delaware corporation) will convert under Delaware law into a limited liability company (Windstream Communications, LLC).

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1 When Communications Sales & Leasing, Inc. makes its REIT election, CSL Tennessee Realty Partner, LLC will elect to be considered a Taxable REIT Subsidiary (TRS).

(i) Each of Windstream NuVox Arkansas, Inc. (a Delaware corporation), Windstream NuVox Illinois, Inc. (a Delaware corporation), Windstream NuVox Indiana, Inc. (a Delaware corporation), Windstream NuVox Kansas, Inc. (a Delaware corporation), Windstream NuVox Missouri, Inc. (a Delaware corporation), Windstream NuVox Ohio, Inc. (a Delaware corporation) and Windstream NuVox Oklahoma, Inc. (a Delaware corporation) will convert into a limited liability company under Delaware law (Windstream NuVox Arkansas, LLC, Windstream NuVox Illinois, LLC, Windstream NuVox Indiana, LLC, Windstream NuVox Kansas, LLC, Windstream NuVox Ohio, LLC, and Windstream NuVox Oklahoma, LLC, respectively).

(j) Windstream NuVox, Inc. (a Delaware corporation) will convert under Delaware law into a limited liability company (Windstream NuVox, LLC).

(k) D&E Communications, Inc. (a Delaware corporation) will convert under Delaware law into a limited liability company (D&E Communications, LLC) and, subsequently, D&E Networks, Inc. (a Pennsylvania corporation) will distribute assets related to the CS&L Business to D&E Communications, LLC.

(l) Windstream D&E Systems, Inc. (a Delaware corporation) will convert under Delaware law into a limited liability company (Windstream D&E Systems, LLC).

(m) Windstream Lexcom Communications, Inc. (a North Carolina corporation) will convert under North Carolina law into a limited liability company (Windstream Lexcom Communications, LLC).

(n) Windstream Iowa Communications, Inc. (a Delaware corporation) will convert under Delaware law into a limited liability company (Windstream Iowa Communications, LLC).

(o) Windstream Montezuma, Inc. (an Iowa corporation) will convert under Iowa law into a limited liability company (Windstream Montezuma, LLC).

(p) Windstream Iowa-Comm, Inc. (an Iowa corporation) will convert under Iowa law into a limited liability company (Windstream Iowa-Comm, LLC).

(q) Windstream KDL Inc. (a Kentucky corporation) will convert under Kentucky law into a limited liability company (Windstream KDL, LLC).

(r) Windstream NTI, Inc. (a Wisconsin corporation) will convert under Wisconsin law into a limited liability company (Windstream NTI, LLC).

(s) Windstream Norlight, Inc. (a Kentucky corporation) will convert under Kentucky law into a limited liability company (Windstream Norlight, LLC).

(t) PAETEC Holding Corp. (a Delaware corporation) will convert under Delaware law into a limited liability company (PAETEC Holding, LLC).

(u) PAETEC Corp. (a Delaware corporation) will convert under Delaware law into a limited liability company (PAETEC, LLC).

(v) PaeTec Communications Inc.(a Delaware corporation) and Cavalier Telephone Corporation (a Delaware corporation) will each convert under Delaware law into a limited liability company (PaeTec Communications, LLC and Windstream Cavalier, LLC, respectively).

(w) PaeTec Communications of Virginia, Inc. (a Virginia corporation) will convert under Virginia law in a limited liability company (PaeTec Communications of Virginia, LLC).

(x) TC Services Holdings Co., Inc. (a Pennsylvania corporation) and NT Corporation (a Delaware corporation) will each merge with and into Talk America, Inc. (a Pennsylvania corporation).

(y) Network Telephone Corporation (a Florida corporation) will convert under Florida law into a limited liability company (Network Telephone, LLC).

(z) Talk America, Inc. (a Pennsylvania corporation) will merge with and into Windstream Talk America, Inc. (a Delaware corporation), a newly-formed Delaware corporation, which will convert under Delaware law into a limited liability company (Talk America, LLC).

(aa) The Other Phone Company, Inc. (a Florida corporation) will convert under Florida law into a limited liability company (The Other Phone Company, LLC).

(bb) Intellifiber Networks, Inc. (a Virginia corporation) will convert under Virginia law into a limited liability company (Intellifiber Networks, LLC).

(cc) LDMI Telecommunications, Inc. (a Michigan corporation) will convert under Michigan law into a limited liability company (LDMI Telecommunications, LLC).

(dd) Windstream KDL-VA, Inc. (a Virginia corporation) will convert under Virginia law into a limited liability company (Windstream KDL-VA, LLC).

(ee) Nashville Data Link, Inc. (a Tennessee corporation) will convert under Tennessee law into a limited liability company (Nashville Data Link, LLC).

(ff) Norlight Telecommunications of Virginia, Inc., (a Virginia corporation) will convert under Virginia law into a limited liability company (Norlight Telecommunications of Virginia, LLC).

(gg) Cinergy Communications Company of Virginia (a Virginia corporation) will convert under Virginia law into a limited liability company (Cinergy Communications of Virginia, LLC).

(hh) Talk America of Virginia, Inc. (a Virginia corporation) will convert under Virginia law into a limited liability company (Talk America of Virginia, LLC).

(ii) Windstream will form a wholly-owned subsidiary called Windstream Finance Corp. under Delaware law.

Reorganization

(i) One or more investment banks (the "Investment Banks") will solicit non-binding orders from third-party investors for debt securities and loans under a term loan facility to be issued by CS&L in the amount of approximately $[—] (the "CS&L Securities").

(ii) At least fourteen days prior to the closing date of the Distributions, each Investment Bank, acting as principal for its own account, will acquire in the marketplace some or all of the revolving loans, term A loans, term B loans and certain notes (the "Exchange Debt").

(iii) No sooner than five days after acquiring the Exchange Debt, Windstream expects that the Investment Banks will enter into an exchange agreement with Windstream pursuant to which the parties will agree to exchange an amount of Exchange Debt for up to a currently estimated aggregate $[—] face amount of CS&L Securities, less a specified spread (the "Debt Exchange"). The exchange ratio for the Debt Exchange will be negotiated between Windstream and the Investment Banks, bargaining at arms' length, no earlier than the time they enter into the exchange agreement. Each Investment Bank will expect to obtain binding commitments at such time from third-party investors who will agree to purchase the CS&L Securities from each Investment Bank following the Debt Exchange.

(iv) As and to the extent set forth in the Separation and Distribution Agreement to which this Schedule is attached, Windstream will contribute all of the assets and liabilities comprising the CS&L Business to CS&L (the "Contribution").

(v) CS&L will borrow an amount of cash from third-parties (the "CS&L Cash").

(vi) In exchange for the assets and liabilities transferred to CS&L in the Contribution, Windstream will receive all of the common stock of CS&L, the CS&L Cash and the CS&L Securities.

(vii) Following the Contribution, CS&L will contribute the Consumer CLEC Business to Talk America Services, LLC in exchange for the equity of Talk America Services, LLC.

(viii) CS&L and the Investment Banks will consummate the Debt Exchange. The Investment Banks intend to complete the sale of the CS&L Securities they receive in the Debt Exchange to public investors immediately thereafter.

SCHEDULE 2.2(a)(i)(C)

Distribution System Demarcation Points

Meet Point	Distribution System	Excluded Assets (Retained)
Central Office, Remote Office or Hut	Fiber distribution panel and every connection thereto which is connected on the outside plant side of such fiber distribution panel; all copper cable splice cases and vaults in which it is contained; all conduit installed for any cabling purposes on any Improvements.	All copper and fiber jumper cables between the fiber distribution panel or cable value, and the Equipment and racking located in the Central office Building, Remote Office Building or Hut.
Pad or WOMP mounted Equipment	WOMP or pad and the splice tray which houses fiber splices.	Cabinet mounted on the WOMP or pad, all Electronics inside such cabinet, and the cable or fiber jumpers inside the cabinet from the splice tray to electronics.
Business Demarcation	All fiber/copper to customer demarcation point.	Any equipment at the customer demarcation point.
Consumer Network Interface Device	All fiber/copper leading up to the Network Interface Device (i.e. customer demarcation point)	Network Interface Device

SCHEDULE 2.2(b)

Specifically Excluded Assets

(1) Any and all title to any Assigned Contract referenced in item (1) of Schedule 1.1(a).

(2) Any and all right, title or interest in or to any RUS Stimulus Assets.

(3) All assets related to (a) Minnesota, Nebraska, Pennsylvania, New York and South Carolina ILECs and (b) California, Colorado, Delaware, Louisiana, Maryland, Minnesota, Nebraska, New Jersey, New York, South Carolina, South Dakota, and Utah CLECs.

(4) Abandoned, decommissioned and retired assets that are no longer used as part of the Distribution Systems (e.g., buried lead cable).

(5) Any and all right, title, and interest in the following assets related to the Consumer CLEC Business:

(a) Interconnection agreements between members of the WHI Group and other telecommunications carriers pursuant to which members of the WHI Group obtain access to network elements, facilities and services in order to operate the CLEC Consumer Business, including unbundled network elements, special access circuits and entrance facilities, and other facilities leased or obtained from the telecommunications carriers providing the underlying services;

(b) Any assets in the excluded Facilities described in section 2.2(b)(4) above used in the CLEC Consumer Business;

(c) any Electronics used in the CLEC Consumer Business including digital access carriers; and

(d) any authorizations, licenses or permits used in or required to operate the CLEC Consumer Business including certificates to operate as a Competitive Local Exchange Carrier and numbering resources and industry standard codes such as ACNAs, CICs and OCNs.

(6) Any and all right, title and interest in cable television systems.

(7) Any and all right, title and interest in communication towers that are not located on a central office site.

(8) Office furniture, batteries or cooling systems used in connection with any Equipment which is an Excluded Asset.

(9) Any and all IRUs.

(10) The following Internet domain names:

bowlinggreen.net
bridgewater.net
carol.net
ccol.net
ceinetworks.com
connections-etc.net
cottoninternet.net
crosspaths.net
ctc.net
dejazzd.com
dejazzdfone.com
dejazzdphone.com
dejazzdphone.net
dejazzdphone.org
dejazzed.com
door.net
en-tel.net
evansville.com
evansville.net
ezmailbox.net
fast.net
fastraxs.net
fbx.com
fbx.net
fdn.com
gibsoncounty.net
glade.net
henderson.net
hopkinsville.net
hubofthe.net
iowatelecom.net
izoom.net
jazzd.com
jazzdphone.com
kdlnetworks.net
kentuckylakes.net
ktc.com
lakedalelink.net
lexcominc.net
lkdllink.net
lookingglass.net
lucasco.net
madisonville.com
mcleodusa.net
midsouth.net
midtech.net
midusa.net
navix.net
netaxs.com
netreach.net
norlight.net
nsatel.net
nuvox.net
odsy.net
one.net
op.net
owensboro.net
paducah.com
pcpartner.net
pcstx.net
pennyrile.net
purchasearea.net
roswell.net
sherbtel.net
slinknet.com
superlink.net
swindiana.com
swindiana.net
titlecast.com
titlecast.net
trailnet.com
trivergent.net
txcom.net
txkinet.com
txk.net
uslec.net
valornet.com
valortelecom.com
vincennes.net
westex.net
wh-link.net
willinet.net
windstreambusiness.net
windstream.net
zumatel.net
cavtel.net
talkamerica.net
visi.net
newsouth.net

SCHEDULE 2.3(a)

Assumed Liabilities

None.

SCHEDULE 2.3(b)

Excluded Liabilities

Liability arising under any Action listed in the letter referenced in Section 5.5.

Liability for any and all abatement and removal of asbestos located at the Facilities as of the Distribution Date.

Liability for any and all removal of Halon fire suppression equipment located at the Facilities as of the Distribution Date.

Liability for any asset retirement obligations with respect to poles located at the Facilities as of the Distribution Date.

SCHEDULE 2.5(a)

Required Approvals

1. State Public Service Commission approval is required for the transfer of the Land, Improvements and Distribution Systems in the following states:[2]
   - 1.1. Alabama
   - 1.2. Arizona
   - 1.3. Georgia
   - 1.4. Indiana
   - 1.5. Kentucky
   - 1.6. North Carolina
   - 1.7. Ohio
   - 1.8. Pennsylvania
   - 1.9. West Virginia
2. A member of the CS&L Group must obtain a certificate of public convenience and necessity (or similar Authorization) as a competitive local exchange carrier and interexchange carrier to operate the Consumer CLEC Business in every state except Alaska and Hawaii.
3. The Form 10 Registration Statement must be declared effective by the Securities and Exchange Commission.
4. An Amendment to the Fifth Amended and Restated Credit Agreement, dated as of January 23, 2013 as amended, of Windstream Corporation, is required in order to effect the Transactions.
5. Pro forma notice of the Transactions must be filed with the Federal Communications Commission within 30 days after the Effective Time of the Transactions.

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[2] In the event that any such Public Service Commission approval has not been obtained prior to the Distribution Date, the Parties will reasonably cooperate to either remove such approval as a Required Approval or to obtain such Required Approval within six months following the Distribution Date.

SCHEDULE 8.9

Sample Net Working Capital Calculation

WIN / CS&L Working Capital Settlement

Based on balance sheet as of September 30, 2014

Receivable balances collected and retained by WIN:	
Accounts receivable, net of allowance for bad debt	$2,368
Liabilities to be paid by WIN on behalf of CS&L:	
Accrued interconnection costs	(738)
Accrued payroll	(29)
Net working capital (payment to CS&L)	$1,601

EXHIBITS A THROUGH H

See exhibits to Registration Statement

EXHIBIT I-1

Form of Assignment Agreement for Pole Agreements

ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT
(CSL Alabama – Pole Agreements)

This ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT (CSL Alabama – Pole Agreements), dated as of , 2015 (this "Agreement"), is entered into by and among Windstream Holdings, Inc., a Delaware corporation ("WHI"), Windstream Services, LLC, a Delaware limited liability company ("Windstream"), certain subsidiaries of WHI and Windstream as set forth on Appendix A hereto ("Windstream Subsidiaries"), Communications Sales & Leasing, Inc., a Maryland corporation ("CSL"), and CSL Alabama System, LLC, a Delaware limited liability company ("CSL Subsidiary" and, together with WHI, Windstream, CSL, and Windstream Subsidiaries, the "Parties"). Unless otherwise defined herein, all capitalized terms used in this Agreement shall have the meanings assigned to such terms in the Separation and Distribution Agreement (as defined herein).

W I T N E S S E T H:

WHEREAS, WHI, Windstream and CSL have entered into that certain Separation and Distribution Agreement, dated as of , 2015 (the "Separation and Distribution Agreement"), and WHI and CSL National, LP, a Delaware limited partnership, have entered into that certain Master Lease, dated as of , 2015 (the "Master Lease"); and

WHEREAS, (i) WHI and Windstream, pursuant to certain Assigned Contracts, have pole attachment agreements, railroad crossing agreements, leases of conduits, and similar agreements with third parties in the State of Alabama, and (ii) the Windstream Subsidiaries, pursuant to certain Assigned Contracts, have pole attachment agreements, railroad crossing agreements, leases of conduits, and similar agreements with third parties in the State of Alabama and elsewhere, in each case providing members of the WIN Group with the right to access and use telephone and utility poles, conduits and similar facilities where the Distribution Systems are installed or located (the "Pole Agreements").

NOW THEREFORE, for and in consideration of the premises and the mutual promises and covenants set forth herein, and intending to be legally bound:

1. Assignment and Assumption.

(a) Subject to Section 1(c) of this Agreement, WHI, Windstream and the Windstream Subsidiaries (collectively "Assignors") hereby assign, convey, transfer and deliver to CSL Subsidiary, all of Assignors' rights to the Pole Agreements, including, without limitation, the Pole Agreements set forth on Appendix B hereto.

(b) CSL Subsidiary hereby accepts the foregoing assignment, conveyance, transfer and delivery and hereby undertakes, assumes and agrees to pay (and indemnify Assignors against), perform and discharge in accordance with their terms, all Liabilities arising out of or relating to the Pole Agreements.

(c) The Parties hereby declare their intent that Assignors retain and reserve bare legal ownership of the Pole Agreements as nominees and trustees for the benefit of CSL Subsidiary. Assignors hereby acknowledge they hold such ownership solely in trust for the benefit of CSL Subsidiary and its successors and assigns. Assignors and CSL Subsidiary agree that CSL Subsidiary shall hereby be deemed to have acquired complete and sole beneficial ownership over all of the Pole Agreements, together with all rights, powers and privileges incident thereto. Further, from and after the date hereof, CSL Subsidiary shall be entitled to all revenues with respect to the Pole Agreements, bear all risk of loss with respect to the Pole Agreements and have the right to direct Assignors, as nominees and trustees, to take all necessary, appropriate or advisable actions with respect to the Pole Agreements, including transferring the Pole Agreements on behalf of CSL Subsidiary. Assignors and CSL Subsidiary hereby agree that CSL Subsidiary shall be treated as the owner of the Pole Agreements for all U.S. federal and other income tax purposes, and Assignors and CSL Subsidiary will not take any position inconsistent with such treatment.

2. Effectiveness. This Agreement shall become effective on the date hereof.

3. Right to Acquire Legal Ownership. CSL Subsidiary shall have the right to acquire legal ownership of the Pole Agreements in consideration for an aggregate payment by CSL Subsidiary to Assignors of $1.00 at such time, if any, after the date hereof as CSL Subsidiary has both (1) obtained all requisite certificates, consents, approvals, licenses and permits necessary to hold legal ownership of the Pole Agreements and (2) paid all related transfer taxes and other costs and expenses related to the transfer.

4. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

5. Transfer of Assets; Assumption of Liabilities. The Parties hereby agree that if, as a result of this Agreement, any Party (or any member of such Party's respective Group) shall receive or otherwise possess any Asset or Liability that is allocated to any other Person pursuant to the Separation and Distribution Agreement, this Agreement or any other Transfer Agreement, such Party shall, as applicable, promptly transfer or accept, or cause to be transferred or accepted, such Asset or Liability, as the case may be, to the Person entitled to such Asset or responsible for such Liability, as the case may be. Prior to any such transfer, the Person receiving, possessing or responsible for such Asset or Liability shall be deemed to be holding such Asset or Liability, as the case may be, in trust for any other such Person.

6. Conflicting Terms. In the event of a conflict between the terms of this Agreement (including any and all attachments hereto and amendments hereof) and the terms of the Separation

and Distribution Agreement (including any and all attachments thereto and amendments thereof) or the Master Lease (including any and all attachments thereto and amendments thereof), the terms of the Separation and Distribution Agreement or the Master Lease, as applicable, shall control.

7. Modification. This Agreement may not be modified except by a writing signed by the Parties.

8. Counterparts. This Agreement may be executed in two (2) or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

9. Governing Law; Enforcement. This Agreement shall be governed by and construed in accordance with the laws of the State of [Alabama] (without reference to choice of law principles applicable therein) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. Any dispute arising under this Agreement shall be resolved in the manner set forth in the Separation and Distribution Agreement.

10. Entire Agreement; No Representations. This Agreement, together with the Separation and Distribution Agreement and the Master Lease, contains the entire understanding of the Parties with respect to the subject matter contained herein and supersedes and cancels all prior agreements, negotiations, correspondence, undertakings and communications of the Parties, oral or written, respecting the subject matter hereof. Except as expressly provided in the Separation and Distribution Agreement and the Master Lease, Assignors make no representations or warranties, express or implied, with respect to the Pole Agreements.

11. Reorganization. For U.S. federal income tax purposes, the Parties intend to treat the assignment of the Pole Agreements pursuant to this Agreement as a contribution of such Pole Agreements by WHI to CSL in connection with the Reorganization.

[*The remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

WHI:

WINDSTREAM HOLDINGS, INC.

By: _____

Name: _____

Title: _____

WINDSTREAM:

WINDSTREAM SERVICES, LLC

By: _____

Name: _____

Title: _____

WINDSTREAM SUBSIDIARIES:

(each as listed on Appendix A)

By: _____

Name: _____

Title: _____

CSL:

COMMUNICATIONS SALES & LEASING, INC.

By: _____

Name: _____

Title: _____

CSL SUBSIDIARY:

CSL ALABAMA SYSTEM, LLC

By: _____

Name: _____

Title: _____

EXHIBIT I-2

Form of Assignment Agreement for Permits

ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT
(CSL Alabama – Permits)

This ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT (CSL Alabama – Permits), dated as of , 2015 (this "Agreement"), is entered into by and among Windstream Holdings, Inc., a Delaware corporation ("WHI"), Windstream Services, LLC, a Delaware limited liability company ("Windstream"), certain subsidiaries of WHI and Windstream as set forth on Appendix A hereto ("Windstream Subsidiaries"), Communications Sales & Leasing, Inc., a Maryland corporation ("CSL"), and CSL Alabama System, LLC, a Delaware limited liability company ("CSL Subsidiary" and, together with WHI, Windstream, CSL, and Windstream Subsidiaries, the "Parties"). Unless otherwise defined herein, all capitalized terms used in this Agreement shall have the meanings assigned to such terms in the Separation and Distribution Agreement (as defined herein).

W I T N E S S E T H:

WHEREAS, WHI, Windstream and CSL have entered into that certain Separation and Distribution Agreement, dated as of , 2015 (the "Separation and Distribution Agreement"), and WHI and CSL National, LP, a Delaware limited partnership, have entered into that certain Master Lease, dated as of , 2015 (the "Master Lease"); and

WHEREAS, (i) WHI and Windstream, pursuant to certain Assigned Contracts, have permits, licenses and other similar agreements (including but not limited to permits from highway departments and state and county agencies, and rights-of-way license agreements with local governments, and permits from the Bureau of Land Management) granted by Governmental Authorities in the State of Alabama, and (ii) the Windstream Subsidiaries, pursuant to certain Assigned Contracts, have permits, licenses and other similar agreements (including but not limited to permits from highway departments and state and county agencies, and rights-of-way license agreements with local governments, and permits from the Bureau of Land Management) granted by Governmental Authorities in the State of Alabama and elsewhere, in each case providing members of the WIN Group with the right to access and use public rights of way where the Distribution Systems are installed or located (the "Permits").

NOW THEREFORE, for and in consideration of the premises and the mutual promises and covenants set forth herein, and intending to be legally bound:

1. Assignment and Assumption.

(a) Subject to Section 1(c) of this Agreement, WHI, Windstream and the Windstream Subsidiaries (collectively "Assignors") hereby assign, convey, transfer and deliver to CSL Subsidiary, all of Assignors' rights to the Permits, including, without limitation, the Permits set forth on Appendix B hereto.

(b) CSL Subsidiary hereby accepts the foregoing assignment, conveyance, transfer and delivery and hereby undertakes, assumes and agrees to pay (and indemnify Assignors against), perform and discharge in accordance with their terms, all Liabilities arising out of or relating to the Permits.

(c) The Parties hereby declare their intent that Assignors retain and reserve bare legal ownership of the Permits as nominees and trustees for the benefit of CSL Subsidiary. Assignors hereby acknowledge they hold such ownership solely in trust for the benefit of CSL Subsidiary and its successors and assigns. Assignors and CSL Subsidiary agree that CSL Subsidiary shall hereby be deemed to have acquired complete and sole beneficial ownership over all of the Permits, together with all rights, powers and privileges incident thereto. Further, from and after the date hereof, CSL Subsidiary shall be entitled to all revenues with respect to the Permits, bear all risk of loss with respect to the Permits and have the right to direct Assignors, as nominees and trustees, to take all necessary, appropriate or advisable actions with respect to the Permits, including transferring the Permits on behalf of CSL Subsidiary. Assignors and CSL Subsidiary hereby agree that CSL Subsidiary shall be treated as the owner of the Permits for all U.S. federal and other income tax purposes, and Assignors and CSL Subsidiary will not take any position inconsistent with such treatment.

2. Effectiveness. This Agreement shall become effective on the date hereof.

3. Right to Acquire Legal Ownership. CSL Subsidiary shall have the right to acquire legal ownership of the Permits in consideration for an aggregate payment by CSL Subsidiary to Assignors of $1.00 at such time, if any, after the date hereof as CSL Subsidiary has both (1) obtained all requisite certificates, consents, approvals, licenses and permits necessary to hold legal ownership of the Permits and (2) paid all related transfer taxes and other costs and expenses related to the transfer.

4. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

5. Transfer of Assets; Assumption of Liabilities. The Parties hereby agree that if, as a result of this Agreement, any Party (or any member of such Party's respective Group) shall receive or otherwise possess any Asset or Liability that is allocated to any other Person pursuant to the Separation and Distribution Agreement, this Agreement or any other Transfer Agreement, such Party shall, as applicable, promptly transfer or accept, or cause to be transferred or accepted, such Asset or Liability, as the case may be, to the Person entitled to such Asset or responsible for such Liability, as the case may be. Prior to any such transfer, the Person receiving, possessing or responsible for such Asset or Liability shall be deemed to be holding such Asset or Liability, as the case may be, in trust for any other such Person.

6. Conflicting Terms. In the event of a conflict between the terms of this Agreement (including any and all attachments hereto and amendments hereof) and the terms of the Separation and Distribution Agreement (including any and all attachments thereto and amendments

thereof) or the Master Lease (including any and all attachments thereto and amendments thereof), the terms of the Separation and Distribution Agreement or the Master Lease, as applicable, shall control.

7. Modification. This Agreement may not be modified except by a writing signed by the Parties.

8. Counterparts. This Agreement may be executed in two (2) or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

9. Governing Law; Enforcement. This Agreement shall be governed by and construed in accordance with the laws of the State of [Alabama] (without reference to choice of law principles applicable therein) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. Any dispute arising under this Agreement shall be resolved in the manner set forth in the Separation and Distribution Agreement.

10. Entire Agreement; No Representations. This Agreement, together with the Separation and Distribution Agreement and the Master Lease, contains the entire understanding of the Parties with respect to the subject matter contained herein and supersedes and cancels all prior agreements, negotiations, correspondence, undertakings and communications of the Parties, oral or written, respecting the subject matter hereof. Except as expressly provided in the Separation and Distribution Agreement and the Master Lease, Assignors make no representations or warranties, express or implied, with respect to the Permits.

11. Reorganization. For U.S. federal income tax purposes, the Parties intend to treat the assignment of the Permits pursuant to this Agreement as a contribution of such Permits by WHI to CSL in connection with the Reorganization.

[*The remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

WHI:

WINDSTREAM HOLDINGS, INC.

By: _____

Name: _____

Title: _____

WINDSTREAM:

WINDSTREAM SERVICES, LLC

By: _____

Name: _____

Title: _____

WINDSTREAM SUBSIDIARIES:

(each as listed on Appendix A)

By: _____

Name: _____

Title: _____

CSL:

COMMUNICATIONS SALES & LEASING, INC.

By: _____

Name: _____

Title: _____

CSL SUBSIDIARY:

CSL ALABAMA SYSTEM, LLC

By: _____

Name: _____

Title: _____

EXHIBIT I-3

Form of Assignment Agreement for Franchises

ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT
(CSL Alabama – Franchises)

This ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT (CSL Alabama – Franchises), dated as of , 2015 (this "Agreement"), is entered into by and among Windstream Holdings, Inc., a Delaware corporation ("WHI"), Windstream Services, LLC, a Delaware limited liability company ("Windstream"), certain subsidiaries of WHI and Windstream as set forth on Appendix A hereto ("Windstream Subsidiaries"), Communications Sales & Leasing, Inc., a Maryland corporation ("CSL"), and CSL Alabama System, LLC, a Delaware limited liability company ("CSL Subsidiary" and, together with WHI, Windstream, CSL, and Windstream Subsidiaries, the "Parties"). Unless otherwise defined herein, all capitalized terms used in this Agreement shall have the meanings assigned to such terms in the Separation and Distribution Agreement (as defined herein).

W I T N E S S E T H:

WHEREAS, WHI, Windstream and CSL have entered into that certain Separation and Distribution Agreement, dated as of , 2015 (the "Separation and Distribution Agreement"), and WHI and CSL National, LP, a Delaware limited partnership, have entered into that certain Master Lease, dated as of , 2015 (the "Master Lease"); and

WHEREAS, (i) WHI and Windstream, pursuant to certain Assigned Contracts, have franchises granted by Governmental Authorities in the State of Alabama, and (ii) the Windstream Subsidiaries, pursuant to certain Assigned Contracts, have franchises granted by Governmental Authorities in the State of Alabama and elsewhere, in each case providing members of the WIN Group with the right to access and use public rights of way where the Distribution Systems are installed or located (the "Franchises").

NOW THEREFORE, for and in consideration of the premises and the mutual promises and covenants set forth herein, and intending to be legally bound:

1. Assignment and Assumption.

(a) Subject to Section 1(c) of this Agreement, WHI, Windstream and the Windstream Subsidiaries (collectively "Assignors") hereby assign, convey, transfer and deliver to CSL Subsidiary, all of Assignors' rights to the Franchises, including, without limitation, the Franchises set forth on Appendix B hereto.

(b) CSL Subsidiary hereby accepts the foregoing assignment, conveyance, transfer and delivery and hereby undertakes, assumes and agrees to pay (and indemnify Assignors against), perform and discharge in accordance with their terms, all Liabilities arising out of or relating to the Franchises.

(c) The Parties hereby declare their intent that Assignors retain and reserve bare legal ownership of the Franchises as nominees and trustees for the benefit of CSL Subsidiary. Assignors hereby acknowledge they hold such ownership solely in trust for the benefit of CSL Subsidiary and its successors and assigns. Assignors and CSL Subsidiary agree that CSL Subsidiary shall hereby be deemed to have acquired complete and sole beneficial ownership over all of the Franchises, together with all rights, powers and privileges incident thereto. Further, from and after the date hereof, CSL Subsidiary shall be entitled to all revenues with respect to the Franchises, bear all risk of loss with respect to the Franchises and have the right to direct Assignors, as nominees and trustees, to take all necessary, appropriate or advisable actions with respect to the Franchises, including transferring the Franchises on behalf of CSL Subsidiary. Assignors and CSL Subsidiary hereby agree that CSL Subsidiary shall be treated as the owner of the Franchises for all U.S. federal and other income tax purposes, and Assignors and CSL Subsidiary will not take any position inconsistent with such treatment.

2. Effectiveness. This Agreement shall become effective on the date hereof.

3. Right to Acquire Legal Ownership. CSL Subsidiary shall have the right to acquire legal ownership of the Franchises in consideration for an aggregate payment by CSL Subsidiary to Assignors of $1.00 at such time, if any, after the date hereof as CSL Subsidiary has both (1) obtained all requisite certificates, consents, approvals, licenses and permits necessary to hold legal ownership of the Franchises and (2) paid all related transfer taxes and other costs and expenses related to the transfer.

4. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

5. Transfer of Assets; Assumption of Liabilities. The Parties hereby agree that if, as a result of this Agreement, any Party (or any member of such Party's respective Group) shall receive or otherwise possess any Asset or Liability that is allocated to any other Person pursuant to the Separation and Distribution Agreement, this Agreement or any other Transfer Agreement, such Party shall, as applicable, promptly transfer or accept, or cause to be transferred or accepted, such Asset or Liability, as the case may be, to the Person entitled to such Asset or responsible for such Liability, as the case may be. Prior to any such transfer, the Person receiving, possessing or responsible for such Asset or Liability shall be deemed to be holding such Asset or Liability, as the case may be, in trust for any other such Person.

6. Conflicting Terms. In the event of a conflict between the terms of this Agreement (including any and all attachments hereto and amendments hereof) and the terms of the Separation and Distribution Agreement (including any and all attachments thereto and amendments thereof) or the Master Lease (including any and all attachments thereto and amendments thereof), the terms of the Separation and Distribution Agreement or the Master Lease, as applicable, shall control.

7. Modification. This Agreement may not be modified except by a writing signed by the Parties.

8. Counterparts. This Agreement may be executed in two (2) or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

9. Governing Law; Enforcement. This Agreement shall be governed by and construed in accordance with the laws of the State of [Alabama] (without reference to choice of law principles applicable therein) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. Any dispute arising under this Agreement shall be resolved in the manner set forth in the Separation and Distribution Agreement.

10. Entire Agreement; No Representations. This Agreement, together with the Separation and Distribution Agreement and the Master Lease, contains the entire understanding of the Parties with respect to the subject matter contained herein and supersedes and cancels all prior agreements, negotiations, correspondence, undertakings and communications of the Parties, oral or written, respecting the subject matter hereof. Except as expressly provided in the Separation and Distribution Agreement and the Master Lease, Assignors make no representations or warranties, express or implied, with respect to the Franchises.

11. Reorganization. For U.S. federal income tax purposes, the Parties intend to treat the assignment of the Franchises pursuant to this Agreement as a contribution of such Franchises by WHI to CSL in connection with the Reorganization.

[*The remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

WHI:

WINDSTREAM HOLDINGS, INC.

By: _____

Name: _____

Title: _____

WINDSTREAM:

WINDSTREAM SERVICES, LLC

By: _____

Name: _____

Title: _____

WINDSTREAM SUBSIDIARIES:

(each as listed on Appendix A)

By: _____

Name: _____

Title: _____

CSL:

COMMUNICATIONS SALES & LEASING, INC.

By: _____

Name: _____

Title: _____

CSL SUBSIDIARY:

CSL ALABAMA SYSTEM, LLC

By: _____

Name: _____

Title: _____

EXHIBIT I-4

Form of Assignment Agreement for Easements

ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT
(CSL Alabama – Easements)

This ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT (CSL Alabama – Easements), dated as of , 2015 (this "Agreement"), is entered into by and among Windstream Holdings, Inc., a Delaware corporation ("WHI"), Windstream Services, LLC, a Delaware limited liability company ("Windstream"), certain subsidiaries of WHI and Windstream as set forth on Appendix A hereto ("Windstream Subsidiaries"), Communications Sales & Leasing, Inc., a Maryland corporation ("CSL"), and CSL Alabama System, LLC, a Delaware limited liability company ("CSL Subsidiary" and, together with WHI, Windstream, CSL, and Windstream Subsidiaries, the "Parties"). Unless otherwise defined herein, all capitalized terms used in this Agreement shall have the meanings assigned to such terms in the Separation and Distribution Agreement (as defined herein).

W I T N E S S E T H:

WHEREAS, WHI, Windstream and CSL have entered into that certain Separation and Distribution Agreement, dated as of , 2015 (the "Separation and Distribution Agreement"), and WHI and CSL National, LP, a Delaware limited partnership, have entered into that certain Master Lease, dated as of , 2015 (the "Master Lease"); and

WHEREAS, (i) WHI and Windstream, pursuant to certain Assigned Contracts, have easements (both express and prescriptive) and other rights-of-way real estate interests in the State of Alabama, and (ii) the Windstream Subsidiaries, pursuant to certain Assigned Contracts, have easements (both express and prescriptive) and other rights-of-way real estate interests in the State of Alabama and elsewhere, in each case providing members of the WIN Group with the right to access and use the real property where the Distribution Systems are installed or located (the "Easements").

NOW THEREFORE, for and in consideration of the premises and the mutual promises and covenants set forth herein, and intending to be legally bound:

1. Assignment and Assumption.

(a) Subject to Section 1(c) of this Agreement, WHI, Windstream and the Windstream Subsidiaries (collectively "Assignors") hereby assign, convey, transfer and deliver to CSL Subsidiary, all of Assignors' rights to the Easements, including, without limitation, the Easements set forth on Appendix B hereto.

(b) CSL Subsidiary hereby accepts the foregoing assignment, conveyance, transfer and delivery and hereby undertakes, assumes and agrees to pay (and indemnify Assignors against), perform and discharge in accordance with their terms, all Liabilities arising out of or relating to the Easements.

(c) The Parties hereby declare their intent that Assignors retain and reserve bare legal title to the Easements as nominees and trustees for the benefit of CSL Subsidiary. Assignors hereby acknowledge they hold such title solely in trust for the benefit of CSL Subsidiary and its successors and assigns. Assignors and CSL Subsidiary agree that CSL Subsidiary shall hereby be deemed to have acquired complete and sole beneficial title over all of the Easements, together with all rights, powers and privileges incident thereto. Further, from and after the date hereof, CSL Subsidiary shall be entitled to all revenues with respect to the Easements, bear all risk of loss with respect to the Easements and have the right to direct Assignors, as nominees and trustees, to take all necessary, appropriate or advisable actions with respect to the Easements, including transferring the Easements on behalf of CSL Subsidiary. Assignors and CSL Subsidiary hereby agree that CSL Subsidiary shall be treated as the owner of the Easements for all U.S. federal and other income tax purposes, and Assignors and CSL Subsidiary will not take any position inconsistent with such treatment.

2. Effectiveness. This Agreement shall become effective on the date hereof.

3. Right to Acquire Legal Title. CSL Subsidiary shall have the right to acquire legal title to the Easements in consideration for an aggregate payment by CSL Subsidiary to Assignors of $1.00 at such time, if any, after the date hereof as CSL Subsidiary has both (1) obtained all requisite certificates, consents, approvals, licenses and permits necessary to hold legal title to the Easements and (2) paid all related transfer taxes and other costs and expenses related to the transfer.

4. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

5. Transfer of Assets; Assumption of Liabilities. The Parties hereby agree that if, as a result of this Agreement, any Party (or any member of such Party's respective Group) shall receive or otherwise possess any Asset or Liability that is allocated to any other Person pursuant to the Separation and Distribution Agreement, this Agreement or any other Transfer Agreement, such Party shall, as applicable, promptly transfer or accept, or cause to be transferred or accepted, such Asset or Liability, as the case may be, to the Person entitled to such Asset or responsible for such Liability, as the case may be. Prior to any such transfer, the Person receiving, possessing or responsible for such Asset or Liability shall be deemed to be holding such Asset or Liability, as the case may be, in trust for any other such Person.

6. Conflicting Terms. In the event of a conflict between the terms of this Agreement (including any and all attachments hereto and amendments hereof) and the terms of the Separation and Distribution Agreement (including any and all attachments thereto and amendments thereof) or the Master Lease (including any and all attachments thereto and amendments thereof), the terms of the Separation and Distribution Agreement or the Master Lease, as applicable, shall control.

7. Modification. This Agreement may not be modified except by a writing signed by the Parties.

8. Counterparts. This Agreement may be executed in two (2) or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

9. Governing Law; Enforcement. This Agreement shall be governed by and construed in accordance with the laws of the State of [Alabama] (without reference to choice of law principles applicable therein) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. Any dispute arising under this Agreement shall be resolved in the manner set forth in the Separation and Distribution Agreement.

10. Entire Agreement; No Representations. This Agreement, together with the Separation and Distribution Agreement and the Master Lease, contains the entire understanding of the Parties with respect to the subject matter contained herein and supersedes and cancels all prior agreements, negotiations, correspondence, undertakings and communications of the Parties, oral or written, respecting the subject matter hereof. Except as expressly provided in the Separation and Distribution Agreement and the Master Lease, Assignors make no representations or warranties, express or implied, with respect to the Easements.

11. Reorganization. For U.S. federal income tax purposes, the Parties intend to treat the assignment of the Easements pursuant to this Agreement as a contribution of such Easements by WHI to CSL in connection with the Reorganization.

[*The remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

WHI:

WINDSTREAM HOLDINGS, INC.

By: _____

Name: _____

Title: _____

WINDSTREAM:

WINDSTREAM SERVICES, LLC

By: _____

Name: _____

Title: _____

WINDSTREAM SUBSIDIARIES:

(each as listed on Appendix A)

By: _____

Name: _____

Title: _____

CSL:

COMMUNICATIONS SALES & LEASING, INC.

By: _____

Name: _____

Title: _____

CSL SUBSIDIARY:

CSL ALABAMA SYSTEM, LLC

By: _____

Name: _____

Title: _____

EXHIBIT I-5

Form of Assignment Agreement for Tangible Assets

ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT
(CSL Alabama – Tangible Assets)

This ASSIGNMENT, CONVEYANCE AND ASSUMPTION AGREEMENT (CSL Alabama – Tangible Assets), dated as of , 2015 (this "Agreement"), is entered into by and among Windstream Holdings, Inc., a Delaware corporation ("WHI"), Windstream Services, LLC, a Delaware limited liability company ("Windstream"), Windstream Alabama, LLC, an Alabama limited liability company ("Windstream Subsidiary"), Communications Sales & Leasing, Inc., a Maryland corporation ("CSL"), and CSL Alabama System, LLC, a Delaware limited liability company ("CSL Subsidiary" and, together with WHI, Windstream, Windstream Subsidiary, and CSL the "Parties"). Unless otherwise defined herein, all capitalized terms used in this Agreement shall have the meanings assigned to such terms in the Separation and Distribution Agreement (as defined herein).

W I T N E S S E T H:

WHEREAS, WHI, Windstream and CSL have entered into that certain Separation and Distribution Agreement, dated , 2015 (the "Separation and Distribution Agreement"), and WHI and CSL National, LP have entered into that certain Master Lease, dated as of , 2015 (the "Master Lease"); and

WHEREAS, Windstream Subsidiary has certain copper and fiber cable and other tangible assets, as more particularly described on Appendix A hereto, located in the State of Alabama and elsewhere (the "Tangible Assets").

NOW THEREFORE, for and in consideration of the premises and the mutual promises and covenants set forth herein, and intending to be legally bound:

1. Assignment and Assumption.

(a) Windstream Subsidiary hereby assigns, conveys, transfers and delivers to CSL Subsidiary, all of Windstream Subsidiary's right, title and interest in and to the Tangible Assets.

(b) CSL Subsidiary hereby accepts the foregoing assignment, conveyance, transfer and delivery and hereby undertakes, assumes and agrees to pay (and indemnify Windstream Subsidiary against), perform and discharge in accordance with their terms, all Liabilities arising out of or relating to the Tangible Assets.

2. Effectiveness. This Agreement shall become effective on the date hereof.

3. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

4. Transfer of Assets; Assumption of Liabilities. The Parties hereby agree that if, as a result of this Agreement, any Party (or any member of such Party's respective Group) shall receive or otherwise possess any Asset or Liability that is allocated to any other Person pursuant to the Separation and Distribution Agreement, this Agreement or any other Transfer Agreement, such Party shall, as applicable, promptly transfer or accept, or cause to be transferred or accepted, such Asset or Liability, as the case may be, to the Person entitled to such Asset or responsible for such Liability, as the case may be. Prior to any such transfer, the Person receiving, possessing or responsible for such Asset or Liability shall be deemed to be holding such Asset or Liability, as the case may be, in trust for any other such Person.

5. Conflicting Terms. In the event of a conflict between the terms of this Agreement (including any and all attachments hereto and amendments hereof) and the terms of the Separation and Distribution Agreement (including any and all attachments thereto and amendments thereof) or the Master Lease (including any and all attachments thereto and amendments thereof), the terms of the Separation and Distribution Agreement or the Master Lease, as applicable, shall control.

6. Modification. This Agreement may not be modified except by a writing signed by the Parties.

7. Counterparts. This Agreement may be executed in two (2) or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

8. Governing Law; Enforcement. This Agreement shall be governed by and construed in accordance with the laws of the State of [Alabama] (without reference to choice of law principles applicable therein) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. Any dispute arising under this Agreement shall be resolved in the manner set forth in the Separation and Distribution Agreement.

9. Entire Agreement; No Representations. This Agreement, together with the Separation and Distribution Agreement and the Master Lease, contains the entire understanding of the Parties with respect to the subject matter contained herein and supersedes and cancels all prior agreements, negotiations, correspondence, undertakings and communications of the Parties, oral or written, respecting the subject matter hereof. Except as expressly provided in the Separation and Distribution Agreement and the Master Lease, Windstream Subsidiary makes no representations or warranties, express or implied, with respect to the Tangible Assets.

10. Reorganization. For U.S. federal income tax purposes, the Parties intend to treat the assignment of the Tangible Assets pursuant to this Agreement as a contribution of such Tangible Assets by WHI to CSL in connection with the Reorganization.

[*The remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

WHI:

WINDSTREAM HOLDINGS, INC.

By: _____

Name: _____

Title: _____

WINDSTREAM:

WINDSTREAM SERVICES, LLC

By: _____

Name: _____

Title: _____

WINDSTREAM SUBSIDIARY:

WINDSTREAM ALABAMA, LLC

By: _____

Name: _____

Title: _____

CSL:

COMMUNICATIONS SALES & LEASING, INC.

By: _____

Name: _____

Title: _____

CSL SUBSIDIARY:

CSL ALABAMA SYSTEM, LLC

By: _____

Name: _____

Title: _____

ARTICLES OF AMENDMENT AND RESTATEMENT
OF
COMMUNICATIONS SALES & LEASING, INC.

Communications Sales & Leasing, Inc., a Maryland corporation (the "Corporation") hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: The Corporation desires to amend and restate its charter in effect and as hereinafter amended.

SECOND: The provisions of the charter of the Corporation, which are now in effect and as amended hereby in accordance with the General Corporation Law of the State of Maryland, or any successor statute (the "MGCL"), are as follows:

ARTICLE ONE

INCORPORATION

Mary Keogh, whose address is c/o Skadden, Arps, Slate, Meagher & Flom LLP, 920 N. King Street, Wilmington, Delaware 19801, being at least 18 years of age, formed a corporation under the laws of the State of Maryland on September 4, 2014.

ARTICLE TWO

NAME

The name of the Corporation is Communications Sales & Leasing, Inc.

ARTICLE THREE

PURPOSE

The purposes for which the Corporation is formed are to engage in any lawful act or activity (including, without limitation or obligation, engaging in business as a REIT (as hereinafter defined) under the Internal Revenue Code of 1986, as amended, or any successor statute (the "Code")) for which corporations may be organized under the general laws of the State of Maryland as now or hereafter in force. For purposes of these Articles of Amendment and Restatement of the Corporation (the "Charter"), "REIT" means a real estate investment trust under Sections 856 through 860 of the Code.

ARTICLE FOUR

PRINCIPAL OFFICE IN STATE AND RESIDENT AGENT

The address of the principal office of the Corporation in the State of Maryland is c/o The Corporation Trust Incorporated, 351 West Camden Street, Baltimore, Maryland 21201. The name of the resident agent of the Corporation in the State of Maryland is The Corporation Trust Incorporated, whose post address is 351 West Camden Street, Baltimore, Maryland 21201. The resident agent is a Maryland corporation.

ARTICLE FIVE

STOCK AND PROVISIONS FOR DEFINING, LIMITING AND REGULATING CERTAIN POWERS OF THE CORPORATION, THE BOARD OF DIRECTORS, AND OF THE STOCKHOLDERS

SECTION 1. Authorized Shares. The total number of shares of capital stock which the Corporation has authority to issue is 550,000,000 shares, consisting of:

(a) 50,000,000 shares of Preferred Stock, par value $.0001 per share ("Preferred Stock"); and

(b) 500,000,000 shares of Common Stock, par value $.0001 per share ("Common Stock").

The Board of Directors, with the approval of a majority of the entire Board of Directors, and without any action by the stockholders of the Corporation, may amend this Charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that the Corporation has authority to issue.

The Preferred Stock and the Common Stock shall have the rights, preferences and limitations set forth below.

SECTION 2. Preferred Stock. The Preferred Stock may be issued from time to time and in one or more series. The Board of Directors of the Corporation is authorized to determine or alter the powers, preferences and rights (including voting rights), and the qualifications, limitations and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock, and within the limitations or restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series of Preferred Stock, to increase or decrease (but not below the number of shares of any such series of Preferred Stock then outstanding) the number of shares of any such series of Preferred Stock, and to fix the number of shares of any series of Preferred Stock. In the event that the number of shares of any series of Preferred Stock shall be so decreased, the shares constituting such decrease shall resume the status which such shares had prior to the adoption of the resolution originally fixing the number of shares of such series of Preferred Stock subject to the requirements of applicable law.

SECTION 3. Common Stock.

(a) Dividends. Except as otherwise provided by the MGCL or this Charter, the holders of Common Stock: (i) subject to the rights of holders of any series of Preferred Stock, shall share ratably, on a per share basis, in all dividends and other distributions payable in cash, securities or other property of the Corporation as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor; and (ii) are subject to all the powers, rights, privileges, preferences and priorities of any

series of Preferred Stock as provided herein or in any resolution or resolutions adopted by the Board of Directors pursuant to authority expressly vested in it by the provisions of Section 2 of this ARTICLE FIVE.

(b) Conversion Rights. The Common Stock shall not be convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same class of the Corporation's capital stock.

(c) Preemptive Rights. No holder of Common Stock shall have any preemptive rights with respect to the Common Stock or any other securities of the Corporation, or to any obligations convertible (directly or indirectly) into securities of the Corporation whether now or hereafter authorized.

(d) Voting Rights. Except as otherwise provided by the MGCL or this Charter and subject to the rights of holders of any series of Preferred Stock, all of the voting power of the stockholders of the Corporation shall be vested in the holders of the Common Stock, and each holder of Common Stock shall have one vote for each share held by such holder on all matters voted upon by the stockholders of the Corporation.

(e) Liquidation Rights. In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, after payment or provision for payment of the Corporation's debts and subject to the rights of the holders of shares of Preferred Stock upon such dissolution, liquidation or winding up, the remaining net assets of the Corporation shall be distributed among holders of shares of Common Stock ratably on a per share basis. A merger or consolidation of the Corporation with or into any other corporation or other entity, or a sale or conveyance of all or any part of the assets of the Corporation (which shall not in fact result in the liquidation of the Corporation and the distribution of assets to its stockholders) shall not be deemed to be a voluntary or involuntary liquidation or dissolution or winding up of the Corporation within the meaning of this Section 3(e) of ARTICLE FIVE.

(f) Registration or Transfer. The Corporation shall keep or cause to be kept at its principal office (or such other place as the Corporation reasonably designates) a register for the registration of Common Stock. To the greatest extent permitted by applicable Maryland law, the shares of the Corporation's Common Stock shall be uncertificated and transfer of such shares shall be reflected by book entry. Upon the surrender of any certificate representing shares of any class of Common Stock, the Corporation shall forthwith cancel such certificate and the holder thereof shall no longer be entitled to a certificate or certificates representing the shares of such class represented by the surrendered certificate. Any shares represented by a surrendered certificate cancelled as provided above shall be registered in the name and will represent such number of shares of such class as is requested by the holder of the surrendered certificate. Such book entry shall be made without charge to the holders of the surrendered certificates for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such issuance.

(g) Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing one or more shares of any

class of Common Stock that is represented by a certificate, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the holder is a financial institution or other institutional investor, its own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

(h) Notices. All notices referred to herein shall be in writing, shall be delivered personally or by first class mail, postage prepaid, and shall be deemed to have been given when so delivered or mailed to the Corporation at its principal executive offices and to any stockholder at such holder's address as it appears in the stock records of the Corporation (unless otherwise specified in a written notice to the Corporation by such holder).

(i) Fractional Shares. In no event will holders of fractional shares be required to accept any consideration in exchange for such shares other than consideration which all holders of Common Stock are required to accept.

SECTION 4. REIT Qualification. The Board of Directors, without any action by the stockholders of the Corporation, shall have the authority to cause the Corporation to elect to be taxed as a REIT for federal income tax purposes. Following any such election, if the Board of Directors determines that it is no longer in the best interests of the Corporation to continue to be taxed as a REIT for federal income tax purposes, the Board of Directors, without any action by the stockholders of the Corporation, may revoke or otherwise terminate the Corporation's REIT election pursuant to Section 856(g) of the Code. In addition, the Board of Directors, without any action by the stockholders of the Corporation, shall have and may exercise, on behalf of the Corporation, without limitation, the power to determine that compliance with any restriction or limitation on stock ownership and transfers set forth in ARTICLE SEVEN of this Charter is no longer required in order for the Corporation to qualify as a REIT.

SECTION 5. Maryland Business Combination Act. Notwithstanding any other provision of the Charter or the Bylaws, the Maryland Business Combination Act (Title 3, Subtitle 6 of the MGCL) shall not apply to any combination between the Corporation and any interested stockholder of the Corporation. The Corporation expressly elects not to be governed by the provisions of §3-602 of the MGCL in whole or in part.

SECTION 6. Maryland Control Share Acquisition Act. Notwithstanding any other provision of the Charter or the Bylaws to the contrary, the Maryland Control Share Acquisition Act (Title 3, Subtitle 7 of the MGCL) shall not apply to any acquisition by any person of any shares of capital stock of the Corporation. All shares of capital stock of the Corporation are exempted from the Maryland Control Share Acquisition Act which, accordingly, shall not apply to any such shares of capital stock of the Corporation.

SECTION 7. Prohibition Against Election to be Governed by "Unsolicited Takeover" Statutory Provisions. The Corporation is prohibited from electing to be subject to the provisions of Title 3, Subtitle 8 of the MGCL.

SECTION 8. Extraordinary Actions. Except as expressly provided in ARTICLE TWELVE, notwithstanding any provision of the MGCL permitting or requiring any action to be taken or approved by the affirmative vote of the holders of shares entitled to cast a greater number of votes, any such action shall be effective and valid (to the fullest extent permitted by the MGCL) if declared advisable by the Board of Directors and taken or approved by the affirmative vote of holders of a majority in voting power of the Corporation's outstanding stock.

ARTICLE SIX

DIRECTORS

SECTION 1. Number, Election and Term of Office of Directors.

(a) The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The Board of Directors shall consist of not less than three nor more than nine members, the exact number of which shall be fixed from time to time by the affirmative vote of a majority of the entire Board of Directors. The names of the directors currently in office are:

Francis X. "Skip" Frantz

Kenneth Gunderman

(b) Except as expressly provided herein, the manner of election and removal of such directors and the term such directors shall hold office shall be designated in the Bylaws of the Corporation. Each director shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

(c) Subject to the rights, if any, of holders of any series of Preferred Stock, any vacancy on the Board of Directors that results from an increase in the number of directors may be filled by a majority of the Board of Directors then in office, provided that a quorum is present, and any other vacancy occurring on the Board of Directors may be filled by a majority of the Board of Directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his or her predecessor. Subject to the rights, if any, of the holders of any series of Preferred Stock, any or all of the directors of the Corporation may be removed from office at any time, with or without cause by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock entitled to vote generally in the election of directors. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Charter applicable thereto.

ARTICLE SEVEN

RESTRICTION ON TRANSFER AND OWNERSHIP OF SHARES

SECTION 1. Definitions. For the purpose of this ARTICLE SEVEN, the following terms shall have the following meanings:

(a) Aggregate Stock Ownership Limit. The term "Aggregate Stock Ownership Limit" shall mean 9.8% in value of the aggregate of the outstanding shares of Capital Stock, or such other percentage determined by the Board of Directors in accordance with Section 2(h) of this ARTICLE SEVEN. The value of the outstanding shares of Capital Stock shall be determined by the Board of Directors of the Corporation, which determination shall be final and conclusive for all purposes hereof. For the purposes of determining the percentage ownership of Capital Stock by any Person, shares of Capital Stock that may be acquired upon conversion, exchange or exercise of any securities of the Corporation directly or constructively held by such Person, but not shares of Capital Stock issuable with respect to the conversion, exchange or exercise of securities for the Corporation held by other Persons, shall be deemed to be outstanding prior to conversion, exchange or exercise.

(b) Applicable Stock Exchange. The term "Applicable Stock Exchange" shall mean the New York Stock Exchange, NASDAQ, or other national stock exchange on which the Corporation's shares of capital stock are listed, or any successor stock exchange thereto.

(c) Beneficial Ownership. The term "Beneficial Ownership" shall mean ownership of Capital Stock by a Person, whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 544 of the Code, as modified by Sections 856(h)(1)(B) and 856(h)(3)(A) of the Code. The terms "Beneficial Owner," "Beneficially Owns" and "Beneficially Owned" shall have the correlative meanings.

(d) Business Day. The term "Business Day" shall mean any day, other than a Saturday or a Sunday, that is neither a legal holiday nor a day on which banking institutions in the State of New York are authorized or required by law, regulation or executive order to close.

(e) Capital Stock. The term "Capital Stock" shall mean all classes or series of stock of the Corporation, including, without limitation, Common Stock and Preferred Stock.

(f) Charitable Beneficiary. The term "Charitable Beneficiary" shall mean one or more beneficiaries of the Charitable Trust as determined pursuant to Section 3(f) of this ARTICLE SEVEN, provided that each such organization must be described in Section 501(c)(3) of the Code and contributions to each such organization must be eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code.

(g) Charitable Trust. The term "Charitable Trust" shall mean any trust provided for in Section 3(a) of this ARTICLE SEVEN.

(h) Common Stock Ownership Limit. The term "Common Stock Ownership Limit" shall mean 9.8% (in value or in number of shares, whichever is more restrictive) of the aggregate of the outstanding shares of Common Stock, or such other percentage determined by the Board of Directors in accordance with Section 2(h) of this ARTICLE SEVEN. The number and value of the outstanding shares of Common Stock of the Corporation shall be determined by the Board of Directors of the Corporation, which determination shall be final and conclusive for all purposes hereof. For purposes of determining the percentage ownership of Common Stock by any Person, shares of Common Stock that may be acquired upon conversion, exchange or exercise of any securities of the Corporation directly or constructively held by such Person, but not shares of Common Stock issuable with respect to the conversion, exchange or exercise of securities for the Corporation held by other Persons, shall be deemed to be outstanding prior to conversion, exchange or exercise.

(i) Constructive Ownership. The term "Constructive Ownership" shall mean ownership of Capital Stock by a Person, whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code. The terms "Constructive Owner," "Constructively Owns" and "Constructively Owned" shall have the correlative meanings.

(j) Excepted Holder. The term "Excepted Holder" shall mean a Person for whom an Excepted Holder Limit is created by this Charter or by the Board of Directors pursuant to Section 2(g) of this ARTICLE SEVEN.

(k) Excepted Holder Limit. The term "Excepted Holder Limit" shall mean, provided that the affected Excepted Holder agrees to comply with the requirements established by this Charter or by the Board of Directors pursuant to Section 2(g) of this ARTICLE SEVEN and subject to adjustment pursuant to Section 2(h) of this ARTICLE SEVEN, the percentage limit established for an Excepted Holder by this Charter or by the Board of Directors pursuant to Section 2(g) of this ARTICLE SEVEN.

(l) Initial Date. The term "Initial Date" shall mean the date on which Windstream Holdings Inc., a Delaware corporation ("Windstream"), distributes shares of Common Stock to the holders of shares of Windstream common stock.

(m) Market Price. The term "Market Price" on any date shall mean, with respect to any class or series of outstanding shares of Capital Stock, the Closing Price (as defined in this paragraph) for such Capital Stock on such date. The "Closing Price" on any date shall mean the last reported sale price for such Capital Stock, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, for such Capital Stock, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the Applicable Stock Exchange or, if such Capital Stock is not listed or admitted to trading on the Applicable Stock Exchange, as reported on the principal consolidated transaction reporting system with respect to securities

listed on the principal national securities exchange on which such Capital Stock is listed or admitted to trading or, if such Capital Stock is not listed or admitted to trading on any national securities exchange, the last quoted price, or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the principal automated quotation system that may then be in use or, if such Capital Stock is not quoted by any such system, the average of the closing bid and asked prices as furnished by a professional market maker making a market in such Capital Stock selected by the Board of Directors or, in the event that no trading price is available for such Capital Stock, the fair market value of the Capital Stock, as determined by the Board of Directors.

(n) Person. The term "Person" shall mean an individual, corporation, partnership, limited liability company, estate, trust (including a trust qualified under Sections 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity and also includes a "group" as that term is used for purposes of Rule 13d-5(b) or Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, and a group to which an Excepted Holder Limit applies.

(o) Prohibited Owner. The term "Prohibited Owner" shall mean, with respect to any purported Transfer (as defined in this Section 1 of this ARTICLE SEVEN) (or other event), any Person who, but for the provisions of Section 2(a) of this ARTICLE SEVEN, would Beneficially Own or Constructively Own shares of Capital Stock in violation of the provisions of Section 2(a) of this ARTICLE SEVEN, and if appropriate in the context, shall also mean any Person who would have been the record owner of the shares of Capital Stock that the Prohibited Owner would have so owned.

(p) Restriction Termination Date. The term "Restriction Termination Date" shall mean the first day after the Initial Date on which the Board of Directors determines pursuant to Section 4 of ARTICLE FIVE of this Charter that it is no longer in the best interests of the Corporation to be taxed as a REIT for federal income tax purposes or that compliance with the restrictions and limitations on Beneficial Ownership, Constructive Ownership and Transfers of shares of Capital Stock set forth herein is no longer required in order for the Corporation to qualify as a REIT.

(q) TRS. The term "TRS" shall mean any taxable REIT subsidiary (as defined in Section 856(l) of the Code) of the Corporation.

(r) Transfer. The term "Transfer" shall mean any issuance, sale, transfer, gift, assignment, devise or other disposition, as well as any other event that causes any Person to acquire or change such Person's percentage of Beneficial Ownership or Constructive Ownership, or any agreement to take any such actions or cause any such events, of Capital Stock or the right to vote or receive dividends on Capital Stock, including (a) the granting or exercise of any option (or any disposition of any option), (b) any disposition of any securities or rights convertible into or exchangeable for Capital Stock or any interest in Capital Stock or any exercise of any such conversion or exchange right, and (c) Transfers of interests in other entities that result in changes in Beneficial Ownership or Constructive Ownership of Capital Stock; in

each case, whether voluntary or involuntary, whether owned of record, Constructively Owned or Beneficially Owned and whether by operation of law or otherwise. The terms “Transferring” and “Transferred” shall have the correlative meanings.

(s) Trustee. The term “Trustee” shall mean the Person, unaffiliated with both the Corporation and a Prohibited Owner, that is appointed by the Corporation to serve as trustee of the Charitable Trust.

SECTION 2. Capital Stock.

(a) Ownership Limitations. During the period commencing on the Initial Date and prior to the Restriction Termination Date or as otherwise set forth below, and subject to Section 4 of this ARTICLE SEVEN:

(i) Basic Restrictions.

(1) Except as provided in Section 2(h) of this ARTICLE SEVEN, no Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own shares of Capital Stock in excess of the Aggregate Stock Ownership Limit, and no Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own shares of Common Stock in excess of the Common Stock Ownership Limit. No Excepted Holder shall Beneficially Own or Constructively Own shares of Capital Stock in excess of the Excepted Holder Limit for such Excepted Holder.

(2) Except as provided in Section 2(h) of this ARTICLE SEVEN, no Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent that such Beneficial Ownership or Constructive Ownership of Capital Stock would result in the Corporation being “closely held” within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year), or otherwise failing to qualify as a REIT.

(3) Except as provided in Section 2(h) of this ARTICLE SEVEN, any Transfer of shares of Capital Stock that, if effective, would result in the Capital Stock being beneficially owned by fewer than 100 Persons (determined under the principles of Section 856(a)(5) of the Code) shall be void ab initio, and the intended transferee shall acquire no rights in such Capital Stock.

(4) Except as provided in Section 2(h) of this ARTICLE SEVEN, no Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent such Beneficial Ownership or Constructive Ownership would cause the Corporation to Beneficially Own or Constructively Own 9.9% or more of the ownership interests in a tenant (other than a TRS) of the Corporation’s real property within the meaning of Section 856(d)(2)(B) of the Code.

(5) No Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent that such Beneficial Ownership or Constructive Ownership would otherwise cause the Corporation to fail to qualify as a REIT under the Code, including, but not limited to, as a result of any "eligible independent contractor" (as defined in Section 856(d)(9)(A) of the Code) that operates a "qualified health care property" (as defined in Section 856(e)(6)(D)(i) of the Code), on behalf of a TRS failing to qualify as such.

(6) No Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent that such Beneficial Ownership or Constructive Ownership of Capital Stock could result in the Corporation failing to qualify as a "domestically controlled qualified investment entity" within the meaning of Section 897(h)(4)(B) of the Code.

(ii) Transfer in Trust/Transfer Void Ab Initio. If any Transfer of shares of Capital Stock (or other event) occurs which, if effective, would result in any Person Beneficially Owning or Constructively Owning shares of Capital Stock in violation of Section 2(a)(i)(1), (2), (4), (5) or (6) of this ARTICLE SEVEN,

(1) then that number of shares of the Capital Stock the Beneficial Ownership or Constructive Ownership of which otherwise would cause such Person to violate Section 2(a)(i)(1), (2), (4), (5) or (6) of this ARTICLE SEVEN (rounded up to the nearest whole share) shall be automatically transferred to a Charitable Trust for the benefit of a Charitable Beneficiary, as described in Section 3 of this ARTICLE SEVEN, effective as of the close of business on the Business Day prior to the date of such Transfer (or other event), and such Person shall acquire no rights in such shares of Capital Stock; or

(2) if the transfer to the Charitable Trust described in clause (i) of this Section 2(a)(ii) of this ARTICLE SEVEN would not be effective for any reason to prevent the violation of Section 2(a)(i)(1), (2), (4), (5) or (6) of this ARTICLE SEVEN, then the Transfer of that number of shares of Capital Stock that otherwise would cause any Person to violate Section 2(a)(i)(1), (2), (4), (5) or (6) of this ARTICLE SEVEN shall be void ab initio, and the intended transferee shall acquire no rights in such shares of Capital Stock.

(b) Remedies for Breach. If the Board of Directors or any duly authorized committee thereof shall at any time determine that a Transfer or other event has taken place that results in a violation of Section 2(a) of this ARTICLE SEVEN or that a Person intends to acquire or has attempted to acquire Beneficial Ownership or Constructive Ownership of any shares of Capital Stock in violation of Section 2(a) of this ARTICLE SEVEN (whether or not such violation is intended), the Board of Directors or a committee thereof, or other designees if permitted by the MGCL, shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer or other event, including, without limitation, causing the Corporation to redeem shares of Capital Stock, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin such Transfer or other event; provided, however,

that any Transfer or attempted Transfer or other event in violation of Section 2(a) of this ARTICLE SEVEN shall automatically result in the transfer to the Charitable Trust described above, and, where applicable, such Transfer (or other event) shall be void ab initio as provided above irrespective of any action (or non-action) by the Board of Directors or a committee thereof, or other designee if permitted by the MGCL.

(c) Notice of Restricted Transfer. Any Person who acquires or attempts or intends to acquire Beneficial Ownership or Constructive Ownership of shares of Capital Stock that will or may violate Section 2(a)(i) of this ARTICLE SEVEN or any Person who would have owned shares of Capital Stock that resulted in a transfer to the Charitable Trust pursuant to the provisions of Section 2(a)(ii) of this ARTICLE SEVEN shall immediately give written notice to the Corporation of such event or, in the case of such a proposed or attempted transaction, give at least 15 days prior written notice, and shall provide to the Corporation such other information as the Corporation may request in order to determine the effect, if any, of such Transfer on the Corporation's status as a REIT.

(d) Owners Required to Provide Information. From the Initial Date and prior to the Restriction Termination Date:

(i) Every owner of more than five percent (or such lower percentage as required by the Code or the Treasury Regulations promulgated thereunder) in number or value of the outstanding shares of Capital Stock, within 30 days after the end of each taxable year, shall give written notice to the Corporation stating (i) the name and address of such owner, (ii) the number of shares of Capital Stock Beneficially Owned and (iii) a description of the manner in which such shares are held. Each such owner shall provide to the Corporation such additional information as the Corporation may request in order to determine the effect, if any, of such Beneficial Ownership on the Corporation's status as a REIT and to ensure compliance with the Aggregate Stock Ownership Limit and the Common Stock Ownership Limit; and

(ii) Each Person who is a Beneficial Owner or Constructive Owner of Capital Stock and each Person (including the stockholder of record) who is holding Capital Stock for a Beneficial Owner or Constructive Owner shall provide to the Corporation such information as the Corporation may request, in good faith, in order to determine the Corporation's status as a REIT and to comply with requirements of any taxing authority or governmental authority or to determine such compliance and to ensure compliance with the Aggregate Stock Ownership Limit and the Common Stock Ownership Limit.

(e) Remedies Not Limited. Nothing contained in this Section 2 of this ARTICLE SEVEN shall limit the authority of the Board of Directors to take such other action as it deems necessary or advisable to, subject to Section 4 of ARTICLE FIVE, protect the Corporation and the interests of its stockholders in preserving the Corporation's status as a REIT.

(f) Ambiguity. In the case of an ambiguity in the application of any of the provisions of this ARTICLE SEVEN, including any definition contained in Section 1 of this

ARTICLE SEVEN, the Board of Directors shall have the power to determine the application of the provisions of this ARTICLE SEVEN with respect to any situation based on the facts known to it at such time. In the event Section 2 or 3 of this ARTICLE SEVEN requires an action by the Board of Directors and this Charter fails to provide specific guidance with respect to such action, the Board of Directors shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of Sections 1, 2 or 3 of this ARTICLE SEVEN. Absent a decision to the contrary by the Board of Directors (which the Board of Directors may make in its sole and absolute discretion), if a Person would have (but for the remedies set forth in Sections 2(a) and 2(b)) of this ARTICLE SEVEN acquired Beneficial Ownership or Constructive Ownership of Capital Stock in violation of Section 2(a) of this ARTICLE SEVEN, such remedies (as applicable) shall apply first to the shares of Capital Stock which, but for such remedies, would have been actually owned by such Person, and second to shares of Capital Stock which, but for such remedies, would have been Beneficially Owned or Constructively Owned (but not actually owned) by such Person, pro rata among the Persons who actually own such shares of Capital Stock based upon the relative number of the shares of Capital Stock held by each such Person.

(g) Exceptions.

(i) The Board of Directors, in its sole discretion, may exempt (prospectively or retroactively) a Person from the restrictions contained in Section 2(a)(i)(1), (2) or (4) of this ARTICLE SEVEN, as the case may be, and may establish or increase an Excepted Holder Limit for such Person if the Board of Directors obtains such representations, covenants and undertakings as the Board of Directors may deem appropriate in order to conclude that granting the exemption and/or establishing or increasing the Excepted Holder Limit, as the case may be, will not cause the Corporation to lose its status as a REIT.

(ii) Prior to granting any exception pursuant to Section 2(g)(i) of this ARTICLE SEVEN, the Board of Directors may require a ruling from the Internal Revenue Service or an opinion of counsel, in either case in form and substance satisfactory to the Board of Directors in its sole discretion, as it may deem necessary or advisable in order to determine or ensure that granting the exception will not cause the Corporation to lose its status as a REIT. Notwithstanding the receipt of any ruling or opinion, the Board of Directors may impose such conditions or restrictions as it deems appropriate in connection with granting such exception.

(iii) Subject to Section 2(a)(i)(2), (4), (5) and (6) of this ARTICLE SEVEN, an underwriter, placement agent or initial purchaser that participates in a public offering, a private placement or other private offering of Capital Stock (or securities convertible into or exchangeable for Capital Stock) may Beneficially Own or Constructively Own shares of Capital Stock (or securities convertible into or exchangeable for Capital Stock) in excess of the Aggregate Stock Ownership Limit, the Common Stock Ownership Limit, or both such limits, but only to the extent necessary to facilitate such public offering, private placement or immediate resale of such Capital Stock, and provided that

the restrictions contained in Section 2(a)(i) of this ARTICLE SEVEN will not be violated following the distribution by such underwriter, placement agent or initial purchaser of such shares of Capital Stock.

(h) Change in Aggregate Stock Ownership Limit, Common Stock Ownership Limit and Excepted Holder Limits.

(i) The Board of Directors may from time to time increase or decrease the Aggregate Stock Ownership Limit and/or the Common Stock Ownership Limit; provided, however, that a decreased Aggregate Stock Ownership Limit and/or Common Stock Ownership Limit will not be effective for any Person whose percentage ownership of Capital Stock is in excess of such decreased Aggregate Stock Ownership Limit and/or Common Stock Ownership Limit until such time as such Person's percentage of Capital Stock equals or falls below the decreased Aggregate Stock Ownership Limit and/or Common Stock Ownership Limit, but until such time as such Person's percentage of Capital Stock falls below such decreased Aggregate Stock Ownership Limit and/or Common Stock Ownership Limit, any further acquisition of Capital Stock will be in violation of the Aggregate Stock Ownership Limit and/or Common Stock Ownership Limit and, provided further, that the new Aggregate Stock Ownership Limit and/or Common Stock Ownership Limit would not allow five or fewer individuals (taking into account all Excepted Holders) to Beneficially Own or Constructively Own more than 49.9% in value of the outstanding Capital Stock.

(ii) The Board of Directors may only reduce the Excepted Holder Limit for an Excepted Holder: (i) with the written consent of such Excepted Holder at any time, or (ii) pursuant to the terms and conditions of the agreements and undertakings entered into with such Excepted Holder in connection with the establishment of the Excepted Holder Limit for that Excepted Holder. No Excepted Holder Limit shall be reduced to a percentage that is less than the then-existing Aggregate Stock Ownership Limit or Common Stock Ownership Limit, as applicable.

(i) Legend. Each certificate, if any, or any notice in lieu of any certificate, for shares of Capital Stock shall bear a legend summarizing the restrictions on ownership and transfer contained herein. Instead of a legend, the certificate, if any, may state that the Corporation will furnish a full statement about certain restrictions on ownership and transferability to a stockholder on request and without charge.

SECTION 3. Transfer of Capital Stock in Trust

(a) Ownership in Trust. Upon any purported Transfer or other event described in Section 2(a)(ii) of this ARTICLE SEVEN that would result in a transfer of shares of Capital Stock to a Charitable Trust, such shares of Capital Stock shall be deemed to have been transferred to the Trustee as trustee for the exclusive benefit of one or more Charitable Beneficiaries. Such transfer to the Trustee shall be deemed to be effective as of the close of business on the Business Day prior to the purported Transfer or other event that results in the

transfer to the Charitable Trust pursuant to Section 2(a)(ii) of this ARTICLE SEVEN. The Trustee shall be appointed by the Corporation and shall be a Person unaffiliated with the Corporation and any Prohibited Owner. Each Charitable Beneficiary shall be designated by the Corporation as provided in Section 3(f) of this ARTICLE SEVEN.

(b) Status of Shares Held by the Trustee. Shares of Capital Stock held by the Trustee shall continue to be issued and outstanding shares of Capital Stock of the Corporation. The Prohibited Owner shall have no rights in the Capital Stock held by the Trustee. The Prohibited Owner shall not benefit economically from ownership of any shares held in trust by the Trustee, shall have no rights to dividends or other distributions and shall not possess any rights to vote or other rights attributable to the shares held in the Charitable Trust. The Prohibited Owner shall have no claim, cause of action or any other recourse whatsoever against the purported transferor of such Capital Stock.

(c) Dividend and Voting Rights. The Trustee shall have all voting rights and rights to dividends or other distributions with respect to shares of Capital Stock held in the Charitable Trust, which rights shall be exercised for the exclusive benefit of the Charitable Beneficiary. Any dividend or other distribution paid to a Prohibited Owner prior to the discovery by the Corporation that the shares of Capital Stock have been transferred to the Trustee shall be paid with respect to such shares of Capital Stock by the Prohibited Owner to the Trustee upon demand and any dividend or other distribution authorized but unpaid shall be paid when due to the Trustee. Any dividends or other distributions so paid over to the Trustee shall be held in trust for the Charitable Beneficiary. The Prohibited Owner shall have no voting rights with respect to shares held in the Charitable Trust and, subject to Maryland law, effective as of the date that the shares of Capital Stock have been transferred to the Charitable Trust, the Trustee shall have the authority (at the Trustee's sole discretion) (i) to rescind as void any vote cast by a Prohibited Owner prior to the discovery by the Corporation that the shares of Capital Stock have been transferred to the Trustee and (ii) to recast such vote in accordance with the desires of the Trustee acting for the benefit of the Charitable Beneficiary; provided, however, that if the Corporation has already taken irreversible corporate action, then the Trustee shall not have the authority to rescind and recast such vote. Notwithstanding the provisions of this ARTICLE SEVEN, until the Corporation has received notification that shares of Capital Stock have been transferred into a Charitable Trust, the Corporation shall be entitled to rely on its share transfer and other stockholder records for purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes of stockholders.

(d) Sale of Shares by Trustee. Within 20 days of receiving notice from the Corporation that shares of Capital Stock have been transferred to the Charitable Trust, the Trustee of the Charitable Trust shall sell the shares held in the Charitable Trust to a Person, designated by the Trustee, whose ownership of the shares will not violate the ownership limitations set forth in Section 2(a)(i) of this ARTICLE SEVEN. Upon such sale, the interest of the Charitable Beneficiary in the shares sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner and to the Charitable Beneficiary as provided in this Section 3(d) of this ARTICLE SEVEN. The Prohibited Owner shall receive the lesser of (1) the price paid by the Prohibited Owner for the shares or, if the Prohibited Owner did not give value for the shares in connection with the event causing the shares to be held in the Charitable

Trust (*e.g.*, in the case of a gift, devise or other such transaction), the Market Price of the shares on the day of the event causing the shares to be held in the Charitable Trust and (2) the price per share received by the Trustee (net of any commissions and other expenses of sale) from the sale or other disposition of the shares held in the Charitable Trust. The Trustee may reduce the amount payable to the Prohibited Owner by the amount of dividends and other distributions paid to the Prohibited Owner and owed by the Prohibited Owner to the Trustee pursuant to Section 3(c) of this ARTICLE SEVEN. Any net sales proceeds in excess of the amount payable to the Prohibited Owner shall be immediately paid to the Charitable Beneficiary, together with any distributions thereon. If, prior to the discovery by the Corporation that shares of Capital Stock have been transferred to the Trustee, such shares are sold by a Prohibited Owner, then (i) such shares shall be deemed to have been sold on behalf of the Charitable Trust and (ii) to the extent that the Prohibited Owner received an amount for such shares that exceeds the amount that such Prohibited Owner was entitled to receive pursuant to this Section 3(d) of this ARTICLE SEVEN, such excess shall be paid to the Trustee upon demand.

(e) Purchase Right in Stock Transferred to the Trustee. Shares of Capital Stock transferred to the Trustee shall be deemed to have been offered for sale to the Corporation, or its designee, at a price per share equal to the lesser of (i) the price paid per share in the transaction that resulted in such transfer to the Charitable Trust (or, in the case of a devise or gift, the Market Price at the time of such devise or gift) and (ii) the Market Price on the date the Corporation, or its designee, accepts such offer. The Corporation may reduce the amount payable to the Prohibited Owner by the amount of dividends and other distributions paid to the Prohibited Owner and owed by the Prohibited Owner to the Trustee pursuant to Section 3(c) of this ARTICLE SEVEN. The Corporation may pay the amount of such reduction to the Trustee for the benefit of the Charitable Beneficiary. The Corporation shall have the right to accept such offer until the Trustee has sold the shares held in the Charitable Trust pursuant to Section 3(d) of this ARTICLE SEVEN. Upon such a sale to the Corporation, the interest of the Charitable Beneficiary in the shares sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner, and any dividends or other distributions held by the Trustee shall be paid to the Charitable Beneficiary.

(f) Designation of Charitable Beneficiaries. By written notice to the Trustee, the Corporation shall designate one or more nonprofit organizations to be the Charitable Beneficiary of the interest in the Charitable Trust such that (i) the shares of Capital Stock held in the Charitable Trust would not violate the restrictions set forth in Section 2(a)(i) of this ARTICLE SEVEN in the hands of such Charitable Beneficiary and (ii) each such organization must be described in Section 501(c)(3) of the Code and contributions to each such organization must be eligible for deduction under one of Sections 170(b)(1)(A), 2055 and 2522 of the Code. Neither the failure of the Corporation to make such designation nor the failure of the Corporation to appoint the Trustee before the automatic transfer provided for in Section 2(a)(ii)(1) of this ARTICLE SEVEN shall make such transfer ineffective, provided that the Corporation thereafter makes such designation and appointment.

SECTION 4. Applicable Stock Exchange Transactions. Nothing in this ARTICLE SEVEN shall preclude the settlement of any transaction entered into through the facilities of the Applicable Stock Exchange or any other automated inter-dealer quotation system. The fact that the settlement of any transaction occurs shall not negate the effect of any other provision of this ARTICLE SEVEN, and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this ARTICLE SEVEN.

SECTION 5. Enforcement. The Corporation is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this ARTICLE SEVEN.

SECTION 6. Non-Waiver. No delay or failure on the part of the Corporation or the Board of Directors in exercising any right hereunder shall operate as a waiver of any right of the Corporation or the Board of Directors, as the case may be, except to the extent specifically waived in writing.

SECTION 7. Severability. If any provision of this ARTICLE SEVEN or any application of any such provision is determined to be invalid by any federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and other applications of such provisions shall be affected only to the extent necessary to comply with the determination of such court.

ARTICLE EIGHT

AMENDMENT OF BYLAWS

The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of the Bylaws and to make new Bylaws.

ARTICLE NINE

LIMITATION OF LIABILITY

SECTION 1. Limitation of Liability. To the maximum extent that Maryland law in effect from time to time permits limitation of the liability of directors and officers of a corporation, no present or former director or officer of the Corporation shall be liable to the Corporation or its stockholders for money damages. Neither the amendment nor repeal of this ARTICLE NINE, nor the adoption or amendment of any other provision of this Charter or the Bylaws inconsistent with this ARTICLE NINE, shall apply to or affect in any respect the applicability of the preceding sentence with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

SECTION 2. Right to Indemnification. The Corporation shall, to the maximum extent permitted by Maryland law in effect from time to time, indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation and who is a party to a proceeding (or whom is threatened to be made a party) by reason of her or his service in that capacity or (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, serves or has served as a director, officer, partner, member, manager or trustee of another corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or any other enterprise from and against any claim or liability to which such person may become subject or which such person may incur by reason of

his or her service in such capacity; provided, however, that, except as provided in Section 3 of this ARTICLE NINE with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The rights of a director or officer to indemnification and the advancement of expenses as set forth in this Section shall vest immediately upon election as a director or officer. The Corporation shall have the power, with the approval of the Board of Directors, to provide such indemnification and advancement of expenses to a person who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. Notwithstanding anything in the foregoing to the contrary, the Corporation shall not provide indemnification for any loss, liability, or expenses arising from or out of an alleged violation of federal or state securities laws by a director or officer, unless one or more of the following conditions are met: (i) there has been a successful adjudication on the merits of each count involving alleged securities law violations as to such director or officer; (ii) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction as to such director or officer; or (iii) a court of competent jurisdiction approves a settlement of the claims against such director or officer and finds that indemnification of the settlement and the related costs should be made, and the court considering the request for indemnification has been advised of the position of the Securities and Exchange Commission and of the published position of any state securities regulatory authority in which securities were offered or sold as to indemnification for violations of securities laws.

SECTION 3. Procedure for Indemnification. Any indemnification of a director or officer of the Corporation or advance of expenses under Section 2 of this ARTICLE NINE shall be made promptly, and in any event within forty-five days (or, in the case of an advance of expenses, twenty days), upon the written request of the director or officer made in accordance with this Section. The Corporation may pay or reimburse reasonable legal expenses and other costs incurred by a director or officer seeking indemnification in advance of final disposition of a proceeding only if: (a) the proceeding relates to acts or omissions with respect to the performance of duties or services on behalf of the Corporation, (b) such director or officer provides the Corporation with a written affirmation of such director's or officer's good faith belief that such director or officer has met the standard of conduct necessary for indemnification by the Corporation as authorized by Maryland law, (c) the proceeding was initiated by a third party who is not a stockholder or, if by a stockholder acting in his or her capacity as such, a court of competent jurisdiction approves such advancement, and (d) such director or officer provides the Corporation with a written undertaking to repay the amount paid or reimbursed by the Corporation, together with the applicable legal rate of interest, if it is ultimately determined that such director or officer did not comply with the requisite standard of conduct. The procedure for indemnification of other employees and agents for whom indemnification is provided pursuant to Section 2 of this ARTICLE NINE shall be the same procedure set forth in this Section 3 of ARTICLE NINE for directors or officers, unless otherwise set forth in the action of the Board of Directors providing indemnification for such employee or agent.

SECTION 4. Insurance. The Corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was a director, officer, employee or agent of the Corporation or was serving at the request of the Corporation as a director, officer,

employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, against any expense, liability or loss asserted against him or her and incurred by him or her in any such capacity, whether or not the Corporation would have the power to indemnify such person against such expenses, liability or loss under the MGCL.

SECTION 5. Service for Subsidiaries. Any person serving as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture or other enterprise, at least 50% of whose equity interests are owned by the Corporation (a "subsidiary" for this ARTICLE NINE) shall be conclusively presumed to be serving in such capacity at the request of the Corporation.

SECTION 6. Reliance. Persons who after the date of the adoption of this provision become or remain directors or officers of the Corporation or who, while a director, officer or other employee of the Corporation, become or remain a director, officer, employee or agent of a subsidiary, shall be conclusively presumed to have relied on the rights to indemnity, advance of expenses and other rights contained in this ARTICLE NINE in entering into or continuing such service. The rights to indemnification and to the advance of expenses conferred in this ARTICLE NINE shall apply to claims made against an indemnitee arising out of acts or omissions which occurred or occur both prior and subsequent to the adoption hereof.

SECTION 7. Non-Exclusivity of Rights. The rights to indemnification and to the advance of expenses conferred in this ARTICLE NINE shall not be exclusive of any other right which any person may have or hereafter acquire under this Charter or under any statute, by-law, agreement, vote of stockholders or disinterested directors or otherwise.

SECTION 8. Merger or Consolidation. For purposes of this ARTICLE NINE, references to the "Corporation" shall include, in addition to the resulting Corporation, any constituent Corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent Corporation, or is or was serving at the request of such constituent Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this ARTICLE NINE with respect to the resulting or surviving Corporation as he or she would have with respect to such constituent Corporation if its separate existence had continued.

SECTION 9. Savings Clause. If this ARTICLE NINE or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each person entitled to indemnification under Section 2 of this ARTICLE NINE as to all expense, liability and loss (including attorneys' fees and related disbursements, judgments, fines, ERISA excise taxes and penalties, penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person and for which indemnification is available to such person pursuant to this ARTICLE NINE to the full extent permitted by any applicable portion of this ARTICLE NINE that shall not have been invalidated and to the full extent permitted by applicable law.

ARTICLE TEN

MEETINGS OF STOCKHOLDERS

Meetings of stockholders may be held within or without the State of Maryland, as the Bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside of the State of Maryland at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

ARTICLE ELEVEN

STOCKHOLDER ACTION

For so long as any security of the Company is registered under Section 12 of the Securities Exchange Act of 1934: (i) the stockholders of the Corporation may not take any action by written consent in lieu of a meeting, and must take any actions at a duly called annual or special meeting of stockholders and the power of stockholders to consent in writing without a meeting is specifically denied; and (ii) special meetings of the stockholders for any purpose or purposes may be called at any time by the majority of the Board of Directors or by the Secretary of the Corporation upon the written request of the holders of not less than twenty percent (20%) in voting power of our outstanding stock.

ARTICLE TWELVE

AMENDMENT

SECTION 1. Notwithstanding any other provisions of this Charter or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of the capital stock required by law or this Charter, the affirmative vote of the holders of a majority in voting power of the outstanding stock of the Corporation eligible to be cast in the election of directors shall be required to amend, alter, change or repeal Sections 5, 6, 7, and 8 of ARTICLE FIVE, ARTICLES SEVEN, EIGHT, NINE or ELEVEN hereof, or this ARTICLE TWELVE, or any provision thereof or of this ARTICLE TWELVE.

SECTION 2. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Charter, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

THIRD: The amendment to and restatement of this Charter as hereinabove set forth have been duly advised by a majority of the Board of Directors and approved by the sole stockholder of the Corporation, as required by law.

FOURTH: The current address of the principal office of the Corporation is as set forth in ARTICLE FOUR of the foregoing amendment and restatement of this Charter.

FIFTH: The name and address of the Corporation’s current resident agent are as set forth in ARTICLE FOUR of the foregoing amendment and restatement of this Charter.

SIXTH: The number of directors of the Corporation and the names of those currently in office are as set forth in ARTICLE SIX of the foregoing amendment and restatement of the Charter.

SEVENTH: The total number of shares of stock which the Corporation had authority to issue immediately prior to this amendment and restatement was 100 shares, consisting of 100 shares of common stock, $0.01 par value per share. The aggregate par value of all shares of stock having par value was $1.00.

EIGHTH: The total number of shares of stock which the Corporation has authority to issue pursuant to the foregoing amendment and restatement of the Charter is 550,000,000, consisting of 500,000,000 shares of common stock, $0.0001 par value per share, and 50,000,000 shares of preferred stock, $0.0001 par value per share. The aggregate par value of all authorized shares of stock having par value is $55,000.

NINTH: The undersigned Chief Executive Officer acknowledges these Articles of Amendment and Restatement to be the corporate act of the Corporation and, as to all matters or facts required to be verified under oath, the undersigned Chief Executive Officer acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment and Restatement to be signed in its name and on its behalf by its Chief Executive Officer and attested to by its Secretary on this day of , 2015.

ATTEST:

By: _____
Name:
Title: Secretary

By: _____
Name: Kenneth Gunderman
Title: Chief Executive Officer

COMMUNICATIONS SALES & LEASING, INC.
(the "Corporation")

AMENDED AND RESTATED BYLAWS

ARTICLE I

OFFICES

Section 1. PRINCIPAL OFFICE. The principal office of the Corporation in the State of Maryland shall be located at such place as the Board of Directors of the Corporation (the "Board of Directors") may designate.

Section 2. ADDITIONAL OFFICES. The Corporation may have additional offices, including a principal executive office, at such places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. PLACE. All meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place as shall be set by the Board of Directors, either within or without the State of Maryland, and stated in the notice of the meeting.

Section 2. ANNUAL MEETING. An annual meeting of the stockholders for the election of directors and the transaction of any business within the powers of the Corporation shall be held on a date and at the time set by the Board of Directors, beginning in the year 2016. Any proper business may be transacted at the annual meeting of stockholders.

Section 3. SPECIAL MEETINGS. The Chairman of the Board, President, Chief Executive Officer, or a majority of the Board of Directors may call special meetings of the stockholders. Special meetings of stockholders shall also be called by the Secretary upon the written request of the holders of shares entitled to cast not less than twenty percent of all the votes entitled to be cast at such meeting. Such written request shall state the purpose of such meeting and the matters proposed to be acted on at such meeting. The Secretary shall inform such stockholders of the reasonably estimated cost of preparing and mailing notice of the meeting and, upon payment to the Corporation by such stockholders of such costs, the Secretary shall give notice to each stockholder entitled to notice of the meeting. Any requesting stockholder may revoke his, her, or its request for a special meeting at any time by written revocation delivered to the Secretary. Upon receipt of any written revocations, the Secretary may refrain from sending out a notice if the result is that holders entitled to cast not less than a majority of all votes entitled to be cast at such meeting no longer have requested a special meeting. In such event, if the notice has already been delivered to the stockholders, either the Secretary may revoke the notice of the meeting by written notice to the stockholders or the chairman of the meeting may call the meeting to order and adjourn the meeting without any action on the matter.

Section 4. NOTICE. Subject to Section 6, not less than ten nor more than 90 days before each special meeting of stockholders, the Secretary shall give to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting written or printed notice stating the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called, either by mail, by presenting it to such stockholder personally, by leaving it at the stockholder's residence or usual place of business or by any other means permitted by the laws of the State of Maryland. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder's address as it appears on the records of the Corporation, with postage thereon prepaid.

Any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice.

Section 5. ORGANIZATION AND CONDUCT. Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment, by the Chairman of the Board or, in the case of a vacancy in the office or absence of the Chairman of the Board, by one of the following officers present at the meeting: the Vice Chairman of the Board, if there be one, the President, the Vice Presidents in their order of rank and seniority, or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The Secretary, or, in the Secretary's absence, an Assistant Secretary, or in the absence of both the Secretary and Assistant Secretaries, a person appointed by the Board of Directors or, in the absence of such appointment, a person appointed by the chairman of the meeting shall act as Secretary. In the event that the Secretary presides at a meeting of the stockholders, an Assistant Secretary, or in the absence of Assistant Secretaries, an individual appointed by the Board of Directors or the chairman of the meeting, shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of such chairman, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments by participants; (e) maintaining order and security at the meeting; (f) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; and (g) recessing or

adjourning the meeting to a later date and time and place announced at the meeting. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 6. ADVANCE NOTICE OF STOCKHOLDER NOMINEES FOR DIRECTOR AND OTHER STOCKHOLDER PROPOSALS.

(a) Annual Meetings of Stockholders.

(1) Nominations of individuals for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record both at the time of giving of notice by the stockholder as provided for in this Section 6(a) and at the time of the annual meeting, who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and who has complied with this Section 6(a).

(2) For any nomination or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a)(1) of this Section 6, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and any such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 6 and shall be delivered to the Secretary at the principal executive office of the Corporation not earlier than the 150th day nor later than 5:00 p.m., Central Time, on the 120th day prior to the first anniversary of the date of the proxy statement (as defined in Section 6(c)(3)) for the preceding year's annual meeting; provided, however, that in connection with the Corporation's first annual meeting or in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Central Time, on the later of the 120th day prior to the date of such annual meeting, as originally convened, or the tenth day following the day on which public announcement of the date of such meeting is first made. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(3) Such stockholder's notice shall set forth:

(i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director (each, a "Proposed Nominee"), all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules thereunder;

(ii) as to any other business that the stockholder proposes to bring before the meeting, a description of such business, the stockholder's reasons for proposing such business at the meeting and any material interest in such business of such stockholder or any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom;

(iii) as to the stockholder giving the notice, any Proposed Nominee and any Stockholder Associated Person,

(A) the class, series and number of all shares of stock or other securities of the Corporation (collectively, the "Company Securities"), if any, which are owned (beneficially or of record) by such stockholder, Proposed Nominee or Stockholder Associated Person and the date on which each such Company Security was acquired and the investment intent of such acquisition and

(B) the nominee holder for, and number of, any Company Securities owned beneficially but not of record by such stockholder, Proposed Nominee or Stockholder Associated Person;

(iv) as to the stockholder giving the notice, any Stockholder Associated Person with an interest or ownership referred to in clauses (ii) or (iii) of this paragraph (3) of this Section 6(a) and any Proposed Nominee,

(A) the name and address of such stockholder, as they appear on the Corporation's stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person and any Proposed Nominee and

(B) the investment strategy or objective, if any, of such stockholder and each such Stockholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such stockholder and each such Stockholder Associated Person; and

(v) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business on the date of such stockholder's notice.

(4) Such stockholder's notice shall, with respect to any Proposed Nominee, be accompanied by a certificate executed by the Proposed Nominee (i) certifying that such Proposed Nominee (a) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation in connection with service or action as a director that has not been disclosed to the Corporation and (b) will serve as a director of the Corporation if elected; and (ii) attaching a completed Proposed Nominee questionnaire (which questionnaire shall be provided by the Corporation, upon request, to the stockholder providing the notice and shall include all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case

pursuant to Regulation 14A (or any successor provision) under the Exchange Act and the rules thereunder, or would be required pursuant to the rules of any national securities exchange on which any securities of the Corporation are listed or over-the-counter market on which any securities of the Corporation are traded).

(5) Notwithstanding anything in this subsection (a) of this Section 6 to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased, and there is no public announcement of such action at least 130 days prior to the first anniversary of the date of the proxy statement (as defined in Section 6(c)(3)) for the preceding year's annual meeting, a stockholder's notice required by this Section 6(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive office of the Corporation not later than 5:00 p.m., Central Time, on the tenth day following the day on which such public announcement is first made by the Corporation.

(6) For purposes of this Section 6, "Stockholder Associated Person" of any stockholder shall mean (i) any person acting in concert with such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder (other than a stockholder that is a depositary) and (iii) any person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such stockholder or such Stockholder Associated Person.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (i) by or at the direction of the Board of Directors or (ii) provided that the special meeting has been called in accordance with Section 3 for the purpose of electing directors, by such stockholders of the Corporation who are stockholders of record both at the time of giving of notice provided for in this Section 6 and at the time of the special meeting, who are entitled to vote at the meeting in the election of each individual so nominated, who have complied with the notice procedures set forth in this Section 6 and who provide the information required by Section 6(a)(3) and (4), as if such provisions were applicable to a special meeting of stockholders. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any stockholder may nominate an individual or individuals (as the case may be) for election as a director as specified in the Corporation's notice of meeting, if the stockholder's notice, containing the information required by paragraph (a)(3) of this Section 6, is delivered to the Secretary at the principal executive office of the Corporation not earlier than the 120th day prior to such special meeting and not later than 5:00 p.m., Central Time on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The public announcement of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(c) General.

(1) If information submitted pursuant to this Section 6 by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate in any material respect, such information may be deemed not to have been provided in accordance with this Section 6. Any such stockholder shall notify the Corporation of any inaccuracy or change (within two business days of becoming aware of such inaccuracy or change) in any such information. Upon written request by the Secretary or the Board of Directors, any such stockholder shall provide, within five business days of delivery of such request (or such other period as may be specified in such request), (i) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 6 and (ii) a written update of any information (including, if requested by the Corporation, written confirmation by such stockholder that it continues to intend to bring such nomination or other business proposal before the meeting) submitted by the stockholder pursuant to this Section 6 as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or a written update was requested may be deemed not to have been provided in accordance with this Section 6.

(2) Only such individuals who are nominated in accordance with this Section 6 shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 6. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 6.

(3) For purposes of this Section 6, “the date of the proxy statement” shall have the same meaning as “the date of the company’s proxy statement released to shareholders” as used in Rule 14a-8(e) promulgated under the Exchange Act, as interpreted by the Securities and Exchange Commission from time to time. “Public announcement” shall mean disclosure (i) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (ii) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act.

(4) Notwithstanding the foregoing provisions of this Section 6, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 6. Nothing in this Section 6 shall be deemed to affect any right of a stockholder to request inclusion of a proposal in, or the right of the Corporation to omit a proposal from, the Corporation’s proxy statement pursuant to Rule 14a-8 (or any successor provision) under the Exchange Act. Nothing in this Section 6 shall require disclosure of revocable proxies received by the stockholder or Stockholder Associated Person pursuant to a solicitation of proxies after the filing of an effective Schedule 14A by such stockholder or Stockholder Associated Person under Section 14(a) of the Exchange Act.

Section 7. QUORUM. At any meeting of stockholders, the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at

such meeting shall constitute a quorum; but this section shall not affect any requirement under any statute or the charter of the Corporation (as may be amended, modified, supplemented or restated from time to time, the "Charter") for the vote necessary for the adoption of any measure. If, however, such quorum shall not be present at any meeting of the stockholders, the chairman of the meeting shall have the power to adjourn the meeting from time to time to a date not more than 120 days after the original record date without notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

The stockholders present either in person or by proxy, at a meeting which has been duly called and convened, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 8. VOTING. Each nominee for director in an election in which the number of nominees is equal to the number of open board seats (an "Uncontested Election") shall be elected by a majority of the votes cast, whether in person or represented by proxy, with respect to that nominee's election at an annual meeting of stockholders at which a quorum is present. If, however, as of a date that is fourteen (14) days in advance of the date the Corporation files its definitive proxy statement (regardless of whether or not thereafter revised or supplemented) with the Securities and Exchange Commission, the number of nominees exceeds the number of open board seats (i.e., a contested election), then the directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the annual meeting of stockholders and entitled to vote in the election of directors, whether or not such election becomes an Uncontested Election after such date. For purposes of this Section 8, a majority of votes cast shall mean that the number of shares voted "for" a nominee's election exceeds the number of shares voted "against" that nominee's election. With regard to Uncontested Elections, the Board of Directors has established procedures pursuant to which any incumbent director who fails to receive a majority of the votes cast will tender his or her resignation to the Board of Directors. The Board of Directors will act upon a tendered resignation within ninety (90) days of the date on which the election results were certified and will promptly make public disclosure of the results of its actions. If the Board of Directors accepts a director's resignation, or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board of Directors shall fill the resulting vacancy in accordance with Section 11 of Article III.

A majority of the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required by statute, the Charter, these Bylaws or contract. Unless otherwise provided in the Charter, each outstanding share of the Corporation's stock, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders.

Section 9. PROXIES. A stockholder may cast the votes entitled to be cast by the shares of stock owned of record by the stockholder in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by law.

Such proxy or evidence of authorization of such proxy shall be filed with the Secretary before or at the meeting. No proxy shall be valid more than eleven months after its date unless otherwise provided in the proxy. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission authorizing another person or persons to act as proxy for a stockholder may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided, however, that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Section 10. CONSENT OF STOCKHOLDERS IN LIEU OF MEETING. For so long as any security of the Corporation is registered under Section 12 of the Exchange Act, the stockholders of the Corporation may not take any action by written consent in lieu of a meeting, and must take any actions at a duly called annual or special meeting of stockholders and the power of stockholders to consent in wiring without a meeting is denied.

Section 11. VOTING OF STOCK BY CERTAIN HOLDERS. Stock of the Corporation registered in the name of a corporation, partnership, trust or other entity, if entitled to be voted, may be voted by the president or a vice president, a general partner or trustee thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Any director or other fiduciary may vote stock registered in his or her name as such fiduciary, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by it shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date or closing of the stock transfer books, the time after the record date or closing of the stock transfer books within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or desirable. On receipt of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the stockholder of record of the specified stock in place of the stockholder who makes the certification.

Section 11. INSPECTORS. The Board of Directors, in advance of any meeting, may, but need not, appoint one or more individual inspectors or one or more entities that designate individuals as inspectors to act at the meeting or any adjournment thereof. If an inspector or inspectors are not appointed, the person presiding at the meeting may, but need not, appoint one or more inspectors. In case any person who may be appointed as an inspector fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or at the meeting by the chairman of the meeting. The inspectors, if any, shall determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. Each such report shall be in writing and signed by him or her or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

Section 12. VOTING BY BALLOT. Voting on any question or in any election may be viva voce unless the presiding officer shall order or any stockholder shall demand that voting be by ballot.

ARTICLE III

DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

Section 2. NUMBER, TENURE AND QUALIFICATIONS. At any regular meeting or at any special meeting called for that purpose, a majority of the entire Board of Directors may establish, increase or decrease the number of directors, provided that the number thereof shall never be less than 3 nor more than 9, and further provided that the tenure of office of a director shall not be affected by any decrease in the number of directors. Any director may resign at any time by delivering his or her resignation to the Board of Directors, the Chairman of the Board, or the Secretary. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Any resignation shall take effect immediately upon its receipt or at such later time or event specified in the resignation.

Section 3. ANNUAL AND REGULAR MEETINGS. An annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of stockholders, no notice other than this Bylaw being necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the Chief Executive Officer, the President or by a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place for the holding of special meetings of the Board of Directors without other notice than such resolution.

Section 5. NOTICE. Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, United States mail or courier or, if to be delivered to an address outside of the United States, by an internationally recognized courier, to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by any courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by any courier shall be deemed to be given when deposited with or delivered to such courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute or these Bylaws.

Section 6. QUORUM. A majority of the directors shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that if less than a majority of such directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and provided further that if, pursuant to the Charter or these Bylaws, the vote of a majority of a particular group of directors is required for action, a quorum must also include a majority of such group.

The directors present at a meeting which has been duly called and convened may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

Section 7. VOTING. The action of the majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable statute, the Charter or these Bylaws. If enough directors have withdrawn from a meeting to leave less than a quorum but the meeting is not adjourned, the action of the majority of the directors still present at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable statute, the Charter or these Bylaws.

Section 8. ORGANIZATION. At each meeting of the Board of Directors, the Chairman of the Board or, in the absence of the Chairman of the Board, the Vice Chairman of the Board, if any, shall act as chairman of the meeting. In the absence of both the Chairman and Vice Chairman of the Board, the Chief Executive Officer or in the absence of the Chief Executive Officer, the President or in the absence of the President, a director chosen by a majority of the directors present, shall act as chairman of the meeting. The Secretary or, in his or her absence, an Assistant Secretary, or in the absence of the Secretary and all Assistant Secretaries, a person appointed by the chairman of the meeting, shall act as secretary of the meeting.

Section 9. TELEPHONE MEETINGS. Directors may participate in a meeting by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 10. WRITTEN CONSENT BY DIRECTORS. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if all of the members of the Board of Directors then in office consent thereto in writing or by electronic transmission and such writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 11. VACANCIES. If for any reason any or all of the directors cease to be directors, such event shall not terminate the Corporation or affect these Bylaws or the powers of the remaining directors hereunder (even if fewer than three directors remain). Any vacancy on the Board of Directors for any cause other than an increase in the number of directors shall be filled by a majority of the remaining directors, even if such majority is less than a quorum and any vacancy in the number of directors created by an increase in the number of directors may be filled by a majority vote of the entire Board of Directors. Any individual so elected as director shall serve until the next annual meeting of stockholders and until his or her successor is elected and qualifies.

Section 12. COMPENSATION. Directors shall not receive any stated salary for their services as directors but, by resolution of the Board of Directors, may receive compensation per year and/or per meeting and/or per visit to real property or other facilities owned or leased by the Corporation and for any service or activity they performed or engaged in as directors. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board of Directors or of any committee thereof and for their expenses, if any, in connection with each property visit and any other service or activity they performed or engaged in as directors; but nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving compensation therefor.

Section 13. LOSS OF DEPOSITS. No director shall be liable for any loss which may occur by reason of the failure of the bank, trust company, savings and loan association, or other institution with whom moneys or stock have been deposited.

Section 14. SURETY BONDS. Unless required by law, no director shall be obligated to give any bond or surety or other security for the performance of any of his or her duties.

Section 15. RELIANCE. Each director, officer, employee and agent of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be fully justified and protected with regard to any act or failure to act in reliance in good faith upon the books of account or other records of the Corporation, upon an opinion of counsel or upon reports made to the Corporation by any of its officers or employees or by the adviser, accountants, appraisers or other experts or consultants selected by the Board of Directors or officers of the Corporation, regardless of whether such counsel or expert may also be a director.

Section 16. CERTAIN RIGHTS OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS. The directors shall have no responsibility to devote their full time to the affairs of the Corporation. Any director or officer, employee or agent of the Corporation, in his or her personal capacity or in a capacity as an affiliate, employee, or agent of any other person, or otherwise, may have business interests and engage in business activities similar to or in addition to or in competition with those of or relating to the Corporation.

Section 17. RATIFICATION. The Board of Directors or the stockholders may ratify and make binding on the Corporation any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter. Moreover, any action or inaction questioned in any stockholders' derivative proceeding or any other proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non-disclosure, miscomputation, the application of improper principles or practices of accounting, or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and if so ratified, shall have the same force and effect as if the questioned action or inaction had been originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders and shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 18. EMERGENCY PROVISIONS. Notwithstanding any other provision in the Articles of Incorporation or these Bylaws, this Section 18 shall apply during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors under these Bylaws cannot readily be obtained (an "Emergency"). During any Emergency, unless otherwise provided by the Board of Directors, (a) a meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances; (b) notice of any meeting of the Board of Directors

during such an Emergency may be given less than 24 hours prior to the meeting to as many directors and by such means as may be feasible at the time, including publication, television or radio, and (c) the number of directors necessary to constitute a quorum shall be one-third of the entire Board of Directors.

ARTICLE IV

COMMITTEES

Section 1. NUMBER, TENURE AND QUALIFICATIONS. The Board of Directors may appoint from among its members an Executive Committee, an Audit Committee and other committees, composed of two or more directors, to serve at the pleasure of the Board of Directors.

Section 2. POWERS. The Board of Directors may delegate to committees appointed under Section 1 of this Article any of the powers of the Board of Directors, except as prohibited by law.

Section 3. MEETINGS. Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. The act of a majority of the committee members present at a meeting shall be the act of such committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee may fix the time and place of its meeting unless the Board shall otherwise provide. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint another director to act in the place of such absent member. Each committee shall keep minutes of its proceedings.

Section 4. TELEPHONE MEETINGS. Members of a committee of the Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 5. WRITTEN CONSENT BY COMMITTEES. Any action required or permitted to be taken at any meeting of a committee of the Board of Directors may be taken without a meeting, if all of the members of such committee of the Board of Directors consent thereto in writing or by electronic transmission and such writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of such committee of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 6. VACANCIES. Subject to the provisions hereof and of applicable law and any contract or agreement between the Corporation and its stockholders, the Board of

Directors shall have the power at any time to change the membership of any committee, to fill all vacancies, to designate alternate members to replace any absent or disqualified member or to dissolve any such committee.

ARTICLE V

OFFICERS

Section 1. GENERAL PROVISIONS. The officers of the Corporation shall include a President, a Secretary and a Treasurer and may include a Chairman of the Board, a Vice Chairman of the Board, a Chief Executive Officer, one or more Vice Presidents, a Chief Operating Officer, a Chief Financial Officer, one or more Assistant Secretaries and one or more Assistant Treasurers. In addition, the Board of Directors may from time to time elect such other officers with such powers and duties as they shall deem necessary or desirable. The officers of the Corporation shall be elected annually by the Board of Directors, except that the Chief Executive Officer or President may from time to time appoint one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers or other officers. Each officer shall hold office until his or her successor is elected and qualifies or until his or her death, or his or her resignation or removal in the manner hereinafter provided. Any two or more offices except President and Vice President may be held by the same person. Election of an officer or agent shall not of itself create contract rights between the Corporation and such officer or agent.

Section 2. REMOVAL AND RESIGNATION. Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by giving written notice of his or her resignation to the Board of Directors, the Chairman of the Board, the President or the Secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the notice of resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 3. VACANCIES. A vacancy in any office may be filled by the Board of Directors for the balance of the term.

Section 4. CHIEF EXECUTIVE OFFICER. The Board of Directors may designate a Chief Executive Officer. In the absence of such designation, the Chairman of the Board shall be the Chief Executive Officer of the Corporation. The Chief Executive Officer shall have general responsibility for implementation of the policies of the Corporation, as determined by the Board of Directors, and for the management of the business and affairs of the Corporation.

Section 5. CHIEF OPERATING OFFICER. The Board of Directors may designate a Chief Operating Officer. The Chief Operating Officer shall have the responsibilities and duties as set forth by the Board of Directors or the Chief Executive Officer.

Section 6. CHIEF FINANCIAL OFFICER. The Board of Directors may designate a chief financial officer. The Chief Financial Officer shall have the responsibilities and duties as set forth by the Board of Directors or the Chief Executive Officer.

Section 7. CHAIRMAN OF THE BOARD. The Board of Directors shall designate a Chairman of the Board. The Chairman of the Board shall preside over the meetings of the Board of Directors and of the stockholders at which he shall be present. The Chairman of the Board shall perform such other duties as may be assigned to him or her by the Board of Directors.

Section 8. PRESIDENT. In the absence of a Chief Executive Officer, the President shall in general supervise and control all of the business and affairs of the Corporation. In the absence of a designation of a Chief Operating Officer by the Board of Directors, the President shall also be the Chief Operating Officer. The President may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 9. VICE PRESIDENTS. In the absence of the President or in the event of a vacancy in such office, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated at the time of their election or, in the absence of any designation, then in the order of their election) shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President; and shall perform such other duties as from time to time may be assigned to such Vice President by the President or by the Board of Directors. The Board of Directors may designate one or more Vice Presidents as Executive Vice President or as Vice President for particular areas of responsibility.

Section 10. SECRETARY. The Secretary shall (a) keep the minutes of the proceedings of the stockholders, the Board of Directors and committees of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each stockholder which shall be furnished to the Secretary by such stockholder; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform such other duties as from time to time may be assigned to him by the Chief Executive Officer, the President or by the Board of Directors.

Section 11. TREASURER. The Treasurer shall have the custody of the funds and securities of the Corporation and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. In the absence of a designation of a Chief Financial Officer by the Board of Directors, the Treasurer shall be the Chief Financial Officer of the Corporation.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and Board of Directors, at the regular meetings of the Board of Directors or whenever it may so require, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation.

If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, moneys and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

Section 12. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or Treasurer, respectively, or by the President or the Board of Directors. The Assistant Treasurers shall, if required by the Board of Directors, give bonds for the faithful performance of their duties in such sums and with such surety or sureties as shall be satisfactory to the Board of Directors.

Section 13. SALARIES. The salaries and other compensation of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary or other compensation by reason of the fact that he is also a director.

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. CONTRACTS. The Board of Directors may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when authorized or ratified by action of the Board of Directors and executed by an authorized person.

Section 2. CHECKS AND DRAFTS. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 3. DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may designate.

ARTICLE VII

STOCK

Section 1. CERTIFICATES. Except as otherwise provided in these Bylaws, this Section shall not be interpreted to limit the authority of the Board of Directors to issue some or all of the shares of any or all of its classes or series without certificates. Each stockholder, upon written request to the Secretary, shall be entitled to a certificate or certificates which shall represent and certify the number of shares of each class of stock held by him in the Corporation. Each certificate shall be signed by the Chairman of the Board, the President or a Vice President and countersigned by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer and may be sealed with the seal, if any, of the Corporation. The signatures may be either manual or facsimile. Certificates shall be consecutively numbered; and if the Corporation shall, from time to time, issue several classes of stock, each class may have its own number series. A certificate is valid and may be issued whether or not an officer who signed it is still an officer when it is issued. Each certificate representing shares which are restricted as to their transferability or voting powers, which are preferred or limited as to their dividends or as to their allocable portion of the assets upon liquidation or which are redeemable at the option of the Corporation, shall have a statement of such restriction, limitation, preference or redemption provision, or a summary thereof, plainly stated on the certificate. If the Corporation has authority to issue stock of more than one class, the certificate shall contain on the face or back a full statement or summary of the designations and any preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms and conditions of redemption of each class of stock and, if the Corporation is authorized to issue any preferred or special class in series, the differences in the relative rights and preferences between the shares of each series to the extent they have been set and the authority of the Board of Directors to set the relative rights and preferences of subsequent series. In lieu of such statement or summary, the certificate may state that the Corporation will furnish a full statement of such information to any stockholder upon request and without charge. If any class of stock is restricted by the Corporation as to transferability, the certificate shall contain a full statement of the restriction or state that the Corporation will furnish information about the restrictions to the stockholder on request and without charge.

Section 2. TRANSFERS. Upon surrender to the Corporation or the transfer agent of the Corporation of a stock certificate duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, the Corporation shall issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class of stock will be subject in all respects to the Charter and all of the terms and conditions contained therein.

Section 3. REPLACEMENT CERTIFICATE. Any officer designated by the Board of Directors may direct a new certificate to be issued in place of any certificate previously issued by the Corporation alleged to have been lost, stolen or destroyed upon the making of an affidavit of that fact by the person claiming the certificate to be lost, stolen or destroyed. When authorizing the issuance of a new certificate, an officer designated by the Board of Directors may, in his or her discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or the owner's legal representative to advertise the same in such manner as he shall require and/or to give bond, with sufficient surety, to the Corporation to indemnify it against any loss or claim which may arise as a result of the issuance of a new certificate.

Section 4. CLOSING OF TRANSFER BOOKS OR FIXING OF RECORD DATE. The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

In lieu of fixing a record date, the Board of Directors may provide that the stock transfer books shall be closed for a stated period but not longer than 20 days. If the stock transfer books are closed for the purpose of determining stockholders entitled to notice of or to vote at a meeting of stockholders, such books shall be closed for at least ten days before the date of such meeting.

If no record date is fixed and the stock transfer books are not closed for the determination of stockholders, (a) the record date for the determination of stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day on which the notice of meeting is mailed or the 30th day before the meeting, whichever is the closer date to the meeting; and (b) the record date for the determination of stockholders entitled to receive payment of a dividend or an allotment of any other rights shall be the close of business on the day on which the resolution of the directors, declaring the dividend or allotment of rights, is adopted.

When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this section, such determination shall apply to any adjournment thereof, except when (i) the determination has been made through the closing of the transfer books and the stated period of closing has expired or (ii) the meeting is adjourned to a date more than 120 days after the record date fixed for the original meeting, in either of which case a new record date shall be determined as set forth herein.

Section 5. STOCK LEDGER. The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate share ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 6. FRACTIONAL STOCK; ISSUANCE OF UNITS. The Board of Directors may issue fractional stock or provide for the issuance of scrip, all on such terms and under such conditions as they may determine. Notwithstanding any other provision of the Charter or these Bylaws, the Board of Directors may issue units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board of Directors may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

ARTICLE VIII

ACCOUNTING YEAR

The Board of Directors shall have the power, from time to time, to fix the fiscal year of the Corporation by a duly adopted resolution.

ARTICLE IX

DISTRIBUTIONS

Section 1. AUTHORIZATION. Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors, subject to the provisions of applicable law and the Charter. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of applicable law and the Charter.

Section 2. CONTINGENCIES. Before payment of any dividends or other distributions, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its absolute discretion, think proper as a reserve fund for contingencies, for equalizing dividends or other distributions, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine to be in the best interest of the Corporation, and the Board of Directors may modify or abolish any such reserve.

ARTICLE X

INVESTMENT POLICY

Subject to the provisions of the Charter, the Board of Directors may from time to time adopt, amend, revise or terminate any policy or policies with respect to investments by the Corporation as it shall deem appropriate in its sole discretion.

ARTICLE XI

SEAL

Section 1. SEAL. The Board of Directors may authorize the adoption of a seal by the Corporation. The seal shall contain the name of the Corporation and the year of its incorporation and the words "Incorporated Maryland." The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 2. AFFIXING SEAL. Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "(SEAL)" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

ARTICLE XII

INDEMNIFICATION; ADVANCE OF EXPENSES; INSURANCE

Section 1. INDEMNIFICATION AND ADVANCE OF EXPENSES. To the maximum extent permitted by the laws of the State of Maryland in effect from time to time, the Corporation shall indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, shall pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation and who is made a party to the proceeding by reason of his or her service in that capacity or (b) any individual who, while a director of the Corporation and at the request of the Corporation, serves or has served as a director, officer, partner or trustee of such corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or other enterprise and who is made a party to the proceeding by reason of his or her service in that capacity. The Corporation may, with the approval of the Board of Directors, provide such indemnification and advance for expenses to a person who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 2. INSURANCE. The Corporation may purchase and maintain insurance on behalf of any person who is a present or former director or officer of the Corporation, or is a present or former director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Article XII.

Section 3. NONEXCLUSIVITY OF INDEMNIFICATION AND ADVANCEMENT OF EXPENSES. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article XII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Charter, these Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that indemnification of the persons specified in Section 1 of this Article XII shall be made to the fullest extent permitted by law. The provisions of this Article XII shall not be deemed to preclude the indemnification of any person who is not specified in Section 1 of this Article XII but whom the Corporation has the power or obligation to indemnify under the provisions of the Maryland General Corporation Law, or otherwise.

Section 4. AMENDMENTS AND MODIFICATIONS. Neither the amendment nor repeal of this Article XII, nor the adoption or amendment of any other provision of the Bylaws or Charter inconsistent with this Article XII, shall apply to or affect in any respect the applicability of the preceding paragraph with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

ARTICLE XIII

WAIVER OF NOTICE

Whenever any notice is required to be given pursuant to the Charter or these Bylaws or pursuant to applicable law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE XIV

EXCLUSIVE FORUM FOR CERTAIN LITIGATION

Unless the Corporation consents in writing to the selection of an alternative forum (an "Alternative Forum Consent"), the Circuit Court for Baltimore City, Maryland shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, stockholder, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation or any director, officer, stockholder, employee or agent of the Corporation arising out of or relating to any provision of the Maryland General Corporation Law, this Charter or the Bylaws of the Corporation, or (iv) any action asserting a claim against the Corporation or any director, officer, stockholder, employee or agent of the Corporation governed by the internal affairs doctrine of the State of Maryland; provided, however, that, in the event that the Circuit Court for Baltimore City, Maryland lacks subject matter jurisdiction over any such action or proceeding, the sole and exclusive forum for such action or proceeding shall be another state or federal court located within the State of Maryland, in each such case, unless the Circuit Court for Baltimore City, Maryland (or such other state or federal court located within the State of Maryland, as applicable) has dismissed a prior action by the same plaintiff asserting the same claims because such court lacked personal jurisdiction over an indispensable party named as a defendant therein. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XIV. The existence of any prior Alternative Forum Consent shall not act as a waiver of the Corporation's ongoing consent right as set forth above in this Article XIV with respect to any current or future actions or claims.

ARTICLE XV

AMENDMENT OF BYLAWS

The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of these Bylaws and to make new Bylaws.

ARTICLE XVI

MISCELLANEOUS

Section 1. Books and Records. The Corporation shall keep correct and complete books and records of its accounts and transactions and minutes of the proceedings of its stockholders and Board of Directors and of an executive or other committee when exercising any of the powers of the Board of Directors. The books and records of the Corporation may be in written form or in any other form which can be converted within a reasonable time into written

form for visual inspection. Minutes shall be recorded in written form but may be maintained in the form of a reproduction. The original or a certified copy of these Bylaws shall be kept at the principal office of the Corporation.

Section 2. Voting Stock in Other Companies. Stock of other corporations or associations, registered in the name of the Corporation, may be voted by the chief executive officer, the president, a vice-president, or a proxy appointed by any of them. The Board of Directors, however, may by resolution appoint some other person to vote such shares, in which case such person shall be entitled to vote such shares upon the production of a certified copy of such resolution.

Section 3. Execution of Documents. A person who holds more than one office in the Corporation may not act in more than one capacity to execute, acknowledge, or verify an instrument required by law to be executed, acknowledged, or verified by more than one officer.

Section 4. Severability. If any provision of the Bylaws shall be held invalid or unenforceable in any respect, such holding shall apply only to the extent of any such invalidity or unenforceability and shall not in any manner affect, impair or render invalid or unenforceable any other provision of the Bylaws in any jurisdiction.

Adopted as of: , 2015

NUMBER

SHARES

Incorporated under the laws of the State of Maryland

Communications Sales & Leasing, Inc.

See Reverse for Certain Definitions

Common Stock

$0.0001 Par Value

This is to certify that _____ ***** SPECIMEN ***** _____ is the owner of

_____ *fully paid and non-assessable shares of the above Corporation transferable only on the books of the Corporation by the holder thereof in person or by a duly authorized Attorney upon surrender of this Certificate properly endorsed.*

Witness, *the seal of the Corporation and the signatures of its duly authorized officers.*

Dated

_____ Secretary/Treasurer

_____ President

CORPKIT. NEW YORK

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT	— ..... Custodian ..... (Cust) (Minor) under Uniform Gifts to Minors Act ..... (State)
TEN ENT	— as tenants by the entireties		
JT TEN	— as joint tenants with right of survivorship and not as tenants in common		

Additional abbreviations may also be used though not in the above list.

For value received _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE)

_____

_____

_____ Shares

represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney

to transfer the said Shares on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

In presence of

_____

_____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

IMPORTANT NOTICE

THE CORPORATION WILL FURNISH TO ANY STOCKHOLDER, ON REQUEST AND WITHOUT CHARGE, A FULL STATEMENT OF THE INFORMATION REQUIRED BY SECTION 2-211(B) OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE OF THE ANNOTATED CODE OF MARYLAND WITH RESPECT TO THE DESIGNATIONS AND ANY PREFERENCES, CONVERSION AND OTHER RIGHTS, VOTING POWERS, RESTRICTIONS, LIMITATIONS AS TO DIVIDENDS AND OTHER DISTRIBUTIONS, QUALIFICATIONS, AND TERMS AND CONDITIONS OF REDEMPTION OF THE STOCK OF EACH CLASS WHICH THE CORPORATION HAS AUTHORITY TO ISSUE AND, IF THE CORPORATION IS AUTHORIZED TO ISSUE ANY PREFERRED OR SPECIAL CLASS IN SERIES, (I) THE DIFFERENCES IN THE RELATIVE RIGHTS AND PREFERENCES BETWEEN THE SHARES OF EACH SERIES TO THE EXTENT SET, AND (II) THE AUTHORITY OF THE BOARD OF DIRECTORS TO SET SUCH RIGHTS AND PREFERENCES OF SUBSEQUENT SERIES. THE FOREGOING SUMMARY DOES NOT PURPORT TO BE COMPLETE AND IS SUBJECT TO AND QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE CHARTER OF THE CORPORATION, A COPY OF WHICH WILL BE SENT WITHOUT CHARGE TO EACH STOCKHOLDER WHO SO REQUESTS. SUCH REQUEST MUST BE MADE TO THE SECRETARY OF THE CORPORATION AT ITS PRINCIPAL OFFICE.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON BENEFICIAL OWNERSHIP AND CONSTRUCTIVE OWNERSHIP AND TRANSFER FOR THE PURPOSE, AMONG OTHERS, OF THE CORPORATION'S MAINTENANCE OF ITS STATUS AS A REAL ESTATE INVESTMENT TRUST UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"). SUBJECT TO CERTAIN FURTHER RESTRICTIONS AND EXCEPT AS EXPRESSLY PROVIDED IN THE CORPORATION'S CHARTER, (I) NO PERSON, OTHER THAN AN EXCEPTED HOLDER (IN WHICH CASE THE EXCEPTED HOLDER LIMIT SHALL BE APPLICABLE), MAY BENEFICIALLY OWN OR CONSTRUCTIVELY OWN SHARES OF CAPITAL STOCK IN EXCESS OF THE AGGREGATE STOCK OWNERSHIP LIMIT, AND NO PERSON, OTHER THAN AN EXCEPTED HOLDER, MAY BENEFICIALLY OWN OR CONSTRUCTIVELY OWN SHARES OF COMMON STOCK IN EXCESS OF THE COMMON STOCK OWNERSHIP LIMIT; (II) NO PERSON MAY BENEFICIALLY OWN OR CONSTRUCTIVELY OWN SHARES OF CAPITAL STOCK THAT WOULD RESULT IN THE CORPORATION BEING "CLOSELY HELD" UNDER SECTION 856(H) OF THE CODE (WITHOUT REGARD TO WHETHER THE OWNERSHIP INTEREST IS HELD DURING THE LAST HALF OF A TAXABLE YEAR), OR OTHERWISE FAILING TO QUALIFY AS A REIT; (III) NO PERSON MAY TRANSFER SHARES OF CAPITAL STOCK IF SUCH TRANSFER WOULD RESULT IN THE CAPITAL STOCK OF THE CORPORATION BEING OWNED BY FEWER THAN 100 PERSONS; (IV) NO PERSON MAY BENEFICIALLY OWN OR CONSTRUCTIVELY OWN SHARES OF CAPITAL STOCK THAT WOULD CAUSE THE CORPORATION TO BENEFICIALLY OWN OR CONSTRUCTIVELY OWN 9.9% OR MORE OF THE OWNERSHIP INTERESTS IN A TENANT (OTHER THAN A TRS) OF THE CORPORATION'S REAL PROPERTY WITHIN THE MEANING OF SECTION 856(D)(2)(B) OF THE CODE; (V) NO PERSON MAY BENEFICIALLY OWN OR CONSTRUCTIVELY OWN SHARES OF CAPITAL STOCK THAT WOULD OTHERWISE CAUSE THE CORPORATION TO FAIL TO QUALIFY AS A REIT, INCLUDING, BUT NOT LIMITED TO, AS A RESULT OF ANY "ELIGIBLE INDEPENDENT CONTRACTOR" (AS DEFINED IN SECTION 856(D)(9)(A) OF THE CODE) THAT OPERATES A "QUALIFIED HEALTH CARE PROPERTY" (AS DEFINED IN SECTION 856(E)(6)(D)(I) OF THE CODE) ON BEHALF OF A TRS FAILING TO QUALIFY AS SUCH; AND (VI) NO PERSON SHALL BENEFICIALLY OWN OR CONSTRUCTIVELY OWN SHARES OF CAPITAL STOCK OF THE CORPORATION THAT WOULD RESULT IN THE CORPORATION FAILING TO QUALIFY AS A "DOMESTICALLY CONTROLLED QUALIFIED INVESTMENT ENTITY" (AS DEFINED IN SECTION 897(H)(4)(B) OF THE CODE).

ANY PERSON WHO ACQUIRES OR ATTEMPTS OR INTENDS TO ACQUIRE BENEFICIAL OWNERSHIP OR CONSTRUCTIVE OWNERSHIP OF SHARES OF CAPITAL STOCK WHICH CAUSES OR MAY CAUSE A PERSON TO BENEFICIALLY OWN OR CONSTRUCTIVELY OWN SHARES OF CAPITAL STOCK IN EXCESS OR IN VIOLATION OF THE ABOVE LIMITATIONS MUST IMMEDIATELY NOTIFY THE CORPORATION OR, IN THE CASE OF A PROPOSED OR ATTEMPTED TRANSACTION, GIVE AT LEAST 15 DAYS PRIOR WRITTEN NOTICE TO THE CORPORATION. IF ANY OF THE RESTRICTIONS ON TRANSFER OR OWNERSHIP PROVIDED IN (I), (II), (IV), (V) OR (VI) ABOVE ARE VIOLATED, THE SHARES OF CAPITAL STOCK IN EXCESS OR IN VIOLATION OF THE ABOVE LIMITATIONS WILL BE AUTOMATICALLY TRANSFERRED TO A TRUSTEE OF A CHARITABLE TRUST FOR THE BENEFIT OF ONE OR MORE CHARITABLE BENEFICIARIES. IN ADDITION, THE CORPORATION MAY REDEEM SHARES UPON THE TERMS AND CONDITIONS SPECIFIED BY THE BOARD OF DIRECTORS IN ITS SOLE DISCRETION IF THE BOARD OF DIRECTORS DETERMINES THAT OWNERSHIP OR A TRANSFER OR OTHER EVENT MAY VIOLATE THE RESTRICTIONS DESCRIBED ABOVE. FURTHERMORE, IF THE OWNERSHIP RESTRICTION PROVIDED IN (III) ABOVE WOULD BE VIOLATED, OR UPON THE OCCURRENCE OF CERTAIN EVENTS, ATTEMPTED TRANSFERS IN VIOLATION OF THE RESTRICTIONS DESCRIBED ABOVE MAY BE VOID AB INITIO. ALL CAPITALIZED TERMS IN THIS LEGEND HAVE THE MEANINGS GIVEN TO THEM IN THE CHARTER OF THE CORPORATION, AS THE SAME MAY BE AMENDED FROM TIME TO TIME, A COPY OF WHICH, INCLUDING THE RESTRICTIONS ON TRANSFER AND OWNERSHIP, WILL BE FURNISHED TO EACH HOLDER OF SHARES OF CAPITAL STOCK OF THE CORPORATION ON REQUEST AND WITHOUT CHARGE. REQUESTS FOR SUCH A COPY MAY BE DIRECTED TO THE SECRETARY OF THE CORPORATION AT ITS PRINCIPAL OFFICE.

Exhibit 10.1

MASTER LEASE

Among
CSL NATIONAL, LP
and
THE ENTITIES SET FORTH ON SCHEDULE 1,
collectively, as Landlord
and
WINDSTREAM HOLDINGS, INC.,
as Tenant
Dated as of [ ]

TABLE OF CONTENTS
TO
MASTER LEASE

EXHIBITS AND SCHEDULES

MASTER LEASE

This MASTER LEASE (the "**Master Lease**") is entered into as of [ ], by and among CSL NATIONAL, LP, a Delaware limited partnership ("**CS&L National**", and THE ENTITIES SET FORTH ON SCHEDULE 1 ATTACHED HERETO (collectively, together with CS&L National and their respective permitted successors and assigns, "**Landlord**"), and WINDSTREAM HOLDINGS, INC., a Delaware corporation (together with its permitted successors and assigns, "**Tenant**").

RECITALS

A. Capitalized terms used in this Master Lease and not otherwise defined herein are defined in Article II hereof.

B. Pursuant to that certain Separation and Distribution Agreement, dated as of [ ] (the "**Distribution Agreement**"), by and among Communications Sales and Leasing, Inc., a Maryland corporation ("**CS&L Parent**"), Tenant and Windstream Corporation ("**Win Corp**"), Landlord desires to lease the Leased Property to Tenant and Tenant desires to lease the Leased Property (as defined below) from Landlord upon the terms set forth in this Master Lease.

C. A list of the approximately thirty six (36) facilities (each a "**Facility**," and collectively, the "**Facilities**") covered by this Master Lease, categorized by geographic area, is attached hereto as Exhibit A, which includes (i) the real property and improvements thereon owned by Landlord in the geographic area of such Facility as identified on Exhibit A attached hereto, and (ii) the Distribution Systems (as defined below) located in the geographic area of the applicable Facility as identified on Exhibit A attached hereto.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

1.1 Leased Property. Upon and subject to the terms and conditions hereinafter set forth, Landlord exclusively leases to Tenant and Tenant leases from Landlord all of Landlord's rights, title and interest in and to the following with respect to each of the Facilities (collectively, the "**Leased Property**"):

(a) the real property or properties described in a letter, dated as of the date hereof, delivered by Tenant and acknowledged by Landlord, and all other real property or properties owned by Landlord in the geographical areas of each of the Facilities that are (i) the locations for central offices, remote switching locations or other switching facilities and (ii) necessary for the use and operation of, or currently used in the operation of, the Distribution Systems associated with such Facilities (collectively, the "**Land**");

(b) all buildings, structures, and other improvements of every kind now or hereafter located on the Land or connected thereto including, but not limited to, alleyways and

connecting tunnels, sidewalks, utility pipes, conduits and lines (on-site and off-site to the extent Landlord has obtained any interest in the same), parking areas and roadways appurtenant to such buildings and structures, including all HVAC systems and components, generators, fire suppression systems and other fixtures (collectively, the "**Leased Improvements**");

(c) all easements, rights and appurtenances relating to the Land and the Leased Improvements, including any Easements, Permits and Pole Agreements;

(d) all fiber optic cable lines, copper cable lines, conduits, telephone poles, attachment hardware (including bolts and lashing), guy wires, anchors, pedestals, concrete pads, amplifiers and such other fixtures, and other items of property, including all components thereof (such as cross connect cabinets, windstream outside plant mini-cabinet mounting posts (WOMP), fiber distribution hubs, fiber access terminals and first entry fiber splice cases), that are now or hereafter located in, on or used in connection with and permanently affixed to or otherwise incorporated into the Facilities, together with all replacements, modifications, alterations and additions thereto, up through and at the meeting and demarcation points described on Exhibit B attached hereto (collectively, the "**Distribution Systems**"); and

(e) all system maps and records for the Distribution Systems.

Notwithstanding anything to the contrary contained herein, the Leased Property shall exclude Tenant's Property (including the Electronics, switching and equipment) and the Excluded Assets. The Leased Property is leased subject to all covenants, conditions, restrictions, easements and other matters affecting the Leased Property as of the Commencement Date and such subsequent covenants, conditions, restrictions, easements and other matters as may be agreed to by Landlord or Tenant in accordance with the terms of this Master Lease, whether or not of record, including any matters which would be disclosed by an inspection or accurate survey of the Leased Property.

1.2 Single, Indivisible Lease. This Master Lease constitutes one indivisible lease of the Leased Property and not separate leases governed by similar terms. The Leased Property constitutes one economic unit, and the Rent and all other provisions have been negotiated and agreed to be based on a demise of all of the Leased Property to Tenant as a single, composite, inseparable transaction and would have been substantially different had separate leases or a divisible lease been intended. Except as expressly provided in this Master Lease for specific, isolated purposes (and then only to the extent expressly otherwise stated), all provisions of this Master Lease apply equally and uniformly to all of the Leased Property as one unit. An Event of Default with respect to any portion of the Leased Property is an Event of Default as to all of the Leased Property. The parties intend that the provisions of this Master Lease shall at all times be construed, interpreted and applied so as to carry out their mutual objective to create an indivisible lease of all of the Leased Property and, in particular but without limitation, that, for purposes of any assumption, rejection or assignment of this Master Lease under 11 U.S.C. Section 365, or any successor or replacement thereof or any analogous state law, this is one indivisible and non-severable lease and executory contract dealing with one legal and economic unit and that this Master Lease must be assumed, rejected or assigned as a whole with respect to all (and only as to all) of the Leased Property. The parties may amend this Master Lease from time to time to include one or more additional Facilities as part of the Leased Property and such future addition to the Leased Property shall not in any way change the indivisible and nonseverable nature of this Master Lease and all of the foregoing provisions shall continue to apply in full force.

1.3 Term. The "**Term**" of this Master Lease is the Initial Term *plus* all Renewal Terms, to the extent exercised. The initial term of this Master Lease (the "**Initial Term**") shall commence on execution date (the "**Commencement Date**") and end on the last day of the calendar month in which the fifteenth (15th) anniversary of the Commencement Date occurs, subject to renewal as set forth in Section 1.4 below. Notwithstanding anything to the contrary contained herein, Tenant shall have the right to extend the Initial Term for a period of five (5) years (the "**Initial Extension Right**") with respect to all of the Facilities (and in no event for less than all of the Facilities) by delivering Notice (the "**Initial Extension Notice**") to Landlord at any time prior to the fifth (5th) anniversary of the Commencement Date of such election. Upon Landlord's receipt of the Initial Extension Notice, the Initial Term shall automatically be extended for an additional five (5) years at the same Rent as the Initial Term and upon all of the other terms and conditions of this Master Lease except that (i) the number of Renewal Terms shall be reduced such that Tenant will only have a total of three (3) separate Renewal Terms of five (5) years each, (ii) Landlord shall be obligated to provide the Funding Commitment as set forth in Section 10.2(b), and (iii) Tenant shall have the rights set forth in Section 3.4 in the event Landlord defaults in its obligation to provide the Funding Commitment as provided herein. If Tenant does not timely send the Initial Extension Notice pursuant to the provisions of this Section 1.3, Tenant shall be deemed to have irrevocably waived the Initial Extension Right.

1.4 Renewal Terms. (a) Subject to Section 1.3, the term of this Master Lease may be extended for four (4) separate "Renewal Terms" of five (5) years each with respect to all (or such lesser portion of the Facilities as provided below) of the Facilities that are subject to the Master Lease as of the last day of the then current Term at a Rent being equal to the Renewal Rent if (a) at least twenty four (24) months prior to the end of the then current Term (a "**Renewal Election Outside Date**"), Tenant delivers to Landlord a "**Renewal Notice**" stating that it exercises its right to extend this Master Lease for one (1) Renewal Term and (b) no Event of Default shall have occurred and be continuing on the Renewal Election Outside Date. If, Tenant elects to renew the Lease for less than all of the Facilities, then Tenant must specify in the Renewal Notice which Facilities it elects not to renew (each a "**Non-Renewal Leased Property**" and collectively, the "**Non-Renewal Leased Properties**"). Any Facilities not specified in the Renewal Notice as Non-Renewal Leased Properties shall be deemed to be part of the Leased Property that has been extended for the one (1) Renewal Term (each a "**Renewal Leased Property**" and collectively, the "**Renewal Leased Properties**"). During any such Renewal Term, except as otherwise specifically provided for herein, all of the terms and conditions of this Master Lease shall remain in full force and effect, except that the Non-Renewal Leased Properties shall be excluded from the definition of "**Leased Property**" for the applicable Renewal Term, and Tenant shall have no further renewal rights with respect to the Non-Renewal Leased Properties. If Tenant does not timely send the applicable Renewal Notice pursuant to the provisions of this Section 1.4, Tenant shall be deemed to have irrevocably waived its renewal rights for all subsequent Renewal Terms.

(b) No later than two hundred ten (210) days prior to the Renewal Election Outside Date for each Renewal Term, Landlord shall deliver a Notice to Tenant which sets forth

Landlord's proposal of the Renewal Rent and Successor Tenant Rent, in each case, for each Facility then subject to this Master Lease. If Landlord and Tenant shall not have entered into a written agreement confirming the Renewal Rent or Successor Tenant Rent, in each case, for all of the Facilities then subject to this Master Lease on or prior to the date that is one hundred eighty (180) days prior to the Renewal Election Outside Date, then the appraisal process set forth in Section 41.14 shall be initiated on such date (the "**Appraisal Commencement Date**") to determine the Renewal Rent and Successor Tenant Rent for each of the Facilities then subject to this Master Lease.

ARTICLE II

2.1 Definitions. For all purposes of this Master Lease, except as otherwise expressly provided or unless the context otherwise requires, (i) the terms defined in this Article II have the meanings assigned to them in this Article and include the plural as well as the singular; all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP; (ii) all references in this Master Lease to designated "**Articles**," "**Sections**" and other subdivisions are to the designated Articles, Sections and other subdivisions of this Master Lease; (iii) the word "including" shall have the same meaning as the phrase "including, without limitation," and other similar phrases; (iv) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Master Lease as a whole and not to any particular Article, Section or other subdivision and (v) for the calculation of any financial ratios or tests referenced in this Master Lease, the Rent payable hereunder shall not constitute Indebtedness or Interest Expense.

Accounts: All accounts, including deposit accounts, all rents, profits, income, revenues or rights to payment or reimbursement derived from the use of any space within the Leased Property and/or from goods sold or leased or services rendered from the Leased Property (including, without limitation, from goods sold or leased or services rendered from the Leased Property by any subtenant) and all accounts receivable, in each case whether or not evidenced by a contract, document, instrument or chattel paper and whether or not earned by performance, including without limitation, the right to payment of management fees and all proceeds of the foregoing.

Additional Charge Invoice: As defined in Section 3.3(a).

Additional Charges: All Impositions and all other amounts, liabilities and obligations which Tenant assumes or agrees to pay under this Master Lease and, in the event of any failure on the part of Tenant to pay any of those items, except where such failure is due to the acts or omissions of Landlord, every fine, penalty, interest and cost which may be added for non-payment or late payment of such items.

Affected Facility: As defined in Section 36.1(a).

Affiliate: When used with respect to any corporation, limited liability company, or partnership, the term "**Affiliate**" shall mean any person which, directly or indirectly, controls or is controlled by or is under common control with such corporation, limited liability company or partnership. For the purposes of this definition, "control" (including the correlative meanings

of the terms “controlled by” and “under common control with”), as used with respect to any person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, through the ownership of voting securities, partnership interests or other equity interests.

Annual Base Increase Amount: As defined in Section 10.2(b).

Annual Capital Improvement Plan: As defined in Section 10.2(a).

Appraisal Commencement Date: As defined in Section 1.4(b).

Appraiser: As defined in Section 41.14(a).

Assignment Agreement: That certain [Assignment and Assumption Agreement for Intangible REITable Assets], dated as of the date hereof, by and between Win Corp and Landlord, pursuant to which Win Corp assigned all of its rights (other than its legal title) in and to the Easements, Permits and Pole Agreements described therein to Landlord, and Landlord assumed all of the obligations and liabilities of Win Corp under such Easements, Permits and Pole Agreements.

Audited Party: As defined in Section 3.3(c).

Auditing Party: As defined in Section 3.3(c).

Award: All compensation, sums or anything of value awarded, paid or received on a total or partial Taking.

Beneficial Owner: shall have the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition.

Business Day: Each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which national banks in the City of New York, New York and Little Rock, Arkansas are authorized, or obligated, by law or executive order, to close.

Capital Improvements: Any maintenance, repairs, extensions, upgrades, additions, replacements or overbuild to the Distribution Systems, including fiber, copper and new Permits or Pole Agreements for the Distribution Systems, all of which shall constitute a portion of the Leased Improvements and Leased Property to the extent provided in Section 10.2.

Capital Lease Obligations: With respect to any Person, means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

Cash: Cash and cash equivalents and all instruments evidencing the same or any right thereto and all proceeds thereof.

Change in Control: The occurrence of any of the following: (i) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of Tenant and its Subsidiaries, taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act); (ii) the adoption of a plan relating to the liquidation or dissolution of Tenant; (iii) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) becomes the Beneficial Owner, directly or indirectly, of fifty percent (50%) or more of the voting power of the Voting Stock of Tenant; or (iv) the first day on which a majority of the members of the board of directors of Tenant are not Continuing Directors.

Claims: As defined in Section 21.1.

Code: The Internal Revenue Code of 1986 and, to the extent applicable, the Treasury Regulations promulgated thereunder, each as amended from time to time.

Commencement Date: As defined in Section 1.3.

Communications Assets: With respect to an Affected Facility, the business operations conducted by Tenant and Tenant's Subsidiaries at such Affected Facility (including the license to operate as an incumbent local exchange carrier in the local exchange area where the Affected Facility is located, the Electronics and such other equipment owned by Tenant (or any of Tenant's Subsidiaries) located in the local exchange area and used in the operation of the Affected Facility (but excluding Shared Corporate Assets), any customer relationships that are served by the Affected Facility that Tenant or Tenant's Subsidiaries can no longer support as a result of the expiration or termination of the Term as to such Affected Facility (for the purposes of determining whether the Tenant can support a customer, Tenant will not be able to meet this standard by entering into an interconnection agreement with the Successor Tenant pursuant to which the Tenant obtains wholesale access that allows Tenant to re-sell the Affected Facility to a customer), all Tenant's Property relating to the Affected Facility, all TCI ILEC Extensions, and any TCI CLEC Extensions to the Affected Facility that Tenant elects to include as part of the Communication Assets to be sold to a Successor Tenant under Article XXXVI, and, if requested by the Successor Tenant, required by an applicable collective bargaining agreement or required by applicable law, all employees that are primarily dedicated to the support, maintenance or operation of the Affected Facility). For the avoidance of doubt, in no event shall Communications Assets include TCI Replacements or any Long Haul TCI.

Communications Assets FMV: As defined in Section 36.1(a).

Communication Assets Sale Agreement: As defined in Section 36.2(c)(i).

Communications Facility: A facility which provides voice, data, video and/or other communication services to business and consumers and/or such other services required to be performed or provided under the Communications Regulations in connection with the foregoing services consistent, with respect to a facility, with its current use or with prevailing communications industry use at any time (including all ancillary uses consistent with communications industry practice).

Communications License: Any license, permit, approval, finding of suitability or other authorization issued by a federal, state or local governmental entity or regulatory agency to operate, carry on or provide voice, data, video and/or other communication services to business and consumers on the Leased Property, or required by any Communications Regulation.

Communications Regulation(s): Any and all laws, statutes, ordinances, rules, regulations, policies, orders, codes, decrees or judgments, and Communications License conditions or restrictions, as amended from time to time, now or hereafter in effect or promulgated, pertaining to the operation, control, maintenance, Capital Improvement of a Communications Facility or the conduct of a person or entity holding a Communications License, including, without limitation, any requirements imposed by a regulatory agency, commission, board or other governmental body pursuant to the jurisdiction and authority granted to it under applicable law.

Competitor: As of the applicable date of determination, any Person engaged in any business activity then actively being conducted by Tenant or its Subsidiaries or any business that Tenant or any of its Subsidiaries has engaged in during the preceding one-year period within any state in which Tenant or any of its Subsidiaries is licensed as an incumbent local exchange carrier or competitive local exchange carrier. For the purpose of clarification, the business in which Tenant and its Subsidiaries is actively engaged includes (i) the provision of retail and wholesale voice, data, video and other communications services to customers of all types and regardless of method or technology used to provide all of these services including, without limitation, pursuant to wireline or wireless or as a reseller, agent, dealer, an interexchange carrier, a cable operator, a competitive access service provider, an incumbent local exchange carrier, a voice-over-internet protocol provider, mobile network operator, wireless service provider, wireless carrier, cellular company, mobile network carrier, microwave service provider or other provider, and (ii) the provision of local and long distance voice services, unified communication products and services, including MPLS networking and security offerings, network access, fiber transport, broadband products and data services, and digital or analog video programming or services. The term Competitor shall not include a company that derives ninety percent (90%) or more of its revenue from (i) the provision of data hosting and storage services, including without limitation colocation services, disaster recovery services and solutions, cloud computing services via private, public and hybrid cloud solutions or other cloud solutions, (ii) managed services solutions for data hosting, IT infrastructure, security, operating system and software application management or (iii) rent.

Condemnation: The exercise of any governmental power, whether by legal proceedings or otherwise, by a Condemnor or a voluntary sale or transfer by Landlord to any Condemnor, either under threat of condemnation or while legal proceedings for condemnation are pending.

Condemnor: Any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

Confidential Information: Any and all financial, technical, proprietary, confidential, and other information, including data, reports, interpretations, forecasts, analyses, compilations, studies, summaries, extracts, records, know-how, statements (written or oral) or other documents of any kind, that contain information concerning the business and affairs of a party or its affiliates, divisions and subsidiaries, which such party or its Related Persons provide to the other party or its Related Persons, whether furnished before or after the date of this Master Lease, and regardless of the manner in which it was furnished, and any material prepared by a party or its Related Persons, in whatever form maintained, containing, reflecting or based upon, in whole or in part, any such information; provided, however, that "Confidential Information" shall not include information which: (i) was or becomes generally available to the public other than as a result of a disclosure by the other party or its Related Persons in breach of this Master Lease; (ii) was or becomes available to the other party or its Related Persons on a non-confidential basis prior to its disclosure hereunder as evidenced by the written records of the other party or its Related Persons, provided that the source of the information is not bound by a confidentiality agreement or otherwise prohibited from transmitting such information by a contractual, legal or fiduciary duty; or (iii) was independently developed by the other party without the use of any Confidential Information, as evidenced by the written records of the other party.

Consolidated Adjusted EBITDA: For any period, Consolidated Adjusted Net Income for such period *plus*, without duplication:

(a) provision for taxes based on income or profits of Tenant and its Subsidiaries (or the Relevant Party and its Subsidiaries, as applicable) for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Adjusted Net Income; *plus*

(b) Interest Expense of Tenant and its Subsidiaries (or the Relevant Party and its Subsidiaries, as applicable) for such period, to the extent that such Interest Expense was deducted in computing such Consolidated Adjusted Net Income; *plus*

(c) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period), goodwill impairment charges and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of Tenant and its Subsidiaries (or the Relevant Party and its Subsidiaries, as applicable) for such period to the extent that such depreciation, amortization and other non-cash charges or expenses were deducted in computing such Consolidated Adjusted Net Income; *plus*

(d) the amount of any minority interest expense deducted in computing such Consolidated Adjusted Net Income; *plus*

(e) any non-cash compensation charge arising from any grant of stock, stock options or other equity-based awards, to the extent deducted in computing such Consolidated Adjusted Net Income; *plus*

(f) any non-cash Statement of Financial Accounting Standards No. 133 income (or loss) related to hedging activities, to the extent deducted in computing such Consolidated Adjusted Net Income; *minus*

(g) the amount of Rent under this Master Lease for such period, with the intent that such amount shall be treated as an operating expense for purposes of calculating Consolidated Adjusted EBITDA; *minus*

(h) non-cash items increasing such Consolidated Adjusted Net Income for such period, other than (i) the accrual of revenue consistent with past practice and (ii) the reversal in such period of an accrual of, or cash reserve for, cash expenses in a prior period, to the extent such accrual or reserve did not increase Consolidated Adjusted EBITDA in a prior period;

in each case determined in accordance with GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, the Interest Expense of, and the depreciation and amortization and other non-cash expenses of, a Subsidiary will be added to Consolidated Adjusted Net Income to compute Consolidated Adjusted EBITDA (A) in the same proportion that the Net Income of such Subsidiary was added to compute such Consolidated Adjusted Net Income and (B) only to the extent that a corresponding amount would be permitted, as of such determination date, to be dividended or distributed to Tenant (or the Relevant Party, as applicable) by such Subsidiary without direct or indirect restriction pursuant to the terms of its charter and all agreements and instruments applicable to such Subsidiary or its stockholders.

Consolidated Adjusted Net Income: For any period, the aggregate of the Net Income of Tenant and its Subsidiaries for such period (or the Relevant Party and its Subsidiaries, as applicable), determined in accordance with GAAP; provided that:

(a) the Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or distributions paid in cash to Tenant or its Subsidiary (or the Relevant Party or its Subsidiary, as applicable) during such period (and the net loss of any such Person will be included only to the extent that such loss is funded in cash by Tenant or its Subsidiaries (or the Relevant Party or its Subsidiaries, as applicable) during such period);

(b) the Net Income of the Subsidiaries will be excluded to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such Net Income is not, as of such date of determination, permitted directly or indirectly, by operation of the terms of its charter or any agreement or instrument applicable to such Subsidiary or its equityholders;

(c) the Net Income of any Person acquired during the specified period for any period prior to the date of such acquisition will be excluded; and

(d) the cumulative effect of a change in accounting principles will be excluded.

Consolidated Debt: As of any date, the principal amount of Indebtedness of Tenant and its Subsidiaries (or the Relevant Party and its Subsidiaries, as applicable) outstanding as of such date, determined on a consolidated basis; provided that, for purposes of this definition, the term "Indebtedness" will not include (i) contingent obligations of Tenant or its Subsidiaries (or the Relevant Party and its Subsidiaries, as applicable) as an account party or applicant in respect of any letter of credit or letter of guaranty, unless such letter of credit or letter of guaranty supports an obligation that constitutes Indebtedness of a Person other than Tenant or its Subsidiaries (or the Relevant Party or its Subsidiaries, as applicable), (ii) all net obligations of Tenant and its Subsidiaries (or the Relevant Party and its Subsidiaries, as applicable) under any Derivative Swap Agreement, (iii) any Earn-out Obligation or obligation in respect of purchase price adjustment in which the contingent consideration relating thereto is paid within fifteen (15) Business Days after the contingency relating thereto is resolved, (iv) any bonds or similar instruments in the nature of surety, performance, appeal or similar bonds and (v) the obligations of Tenant under this Master Lease.

Continuing Directors: As of any date of determination, any member of the board of directors of Tenant who: (i) was a member of such board of directors on the date hereof; or (ii) was nominated for election or elected to such board of directors with the approval of a majority of the Continuing Directors who were members of such board of directors at the time of such nomination or election.

CPI: The United States Department of Labor, Bureau of Labor Statistics Revised Consumer Price Index for All Urban Consumers (1982-84=100), U.S. City Average, All Items, or, if that index is not available at the time in question, the index designated by such Department as the successor to such index, and if there is no index so designated, an index for an area in the United States that most closely corresponds to the entire United States, published by such Department, or if none, by any other instrumentality of the United States.

CPI Increase: The product of (i) the CPI published for the beginning of each Lease Year, divided by (ii) the CPI published for the beginning of the first Lease Year. If the product is less than one, the CPI Increase shall be equal to one.

Credit Agreement: That certain Fifth Amended and Restated Credit Agreement, dated as of January 23, 2013 as amended by Amendment No. 1, dated as of August 23, 2013 and as further amended by Refinancing Amendment No. 1 dated as of December 6, 2013, by and among Win Corp (formerly known as Alltel Holding Corp.), the lenders party thereto and JP Morgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, and Bank of America, N.A., Barclays Bank PLC, Citibank, N.A., Cobank ACB, Goldman Sachs Bank USA, Morgan Stanley Senior Funding Inc., Royal Bank of Canada, The Royal Bank of Scotland plc, SunTrust Bank, Union Bank, N.A. and Wells Fargo Bank, N.A., as Co-Documentation Agents, as the same may be amended, restated, modified, renewed, replaced or refinanced from time to time.

Credit Agreement Agent: The “administrative agent” (or like term) under the Credit Agreement.

Credit Agreement Agent Trigger Event: As defined in Section 36.1(a).

Credit Agreement Payoff Amount: The amount of cash required to repay in full in cash the principal of and all accrued interest on all loans outstanding under the Credit Agreement, to cash collateralize all letters of credit outstanding under the Credit Agreement and to pay in full in cash all other obligations outstanding under the Credit Agreement (other than contingent obligations for which no claim has been made) substantially simultaneously with the consummation of the transfer of the applicable Communication Assets.

CS&L National: As defined in the preamble.

CS&L Parent: As defined in the recitals.

Date of Taking: The date the Condemnor has the right to possession of the property being condemned.

Debt Agreement: One or more (A) debt facilities or commercial paper facilities, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to lenders or to special purpose entities formed to borrow from lenders against such receivables) or letters of credit, (B) debt securities, indentures or other forms of debt financing (including convertible or exchangeable debt instruments or bank guarantees or bankers’ acceptances), or (C) instruments or agreements evidencing any other indebtedness, in each case, with the same or different borrowers or issuers and, in each case, (i) entered into from time to time by Tenant and/or its Affiliates, (ii) as amended, supplemented, modified, extended, restructured, renewed, refinanced, restated, replaced or refunded in whole or in part from time to time, and (iii) which may be secured by assets of Tenant and Tenant’s Subsidiaries, including, but not limited to, their Cash, Accounts, Tenant’s Property, real property and leasehold estates in real property (including this Master Lease).

Derivative Swap Agreement: Any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Tenant or its Subsidiaries shall be a Derivative Swap Agreement.

Determination Date: As defined in Section 13.9(c).

Discretionary COC Transferee: A transferee that meets all of the following requirements: (a) such transferee has (1) at least five (5) years of experience (directly or through one or more of its Subsidiaries) operating Communications Facilities with average annual revenues of at least $500,000,000.00 for five of the immediately preceding ten year period (or retains a manager with such qualifications, which shall not be replaced other than in accordance

with Article XXII hereof), or (2) entered into agreement(s) to retain for a period of eighteen (18) months (or more) after the effective time of the transfer at least (i) sixty percent (60%) of Tenant and Tenant's Subsidiaries' personnel employed at the Facilities and (ii) sixty percent (60%) of Tenant's and Tenant's Subsidiaries' ten most highly compensated corporate employees as of the date of the relevant agreement to transfer based on total compensation determined in accordance with Item 402 of Regulation S-K of the Exchange Act pursuant to which such personnel shall receive (x) a base salary or hourly wage rate and cash commission and target cash bonus opportunity and target cash equity opportunity that are substantially similar in the aggregate, to those provided to such personnel of Tenant and its Subsidiaries immediately prior to the date of the transfer and (y) severance benefits for a period of eighteen (18) months following the date of the transfer which are comparable to the severance plan in effect for such personnel immediately prior to the date of such transfer; (b) such transferee (directly or through one or more of its Subsidiaries) is licensed or certified by each applicable authority with jurisdiction over any portion of the Leased Property as of the date of any proposed assignment or transfer to such entity (or will be so licensed upon its assumption of the Master Lease) in order to operate the Leased Property for the Primary Intended Use; (c) such transferee is Solvent and if such transferee has a Parent Company, the Parent Company of such transferee is Solvent, in each case before and after giving effect to the proposed transaction and (d) (x) the Parent Company of such transferee or, if such transferee does not have a Parent Company, such transferee, has sufficient assets so that, after giving effect to its assumption of Tenant's obligations hereunder or the applicable assignment (including pursuant to a Change in Control under Section 22.2(iii)(x) or Section 22.2(iii)(y), its Leverage Ratio in accordance with GAAP does not exceed 5.50 to 1.0 based on projected earnings, after giving effect to the proposed transaction, and calculated as of the consummation date of the proposed transaction or (y) an entity that has an investment grade credit rating from a nationally recognized rating agency with respect to such entity's long term, unsecured debt has provided a Lease Guaranty.

Discretionary Transferee: A transferee that meets all of the following requirements: (a) such transferee has at least five (5) years of experience (directly or through one or more of its Subsidiaries) operating Communications Facilities with average annual revenues equaling or exceeding the lesser of (x) $500,000,000 and (y) fifty percent (50%) of the prior calendar year revenues derived from the Affected Facility for five of the immediately preceding ten year period; (b) such transferee (directly or through one or more of its Subsidiaries) is licensed or certified by each applicable authority with jurisdiction over any portion of the Leased Property as of the date of any proposed assignment or transfer to such entity (or will be so licensed upon its assumption of the Master Lease) in order to operate the Leased Property for the Primary Intended Use; (c) such transferee is Solvent, and, other than in the case of a Permitted Leasehold Mortgagee Foreclosing Party, if such transferee has a Parent Company, the Parent Company of such transferee is Solvent, in each case before and after giving effect to the proposed transaction and (d) (i) other than in the case of a Permitted Leasehold Mortgagee Foreclosing Party, (x) the Parent Company of such transferee or, if such transferee does not have a Parent Company, such transferee, has sufficient assets so that, after giving effect to its assumption of Tenant's obligations hereunder or the applicable assignment (including pursuant to a Change in Control under Section 22.2(iii)(x) or Section 22.2(iii)(y), its Leverage Ratio in accordance with GAAP does not exceed 5.50 to 1.0 based on projected earnings and after giving effect to the proposed transaction or (y) an entity that has an investment grade credit rating from a nationally recognized rating agency with respect to such entity's long term, unsecured debt has

provided a Lease Guaranty, or (ii) in the case of a Permitted Leasehold Mortgagee Foreclosing Party, (x) Tenant's Leverage Ratio does not exceed 5.50 to 1.0 based on projected earnings and after giving effect to the proposed transaction or (y) an entity that has an investment grade credit rating from a nationally recognized rating agency with respect to such entity's long term, unsecured debt has provided a Lease Guaranty.

Dispute: As defined in Section 41.15.

Distribution Agreement: As defined in Recital B.

Distribution Agreement Ancillary Documents: The Transition Services Agreement, the Tax Matters Agreement, and the Employee Matters Agreement, the Intellectual Property Matters Agreement, the Wholesale Reseller Agreement, and the ancillary transfer and assignment agreements (including the Assignment Agreement), each dated as of the date of the Distribution Agreement and entered into by Tenant, Win Corp, CS&L and/or their applicable Affiliates or Subsidiaries.

Distribution Systems: As defined in Section 1.1(d).

"Dollars" and "$": shall mean the lawful money of the United States.

Earn-out Obligation: Any contingent consideration based on the future operating performance of an acquired entity or assets, or other purchase price adjustment or indemnification obligation, payable following the consummation of an acquisition (including pursuant to a merger or consolidation) based on criteria set forth in the documentation governing or relating to such acquisition.

Easements: All easements (whether express or prescriptive) or similar agreements (such as railroad crossing agreements, leases of conduits and IRUs) affecting the Leased Property, including, but not limited to, the easement rights, interests to rights-of-way, railroad crossing agreements, leases of conduits and IRUs assigned to Landlord under the Assignment Agreement which provide Landlord with the right to access and use the Leased Property (or any portion thereof) where the Distribution Systems are installed or located and the easements entered into by Landlord in connection with Capital Improvements made by Tenant pursuant to the terms of Section 10.2.

Electronics: Any and all electronics that process, compress, modify and route signals along the Distribution Systems that are used in connection with the Leased Property, including, but not limited to, digital subscriber line access multiplexers, digital loop carriers, routers, wave division multiplexers and switches.

Encumbrance: Any mortgage, deed of trust, lien, encumbrance or other matter affecting title to any of the Leased Property, or any portion thereof or interest therein.

Engineering Standard: The engineering standards and methods of Tenant in effect as of the date hereof for the performance of any Capital Improvements, as the same may be modified from time in accordance with the terms hereof.

Environmental Costs: As defined in Section 32.4.

Environmental Laws: Any and all federal, state, municipal and local laws, statutes, ordinances, rules, regulations, guidances, policies, orders, decrees or judgments, whether statutory or common law, as amended from time to time, now or hereafter in effect, or promulgated, pertaining to the environment, public health and safety and industrial hygiene, including the use, generation, manufacture, production, storage, release, discharge, disposal, handling, treatment, removal, decontamination, cleanup, transportation or regulation of any Hazardous Substance, including the Industrial Site Recovery Act, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act and the Occupational Safety and Health Act.

Equity Interests: With respect to any Person, any shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest but excluding any debt security that is convertible into, or exchangeable for, any of the foregoing.

Escalated Rent: For the applicable Lease Year, an amount equal to 100.5% of the Rent as of the end of the immediately preceding Lease Year.

Event of Default: As defined in Section 16.1.

Exchange Act: The Securities Exchange Act of 1934, as amended, and the rules of the SEC.

Excluded Assets: As defined in the Distribution Agreement.

Expert: An independent third party professional, with expertise in respect of a matter at issue, appointed in accordance with Article XXXIV hereof.

Extension of the Distribution Systems to a New Geographic Area: The construction of fiber or copper distribution facilities to a new residential subdivision. A new residential subdivision shall be determined in accordance with Tenant’s engineering operating procedures for documenting and identifying residential subdivisions in effect as of the execution date of this Master Lease.

Facilit(y)(ies): As defined in Recital C.

Facility Mortgage: As defined in Section 13.1.

Facility Mortgage Documents: With respect to each Facility Mortgage and Facility Mortgagee, the applicable Facility Mortgage, loan agreement, debt agreement, credit agreement or indenture, lease, note, collateral assignment instruments, guarantees, indemnity agreements and other documents or instruments evidencing, securing or otherwise relating to the loan made, credit extended, or lease or other financing vehicle entered into pursuant thereto.

Facility Mortgagee: As defined in Section 13.1.

Fair Market Rental: The fair market rental value calculated in accordance with the provisions of Exhibit E.

Fair Market Value: A price that would be paid in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy.

Final Lease Expiration: As defined in Section 36.1(a).

Financial Officer: With respect to any Person, the chief financial officer, principal accounting officer, treasurer or controller of such Person.

Financial Statements: As defined in Section 23.1(b).

Fiscal Quarter: A fiscal quarter of Tenant.

Fiscal Year: The fiscal year of Tenant.

Foreclosure Assignment: As defined in Section 22.2(iii)(z).

Foreclosure COC: As defined in Section 22.2(iii)(z).

Foreclosure Purchaser: As defined in Section 31.1.

Funding Commitment: An amount not to exceed $50,000,000 per annum for a maximum period of five (5) years as provided in Section 10.2(b), but in no event to extend beyond the calendar day immediately preceding the seventh (7th) anniversary of the Commencement Date.

GAAP: Generally accepted accounting principles in effect as of the execution date of this Master Lease. For the avoidance of doubt, all matters that are required to be determined in accordance with GAAP under this Master Lease shall be determined on a consolidated, pro forma basis, and with GAAP being consistently applied.

Guarantee: Any obligation, contingent or otherwise, of or by any Person guaranteeing ("**guarantor**") or having the economic effect of guaranteeing any Indebtedness of any other Person (the "**primary obligor**") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness; provided that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business; and provided, further,

that the amount of any Guarantee shall be deemed to be the lower of (i) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made and (ii) the maximum amount for which such guarantor may be liable pursuant to the terms of the instrument embodying such Guarantee or, if such Guarantee is not an unconditional guarantee of the entire amount of the primary obligation and such maximum amount is not stated or determinable, the amount of such guarantor's maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

Guarantor: Any entity that guaranties the payment or collection of all or any portion of the amounts payable by Tenant, or the performance by Tenant of all or any of its obligations, under this Master Lease which is consented to by Landlord in connection with a Transfer of Leased Property pursuant to Article XXII.

Handling: As defined in Section 32.4.

Hazardous Substances: Collectively, any petroleum, petroleum product or by product or any substance, material or waste regulated or listed pursuant to any Environmental Law.

ILEC Territory: A geographic area where Tenant or its Subsidiaries are licensed as an incumbent local exchange carrier.

Impartial Appraiser: As defined in Section 13.2.

Impositions: Collectively, all taxes, including franchise, margin and other state taxes of Landlord, ad valorem, sales, use, single business, gross receipts, transaction privilege, rent or similar taxes; assessments including assessments for public improvements or benefits, whether or not commenced or completed prior to the date hereof and whether or not to be completed within the Term; ground rents (pursuant to Permits); water, sewer and other utility levies and charges; fees and charges in respect of any Easements, Permits and Pole Agreements, excise tax levies; fees including license, permit, inspection, authorization and similar fees; and all other regulatory or governmental charges, in each case whether general or special, ordinary or extraordinary, or foreseen or unforeseen, of every character in respect of the Leased Property and/or the Rent and Additional Charges and all interest and penalties thereon attributable to any failure in payment by Tenant (other than failures arising from the acts or omissions of Landlord) which at any time prior to, during or in respect of the Term hereof may be assessed or imposed on or in respect of or be a Lien upon (i) Landlord or Landlord's interest in the Leased Property, (ii) the Leased Property or any part thereof or any rent therefrom or any estate, right, title or interest therein, or (iii) any occupancy, operation, use or possession of, or sales from or activity conducted on or in connection with the Leased Property or the leasing or use of the Leased Property or any part thereof; provided, however, that nothing contained in this Master Lease shall be construed to require Tenant to pay (a) any tax based on net income (whether denominated as a franchise or capital stock or other tax) other than property taxes imposed on Landlord or any other Person, (b) any transfer, or net revenue tax of Landlord or any other Person except Tenant and its successors, (c) any tax imposed with respect to the sale, exchange or other disposition by Landlord of any Leased Property or the proceeds thereof, (d) any principal or interest on any indebtedness on or secured by the Leased Property owed to a Facility Mortgagee for which Landlord or its Subsidiaries is the obligor, (e) any franchise tax based upon the capital stock of Landlord, its Subsidiaries or CS&L Parent, or (f) any regulatory fee due to regulatory authorizations held in Landlord's name.

Indebtedness: With respect to any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding accrued obligations or trade payables, in each case incurred in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing unconditional right to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guarantees by such Person of Indebtedness of others, (g) all Capital Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (i) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances, and (j) all net obligations of such Person under any Derivative Swap Agreements. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. The amount of any Indebtedness outstanding as of any date will be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation, and will be: (1) the accreted value thereof, in the case of any Indebtedness issued with original issue discount; and (2) the principal amount thereof, together with any interest thereon that is more than thirty (30) days past due, in the case of any other Indebtedness.

Initial Appraisal Period: As defined in Section 41.14(a).

Initial Extension Notice: As defined in Section 1.3.

Initial Extension Right: As defined in Section 1.3.

Initial Term: As defined in Section 1.3.

Initial Valuation Period: As defined in Section 34.1(a).

Insurance Requirements: The terms of any insurance policy required by this Master Lease and all requirements of the issuer of any such policy and of any insurance board, association, organization or company necessary for the maintenance of any such policy.

Interest Expense: With respect to any specified Person for any period, the sum, without duplication, of:

(a) the consolidated interest expense of such Person and its Subsidiaries for such period, whether paid or accrued, including, without limitation, original issue discount, non-cash

interest payments, the interest component of any deferred payment obligations, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Derivative Swap Agreements, but excluding the amortization or write-off of debt issuance costs; *plus*

(b) the consolidated interest of such Person and its Subsidiaries that was capitalized during such period; *plus*

(c) any interest expense on Indebtedness of another Person that is Guaranteed by such Person or one of its subsidiaries or secured by a Lien on assets of such Person or one of its Subsidiaries, whether or not such Guarantee or Lien is called upon;

in each case determined in accordance with GAAP.

Investment Fund: A bona fide private equity fund or bona fide investment vehicle arranged by and managed by or controlled by, or under common control with, a private equity fund (excluding any private equity fund investment vehicle the primary assets of which are Tenant and its Subsidiaries and/or this Master Lease and assets related thereto) that is engaged in making, purchasing, funding or otherwise or investing in a diversified portfolio of businesses and companies and is organized primarily for the purpose of making equity investments in companies.

IRU: An indefeasible right of use.

Land: As defined in Section 1.1(a).

Landlord: As defined in the preamble.

Landlord Representatives: As defined in Section 23.3(b).

Landlord Tax Returns: As defined in Section 4.1(b).

Lease Guaranty: A guaranty in form and substance reasonably satisfactory to Landlord executed by a Guarantor in favor of Landlord (as the same may be amended, supplemented or replaced from time to time) pursuant to which such Guarantor agrees to guaranty all of the obligations of Tenant hereunder in connection with a Transfer of Leased Property pursuant to Article XXII.

Lease Termination Notice: As defined in Section 36.1(a).

Lease Year: The first Lease Year for each Facility shall be the period commencing on the Commencement Date and ending on the last day of the calendar month in which the first (1st) anniversary of the Commencement Date occurs, and each subsequent Lease Year for each Facility shall be each period of twelve (12) full calendar months after the last day of the prior Lease Year.

Leased Improvements: As defined in Section 1.1(b).

Leased Property: As defined in Section 1.1.

Leasehold Estate: As defined in Section 17.1(a).

Legal Requirements: All federal, state, county, municipal and other governmental statutes, laws, rules, policies, guidance, codes, orders, regulations, ordinances, permits, licenses, covenants, conditions, restrictions, judgments, decrees and injunctions (including common law, Communications Regulations and Environmental Laws) affecting either the Leased Property, Tenant's Property, all Capital Improvements or the construction, use or alteration thereof, whether now or hereafter enacted and in force, including any which may (i) require repairs, modifications or alterations in or to the Leased Property and Tenant's Property, (ii) in any way adversely affect the use and enjoyment thereof, or (iii) regulate the transport, handling, use, storage or disposal or require the cleanup or other treatment of any Hazardous Substance.

Leverage Ratio. On any date of determination, the ratio of (a) Consolidated Debt as of such day to (b) Consolidated Adjusted EBITDA to be determined as follows: (x) with respect to Tenant, for the period of four consecutive Fiscal Quarters ended on such day (or if such day is not the last day of a Fiscal Quarter, ended on the last day of the Fiscal Quarter most recently ended for which Financial Statements have been delivered or were required to be delivered pursuant to Section 23.1(b)(i) or Section 23.1(b)(ii) before such day) and (y) with respect to a Relevant Party, for the Test Period most recently ended prior to the date for which financial statements are available. For purposes of calculating the Leverage Ratio, Consolidated Adjusted EBITDA shall be calculated on a pro forma basis (and shall be calculated, except for pro forma adjustments reasonably contemplated by the potential transferee which may be included in such calculations, otherwise in accordance with Regulation S-X under the Securities Act) to give effect to any material acquisitions and material asset sales consummated by the Relevant Party and its Subsidiaries since the beginning of any Test Period of the Relevant Party as if each such material acquisition had been effected on the first day of such Test Period and as if each such material asset sale had been consummated on the day prior to the first day of such period. In addition, for the avoidance of doubt, (i) if the Relevant Party or any Subsidiary of the Relevant Party has incurred any Indebtedness or repaid, repurchased, acquired, defeased or otherwise discharged any Indebtedness since the end of the most recent Test Period for which financial statements are available, Consolidated Debt shall be calculated (for purposes of this definition) after giving effect on a pro forma basis to such incurrence, repayment, repurchase, acquisition, defeasance or discharge and the applications of any proceeds thereof as if it had occurred prior to the first day of such Test Period, (ii) the Leverage Ratio shall give pro forma effect to the transactions whereby the applicable Discretionary COC Transferee or Discretionary Transferee becomes party to the Master Lease or the Change in Control transactions permitted under Section 22.2(iii); and (iii) with respect to a Discretionary COC Transferee, the Leverage Ratio shall include the Consolidated Debt and Consolidated Adjusted EBITDA of Tenant and its Subsidiaries for the relevant period.

Lien: With respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, Encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

Long Haul Fiber Route: A point to point fiber route designed to be part of Tenant's long haul fiber network that is constructed between a central office located within an ILEC Territory and a Metropolitan Statistical Area located outside of the ILEC Territory where the central office is located. Tenant will provide documentation reasonably acceptable to Landlord to substantiate compliance with this definition prior to construction of the Long Haul Fiber Route. Within an ILEC Territory, any extensions constructed from a Long Haul Fiber Route to a location within the ILEC Territory, including direct connections to customer service locations or a direct connection between (2) central offices within the same ILEC Territory, shall be designated as a TCI Replacement. Within an ILEC Territory, a direct connection from a Long Haul Fiber Route to any single central office within the ILEC Territory shall be considered Long Haul TCI and not a TCI Replacement.

Long Haul TCI: As defined in Section 10.2(e).

Management Agreement: As defined in Section 36.3(b).

Master Lease: As defined in the preamble.

Material Indebtedness: Indebtedness of any one or more of Tenant and Tenant's Subsidiaries in an aggregate principal amount exceeding $75,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of Tenant or any of Tenant's Subsidiaries in respect of any Derivative Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that Tenant or its Subsidiary would be required to pay if such Derivative Swap Agreement were terminated at such time.

Material Portion: As defined in Section 22.3.

Maximum Expected Annual Aggregate Loss: As defined in Section 13.9(c).

Maximum Foreseeable Loss: As defined in Section 13.2.

Metropolitan Statistical Area: A geographical region with a relatively high population density at its core, as delineated by the United States Office of Management and Budget.

Monthly Report: As defined in Section 3.3(b).

Negotiated Communications Assets FMV: As defined in Section 36.1(a).

Net Income: With respect to any specified Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however:

(a) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with: (i) any sale of assets outside the ordinary course of business of such Person or any of its Subsidiaries; or (ii) the disposition of any securities by such Person or any of its Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Subsidiaries; and

(b) any extraordinary or non-recurring gain, loss, expense or charge, together with any related provision for taxes; provided that non-recurring cash charges shall not exceed $100,000,000 in any period of four consecutive Fiscal Quarters.

New Lease: As defined in Section 17.1(f).

Non-Renewal Event: As defined in Section 36.1(a).

Non-Renewal Leased Property: As defined in Section 1.4.

Notice: A notice given in accordance with Article XXXV.

Notice of Termination: As defined in Section 17.1(f).

OFAC: As defined in Section 39.1.

Officer's Certificate: A certificate of Tenant or Landlord, as the case may be, signed by an officer of such party authorized to so sign by resolution of its board of directors or by its sole member or by the terms of its by-laws or operating agreement, as applicable.

Outside Date: As defined in Section 10.2(b).

Overdue Rate: On any date, a rate equal to five (5) percentage points above the Prime Rate, but in no event greater than the maximum rate then permitted under applicable law.

Parent Company: With respect to any Discretionary COC Transferee or Discretionary Transferee, any Person (other than an Investment Fund) (x) as to which such Discretionary COC Transferee or Discretionary Transferee, as applicable, is a Subsidiary; and (y) which is not a Subsidiary of any other Person (other than an Investment Fund).

Payment Date: Any due date for the payment of the installments of Rent or any other sums payable under this Master Lease.

Permits: All permits, franchises, licenses or similar agreements required for the provision, routing and operation of voice, data and/or other communication services to business and consumers on the Leased Property, including, but not limited to, permits, franchises, licenses or similar agreements granted by governmental authorities (including permits from highway departments and state and county agencies, franchise and right-of-way license agreements with local governments and permits from the Bureau of Land Management) assigned to Landlord pursuant to the Assignment Agreement which provide Landlord with the right to access and use public rights of way where the Distribution Systems are installed or located.

Permitted Leasehold Mortgage: A document creating or evidencing an Encumbrance on Tenant's leasehold interest (or a subtenant's subleasehold interest) in the Leased Property, granted to or for the benefit of a Permitted Leasehold Mortgagee as security for the obligations under a Debt Agreement.

Permitted Leasehold Mortgagee: The lender or agent or trustee or similar representative on behalf of one or more lenders or noteholders or other investors under a Debt Agreement, in each case as and to the extent such Person has the power to act on behalf of all lenders under such Debt Agreement pursuant to the terms thereof; provided such lender, agent or trustee or similar representative (but not necessarily the lenders, noteholders or other investors which it represents) is a banking institution in the business of generally acting as a lender, agent or trustee or similar representative (in each case, on behalf of a group of lenders) under debt agreements or instruments similar to the Debt Agreement.

Permitted Leasehold Mortgagee Designee: An entity designated by a Permitted Leasehold Mortgagee and acting for the benefit of the Permitted Leasehold Mortgagee, or the lenders, noteholders or investors represented by the Permitted Leasehold Mortgagee.

Permitted Leasehold Mortgagee Foreclosing Party: A Permitted Leasehold Mortgagee that forecloses on this Master Lease and assumes this Master Lease or a Subsidiary of a Permitted Leasehold Mortgagee that assumes this Master Lease in connection with a foreclosure on this Master Lease by a Permitted Leasehold Mortgagee.

Person or person: Any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

Pole Agreements: All pole attachment agreements or similar arrangements with third parties that either own the poles to which the Distribution Systems are affixed or that attach their lines to the poles that constitute part of the Leased Property, including, but not limited to, all pole attachment agreements and similar arrangements with third parties assigned to Landlord pursuant to the Assignment Agreement which provide Landlord with the right to access and use telephone or utility poles, conduits or similar facilities where the Distribution Systems are installed or located.

Preferred Stock: With respect to any Person, any Equity Interests in such Person that have preferential rights to any other Equity Interests in such Person with respect to dividends or redemptions upon liquidation.

Primary Intended Use: The provision, routing and delivery of voice, data, video, data center, cloud computing and other communication services to businesses, consumers and other users of communication services (including governmental entities, schools, libraries and non-profit entities), the colocation activities in the data center space, the provision of dark or dim fiber services to third parties and/or such other services and uses required to be or customarily performed or provided under the Communications Regulations in connection with the foregoing uses consistent, with respect to each Facility, with its current use as of the Commencement Date or with prevailing communications industry use at any time (including all ancillary uses consistent with communications industry practice).

Prime Rate: On any date, a rate equal to the annual rate on such date publicly announced by JPMorgan Chase Bank, N.A. (provided that if JPMorgan Chase Bank, N.A. ceases to publish such rate, the Prime Rate shall be determined according to the Prime Rate of another nationally known money center bank reasonably selected by Landlord), to be its prime rate for ninety (90)-day unsecured loans to its corporate borrowers of the highest credit standing, but in no event greater than the maximum rate then permitted under applicable law.

Probable Maximum Loss: The value of the largest monetary loss within one area that may be expected to result from a single fire, assuming the normal functioning of passive protective features and proper functioning of most active suppression systems.

Proceeding: As defined in Section 23.1(b)(vi).

Prohibited Persons: As defined in Section 39.1.

Prudent Industry Practice: The standard of operating and maintenance practices, at any particular time, methods and acts, which, in light of the relevant facts, is generally engaged in or approved by a significant portion of the owners of distribution systems that are similar to the Distribution Systems, which could have been expected to accomplish the desired result consistent with good business practices, reliability and safety.

Qualified Communications Assets Bid: As defined in Section 36.2(c)(ii).

Qualified Successor Tenant: As defined in Section 36.2(a).

Qualified Third Party Auctioneer: An independent auction agent of national reputation experienced in conducting auctions of assets similar to the Communication Assets.

Regulation S-X: Regulation S-X promulgated by the SEC under the Securities Act.

Related Persons: With respect to a party, such party’s affiliates, divisions and subsidiaries and the directors, officers, employees, agents, advisors and controlling persons of such party and its affiliates, divisions and subsidiaries.

Relevant Party: The Discretionary COC Transferee, the Discretionary Transferee, the Parent Company of the Discretionary COC Transferee, the Parent Company of the Discretionary Transferee or the Permitted Leasehold Mortgagee Foreclosing Party, as applicable.

Renewal Election Outside Date: As defined in Section 1.4(a).

Renewal Leased Property: As defined in Section 1.4(a).

Renewal Notice: As defined in Section 1.4(a).

Renewal Rent:

(A) For the first year of each Renewal Term, an annual amount equal to the Rent for the Renewal Leased Properties for the applicable Renewal Term which shall be determined in accordance with Section 1.4(b) or Section 41.14, as applicable.

(B) Commencing with the second (2nd) Lease Year of any Renewal Term and continuing each Lease Year thereafter during such Renewal Term, the Renewal Rent shall increase to an annual amount equal to the Escalated Rent.

(C) For purposes of the Appraiser's determination of Renewal Rent under Section 41.14, the determination shall be equal to the Fair Market Rental for each Facility based on an approach consistent with Exhibit E.

Renewal Term: A period for which the Term is renewed in accordance with Section 1.4.

Rent:

(A) During the Initial Term, an annual amount equal to [six hundred fifty million and 00/100 Dollars ($650,000,000)][1]; provided, however, that commencing with the fourth (4th) Lease Year and continuing each Lease Year thereafter during the Initial Term, the Rent shall increase to an annual amount equal to the Escalated Rent; provided further that any funding provided by Landlord to Tenant for Capital Improvements pursuant to Section 10.2 shall be subject to an annual escalation of 0.5%.

(B) During any Renewal Term, the Rent shall be an annual amount as determined in accordance with Section 1.4(b) or Section 41.14, as applicable.

(C) As applicable during the Term, Rent shall be increased pursuant to Section 10.2 (which increases shall be subject to the escalations provided in clause (A) above or clause (B) in the definition of "Renewal Rent", as applicable).

Representative: With respect to the lenders or holders under a Debt Agreement, a Person designated as agent or trustee or a Person acting in a similar capacity or as representative for such lenders or holders.

Request: As defined in Section 41.15.

Requested Funding Amount: As defined in Section 10.2(a).

SEC: The United States Securities and Exchange Commission.

1 The $650,000,000 annual rent reflects the current estimate of the rent for the Initial Term. The final amount will be determined following receipt of the final appraisal of the Leased Property.

Securities Act: The Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

Selection Period: As defined in Section 36.2(c)(ii).

Shared Corporate Assets: Facilities or other assets used to provide or perform shared corporate services for the operation of Tenant or its Subsidiaries including general and administrative functions, network operations support centers, network monitoring centers, or network control centers, customer service or repair centers, warehouses for inventory or spare equipment, and any video equipment in which twenty-five percent (25%) or more of the equipment's function is to deliver video content outside of the service area of the Affected Facility.

Solvent: With respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person, on a going-concern basis, is greater than the total amount of liabilities (including contingent liabilities) of such Person, (b) the present fair salable value of the assets of such Person, on a going-concern basis, is not less than the amount that will be required to pay the probable liability of such Person on its debts (including contingent liabilities) as they become absolute and matured, (c) such Person has not incurred, and does not intend to, and does not believe that it will, incur, debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital and (e) such Person is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability shall be computed as the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Accounting Standards Codification No. 450).

Specified Sublease: Any lease in effect on the Commencement Date constituting part of the Leased Property with respect to which Tenant is a sublessor, substantially as in effect on the Commencement Date.

State: With respect to each Facility, the state or commonwealth in which such Facility is located.

Subsidiary: With respect to any Person (the "**parent**") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests are, as of such date, owned, controlled or held. Unless otherwise qualified, all references to a "**Subsidiary**" or to "**Subsidiaries**" in this Master Lease shall refer to a Subsidiary or Subsidiaries of Tenant.

Successor Tenant: As defined in Section 36.1(a).

Successor Tenant Rent:

(A) The Rent that Landlord would be entitled to receive from the Successor Tenant for the first year of a new master lease assuming a lease term of ten (10) years as determined in accordance with Section 1.4(b) or Section 36.2, as applicable, and which master lease shall be consistent with the terms described in Section 36.2(a).

(B) Commencing with the second (2nd) lease year of the term of the new master lease and continuing each lease year thereafter during such term, the Successor Tenant Rent shall increase to an amount equal to the Escalated Rent.

(C) For purposes of the Appraiser's determination of Successor Tenant Rent under Section 41.14, to the extent consistent with sound appraisal practice as then existing at the time the appraisal is being performed, the determination shall be equal to the Fair Market Rental based on an approach consistent with Exhibit E.

SVP Representative: With respect to a Person, the senior vice president of such Person or such other similar officer of such Person.

Taking: As defined in Section 15.1(a).

TCI CLEC Extension: As defined in Section 10.2(c).

TCI ILEC Extension: As defined in Section 10.2(c).

TCI Replacement: As defined in Section 10.2(c).

Tenant: As defined in the preamble.

Tenant Capital Improvement: As defined in Section 10.2(c).

Tenant COC: As defined in Section 22.2(iii)(x).

Tenant Representatives: As defined in Section 23.3(c).

Tenant's Property: With respect to each Facility, all assets (including the Electronics, switching and equipment but specifically excluding the Leased Property and property owned by a third party) primarily related to or used in connection with the operation of the business conducted on or about the Leased Property, together with all replacements, modifications, additions, alterations and substitutes therefor.

Term: As defined in Section 1.3.

Termination Notice: As defined in Section 17.1(d).

Test Period: With respect to any Person, for any date of determination, the period of the four (4) most recently ended consecutive fiscal quarters of such Person.

Third Appraiser: As defined in Section 41.14(b).

Third Expert: As defined in Section 34.1(b).

Transfer: As defined in Section 22.1.

Unavoidable Delay: Delays due to strikes, lock-outs, inability to procure materials, power failure, acts of God, governmental restrictions, enemy action, civil commotion, fire, unavoidable casualty or other causes beyond the reasonable control of the party responsible for performing an obligation hereunder; provided that lack of funds shall not be deemed a cause beyond the reasonable control of a party unless such lack of funds is caused by the breach of the other party's obligation to perform any obligations of such other party under this Master Lease.

Valuation Period: As defined in Section 34.1(b).

Valuation Request Notice: As defined in Section 13.2.

Voting Stock: With respect to any Person as of any date, the Equity Interests in such Person that are ordinarily entitled to vote in the election of the board of directors of such Person.

VP Representative: With respect to a Person, the vice president of such Person or such other similar officer of such Person.

Win Corp: As defined in Recital B.

ARTICLE III

3.1 Rent. During the Term, Tenant will pay to Landlord (or as otherwise directed by Landlord pursuant to Section 3.3 or as otherwise provided in Sections 4.1 and 4.2) the Rent and Additional Charges in lawful money of the United States of America and legal tender for the payment of public and private debts, in the manner provided in Section 3.3. The Rent during any Lease Year is payable in advance in consecutive monthly installments on the fifth (5^{th}) Business Day of each calendar month during that Lease Year. Unless otherwise agreed by the parties, Rent and Additional Charges shall be prorated as to any partial months at the beginning and end of the Term.

3.2 Late Payment of Rent and Additional Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent and Additional Charges will cause Landlord to incur costs not contemplated hereunder, the exact amount of which is presently anticipated to be extremely difficult to ascertain. Accordingly, if any installment of Rent and Additional Charges (other than Additional Charges payable to a Person other than Landlord) shall not be paid within ten (10) days after its due date, Tenant will pay Landlord on demand a late charge equal to the lesser of (a) five percent (5%) of the amount of such installment or (b) the maximum amount permitted by law. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant. The parties further agree that such late charge is an Additional Charge and not interest and such assessment does not constitute a lender or borrower/creditor relationship between Landlord and Tenant. Thereafter, if

any installment of Rent or an Additional Charge (other than Additional Charges payable to a Person other than Landlord) shall not be paid within fifteen (15) days after its due date, the amount unpaid, including any late charges previously accrued, shall bear interest at the Overdue Rate from the due date of such installment to the date of payment thereof, and Tenant shall pay such interest to Landlord on demand. The payment of such late charge or such interest shall not constitute waiver of, nor excuse or cure, any default under this Master Lease, nor prevent Landlord from exercising any other rights and remedies available to Landlord.

3.3 Method of Payment of Rent and Additional Charges to Landlord.

(a) Rent and Additional Charges to be paid to Landlord shall be paid by electronic funds transfer debit transactions through wire transfer of immediately available funds and shall be initiated by Tenant for settlement on or before the Payment Date; provided, however, if the Payment Date is not a Business Day, then settlement shall be made on the next succeeding day which is a Business Day. Landlord shall provide Tenant with appropriate wire transfer information in a Notice from Landlord to Tenant. Landlord shall deliver an invoice to Tenant (each an "**Additional Charge Invoice**") no later than twenty (20) days after the end of each calendar month which itemizes the Additional Charges that Tenant is obligated to pay to Landlord. Promptly following Tenant's request, Landlord shall provide such documentation as reasonably requested by Tenant to enable Tenant to verify the accuracy of the Additional Charges set forth on the Additional Charge Invoice. Subject to Section 3.3(b) and Article XII relating to permitted contests, Tenant shall pay all Additional Charges to Landlord (or to such other person directed by Landlord) within thirty (30) days after Landlord delivers the Additional Charge Invoice therefor.

(b) No later than fifteen (15) days after the end of each calendar month, Tenant shall deliver to Landlord a report (each a "**Monthly Report**") setting forth all Additional Charges paid by Tenant during the immediately preceding calendar month. Landlord shall reasonably cooperate with Tenant in the preparation of such Monthly Report. Promptly following Landlord's request, Tenant shall deliver to Landlord such documentation as reasonably requested by Landlord, including, without limitation, a copy of the transmittal letter or invoice and a check whereby such payment was made, to evidence the proper payment of the Additional Charges by Tenant to parties other than Landlord hereunder.

(c) Either Landlord or Tenant (the "**Auditing Party**"), upon Notice delivered to the other party (the "**Audited Party**") within sixty (60) days after the end of each calendar year, may elect to have a certified accountant from a nationally recognized accounting firm designated by the Auditing Party to audit the books and records of the Audited Party relating to the Additional Charge Invoices or Monthly Reports, as applicable, for the immediately preceding calendar year, together with reasonable supporting data therefor, such audit to occur during business hours and with at least Five (5) Business Days' prior notice to the Audited Party, and which shall commence no later than thirty (30) days following the date of the Auditing Party's Notice, as such date may be extended on a day for day basis to the extent the Audited Party delays the Audited Party's access to such books and records following the request therefor. If Landlord or Tenant fails to deliver Notice within the time period stated above, then the Additional Charge Invoices or Monthly Reports, as applicable, for the immediately preceding calendar year shall be deemed conclusive and binding upon such party.

(d) The Auditing Party and the Auditing Party's employees, accountants and agents shall treat all of the Audited Party's books and records, and any analysis thereof, as confidential, and, as a condition to any review of such books and records, the Auditing Party shall confirm such confidentiality obligation in writing by executing a confidentiality agreement in form and substance reasonably acceptable to Landlord and Tenant. The Auditing Party shall, at the Auditing Party's sole cost and expense, have the right to obtain copies and/or make abstracts of the books and records as it may reasonably request in connection with its verification of any such Additional Charge Invoices and/or the Monthly Reports, subject to the provisions of any such confidentiality agreement.

(e) Pending the determination of any dispute, Tenant shall pay all Additional Charges required to be paid in accordance with the Additional Charge Invoices in question; provided that the payment of such Additional Charges shall be without prejudice to Tenant's right to dispute such amounts or Tenant's right to recover if Tenant successfully challenges the Additional Charge Invoices. After the dispute has been finally resolved and it is determined that Landlord overstated the Additional Charges on the Additional Charge Invoices in question, then (i) Landlord shall refund to Tenant the amount of such overpayment together with interest thereon at the Overdue Rate no later than thirty (30) days following such determination and (ii) if it is determined that Tenant has overpaid such Additional Charges by more than five percent (5%), Landlord shall reimburse Tenant for Tenant's reasonable auditing fees incurred in connection with such determination no later than thirty (30) days following receipt of an invoice therefor (with reasonable backup) from Tenant. Landlord's obligation to make such payment shall survive the expiration or earlier termination of this Master Lease.

(f) After a dispute has been finally resolved and it is determined that Tenant has underpaid any Additional Charges (to a party other than Landlord) based on the Landlord's audit set forth in this Section 3.3, Tenant shall pay the amount of such underpayment to the applicable party (together with all applicable interest and penalties related thereto) within thirty (30) days following such determination and shall send to Landlord, simultaneously with such payment, a copy of the invoice or check or other evidence of payment therefor. If it is determined that Tenant has underpaid such Additional Charges by more than five percent (5%), Tenant shall reimburse Landlord for Landlord's reasonable auditing fees incurred in connection with such determination no later than thirty (30) days following receipt of an invoice therefor (with reasonable backup) from Landlord. Tenant's obligation to make such payment shall survive the expiration or earlier termination of this Master Lease.

3.4 Net Lease. Landlord and Tenant acknowledge and agree that (i) this Master Lease is and is intended to be what is commonly referred to as a "net, net, net" or "triple net" lease, and (ii) the Rent shall be paid absolutely net to Landlord, so that this Master Lease shall yield to Landlord the full amount or benefit of the installments of Rent and Additional Charges throughout the Term with respect to each Facility subject to this Master Lease from time to time, all as more fully set forth in Article IV and subject to any other provisions of this Master Lease which expressly provide for adjustment or abatement of Rent or other charges. If Landlord commences any proceedings for non-payment of Rent or Additional Charges, Tenant will not interpose any counterclaim or cross complaint or similar pleading of any nature or description in such proceedings unless Tenant would lose or waive such claim by the failure to assert it. This shall not, however, be construed as a waiver of Tenant's right to assert such claims in a separate action

brought by Tenant. The covenants to pay Rent and other amounts hereunder are independent covenants, and Tenant shall have no right to hold back, offset or fail to pay any such amounts for default by Landlord or for any other reason whatsoever. Notwithstanding anything to the contrary contained herein, in the event Landlord defaults on its obligation to fund a Capital Improvement pursuant to Section 10.2(b) and such failure is not cured by Landlord within thirty (30) days following receipt of Notice from Tenant of Landlord's failure to make such payment, Tenant shall be entitled to offset against the next subsequent payments of Rent the amount that Landlord was obligated to but failed to fund to Tenant with respect to such Capital Improvement under Section 10.2.

ARTICLE IV

4.1 Impositions. (a) Subject to Article XII relating to permitted contests, and without any duplication as to amounts payable by Tenant as Additional Charges to Landlord, Tenant shall pay, or cause to be paid, all Impositions before any fine, penalty, interest or cost may be added for non-payment. Tenant shall make such payments directly to the taxing authorities or such other third parties where feasible. Tenant's obligation to pay Impositions shall be absolutely fixed upon the date such Impositions become a Lien upon the Leased Property or any part thereof subject to Article XII. If any Imposition may, at the option of the taxpayer, lawfully be paid in installments, whether or not interest shall accrue on the unpaid balance of such Imposition, Tenant may pay the same, and any accrued interest on the unpaid balance of such Imposition, in installments as the same respectively become due and before any fine, penalty, premium, further interest or cost may be added thereto.

(b) Landlord shall prepare and file all tax returns and reports as may be required by Legal Requirements with respect to Landlord's net income, gross receipts, franchise taxes and taxes on its capital stock and any other returns required to be filed by or in the name of Landlord (the "**Landlord Tax Returns**"), and Tenant shall prepare and file all other tax returns and reports as may be required by Legal Requirements with respect to or relating to the Leased Property (including all Capital Improvements), and Tenant's Property. For the avoidance of doubt, to facilitate administrative efficiency and to mitigate the risk of duplication of tasks and double-taxation on assets that are on the books and records of Landlord and Tenant, Tenant shall file all tax returns and reports required by any Legal Requirements with respect to or relating to the Leased Property, the Capital Improvements, and Tenant's Property except to the extent Landlord is required (and Tenant is not otherwise permitted) to make such filing, in which case Landlord shall make such filing following Notice thereof from Tenant.

(c) Any refund due from any taxing authority in respect of any Imposition paid by or on behalf of Tenant on or after the date of this Master Lease or in respect of any period prior to the Commencement Date shall be paid over to or retained by Tenant. If Landlord receives such refund from the taxing authority, Landlord shall pay such refund over to Tenant no later than thirty (30) days after receipt of such refund by Landlord.

(d) Landlord and Tenant shall, upon request of the other, provide such data as is maintained by the party to whom the request is made with respect to the Leased Property as may be necessary to prepare any required tax returns and reports. For any property covered by this Master Lease that is real property or personal property for tax purposes, Tenant shall file all

property tax returns in such jurisdictions where it must legally so file. Landlord, to the extent it possesses the same, and Tenant, to the extent it possesses the same, shall provide the other party, upon request, with cost and depreciation records necessary for filing returns for any property required to be reported hereunder. Where Landlord is legally required to file property tax returns, Tenant shall be provided with copies of assessment notices indicating a value in excess of the reported value in sufficient time for Tenant to file a protest.

(e) Billings for reimbursement by Tenant to Landlord of personal property or real property taxes and any taxes due under the Landlord Tax Returns, if and to the extent Tenant is responsible for such taxes under the terms of this Section 4.1, shall be accompanied by copies of a bill therefor and payments thereof which identify the personal property or real property or other tax obligations of Landlord with respect to which such payments are made.

(f) Impositions imposed or assessed in respect of the tax-fiscal period during which the Term terminates shall be adjusted and prorated between Landlord and Tenant, whether or not such Imposition is imposed or assessed before or after such termination, and Tenant's obligation to pay its prorated share thereof in respect of a tax-fiscal period during the Term shall survive such termination. Landlord will not voluntarily enter into agreements that will result in additional Impositions without Tenant's consent, which shall not be unreasonably withheld (it being understood that it shall not be reasonable to withhold consent to customary additional Impositions that other property owners of properties similar to the Leased Property customarily consent to in the ordinary course of business); provided Tenant is given reasonable opportunity to participate in the process leading to such agreement.

4.2 Utilities. Without duplication of any amounts payable by Tenant as Additional Charges to Landlord under Article III, Tenant shall pay or cause to be paid all charges for electricity, power, gas, oil, water and other utilities used in the Leased Property (including all Capital Improvements). Tenant shall also pay or reimburse Landlord in accordance with Article III for all costs and expenses of any kind whatsoever which at any time with respect to the Term hereof with respect to any Facility may be imposed against Landlord by reason of any of the covenants, conditions and/or restrictions affecting the Leased Property or any portion thereof, or with respect to easements, licenses or other rights over, across or with respect to any adjacent or other property which benefits the Leased Property, or any Capital Improvement. Landlord will not enter into any such agreements without Tenant's consent, which shall not be unreasonably withheld (it being understood that it shall not be reasonable to withhold consent to such agreements that do not adversely affect the use or future development of the Facility as a Communications Facility or increase Additional Charges payable under this Master Lease). Tenant will not enter into agreements that will encumber the Leased Property after the expiration of the Term without Landlord's consent, which shall not be unreasonably withheld (it being understood that it shall not be reasonable to withhold consent to Encumbrances that do not adversely affect the value of the Leased Property or the Facility); provided Landlord is given reasonable opportunity to participate in the process leading to such agreement.

4.3 Impound Account. At Landlord's option following the occurrence and during the continuation of an Event of Default (to be exercised by thirty (30) days' Notice to Tenant), Tenant shall be required to deposit, at the time of any payment of Rent, an amount equal to one-twelfth of the sum of (i) Tenant's estimated annual real and personal property taxes required

pursuant to Section 4.1 hereof (as reasonably determined by Landlord), and (ii) Tenant's estimated annual maintenance expenses and insurance premium costs pursuant to Articles IX and Article XIII hereof (as reasonably determined by Landlord). Such amounts shall be applied to the payment of the obligations in respect of which said amounts were deposited in such order of priority as Landlord shall reasonably determine, on or before the respective dates on which the same or any of them would become delinquent. The reasonable cost of administering such impound account shall be paid by Tenant. Nothing in this Section 4.3 shall be deemed to affect any right or remedy of Landlord hereunder.

ARTICLE V

5.1 **No Termination, Abatement, etc**. Except as otherwise specifically provided in this Master Lease including, without limitation, Section 3.4, Tenant shall remain bound by this Master Lease in accordance with its terms and shall not seek or be entitled to any abatement, deduction, deferment or reduction of Rent, or set-off against the Rent. Except as may be otherwise specifically provided in this Master Lease, the respective obligations of Landlord and Tenant shall not be affected by reason of (i) any damage to or destruction of the Leased Property or any portion thereof from whatever cause or any Condemnation of the Leased Property, any Capital Improvement or any portion thereof; (ii) other than as a result of Landlord's willful misconduct or gross negligence, the lawful or unlawful prohibition of, or restriction upon, Tenant's use of the Leased Property, any Capital Improvement or any portion thereof, the interference with such use by any Person or by reason of eviction by paramount title; (iii) any claim that Tenant has or might have against Landlord by reason of any default or breach of any warranty by Landlord hereunder or under any other agreement between Landlord and Tenant or to which Landlord and Tenant are parties; (iv) any bankruptcy, insolvency, reorganization, consolidation, readjustment, liquidation, dissolution, winding up or other proceedings affecting Landlord or any assignee or transferee of Landlord; or (v) for any other cause, whether similar or dissimilar to any of the foregoing, other than a discharge of Tenant from any such obligations as a matter of law. Tenant hereby specifically waives all rights arising from any occurrence whatsoever which may now or hereafter be conferred upon it by law (a) to modify, surrender or terminate this Master Lease or quit or surrender the Leased Property or any portion thereof, or (b) which may entitle Tenant to any abatement, reduction, suspension or deferment of the Rent or other sums payable by Tenant hereunder except in each case as may be otherwise specifically provided in this Master Lease. Notwithstanding the foregoing, nothing in this Article V shall preclude Tenant from bringing a separate action against Landlord for any matter described in the foregoing clauses (ii), (iii) or (v), and Tenant is not waiving other rights and remedies not expressly waived herein. The obligations of Landlord and Tenant hereunder shall be separate and independent covenants and agreements and the Rent and all other sums payable by Tenant hereunder shall continue to be payable in all events unless the obligations to pay the same shall be terminated pursuant to the express provisions of this Master Lease or by termination of this Master Lease as to all or any portion of the Leased Property other than by reason of an Event of Default. Tenant's agreement that, except as may be otherwise specifically provided in this Master Lease, any eviction by paramount title as described in item (ii) above shall not affect Tenant's obligations under this Master Lease, shall not in any way discharge or diminish any obligation of any insurer under any policy of title or other insurance and, to the extent the recovery thereof is not necessary to compensate Landlord for any damages incurred by any such eviction, Tenant shall be entitled to a credit for any sums recovered by Landlord under any such

policy of title or other insurance up to the maximum amount paid by Tenant to Landlord under this Section 5.1, and Landlord, upon request by Tenant, shall assign Landlord's rights under such policies to Tenant; provided that such assignment does not adversely affect Landlord's rights under any such policy and provided further, that Tenant shall indemnify, defend, protect and save Landlord harmless from and against any liability, cost or expense of any kind that may be imposed upon Landlord in connection with any such assignment except to the extent such liability, cost or expense arises from the gross negligence or willful misconduct of Landlord.

ARTICLE VI

6.1 Ownership of the Leased Property. (a) Landlord and Tenant acknowledge and agree that they have executed and delivered this Master Lease with the understanding that (i) the Leased Property is the property of Landlord, (ii) Tenant has only the right to the possession and use of the Leased Property upon the terms and conditions of this Master Lease, (iii) this Master Lease is a "true lease," is not a financing lease, capital lease, mortgage, equitable mortgage, deed of trust, trust agreement, security agreement or other financing or trust arrangement, and the economic realities of this Master Lease are those of a true lease, (iv) the business relationship created by this Master Lease and any related documents is and at all times shall remain that of landlord and tenant, (v) this Master Lease has been entered into by each party in reliance upon the mutual covenants, conditions and agreements contained herein, and (vi) none of the agreements contained herein is intended, nor shall the same be deemed or construed, to create a partnership between Landlord and Tenant, to make them joint venturers, to make Tenant an Affiliate, agent, legal representative, partner, subsidiary or employee of Landlord, or to make Landlord in any way responsible for the debts, obligations or losses of Tenant.

(b) Each of the parties hereto covenants and agrees, subject to Section 6.1(c), not to (i) file any income tax return or other associated documents; (ii) file any other document with or submit any document to any governmental body or authority; (iii) enter into any written contractual arrangement with any Person; or (iv) release any financial statements of Tenant, in each case that takes a position for tax purposes other than that this Master Lease is a "true lease" with Landlord as owner of the Leased Property and Tenant as the tenant of the Leased Property, including (x) treating Landlord as the owner of such Leased Property eligible to claim depreciation deductions under Sections 167 or 168 of the Code with respect to such Leased Property, (y) Tenant reporting its Rent payments as rent expense under Section 162 of the Code, and (z) Landlord reporting the Rent payments as rental income under Section 61 of the Code.

(c) If Tenant should reasonably conclude that GAAP, the SEC or the Communications Regulations require treatment different from that set forth in Section 6.1(b) for applicable non-tax purposes, then (x) Tenant shall promptly give prior Notice to Landlord, accompanied by a written statement that references the applicable pronouncement that controls such treatment and contains a brief description and/or analysis that sets forth in reasonable detail the basis upon which Tenant reached such conclusion, and (y) notwithstanding Section 6.1(b), Tenant may comply with such requirements.

(d) The Rent is the fair market rent for the use of the Leased Property and was agreed to by Landlord and Tenant on that basis, and the execution and delivery of, and the performance by Tenant of its obligations under, this Master Lease does not constitute a transfer of all or any part of the Leased Property.

(e) Tenant waives any claim or defense based upon the characterization of this Master Lease as anything other than a true lease and as a master lease of all of the Leased Property. Tenant stipulates and agrees (1) not to challenge the validity, enforceability or characterization of the lease of the Leased Property as a true lease and/or as a single, unseverable instrument pertaining to the lease of all, but not less than all, of the Leased Property, and (2) not to assert or take or omit to take any action inconsistent with the agreements and understandings set forth in Section 3.4 or this Section 6.1.

6.2 Tenant's Property. During the entire Term, Tenant (and Tenant's Subsidiaries) shall have the right to affix any Electronics and other equipment to the Distribution Systems in order to operate the Facilities for the Primary Intended Use. Tenant shall maintain (or cause Tenant's Subsidiaries to maintain) all of such Tenant's Property in accordance with Prudent Industry Practice, in all cases as shall be necessary and appropriate in order to operate the Facilities for the Primary Intended Use in compliance in all material respects with all applicable licensure and certification requirements and in compliance in all material respects with all applicable Legal Requirements, Insurance Requirements, Permits and Communications Regulations. If any of Tenant's Property requires replacement in order to comply with the foregoing, Tenant shall replace (or cause Tenant's Subsidiary to replace) it with similar property in a manner consistent with Prudent Industry Practice at Tenant's (or such Subsidiary's) sole cost and expense. Subject to the foregoing, Tenant and Tenant's Subsidiaries may sell, transfer, convey, pledge or otherwise dispose of Tenant's Property (other than the Communications Licenses) in their discretion in the ordinary course of their business and Landlord shall have no rights to such Tenant's Property, provided however any pledge of Tenant's Property (including any Communications Licenses), any TCI ILEC Extensions and any TCI CLEC Extensions by Tenant as collateral shall be subject to Tenant's obligation to transfer the Tenant's Property and such TCI ILEC Extensions and TCI CLEC Extensions to a Successor Tenant pursuant to Article XXXVI free and clear of any Encumbrances but only to the extent the same constitute Communication Assets. In the case of any such Tenant's Property that is leased (rather than owned) by Tenant (or its Subsidiaries), Tenant shall use commercially reasonable efforts to ensure that the lease agreements pursuant to which Tenant (or its Subsidiaries) leases such Tenant's Property are assignable to third parties in connection with any transfer by Tenant (or its Subsidiaries) to a replacement lessee or operator at the end of the Term. Tenant shall remove all of Tenant's Property from the Leased Property at the end of the Term, except to the extent Tenant has transferred ownership of such Tenant's Property to a Successor Tenant or Landlord or Tenant continues to operate the Leased Property under a Management Agreement. Any Tenant's Property left on the Leased Property at the end of the Term whose ownership was not transferred to a Successor Tenant shall be deemed abandoned by Tenant and shall become the property of Landlord.

ARTICLE VII

7.1 Condition of the Leased Property. Tenant acknowledges receipt and delivery of possession of the Leased Property and confirms that Tenant has examined and otherwise has knowledge of the condition of the Leased Property prior to the execution and delivery of this

Master Lease and has found the same to be in good order and repair and, to the best of Tenant's knowledge, free from Hazardous Substances not in compliance with Legal Requirements and satisfactory for its purposes hereunder. Regardless, however, of any examination or inspection made by Tenant and whether or not any patent or latent defect or condition was revealed or discovered thereby, Tenant is leasing the Leased Property "as is" in its present condition. Tenant waives any claim or action against Landlord in respect of the condition of the Leased Property including any defects or adverse conditions not discovered or otherwise known by Tenant as of the Commencement Date. LANDLORD MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, IN RESPECT OF THE LEASED PROPERTY OR ANY PART THEREOF, EITHER AS TO ITS FITNESS FOR USE, DESIGN OR CONDITION FOR ANY PARTICULAR USE OR PURPOSE OR OTHERWISE, OR AS TO THE NATURE OR QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, OR THE EXISTENCE OF ANY HAZARDOUS SUBSTANCE, IT BEING AGREED THAT ALL SUCH RISKS, LATENT OR PATENT, ARE TO BE BORNE SOLELY BY TENANT INCLUDING ALL RESPONSIBILITY AND LIABILITY FOR ANY ENVIRONMENTAL REMEDIATION AND COMPLIANCE WITH ALL ENVIRONMENTAL LAWS.

7.2 Use of the Leased Property. (a) Throughout the Term of this Master Lease, Tenant shall have the exclusive right to use, or cause to be used, the Leased Property of each Facility for its Primary Intended Use; it being agreed and acknowledged by Landlord that any of Tenant's Subsidiaries (including but not limited to the Subsidiaries set forth on Schedule 7.2 attached hereto) shall have the right to use, occupy and operate the Leased Property subject to and in accordance with the terms of this Master Lease and such Subsidiaries shall have the right to discharge any or all of Tenant's obligations (maintenance or otherwise) hereunder on behalf of Tenant. Tenant shall not use the Leased Property or any portion thereof or any Capital Improvement thereto for any other use without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Tenant shall not commit or suffer to be committed any waste on the Leased Property (including any Capital Improvement thereto) or cause or permit any nuisance thereon or to, except as required by law, take or suffer any action or condition that will diminish the ability of the Leased Property to be used as a Communications Facility after the expiration or earlier termination of the Term.

(c) Tenant shall neither suffer nor permit the Leased Property or any portion thereof to be used in such a manner as (i) might reasonably tend to impair Landlord's title thereto or to any portion thereof or (ii) may make possible a claim of adverse use or possession, or an implied dedication of the Leased Property or any portion thereof.

(d) Except in instances of casualty or condemnation, Tenant shall continuously operate each of the Facilities for one or more of the activities constituting the Primary Intended Use, with the specific use conducted at any portion of the Facilities to be determined by Tenant in its reasonable discretion. Notwithstanding the foregoing, Tenant in its discretion shall be permitted to cease operations at a Facility or Facilities if such cessation would either (x) not reduce the route miles of the fiber optic and copper cable lines with respect to any one Facility by more than ten percent (10%) or the Facilities as a whole by more than five percent (5%) in the aggregate over the Term or (y) not reasonably be expected to have a material

adverse effect on Tenant, the Facilities, or on the Leased Property, taken as a whole, provided that no Event of Default has occurred and is continuing immediately prior to or immediately after the date that operations are ceased or as a result of such cessation and such cessation does not result in any non-compliance with any Legal Requirements, Communications Licenses, Pole Agreements or Communications Regulations.

(e) Any sublease (including, but not limited to, any rights granted pursuant to a dark fiber agreement, a dim fiber agreement or a collocation agreement) entered into in accordance with the terms of this Master Lease shall constitute a permitted use under this Master Lease and such use thereunder shall be deemed to be included in the definition of Primary Intended Use.

(f) Tenant shall have the right to receive all rents, profits and charges arising from the Primary Intended Use of the Leased Property or any sublease of the Leased Property, including but not limited to: (i) contract charges and tariffed rates to third parties on a wholesale basis, (ii) rents collected from Pole Agreements, and (iii) payments from customer or carriers for dark or dim fiber services. Without limiting the foregoing, Landlord acknowledges that Tenant (and Tenant's Subsidiaries) may charge contract and/or tariff rates to other carriers in such amounts as Tenant deems appropriate (subject to Legal Requirements) in performing its obligations under the Communication Regulations (including Tenant's collocation obligations) and that Landlord has no rights to the amounts that Tenant collects from such carriers in connection therewith during the Term. Notwithstanding the foregoing, upon the occurrence and during the continuance of an Event of Default that is monetary in nature, Landlord shall have the right to receive all rents, profits and charges arising from any sublease of the Leased Property (including, but not limited to, any rights granted pursuant to a dark fiber agreement, a dim fiber agreement or a collocation agreement) subject to applicable law, and apply such rents, profits and charges to Rent as set forth in Section 22.3.

7.3 Competing Business.

(a) Tenant's Rights Regarding Facility Expansions. Tenant shall be permitted (but not required) to construct Capital Improvements in accordance with the terms of Article X hereof; provided however, that Tenant shall be required to construct Capital Improvements to the extent the construction of such Capital Improvements are necessary in order for Tenant to comply with its obligations under Section 9.1.

(b) Landlord's Rights Regarding Facility Expansions. Landlord shall not, without Tenant's prior written consent, (i) construct fiber, copper, coaxial and fixed wireless facilities for any Person other than Tenant or its Subsidiaries within the same local exchange area of the incumbent local exchange carriers that are Subsidiaries of Tenant and are operating the Facilities being leased by Tenant under this Master Lease or (ii) construct for any Person other than Tenant or its Subsidiaries an extension (including extensions in the form of fiber, copper, coaxial or fixed wireless facilities) of any incumbent local exchange carrier Facility under this Master Lease into a geographic area that adjoins the local exchange area of any incumbent local exchange carrier Facilities that are leased by Tenant under this Master Lease. For the avoidance of doubt, nothing herein shall restrict Landlord's ability to construct fiber, copper, coaxial and fixed wireless distribution systems (i) for any Person to the extent such distribution systems are

located in the same local exchange area of the competitive local exchange carriers that are Subsidiaries of Tenant and are operating the Facilities being leased by Tenant under this Master Lease or (ii) for any Person to the extent such distribution systems are located in the same local exchange area of the incumbent local exchange carriers that are Subsidiaries of Tenant but do not operate the Facilities being leased by Tenant under this Master Lease. Notwithstanding anything to the contrary contained herein, Landlord shall be permitted to acquire fiber, copper, coaxial and fixed wireless facilities from any Person without having to obtain Tenant's consent.

(c) No Other Restrictions. Except as otherwise expressly set forth in this Master Lease, each of Landlord and Tenant shall not be restricted from participating in opportunities, including, without limitation, developing, building, purchasing or operating Communications Facilities at any time.

ARTICLE VIII

8.1 Representations and Warranties. Except as set forth in the disclosure letter attached to the Distribution Agreement, each party represents and warrants to the other that: (i) this Master Lease and all other documents executed or to be executed by it in connection herewith have been duly authorized and shall be binding upon it; (ii) it is duly organized, validly existing and in good standing under the laws of the state of its formation and is duly authorized and qualified to perform this Master Lease within the State(s) where any portion of the Leased Property is located; and (iii) neither this Master Lease nor any other document executed or to be executed in connection herewith constitutes a material breach of any other agreement of such party.

8.2 Compliance with Legal and Insurance Requirements, etc.

(a) Subject to Article XII regarding permitted contests, Tenant, at its expense, shall promptly (and shall cause Tenant's Subsidiaries to promptly) (a) comply in all material respects with all Legal Requirements and Insurance Requirements regarding the use, operation, maintenance, repair and restoration of the Leased Property (including all Capital Improvements thereto) and Tenant's Property whether or not compliance therewith may require structural changes or replacements to any of the Leased Improvements or Distribution Systems or interfere with the use and enjoyment of the Leased Property and (b) procure, maintain and comply in all material respects with all Communications Regulations, Communications Licenses, Easements, Pole Agreements and other authorizations required for the use of the Leased Property (including all Capital Improvements) and Tenant's Property for the applicable Primary Intended Use and any other use of the Leased Property (including Capital Improvements then being made) and Tenant's Property, and for the proper erection, installation, operation and maintenance of the Leased Property and Tenant's Property. Without limiting the foregoing, Tenant shall (and shall cause Tenant's Subsidiaries) to comply in all material respects with all federal, state and local regulatory requirements and all Legal Requirements with respect to the standards for the construction, maintenance and operation of the Distribution Systems, membership in, if required, and updates to state "One Call" organizations and reporting requirements for network outages.

(b) In an emergency or in the event of a breach by Tenant of its obligations under this Section 8.2 which is not cured within any applicable cure period, Landlord may, but shall not be obligated to, enter upon the Leased Property and take such reasonable actions and

incur such reasonable costs and expenses to effect such compliance as it deems advisable to protect its interest in the Leased Property, and Tenant shall reimburse Landlord for all such reasonable costs and expenses incurred by Landlord in connection with such actions. Landlord shall comply in all material respects with any Communications Regulations or other regulatory requirements required of it as owner of the Facilities taking into account its Primary Intended Use (except to the extent Tenant fulfills or is required to fulfill any such requirements hereunder). Notwithstanding anything in the foregoing to the contrary, no transfer of Tenant's Property used in the conduct of the Primary Intended Use (including the purported or attempted transfer of a Communications License) or the operation of a Communications Facility for its Primary Intended Use shall be effected or permitted without receipt of all necessary approvals and/or Communications Licenses in accordance with applicable Communications Regulations.

8.3 Zoning and Uses. Without the prior written consent of Landlord, which shall not be unreasonably withheld unless the action for which consent is sought could adversely affect the Primary Intended Use of a Facility (in which event Landlord may withhold its consent in its sole and absolute discretion), Tenant shall not (i) initiate or support any limiting change in the permitted uses of the Leased Property (or to the extent applicable, limiting zoning reclassification of the Leased Property); (ii) seek any variance under existing land use restrictions, laws, rules or regulations (or, to the extent applicable, zoning ordinances) applicable to the Leased Property or use or permit the use of the Leased Property; (iii) impose or permit or suffer the imposition of any restrictive covenants, easements or other Encumbrances (other than Permitted Leasehold Mortgages) upon the Leased Property in any manner that adversely affects in any material respect the value or utility of the Leased Property; (iv) execute or file any subdivision plat affecting the Leased Property, or institute, or permit the institution of, proceedings to alter any tax lot comprising the Leased Property; or (v) permit or suffer the Leased Property to be used by the public or any Person in such manner as might make possible a claim of adverse usage or possession or of any implied dedication or easement (provided that the proscription in this clause (v) is not intended to and shall not restrict Tenant in any way from complying with any obligation it may have under applicable Legal Requirements, including, without limitation, Communications Regulations, to afford to third parties access to the Leased Property).

8.4 No Management Control. Nothing in this Master Lease shall give Landlord the power, either directly or indirectly, to direct, or cause the direction of, the management and policies of Tenant and/or its Subsidiaries.

ARTICLE IX

9.1 Maintenance and Repair. (a) Tenant, at its expense and without the prior consent of Landlord, shall maintain (or cause Tenant's Subsidiaries to maintain) the Leased Property and Tenant's Property, and every portion thereof (i) in accordance with Prudent Industry Practice and (ii) in a manner which complies with all federal and state utility commission delivery standards, in each instance whether or not the need for such repairs occurs as a result of Tenant's use, any prior use, the elements or the age of the Leased Property and Tenant's Property. Without limiting the foregoing, Tenant, at its expense, shall be responsible for (i) coordinating with local, state or federal governmental authorities to execute moves and relocations of the Distribution Systems and the Leased Improvements, (ii) complying with any other requirements instituted by

such authorities in order to perform the Primary Intended Use at the Leased Property in accordance with Prudent Industry Practice, (iii) repairing fiber and copper cuts with respect to the Distributions Systems on a timely basis, and (iv) replacing poles, conduits and such other facilities at the Leased Property as may be required from time to time in order to comply with its obligations hereunder.

(b) Tenant shall perform the maintenance obligations hereunder with reasonable promptness and make all reasonably necessary and appropriate repairs thereto of every kind and nature, including those necessary to ensure continuing compliance in all material respects with all Legal Requirements, whether interior or exterior, structural or non-structural, ordinary or extraordinary, foreseen or unforeseen or arising by reason of a condition existing prior to the Commencement Date. All repairs shall be consistent with Prudent Industry Practice and in no event shall Tenant remove (except in the case of a replacement performed in accordance with the terms hereof) any portion of the Distribution Systems without obtaining Landlord's prior consent, which shall not be unreasonably withheld, conditioned or delayed. Tenant will not take or omit to take any action which would reasonably be expected to materially impair the value or the usefulness of the Leased Property or any part thereof or any Capital Improvement thereto for its Primary Intended Use. Tenant shall provide, at its expense, periodic reports (no less than quarterly) to Landlord, as reasonably requested by Landlord from time to time, on operational matters in sufficient detail to enable Landlord to confirm that Tenant is discharging its maintenance and other obligations under this Master Lease; provided, however, Tenant shall not be required to collect or report any information that it does not regularly collect and report for use in its oversight of operations of facilities comparable to the Distribution Systems which Tenant or any of its Subsidiaries owns. Without limiting the provisions of Section 24.1, Landlord's shall have the right to inspect the Leased Property from time to time and/or request information from Tenant, upon reasonable advance notice to Tenant, to confirm that Tenant is discharging its maintenance obligations under this Master Lease.

(c) Landlord shall not under any circumstances be required to (i) build or rebuild any improvements on the Leased Property; (ii) make any repairs, replacements, alterations, upgrades, restorations or renewals of any nature to the Leased Property, whether ordinary or extraordinary, structural or non-structural, foreseen or unforeseen, or to make any expenditure whatsoever with respect thereto; or (iii) maintain the Leased Property in any way. Tenant hereby waives, to the extent permitted by law, the right to make repairs at the expense of Landlord pursuant to any law in effect at the time of the execution of this Master Lease or hereafter enacted.

(d) Nothing contained in this Master Lease and no action or inaction by Landlord shall be construed as (i) constituting the consent or request of Landlord, expressed or implied, to any contractor, subcontractor, laborer, materialman or vendor to or for the performance of any labor or services or the furnishing of any materials or other property for the construction, alteration, addition, repair or demolition of or to the Leased Property or any part thereof or any Capital Improvement thereto; or (ii) giving Tenant any right, power or permission to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Landlord in respect thereof or to make any agreement that may create, or in any way be the basis for, any right, title, interest, claim or other Encumbrance upon the estate of Landlord in the Leased Property, or any portion thereof or upon the estate of Landlord in any Capital Improvement thereto.

(e) Tenant acknowledges and agrees that all system maps and records for the Distribution Systems are the property of Landlord and shall be maintained by Tenant within Tenant's engineering systems and records during the Term. Tenant shall provide Landlord with electronic access to the system maps and records for the Distribution Systems and copies of such system maps and records, in each case, pursuant to an arrangement mutually acceptable to both parties.

(f) Tenant shall, upon the expiration or earlier termination of the Term, (a) vacate and surrender the Leased Property (including all Capital Improvements, subject to the provisions of Article X), in each case with respect to such Facility, to Landlord in the condition in which such Leased Property was originally received from Landlord and Capital Improvements were originally introduced to such Facility, except as repaired, rebuilt, restored, altered or added to as permitted or required by the provisions of this Master Lease and except for ordinary wear and tear and (b) provide an electronic copy of (or mutually acceptable access arrangement for) all system maps and records for the Distribution Systems to Landlord or the Successor Tenant, provided however, that in the case where Tenant has exercised the right to extend the Term of this Master Lease for less than all of the Leased Property in accordance with Section 1.4, Tenant shall only be required to surrender the Leased Property and the system maps and records related to the maintenance and operation for the Non-Renewal Leased Properties upon the expiration or earlier termination of the then current Term.

9.2 Pole Provisions.

(a) Tenant, at its expense, shall (i) maintain (or cause to be maintained) all Easements, Permits and Pole Agreements, including any franchise or right of way license agreements required by any governmental authority in connection with such Easements, Permits and Pole Agreements, (ii) diligently perform, observe and enforce all of the terms, covenants and conditions of the Easements, Permits and Pole Agreement on the part of Tenant to be performed, observed and enforced in all material respects, (iii) promptly notify Landlord of the giving of any notice to Tenant of any default or violation by Tenant in the performance or observance of any of the terms, covenants or conditions of the Easements, Permits or Pole Agreements, (iv) subject to Article XII relating to permitted contests and Section 9.2(f) relating to transfers, pay all costs, fees, charges and rents due under the Easements, Permits and Pole Agreement, and (v) not terminate, cancel or surrender any Easements, Pole Agreements or Permits without Landlord's prior written consent (such consent not to be unreasonably withheld).

(b) Tenant, as Landlord's agent, shall have the right to modify any existing Permits or Pole Agreements without obtaining Landlord's prior consent so long as each of the following conditions are met: (i) the total amount payable under such proposed modifications does not exceed three percent (3%) of the aggregate annual rental rates and permit fees for Permits and Pole Agreements and such amount is equitably apportioned over the term of such modified Permits or Pole Agreements, (ii) such proposed modifications are on market terms and conditions and otherwise commercially reasonable, (iii) the terms of such proposed modifications do not impose any other obligations on Landlord or impair Landlord's rights with

respect to the Leased Property and (iv) Landlord shall continue to hold the beneficial ownership interests in such modified Permits or Pole Agreements and legal title to such modified Permits or Pole Agreements shall revert to Landlord at the end of the Term for the applicable Facility. If the foregoing conditions are not satisfied, Tenant shall not have the right to modify any existing Permits or Pole Agreements without obtaining Landlord's prior written consent, which shall not be unreasonably withheld.

(c) Subject to Article XII relating to permitted contests, Tenant shall be responsible for (or cause to be paid) all fees, rents and other payments required to be made under the terms of such Easements, Pole Agreements and Permits (including any franchise or right of way license agreements) in accordance with Section 4.1. Without limiting the foregoing, Tenant shall be responsible for the calculation and payment of all rent or other charges due under any franchise or right of way license agreements (including any fees based on revenue) with respect to the Leased Property and shall upon request promptly furnish evidence to Landlord confirming payment of such amounts (together with back-up calculation and information reasonably necessary to support the determination of any payment). Tenant shall be permitted to recover the costs of any fees paid under any franchise agreement or right of way license agreement from its customers except to the extent prohibited by Legal Requirements.

(d) Tenant (or Tenant's Subsidiaries) shall maintain a sufficient number of personnel and sufficient resources in order to perform the obligations of Tenant and/or Landlord under the Pole Agreements in a timely manner, including obligations under the Pole Agreement to provide third parties with access to the poles on the Leased Property and to perform make-ready and pole replacements.

(e) In the event any pole owners exercise any audit rights under the Pole Agreements, Tenant shall, at its cost and expense, (x) comply with, participate and perform all of its obligations relating such audit requests, and (y) subject to Article XII relating to permitted contests, pay any charges and such other fees and penalties determined to be owed to a pole owner as a result of such audit, including any fees and penalties for back rent, safety violations, unauthorized attachments, and trespass. Tenant shall have the right to enter into settlement agreements or modifications to Pole Agreements for audit disputes without Landlord's consent provided that (i) no Event of Default then exists, (ii) Tenant promptly and with commercially reasonable diligence negotiates a modification or settlement relating to such audit, (iii) the terms of such settlement agreement or modification do not impose any obligations on Landlord or impair Landlord's rights with respect to the Leased Property, and (iv) any and all monetary amounts payable thereunder are Tenant's sole responsibility and such amounts are paid in accordance with the terms of such settlement agreement or modification. Tenant shall consult with Landlord in the event Tenant proposes to enter into a settlement agreement or modification of a Pole Agreement in connection with an audit dispute involving amounts equal to or greater than $200,000.

(f) At Landlord's option, Tenant shall (or shall cause Tenant's Subsidiaries to) convey legal title to Landlord (or its designee) with respect to any or all of the Easements, Permits and Pole Agreements, provided that with respect to any conveyance, the following terms and conditions are satisfied: (i) Landlord has obtained all requisite certificates, consents, approvals, licenses and permits necessary for Landlord to hold legal title to such Easements, Permits and and/or Pole Agreements, (ii) Landlord pays all related transfer taxes and other costs

and expenses related to the conveyance, (iii) Landlord will cooperate with Tenant to allow Tenant to obtain all requisite certificates, consents, approvals, licenses and permits necessary for Tenant to continue to operate and maintain the Leased Property in its own name pursuant to this Master Lease and (iv) Landlord will promptly execute such additional documents and instruments reasonably requested by Tenant (such as a letter of authorization or a contractor's certificate directing a third party to recognize Tenant as having the right to access any portion of the Leased Property covered by the Easements, Permits and/or Pole Agreements) to enable Tenant to exercise its rights with respect to the Leased Property and perform its obligations under this Master Lease. Subject to the satisfaction of the conditions set forth in the immediately preceding sentence, Tenant shall, at no cost and expense to Tenant, cooperate with Landlord in effectuating the conveyance of legal title to Landlord (or its designee) for the applicable Easements, Permits and/or Pole Agreements, which cooperation shall include executing such documents as reasonably requested by Landlord to ensure that Landlord or its designee is named as record owner under the applicable Easements, Permits and/or Pole Agreements. In no event shall any conveyance of legal title to Landlord or its designee with respect to any Easement, Permit or Pole Agreement under this Section 9.2 reduce or otherwise modify Tenant's obligations under this Master Lease; it being agreed and understood that Tenant shall continue to be obligated to pay all license fees, usage fees, charges and other Impositions associated with any Easement, Permit and/or Pole Agreement for which legal title has been transferred to Landlord (or its designee). Notwithstanding the foregoing, Landlord shall be responsible for the payment of any license fees, usage fees, charges and other Impositions due under any such Easement, Permit and/or Pole Agreement that are solely attributable to legal title of such Easement, Permit or Pole Agreement having been transferred to Landlord (or its designee).

9.3 Encroachments, Restrictions, Mineral Leases, etc.

(a) If any of the Leased Improvements shall, at any time, encroach upon any property, street or right-of-way, or shall violate any restrictive covenant or other agreement affecting the Leased Property, or any part thereof or any Capital Improvement thereto, or shall impair the rights of others under any easement or right-of-way to which the Leased Property is subject, or the use of the Leased Property or any Capital Improvement thereto is impaired, limited or interfered with by reason of the exercise of the right of surface entry or any other provision of a lease or reservation of any oil, gas, water or other minerals and such encroachment or violation does not result from a breach by Tenant of its obligations under Section 9.2, then promptly upon the request of Landlord, each of Tenant and Landlord, subject to their right to contest the existence of any such encroachment, violation or impairment, shall protect, indemnify, save harmless and defend the other party hereto from and against fifty percent (50%) of all losses, liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including reasonable attorneys', consultants' and experts' fees and expenses) based on or arising by reason of any such encroachment, violation or impairment. In the event of an adverse final determination with respect to any such encroachment, violation or impairment, either (a) each of Tenant and Landlord shall be entitled to obtain valid and effective waivers or settlements of all claims, liabilities and damages resulting from each such encroachment, violation or impairment, whether the same shall affect Landlord or Tenant or (b) Tenant at the shared cost and expense of Tenant and Landlord on a 50-50 basis shall make such changes in the Leased Improvements, and take such other actions, as Tenant in the good faith exercise of its judgment deems reasonably practicable, to remove such encroachment or to end such violation

or impairment, including, if necessary, the alteration of any of the Leased Improvements, and in any event take all such actions as may be necessary in order to be able to continue the operation of the Leased Improvements for the Primary Intended Use substantially in the manner and to the extent the Leased Improvements were operated prior to the assertion of such encroachment, violation or impairment.

(b) Tenant's (and Landlord's) obligations under this Section 9.3 shall be in addition to and shall in no way discharge or diminish any obligation of any insurer under any policy of title or other insurance and, to the extent the recovery thereof is not necessary to compensate Landlord and Tenant for any damages incurred by any such encroachment, violation or impairment, Tenant shall be entitled to fifty percent (50%) of any sums recovered by Landlord under any such policy of title or other insurance up to the maximum amount paid by Tenant under this Section 9.3 and Landlord, upon request by Tenant, shall assign Landlord's rights under such policies to Tenant; provided such assignment does not adversely affect Landlord's rights under any such policy.

(c) Landlord agrees to use reasonable efforts to seek recovery under any policy of title or other insurance under which Landlord is an insured party for all losses, liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including reasonable attorneys', consultants' and experts' fees and expenses) based on or arising by reason of any such encroachment, violation or impairment as set forth in this Section 9.3; provided, however, that in no event shall Landlord be obligated to institute any litigation, arbitration or other legal proceedings in connection therewith unless Landlord is reasonably satisfied that Tenant has the financial resources needed to fund such litigation and Tenant and Landlord have agreed upon the terms and conditions on which such funding will be made available by Tenant, including, but not limited to, the mutual approval of a litigation budget.

ARTICLE X

10.1 Construction of Capital Improvements to the Leased Property. Tenant shall, with respect to any Facility, have the right to make a Capital Improvement, including, without limitation, any Capital Improvement required by Section 8.2 or 9.1(a), without the consent of Landlord if the Capital Improvement is constructed in accordance with the Engineering Standard. Tenant shall have the right to modify the Engineering Standard from time to time subject to Landlord's consent, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant shall have the right, without Landlord's consent, to modify the Engineering Standard as long as the modification is consistent with prevailing industry practice and is in compliance with applicable Legal Requirements. All Capital Improvements that do not comply with the Engineering Standard shall be subject to Landlord's review and approval, which approval shall not be unreasonably withheld. If Tenant desires to make a Capital Improvement for which Landlord's approval is required, Tenant shall submit to Landlord in reasonable detail a general description of the proposal, the projected cost of construction and such plans and specifications, permits, licenses, contracts and other information concerning the proposal as Landlord may reasonably request. It shall be reasonable for Landlord to condition its approval of any Capital Improvement upon any or all of the following terms and conditions:

(a) Such construction shall be effected pursuant to detailed plans and specifications approved by Landlord (such approval not to be unreasonably withheld) for the Capital Improvements in which detailed plans and specifications are customarily prepared;

(b) Such construction shall be conducted under the supervision of an architect or engineer selected by Tenant and approved by Landlord, which approval shall not be unreasonably withheld; and

(c) No Capital Improvement will result in the Leased Property becoming a "limited use" property for purposes of United States federal income taxes.

10.2 Landlord's Funding of Capital Improvements.

(a) No later than November 15th of each calendar year, Tenant shall furnish to Landlord a report of Capital Improvements planned for each Facility for the immediately following calendar year (such report, the "**Annual Capital Improvement Plan**") that Tenant seeks Landlord to finance (in whole or in part), which report shall set forth in reasonable detail the plans, specifications, budget, the amount of financing that Tenant is requesting from Landlord (the "**Requested Funding Amount**"), along with the construction and/or acquisition schedule for such Capital Improvements. No later than twenty (20) days following Landlord's receipt of the Annual Capital Improvement Plan, Landlord and Tenant shall cause their representatives (including a Financial Officer and an engineer for each of Landlord and Tenant) to meet at Landlord's office in order to discuss the Annual Capital Improvement Plan.

(b) Within fifteen (15) days from the date of such meeting (the "**Outside Date**"), Landlord shall notify Tenant whether it will fund all or a portion of the Requested Funding Amount and the terms and conditions on which it would do so. Notwithstanding the foregoing but subject to the terms of this Section 10.2(b), in the event Tenant exercises the Initial Extension Right in accordance with Section 1.3, then commencing with the Lease Year immediately following Landlord's receipt of the Initial Extension Notice and continuing for a maximum period of five (5) consecutive Lease Years (or such shorter period as hereinafter provided), Landlord agrees to pay to Tenant, taking into account any prior payments made by Landlord to Tenant under this Section 10.2 during the applicable Lease Year, an amount equal to the actual costs paid by or on behalf of Tenant in the performance of the applicable Capital Improvement that is the subject of the Requested Funding Amount until the Funding Commitment for such Lease Year has been fully depleted. Notwithstanding anything to the contrary contained herein, in no event shall Landlord have any obligation to provide funding to Tenant as a Funding Commitment or otherwise for any Requested Funding Amounts from and after the seventh (7th) anniversary of the Commencement Date. If Landlord is required to fund any portion of a Capital Improvement pursuant to the terms hereof or otherwise agrees to provide funding for any portion of a Capital Improvement at any time prior to the second (2nd) anniversary of the Commencement Date, the then current annual Rent under this Master Lease shall be increased, effective as of the date of such funding and continuing for the balance of the Initial Term, by an amount equal to the product of (i) the amount of the funds advanced by Landlord to Tenant for such Capital Improvement on such date multiplied by (ii) 8.125% (the "**Annual Base Increase Amount**"). For the avoidance of doubt, if Landlord provides funding to Tenant for a Capital Improvement in the amount of $30,000,000 prior to the second (2nd)

anniversary of the Commencement Date, the annual Rent shall be increased by an amount equal to $2,437,500 effective as of the date such funds are advanced by Landlord to Tenant but subject to proration for the Lease Year in which the funding occurs based on the number of calendar months remaining in such Lease Year from and after the date that the funds are advanced. Such annual Rent as so increased by the Annual Base Increase Amount shall remain in effect until any subsequent increase pursuant to this Section 10.2 and shall be paid in the manner provided in Article III. If Landlord is required to fund any portion of a Capital Improvement pursuant to the terms hereof or otherwise agrees to provide funding for any portion of a Capital Improvement from and after the second (2nd) anniversary of the Commencement Date and through and excluding the seventh (7th) anniversary of the Commencement Date, the then current annual Rent under this Master Lease shall be increased, effective as of the date of such funding and continuing for the balance of the Initial Term, by an amount equal to the product of (i) the amount of the funds advanced by Landlord to Tenant for such Capital Improvement on such date multiplied by (ii) a capitalization rate not to exceed two hundred (200) basis points above the average of Landlord's highest cost of debt's average implied yield over the preceding sixty (60) trading days and Landlord's average implied dividend yield over the preceding sixty (60) trading days. Within thirty (30) days after the Commencement Date, the parties will document the operating procedures for the funding of Capital Improvements, including, without limitation, the issuance of funding requests by Tenant, the due date for Landlord to disburse funds to Tenant, and the dispute resolution provisions. If Landlord fails to notify Tenant of its election to fund all or a portion of the Requested Funding Amount by the Outside Date or Landlord and Tenant fail to agree to on the terms and conditions by which Landlord will fund the Requested Funding Amount by the Outside Date and such Requested Funding Amount is in excess of the Funding Commitment for any Lease Year in which Landlord is obligated to provide a Funding Commitment or otherwise relates to a Capital Improvement during any Lease Year in which Landlord has no obligation to provide a Funding Commitment hereunder, Landlord shall be deemed to have declined to fund the Requested Funding Amount. In no event shall Tenant's obligations under Article VIII and IX of this Master Lease be reduced or modified in any manner as a result of Landlord declining to provide the Requested Funding Amount for a Capital Improvement and such Requested Funding Amount is in excess of the Funding Commitment for any Lease Year in which Landlord is obligated to provide a Funding Commitment or otherwise relates to a Capital Improvement to be constructed during any Lease Year in which Landlord has no obligation to provide a Funding Commitment hereunder.

(c) If Tenant constructs a Capital Improvement that is not funded by Landlord (each a "**Tenant Capital Improvement**") and the Capital Improvement constitutes maintenance, repair, overbuild, upgrade or replacement of the Leased Property, including, without limitation, the replacement of copper distribution systems with fiber distribution systems (each a "**TCI Replacement**"), then such TCI Replacement shall automatically become a part of the Leased Property. If a Tenant Capital Improvement constitutes an Extension of the Distribution Systems to a New Geographic Area where Tenant or its Subsidiaries are licensed as an incumbent local exchange carrier (each a "**TCI ILEC Extension**"), then Tenant shall receive fair value for such TCI ILEC Extension by having such TCI ILEC Extension included as part of the Communication Assets sold under Article XXXVI. If the Tenant Capital Improvement occurs where Tenant or its Subsidiaries are a competitive local exchange carrier and is not a TCI Replacement (each a "**TCI CLEC Extension**"), then Tenant may elect to remove the connections between the TCI CLEC

Extension and the Leased Property or, if the connection between the TCI CLEC Extension and the Leased Property is functionally independent, elect to leave such connection in place by delivering Notice of either such election to Landlord (which Notice shall also indicate Tenant's intent to enter into an interconnection agreement with the Successor Tenant for continuing access to the Leased Property and shall be delivered no later than (x) fifteen (15) days after the Renewal Election Outside Date in the case of the expiration of the Term or (y) thirty (30) days following receipt of the Lease Termination Notice in the case of the termination of the Term, as applicable) and such TCI CLEC Extension will be Tenant's Property. If the connection between the TCI CLEC Extension and the Leased Property is not functionally independent and Tenant elects not to remove the TCI CLEC Extension connections or Notice is not timely delivered to Landlord, then Tenant shall receive fair value for such TCI CLEC Extension by having such TCI CLEC Extension included as part of the Communication Assets sold under Article XXXVI. If Tenant elects to remove the connections between any TCI CLEC Extension and the Leased Property pursuant to the terms of this Section 10.2(c), the Leased Property following such removal shall be restored in accordance with Prudent Industry Practice.

(d) If Landlord funds a Capital Improvement in accordance with the terms of this Section 10.2, such Capital Improvement shall be deemed a part of the Leased Property and the Facilities for all purposes and Tenant shall provide Landlord with the following within time periods agreed upon by Landlord and Tenant:

(i) any information, certificates, licenses, new Permits or Pole Agreements or documents reasonably requested by Landlord which are necessary and obtainable to confirm that Tenant will be able to use the Capital Improvement upon completion thereof in accordance with the Primary Intended Use;

(ii) an Officer's Certificate setting forth in reasonable detail the projected or actual costs related to such Capital Improvement;

(iii) an amendment to this Master Lease (and any development or funding agreement agreed to in accordance with this Section 10.2), in a form reasonably agreed to by Landlord and Tenant, which may include, among other things, an increase in the Rent in amounts as agreed upon by the parties hereto pursuant to the agreed funding proposal terms described above and other provisions as may be necessary or appropriate;

(iv) a deed or such other agreement conveying title or beneficial interest to Landlord to any land, easements, or rights of way acquired for the purpose of constructing the Capital Improvement free and clear of any Encumbrances except those approved by Landlord, and accompanied by an ALTA survey thereof satisfactory to Landlord;

(v) if appropriate, for each advance, endorsements to any outstanding policy of title insurance covering the Leased Property or commitments therefor reasonably satisfactory in form and substance to Landlord (i) updating the same without any additional exception except those that do not materially affect the value of such land and do not interfere with the use of the Leased Property or as may be approved by Landlord, which approval shall not be unreasonably withheld, and (ii) increasing the coverage thereof by an amount equal to the cost of the Capital Improvement;

(vi) Upon reasonable notice from Landlord, Tenant shall provide Landlord the right to audit and obtain billing statements, invoices, certificates, endorsements, opinions, site assessments, surveys, resolutions, ratifications, lien releases and waivers and other instruments and information reasonably required by Landlord that are attributable to the Capital Improvements funded by Landlord; and

(vii) Promptly following the completion of such construction, Tenant shall deliver to Landlord "as built" drawings of the Capital Improvement so constructed, certified as accurate by the architect or engineer that supervised the work.

(e) Notwithstanding anything to the contrary contained herein, a Tenant Capital Improvement that constitutes a Long Haul Fiber Route (a "**Long Haul TCI**") shall be treated as Tenant's Property, and in no event shall any such Long Haul TCI (i) become part of the Leased Property, (ii) be considered a TCI ILEC Extension or a TCI CLEC Extension or (iii) be considered part of the Communication Assets or otherwise become subject to the terms of Article XXXVI. In furtherance of the foregoing, Landlord and Tenant hereby expressly agree and acknowledge that a Long Haul TCI will not become part of the Leased Property even though the Long Haul Fiber Route constituting the Long Haul TCI enters into or passes through a geographic area where Tenant or its Subsidiaries are licensed as an incumbent local exchange carrier.

10.3 Construction Requirements for All Capital Improvements. Whether or not Landlord's review and approval is required, for all Capital Improvements:

(a) Tenant shall comply with the applicable building codes and regulations with respect to the construction of the applicable Capital Improvement and shall have procured and paid for all municipal and other governmental permits and authorizations required to be obtained with respect to such Capital Improvement, and Landlord shall join in the application for such permits or authorizations whenever such action is necessary; provided, however, that (i) any such joinder shall be at no cost or expense to Landlord; and (ii) any plans required to be filed in connection with any such application which require the approval of Landlord as hereinabove provided shall have been so approved by Landlord;

(b) All work done in connection with such construction shall be done promptly and using materials and resulting in work that is in accordance with Prudent Industry Practice and in conformity in all material respects with all Legal Requirements; and

(c) No later than February 1st of each calendar year, Tenant shall present to Landlord an "Annual Construction Summary" that (i) reports on the Capital Improvements completed during the prior calendar year, (ii) reconciles the Tenant Capital Improvements and the Capital Improvements financed by Landlord with the Annual Capital Improvement Plan established for the prior calendar year, (iii) provides a pictorial representation of each Facility illustrating which portions of the Facility are Tenant's Property and which portions are Leased Property, (iv) provides a written description containing sufficient detail to provide a clear demarcation between Tenant's Property and the Leased Property respective to each Tenant Capital Improvement in excess of Five Hundred Thousand Dollars ($500,000), and (v) is accompanied by a report of a nationally recognized accounting firm that confirms, based upon an

agreed-upon procedures review, the accuracy of the Annual Construction Summary and that the Capital Improvements have not degraded the structural integrity of the Leased Property. Tenant shall select such nationally recognized accounting firm, subject to the approval of Landlord. Any fees associated with the review of the nationally recognized accounting firm shall be shared equally between Tenant and Landlord. If, as a result of the report from the nationally recognized accounting firm, Landlord determines that a Capital Improvement has impaired the structural integrity or value of the Leased Property or that a Capital Improvement has been improperly designated as Tenant's Property, Landlord may demand and Tenant shall be obligated to remediate the problems noted by Landlord to the satisfaction of Landlord.

(d) Within thirty (30) days after the Commencement Date, Tenant and Landlord will develop and document operating procedures to govern the Annual Construction Summary described in clause (c) above, which procedures may substitute the requirement to deliver a physical report containing required information (such as the pictorial representation) with a requirement to allow Landlord to access Tenant's engineering record systems in order to access the same or equivalent information.

ARTICLE XI

11.1 Liens. Subject to the provisions of Article XII relating to permitted contests, Tenant will not (and will not permit any of its Subsidiaries to) directly or indirectly create or allow to remain and will promptly discharge at its expense any lien, attachment, title retention agreement or claim upon the Leased Property or any Capital Improvement thereto or any attachment, levy, claim or encumbrance in respect of the Rent, excluding, however, (i) this Master Lease; (ii) [intentionally omitted]; (iii) restrictions and other Encumbrances which are consented to in writing by Landlord (such consent not to be unreasonably withheld); (iv) liens for Impositions which Tenant or its Subsidiaries are not required to pay hereunder; (v) subleases (including, but not limited to, any rights granted by Tenant or any of its Subsidiaries pursuant to a dark fiber agreement, a dim fiber agreement or a collocation agreement) permitted by Article XXII; (vi) liens for Impositions not yet delinquent or being contested in accordance with Article XII; (vii) liens of mechanics, laborers, materialmen, suppliers or vendors for sums either disputed or not yet due, provided that (1) the payment of such sums shall not be postponed under any related contract for more than sixty (60) days after the completion of the action giving rise to such lien unless being contested in accordance with Article XII; or (2) any such liens are in the process of being contested as permitted by Article XII; (viii) any liens created by Landlord; (ix) liens related to equipment leases or equipment financing for TCI Replacements which are used or useful in Tenant's business on the TCI Replacements, provided that the payment of any sums due under such equipment leases or equipment financing shall either (1) be paid as and when due in accordance with the terms thereof, or (2) be in the process of being contested as permitted by Article XII; (x) liens granted as security for the obligations of Tenant and its Affiliates under Permitted Leasehold Mortgages and, subject to the terms of this Section 11.1, any Debt Agreement with respect to TCI ILEC Extensions and TCI CLEC Extensions; and (xi) Easements, Pole Agreements, Permits, rights-of-way, restrictions (including zoning restrictions), covenants, encroachments, protrusions and other similar charges or encumbrances, and minor title deficiencies on or with respect to any Leased Property, in each case whether now or hereafter in existence, not individually or in the aggregate materially interfering with the conduct of the business on the Leased Property, taken as a whole.

For the avoidance of doubt, the parties acknowledge and agree that Tenant has not granted any liens in favor of Landlord as security for its obligations hereunder (except to the extent contemplated in the final paragraph of this Section 11.1) and nothing contained herein shall be deemed or construed to prohibit (a) the issuance of a lien on the Equity Interests in Tenant (it being agreed that any foreclosure by a lien holder on such interests in Tenant shall be subject to the restriction on Change in Control set forth in Article XXII), or (b) Tenant and its Subsidiaries from pledging any of Tenant's Property (including any Communications Licenses), any TCI ILEC Extensions and any TCI CLEC Extensions, as collateral, but such pledge shall be subject to the obligations of Tenant to transfer the Tenant's Property, such TCI ILEC Extensions and such TCI CLEC Extensions to a Successor Tenant pursuant to Article XXXVI free and clear of any Encumbrances to the extent the same constitute Communication Assets.

Landlord and Tenant intend that this Master Lease be an indivisible true lease that affords the parties hereto the rights and remedies of landlord and tenant hereunder and does not represent a financing arrangement. This Master Lease is not an attempt by Landlord or Tenant to evade the operation of any aspect of the law applicable to any of the Leased Property. Except as otherwise required by applicable law or any accounting rules or regulations, Landlord and Tenant hereby acknowledge and agree that this Master Lease shall be treated as an operating lease for all purposes and not as a synthetic lease, financing lease or loan and that Landlord shall be entitled to all the benefits of ownership of the Leased Property, including depreciation for all federal, state and local tax purposes.

Notwithstanding (a) the form and substance of this Master Lease and (b) the intent of the parties, and the language contained herein providing that this Master Lease shall at all times be construed, interpreted and applied to create an indivisible lease of all of the Leased Property, if any court of competent jurisdiction finds that this Master Lease is a financing arrangement, this Master Lease shall be considered a secured financing agreement and Landlord's title to the Leased Property shall constitute a perfected first priority lien in Landlord's favor on the Leased Property to secure the payment and performance of all the obligations of Tenant hereunder (and to that end, Tenant hereby grants, assigns and transfers to the Landlord a security interest in all right, title or interest in or to any and all of the Leased Property, as security for the prompt and complete payment and performance when due of Tenant's obligations hereunder). Tenant authorizes Landlord, at the expense of Tenant, to make any filings or take other actions as Landlord reasonably determines are necessary or advisable in order to effect fully this Master Lease or to more fully perfect or renew the rights of the Landlord, and to subordinate to the Landlord the lien of any Permitted Leasehold Mortgagee, with respect to the Leased Property (it being understood that nothing herein shall affect the rights of a Permitted Leasehold Mortgagee under Article XVII hereof). At any time and from time to time upon the request of the Landlord, and at the expense of the Tenant, Tenant shall promptly execute, acknowledge and deliver such further documents and do such other acts as the Landlord may reasonably request in order to effect fully this Master Lease or to more fully perfect or renew the rights of the Landlord with respect to the Leased Property. Upon the exercise by the Landlord of any power, right, privilege or remedy pursuant to this Master Lease which requires any consent, approval, recording, qualification or authorization of any governmental authority, Tenant will execute and deliver, or will cause the execution and delivery of, all applications, certifications, instruments and other documents and papers that Landlord may be required to obtain from Tenant for such consent, approval, recording, qualification or authorization.

ARTICLE XII

12.1 Permitted Contests. Tenant, upon prior Notice to Landlord, on its own or in Landlord's name, at Tenant's expense, may contest, in good faith and with due diligence, the amount, validity or application, in whole or in part, of any licensure or certification decision (including pursuant to any Communications Regulation), Additional Charge (other than an Additional Charge payable to Landlord in which case Section 3.3 shall apply), Legal Requirement, Insurance Requirement, lien, attachment, levy, encumbrance, charge (including charges, fees and penalties for audit disputes under Pole Agreements, Permits and Easements relating to back rent, safety violations, unauthorized attachments, and trespass) or claim; provided, however, that (i) in the case of an unpaid Additional Charge, attachment, levy, Encumbrance, charge (including charges, fees and penalties for audit disputes under Pole Agreements, Permits and Easements relating to back rent, safety violations, unauthorized attachments, and trespass) or claim, the commencement and continuation of such proceedings shall suspend the collection thereof from Landlord and from the Leased Property or any Capital Improvement thereto; (ii) neither the Leased Property or any Capital Improvement thereto, the Rent therefrom nor any part or interest in either thereof would be in any material danger of being sold, forfeited, attached or lost; (iii) in the case of a Legal Requirement, neither Landlord nor Tenant would be in any material danger of civil or criminal liability for failure to comply therewith pending the outcome of such proceedings; (iv) in the case of a Legal Requirement, Additional Charge, Encumbrance or charge, Tenant shall give such reasonable security as may be required by Landlord to insure ultimate payment of the same and to prevent any sale or forfeiture of the Leased Property or any Capital Improvement thereto or the Rent by reason of such non-payment or noncompliance; (v) in the case of an Insurance Requirement, the coverage required by Article XIII shall be maintained; (vi) Tenant shall keep Landlord reasonably informed as to the status of the proceedings; and (vii) if such contest be finally resolved against Landlord or Tenant, Tenant shall promptly pay the amount required to be paid, together with all interest and penalties accrued thereon, or comply with the applicable Legal Requirement or Insurance Requirement.

Landlord, at Tenant's expense and request, shall reasonably cooperate with Tenant in connection with Tenant's exercise of any contest rights under this Article XII (including, without limitation, any audit and appeal rights of Tenant and refunds sought by Tenant) and shall execute and deliver to Tenant such authorizations and other documents as may reasonably be required in any such contest, and, if reasonably requested by Tenant or if Landlord so desires, Landlord shall join as a party therein.

The provisions of this Article XII shall not be construed to permit Tenant to contest the payment of Rent or any other amount (other than Impositions or Additional Charges which Tenant may from time to time be required to impound with Landlord) payable by Tenant to Landlord hereunder.

Tenant shall indemnify, defend, protect and save Landlord harmless from and against any liability, cost or expense of any kind that may be imposed upon Landlord in connection with any such contest and any loss resulting therefrom, except in any instance where Landlord opted to join and joined as a party in the proceeding despite Tenant's having sent written notice to Landlord of Tenant's preference that Landlord not join in such proceeding.

ARTICLE XIII

13.1 General Insurance Requirements. During the Term, Tenant shall at all times keep the Leased Improvements that are central office locations, and all property located in or on such Leased Improvements, including Capital Improvements thereto (collectively, the "**Insured Leased Improvements**") and Tenant's Property, insured with the kinds and amounts of insurance described below at each location where the Insured Leased Improvements and the Tenant's Property located therein have a combined estimated total value exceeding Five Hundred Thousand Dollars ($500,000.00) ("**Insured Location**"). The $500,000.00 combined estimated total value amount ("**Insurable Amount**") is subject to annual review by Tenant. Tenant may increase the Insurable Amount without first obtaining Landlord's consent so long as: (i) the increased Insurable Amount is consistent with Tenant's practice for its retained properties, and (ii) the increased Insurable Amount would not prevent Tenant from self-insuring its insurance obligations pursuant to Section 13.9 if it chose to do so. Otherwise, Tenant must obtain Landlord's consent, which will not be unreasonably withheld or delayed, to increase the Insurable Amount. Each element of insurance described in this Article XIII shall be maintained with respect to the Insured Leased Improvements of each Facility and Tenant's Property and operations thereon at an Insured Location. Such insurance shall be written by companies permitted to conduct business in the applicable State. All third party liability type policies must name Landlord as an "additional insured." All property policies shall name Landlord as "loss payee" for its interests in each Facility. Property losses shall be payable to Landlord and/or Tenant as provided in Article XIV. In addition, the policies, as appropriate, shall name as an "additional insured" and/or "loss payee" each Permitted Leasehold Mortgagee and as an "additional insured" or "loss payee" the holder of any mortgage, deed of trust or other security agreement ("**Facility Mortgagee**") securing any indebtedness or any other Encumbrance placed on the Leased Property in accordance with the provisions of Article XXXI ("**Facility Mortgage**") by way of a standard form of mortgagee's loss payable endorsement. Except as otherwise set forth herein, any property insurance loss adjustment settlement shall require the written consent of Landlord, Tenant, and each Facility Mortgagee (to the extent required under the applicable Facility Mortgage Documents) unless the amount of the loss net of the applicable deductible is less than Five Million Dollars ($5,000,000) in which event no consent shall be required. Evidence of insurance shall be deposited with Landlord and, if requested, with any Facility Mortgagee(s). The insurance policies required to be carried by Tenant hereunder shall insure against all the following risks with respect to each Insured Location of a Facility:

(a) Loss or damage by fire, vandalism and malicious mischief, extended coverage perils commonly known as "All Risk," and all physical loss perils normally included in such All Risk insurance, including, but not limited to, sprinkler leakage and windstorm in an amount not less than the insurable value on a Maximum Foreseeable Loss (as defined below in Section 13.2) basis and including a building ordinance coverage endorsement, provided that in the event the premium cost of any or all of earthquake, flood, windstorm (including named windstorm) or terrorism coverages are available only for a premium that is more than 2.5 times the average premium paid by Tenant (or prior operator of Facilities) over the preceding three years for the insurance policy contemplated by this Section 13.1(a), then Tenant shall be entitled and required to purchase the maximum insurance coverage it deems most efficient and prudent to purchase and Tenant shall not be required to spend additional funds to purchase additional coverages insuring against such risks; and provided, further, that some property coverages might be sub-limited in an amount less than the Maximum Foreseeable Loss as long as the sub-limits are commercially reasonable and prudent as deemed by Tenant;

(b) Loss or damage by explosion of steam boilers, pressure vessels or similar apparatus, now or hereafter installed in each Insured Leased Improvement, in such limits with respect to any one accident as may be reasonably requested by Landlord from time to time;

(c) Flood (when any of the improvements comprising the Insured Leased Improvement is located in whole or in part within a designated 100-year flood plain area) in an amount not less than the Probable Maximum Loss of a 500 year event and such other hazards and in such amounts as may be customary for comparable properties in the area;

(d) Claims for personal injury or property damage under a policy of comprehensive general public liability insurance with amounts not less than One Hundred Million Dollars ($100,000,000) each occurrence and One Hundred Million Dollars ($100,000,000) in the annual aggregate, provided that such requirements may be satisfied through the purchase of a primary general liability policy and excess liability policies;

(e) During such time as Tenant is performing any Capital Improvements to an Insured Leased Improvement, Tenant, at its sole cost and expense, shall carry, or cause to be carried (i) workers' compensation insurance and employers' liability insurance covering all persons employed in connection with the improvements in statutory limits, (ii) a completed operations endorsement to the commercial general liability insurance policy referred to above, (iii) builder's risk insurance, completed value form (or its equivalent), covering all physical loss, in an amount and subject to policy conditions satisfactory to Landlord, and (iv) such other insurance, in such amounts, as Landlord deems reasonably necessary to protect Landlord's interest in the Insured Leased Improvement from any act or omission of Tenant's contractors or subcontractors.

13.2 Maximum Foreseeable Loss. The term "**Maximum Foreseeable Loss**" shall mean the largest monetary loss within one area that may be expected to result from a single fire with protection impaired, the control of the fire mainly dependent on physical barriers or separations and a delayed manual firefighting by public and/or private fire brigades. If Landlord reasonably believes that the Maximum Foreseeable Loss has increased at any time during the Term, it shall have the right (unless Tenant and Landlord agree otherwise) to have such Maximum Foreseeable Loss redetermined by an impartial national insurance company reasonably acceptable to both parties (the "**Impartial Appraiser**"), or, if the parties cannot in good faith agree on an Impartial Appraiser within fifteen (15) days of Landlord's request for an Impartial Appraiser (a "**Valuation Request Notice**"), then by Experts appointed in accordance with Section 34.1 hereof. The determination of the Impartial Appraiser (or the Experts, as the case may be) shall be final and binding on the parties hereto, and Tenant shall forthwith adjust the amount of the insurance carried pursuant to this Article XIII to the amount so determined by the Impartial Appraiser (or the Experts, as the case may be), subject to the approval of the Facility Mortgagee, as applicable. Each party shall pay one-half (1/2) of the fee, if any, of the Impartial Appraiser. If Landlord pays the Impartial Appraiser, fifty percent (50%) of such costs shall be Additional Charges hereunder and if Tenant pays such Impartial Appraiser, fifty percent (50%) of such costs shall be a credit against the next Rent payment hereunder.

13.3 Additional Insurance. In addition to the insurance described above, Tenant shall maintain adequate workers' compensation coverage and any other coverage required by Legal Requirements for all Persons employed by Tenant on the Leased Property in accordance with Legal Requirements.

13.4 Waiver of Subrogation. All insurance policies carried by either party covering the Leased Property or Tenant's Property, including, without limitation, contents, fire and liability insurance, shall expressly waive any right of subrogation on the part of the insurer against the other party. Each party, respectively, shall pay any additional costs or charges for obtaining such waiver.

13.5 Policy Requirements. All of the policies of insurance referred to in this Article XIII shall be written in form reasonably satisfactory to Landlord and any Facility Mortgagee and issued by insurance companies with a minimum policyholder rating of "A-" and a financial rating of "VII" in the most recent version of Best's Key Rating Guide, or a minimum rating of "BBB" from Standard & Poor's or equivalent. If Tenant obtains and maintains the general liability insurance described in Section 13.1(d) above on a "claims made" basis, Tenant shall provide continuous liability coverage for claims arising during the Term. In the event such "claims made" basis policy is canceled or not renewed for any reason whatsoever (or converted to an "occurrence" basis policy), Tenant shall either obtain (a) "tail" insurance coverage converting the policies to "occurrence" basis policies providing coverage for a period of at least three (3) years beyond the expiration of the Term, or (b) an extended reporting period of at least three (3) years beyond the expiration of the Term. Notwithstanding the foregoing, it is agreed that a captive insurer may issue insurance policies to meet the requirements under Section 13.1, provided that (i) such captive insurer is fully reinsured by insurers or reinsurers with a rating of "A- VIII" or better in the most recent version of Best's Key Rating and Tenant furnishes evidence of such reinsurance upon Landlord's request and (ii) Tenant provides a copy of the audited financial statements of the captive insurer upon Landlord's request. Tenant will have an actuarial study of the captive insurer performed each calendar year, which actuarial study shall be subject to Landlord's reasonable approval. If the actuarial study recommends that the captive's policyholder surplus be increased, then Tenant shall either provide the funding necessary to increase the captive's policyholder surplus to the recommended level or provide alternative insurance to cover any recommended increase of the captive's policyholder surplus. Tenant shall pay all of the premiums therefor, and deliver certificates thereof to Landlord prior to their effective date (and with respect to any renewal policy, prior to the expiration of the existing policy), and in the event of the failure of Tenant either to effect such insurance in the names herein called for or to pay the premiums therefor, or to deliver such certificates thereof to Landlord, at the times required, Landlord shall be entitled, but shall have no obligation, to effect such insurance and pay the premiums therefor, in which event the cost thereof, together with interest thereon at the Overdue Rate, shall be repayable to Landlord upon demand therefor. Tenant shall obtain, to the extent available on commercially reasonable terms, the agreement of each insurer, by endorsement on the policy or policies issued by it, or by independent instrument furnished to Landlord, that it will give to Landlord thirty (30) days' (or ten (10) days' in the case of non-payment of premium) Notice before the policy or policies in question shall be altered, allowed to expire or cancelled; provided however, that if such endorsement cannot be obtained, then Tenant shall be required to deliver Notice of any cancellation to Landlord promptly following Tenant having obtained knowledge of such cancellation (but in no event later than ten

(10) days prior to the date of cancellation). Notwithstanding any provision of this Article XIII to the contrary, Landlord acknowledges and agrees that the coverage required to be maintained by Tenant may be provided under one or more policies with various deductibles or self-insurance retentions by Tenant or its Affiliates, subject to Landlord's approval not to be unreasonably withheld. Upon written request by Landlord, Tenant shall provide Landlord copies of the property insurance policies when issued by the insurers providing such coverage.

13.6 Increase in Limits. If, from time to time after the Commencement Date, Landlord determines in the exercise of its reasonable business judgment that the limits of the personal injury or property damage-public liability insurance then carried pursuant to Section 13.1(d) hereof are insufficient, Landlord may give Tenant Notice of acceptable limits for the insurance to be carried; provided that in no event will Tenant be required to carry insurance in an amount which exceeds the product of (i) the amounts set forth in Section 13.1(d) hereof and (ii) the CPI Increase; and subject to the foregoing limitation, within ninety (90) days after the receipt of such Notice, the insurance shall thereafter be carried with limits as prescribed by Landlord until further increase pursuant to the provisions of this Section 13.6.

13.7 Blanket Policy. Notwithstanding anything to the contrary contained in this Article XIII Tenant's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Tenant; provided that the requirements of this Article XIII (including satisfaction of the Facility Mortgagee's requirements and the approval of the Facility Mortgagee) are otherwise satisfied, and provided further that Tenant maintains specific allocations acceptable to Landlord.

13.8 No Separate Insurance. Tenant shall not, on Tenant's own initiative or pursuant to the request or requirement of any third party, (i) take out separate insurance concurrent in form or contributing in the event of loss with that required in this Article XIII to be furnished by, or which may reasonably be required to be furnished by, Tenant or (ii) increase the amounts of any then existing insurance by securing an additional policy or additional policies, unless all parties having an insurable interest in the subject matter of the insurance, including in all cases Landlord and all Facility Mortgagees, are included therein as additional insureds and the loss is payable under such insurance in the same manner as losses are payable under this Master Lease. Notwithstanding the foregoing, nothing herein shall prohibit Tenant from insuring against risks not required to be insured hereby, and as to such insurance, Landlord and any Facility Mortgagee need not be included therein as additional insureds, nor must the loss thereunder be payable in the same manner as losses are payable hereunder except to the extent required to avoid a default under the Facility Mortgage.

13.9 Self-Insurance. Notwithstanding anything to the contrary contained herein, Tenant may self-insure its insurance obligations under Section 13.1 subject to and in accordance with the terms of this Section 13.9.

(a) Self-insure shall mean that Tenant is itself acting as though it were the insurance company providing the insurance required under the provisions hereof and Tenant shall pay any amounts due in lieu of insurance proceeds because of self-insurance, which amounts shall be treated as insurance proceeds for all purposes under this Master Lease.

(b) All amounts which Tenant pays or is required to pay and all loss or damages resulting from risks for which Tenant has elected to self-insure shall be subject to the waiver of subrogation provisions of this Master Lease and shall not limit Tenant's indemnification obligations set forth in this Master Lease.

(c) Tenant's right to self-insure and to continue to self-insure is subject to the following conditions being met:

(i) No later than sixty (60) days prior to the date that Tenant commences to self-insure and no later than sixty (60) days prior to each anniversary thereof (each a "**Determination Date**"), Tenant shall furnish to Landlord a report reasonably acceptable to Landlord prepared by an insurance expert reasonably acceptable to Landlord which sets forth the Maximum Foreseeable Loss and the Probable Maximum Loss as of the Determination Date, together with a certificate from Tenant certifying Tenant's compliance with the requirements set forth in this Section 13.9.

(ii) The Maximum Expected Annual Aggregate Loss does not exceed four percent (4%) of the Consolidated Adjusted EBITDA for Tenant and its Subsidiaries based on the audited Financial Statements furnished to Landlord in accordance with Section 23.1(b)(i) for the Fiscal Year immediately preceding the Determination Date. The term "**Maximum Expected Annual Aggregate Loss**" shall mean, with respect to the applicable Determination Date, the sum of (A) the Probable Maximum Loss set forth in the report delivered to Landlord in accordance with clause (c)(i) above, (B) Tenant's combined deductibles under Tenant's property and executive protection insurance policies and (C) the average expenses incurred by Tenant and its Subsidiaries as a result of property damage to the Leased Property, the Capital Improvements, and Tenant's Property over the immediately preceding five (5) years which are not covered by the insurance policies maintained by Tenant in accordance with Section 13.1, which expenses shall be substantiated by Tenant to Landlord in a manner reasonably acceptable to Landlord.

(iii) The Maximum Foreseeable Loss set forth in the report delivered to Landlord in accordance with clause (c)(i) above for the applicable Determination Date does not exceed six percent (6%) of the Consolidated Adjusted EBITDA for Tenant and its Subsidiaries based on the audited Financial Statements furnished to Landlord in accordance with Section 23.1(b)(i) for the Fiscal Year immediately preceding the Determination Date.

(iv) No events shall occur that make it apparent that such Consolidated Adjusted EBITDA shall have been diminished below the required level beyond a de minimis extent.

(d) In the event Tenant fails to timely fulfill the requirements of this Section 13.9, then Tenant shall immediately lose the right to self-insure during the continuance of such failure and shall be required to provide the insurance otherwise specified in this Article XIII during the continuance of such failure.

(e) In the event that Tenant elects to self-insure and an event or claim occurs for which a defense and/or coverage would have been available from the insurance company, Tenant shall (i) take the defense at Tenant's sole cost and expense of any such claim, including a defense of Landlord and such other parties as Landlord has designated as additional insureds, with counsel selected by Tenant and reasonably acceptable to Landlord and such other parties, provided Tenant has been furnished with the names of such other parties, and (ii) use its own funds to pay any claim or replace any property or otherwise provide the funding which would have been available from insurance proceeds but for such election by Tenant to self-insure.

13.10 Distribution Systems. Notwithstanding anything herein to the contrary, to the extent consistent with communications industry practice, Tenant is only required to keep those portions of the Distribution Systems that are located within one thousand (1000) feet of an Insured Leased Improvement at an Insured Location insured in accordance with the terms of this Article XIII.

ARTICLE XIV

14.1 Property Insurance Proceeds. All proceeds (except business interruption not allocated to rent expenses) payable by reason of any property loss or damage to the Leased Property, or any portion thereof, under any property policy of insurance required to be carried hereunder shall be paid to Facility Mortgagee or to Landlord and made available to Tenant upon request for the reasonable costs of preservation, stabilization, emergency restoration, business interruption, reconstruction and repair, as the case may be, of any damage to or destruction of the Leased Property, or any portion thereof; provided, however, that if the total amount of proceeds payable net of the applicable deductibles is $2,500,000 or less, and, if no Event of Default has occurred and is continuing, the proceeds shall be paid to Tenant and, subject to the limitations set forth in this Article XIV used for the repair of any damage to the Leased Property. Tenant shall have no obligation to rebuild any TCI CLEC Extensions, any TCI ILEC Extensions or any Long Haul TCI, provided that the Leased Property is rebuilt in a manner reasonably satisfactory to Landlord. Any excess proceeds of insurance remaining after the completion of the restoration or reconstruction of the Leased Property to substantially the same condition as existed immediately before the damage or destruction and with materials and workmanship of like kind and quality and to Landlord's reasonable satisfaction shall be provided to Tenant. All salvage resulting from any risk covered by insurance for damage or loss to the Leased Property shall belong to Landlord. Tenant shall have the right to prosecute and settle insurance claims, provided that Tenant shall consult with and involve Landlord in the process of adjusting any insurance claims under this Article XIV and any final settlement with the insurance company shall be subject to Landlord's consent, such consent not to be unreasonably withheld.

14.2 Tenant's Obligations Following Casualty. (a) If a Facility and/or any Tenant Capital Improvements to a Facility are materially damaged, whether or not from a risk covered by insurance carried by Tenant, (i) Tenant shall restore such Leased Property in a manner consistent with Prudent Industry Practice (excluding any TCI CLEC Extensions, any TCI ILEC Extensions and any Long Haul TCI; it being understood and agreed that Tenant shall not be required to repair any TCI CLEC Extensions, any TCI ILEC Extensions or any Long Haul TCI provided that the Leased Property is rebuilt in a manner reasonably satisfactory to Landlord) and (ii) such damage shall not terminate this Master Lease.

(b) If Tenant restores the affected Leased Property and the cost of the repair or restoration exceeds the amount of proceeds received from the insurance required to be carried hereunder, Tenant shall provide Landlord with evidence reasonably acceptable to Landlord that Tenant has available to it any excess amounts needed to restore such Facility. Such excess amounts necessary to restore such Facility shall be paid by Tenant.

(c) If Tenant has not restored the affected Leased Property and communications operations have not recommenced by the date that is the third anniversary of the date of any casualty, all remaining insurance proceeds and the unpaid deductibles shall be paid to and retained by Landlord free and clear of any claim by or through Tenant together with interest on such amounts at the Overdue Rate from the date that the casualty occurred until paid.

14.3 No Abatement of Rent. This Master Lease shall remain in full force and effect and Tenant's obligation to pay the Rent and all other charges required by this Master Lease shall remain unabated during the period required for adjusting insurance, satisfying Legal Requirements, repair and restoration.

14.4 Waiver. Tenant waives any statutory rights of termination which may arise by reason of any damage or destruction of the Leased Property but such waiver shall not affect any contractual rights granted to Tenant under this Article XIV.

14.5 Insurance Proceeds Paid to Facility Mortgagee. Notwithstanding anything herein to the contrary, in the event that any Facility Mortgagee is entitled to any insurance proceeds, or any portion thereof, under the terms of any Facility Mortgage, such proceeds shall be applied, held and/or disbursed in accordance with the terms of the Facility Mortgage, provided that the terms of the Facility Mortgage shall provide that such proceeds shall be made available to Tenant, in all instances, to repair or restore the Leased Property to substantially the same condition as existed immediately prior to any damage.

ARTICLE XV

15.1 Condemnation.

(a) Total Taking. If the Leased Property of a Facility is totally and permanently taken by Condemnation (a "**Taking**"), this Master Lease shall terminate with respect to such Facility as of the day before the Date of Taking for such Facility.

(b) Partial Taking. If a portion of the Leased Property of, and any Tenant Capital Improvements to, a Facility are taken by Condemnation, this Master Lease shall remain in effect.

(c) Restoration. If there is a partial Taking of the Leased Property of, and any Tenant Capital Improvements to, a Facility and this Master Lease remains in full force and effect with respect to such Facility, Landlord shall make available to Tenant the portion of the Award applicable to restoration of the Leased Property (excluding any TCI CLEC Extensions, any TCI ILEC Extensions and any Long Haul TCI, it being understood and agreed that Tenant shall not be required to repair or restore any TCI CLEC Extensions, any TCI ILEC Extensions or any Long Haul TCI, provided that the Leased Property is restored in a manner reasonably

satisfactory to Landlord), and Tenant shall accomplish all necessary restoration whether or not the amount provided by the Condemnor for restoration is sufficient and the Rent shall be reduced by such amount as may be agreed upon by Landlord and Tenant or, if they are unable to reach such an agreement within a period of thirty (30) days after the occurrence of the Taking, then the Rent for such Facility shall be proportionately reduced, based on the proportion of the Facility that was subject to the partial Taking. Tenant shall restore such Leased Property (as nearly as possible under the circumstances) to the condition as such Leased Property existed immediately prior to such Taking.

15.2 Award Distribution. Except as set forth below (and to the extent provided in Section 15.1(c) hereof), the entire Award shall belong to and be paid to Landlord. Tenant shall, however, be entitled to pursue its own claim with respect to the Taking for Tenant's lost profits value and moving expenses and, the portion of the Award, if any, allocated to any TCI CLEC Extensions and any TCI ILEC Extensions (subject to Tenant's restoring the Leased Property not subject to a Taking in a manner reasonably satisfactory to Landlord) and Tenant's Property shall be and remain the property of Tenant free of any claim thereto by Landlord.

15.3 Temporary Taking. The taking of the Leased Property, or any part thereof, shall constitute a taking by Condemnation only when the use and occupancy by the taking authority has continued for longer than 180 consecutive days. During any shorter period, which shall be a temporary taking, all the provisions of this Master Lease shall remain in full force and effect and the Award allocable to the Term shall be paid to Tenant.

15.4 Condemnation Awards Paid to Facility Mortgagee. Notwithstanding anything herein to the contrary, in the event that any Facility Mortgagee is entitled to any Condemnation Award, or any portion thereof, under the terms of any Facility Mortgage or related financing agreement, such award shall be applied, held and/or disbursed in accordance with the terms of the Facility Mortgage or related financing agreement; provided that the terms of the Facility Mortgage shall provide that such award shall be made available to Tenant, in all instances, to repair or restore the Leased Property to substantially the same condition as existed immediately prior to any Taking.

15.5 Termination of Master Lease; Abatement of Rent. In the event this Master Lease is terminated with respect to the affected portion of the Leased Property as a result of a Taking, the Rent due hereunder from and after the effective date of such termination shall be proportionately reduced, based on the proportion of route miles of the Facility that was the subject of such Taking.

ARTICLE XVI

16.1 Events of Default. Any one or more of the following shall constitute an "**Event of Default**":

(a) (i) Tenant shall fail to pay any installment of Rent when due and such failure is not cured by Tenant within ten (10) days after Notice from Landlord of Tenant's failure to pay such installment of Rent when due, or (ii) Tenant shall fail to pay any Additional Charge when due and such failure is not cured by Tenant within thirty (30) days after Notice from Landlord of Tenant's failure to pay such Additional Charges when due;

(b) a default shall occur under any other material agreement which has aggregate annual payments greater than $75,000,000 executed by Tenant or an Affiliate of Tenant in favor of Landlord or an Affiliate of Landlord (excluding, however, the Distribution Agreement and the Distribution Agreement Ancillary Documents), where the default is not cured within any applicable grace period set forth therein or, if no cure periods are provided, within thirty (30) days after Notice from Landlord;

(c) Tenant shall:

(i) admit in writing its inability to pay its debts generally as they become due;

(ii) file a petition in bankruptcy or a petition to take advantage of any insolvency act;

(iii) make an assignment for the benefit of its creditors;

(iv) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property; or

(v) file a petition or answer seeking reorganization or arrangement under the United States bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof;

(d) Tenant shall be adjudicated as bankrupt or a court of competent jurisdiction shall enter an order or decree appointing, without the consent of Tenant, a receiver of Tenant or of the whole or substantially all of the Tenant's property, or approving a petition filed against Tenant seeking reorganization or arrangement of Tenant under the United States bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof, and such judgment, order or decree shall not be vacated or set aside or stayed within ninety (90) days from the date of the entry thereof;

(e) Tenant shall be liquidated or dissolved other than a reorganization that is otherwise permitted by Section 22.2;

(f) the estate or interest of Tenant in the Leased Property or any part thereof shall be levied upon or attached in any proceeding relating to more than $10,000,000 and the same shall not be vacated, discharged or stayed pending appeal (or bonded or otherwise similarly secured payment) within the later of ninety (90) days after commencement thereof or thirty (30) days after receipt by Tenant of Notice thereof from Landlord; provided, however, that such Notice shall be in lieu of and not in addition to any notice required under applicable law;

(g) except as a result of material damage, destruction or Condemnation or as expressly permitted under Section 7.2(d), Tenant voluntarily ceases operations for its Primary Intended Use at a Facility and such event (i) is not cured within thirty (30) days after Notice from Landlord and (ii) would reasonably be expected to have a material adverse effect on Tenant, the Facilities, or on the Leased Property, in each case, taken as a whole;

(h) any of the representations or warranties made by Tenant hereunder proves to be untrue when made in any material respect which materially and adversely affects Landlord; provided however, that if the condition causing the representation or warranty to be untrue is susceptible of being cured, then such untrue representation shall be an Event of Default hereunder only if such condition is not cured within thirty (30) days of receipt of Notice of such breach by Tenant from Landlord;

(i) any applicable license or other agreements material to a Facility's operation for its Primary Intended Use are at any time terminated or revoked or suspended for more than forty-five (45) days (and causes cessation in the provision of telecommunications services by a Facility) and such termination, revocation or suspension is not stayed pending appeal and would reasonably be expected to have a material adverse effect on Tenant, the Facilities, or on the Leased Property, taken as a whole;

(j) except with respect to the granting of a permitted pledge hereunder to a Permitted Leasehold Mortgagee or a transaction permitted by Article XXII, the sale or transfer, without Landlord's consent, of all or any portion of any Communications License or similar certificate or license relating to the Leased Property;

(k) Tenant, by its acts or omissions, causes the occurrence of a default under any provision (to the extent Tenant has knowledge of such provision and Tenant's obligations with respect thereto) of any Facility Mortgage, related documents or obligations thereunder by which Tenant is bound in accordance with Section 33.2 or has agreed under the terms of this Master Lease to be bound, which default is not cured within the applicable time period (including any notice and cure periods), if the effect of such default is to cause, or to permit the holder or holders of that Facility Mortgage or Indebtedness secured by that Facility Mortgage (or a trustee or agent on behalf of such holder or holders), to cause, that Facility Mortgage (or the Indebtedness secured thereby) to become or be declared due and payable (or redeemable) prior to its stated maturity (excluding in any case any default related to the financial performance of Tenant or any of Tenant's Subsidiaries);

(l) any event or condition occurs that (i) results in any Material Indebtedness becoming due prior to its stated maturity or (ii) enables or permits (with all applicable grace periods, if any, having expired) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity or exercise any other remedy (other than in the case of clauses (i) and (ii) any prepayment, repurchase, or redemption, arising out of or relating to a change of control or asset sale or any redemption, repurchase, conversion or settlement with respect to any Indebtedness convertible into Equity Interests pursuant to its terms, provided that failure to consummate any such required prepayment, redemption, repurchase, conversion or settlement under any Material Indebtedness shall constitute an Event of Default), or (iii) Tenant shall fail to pay the principal of any Material Indebtedness at the stated final maturity thereof (provided that this paragraph (l) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the

property or assets securing such Indebtedness if such sale or transfer is not prohibited hereby and under the documents providing for such Indebtedness); it being agreed and understood that so long as the Credit Agreement is in full force and effect, in no event shall an Event of Default occur under this paragraph (l) to the extent that any prepayment, repurchase, redemption or defeasance of any Material Indebtedness does not constitute an Event of Default (as defined in the Credit Agreement) under the terms of the Credit Agreement;

(m) if Tenant shall fail to observe or perform any other term, covenant or condition of this Master Lease in any material respect which materially and adversely affects Landlord and such failure is not cured by Tenant within thirty (30) days after Notice thereof from Landlord, unless such failure cannot with due diligence be cured within a period of thirty (30) days, in which case such failure shall not be deemed to be an Event of Default if Tenant proceeds promptly and with due diligence to cure the failure and diligently completes the curing thereof within one hundred twenty (120) days after such Notice from Landlord; provided, however, that such Notice shall be in lieu of and not in addition to any notice required under applicable law; and

(n) an assignment of Tenant's interest in this Master Lease (including pursuant to a Change in Control) shall have occurred without the consent of Landlord to the extent such consent is required under Article XXII or Tenant is otherwise in default of the provisions set forth in Section 22.1 below.

No Event of Default (other than a failure to make payment of money) shall be deemed to exist under this Section 16.1 during any time the curing thereof is prevented by an Unavoidable Delay, provided that upon the cessation of the Unavoidable Delay, Tenant remedies the default without further delay.

16.2 Certain Remedies. If an Event of Default shall have occurred and be continuing, Landlord may (a) terminate this Master Lease by giving Tenant no less than ten (10) days' Notice of such termination and the Term shall terminate and all rights of Tenant under this Master Lease shall cease, (b) seek damages as provided in Section 16.3 hereof, and/or (c) exercise any other right or remedy at law or in equity available to Landlord as a result of any Event of Default. Tenant shall pay as Additional Charges all costs and expenses incurred by or on behalf of Landlord, including reasonable attorneys' fees and expenses, as a result of any Event of Default hereunder. If an Event of Default shall have occurred and be continuing, whether or not this Master Lease has been terminated pursuant to the first sentence of this Section 16.2, Tenant shall, to the extent permitted by law (including applicable Communications Regulations), if required by Landlord to do so, immediately surrender to Landlord possession of all or any portion of the Leased Property (including any Tenant Capital Improvements of the Facilities) as to which Landlord has so demanded and quit the same and Landlord may, to the extent permitted by law (including applicable Communications Regulations), enter upon and repossess such Leased Property and any Capital Improvement thereto by reasonable force, summary proceedings, ejectment or otherwise, and, to the extent permitted by law (including applicable Communications Regulations), may remove Tenant and all other Persons and any of Tenant's Property from such Leased Property (including any such Tenant Capital Improvement thereto).

16.3 Damages. Subject to Landlord's option to receive liquidated damages under this Section 16.3, none of (i) the termination of this Master Lease, (ii) the repossession of the Leased Property (including any Capital Improvements to any Facility), (iii) the failure of Landlord to relet the Leased Property or any portion thereof, (iv) the reletting of all or any portion of the Leased Property, or (v) the inability of Landlord to collect or receive any rentals due upon any such reletting, shall relieve Tenant of its liabilities and obligations hereunder, all of which shall survive any such termination, repossession or reletting. Landlord and Tenant agree that Landlord shall have no obligation to mitigate Landlord's damages under this Master Lease. If any such termination of this Master Lease occurs (whether or not Landlord terminates Tenant's right to possession of the Leased Property), Tenant shall forthwith pay to Landlord all Rent due and payable under this Master Lease to and including the date of such termination. Thereafter:

Tenant shall forthwith pay to Landlord, at Landlord's option, as and for liquidated and agreed current damages for the occurrence of an Event of Default, either:

(a) the sum of:

(i) the worth at the time of award of the unpaid Rent which had been earned at the time of termination to the extent not previously paid by Tenant under this Section 16.3;

(ii) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided;

(iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; *plus*

(iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Master Lease or which in the ordinary course of things would be likely to result therefrom.

As used in clauses (i) and (ii) above, the "worth at the time of award" shall be computed by allowing interest at the Overdue Rate. As used in clause (iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of New York at the time of award plus one percent (1%) and reducing such amount by the portion of the unpaid Rent that Tenant proves could be reasonably avoided.

or

(b) if Landlord chooses not to terminate Tenant's right to possession of the Leased Property (whether or not Landlord terminates the Master Lease), each installment of said Rent and other sums payable by Tenant to Landlord under this Master Lease as the same becomes due and payable, together with interest at the Overdue Rate from the date when due until paid, and Landlord may enforce, by action or otherwise, any other term or covenant of this Master Lease (and Landlord may at any time thereafter terminate Tenant's right to possession of the Leased Property and seek damages under subparagraph (a) hereof, to the extent not already paid for by Tenant under this subparagraph (b)).

16.4 Receiver. Upon the occurrence and continuance of an Event of Default, and upon commencement of proceedings to enforce the rights of Landlord hereunder, but subject to any limitations of applicable law, Landlord shall be entitled, as a matter of right, to the appointment of a receiver or receivers acceptable to Landlord of the Leased Property and of the revenues, earnings, income, products and profits thereof, pending the outcome of such proceedings, with such powers as the court making such appointment shall confer.

16.5 Waiver. If Landlord initiates judicial proceedings or if this Master Lease is terminated by Landlord pursuant to this Article XVI, Tenant waives, to the extent permitted by applicable law, (i) any right of redemption, re-entry or repossession; and (ii) the benefit of any laws now or hereafter in force exempting property from liability for rent or for debt.

16.6 Application of Funds. Any payments received by Landlord under any of the provisions of this Master Lease during the existence or continuance of any Event of Default which are made to Landlord rather than Tenant due to the existence of an Event of Default shall be applied to Tenant's obligations in the order which Landlord may reasonably determine or as may be prescribed by the laws of the State.

ARTICLE XVII

17.1 Permitted Leasehold Mortgagees.

(a) On one or more occasions without Landlord's prior consent Tenant may mortgage or otherwise encumber Tenant's estate in and to the Leased Property (the "**Leasehold Estate**") to one or more Permitted Leasehold Mortgagees under one or more Permitted Leasehold Mortgages and pledge its right, title and interest under this Master Lease as security for such Permitted Leasehold Mortgages or any Debt Agreement secured thereby; provided that no Person shall be considered a Permitted Leasehold Mortgagee unless (1) such Person delivers to Landlord a written agreement (in form and substance reasonably satisfactory to Landlord) providing an express acknowledgement that, in the event of the exercise by the Permitted Leasehold Mortgagee of its rights under the Permitted Leasehold Mortgage, the Permitted Leasehold Mortgagee shall be required to secure the approval of Landlord for the replacement of Tenant with respect to the affected portion of the Leased Property and contain the Permitted Leasehold Mortgagee's acknowledgment that such approval may be granted or withheld by Landlord in accordance with the provisions of Article XXII of this Master Lease (provided that Landlord's approval shall not be required if the transfer is to a Discretionary Transferee that otherwise complies with the requirements set forth in Section 22.2(iii)), and (2) the underlying Permitted Leasehold Mortgage includes an express acknowledgement that any exercise of remedies thereunder that would affect the Leasehold Estate shall be subject to the terms of the Master Lease.

(b) Notice to Landlord.

(i) (1) If Tenant shall, on one or more occasions, mortgage Tenant's Leasehold Estate and if the holder of such Permitted Leasehold Mortgage shall provide Landlord with written notice of such Permitted Leasehold Mortgage together with a true copy of such Permitted Leasehold Mortgage and the name and address of the Permitted Leasehold Mortgagee, Landlord and Tenant agree that, following receipt of such written notice by Landlord, the provisions of this Section 17.1 shall apply in respect to each such Permitted Leasehold Mortgage.

(2) In the event of any assignment of a Permitted Leasehold Mortgage or in the event of a change of address of a Permitted Leasehold Mortgagee or of an assignee of such Mortgage, written notice of the new name and address shall be provided to Landlord.

(ii) Landlord shall promptly upon receipt of a communication purporting to constitute the notice provided for by subsection (b)(i) above acknowledge by an executed and notarized instrument receipt of such communication as constituting the notice provided for by subsection (b)(i) above and confirming the status of the Permitted Leasehold Mortgagee as such or, in the alternative, notify the Tenant and the Permitted Leasehold Mortgagee of the rejection of such communication as not conforming with the provisions of this Section 17.1 and specify the specific basis of such rejection.

(iii) After Landlord has received the notice provided for by subsection (b)(i) above, the Tenant, upon being requested to do so by Landlord, shall with reasonable promptness provide Landlord with copies of the note or other obligation secured by such Permitted Leasehold Mortgage and of any other documents pertinent to the Permitted Leasehold Mortgage as specified by the Landlord. If requested to do so by Landlord, Tenant shall thereafter also provide the Landlord from time to time with a copy of each amendment or other modification or supplement to such instruments. All recorded documents shall be accompanied by the appropriate recording stamp or other certification of the custodian of the relevant recording office as to their authenticity as true and correct copies of official records and all nonrecorded documents shall be accompanied by a certification by Tenant that such documents are true and correct copies of the originals. From time to time upon being requested to do so by Landlord, Tenant shall also notify Landlord of the date and place of recording and other pertinent recording data with respect to such instruments as have been recorded.

(c) Default Notice. Landlord, upon providing Tenant any notice of: (i) default under this Master Lease or (ii) a termination of this Master Lease, shall at the same time provide a copy of such notice to every Permitted Leasehold Mortgagee for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof. No such notice by Landlord to Tenant shall be deemed to have been duly given unless and until a copy thereof has been sent, in the manner prescribed in Section 35.1 of this Master Lease, to every Permitted Leasehold Mortgagee for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof. From and after such notice has been sent to a Permitted Leasehold Mortgagee, such Permitted Leasehold Mortgagee shall have the same period, after the giving of such notice, as is given Tenant after the giving of such notice to Tenant, plus in each instance, the additional

periods of time specified in Section 17.1(d) and Section 17.1(e) to remedy, commence remedying or cause to be remedied the defaults or acts or omissions which are specified in any such notice. Landlord shall accept such performance by or at the instigation of such Permitted Leasehold Mortgagee as if the same had been done by Tenant. Tenant authorizes each Permitted Leasehold Mortgagee (to the extent such action is authorized under the applicable Debt Agreement) to take any such action at such Permitted Leasehold Mortgagee's option and does hereby authorize entry upon the Leased Property by the Permitted Leasehold Mortgagee for such purpose.

(d) Notice to Permitted Leasehold Mortgagee. Anything contained in this Master Lease to the contrary notwithstanding, if any default shall occur which entitles Landlord to terminate this Master Lease, Landlord shall have no right to terminate this Master Lease on account of such default unless, following the expiration of the period of time given Tenant to cure such default or the act or omission which gave rise to such default, Landlord shall notify every Permitted Leasehold Mortgagee for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof of Landlord's intent to so terminate at least thirty (30) days in advance of the proposed effective date of such termination if such default is capable of being cured by the payment of money, and at least ninety (90) days in advance of the proposed effective date of such termination if such default is not capable of being cured by the payment of money ("**Termination Notice**"). The provisions of Section 17.1(e) shall apply if, during such thirty (30) or ninety (90) days (as the case may be) Termination Notice period, any Permitted Leasehold Mortgagee shall:

(i) notify Landlord of such Permitted Leasehold Mortgagee's desire to nullify such Termination Notice; and

(ii) pay or cause to be paid all Rent, Additional Charges, and other payments (i) then due and in arrears as specified in the Termination Notice to such Permitted Leasehold Mortgagee and (ii) which may become due during such thirty (30) or ninety (90) day (as the case may be) period (as the same may become due); and

(iii) comply or in good faith, with reasonable diligence and continuity, commence to comply with all nonmonetary requirements of this Master Lease then in default and reasonably susceptible of being complied with by such Permitted Leasehold Mortgagee, provided, however, that such Permitted Leasehold Mortgagee shall not be required during such ninety (90) day period to cure or commence to cure any default consisting of Tenant's failure to satisfy and discharge any charge or Encumbrance against the Tenant's interest in this Master Lease or the Leased Property, or any of Tenant's other assets junior in priority to the lien of the mortgage or other security documents held by such Permitted Leasehold Mortgagee; and

(iv) during such thirty (30) or ninety (90) day period, the Permitted Leasehold Mortgagee shall respond, with reasonable diligence, to requests for information from Landlord as to the Permitted Leasehold Mortgagee's (and related lenders') intent to pay such Rent and other charges and comply with this Master Lease.

(e) Procedure on Default.

(i) If Landlord shall elect to terminate this Master Lease by reason of any Event of Default of Tenant that has occurred and is continuing, and a Permitted Leasehold Mortgagee shall have proceeded in the manner provided for by Section 17.1(d), the specified date for the termination of this Master Lease as fixed by Landlord in its Termination Notice shall be extended for a period of six (6) months; provided that such Permitted Leasehold Mortgagee shall, during such six-month period (and during the period of any continuance referred to in subsection (e)(ii) below):

(1) pay or cause to be paid the Rent, Additional Charges and other monetary obligations of Tenant under this Master Lease as the same become due, and continue its good faith efforts to perform or cause to be performed all of Tenant's other obligations under this Master Lease, excepting (A) obligations of Tenant to satisfy or otherwise discharge any charge or Encumbrance against Tenant's interest in this Master Lease or the Leased Property or any of Tenant's other assets junior in priority to the lien of the mortgage or other security documents held by such Permitted Leasehold Mortgagee and (B) past nonmonetary obligations then in default and not reasonably susceptible of being cured by such Permitted Leasehold Mortgagee; and

(2) if not enjoined or stayed pursuant to a bankruptcy or insolvency proceeding or other judicial order, diligently continue to pursue acquiring or selling Tenant's interest in this Master Lease and the Leased Property by foreclosure of the Permitted Leasehold Mortgage or other appropriate means and diligently prosecute the same to completion.

(ii) If at the end of such six (6) month period such Permitted Leasehold Mortgagee is complying with subsection (e)(i) above, this Master Lease shall not then terminate, and the time for completion by such Permitted Leasehold Mortgagee of its proceedings shall continue (provided that for the time of such continuance, such Permitted Leasehold Mortgagee is in compliance with subsection (e)(i) above) (x) so long as such Permitted Leasehold Mortgagee is enjoined or stayed pursuant to a bankruptcy or insolvency proceeding or other judicial order and if so enjoined or stayed, thereafter for so long as such Permitted Leasehold Mortgagee proceeds to complete steps to acquire or sell Tenant's interest in this Master Lease by foreclosure of the Permitted Leasehold Mortgage or by other appropriate means with reasonable diligence and continuity but not to exceed twelve (12) months after the Permitted Leasehold Mortgagee is no longer so enjoined or stayed from prosecuting the same and in no event longer than twenty-four (24) months from the date of Landlord's initial notification to Permitted Leasehold Mortgagee pursuant to Section 17.1(d) hereof, and (y) if such Permitted Leasehold Mortgagee is not so enjoined or stayed, thereafter for so long as such Permitted Leasehold Mortgagee proceeds to complete steps to acquire or sell Tenant's interests in this Master Lease by foreclosure of the Permitted Leasehold Mortgage or by other appropriate means with reasonable diligence and continuity but not to exceed twelve (12) months from the date of Landlord's initial notification to Permitted Leasehold Mortgagee pursuant to Section 17.1(d) hereof. Nothing in this Section 17.1(e), however, shall be construed to extend this Master Lease beyond the original term thereof as extended by any options to extend the term of this Master Lease properly exercised by Tenant or a Permitted Leasehold Mortgagee in accordance with Section 1.4, nor to require a Permitted Leasehold Mortgagee

to continue such foreclosure proceeding after the default has been cured. If the default shall be cured pursuant to the terms and within the time periods allowed in Sections 17.1(d) and 17.1(e) and the Permitted Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Master Lease shall continue in full force and effect as if Tenant had not defaulted under this Master Lease.

(iii) If a Permitted Leasehold Mortgagee is complying with Section 17.1(e)(i), upon the acquisition of Tenant's Leasehold Estate herein by a Discretionary Transferee this Master Lease shall continue in full force and effect as if Tenant had not defaulted under this Master Lease, provided that such Discretionary Transferee cures all outstanding defaults that can be cured through the payment of money and all other defaults that are reasonably susceptible of being cured.

(iv) For the purposes of this Section 17.1, the making of a Permitted Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Master Lease nor of the Leasehold Estate hereby created, nor shall any Permitted Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Master Lease or of the Leasehold Estate hereby created so as to require such Permitted Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of the Tenant to be performed hereunder; but the purchaser at any sale of this Master Lease (including a Permitted Leasehold Mortgagee if it is the purchaser at foreclosure) and of the Leasehold Estate hereby created in any proceedings for the foreclosure of any Permitted Leasehold Mortgage, or the assignee or transferee of this Master Lease and of the Leasehold Estate hereby created under any instrument of assignment or transfer in lieu of the foreclosure of any Permitted Leasehold Mortgage, shall be subject to Article XXII hereof (including the requirement that such purchaser assume the performance of the terms, covenants or conditions on the part of the Tenant to be performed hereunder and meet the qualifications of Discretionary Transferee or be reasonably consented to by Landlord in accordance with Section 22.2(i) hereof).

(v) Any Permitted Leasehold Mortgagee or other acquirer of the Leasehold Estate of Tenant pursuant to foreclosure, assignment in lieu of foreclosure or other proceedings in accordance with the requirements of Section 22.2(iii) of this Master Lease may, upon acquiring Tenant's Leasehold Estate, without further consent of Landlord, sell and assign the Leasehold Estate in accordance with the requirements of Section 22.2(iii) of this Master Lease and enter into Permitted Leasehold Mortgages in the same manner as the original Tenant, subject to the terms hereof.

(vi) Notwithstanding any other provisions of this Master Lease, any sale of this Master Lease and of the Leasehold Estate hereby created in any proceedings for the foreclosure of any Permitted Leasehold Mortgage, or the assignment or transfer of this Master Lease and of the Leasehold Estate hereby created in lieu of the foreclosure of any Permitted Leasehold Mortgage, shall be deemed to be a permitted sale, transfer or assignment of this Master Lease and of the Leasehold Estate hereby created to the extent that the successor tenant under this Master Lease is a Discretionary Transferee and the transfer otherwise complies with the requirements of Section 22.2(iii) of this Master Lease or the transferee is reasonably consented to by Landlord in accordance with Section 22.2(i) hereof.

(f) New Lease. In the event of the termination of this Master Lease other than due to a default as to which the Permitted Leasehold Mortgagee had the opportunity to, but did not, cure the default as set forth in Sections 17.1(d) and 17.1(e) above, Landlord shall provide each Permitted Leasehold Mortgagee with written notice that this Master Lease has been terminated ("**Notice of Termination**"), together with a statement of all sums which would at that time be due under this Master Lease but for such termination, and of all other defaults, if any, then known to Landlord. Landlord agrees to enter into a new lease ("**New Lease**") of the Leased Property with such Permitted Leasehold Mortgagee or its Permitted Leasehold Mortgagee Designee (in each case if a Discretionary Transferee) for the remainder of the term of this Master Lease, effective as of the date of termination, at the rent and additional rent, and upon the terms, covenants and conditions (including all options to renew but excluding requirements which have already been fulfilled) of this Master Lease, provided:

(i) Such Permitted Leasehold Mortgagee or its Permitted Leasehold Mortgagee Designee shall make a binding, written, irrevocable commitment to Landlord for such New Lease within thirty (30) days after the date such Permitted Leasehold Mortgagee receives Landlord's Notice of Termination of this Master Lease given pursuant to this Section 17.1(f);

(ii) Such Permitted Leasehold Mortgagee or its Permitted Leasehold Mortgagee Designee shall pay or cause to be paid to Landlord at the time of the execution and delivery of such New Lease, any and all sums which would at the time of execution and delivery thereof be due pursuant to this Master Lease but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney's fees, which Landlord shall have incurred by reason of such termination and the execution and delivery of the New Lease and which have not otherwise been received by Landlord from Tenant or other party in interest under Tenant; and

(iii) Such Permitted Leasehold Mortgagee or its Permitted Leasehold Mortgagee Designee shall agree to remedy any of Tenant's defaults of which said Permitted Leasehold Mortgagee was notified by Landlord's Notice of Termination (or in any subsequent notice) and which can be cured through the payment of money or are reasonably susceptible of being cured by Permitted Leasehold Mortgagee or its Permitted Leasehold Mortgagee Designee.

(g) New Lease Priorities. If more than one Permitted Leasehold Mortgagee shall request a New Lease pursuant to Section 17.1(f)(i), Landlord shall enter into such New Lease with the Permitted Leasehold Mortgagee whose mortgage is senior in lien, or with its Permitted Leasehold Mortgagee Designee acting for the benefit of such Permitted Leasehold Mortgagee prior in lien foreclosing on Tenant's interest in this Master Lease. Landlord, without liability to Tenant or any Permitted Leasehold Mortgagee with an adverse claim, may rely upon a title insurance policy issued by a reputable title insurance company as the basis for determining the appropriate Permitted Leasehold Mortgagee who is entitled to such New Lease.

(h) Permitted Leasehold Mortgagee Need Not Cure Specified Defaults. Nothing herein contained shall require any Permitted Leasehold Mortgagee as a condition to its exercise of the right hereunder to cure any default of Tenant not reasonably susceptible of being cured by such Permitted Leasehold Mortgagee or its Permitted Leasehold Mortgagee Designee (including but not limited to the default referred to in Section 16.1(c), (d), (e), (f) (if the levy or attachment is in favor of such Permitted Leasehold Mortgagee (provided such levy is extinguished upon foreclosure or similar proceeding or in a transfer in lieu of any such foreclosure) or is junior to the lien of such Permitted Leasehold Mortgagee and would be extinguished by the foreclosure of the Permitted Leasehold Mortgage that is held by such Permitted Leasehold Mortgagee), or (l) (as related to the Indebtedness secured by a Permitted Leasehold Mortgage that is junior to the lien of the Permitted Leasehold Mortgagee and such junior lien would be extinguished by the foreclosure of the Permitted Leasehold Mortgage that is held by such Permitted Leasehold Mortgagee) and any other sections of this Master Lease which may impose conditions of default not susceptible to being cured by a Permitted Leasehold Mortgagee or a subsequent owner of the Leasehold Estate through foreclosure hereof), in order to comply with the provisions of Sections 17.1(d) and 17.1(e), or as a condition of entering into the New Lease provided for by Section 17.1(f).

(i) Casualty Loss. A standard mortgagee clause naming each Permitted Leasehold Mortgagee for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof may be added to any and all insurance policies required to be carried by Tenant hereunder on condition that the insurance proceeds are to be applied in the manner specified in this Master Lease and the Permitted Leasehold Mortgage shall so provide; except that the Permitted Leasehold Mortgage may provide a manner for the disposition of such proceeds, if any, otherwise payable directly to the Tenant (but not such proceeds, if any, payable jointly to the Landlord and Tenant, to Landlord, or to the Facility Mortgagee) pursuant to the provisions of this Master Lease.

(j) Arbitration; Legal Proceedings. Landlord shall give prompt notice to each Permitted Leasehold Mortgagee (for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof) of any arbitration or legal proceedings between Landlord and Tenant involving obligations under this Master Lease.

(k) No Merger. So long as any Permitted Leasehold Mortgage is in existence, unless all Permitted Leasehold Mortgagees for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof shall otherwise expressly consent in writing, the fee title to the Leased Property and the Leasehold Estate of Tenant therein created by this Master Lease shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said Leasehold Estate by Landlord or by Tenant or by a third party, by purchase or otherwise.

(l) Notices. Notices from Landlord to the Permitted Leasehold Mortgagee for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof shall be provided in the method provided in Section 35.1 hereof to the address or fax number furnished Landlord pursuant to Section 17.1(b), and those from the Permitted Leasehold Mortgagee to Landlord shall be mailed to the address designated pursuant to the provisions of Section 35.1 hereof. Such notices, demands and requests shall be given in the manner described in this Section 17.1 and in Section 35.1 and shall in all respects be governed by the provisions of those sections.

(m) Limitation of Liability. Notwithstanding any other provision hereof to the contrary, (i) Landlord agrees that any Permitted Leasehold Mortgagee's liability to Landlord in its capacity as Permitted Leasehold Mortgagee hereunder howsoever arising shall be limited to and enforceable only against such Permitted Leasehold Mortgagee's interest in the Leasehold Estate and the other collateral granted to such Permitted Leasehold Mortgagee to secure the obligations under its Debt Agreement, and (ii) each Permitted Leasehold Mortgagee agrees that Landlord's liability to such Permitted Leasehold Mortgagee hereunder howsoever arising shall be limited to and enforceable only against Landlord's interest in the Leased Property, and no recourse against Landlord shall be had against any other assets of Landlord whatsoever.

(n) Sale Procedure. If an Event of Default shall have occurred and be continuing, the Permitted Leasehold Mortgagee for which notice has been properly provided to Landlord pursuant to Section 17.1(b) hereof with the most senior lien on the Leasehold Estate shall have the right to make all determinations and agreements on behalf of Tenant under Article XXXVI (including, without limitation, requesting that the sale process described in Article XXXVI be commenced, the determination and agreement of the Communications Assets FMV, the Successor Tenant Rent, and the potential Successor Tenants that should be included in the process, and negotiation with such Successor Tenants), in each case, in accordance with and subject to the terms and provisions of Article XXXVI, including without limitation the requirement that Successor Tenant meet the qualifications of Discretionary Transferee.

(o) Third Party Beneficiary. Each Permitted Leasehold Mortgagee (for so long as such Permitted Leasehold Mortgagee holds a Permitted Leasehold Mortgage) is an intended third-party beneficiary of this Article XVII entitled to enforce the same as if a party to this Master Lease.

17.2 Landlord's Right to Cure Tenant's Default. If Tenant shall fail to make any payment or to perform any act required to be made or performed hereunder when due or within any cure period provided for herein, Landlord, without waiving or releasing any obligation or default, may, but shall be under no obligation to, make such payment or perform such act for the account and at the expense of Tenant, and may, to the extent permitted by law, enter upon the Leased Property for such purpose and take all such action thereon as, in Landlord's opinion, may be necessary or appropriate therefor. No such entry shall be deemed an eviction of Tenant. All sums so paid by Landlord and all costs and expenses, including reasonable attorneys' fees and expenses, so incurred, together with interest thereon at the Overdue Rate from the date on which such sums or expenses are paid or incurred by Landlord, shall be paid by Tenant to Landlord on demand as an Additional Charge.

ARTICLE XVIII

18.1 Sale of the Leased Property. Subject to the terms of Section 18.2 and Article XXXI, Landlord may, without the consent or approval of Tenant, sell all (and not less than all) of the Leased Property to a single buyer who is not a Competitor. In connection with such sale, Landlord and the buyer shall concurrently enter into an assignment agreement pursuant to which

Landlord assigns to such buyer all of its rights, title and interest under this Master Lease, and the buyer agrees to perform all of the obligations, terms, covenants and conditions of Landlord hereunder from and after the effective date of the sale. For the avoidance of doubt, each entity comprising Landlord must assign 100% of its right, title and interest under this Master Lease to the buyer in order for an assignment of the Master Lease to be permitted under the terms of this Section 18.1.

18.2 Restrictions on Transfers in Landlord. Subject to the rights of a Foreclosure Purchaser under Article XXXI, Landlord shall not, without Tenant's prior written consent, (i) sell or otherwise transfer any Equity Interests in Landlord or CS&L Parent that results in a Competitor (whether directly or through Subsidiaries of Competitor and whether in a single transaction or in a series of unrelated or related transactions) acquiring beneficial ownership and control of ten percent (10%) or more of the Equity Interests in Landlord or CS&L Parent, (ii) sell any or all of Landlord's assets relating to the Facilities to a Competitor (whether directly or through Subsidiaries of the Competitor and whether in a single transaction or in a series of unrelated or related transactions), (iii) merge or consolidate with or into a Competitor (whether directly or through Landlord's Subsidiaries) or (iv) sell or otherwise transfer any Equity Interests in any entity comprising Landlord that would result in CS&L Parent not being the beneficial owner, whether directly or indirectly, of one hundred percent (100%) of the Equity Interests in such entity unless the Equity Interests that are sold or transferred are convertible into Equity Interests in CS&L Parent.

ARTICLE XIX

19.1 Holding Over. If Tenant shall for any reason remain in possession of the Leased Property of a Facility after the expiration or earlier termination of the Term with respect to such Facility without the consent of Landlord (other than Tenant remaining in possession of a Facility in accordance with Section 36.3) such possession shall be as a month-to-month tenant during which time Tenant shall pay as Rent each month twice the monthly Rent applicable to the prior Lease Year for such Facility, as reasonably determined by Landlord, together with all Additional Charges and all other sums payable by Tenant pursuant to this Master Lease. During such period of month-to-month tenancy, Tenant shall be obligated to perform and observe all of the terms, covenants and conditions of this Master Lease, but shall have no rights hereunder other than the right, to the extent given by law to month-to-month tenancies, to continue its occupancy and use of the Leased Property of, and/or any Tenant Capital Improvements to, such Facility. Nothing contained herein shall constitute the consent, express or implied, of Landlord to the holding over of Tenant after the expiration or earlier termination of this Master Lease.

ARTICLE XX

20.1 Risk of Loss. The risk of loss or of decrease in the enjoyment and beneficial use of the Leased Property as a consequence of the damage or destruction thereof by fire, the elements, casualties, thefts, riots, wars or otherwise, or in consequence of foreclosures, attachments, levies or executions (other than by Landlord and Persons claiming from, through or under Landlord) is assumed by Tenant, and except as otherwise provided herein no such event shall entitle Tenant to any abatement of Rent.

ARTICLE XXI

21.1 General Indemnification. In addition to the other indemnities contained herein, and notwithstanding the existence of any insurance carried by or for the benefit of Landlord or Tenant, and without regard to the policy limits of any such insurance, Tenant shall protect, indemnify, save harmless and defend Landlord from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses, including reasonable attorneys', consultants' and experts' fees and expenses (collectively, "**Claims**"), imposed upon or incurred by or asserted by third parties against Landlord by reason of: (i) any accident, injury to or death of Persons or loss of or damage to property occurring on or about the Leased Property or adjoining sidewalks under the control of Tenant; (ii) any use, misuse, maintenance or repair by Tenant or its Subsidiaries of the Leased Property; (iii) any failure on the part of Tenant to perform or comply with any of the terms of this Master Lease; (iv) the non-performance of any of the terms and provisions of any and all existing and future subleases of the Leased Property to be performed by any party thereunder; (v) any claim for malpractice, negligence or misconduct committed by any Person on or working from the Leased Property; (vi) any claims or actions for trespass with respect to the Leased Property; (vii) the violation by Tenant of any Legal Requirement and (viii) any carrier of last resort obligations which are Tenant's responsibility pursuant to Section 36.4. Any amounts which become payable by Tenant under this Article XXI shall be paid within ten (10) days after liability therefor is determined by a final non appealable judgment or settlement or other agreement of the parties, and if not timely paid shall bear interest at the Overdue Rate from the date of such determination to the date of payment. Tenant, at its sole cost and expense, shall contest, resist and defend any such claim, action or proceeding asserted or instituted against Landlord; it being agreed and understood that in no event shall Landlord have the right to enter into any settlement with respect to any claim, action or proceeding for which Tenant has an obligation to indemnify Landlord hereunder without obtaining Tenant's prior consent. For purposes of this Article XXI, any acts or omissions of Tenant, or by employees, agents, assignees, contractors, subcontractors or others acting for or on behalf of Tenant (whether or not they are negligent, intentional, willful or unlawful), shall be strictly attributable to Tenant. Landlord shall be obligated to (a) deliver Notice to Tenant of any Claims for which it is seeking Tenant to indemnify Landlord from pursuant to this Section 21.1 promptly after such Claim is imposed on or incurred by Landlord, and (b) mitigate any damages it incurs or is reasonably expected to incur in connection with such Claim.

ARTICLE XXII

22.1 Subletting and Assignment. Tenant shall not, without Landlord's prior written consent, which, except as specifically set forth herein, may be withheld in Landlord's reasonable discretion, voluntarily or by operation of law assign (which term includes any transfer, sale, encumbering, pledge or other transfer or hypothecation) this Master Lease, sublet all or any part of the Leased Property of any Facility (including, without limitation, any rights granted by Tenant through a dark fiber agreement, a dim fiber agreement or a collocation agreement) or engage the services of any Person (other than any of Tenant's Subsidiaries) for the management or operation of any Facility (each of the aforesaid acts being referred to herein as a "**Transfer**") (provided that the foregoing shall not restrict a transferee of Tenant from retaining a manager necessary for such transferee's satisfying the requirement set forth in clause (a)(1) of the definition of "Discretionary COC Transferee" or prevent Tenant or its Subsidiaries from

outsourcing or contracting with third parties to perform services that remain under the supervision of Tenant or its Subsidiaries). Tenant acknowledges that Landlord is relying upon the expertise of Tenant in the operation of the Facilities and that Landlord entered into this Master Lease with the expectation that Tenant (or Tenant's Subsidiaries on behalf of Tenant) would remain in and operate such Facilities during the entire Term and for that reason, except as set forth herein, Landlord retains reasonable discretion in approving or disapproving any assignment or sublease. Any Change in Control shall constitute an assignment of Tenant's interest in this Master Lease within the meaning of this Article XXII and the provisions requiring consent contained herein shall apply.

22.2 Permitted Assignments. Notwithstanding the foregoing, and subject to Section 40.1, Tenant may:

(i) with Landlord's prior written consent, which consent shall not be unreasonably withheld, allow to occur or undergo a Change in Control (including without limitation a transfer or assignment of this Master Lease to any third party in conjunction with a sale by Tenant of all or substantially all of Tenant's assets relating to the Facilities);

(ii) without Landlord's prior written consent, assign this Master Lease or sublease the Leased Property to any of Tenant's Subsidiaries if all of the following are first satisfied: (x) Tenant remains fully liable hereunder; (y) the use of the Leased Property continues to comply with the requirements of this Master Lease; and (z) Landlord in its reasonable discretion shall have approved the form and content of all documents for such assignment or sublease and received an executed counterpart thereof; and

(iii) without Landlord's prior written consent:

(x) undergo a Change in Control of the type referred to in clause (iii) of the definition of Change in Control (such Change in Control, a "**Tenant COC**") if (1) such Person acquiring such beneficial ownership or control is a Discretionary COC Transferee, and (2) the Parent Company of such Discretionary COC Transferee, if any, has become a Guarantor and provided a Lease Guaranty on terms reasonably satisfactory to Landlord or, if such Discretionary COC Transferee does not have a Parent Company, such Discretionary COC Transferee has become a Guarantor and provided a Lease Guaranty on terms reasonably satisfactory to Landlord;

(y) assign this Master Lease to any Person in an assignment that does not constitute a Foreclosure Assignment if (1) such Person is a Discretionary Transferee, (2) such Discretionary Transferee agrees in writing to assume the obligations of the Tenant under this Master Lease without amendment or modification other than as provided below, and (3) the Parent Company of such Discretionary Transferee, if any, has become a Guarantor and provided a Lease Guaranty on terms reasonably satisfactory to Landlord or, if such Discretionary Transferee does not have a Parent Company, such Discretionary Transferee has become a Guarantor and provided a Lease Guaranty on terms reasonably satisfactory to Landlord; or

(z) (i) assign this Master Lease by way of foreclosure of the Leasehold Estate or an assignment-in-lieu of foreclosure to any Person (any such assignment, a "**Foreclosure Assignment**") or (ii) undergo a Change in Control whereby a Person acquires beneficial ownership and control of 100% of the Equity Interests in Tenant as a result of the purchase at a foreclosure on a permitted pledge of the Equity Interests in Tenant or an assignment in lieu of such foreclosure (a "**Foreclosure COC**") or (iii) effect the first subsequent sale or assignment of the Leasehold Estate or Change in Control after a Foreclosure Assignment or a Foreclosure COC whereby a Person so acquires the Leasehold Estate or beneficial ownership and control of 100% of the Equity Interests in Tenant or the Person who acquired the Leasehold Estate in connection with the Foreclosure Assignment, in each case, effected by a Permitted Leasehold Mortgagee or a Permitted Leasehold Mortgagee Foreclosing Party, to the extent such Permitted Leasehold Mortgagee or Permitted Leasehold Mortgagee Designee has been diligently attempting to expedite such first subsequent sale from the time it has initiated foreclosure proceedings taking into account the interest of such Permitted Leasehold Mortgagee or Permitted Leasehold Mortgagee Designee in maximizing the proceeds of such disposition if (1) such Person is a Discretionary Transferee, (2) in the case of any Foreclosure Assignment, if such Discretionary Transferee is not a Permitted Leasehold Mortgagee Designee such Discretionary Transferee agrees in writing to assume the obligations of the Tenant under this Master Lease without amendment or modification other than as provided below (which written assumption, in the case of a Permitted Leasehold Mortgagee Foreclosing Party, may be made by a Subsidiary of a Permitted Leasehold Mortgagee or a Permitted Leasehold Mortgagee Designee) and (3) if such Discretionary Transferee is not a Permitted Leasehold Mortgagee Foreclosing Party, the Parent Company of such Discretionary Transferee, if any, has become a Guarantor and provided a Lease Guaranty on terms reasonably satisfactory to Landlord or, if such Discretionary Transferee does not have a Parent Company, such Discretionary Transferee has become a Guarantor and provided a Lease Guaranty on terms reasonably satisfactory to Landlord;

provided that no such Change in Control or assignment referred to in this Section 22.2(iii) shall be permitted without Landlord's prior written consent unless, and in which case such consent shall not be unreasonably withheld, (A) the use of the Leased Property at the time of such Change in Control or assignment and immediately after giving effect thereto is permitted by Section 7.2 hereof, and (B) Landlord in its reasonable discretion shall have approved the form and content of all documents for such assignment and assumption and received an executed

counterpart thereof (provided no such approval shall be required in the case of a Tenant COC, so long as (A) Tenant remains obligated under the Master Lease, (B) the requirements for a Lease Guaranty from the Parent Company, Discretionary Transferee or Discretionary COC Transferee, as applicable, are met, and (C) any modifications to this Master Lease required pursuant to the next succeeding paragraph are made); and

(iv) without Landlord's prior written consent, pledge or mortgage its Leasehold Estate to a Permitted Leasehold Mortgagee.

Upon the effectiveness of any Change in Control or assignment permitted pursuant to this Section 22.2, such Discretionary COC Transferee, Discretionary Transferee or the Parent Company of such Discretionary COC Transferee or Discretionary Transferee, as applicable and Landlord shall make such amendments and other modifications to this Master Lease as are reasonably requested by either party to give effect to such Change in Control or assignment and such technical amendments as may be necessary or appropriate in the reasonable opinion of such requesting party in connection with such Change in Control or assignment including, without limitation, changes to the definition of Change in Control to include Parent Company (or, if the Discretionary COC Transferee or the Discretionary Transferee does not have a Parent Company, the Discretionary COC Transferee or Discretionary Transferee, as applicable) and in the provisions of this Master Lease regarding delivery of financial statements and other reporting requirements with respect to Tenant and the delivery of a Lease Guaranty by Guarantor. After giving effect to any such Change in Control or assignment, unless the context otherwise requires, references to Tenant hereunder shall be deemed to refer to the Discretionary COC Transferee, the Discretionary Transferee or the Parent Company of such Discretionary COC Transferee or Discretionary Transferee, as applicable.

22.3 Permitted Sublease Agreements and Usage Arrangements. Notwithstanding the provisions of Section 22.1, but subject to compliance with the provisions of this Section 22.3 and of Section 40.1, (a) Tenant shall be permitted to grant any of its rights and privileges under this Master Lease to any of Tenant's Subsidiaries and Landlord acknowledges that the performance of any obligations or agreements by any of Tenant's Subsidiaries on behalf of Tenant shall satisfy Tenant's obligations to perform such obligation or agreement hereunder, (b) the Specified Subleases shall be permitted without any further consent from Landlord, (c) provided that no Event of Default shall have occurred and be continuing, Tenant may enter into any sublease agreement (including, but not limited to, any rights granted by Tenant or any of its Subsidiaries through a dark fiber agreement, a dim fiber agreement, or a collocation agreement) without the prior written consent of Landlord, provided, further that, (i) with respect to clauses (b) or (c), the route miles pursuant to such sublease does not constitute greater than thirty percent (30%) in the aggregate of the route miles of all the Facilities in the aggregate then subject to this Master Lease (such portion, a "**Material Portion**") (and any such route miles for any Material Portion will require Landlord's prior written consent, which consent may not be unreasonably withheld except that no such consent shall be required to the extent (x) permitted under the Specified Subleases (y) the subtenant under such sublease is a Discretionary Transferee or (z) with respect to any collocation agreement, Tenant (or its Subsidiaries) is obligated to enter into such collocation agreement in order to discharge its obligations under any Communication License or any Communications Regulations); (ii) all sublease agreements under clauses (b) and (c) of this

Section 22.3 (other than a sublease with a Discretionary Transferee) are made in the normal course of the Primary Intended Use and to third party users or operators of portions of the Leased Property in furtherance of the Primary Intended Use or are required to discharge Tenant or its Subsidiaries' obligations under any Communications License or Communications Regulations and (iii) Landlord shall have the right to reasonably approve the identity of any subtenants under this Section 22.3 (except with respect to any third parties under any collocation arrangements, dim fiber arrangements and dark fiber agreements or any subtenants under the Specified Subleases and any permitted assignment by such subtenants with respect to such Specified Sublease) that will be operating all or portions of the Leased Property for its Primary Intended Use to ensure that all are adequately capitalized and competent and experienced for the operations which they will be conducting; provided however, that if any subtenant is a Discretionary Transferee, then such subtenant shall be deemed approved by Landlord. Upon the occurrence and during the continuance of an Event of Default that is monetary in nature, Landlord shall have the right to collect all rents, profits and charges under any sublease (including, but not limited to, any rights granted by Tenant or any of its Subsidiaries through a dark fiber agreement, a dim fiber agreement, or a collocation agreement) to the extent permitted by applicable law and apply the net amount collected to the Rent, but no such collection shall be deemed (i) a waiver by Landlord of any of the provisions of this Master Lease, (ii) an acceptance by Landlord of such subtenant or party as a tenant or (iii) a release of Tenant from the future performance of its obligations hereunder. If reasonably requested by Tenant in connection with a sublease permitted under clause (c) above, Landlord and such sublessee shall enter into a subordination, non-disturbance and attornment agreement with respect to such sublease in a form reasonably satisfactory to Landlord (and if a Facility Mortgage is then in effect, Landlord shall use reasonable efforts to cause the Facility Mortgagee to enter into such subordination, non-disturbance and attornment agreement).

22.4 Required Assignment and Subletting Provisions. Any assignment and/or sublease (including, but not limited to, any rights granted by Tenant or any of its Subsidiaries pursuant to a dark fiber agreement, a dim fiber agreement or a collocation agreement) must meet the following conditions:

(i) in the case of a sublease, it shall be subject and subordinate to all of the terms and conditions of this Master Lease;

(ii) the use of the applicable Facility (or portion thereof) shall not conflict with any Legal Requirement or any other provision of this Master Lease;

(iii) except as otherwise provided herein, no subtenant or assignee shall be permitted to further sublet all or any part of the applicable Leased Property or assign this Master Lease or its sublease except insofar as the same would be permitted if it were a sublease by Tenant under this Master Lease (it being understood that any subtenant under Section 22.3(a) may pledge and mortgage its subleasehold estate (or allow the pledge of its equity interests) to a Permitted Leasehold Mortgagee);

(iv) in the case of a sublease, in the event of cancellation or termination of this Master Lease for any reason whatsoever or of the surrender of this Master Lease (whether voluntary, involuntary or by operation of law) prior to the expiration date of

such sublease, including extensions and renewals granted thereunder, then, subject to Article XXXVI, at Landlord's option, the subtenant shall make full and complete attornment to Landlord for the balance of the term of the sublease, which attornment shall be evidenced by an agreement in form and substance satisfactory to Landlord and which the subtenant shall execute and deliver within five (5) days after request by Landlord and the subtenant shall waive the provisions of any law now or hereafter in effect which may give the subtenant any right of election to terminate the sublease or to surrender possession in the event any proceeding is brought by Landlord to terminate this Master Lease;

(v) in the event the subtenant receives a written notice from Landlord stating that this Master Lease has been cancelled, surrendered or terminated, then, subject to Article XXXVI, the subtenant shall thereafter be obligated to pay all rentals accruing under said sublease directly to Landlord (or as Landlord shall so direct); all rentals received from the subtenant by Landlord shall be credited against the amounts owing by Tenant under this Master Lease; and

(vi) the term of the sublease shall expire no later than the day preceding the expiration date of the then current Term.

22.5 Costs. Tenant shall reimburse Landlord for Landlord's reasonable costs and expenses incurred in conjunction with the processing and documentation of any assignment, subletting or management arrangement (but expressly excluding any costs and expenses incurred by Landlord in connection with Landlord's review of any collocation arrangements, dark fiber agreements and dim fiber agreements which shall be borne solely by Landlord), including reasonable attorneys', architects', engineers' or other consultants' fees whether or not such sublease, assignment or management agreement is actually consummated.

22.6 No Release of Tenant's Obligations; Exception. No assignment (other than a permitted transfer pursuant to Section 22.2(i) or Section 22.2(iii)(y) or Section 22.2(iii)(z)(1) or Section 22.2(iii)(z)(3), in connection with a sale or assignment of the Leasehold Estate), subletting or management agreement shall relieve Tenant of its obligation to pay the Rent and to perform all of the other obligations to be performed by Tenant hereunder. The liability of Tenant and any immediate and remote successor in interest of Tenant (by assignment or otherwise), and the due performance of the obligations of this Master Lease on Tenant's part to be performed or observed, shall not in any way be discharged, released or impaired by any (i) stipulation which extends the time within which an obligation under this Master Lease is to be performed, (ii) waiver of the performance of an obligation required under this Master Lease that is not entered into for the benefit of Tenant or such successor, or (iii) failure to enforce any of the obligations set forth in this Master Lease, provided that Tenant shall not be responsible for any additional obligations or liability arising as the result of any modification or amendment of this Master Lease by Landlord and any assignee of Tenant that is not an Affiliate of Tenant.

22.7 Public Offering. Notwithstanding anything that may be to the contrary in this Article XXII, this Master Lease shall not restrict any Transfer of any stock of Tenant as a result of a public offering of Tenant's stock which (a) constitutes a bona fide public distribution of such stock pursuant to a firm commitment underwriting or a plan of distribution registered under the Securities Act of 1933 and (b) results in such stock being listed for trading on the American

Stock Exchange, the New York Stock Exchange, or any other recognized stock exchange whether within or outside of the United States or authorized for quotation on the NASDAQ National Market immediately upon the completion of such public offering. In addition, so long as such stock of Tenant is listed for trading on any such exchange or authorized for quotation on such market, the transfer or exchange of such stock shall not be deemed a Transfer hereunder unless such a transfer or exchange constitutes a Change in Control.

ARTICLE XXIII

23.1 Officer's Certificates and Financial Statements.

(a) Officer's Certificate. Each of Landlord and Tenant shall, at any time and from time to time upon receipt of not less than ten (10) Business Days' prior written request from the other party hereto, furnish an Officer's Certificate certifying (i) that this Master Lease is unmodified and in full force and effect, or that this Master Lease is in full force and effect as modified and setting forth the modifications; (ii) the Rent and Additional Charges payable hereunder and the dates to which the Rent and Additional Charges have been paid; (iii) that the address for notices to be sent to the party furnishing such Officer's Certificate is as set forth in this Master Lease (or, if such address for notices has changed, the correct address for notices to such party); (iv) whether or not, to its actual knowledge, such party or the other party hereto is in compliance in all material respects with the covenants, agreements and conditions contained in this Master Lease (together with back-up calculation and information reasonably necessary to support such determination); (v) that Tenant is in possession of the Leased Property; and (vi) responses to such other questions or statements of fact as such other party, any ground or underlying landlord, any purchaser or any current or prospective Facility Mortgagee or Permitted Leasehold Mortgagee shall reasonably request, provided that such questions or statements of fact are included in the written notice requesting the Officer's Certificate. Landlord's or Tenant's failure to deliver such statement within such time shall constitute an acknowledgement by such failing party that, to such party's knowledge, (x) this Master Lease is unmodified and in full force and effect except as may be represented to the contrary by the other party; (y) the other party is not in default in the performance of any covenant, agreement or condition contained in this Master Lease; and (z) the other matters set forth in such request, if any, are true and correct. Notwithstanding the foregoing, in no event shall Landlord or Tenant be required to deliver an Officer's Certificate under this Section 23.1(a) more than two (2) times in any calendar year. Any such certificate furnished pursuant to this Article XXIII may be relied upon by the receiving party and any current or prospective Facility Mortgagee, Permitted Leasehold Mortgagee, ground or underlying landlord or purchaser of the Leased Property. Tenant shall deliver a Notice to Landlord within two (2) Business Days of obtaining knowledge of the occurrence of any material default hereunder. Such Notice shall include a detailed description of the default and the actions Tenant has taken or shall take, if any, to remedy such default.

(b) Statements. Tenant shall furnish the following statements (each a "**Financial Statement**" and collectively the "**Financial Statements**") to Landlord:

(i) as soon as available and in no event later than ninety (90) days after the end of each Fiscal Year, its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for

such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, all reported on by PricewaterhouseCoopers LLP or other independent public accountants of recognized national standing (without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of Tenant and its consolidated Subsidiaries in accordance with GAAP and the applicable requirements of Regulation S-X;

(ii) as soon as available and in no event later than forty-five (45) days after the end of each of the first three Fiscal Quarters of each Fiscal Year, its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such Fiscal Quarter and the then elapsed portion of the Fiscal Year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year, all certified by a Financial Officer of Tenant as presenting fairly in all material respects the financial condition and results of operations of Tenant and its consolidated Subsidiaries in accordance with GAAP and the applicable requirements of Regulation S-X, subject to normal year-end audit adjustments and the absence of footnotes;

(iii) concurrently with any delivery of financial statements under clause (i) or (ii) above, a certificate of a Financial Officer of Tenant certifying as to whether a default has occurred under this Master Lease and, if a default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto; and

(iv) within sixty (60) days after the beginning of each Fiscal Year, a detailed consolidated budget for such Fiscal Year (including a projected consolidated balance sheet and related statements of projected operations and cash flows as of the end of and for such Fiscal Year and setting forth the assumptions used in preparing such budget) and, promptly when available, any significant revisions of such budget approved by the board of directors of Tenant;

(v) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by Tenant or any of its Subsidiaries with the SEC or with any national securities exchange, or distributed by Tenant to its shareholders generally, as the case may be; and

(vi) prompt Notice to Landlord of any action, proposal or investigation by any agency or entity, or complaint to such agency or entity, (any of which is called a "**Proceeding**"), known to Tenant, the result of which Proceeding would reasonably be expected to be to revoke or suspend or terminate or modify in a way adverse to Tenant, or fail to renew or fully continue in effect, any license or certificate or operating authority pursuant to which Tenant carries on any part of the Primary Intended Use of all or any portion of the Leased Property.

(c) Other than postings on the SEC's website, any financial statement or other materials required to be delivered pursuant to Section 23.1(b) shall be deemed to have been delivered on the date on which such information is posted on Tenant's website on the Internet or by

Landlord on an IntraLinks or similar site to which Landlord has been granted access or shall be available on the SEC's website on the Internet at www.sec.gov; provided that Tenant shall give Notice of any such posting to Landlord, and Tenant shall deliver paper copies of any such documents to Landlord if Landlord requests Tenant to deliver such paper copies. Notwithstanding anything contained herein, in every instance Tenant shall be required to provide paper copies of any certificate required by Section 23.1(b)(iii) to Landlord. If any Financial Statement or other materials required to be delivered under this Master Lease shall be required to be delivered on any date that is not a Business Day, such information may be delivered to Landlord on the next succeeding Business Day after such date; and

(d) Tenant further agrees to provide the financial and operational reports to be delivered to Landlord under this Master Lease in such electronic format(s) as may reasonably be required by Landlord from time to time in order to (i) facilitate Landlord's financial and reporting requirements and (ii) permit Landlord to calculate any rent, fee or other payments due under any Pole Agreements or Permits. Tenant also agrees that Landlord shall have audit rights with respect to such information to the extent required to confirm Tenant's compliance with the Master Lease terms (including, calculation of Net Income).

(e) Tenant agrees upon request of Landlord (which request is received by Tenant with reasonable advance notice to allow it to perform its obligations hereunder), the Tenant shall provide such information that Landlord reasonably requires to comply with its reporting and filing obligations pursuant to the Sarbanes-Oxley Act of 2002 including:

(i) preparation of the narrative(s) for processes determined to materially impact Landlord's Financial Statements;

(ii) access during reasonable business hours to Tenant management (including Tenant internal audit management) responsible for activities outlined in the narrative(s);

(iii) incur reasonable efforts to design control activities for all key internal controls over financial reporting, associated information technology general controls and other entity-level controls (collectively "Key Internal Controls") (as required to maintain compliance with the Sarbanes-Oxley Act of 2002);

(iv) incur reasonable efforts to enable Landlord and its external auditors to test the operating effectiveness of the Key Internal Controls over financial reporting identified; and

(v) incur reasonable efforts to attempt to remediate, within a reasonable amount of time prior to each calendar year end, any deficient controls identified by Landlord or its external auditors and to work with Landlord and its external auditors to identify compensating or mitigating controls which can be tested by Landlord and its external auditor and deemed to be operating effectively for the same period of time as the deficient control operated.

Both parties acknowledge and agree that Tenant will charge Landlord for Tenant's reasonable costs to perform these obligations including its out-of-pocket costs and reasonable allocations for internal labor.

(f) Notwithstanding the foregoing, Tenant shall not be obligated (1) to provide information or assistance that could give Landlord or its Affiliates a "competitive" advantage with respect to markets in which Tenant or Tenant's Subsidiaries might be competing at any time (it being understood that Landlord shall retain audit rights with respect to such information to the extent required to confirm Tenant's compliance with the Master Lease terms (and Landlord's compliance with the SEC, Internal Revenue Service and other legal and regulatory requirements) and provided that appropriate measures are in place to ensure that only Landlord's auditors and attorneys (and not Landlord) are provided access to such information) or (2) to provide information that is subject to the quality assurance immunity or is subject to attorney-client privilege or the attorney work product doctrine.

(g) Tenant shall maintain adequate books and records of all Permits, Easements and Pole Agreement and all payments (and supporting documentation relating to such payments) made thereunder for no less than five (5) years after the end of each Fiscal Year with respect to the books and records maintained during such Fiscal Year. Tenant's books and records for the Permits, Easements and Pole Agreements shall be maintained in a manner consistent with the other books and records maintained by Tenant. Landlord shall have the right from time to time during normal business hours upon reasonable notice to Tenant to examine and audit such books and records at the office of Tenant or other Person maintaining such books and records and to make such copies or extracts thereof as Landlord shall desire.

(h) Notwithstanding anything to the contrary contained herein, Tenant agrees that upon request of Landlord, it shall from time to time provide such information that Landlord requires in order for Landlord to comply with its reporting and filing obligations with the SEC (including, without limitation, any requirements imposed by Regulation S-X (including, to the extent necessary, obtaining a consent from Tenant's external audit firm for inclusion of their report on Tenant's financial statement in Landlord's SEC filings)) and further agrees that Landlord may include such information in its filings and submissions to the SEC.

23.2 Confidentiality; Public Offering Information. (a) The parties recognize and acknowledge that they may receive certain Confidential Information of the other party. Subject to Section 23.1(g), each party agrees that neither such party nor any of its Representatives acting on its behalf shall, during or within five (5) years after the term of the termination or expiration of this Master Lease, directly or indirectly use any Confidential Information of the other party or disclose Confidential Information of the other party to any person for any reason or purpose whatsoever, except as reasonably required in order to comply with the obligations and provisions of this Master Lease.

(b) Notwithstanding anything to the contrary set forth in Section 23.2(a), in the event that a party or any of its Representatives is requested or becomes legally compelled (pursuant to any legal, governmental, administrative or regulatory order, authority or process) to disclose any Confidential Information of the other party but specifically excluding any disclosures required to be made by Landlord under Section 23.1(g), it will, to the extent reasonably practicable and not

prohibited by law, provide the party to whom such Confidential Information belongs prompt written notice of the existence, terms or circumstances of such event so that the party to whom such Confidential Information belongs may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Section 23.2. In the event that such protective order or other remedy is not obtained or the party to whom such Confidential Information belongs waives compliance with this Section 23.2, the party compelled to disclose such Confidential information will furnish only that portion of the Confidential Information or take only such action as, based upon the advice of your legal counsel, is legally required and will use commercially reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished. The party compelled to disclose the Confidential Information shall cooperate with any action reasonably requested by the party to whom such Confidential information belongs to obtain a protective order or other reliable assurance that confidential treatment will be accorded to the Confidential Information.

(c) The parties agree that, except as required by law, no party hereto shall issue any press release relating to the terms of this Master Lease without the prior written approval of the other party, which approval may be granted or withheld in such party's sole discretion.

23.3 Agreements with Respect to Certain Information. Notwithstanding anything to the contrary in Section 23.2:

(a) Without limiting the disclosures permitted to be made by Landlord under Section 23.1(g), Tenant specifically agrees that Landlord may include financial information and such information concerning the operation of the Facilities (1) which is publicly available or (2) the inclusion of which is approved by Tenant in writing, which approval may not be unreasonably withheld, in offering memoranda or prospectuses or confidential information memoranda, or similar publications or marketing materials, rating agency presentations, investor presentations or disclosure documents in connection with syndications, private placements or public offerings of Landlord's or its Subsidiaries' securities or loans, and any other reporting requirements under applicable federal and state laws, including those of any successor to Landlord, provided that, to the extent such information is not publicly available, the recipients thereof shall be obligated to maintain the confidentiality thereof pursuant to Section 23.2 hereof or pursuant to confidentiality provisions substantially similar thereto and to comply with all federal, state and other securities laws applicable with respect to such information. Unless otherwise agreed by Tenant, Landlord shall not revise or change the wording of information previously publicly disclosed by Tenant and furnished to Landlord or any its Subsidiaries pursuant to Section 23.1 or this Section 23.3 and Landlord's Form 10-Q or Form 10-K (or supplemental report filed in connection therewith) shall not disclose the operational results of the Facilities prior to Tenant's or its Affiliate's public disclosure thereof so long as Tenant or such Affiliate reports such information in a timely manner consistent with historical practices and SEC disclosure requirements. Tenant agrees to provide such other reasonable information and, if necessary, reasonable participation in road shows and other presentations at Landlord's sole cost and expense, with respect to Tenant and its Leased Property to facilitate a public or private debt or equity offering or syndication by Landlord or its Subsidiaries to satisfy Landlord's SEC disclosure requirements or the disclosure requirements of any of its Subsidiaries. In this regard, Landlord shall provide to Tenant a copy of any information prepared by Landlord to be published, and Tenant shall have a reasonable period of time (not to exceed three (3) Business Days) after receipt of such information to notify Landlord of any corrections.

(b) Landlord shall have the right to share Confidential Information of Tenant contained in the Financial Statements with its Subsidiaries and their respective officers, employees, directors, Facility Mortgagee, agents and lenders party to material debt instruments entered into by Landlord or its Subsidiaries, actual or prospective arrangers, underwriters, investors or lenders with respect to Indebtedness or Equity Interests that may be issued by Landlord or its Subsidiaries, rating agencies, accountants, attorneys and other consultants (the "**Landlord Representatives**"), provided that (i) such Landlord Representative is not a Competitor and is advised of the confidential nature of such information and agrees, to the extent such information is not publicly available, to maintain the confidentiality thereof pursuant to Section 23.2 hereof or pursuant to confidentiality provisions substantially similar thereto and to comply with all federal, state and other securities laws applicable with respect to such information and (ii) neither it nor any Landlord Representative shall be permitted to engage in any transactions with respect to the stock or other equity or debt securities or syndicated loans of Tenant based on any such non-public information provided by or on behalf of Landlord or its Subsidiaries (provided that this provision shall not govern the provision of information by Tenant).

(c) In addition to the foregoing, Landlord agrees that, upon request of Tenant, it shall from time to time provide such information as may be reasonably requested by Tenant with respect to Landlord's capital structure and/or any financing secured by this Master Lease or the Leased Property in connection with Tenant's review of the treatment of this Master Lease under GAAP. Tenant shall have the right to share such information with Tenant's Subsidiaries and their respective officers, employees, directors, Permitted Leasehold Mortgagees, agents and lenders party to material debt instruments entered into by Tenant or Tenant's Subsidiaries, actual or prospective arrangers, underwriters, investors or lenders with respect to Indebtedness or Equity Interests that may be issued by Tenant or Tenant's Subsidiaries, rating agencies, accountants, attorneys and other consultants (the "**Tenant Representatives**") so long as such Tenant Representative is advised of the confidential nature of such information and agrees, to the extent such information is not publicly available, (i) to maintain the confidentiality thereof pursuant to Section 23.2 hereof and to comply with all federal, state and other securities laws applicable with respect to such information and (ii) not to engage in any transactions with respect to the stock or other equity or debt securities or syndicated loans of Landlord or its Subsidiaries based on any such non-public information provided by or on behalf of Tenant or Tenant's Subsidiaries (provided that this provision shall not govern the provision of information by Landlord).

ARTICLE XXIV

24.1 Landlord's Right to Inspect. Upon reasonable advance notice to Tenant, Tenant shall permit Landlord and its authorized representatives to inspect its Leased Property during usual business hours. Landlord shall take care to minimize disturbance of the operations on the Leased Property, except in the case of emergency.

ARTICLE XXV

25.1 No Waiver. No delay, omission or failure by Landlord to insist upon the strict performance of any term hereof or to exercise any right, power or remedy hereunder and no acceptance of full or partial payment of Rent during the continuance of any default or Event of Default shall impair any such right or constitute a waiver of any such breach or of any such term. No waiver of any breach shall affect or alter this Master Lease, which shall continue in full force and effect with respect to any other then existing or subsequent breach.

ARTICLE XXVI

26.1 Remedies Cumulative. To the extent permitted by law, each legal, equitable or contractual right, power and remedy of Landlord now or hereafter provided either in this Master Lease or by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power and remedy and the exercise or beginning of the exercise by Landlord of any one or more of such rights, powers and remedies shall not preclude the simultaneous or subsequent exercise by Landlord of any or all of such other rights, powers and remedies.

ARTICLE XXVII

27.1 Acceptance of Surrender. No surrender to Landlord of this Master Lease or of any Leased Property or any part thereof, or of any interest therein, shall be valid or effective unless agreed to and accepted in writing by Landlord, and no act by Landlord or any representative or agent of Landlord, other than such a written acceptance by Landlord, shall constitute an acceptance of any such surrender.

ARTICLE XXVIII

28.1 No Merger. There shall be no merger of this Master Lease or of the leasehold estate created hereby by reason of the fact that the same Person may acquire, own or hold, directly or indirectly, (i) this Master Lease or the leasehold estate created hereby or any interest in this Master Lease or such leasehold estate and (ii) the fee estate in the Leased Property.

ARTICLE XXIX

29.1 Conveyance by Landlord. If Landlord or any successor owner of the Leased Property shall convey the Leased Property in accordance with the terms of this Master Lease other than as security for a debt, and the grantee or transferee expressly assumes all obligations of Landlord arising after the date of the conveyance, Landlord or such successor owner, as the case may be, shall thereupon be released from all future liabilities and obligations of the Landlord under this Master Lease (other than any obligation of Landlord hereunder to provide a Funding Commitment whether such obligation arises prior to, on or after the date of such conveyance) arising or accruing from and after the date of such conveyance or other transfer and all such future liabilities and obligations shall thereupon be binding upon the new owner; it being agreed and understood that Landlord and any successor owner shall remain jointly and severally liable for any obligation to provide a Funding Commitment to Tenant that arises from and after the date of such conveyance.

ARTICLE XXX

30.1 Quiet Enjoyment. So long as this Master Lease is in full force and effect, Tenant shall peaceably and quietly have, hold and enjoy the Leased Property for the Term, free of any claim or other action by Landlord or anyone claiming by, through or under Landlord, but subject to all covenants, conditions, restrictions, easements, Encumbrances and other matters affecting the Leased Property as of the Commencement Date or thereafter provided for in this Master Lease or consented to by Tenant. No failure by Landlord to comply with the foregoing covenant shall give Tenant any right to cancel or terminate this Master Lease or abate, reduce or make a deduction from or offset against the Rent or any other sum payable under this Master Lease, or to fail to perform any other obligation of Tenant hereunder. Notwithstanding the foregoing, Tenant shall have the right, by separate and independent action to pursue any claim it may have against Landlord as a result of a breach by Landlord of the covenant of quiet enjoyment contained in this Article XXX.

ARTICLE XXXI

31.1 Landlord's Financing. Without the consent of Tenant but subject to the terms of this Article XXXI, Landlord may from time to time, directly or indirectly, create or otherwise cause to exist any Facility Mortgage upon the Leased Property or any portion thereof or interest therein. This Master Lease is and at all times shall be subject and subordinate to any such Facility Mortgage which may now or hereafter affect the Leased Property or any portion thereof or interest therein and to all renewals, modifications, consolidations, replacements, restatements and extensions thereof or any parts or portions thereof; provided, however, that the subjection and subordination of this Master Lease and Tenant's leasehold interest hereunder to any Facility Mortgage shall be conditioned upon the execution by the holder of each Facility Mortgage and delivery to Tenant of a nondisturbance and attornment agreement substantially in the form attached hereto as Exhibit C (or in a form otherwise reasonably acceptable to Tenant and the Facility Mortgagee or prospective Facility Mortgagee, as the case may be), and executed by Tenant as well as Landlord, which will bind such holder of such Facility Mortgage and its successors and assigns as well as any person who acquires any portion of the Leased Property in a foreclosure or similar proceeding or in a transfer in lieu of any such foreclosure or a successor owner of the Leased Property (each, a "**Foreclosure Purchaser**") and which provides that so long as there is not then outstanding and continuing an Event of Default under this Master Lease, the holder of such Facility Mortgage, and any Foreclosure Purchaser shall disturb neither Tenant's leasehold interest or possession of the Leased Property in accordance with the terms hereof, nor any of its rights, privileges and options, and shall give effect to this Master Lease, including the provisions of Article XVII which benefit any Permitted Leasehold Mortgagee (as if such Facility Mortgagee or Foreclosure Purchaser were the landlord under this Master Lease (it being understood that the exercise of any rights and remedies by the Facility Mortgagee or Foreclosure Purchaser shall be subject to the terms and provisions of this Master Lease (including the provisions of Article XVI and Article XXXVI) if an Event of Default has occurred and is continuing at the time such party acquires any portion of the Leased Property in a foreclosure or similar proceeding or in a transfer in lieu)). Except for the documents described in the preceding sentences, this provision shall be self-operative and no further instrument of subordination shall be required to give it full force and effect. If, in connection with obtaining any Facility Mortgage for the Leased Property or any portion thereof or interest therein, a Facility Mortgagee or prospective Facility Mortgagee

shall request (A) reasonable cooperation from Tenant, Tenant shall provide the same at no cost or expense to Tenant, it being understood and agreed that Landlord shall be required to reimburse Tenant for all reasonable costs and expenses so incurred by Tenant, including, but not limited to, its reasonable attorneys' fees, or (B) reasonable amendments or modifications to this Master Lease as a condition thereto, Tenant hereby agrees to execute and deliver the same so long as any such amendments or modifications do not (i) increase Tenant's monetary obligations under this Master Lease, (ii) adversely increase Tenant's non-monetary obligations under this Master Lease in any material respect, (iii) diminish Tenant's rights under this Master Lease in any material respect or (iv) amend in any respect the provisions set forth in Section 3.4, Section 10.2(b), Section 16.1, Article XXII, Section 34.1, Article XXXVI and Section 41.14 and the definitions related thereto.

31.2 Attornment. If Landlord's interest in the Leased Property or any portion thereof or interest therein is sold, conveyed or terminated upon the exercise of any remedy provided for in any Facility Mortgage Documents (or in lieu of such exercise), or otherwise by operation of law: (a) at the request and option of the new owner or superior lessor, as the case may be, Tenant shall attorn to and recognize the new owner or superior lessor as Tenant's "landlord" under this Master Lease or enter into a new lease substantially in the form of this Master Lease with the new owner or superior lessor, and Tenant shall take such actions to confirm the foregoing within ten (10) days after request so long as no provision in such new lease (i) increases Tenant's monetary obligations under this Master Lease, (ii) adversely increases Tenant's non-monetary obligations under this Master Lease in any material respect, (iii) diminishes Tenant's rights under this Master Lease in any material respect or (iv) amends in any respect the provisions set forth in Section 3.4, Section 10.2(b), Section 16.1, Article XXII, Section 34.1, Article XXXVI and Section 41.14 and the definitions related thereto and (b) the new owner or superior lessor shall not be (i) liable for any act or omission of Landlord under this Master Lease occurring prior to such sale, conveyance or termination, unless such act or omission is then continuing and reasonably susceptible to cure by the new owner or superior lessor acting as a prudent landlord; (ii) subject to any offset, abatement or reduction of rent because of any default of Landlord under this Master Lease occurring prior to such sale, conveyance or termination, except where such offset, abatement or reduction of rent arises out of (1) failure of Landlord to fund Capital Improvements pursuant to Section 10.2(b) or (2) a default of the Landlord that is continuing at the time the new owner or superior lessor acquires title to the Leased Property and is reasonably susceptible to cure by the new owner or superior lessor, Tenant has given the new owner or superior lessor notice thereof, and the new owner or superior lessor fails to cure the same after having received such notice thereof; or (iii) bound by any previous modification or amendment to this Master Lease or any previous prepayment of more than one month's Rent, unless such modification, amendment or prepayment shall have been approved in writing by such Facility Mortgagee (to the extent such approval was required at the time of such amendment or modification or prepayment under the terms of the applicable Facility Mortgage Documents) or, in the case of such prepayment, such prepayment of rent has actually been delivered to such new owner or superior lessor or in either case, such modification, amendment or prepayment occurred before Landlord provided Tenant with notice of the Facility Mortgage and the identity and address of the Facility Mortgagee.

ARTICLE XXXII

32.1 Hazardous Substances. Tenant shall not allow any Hazardous Substance to be located in, on, under or about the Leased Property or incorporated in any Facility; provided, however,

that Hazardous Substances may be brought, kept, used or disposed of in, on or about the Leased Property in quantities and for purposes similar to those brought, kept, used or disposed of in, on or about similar facilities used for purposes similar to the Primary Intended Use or in connection with the construction of facilities similar to the applicable Facility or to the extent in existence at any Facility and which are brought, kept, used and disposed of in material compliance with Legal Requirements. Tenant shall not allow the Leased Property to be used as a waste disposal site or for the manufacturing, handling, storage, distribution or disposal of any Hazardous Substance other than in the ordinary course of the business conducted at the Leased Property and in material compliance with applicable Legal Requirements.

32.2 Notices. Tenant shall provide to Landlord, within five (5) Business Days after Tenant's receipt thereof, a copy of any notice, or notification with respect to, (i) any violation of a Legal Requirement relating to Hazardous Substances located in, on, or under the Leased Property or any adjacent property; (ii) any enforcement, cleanup, removal, or other governmental or regulatory action instituted, completed or threatened with respect to the Leased Property; (iii) any claim made or threatened by any Person against Tenant or the Leased Property relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from or claimed to result from any Hazardous Substance; and (iv) any reports made to any federal, state or local environmental agency arising out of or in connection with any Hazardous Substance in, on, under or removed from the Leased Property, including any complaints, notices, warnings or assertions of violations in connection therewith.

32.3 Remediation. If Tenant becomes aware of a material violation of any Legal Requirement relating to any Hazardous Substance in, on, under or about the Leased Property or any adjacent property, or if Tenant, Landlord or the Leased Property becomes subject to any order of any federal, state or local agency to repair, close, detoxify, decontaminate or otherwise remediate the Leased Property, Tenant shall immediately notify Landlord of such event and, at its sole cost and expense, cure such violation or effect such repair, closure, detoxification, decontamination or other remediation. If Tenant fails to implement and diligently pursue any such cure, repair, closure, detoxification, decontamination or other remediation, Landlord shall have the right, but not the obligation, to carry out such action and to recover from Tenant all of Landlord's costs and expenses incurred in connection therewith.

32.4 Indemnity. Tenant shall indemnify, defend, protect, save, hold harmless, and reimburse Landlord for, from and against any and all costs, losses (including, losses of use or economic benefit or diminution in value), liabilities, damages, assessments, lawsuits, deficiencies, demands, claims and expenses (collectively, "**Environmental Costs**") (whether or not arising out of third-party claims and regardless of whether liability without fault is imposed, or sought to be imposed, on Landlord) incurred in connection with, arising out of, resulting from or incident to, directly or indirectly, before (except to the extent first discovered after the end of the Term) or during (but not after) the Term or such portion thereof during which the Leased Property is leased to Tenant (i) the production, use, generation, storage, treatment, transporting, disposal, discharge, release or other handling or disposition of any Hazardous Substances from, in, on or about the Leased Property (collectively, "**Handling**"), including the effects of such Handling of any Hazardous Substances on any Person or property within or outside the boundaries of the Leased Property, (ii) the presence of any Hazardous Substances in, on, under or about the Leased Property and (iii) the violation of any Environmental Law. "Environmental Costs" include

interest, costs of response, removal, remedial action, containment, cleanup, investigation, design, engineering and construction, damages (including actual and consequential damages) for personal injuries and for injury to, destruction of or loss of property or natural resources, relocation or replacement costs, penalties, fines, charges or expenses, attorney's fees, expert fees, consultation fees, and court costs, and all amounts paid in investigating, defending or settling any of the foregoing.

Without limiting the scope or generality of the foregoing, Tenant expressly agrees that, in the event of a breach by Tenant in its obligations under this Section 32.4 that is not cured within any applicable cure period, Tenant shall reimburse Landlord for any and all reasonable costs and expenses incurred by Landlord in connection with, arising out of, resulting from or incident to, directly or indirectly, before (with respect to any period of time in which Tenant or its Affiliate was in possession and control of the applicable Leased Property) or during (but not after) the Term or such portion thereof during which the Leased Property is leased to Tenant of the following:

(a) in investigating any and all matters relating to the Handling of any Hazardous Substances, in, on, from, under or about the Leased Property;

(b) in bringing the Leased Property into compliance with all Legal Requirements; and

(c) in removing, treating, storing, transporting, cleaning-up and/or disposing of any Hazardous Substances used, stored, generated, released or disposed of in, on, from, under or about the Leased Property or off-site other than in the ordinary course of the business conducted at the Leased Property and in compliance with applicable Legal Requirements.

If any claim is made by Landlord for reimbursement for Environmental Costs incurred by it hereunder, Tenant agrees to pay such claim promptly, and in any event to pay such claim within sixty (60) calendar days after receipt by Tenant of Notice thereof and any amount not so paid within such sixty (60) calendar day period shall bear interest at the Overdue Rate from the date due to the date paid in full.

32.5 Environmental Inspections. In the event Landlord has a reasonable basis to believe that Tenant is in breach of its obligations under this Article XXXII, Landlord shall have the right, from time to time, during normal business hours and upon not less than five (5) days' Notice to Tenant, except in the case of an emergency in which event no notice shall be required, to conduct an inspection of the Leased Property to determine the existence or presence of Hazardous Substances on or about the Leased Property. Landlord shall have the right to enter and inspect the Leased Property, conduct any testing, sampling and analyses it deems necessary and shall have the right to inspect materials brought into the Leased Property. Landlord may, in its discretion, retain such experts to conduct the inspection, perform the tests referred to herein, and to prepare a written report in connection therewith. All reasonable costs and expenses incurred by Landlord under this Section 32.5 shall be paid on demand as Additional Charges by Tenant to Landlord. Failure to conduct an environmental inspection or to detect unfavorable conditions if such inspection is conducted shall in no fashion be intended as a release of any liability for environmental conditions subsequently determined to be associated with or to have occurred

during Tenant's tenancy. Tenant shall remain liable for any environmental condition related to or having occurred during its tenancy regardless of when such conditions are discovered and regardless of whether or not Landlord conducts an environmental inspection at the termination of this Master Lease. The obligations set forth in this Article XXXII shall survive the expiration or earlier termination of this Master Lease.

ARTICLE XXXIII

33.1 Memorandum of Lease. Upon Tenant's request, Landlord and Tenant shall enter into one or more short form memoranda of this Master Lease, in form suitable for recording in each county or other applicable location in which the Leased Property is located. Tenant shall pay all costs and expenses of recording any such memorandum and shall fully cooperate with Landlord in removing from record any such memorandum upon the expiration or earlier termination of the Term with respect to the applicable Facility.

33.2 Tenant Financing. If, in connection with granting any Permitted Leasehold Mortgage or entering into a Debt Agreement, Tenant shall reasonably request (A) reasonable cooperation from Landlord, Landlord shall provide the same at no cost or expense to Landlord, it being understood and agreed that Tenant shall be required to reimburse Landlord for all such costs and expenses so incurred by Landlord, including, but not limited to, its reasonable attorneys' fees, or (B) reasonable amendments or modifications to this Master Lease as a condition thereto, Landlord hereby agrees to execute and deliver the same so long as any such amendments or modifications do not (i) increase Landlord's monetary obligations under this Master Lease, (ii) adversely increase Landlord's non-monetary obligations under this Master Lease in any material respect, (iii) diminish Landlord's rights under this Master Lease in any material respect, (iv) adversely impact the value of the Leased Property or (v) adversely impact Landlord's (or any Affiliate of Landlord's) tax treatment or position.

ARTICLE XXXIV

34.1 Expert Valuation Process. (a) If it becomes necessary to determine the Maximum Foreseeable Loss, and the parties are unable to agree thereon, then the same shall be determined by two Experts, one such Expert to be selected by Landlord to act on its behalf and the other such Expert to be selected by Tenant to act on its behalf. Landlord or Tenant, as applicable, shall cause its Expert to, within forty-five (45) days after the applicable Valuation Request Notice (the "**Initial Valuation Period**"), determine the Maximum Foreseeable Loss as of the relevant date (giving effect to the impact, if any, of inflation from the date of the Expert's decision to the relevant date); provided, however, that if either party shall fail to appoint its Expert within the time permitted, or if two Experts shall have been so appointed but only one such Expert shall have made such determination within such forty-five (45) day period, then the determination of such sole Expert shall be final and binding upon the parties. For purposes of clarity, the "relevant date" with respect to any determination of the Maximum Foreseeable Loss shall be deemed to be the date on which Tenant must adjust the amount of insurance carried pursuant to Article XIII. A written report of each Expert shall be delivered and addressed to each of Landlord and Tenant. This provision for determination by an expert valuation process shall be specifically enforceable to the extent such remedy is available under applicable law, and any determination hereunder shall be final and binding upon the parties except as otherwise provided by applicable law.

(b) If the two Experts shall have been appointed and shall have made their determinations within the respective requisite periods set forth above and if the difference between the amounts so determined shall not exceed ten percent (10%) of the lesser of such amounts then the Maximum Foreseeable Loss shall be an amount equal to fifty percent (50%) of the sum of the amounts so determined. If the difference between the amounts so determined shall exceed ten percent (10%) of the lesser of such amounts, then such two Experts shall have ten (10) days to appoint a third Expert meeting the above requirements, but if such Experts fail to do so, then either party may request the American Arbitration Association or any successor organization thereto to appoint an Expert meeting the above requirements (such Expert, the "**Third Expert**") within ten (10) days of such request, and both parties shall be bound by any appointment so made within such ten (10) day period. If no such Expert shall have been appointed within such ten (10) days or within the Initial Valuation Period, whichever is earlier, either Landlord or Tenant may apply to any court having jurisdiction to have such appointment made by such court. Any Expert appointed by the original Experts, by the American Arbitration Association or by such court shall be instructed to determine the Maximum Foreseeable Loss within thirty (30) days (together with the Initial Valuation Period, the "**Valuation Period**") after appointment of such Expert.

(c) If a Third Expert is appointed in accordance with Section 34.1(b), then such Third Expert shall choose which of the determinations made by the other two (2) Experts shall be final and binding, and such chosen determination shall be final and binding upon Landlord and Tenant as the Maximum Foreseeable Loss.

(d) Landlord and Tenant shall each pay the fees and expenses of the Expert appointed by it and each shall pay one-half (1/2) of the fees and expenses of the Third Expert.

ARTICLE XXXV

35.1 Notices. Any notice, request or other communication to be given by any party hereunder shall be in writing and shall be sent by registered or certified mail, postage prepaid and return receipt requested, by hand delivery or express courier service or by an overnight express service to the following address:

To Tenant:	Windstream Holdings, Inc. 4001 Rodney Parham Road Little Rock, AR 72212 Attention: Chief Financial Officer
With a copy to: (that shall not constitute notice)	Windstream Holdings, Inc. 4001 Rodney Parham Road Mailstop: B1F03-71A Little Rock, AR 72212 Attention: Legal Department

To Landlord:	c/o Communications Sales & Leasing, Inc. 10802 Executive Center Drive Benton Building, Suite 300 Little Rock, AR 72211 Attention: Controller
And with copy to (which shall not constitute notice):	c/o Communications Sales & Leasing, Inc. 10802 Executive Center Drive Benton Building, Suite 300 Little Rock, AR 72211 Attention: General Counsel

or to such other address as either party may hereafter designate. Notice shall be deemed to have been given on the date of delivery if such delivery is made on a Business Day, or if not, on the first Business Day after delivery. If delivery is refused, Notice shall be deemed to have been given on the date delivery was first attempted.

ARTICLE XXXVI

36.1 Transfer of Tenant's Property and Operational Control of the Facilities.

(a) Upon (i) Tenant's election or deemed election not to extend the Master Lease for any Facility by the Renewal Election Outside Date (a "**Non-Renewal Event**"), (ii) the expiration of the final Renewal Term (the "**Final Lease Expiration**") or (iii) the delivery by Landlord of a Notice (a "**Lease Termination Notice**") to Tenant exercising Landlord's right to terminate this Master Lease or repossess the Leased Property in accordance with the terms of this Master Lease, Tenant shall transfer (or cause to be transferred) upon such expiration or earlier termination of the Term with respect to any Facility that is subject to such expiration or earlier termination (each an "**Affected Facility**") or as soon thereafter as Landlord shall request, the Communication Assets to a successor lessee or operator (or lessees or operators) of such Affected Facility (collectively, the "**Successor Tenant**") designated pursuant to Section 36.2 for consideration to be received by Tenant (or Tenant's Subsidiaries) from the Successor Tenant in an amount equal to the Fair Market Value of the Communications Assets (the "**Communications Assets FMV**") as either (x) negotiated and agreed in writing by Tenant and the Successor Tenant (the "**Negotiated Communications Assets FMV**") in accordance with Section 36.2(c)(i) or (y) if (A) the Tenant and Successor Tenant have not agreed in writing on the Communications Assets FMV for an Affected Facility by the date that is ninety (90) days prior to the expiration of the Term (other than in connection with the Final Lease Expiration) or (B) a Lease Termination Notice has been delivered to Tenant and remains in effect or the Final Lease Expiration shall have occurred, then such Communications Assets FMV shall be determined, and Tenant's transfer of the Communication Assets to a Successor Tenant in consideration for a payment in such amount shall be determined and transferred, in accordance with the provisions of Section 36.2. Notwithstanding the foregoing, in the event (i) the Credit Agreement Agent has notified Landlord that a default or event of default (beyond all applicable notice and cure periods) has occurred and is continuing under the Credit Agreement or the transfer of the Communication Assets would constitute a sale of all or substantially all of the Tenant's assets on a consolidated basis (each a "**Credit Agreement Agent Trigger Event**"), (ii) the Successor Tenant is a Person

other than the Credit Agreement Agent (acting on behalf of the lenders under the Credit Agreement) or its designee and (iii) the Negotiated Communications Assets FMV is less than Credit Agreement Payoff Amount of which Landlord receives notices from Credit Agreement Agent, then Tenant and Successor Tenant shall be deemed to not have agreed on the Communications Assets FMV and the Communications Assets FMV shall be determined in accordance with Section 36.2. For the purpose of clarification, except as provided in Section 36.2(d), the Communication Assets must be transferred in whole (and not in part) to the Successor Tenant in exchange for the Communications Assets FMV.

(b) For purposes of determining the Communication Assets, Landlord and Tenant acknowledge that there may be instances where Tenant provides services to a customer at multiple locations, some of which are directly served by an Affected Facility and some of which are not directly served by an Affected Facility. In such circumstances, Landlord and Tenant have agreed not to divide the customer relationship between Tenant and the Successor Tenant. Therefore, Landlord and Tenant agree that in such circumstances, Tenant will retain the entire customer relationship unless the revenue generated by the customer relationship is predominately derived from services provided to customer locations directly served by an Affected Facility, in which case the entire customer relationship will be included as part of the Communication Assets to be sold to a Successor Tenant under this Article XXXVI.

36.2 Determination of Successor Lessee and Communications Assets FMV.

(a) The determination of the Communications Assets FMV and the transfer of the Communications Assets to a Successor Tenant in consideration for the Communications Assets FMV shall be effected by (i) first, determining the Successor Tenant Rent in accordance with Section 1.4(b) in the case of a Non-Renewal Event or Section 41.14 in the case of a Final Lease Expiration or a termination of this Master Lease (ii) second, identifying and designating in accordance with the terms of Section 36.2(b), a pool of qualified potential Successor Tenants (each, a "**Qualified Successor Tenant**") prepared to lease the Affected Facility at the Successor Tenant Rent and to bid for the Communications Assets of the Affected Facility, and (iii) third, subject to and in accordance with the terms of Section 36.2(c)(ii), determining the highest price a Qualified Successor Tenant would agree to pay for the Communications Assets of the Affected Facility and setting such highest price as the Communications Assets FMV in exchange for which Tenant shall be required to transfer such Communications Assets. Landlord will enter into a lease with such Qualified Successor Tenant on substantially the same terms and conditions of this Master Lease (except that (1) the Leased Property shall only include the Leased Property pertaining to the Affected Facility, (2) the term shall be ten (10) years, (3) the rent shall be the Successor Tenant Rent, and (4) the references to Discretionary COC Transferee shall be deleted from the Master Lease and, to the extent not duplicative, the term Discretionary Transferee shall be substituted in its place).

(b) Designating Potential Successor Tenants. Landlord will select three (3) (one of which will be Landlord or an Affiliate of Landlord) and Tenant will select four (4) (one of which will be the Credit Agreement Agent or its designee) (for a total of up to seven (7)) potential Qualified Successor Tenants prepared to lease the Affected Facility for the Successor Tenant Rent, each of whom must meet the criteria established for a Discretionary Transferee, or in the case of Credit Agreement Agent or its designee, a Discretionary COC Transferee (and

none of whom may be Tenant or an Affiliate of Tenant). Landlord and Tenant must designate their proposed Qualified Successor Tenants within one hundred eighty (180) days prior to the expiration of the Term or, in the case of a termination of this Master Lease, within thirty (30) days after delivery of the Lease Termination Notice. In the event that Landlord or Tenant fails to designate such party's allotted number of potential Qualified Successor Tenants, the other party may designate additional potential Qualified Successor Tenants such that the total number of potential Qualified Successor Tenants does not exceed seven (7); provided that, in the event the total number of potential Qualified Successor Tenants is less than seven (7), the transfer process will still proceed as set forth in Section 36.2(c) below.

(c) Determining Communications Assets FMV.

(i) Tenant will have a three (3) month period to enter into a definitive agreement specifying the Negotiated Communication Assets FMV and all other terms and conditions for the sale of the Communication Assets of the Affected Facility with one of the Qualified Successor Tenants (such agreement, a "**Communications Assets Sale Agreement**") which three (3) month period will commence immediately upon the conclusion of the steps set forth above in Section 36.2(b); provided, however, that (x) if Landlord is notified by the Credit Agreement Agent that a Credit Agreement Agent Trigger Event exists, unless the Successor Tenant is the Credit Agreement Agent (acting on behalf of the lenders under the Credit Agreement) or its designee, such Negotiated Communications Assets FMV shall be not less than the Credit Agreement Payoff Amount of which Landlord receives notice from the Credit Agreement Agent and (y) notwithstanding the foregoing, if a Lease Termination Notice has been delivered to Tenant or the Final Lease Expiration shall have occurred, Landlord and Tenant shall immediately engage a Qualified Third Party Auctioneer and the following clause (ii) shall instead be applicable (in lieu of any such three (3) month period).

(ii) If (A) Tenant does not enter into a Communications Assets Sale Agreement in accordance with the terms set forth in Section 36.2(c)(i) or (B) a Lease Termination Notice has been delivered to Tenant or the Final Lease Expiration shall have occurred, Landlord and Tenant shall engage a Qualified Third Party Auctioneer to conduct an auction for the Communication Assets among the seven (7) potential successor lessees in a manner reasonably designed to maximize the value of the Communication Assets and, subject to the terms of this Section 36.2(c)(ii), Tenant will be required to transfer the Communication Assets to the Qualified Successor Tenant submitting the highest Qualified Communications Assets Bid. Except for a bid submitted by the Credit Agreement Agent (or its designee) which may be in the form of a "credit bid" of the indebtedness and other obligations outstanding under the Credit Agreement, if the Credit Agreement Agent has notified Landlord that a Credit Agreement Agent Trigger Event exists, all bids shall provide the purchase price proposed to be paid for the Communication Assets, and at least seventy-five percent (75%) of such purchase price must consist of cash or cash equivalents (each such bid, a "**Qualified Communications Assets Bid**"). Tenant shall select the highest Qualified Communications Assets Bid for the sale of the Communications Assets within fifteen (15) days after receipt of the Qualified Communications Assets Bids (the "**Selection Period**"), provided that in the event (x) the Credit Agreement Agent has notified Landlord that a Credit Agreement

Agent Trigger Event exists and (y) Tenant desires to select a Qualified Communications Assets Bid as the highest bid that offers cash or cash equivalents in an amount less than the Credit Agreement Payoff Amount that has been identified by the Credit Agreement Agent in a notice to Landlord, then Tenant shall be deemed to designate the Credit Agreement Agent to make such selection. Notwithstanding the foregoing, if the Credit Agreement Agent has been designated by Tenant to select the highest Qualified Communications Assets Bid pursuant to the immediately preceding sentence and the Credit Agreement Agent fails to make such selection within the Selection Period, the Credit Agreement Agent shall be deemed to have waived its right to select the highest Qualified Communications Assets Bid and Tenant shall select the highest Qualified Communications Assets Bid within the five-day period that immediately follows the Selection Period.

(d) Notwithstanding anything in the contrary in this Article XXXVI, the transfer of the Communication Assets will be conditioned upon the approval of the applicable regulatory agencies of the transfer of the applicable Communications Licenses, Pole Agreements, Easements and Permits and any other assets to the Successor Tenant and/or the issuance of new licenses as required by applicable Communications Regulations and the relevant regulatory agencies both with respect to operating and suitability criteria, as the case may be.

36.3 Operation Transfer. (a) Upon designation of a Successor Tenant (pursuant to either Sections 36.1 or 36.2, as the case may be), Tenant shall reasonably cooperate and take all actions reasonably necessary (including providing all reasonable assistance to Successor Tenant) to effectuate the transfer of operational control of the Affected Facility to Successor Tenant in an orderly manner so as to minimize to the maximum extent possible any disruption to the continued orderly operation of the Affected Facility for its Primary Intended Use. Concurrently with the transfer of the Communications Assets to Successor Tenant, Landlord and Successor Tenant shall execute a new master lease in accordance with the terms set forth in Section 36.2(a).

(b) Notwithstanding the expiration or earlier termination of the Term and anything to the contrary herein, unless Landlord consents to the contrary, in the event the transfer of the Communication Assets and operational control of the Affected Facility by Tenant to Successor Tenant is not completed by the expiration or earlier termination of the Term (or Tenant and Landlord agree on an alternative arrangement), Landlord and Tenant hereby agree to enter into a management agreement (the "**Management Agreement**") in a form reasonably acceptable to both parties pursuant to which Tenant shall agree to (or shall cause Tenant's Subsidiaries to agree to) continue to (and Landlord shall permit Tenant to maintain possession of the Leased Property to the extent necessary to) operate the Affected Facility in accordance with all Legal Requirements, Communications Regulations, Communications Licenses, Permits, Easements and Pole Agreements and on such other terms which are customary in the transfer to a Successor Tenant of a facility similar to the Affected Facility for a management fee equal to 110% of the reasonable operating costs (which operating expenses may include, without limitation, an allocable share of overhead and administrative costs) and 100% of the reasonable capital expenditures incurred by Tenant to continue operating the Affected Facility in accordance with the Management Agreement (which costs shall be evidenced by reasonably detailed backup information) for a term commencing upon the expiration or earlier termination of the Term with respect to the Affected Facility and ending on the date that Tenant transfers the Communications

Assets and operational control for the Affected Facility to a Successor Tenant (or Tenant and Landlord agree on an alternative arrangement); it being agreed and understood that (i) Tenant shall not be obligated to pay Rent for the Affected Facility during the term of the Management Agreement, (ii) Landlord shall be responsible for all costs and expenses relating to operation and maintenance of the Affected Facility except as otherwise set forth in the Management Agreement and (iii) all profits, rents and revenues relating to the Affected Facility from and after the expiration or earlier termination of the Term with respect to the Affected Facility shall belong to Landlord (except for Landlord's obligation to pay the management fee described above).

(c) Upon the expiration or earlier termination of the Term with respect to any Affected Facility, Tenant and Landlord (or the Successor Tenant) shall cooperate with one another for a reasonable period in order to ensure that (i) a fully operational Affected Facility is transferred to Landlord or the Successor Tenant and (ii) any necessary authorizations, and legal title to Permits, Pole Agreements, and Easements not previously transferred to Landlord have been transferred to Landlord or Successor Tenant; it being agreed that Tenant shall enter into a Transition Services Agreement for a reasonable term and otherwise consistent with the terms described in the attached Exhibit D promptly following Landlord's (or Successor Tenant's) request in connection therewith. Upon expiration or earlier termination of the Term and following Landlord's request, Tenant shall promptly deliver copies of all of Tenant's books and records relating to the Easements, Permits and Pole Agreements for the Affected Facility.

36.4 Carrier of Last Resort. Each of Landlord and Tenant hereby acknowledge and agree that in no event shall any of Tenant's "carrier of last resort obligations" under any Legal Requirements become the obligations of Landlord with respect to any Facility, and that such obligations shall remain the obligations solely of Tenant, in the event (i) the Term expires and there are no remaining Renewal Terms under Section 1.4, (ii) the Term expires as to such Facility due to Tenant's election not to extend the Term for any Renewal Term under Section 1.4 with respect to such Facility, or (iii) the Master Lease is terminated as to such Facility in accordance with the terms hereof.

ARTICLE XXXVII

37.1 Attorneys' Fees. If Landlord or Tenant brings an action or other proceeding against the other to enforce or interpret any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Master Lease, or by reason of any breach or default hereunder or thereunder, the party prevailing in any such action or proceeding and any appeal thereupon shall be paid all of its costs and reasonable outside attorneys' fees incurred therein. In addition to the foregoing and other provisions of this Master Lease that specifically require Tenant to reimburse, pay or indemnify against Landlord's attorneys' fees, Tenant shall pay, as Additional Charges, all of Landlord's reasonable outside attorneys' fees incurred in connection with the enforcement of this Master Lease (except to the extent provided above), including reasonable attorneys' fees incurred in connection with the review, negotiation or documentation of any subletting, assignment, or management arrangement or any consent requested in connection therewith, and the collection of past due Rent.

ARTICLE XXXVIII

38.1 Brokers. Tenant warrants that it has not had any contact or dealings with any Person or real estate broker which would give rise to the payment of any fee or brokerage commission in connection with this Master Lease, and Tenant shall indemnify, protect, hold harmless and defend Landlord from and against any liability with respect to any fee or brokerage commission arising out of any act or omission of Tenant. Landlord warrants that it has not had any contact or dealings with any Person or real estate broker which would give rise to the payment of any fee or brokerage commission in connection with this Master Lease, and Landlord shall indemnify, protect, hold harmless and defend Tenant from and against any liability with respect to any fee or brokerage commission arising out of any act or omission of Landlord.

ARTICLE XXXIX

39.1 Anti-Terrorism Representations. Tenant hereby represents and warrants that neither Tenant, nor, to the knowledge of Tenant, any persons or entities holding any legal or beneficial interest whatsoever in Tenant, are (i) the target of any sanctions program that is established by Executive Order of the President or published by the Office of Foreign Assets Control, U.S. Department of the Treasury ("**OFAC**"); (ii) designated by the President or OFAC pursuant to the Trading with the Enemy Act, 50 U.S.C. App. § 5, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06, the Patriot Act, Public Law 107-56, Executive Order 13224 (September 23, 2001) or any Executive Order of the President issued pursuant to such statutes; or (iii) named on the following list that is published by OFAC: "List of Specially Designated Nationals and Blocked Persons" (collectively, "**Prohibited Persons**"). Tenant hereby represents and warrants to Landlord that no funds tendered to Landlord by Tenant under the terms of this Master Lease are or will be directly or indirectly derived from activities that may contravene U.S. federal, state or international laws and regulations, including anti-money laundering laws. If the foregoing representations are untrue at any time during the Term and Landlord suffers actual damages as a result thereof, an Event of Default will be deemed to have occurred, without the necessity of notice to Tenant.

Tenant will not during the Term of this Master Lease knowingly engage in any transactions or dealings, or knowingly be otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Leased Property. A breach of the representations contained in this Section 39.1 by Tenant as a result of which Landlord suffers actual damages shall constitute a material breach of this Master Lease and shall entitle Landlord to any and all remedies available hereunder, or at law or in equity.

ARTICLE XL

40.1 REIT Protection. (a) The parties hereto intend that Rent and other amounts paid by Tenant hereunder will qualify as "rents from real property" within the meaning of Section 856(d) of the Code, or any similar or successor provision thereto and this Agreement shall be interpreted consistent with this intent.

(b) Anything contained in this Master Lease to the contrary notwithstanding, Tenant shall not without Landlord's advance written consent (which consent shall not be

unreasonably withheld) (i) sublet, assign or enter into a management arrangement for the Leased Property on any basis such that the rental or other amounts to be paid by the subtenant, assignee or manager thereunder would be based, in whole or in part, on either (x) the income or profits derived by the business activities of the subtenant, assignee or manager or (y) any other formula such that any portion of any amount received by Landlord would fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Code, or any similar or successor provision thereto; (ii) sublet, assign or enter into a management arrangement for the Leased Property to any Person (other than a "taxable REIT subsidiary" (within the meaning of Section 856(l) of the Code) of Landlord) in which Landlord owns an interest, directly or indirectly (by applying constructive ownership rules set forth in Section 856(d)(5) of the Code); or (iii) sublet, assign or enter into a management arrangement for the Leased Property in any other manner which could cause any portion of the amounts received by Landlord pursuant to this Master Lease or any sublease to fail to qualify as "rents from real property" within the meaning of Section 856(d) of the Code, or any similar or successor provision thereto, or which could cause any other income of Landlord to fail to qualify as income described in Section 856(c)(2) of the Code. Anything contained in this Master Lease to the contrary notwithstanding, for so long as Tenant owns shares of Landlord, Tenant shall not without Landlord's advance written consent (which consent shall not be unreasonably withheld) sublet, assign or enter into a management arrangement for the Leased Property to any Person in which Tenant owns an interest, directly or indirectly (by applying constructive ownership rules set forth in Section 856(d)(5) of the Code). The requirements of this Section 40.1(b) shall likewise apply to any further subleasing by any subtenant.

(c) Anything contained in this Master Lease to the contrary notwithstanding, the parties acknowledge and agree that Landlord, in its sole discretion, may assign this Master Lease or any interest herein to another Person (including without limitation, a "taxable REIT subsidiary" (within the meaning of Section 856(l) of the Code)) in order to maintain Landlord's status as a "real estate investment trust" (within the meaning of Section 856(a) of the Code); provided, however, Landlord shall be required to (i) comply with any applicable legal requirements related to such transfer, (ii) comply with any restrictions set forth in Section 18.1 with respect to a sale of the Leased Property and (iii) give Tenant Notice of any such assignment; and provided, further, that any such assignment shall be subject to all of the rights of Tenant hereunder.

(d) Anything contained in this Master Lease to the contrary notwithstanding, upon request of Landlord, Tenant shall cooperate with Landlord in good faith and at no cost or expense to Tenant, and provide such documentation and/or information as may be in Tenant's possession or under Tenant's control and otherwise readily available to Tenant as shall be reasonably requested by Landlord in connection with verification of Landlord's "real estate investment trust" (within the meaning of Section 856(a) of the Code) compliance requirements. Anything contained in this Master Lease to the contrary notwithstanding, Tenant shall take such reasonable action as may be requested by Landlord from time to time in order to ensure compliance with the Internal Revenue Service requirement that Rent allocable for purposes of Section 856 of the Code to personal property, if any, at the beginning and end of a calendar year does not exceed fifteen percent (15%) of the total Rent due hereunder as long as such compliance does not (i) increase Tenant's monetary obligations under this Master Lease or (ii) materially and adversely increase Tenant's nonmonetary obligations under this Master Lease or (iii) materially diminish Tenant's rights under this Master Lease.

ARTICLE XLI

41.1 Survival. Anything contained in this Master Lease to the contrary notwithstanding, all claims against, and liabilities and indemnities of Tenant or Landlord arising prior to the expiration or earlier termination of the Term shall survive such expiration or termination.

41.2 Severability. If any term or provision of this Master Lease or any application thereof shall be held invalid or unenforceable, the remainder of this Master Lease and any other application of such term or provision shall not be affected thereby.

41.3 Non-Recourse. Tenant specifically agrees to look solely to the Leased Property for recovery of any judgment from Landlord (and Landlord's liability hereunder shall be limited solely to its interest in the Leased Property, and no recourse under or in respect of this Master Lease shall be had against any other assets of Landlord whatsoever). It is specifically agreed that no constituent partner in Landlord or officer or employee of Landlord shall ever be personally liable for any such judgment or for the payment of any monetary obligation to Tenant. The provision contained in the foregoing sentence is not intended to, and shall not, limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord, or any action not involving the personal liability of Landlord. Furthermore, except as otherwise expressly provided herein, in no event shall Landlord or Tenant ever be liable to the other party for any indirect, special, punitive or consequential damages suffered by Tenant or Landlord, as applicable, from whatever cause.

41.4 Successors and Assigns. This Master Lease shall be binding upon Landlord and its successors and assigns and, subject to the provisions of Article XXII, upon Tenant and its successors and assigns.

41.5 Governing Law. THIS MASTER LEASE WAS NEGOTIATED IN THE STATE OF NEW YORK, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREBY. ACCORDINGLY, IN ALL RESPECTS THIS MASTER LEASE (AND ANY AGREEMENT FORMED PURSUANT TO THE TERMS HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO PRINCIPLES OR CONFLICTS OF LAW) AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA, EXCEPT THAT ALL PROVISIONS HEREOF RELATING TO THE CREATION OF THE LEASEHOLD ESTATE AND ALL REMEDIES SET FORTH IN ARTICLE XVI RELATING TO RECOVERY OF POSSESSION OF THE LEASED PROPERTY OF ANY FACILITY (SUCH AS AN ACTION FOR UNLAWFUL DETAINER, IN REM ACTION OR OTHER SIMILAR ACTION) SHALL BE CONSTRUED AND ENFORCED ACCORDING TO, AND GOVERNED BY, THE LAWS OF THE STATE IN WHICH THE LEASED PROPERTY IS LOCATED.

41.6 Waiver of Trial by Jury. EACH OF LANDLORD AND TENANT ACKNOWLEDGES THAT IT HAS HAD THE ADVICE OF COUNSEL OF ITS CHOICE WITH RESPECT TO ITS RIGHTS TO TRIAL BY JURY UNDER THE CONSTITUTION OF THE UNITED STATES AND THE STATE. EACH OF LANDLORD AND TENANT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS MASTER LEASE (OR ANY AGREEMENT FORMED PURSUANT TO THE TERMS HEREOF) OR (ii) IN ANY MANNER CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF LANDLORD AND TENANT WITH RESPECT TO THIS MASTER LEASE (OR ANY AGREEMENT FORMED PURSUANT TO THE TERMS HEREOF) OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREINAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; EACH OF LANDLORD AND TENANT HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY, AND THAT EITHER PARTY MAY FILE A COPY OF THIS SECTION WITH ANY COURT AS CONCLUSIVE EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

41.7 Entire Agreement. This Master Lease and the Exhibits and Schedules hereto constitute the entire and final agreement of the parties with respect to the subject matter hereof, and may not be changed or modified except by an agreement in writing signed by the parties and, with respect to the provisions set forth in Section 40.1, no such change or modification shall be effective without the explicit reference to such section by number and paragraph. Landlord and Tenant hereby agree that all prior or contemporaneous oral understandings, agreements or negotiations relative to the leasing of the Leased Property are merged into and revoked by this Master Lease.

41.8 Headings. All titles and headings to sections, subsections, paragraphs or other divisions of this Master Lease are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the other contents of such sections, subsections, paragraphs or other divisions, such other content being controlling as to the agreement among the parties hereto.

41.9 Counterparts. This Master Lease may be executed in any number of counterparts, each of which shall be a valid and binding original, but all of which together shall constitute one and the same instrument.

41.10 Interpretation. Both Landlord and Tenant have been represented by counsel and this Master Lease and every provision hereof has been freely and fairly negotiated. Consequently, all provisions of this Master Lease shall be interpreted according to their fair meaning and shall not be strictly construed against any party.

41.11 Time of Essence. TIME IS OF THE ESSENCE OF THIS MASTER LEASE AND EACH PROVISION HEREOF IN WHICH TIME OF PERFORMANCE IS ESTABLISHED.

41.12 Further Assurances. The parties agree to promptly sign all documents reasonably requested to give effect to the provisions of this Master Lease. In addition, Landlord agrees to, at Tenant's sole cost and expense, reasonably cooperate with all applicable regulatory authorities in connection with the administration of their regulatory jurisdiction over Tenant and Tenant's Subsidiaries, including the provision of such documents and other information as may be requested by regulatory authorities relating to Tenant or any of Tenant's Subsidiaries or to this Master Lease and which are within Landlord's reasonable control to obtain and provide.

41.13 Communications Regulations. Notwithstanding anything to the contrary in this Master Lease or any agreement formed pursuant to the terms hereof, each of Tenant, Landlord, and each of Tenant's or Landlord's successors and assigns agrees to cooperate with any regulatory authority in connection with the administration of their regulatory jurisdiction over the parties hereto, including, without limitation, the provision of such documents or other information as may be requested by any such regulatory authorities relating to Tenant, Landlord, Tenant's or Landlord's successors and assigns or to this Master Lease or any agreement formed pursuant to the terms hereof.

41.14 Appraiser. (a) If it becomes necessary to determine the Renewal Rent and/or the Successor Tenant Rent pursuant to Section 1.4(b) or Section 36.2(a), and the parties are unable to agree thereon, the same shall be determined by two independent appraisal firms, in which one or more of the members, officers or principals of such firm are members of the American Society of Appraisers and such member has a minimum of 10 years' experience in appraising facilities similar in scope and use as the Leased Property (each, an "**Appraiser**" and collectively, the "**Appraisers**"), one such Appraiser to be selected by Landlord to act on its behalf and the other such Appraiser to be selected by Tenant to act on its behalf. Landlord or Tenant, as applicable, shall cause its Appraiser to, within ninety (90) days after the Appraisal Commencement Date or Tenant's receipt of the Lease Termination Notice or within ten (10) months prior to the Final Lease Expiration (the "**Initial Appraisal Period**"), as applicable, determine the Renewal Rent or the Successor Tenant Rent, as applicable, as of the relevant date (giving effect to the impact, if any, of inflation from the date of the Appraiser's decision to the relevant date); provided, however, that if either party shall fail to appoint its Appraiser within the time permitted, or if two Appraisers shall have been so appointed but only one such Appraiser shall have made such determination within such ninety (90) day period, then the determination of such sole Appraiser shall be final and binding upon the parties. For purposes of clarity, the "relevant date" with respect to any determination of the Renewal Rent or the Successor Tenant Rent, as applicable, shall be deemed to be the date on which such applicable Renewal Term or lease term is to commence. A written report of each Appraiser shall be delivered and addressed to each of Landlord and Tenant; it being agreed and understood that the report delivered in connection with the appraisal process initiated under Section 1.4(b) shall include the Renewal Rent and/or Successor Tenant Rent, as applicable, for each of the Facilities. This provision for determination by appraisal shall be specifically enforceable to the extent such remedy is available under applicable law, and any determination hereunder shall be final and binding upon the parties except as otherwise provided by applicable law.

(b) If the two Appraisers shall have been appointed by Landlord and Tenant, then such two Appraisers shall agree on a third Appraiser (the "**Third Appraiser**") that meets the above requirements no later than thirty (30) days after the Appraisal Commencement Date or

Tenant's receipt of the Lease Termination Notice or twelve (12) months prior to the Final Expiration Date, as applicable, which Third Appraiser shall perform the services set forth in Section 41.14(c) to the extent such services are so required. If the two Appraisers shall have been appointed and shall have made their determinations within the respective requisite periods set forth above and if the difference between the amounts so determined shall not exceed ten percent (10%) of the lesser of such amounts, then the Renewal Rent or the Successor Tenant Rent, as applicable, shall be an amount equal to fifty percent (50%) of the sum of the amounts so determined. If the difference between the amounts so determined shall exceed ten percent (10%) of the lesser of such amounts, then the Third Appraiser shall perform the services set forth in Section 41.14(c) below. If the two Appraisers are unable to agree on the selection of the Third Appraiser by the last day of the Initial Appraisal Period, then either party may request the American Arbitration Association or any successor organization thereto to appoint the Third Appraiser meeting the above requirements within twenty (20) days of such request, and both parties shall be bound by any appointment so made within such twenty (20) day period. If no such Appraiser shall have been appointed within such twenty (20) day period or within the Initial Appraisal Period, whichever is earlier, either Landlord or Tenant may apply to any court having jurisdiction to have such appointment made by such court. Any Appraiser appointed by the original Appraisers, by the American Arbitration Association or by such court shall be instructed to determine the Renewal Rent or Successor Tenant Rent, as applicable, within sixty (60) days after the Initial Appraisal Period.

(c) If a Third Appraiser is appointed in accordance with Section 41.14(b), then such Third Appraiser shall choose (without any modifications) which of the determinations made by the other two (2) Appraisers shall be final and binding, and such chosen determination shall be final and binding upon Landlord and Tenant as the Renewal Rent or the Successor Tenant Rent, as applicable.

(d) Landlord and Tenant shall each pay the fees and expenses of the Appraiser appointed by it and each shall pay one-half (1/2) of the fees and expenses of the Third Appraiser.

41.15 Dispute Resolution. The following procedures shall be used to resolve any dispute arising out of or in connection with this Master Lease (each, a "**Dispute**"):

(a) Following the written request of either Landlord or Tenant (a "**Request**"), the VP Representatives of each of Landlord and Tenant shall meet in person to attempt to resolve the Dispute that is the subject of the Request no later than twenty (20) days after the date of such Request. If, for any reason, the VP Representatives do not resolve the Dispute at their meeting, then the SVP Representatives of each of Landlord and Tenant shall meet in person to attempt to resolve the Dispute no later than twenty-five (25) days after the date of the VP Representatives' meeting. A meeting date and place shall be established by mutual agreement of Landlord and Tenant. However, if the parties are unable to agree, the meeting shall take place at Landlord's offices.

(b) If a Request is delivered by either Landlord or Tenant, the parties agree to make a diligent, good faith attempt to resolve the Dispute that is the subject of such Request during the forty-five day period described in clause (a) above.

(c) All negotiations in connection with the Dispute shall be conducted in strict confidence, non-binding and without prejudice to the rights of the parties in any future legal proceedings.

41.16 No Third Party Beneficiaries. Landlord and Tenant hereby acknowledge that they do not intend for any other Person to constitute a third-party beneficiary hereof, except for any permitted successors and/or assigns.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, this Master Lease has been executed by Landlord and Tenant as of the date first written above.

LANDLORD:

[CSL NATIONAL, LP
CSL NORTH CAROLINA SYSTEM, LP
CSL NORTH CAROLINA REALTY, LP
CSL TENNESSEE REALTY, LP,
each a Delaware limited partnership

By: _____
Name:
Title:]

[**SIGNATURE BLOCK TO BE CONFIRMED**]

[CSL ALABAMA SYSTEM, LLC
CSL ARKANSAS SYSTEM, LLC
CSL FLORIDA SYSTEM, LLC
CSL GEORGIA SYSTEM, LLC
CSL IOWA SYSTEM, LLC
CSL KENTUCKY SYSTEM, LLC
CSL MISSISSIPPI SYSTEM, LLC
CSL MISSOURI SYSTEM, LLC
CSL NEW MEXICO SYSTEM, LLC
CSL OHIO SYSTEM, LLC
CSL OKLAHOMA SYSTEM, LLC
CSL TEXAS SYSTEM, LLC
CSL REALTY, LLC
CSL GEORGIA REALTY, LLC,
each a Delaware limited liability company]

By: _____
Name:
Title:

[**SIGNATURE BLOCK TO BE CONFIRMED**]

TENANT:

WINDSTREAM HOLDINGS, INC.,
a Delaware corporation

By: _____
Name:
Title:

EXHIBIT A

LIST OF FACILITIES

AL-CLEC	1	Alabama CLEC
AL-ILEC	2	Alabama ILEC
AR-CLEC	3	Arkansas CLEC
AR-ILEC	4	Arkansas ILEC
CENTRAL-CLEC	5	Central US CLEC (Includes properties in KS, ND,MT & WY)
EAST-CLEC	6	Eastern US CLEC (Includes properties in CT, DC, MA, ME, NH, RI & VT)
FL-CLEC	7	Florida CLEC
FL-ILEC	8	Florida ILEC
GA-CLEC	9	Georgia CLEC
GA-ILEC	10	Georgia ILEC
IA-CLEC	11	Iowa CLEC
IA-ILEC	12	Iowa ILEC
IL-CLEC	13	Illinios CLEC
IN-CLEC	14	Indiana CLEC
KY-CLEC	15	Kentucky CLEC
KY-ILEC	16	Kentucky ILEC
MI-CLEC	17	Michigan CLEC
MO-CLEC	18	Missouri CLEC
MO-ILEC	19	Missouri ILEC
MS-CLEC	20	Mississippi CLEC
MS-ILEC	21	Mississippi ILEC
NC-CLEC	22	North Carolina CLEC
NC-ILEC	23	North Carolina ILEC
NM-Combined	24	New Mexico ILEC & CLEC
OH-CLEC	25	Ohio CLEC
OH-ILEC	26	Ohio ILEC
OK-CLEC	27	Oklahoma CLEC
OK-ILEC	28	Oklahoma ILEC
PA-CLEC	29	Pennsylvania CLEC
TN-CLEC	30	Tennessee CLEC
TX-CLEC	31	Texas CLEC
TX-ILEC	32	Texas ILEC
VA-CLEC	33	Virginia CLEC
WEST-CLEC	34	Western US CLEC (Includes properties in AZ, ID, NV, OR & WA)
WI-CLEC	35	Wisconsin CLEC
WV-CLEC	36	West Virginia CLEC

EXHIBIT B

DISTRIBUTION SYSTEM DEMARCATION POINTS

Meet Point	Distribution System	Excluded Assets (Retained)
Central Office, Remote Office or Hut	Fiber distribution panel and every connection thereto which is connected on the outside plant side of such fiber distribution panel; all copper cable splice cases and vaults in which it is contained; all conduit installed for any cabling purposes on any Improvements.	All copper and fiber jumper cables between the fiber distribution panel or cable value, and the Equipment and racking located in the Central office Building, Remote Office Building or Hut.
Pad or WOMP mounted Equipment	WOMP or pad and the splice tray which houses fiber splices.	Cabinet mounted on the WOMP or pad, all Electronics inside such cabinet, and the cable or fiber jumpers inside the cabinet from the splice tray to electronics.
Business Demarcation	All fiber/copper to customer demarcation point.	Any equipment at the customer demarcation point.
Consumer Network Interface Device	All fiber/copper leading up to the Network Interface Device (i.e. customer demarcation point)	Network Interface Device

EXHIBIT C

FORM OF SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

This **SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT** (the "***Agreement***") is dated as of , and is by and among [LENDER], a [ ] [ ] (together with its successors and assigns, "***Lender***"[1]), Communications Sales & Leasing, Inc., a Delaware corporation, and the entities set forth on **Schedule I** attached hereto (collectively, "***Landlord***"), and Windstream Holdings, Inc., a Delaware corporation ("***Tenant***").

WHEREAS, by a Master Lease (as amended, modified or supplemented, the "***Lease***") dated as of [ ], between Landlord (or Landlord's predecessor in title) and Tenant, Landlord leased the Leased Property to Tenant, as said Leased Property is more particularly described in the Lease (such Leased Property hereinafter referred to as the "***Premises***");

WHEREAS, Lender has made or intends to make a loan to Landlord (the "***Loan***"), which Loan shall be evidenced by one or more promissory notes (as the same may be amended, modified, restated, severed, consolidated, renewed, replaced, or supplemented from time to time, the "***Promissory Note***") and secured by, among other things, that certain Mortgage or Deed of Trust, Assignment of Leases and Rents and Security Agreement (as the same may be amended, restated, replaced, severed, split, supplemented or otherwise modified from time to time, the "***Mortgage***") encumbering the real property located in more particularly described on **Exhibit A** annexed hereto and made a part hereof (the "***Property***");[2]

WHEREAS, Tenant acknowledges that Lender will rely on this Agreement in making the Loan to Landlord;

WHEREAS, Lender and Tenant desire to evidence their understanding with respect to the Mortgage and the Lease as hereinafter provided; and

WHEREAS, pursuant to Section 31.1 of the Lease, Tenant has agreed to deliver this Agreement and will subordinate the Lease to the Mortgage and to the lien thereof and, in consideration of Tenant's delivery of this Agreement, Lender has agreed not to disturb Tenant's possessory rights in the Premises under the Lease on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, the parties hereto hereby agree as follows:

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1 References to "Lender" may be modified to reflect an agent, trustee or other representative acting for a group of debt holders.

2 Subject to modification to reflect terms and type of financing secured by the applicable mortgage.

1. Tenant covenants, stipulates and agrees that the Lease and all of Tenant's right, title and interest in and to the Property thereunder is hereby, and shall at all times continue to be, subordinated and made secondary and inferior in each and every respect to the Mortgage and the lien thereof, to all of the terms, conditions and provisions thereof and to any and all advances made or to be made thereunder, so that at all times the Mortgage shall be and remain a lien on the Property prior to and superior to the Lease for all purposes, subject to the provisions set forth herein. Subordination is to have the same force and effect as if the Mortgage and such renewals, modifications, consolidations, replacements and extensions had been executed, acknowledged, delivered and recorded prior to the Lease, any amendments or modifications thereof and any notice thereof.

2. Lender agrees that if Lender exercises any of its rights under the Mortgage, including entry or foreclosure of the Mortgage or exercise of a power of sale under the Mortgage, Lender, or any person who acquires any portion of the Property in a foreclosure or similar proceeding or in a transfer in lieu of any such foreclosure, (a) will not terminate or disturb Tenant's right to use, occupy and possess the Premises, nor any of Tenant's rights, privileges and options under the terms of the Lease, so long as Tenant is not in default beyond any applicable grace period under any term, covenant or condition of the Lease and (b) will be bound by the provisions of Article XVII of the Lease for the benefit of each Permitted Leasehold Mortgagee. In addition, Lender or any person prosecuting such rights and remedies agrees that so long as the Lease has not been terminated on account of Tenant's default that has continued beyond applicable notice and cure periods, Lender or such other person, as the case may be, shall not name or join Tenant as a defendant in any exercise of Lender's or such person's rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord. In the latter case, Lender or any person prosecuting such rights and remedies may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action.

3. If, at any time Lender (or any person, or such person's successors or assigns, who acquires the interest of Landlord under the Lease through foreclosure of the Mortgage or otherwise) shall succeed to the rights of Landlord under the Lease as a result of a default or event of default under the Mortgage, Tenant shall attorn to and recognize such person so succeeding to the rights of Landlord under the Lease (herein sometimes called "***Successor Landlord***") as Tenant's landlord under the Lease, said attornment to be effective and self-operative without the execution of any further instruments.

4. Landlord authorizes and directs Tenant to honor any written demand or notice from Lender instructing Tenant to pay rent or other sums to Lender rather than Landlord (a "***Payment Demand***"), regardless of any other or contrary notice or instruction which Tenant may receive from Landlord before or after Tenant's receipt of such Payment Demand. Tenant may rely upon any notice, instruction, Payment Demand, certificate, consent or other document from, and signed by, Lender and shall have no duty to Landlord to investigate the same or the circumstances under which the same was given. Any payment made by Tenant to Lender or in response to a Payment Demand shall be deemed proper payment by Tenant of such sum pursuant to the Lease.

5. If Lender shall become the owner of the Property or the Property shall be sold by reason of foreclosure or other proceedings brought to enforce the Mortgage or if the Property shall be transferred by deed in lieu of foreclosure, Lender or any Successor Landlord shall not be:

(a) liable for any act or omission of any prior landlord (including Landlord) or bound by any obligation to make any payment to Tenant which was required to be made prior to the time Lender succeeded to any prior landlord (including Landlord) provided however, that if a prior landlord (including Landlord) agrees to fund a Capital Improvement under the terms of the Lease and landlord then defaults on the obligation to fund such Capital Improvement, in no event shall such Capital Improvement (other than a TCI Replacement) be deemed to be part of the Leased Property unless Lender cures the default by providing the unfunded amount to Tenant or Tenant exercises its offset right under Section 3.4 of the Master Lease.

(b) obligated to cure any defaults of any prior landlord (including Landlord) which occurred, or to make any payment to Tenant which was required to be paid by any prior landlord (including Landlord), prior to the time that Lender or any Successor Landlord succeeded to the interest of such landlord under the Lease; or

(c) obligated to perform any construction obligations of any prior landlord (including Landlord) under the Lease or liable for any defects (latent, patent or otherwise) in the design, workmanship, materials, construction or otherwise with respect to improvements and buildings constructed on the Property; or

(d) subject to any offsets, defenses or counterclaims which Tenant may be entitled to assert against any prior landlord (including Landlord); or

(e) bound by any payment of rent or additional rent by Tenant to any prior landlord (including Landlord) for more than one month in advance; or

(f) bound by any amendment, modification, termination or surrender of the Lease made without the written consent of Lender.

Notwithstanding the foregoing, Tenant reserves its right to any and all claims or causes of action (i) against Landlord for prior losses or damages and (ii) against the Successor Landlord for all losses or damages arising from and after the date that such Successor Landlord takes title to the Property.

6. Tenant hereby represents, warrants, covenants and agrees to and with Lender:

(a) to deliver to Lender, by certified mail, return receipt requested, a duplicate of each notice of default delivered by Tenant to Landlord at the same time as such notice is given to Landlord and no such notice of default shall be deemed given by Tenant under the Lease unless and until a copy of such notice shall have been so delivered to Lender. Lender shall have the right (but shall not be obligated) to cure such default. Tenant shall accept performance by Lender or its designee of any term, covenant, condition or

agreement to be performed by Landlord under the Lease with the same force and effect as though performed by Landlord. Tenant further agrees to afford Lender or the designee a period of thirty (30) days beyond any period afforded to Landlord or its designee for the curing of such default during which period Lender or its designee may elect (but shall not be obligated) to seek to cure such default, or, if such default cannot be cured within that time, then such additional time as may be reasonably necessary to cure such default (including but not limited to commencement of foreclosure proceedings) which in no event shall exceed one hundred eighty days (180) days following the expiration of such 30-day period during which period Lender or its designee may elect (but shall not be obligated) to seek to cure such default, prior to taking any action to terminate the Lease. If the Lease shall terminate for any reason, upon Lender's written request given within thirty (30) days after such termination, Tenant, within fifteen (15) days after such request, shall execute and deliver to Lender (or its designee to the extent constituting a permitted successor landlord under the Lease) a new lease of the Premises for the remainder of the term of the Lease and upon all of the same terms, covenants and conditions of the Lease;

(b) that Tenant is the sole owner of the leasehold estate created by the Lease; and

(c) to promptly certify in writing to Lender, in connection with any proposed assignment of the Mortgage, whether or not any default on the part of Landlord then exists under the Lease and to deliver to Lender any tenant estoppel certificates required under the Lease.

7. Tenant acknowledges that the interest of Landlord under the Lease is assigned to Lender solely as security for the Promissory Note[3], and Lender shall have no duty, liability or obligation under the Lease or any extension or renewal thereof, unless Lender shall specifically undertake such liability in writing or Lender becomes and then only with respect to periods in which Lender becomes, the fee owner of the Property.

8. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.[4]

9. This Agreement and each and every covenant, agreement and other provisions hereof shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns (including, without limitation, any successor holder of the Promissory Note[5]) and may be amended, supplemented, waived or modified only by an instrument in writing executed by the party against which enforcement of the termination, amendment, supplement, waiver or modification is sought. Each Permitted Leasehold Mortgagee (as defined in the Lease) (for so long as such Permitted Leasehold Mortgagee (as

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3 Subject to modification to reflect terms of debt.

4 Subject to modification solely and to the extent the law of any jurisdiction in which the Premises are located is required to govern the subordination of Tenant's interests in such jurisdiction.

5 Subject to modification to reflect terms of debt.

defined in the Lease) holds a Permitted Leasehold Mortgage (as defined in the Lease)) is an intended third party beneficiary of Section 2(b) entitled to enforce the same as if a party to this Agreement.

10. All notices to be given under this Agreement shall be in writing and shall be deemed served upon receipt by the addressee if served personally or, if mailed, upon the first to occur of receipt or the refusal of delivery as shown on a return receipt, after deposit in the United States Postal Service certified mail, postage prepaid, addressed to the address of Landlord, Tenant or Lender appearing below. Such addresses may be changed by notice given in the same manner. If any party consists of multiple individuals or entities, then notice to any one of same shall be deemed notice to such party.

Lender's Address:	[ ] Attn:
With a copy to:	[ ]
Tenant's Address:	Windstream Holdings, Inc. 4001 Rodney Parham Road Little Rock, AR 72212 Attention: Chief Financial Officer
With a copy to:	Windstream Holdings, Inc. 4001 Rodney Parham Road Mailstop: B1F03-71A Little Rock, AR 72212 Attention: Legal Department
Landlord's Address:	c/o Communications Sales & Leasing, Inc. 10802 Executive Center Drive Benton Building, Suite 300 Little Rock, AR 72211 Attention: Controller
With a copy to:	c/o Communications Sales & Leasing, Inc. 10802 Executive Center Drive Benton Building, Suite 300 Little Rock, AR 72211 Attention: General Counsel

11. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of nondisturbance agreements by the holder of, the Mortgage.

12. In the event Lender shall acquire Landlord's interest in the Premises, Tenant shall look only to the estate and interest, if any, of Lender in the Property for the satisfaction of Tenant's remedies for the collection of a judgment (or other judicial process) requiring the payment of money in the event of any default by Lender as a Successor Landlord under the Lease or under this Agreement, and no other property or assets of Lender shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to the Lease, the relationship of the landlord and tenant under the Lease or Tenant's use or occupancy of the Premises or any claim arising under this Agreement.

13. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to be enforceable, or if such modification is not practicable, such provision shall be deemed deleted from this Agreement, and the other provisions of this Agreement shall remain in full force and effect, and shall be liberally construed in favor of Lender.

14. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK*]

EXHIBIT D

DESCRIPTION OF TRANSITION SERVICES

Tenant will provide transition support services for shared corporate services that are customarily provided to a purchaser of a division or select assets of a larger company on the following general terms and conditions:

1. **Description of Services** – The scope of services will be services that are required for, and have been historically provided by Tenant or its subsidiaries to support, the operations of the Communication Assets, but which cannot be provided by Successor Tenant because the necessary personnel or assets are not transferred to or acquired by the Successor Tenant. The services will be negotiated by the parties and may include all or some of the following:
    - Accounting, accounts payable, accounts receivable, and billing;
    - Human resources and payroll;
    - Information technology services including infrastructure, desktop support, network and communications, operations;
    - Procurement purchasing services, contractor management and vendor management;
    - Customer services and support including call center;
    - Network operations support;
    - Engineering support services; and
    - Legal support services.
2. **Service Fees** – Tenant will charge service fees equal to 110% of the reasonable costs incurred to provide the services, and these costs will include an appropriate allocation of overhead costs and applicable taxes.
3. **Term** – The term of services will vary but will generally range from 30 days to up to nine months.
4. **Performance Standards** – Performance standards for services should be no greater than those applicable to the services provided prior to the transfer of the Communication Assets.
5. **Other Terms** – The remaining terms of the agreement should be consistent with transition services provided by Tenant in other dispositions and will include termination rights, dispute escalation and resolution provisions, limited licenses of non-transferrable intellectual property, indemnification, limitations of liability, force majeure and confidentiality.

EXHIBIT E

FAIR MARKET RENTAL CALCULATION

Landlord or Tenant, as applicable, will identify the Facilities from Exhibit A of this Master Lease that will be subject to appraisal, each such Facility being referred to herein as an "Appraised Facility". This exhibit sets forth the framework that shall be utilized by the Appraiser(s) in determining the Fair Market Rental for each Appraised Facility.

Definitions, for purposes of this exhibit:

Fair Market Rental - The rental price that a willing renter and a willing landlord, with neither being required to act, and both having reasonable knowledge of the relevant facts.

Calculation of Fair Market Rental shall be based on the following inputs determined by appraiser:

Fair Market Rental Formula
Fair Market Rental = PMT(rate, nper, pv, [fv], [type])

rate = Fair Lease Rate
nper = Renewal Term
pv = Fair Market Value – Residual Value
fv = 0
type = 1 (lease payment due at beginning of period)

Fair Market Value - Shall be consistent with the meaning in IRS Regulation Section 20.2031-1(b) and will reflect the premise of in-continued-use. Fair market value is defined as the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

Residual Value – The uninflated future value of the Appraised Facility as of the expiration date of the Renewal Term, but in any case shall be based on IRS guidelines and methods consistent with that of lease transactions.

Fair Lease Rate – The rate of return used in the determination of the Fair Market Rental. The Fair Lease Rate shall be supported in Appraiser's report by market comparable rates of return which may include analysis of a variety of factors including the Landlord's weighed average cost of capital, the risk free rate of return, financing terms, asset/equity returns, and a market based risk premium.

All other capitalized terms shall have the meaning set forth in the Master Lease Agreement, unless otherwise defined herein.

Appraisal Process and Instructions:

(a) In determining the Fair Market Rental for purposes of establishing Renewal Rent, and/or determining Successor Tenant Rent, the appraisal methods and process shall be consistent with the valuation analysis performed for the Initial Term (the "Initial Term Appraisal"), except that a valuation analysis will be performed separately for each Appraised Facility and will not assume that any other Facilities will be part of the Leased Property comprising the Appraised Facility In addition to providing a recommendation for the Fair Market Rental for each Appraised Facility, the Appraiser will also provide recommendations for each of the following values for each Appraised Facility: (i) Fair Market Value, as of the inception date of the Renewal Term, (ii) Residual Value, (iii) remaining economic life as of the inception date of the Renewal Term, and (iv) Fair Lease Rate. In determining the Fair Market Rental and providing the recommendations under clauses (i) through (iv) in the immediately preceding sentence, Landlord shall be deemed to be the sole owner of the Easements, Permits and Pole Agreements without any deduction in value as a result of Tenant holding legal title to any such Easement, Permits and Pole Agreements subject to Tenant's obligation to convey legal title to Landlord in accordance with Section 9.2(f) of the Master Lease.

(b) Landlord and Tenant agree to promptly provide all information associated with each Appraised Facility that is reasonably requested by Appraiser to facilitate the Appraiser review and determination of Fair Market Rental. Tenant and Landlord shall be prepared to provide any fixed asset data, network specifications, construction documents, capital investment records, historical and projected financial results, business plans, operational performance records, customer and market share data, and other information that may be reasonably requested by Appraiser for each Appraised Facility.

(c) In determining the Fair Market Value, Residual Value, remaining economic life, and Fair Lease Rate of each Appraised Facility as of the inception date of the Renewal Term, the Appraiser will follow generally accepted appraisal procedures including but not limited to the following:

(i) Collect and reconcile data representative for each Appraised Facility, including, but not limited to financial information, business plans, operational performance metrics, customer and market share data, etc.

(ii) Perform valuation analyses for each Appraised Facility to estimate Fair Market Value and Residual Value utilizing the Cost, Market, and Income approaches, as applicable. The analyses will be consistent with the methods and assumptions used in the Initial Term Appraisal.

(iii) Develop determination of Fair Lease Rate based on the financing terms, asset/equity returns, weighted average cost of capital, and other financial metrics observable in market comparable transactions.

(iv) Review key assumptions such as replacement cost new, obsolescence adjustments, total economic life, and remaining economic life with Tenant and Landlord management.

(v) Prepare a written report providing recommendations for Fair Market Value, Residual Value, remaining economic life and Fair Lease Rate for each Appraised Facility as well as describing the procedures performed, assumptions made, and valuation methods applied.

To the extent the Appraiser determines Fair Market Rental to be a single amount, such amount will be considered the appraiser's determination of Renewal Rent, or Successor Tenant Rent, as applicable. To the extent the Appraiser provides a range of amounts which represent his/her determination of Fair Market Rental, then the Renewal Rent, or Successor Tenant Rent, as applicable, shall be an amount equal to fifty percent (50%) of the sum of highest and lowest determinations of Fair Market Rental by such Appraiser.

SCHEDULE 1

LANDLORD

CSL Alabama System, LLC

CSL Arkansas System, LLC

CSL Florida System, LLC

CSL Georgia System, LLC

CSL Iowa System, LLC

CSL Kentucky System, LLC

CSL Mississippi System, LLC

CSL Missouri System, LLC

CSL New Mexico System, LLC

CSL Ohio System, LLC

CSL Oklahoma System, LLC

CSL Texas System, LLC

CSL Realty, LLC

CSL Georgia Realty, LLC

CSL North Carolina System, LP

CSL North Carolina Realty, LP

CSL Tennessee Realty, LP

SCHEDULE 7.2

LIST OF TENANT'S SUBSIDIARIES

Name of Subsidiary	State of Organization
Allworx Corp.	DE
Birmingham Data Link, LLC	AL
BOB, LLC	IL
Buffalo Valley Management Services, Inc.	DE
Cavalier IP TV, LLC	DE
Cavalier Services, LLC	DE
Cavalier Telephone Mid-Atlantic, L.L.C.	DE
Cavalier Telephone, L.L.C.	VA
Cinergy Communications Company of Virginia, LLC	VA
Conestoga Enterprises, Inc.	PA
Conestoga Management Services, Inc.	DE
Conestoga Wireless Company	PA
D&E Communications, LLC	DE
D&E Management Services, Inc.	NV
D&E Networks, Inc.	PA
D&E Wireless, Inc.	PA
Equity Leasing, Inc.	NV
Georgia Windstream, LLC	DE
Heart of the Lakes Cable Systems, Inc.	MN

Name of Subsidiary	State of Organization
Hosted Solutions Charlotte, LLC	DE
Hosted Solutions Raleigh, LLC	DE
Infocore, Inc.	PA
Intellifiber Networks, LLC	VA
Iowa Telecom Data Services, L.C.	IA
Iowa Telecom Technologies, LLC	IA
IWA Services, LLC	IA
KDL Holdings, LLC	DE
LDMI Telecommunications, LLC	MI
McLeodUSA Information Services LLC	DE
McLeodUSA Purchasing, LLC	IA
McLeodUSA Telecommunications Services, L.L.C.	IA
MPX, Inc.	DE
Nashville Data Link, LLC	TN
Network Telephone, LLC	FL
Norlight Telecommunications of Virginia, LLC	VA
Oklahoma Windstream, LLC	OK
PaeTec Communications of Virginia, LLC	VA
PaeTec Communications, LLC	DE
PAETEC Holding, LLC	DE
PAETEC iTEL, L.L.C.	NC
PAETEC Realty LLC	NY

Name of Subsidiary	State of Organization
PAETEC, LLC	DE
PCS Licenses, Inc.	NV
Progress Place Realty Holding Company, LLC	NC
RevChain Solutions, LLC	DE
SM Holdings, LLC	DE
Southwest Enhanced Network Services, LLC	DE
Talk America of Virginia, Inc.	VA
Talk America, Inc.	PA
Teleview, LLC	GA
Texas Windstream, LLC	TX
The Other Phone Company, LLC	FL
TriNet, LLC	GA
US LEC Communications LLC	NC
US LEC of Alabama LLC	NC
US LEC of Florida LLC	NC
US LEC of Georgia LLC	DE
US LEC of Maryland LLC	NC
US LEC of North Carolina LLC	NC
US LEC of Pennsylvania LLC	NC
US LEC of South Carolina LLC	DE
US LEC of Tennessee LLC	DE
US LEC of Virginia LLC	DE

Name of Subsidiary	State of Organization
Valor Telecommunications of Texas, LLC	DE
WaveTel NC License Corporation	DE
WIN Sales & Leasing, Inc.	MN
Windstream Accucomm Networks, LLC	GA
Windstream Accucomm Telecommunications, LLC	GA
Windstream Alabama, LLC	AL
Windstream Arkansas, LLC	DE
Windstream Baker Solutions, Inc.	IA
Windstream Buffalo Valley, Inc.	PA
Windstream Cavalier, LLC	DE
Windstream Communications Kerrville, LLC	TX
Windstream Communications Telecom, LLC	TX
Windstream Communications, LLC	DE
Windstream Concord Telephone, LLC	NC
Windstream Conestoga, Inc.	PA
Windstream Corporation	DE
Windstream CTC Internet Services, Inc.	NC
Windstream D&E Systems, LLC	DE
Windstream D&E, Inc.	PA
Windstream Direct, LLC	MN
Windstream EN-TEL, LLC	MN
Windstream Florida, Inc.	FL

Name of Subsidiary	State of Organization
Windstream Georgia Communications, LLC	GA
Windstream Georgia Telephone, LLC	GA
Windstream Georgia, LLC	GA
Windstream Holding of the Midwest, Inc.	NE
Windstream Hosted Solutions, LLC	DE
Windstream Intellectual Property Services, Inc.	DE
Windstream Iowa Communications, Inc.	DE
Windstream Iowa-Comm, LLC	IA
Windstream IT-Comm, LLC	IA
Windstream KDL, LLC	KY
Windstream KDL-VA, LLC	VA
Windstream Kentucky East, LLC	DE
Windstream Kentucky West, LLC	KY
Windstream Kerrville Long Distance, LLC	TX
Windstream Lakedale Link, Inc.	MN
Windstream Lakedale, Inc.	MN
Windstream Leasing, LLC	DE
Windstream Lexcom Communications, LLC	NC
Windstream Lexcom Entertainment, LLC	NC
Windstream Lexcom Long Distance, LLC	NC
Windstream Lexcom Wireless, LLC	NC
Windstream Mississippi, LLC	DE

Name of Subsidiary	State of Organization
Windstream Missouri, Inc.	MO
Windstream Montezuma, LLC	IA
Windstream Nebraska, Inc.	DE
Windstream Network Services of the Midwest, Inc.	NE
Windstream New York, Inc.	NY
Windstream Norlight, LLC	KY
Windstream North Carolina, LLC	NC
Windstream NorthStar, LLC	MN
Windstream NTI, LLC	WI
Windstream NuVox Arkansas, LLC	DE
Windstream NuVox Illinois, LLC	DE
Windstream NuVox Indiana, LLC	DE
Windstream NuVox Kansas, LLC	DE
Windstream NuVox Missouri, LLC	DE
Windstream NuVox Ohio, LLC	DE
Windstream NuVox Oklahoma, LLC	DE
Windstream NuVox, LLC	DE
Windstream of the Midwest, Inc.	NE
Windstream Ohio, Inc.	OH
Windstream Oklahoma, LLC	DE
Windstream Pennsylvania, LLC	DE
Windstream SHAL Networks, Inc.	MN

Name of Subsidiary	State of Organization
Windstream SHAL, LLC	MN
Windstream South Carolina, LLC	SC
Windstream Southwest Long Distance, LLC	DE
Windstream Standard, LLC	GA
Windstream Sugar Land, Inc.	TX
Windstream Supply, LLC	OH
Windstream Systems of the Midwest, Inc.	NE
Windstream Western Reserve, Inc.	OH
Xeta Technologies, Inc.	OK

Exhibit 10.2

TAX MATTERS AGREEMENT

This Tax Matters Agreement (the "Agreement") is entered into as of [_____], by and among WINDSTREAM HOLDINGS, INC., a Delaware corporation ("WHI"), WINDSTREAM SERVICES, LLC, a Delaware limited liability company that is directly wholly-owned by WHI ("Windstream"), and COMMUNICATIONS SALES & LEASING, INC., a Maryland corporation and currently a direct, wholly-owned subsidiary of Windstream ("CS&L"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Separation and Distribution Agreement by and among WHI, Windstream and CS&L dated [_____] (the "Separation and Distribution Agreement").

RECITALS

WHEREAS, as of the date hereof, WHI is the common parent of an affiliated group of domestic corporations within the meaning of section 1504(a) of the Code, and the members of the affiliated group have heretofore joined in filing consolidated federal income Tax Returns;

WHEREAS, the Parties have entered into the Separation and Distribution Agreement, pursuant to which, Windstream and its Subsidiaries will transfer the Assigned Assets to CS&L and its Subsidiaries in actual or constructive exchange for (i) the assumption or incurrence, as applicable, by CS&L and certain of its Subsidiaries of the Assumed Liabilities (as hereinafter defined), (ii) the issuance by CS&L to Windstream of all of the outstanding shares of the common stock, par value $0.0001 per share, of CS&L (the "CS&L Common Stock"), (iii) the transfer by CS&L, directly or indirectly, to Windstream of the Cash Payment, and (iv) the transfer by CS&L, directly or indirectly, to Windstream of certain debt securities to be jointly issued CS&L and CSL Capital, LLC, a Delaware limited liability company that is disregarded as separate from CS&L for U.S. federal income tax purposes, as part of the Financing Arrangements (collectively, the "CS&L Debt Securities"), all as more fully described in the Transaction Agreements (together with certain related transactions, the "Reorganization");

WHEREAS, in advance of the Reorganization, WHI, Windstream and its Subsidiaries intend to undertake (or have already undertaken) certain internal reorganization steps as more fully described in the Separation and Distribution Agreement (the "Internal Reorganization");

WHEREAS, following the Internal Reorganization and the Reorganization, Windstream intends to effect a distribution to WHI of all of the outstanding shares of CS&L Common Stock (the "Internal Distribution") and WHI intends to effect a distribution (the "External Distribution" and, together with the Internal Distribution, the "Distributions") to the holders of the outstanding shares of common stock, par value $0.0001 per share, of WHI (the "WHI Common Stock"), on a pro rata basis, of at least 80 percent of the CS&L Common Stock so that, following the External Distribution, WHI and CS&L will be two independent, publicly traded companies with Windstream temporarily retaining a passive ownership interest of no more than 20 percent of the CS&L Common Stock pending its opportunistic use of the CS&L Common Stock pursuant to the plan that includes the Reorganization and Distributions, subject to market conditions, to retire debt (the "Debt-for-Equity Exchange");

WHEREAS, pursuant to the Exchange Agreement, dated as of [_____], among Windstream, J.P. Morgan Securities, LLC, Merrill Lynch, and J.P. Morgan Chase Bank, N.A. as Administrative Agent (as defined therein), on the Distribution Date, Windstream expects to effect the exchange of the CS&L Debt Securities for outstanding debt obligations of Windstream (the "Debt Exchange");

WHEREAS, the Parties intend that the Reorganization, together with the Distributions, the Debt Exchange, and the Debt-for-Equity Exchange, qualify as a tax-free reorganization under sections 368 and 355 of the Code and that the Separation and Distribution Agreement constitute a "plan of reorganization" within the meaning of sections 361 and 368 of the Code; and

WHEREAS, in connection with the Reorganization, Distributions, and Debt Exchange, the Parties desire to enter into this Agreement to provide for certain Tax matters, including the assignment of responsibility for the preparation and filing of Tax Returns, the payment of and indemnification for Taxes, entitlement to refunds of Taxes, and the prosecution and defense of any Tax Contest.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 General. As used in this Agreement, the following terms shall have the following meanings:

"Action" means any demand, action, claim, suit, countersuit, litigation, arbitration, prosecution, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court, grand jury or other Governmental Authority or any arbitrator or arbitration panel.

"Agreement" shall have the meaning specified in the preamble.

"Affiliate" shall have the meaning specified in the Separation and Distribution Agreement.

"Assigned Assets" shall have the meaning specified in the Separation and Distribution Agreement.

"Assumed Liabilities" shall have the meaning specified in the Separation and Distribution Agreement.

"Business Day" or "Business Days" shall mean any day except a Saturday, Sunday or a day on which a commercial bank in New York, New York is authorized or required to close.

"Cash Payment" shall have the meaning specified in the Separation and Distribution Agreement.

"Closing-of-the-Books Method" shall mean the apportionment of items between portions of a Taxable period (i) in the case of any Tax based upon or related to income, gains, receipts, gross margins, employment, sales, use, or other Taxes imposed on a non-periodic basis, pursuant to an interim closing-of-the-books as of the end of the Distribution Date, and (ii) in the case of property, ad valorem and other Taxes imposed on a periodic basis, on the basis of elapsed days during the relevant portion of the Taxable period.

"Code" shall have the meaning specified in the Separation and Distribution Agreement.

"Consumer CLEC Business" shall have the meaning specified in the Ruling Request.

"CS&L" shall have the meaning specified in the recitals.

"CS&L Common Stock" shall have the meaning specified in the recitals.

"CS&L Group" shall mean CS&L and its Subsidiaries, including any corporations that would be members of an affiliated group if they were includible corporations under Code Section 1504(b) (in each case, including any successors thereof), but excluding any entity that is a member of the WHI Group.

"CS&L Opinion" shall mean the written opinion of WHI's tax counsel, addressed to CS&L and dated as of the Distribution Date, in form and substance reasonably satisfactory to CS&L, to the effect that CS&L has been organized in conformity with the requirements for qualification as a REIT under the Code and that its proposed method of operation will enable it meet the requirements for qualification and Taxation as a REIT under the Code.

"Debt-for-Equity Exchange" shall have the meaning specified in the recitals.

"Debt Exchange" shall have the meaning specified in the recitals.

"Dispute" shall have the meaning specified in Section 2.10.

"Dispute Date" shall have the meaning specified in Section 2.10.

"Disqualifying Action" shall mean any action, including entering into any agreement, understanding or arrangement or any substantial negotiations with respect to any transaction or series of transactions, or the failure to take any action expressly required pursuant to this Agreement, the Separation and Distribution Agreement or the Tax Materials (for the avoidance of doubt, including any such action or failure to take action that is pursuant to any plan, agreement, understanding or arrangement existing in whole or in part prior to the Distribution Date), that would, in each case, cause a

Distribution Disqualification to occur; provided, however, that the term "Disqualifying Action" shall not include any action described in or contemplated by the Transaction Agreements and Tax Materials, in each case, to the extent such action does not constitute a breach of any representation, warranty or covenant in any of the Transaction Agreements or Tax Materials.

"Distributions" shall have the meaning specified in the recitals.

"Distribution Date" shall have the meaning specified in the Separation and Distribution Agreement.

"Distribution Disqualification" shall mean that (i) the Reorganization, taken together with the Distributions, the Debt Exchange and the Debt-for-Equity Exchange, fails to qualify as a tax-free reorganization under section 368(a)(1)(D) of the Code; (ii) the External Distribution fails to qualify as a distribution of the CS&L Common Stock pursuant to section 355 of the Code, pursuant to which no gain or loss is recognized for federal income tax purposes by any of WHI, Windstream, CS&L, or the holders of the WHI Common Stock, except to the extent of cash received in lieu of fractional shares; (iii) the Debt Exchange or the Debt-for-Equity Exchange fails to constitute a transfer of qualified property to Windstream's creditors in connection with the reorganization within the meaning of section 361(c)(3) of the Code, (iv) the Cash Payment fails to qualify as money transferred to creditors or distributed to shareholders in connection with the reorganization within the meaning of section 361(b)(1) of the Code, but only to the extent that the Cash Payment does not exceed Windstream's tax basis in the CS&L Common Stock immediately prior to the Cash Payment and Windstream distributes the Cash Payment to its creditors or shareholders in connection with the Reorganization and Internal Distribution, and/or (v) certain of the Internal Reorganization transactions fail to qualify for the tax-free status described in the WHI Opinion or the Ruling.

"Distribution Taxes" shall mean all Taxes (other than Transfer Taxes), as determined by a Final Determination, resulting from the Internal Reorganization, the Reorganization, the Distributions and the Debt Exchange (other than any Taxes arising in respect of an intercompany transaction pursuant to Section 1.1502-13 of the Treasury Regulations or an excess loss account pursuant to Section 1.1502-19 of the Treasury Regulations, unless such Taxes would not have arisen absent a Distribution Disqualification).

"Final Determination" shall mean the final resolution of liability for any Tax, which resolution may be for a specific issue or adjustment or for a taxable period, (i) by an acceptance on an IRS Form 870 or 870-AD (or any successor forms thereto), or by a comparable form or agreement pursuant to the laws of a state, local, or non-United States taxing jurisdiction, except that acceptance on an IRS Form 870 or 870-AD or comparable form or agreement will not constitute a Final Determination to the extent that such form or agreement reserves (whether by its terms or by operation of Law) the right of the taxpayer to file a claim for refund or the right of the Taxing Authority to assert a further deficiency in respect of such issue or adjustment or for such taxable period (as the case may be); (ii) by a decision, judgment, decree, or other order of a court of competent

jurisdiction which is or has become final and unappealable; (iii) by a closing agreement or accepted offer in compromise pursuant to sections 7121 or 7122 of the Code, or a comparable agreement pursuant to the laws of a state, local, or non-United States jurisdiction; (iv) by any allowance of a refund or credit in respect of an overpayment of a Tax, but only after the expiration of all periods during which such refund may be recovered (including by way of offset) or, where such periods are undefined or indefinite, in accordance with ordinary course limitation periods, by the jurisdiction imposing such Tax; (v) by a final settlement resulting from a treaty-based competent authority determination; or (vi) by any other final disposition, including by reason of the expiration of the applicable statute of limitations or by mutual agreement of the Parties.

"Governmental Authority" shall have the meaning specified in the Separation and Distribution Agreement.

"Internal Reorganization" shall have the meaning specified in the recitals.

"IRS" shall mean the Internal Revenue Service.

"Operating Partnership" shall mean CSL National, L.P., a Delaware limited partnership.

"Party" shall mean any of WHI, Windstream, or CS&L, as the context may require.

"Person" shall have the meaning specified in the Separation and Distribution Agreement.

"Post-Closing Period" shall mean any Taxable year or other Taxable period beginning after the Distribution Date and, in the case of any Straddle Period, that part of the Straddle Period that begins at the beginning of the day after the Distribution Date.

"Potential Disqualifying Action" shall mean any action (including entering into any agreement, understanding or arrangement or any substantial negotiations with respect to any transaction or series of transactions) that would be reasonably likely to cause a Distribution Disqualification to occur, including any action that would be inconsistent with any representation or covenant made in this Agreement, the Separation and Distribution Agreement, or the Tax Materials.

"Pre-Closing Period" shall mean any Taxable year or other Taxable period that ends on or before the Distribution Date and, in the case of any Straddle Period, that part of the Straddle Period that ends at the end of the Distribution Date.

"REIT" shall have the meaning specified in Section 3.2(f).

"Reorganization" shall have the meaning specified in the recitals.

"Responsible Party" shall mean, with respect to any Tax Return, the Party having responsibility for preparing and filing such Tax Return pursuant to this Agreement.

"Restricted Period" shall mean the two (2) year period commencing on the Distribution Date.

"Ruling" shall mean the IRS Private Letter Ruling, dated July 16, 2014, issued to Windstream.

"Ruling Request" shall mean the request for rulings submitted by Windstream to the IRS in connection with the Ruling, including all appendices, attachments and exhibits thereto and all supplemental submissions and correspondence submitted by Windstream in connection with such request for rulings.

"Straddle Period" shall mean any Taxable period commencing on or prior to, and ending after, the Distribution Date.

"Subsidiary" shall have the meaning specified in the Separation and Distribution Agreement.

"Tax" (and, with correlative meaning, "Taxable") shall mean (i) any and all U.S. federal, state, local and foreign taxes, including income, alternative or add-on minimum, gross receipts, profits, lease, service, service use, wage, employment, workers compensation, business occupation, environmental, estimated, excise, sales, use, transfer, license, payroll, franchise, severance, stamp, occupation, windfall profits, withholding, social security, unemployment, disability, ad valorem, capital stock, paid in capital, recording, registration, property, real property gains, value added, business license, custom duties and other taxes, charges, fees, levies, imposts, duties or assessments of any kind whatsoever, imposed or required to be withheld by any Taxing Authority, including any interest, additions to Tax or penalties applicable or related thereto, and (ii) any liability for the Taxes of any Person under section 1.1502-6 of the Treasury Regulations (or similar provision of state or local law).

"Tax Advisor" shall mean tax counsel of recognized national standing with experience in the tax area involved in the Dispute.

"Tax Attributes" shall mean net operating losses, capital losses, investment tax credit carryovers, earnings and profits, foreign tax credit carryovers, overall domestic losses, overall foreign losses, dual consolidated losses, previously taxed income, separate limitation losses and any other losses, deductions, credits or other comparable items that could affect a Tax liability for a past or future Taxable period.

"Tax Certificates" shall mean the certificates, in customary form, of officers of the Parties that will be provided to WHI's tax counsel in connection with the WHI Opinion and the CS&L Opinion.

"Tax Contest" shall mean any audit, review, examination, dispute, suit, action, proposed assessment, or other administrative or judicial proceeding with respect to Taxes.

"Tax-Free Status of the Transactions" shall mean the tax-free treatment accorded to certain of the Internal Reorganization transactions, the Reorganization, the Distributions and the Debt Exchange as described in the Ruling and the WHI Opinion.

"Tax Materials" shall mean (A) the Ruling Request, (B) the Ruling, (C) the Tax Opinions, (D) the Tax Certificates, and (E) any other materials delivered or deliverable in connection with the issuance of the Ruling and the rendering of the Tax Opinions as memorialized in the Closing Memorandum.

"Tax Opinions" shall mean the CS&L Opinion and the WHI Opinion.

"Tax Return" shall mean any return, report, certificate, form or similar statement or document (including any attachments thereto and any information return, amended tax return, claim for refund or declaration of estimated tax) supplied to or filed with, or required to be supplied to or filed with, a Taxing Authority, or any bill for or notice related to ad valorem or other similar Taxes received from a Taxing Authority, in each case, in connection with the determination, assessment or collection of any Tax or the administration of any laws, regulations or administrative requirements relating to any Tax.

"Taxing Authority" shall mean any Governmental Authority or other authority in connection with the determination, assessment or collection of any Tax or the administration of any laws, regulations or administrative requirements relating to any Tax.

"Transaction Agreements" shall have the meaning specified in the Separation and Distribution Agreement.

"Transfer Taxes" shall mean all sales, use, privilege, transfer, documentary, stamp, recording, and similar Taxes and fees (including any penalties, interest or additions thereto) imposed upon any Party in connection with the Internal Reorganization, the Reorganization and the Distributions.

"Unqualified Tax Opinion" shall mean an unqualified opinion of nationally recognized tax counsel on which WHI and CS&L may rely to the effect that an action or transaction (including a Potential Disqualifying Action) will not alter any of the conclusions regarding the Tax-Free Status of the Transactions. Any such opinion must assume that the Internal Reorganization, Reorganization, Distributions, and Debt Exchange, and any transaction associated therewith would have been tax-free, or would have had the tax treatment described in the WHI Opinion or the Ruling, if such action or transaction did not occur.

"WHI Action" shall mean (i) any transaction with respect to the stock or assets of WHI or its Subsidiaries that occurs after the Distribution Date, (ii) any failure by WHI or Windstream after the Distribution Date to maintain its status as a company engaged in the conduct of an active trade or business or (iii) (x) the failure of any representation made by WHI or its Subsidiaries in connection with the Ruling or the WHI Opinion or any subsequent ruling or opinion in connection with the Distributions, in each case with

respect to WHI or its Subsidiaries or the businesses conducted by WHI or its Subsidiaries or the plans, proposals, intentions and policies of WHI after the Distribution Date, to have been true and correct in all material respects when made, or (y) the failure by WHI or its Subsidiaries to comply with any covenant made by WHI in connection with the Ruling or the WHI Opinion or any subsequent ruling or opinion in connection with the Distributions.

"WHI Common Stock" shall have the meaning specified in the recitals.

"WHI Group" shall mean WHI and its Subsidiaries, including any corporations that would be members of an affiliated group if they were includible corporations under Code Section 1504(b) (in each case, including any successors thereof), but excluding any entity that is a member of the CS&L Group.

"WHI Opinion" shall mean the written opinion of WHI's tax counsel, addressed to WHI and dated as of the Distribution Date, with respect to certain Tax aspects of the Internal Reorganization, the Reorganization, the Distributions and Debt Exchange.

Section 1.2 References; Interpretation. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. The word "including" when used in this Agreement shall be deemed to be followed by the phrase "without limitation". Unless the context otherwise requires, references in this Agreement to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, such Agreement. Unless the context otherwise requires, the words "hereof", "hereby", and "herein" and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement.

ARTICLE II
TAX RETURNS AND TAX PAYMENTS

Section 2.1 Obligations to File Tax Returns.

(a) WHI will have the sole and exclusive responsibility for the preparation and filing of all Tax Returns that any member of the WHI Group is obligated to file, including for this purpose those Tax Returns that include any member of the CS&L Group for any Pre-Closing Period or any Straddle Period. CS&L, on behalf of each member of the CS&L Group, hereby irrevocably authorizes and designates WHI as its agent, coordinator and administrator for the purpose of taking any and all actions necessary to the filing of any such Tax Return and for the purpose of making payments to, or collecting refunds from, any Taxing Authority in respect of any such Tax Return. Except as otherwise provided herein, WHI shall have the exclusive right to file, prosecute, compromise or settle any claim for refund for Taxes in respect of a Tax Return for which WHI bears responsibility under this Section 2.1(a) and to determine whether any refunds of such Taxes to which the WHI Group may be entitled shall be received by way of refund or credit against the Tax liability of the WHI Group.

(b) Except as provided herein, CS&L shall have the sole and exclusive responsibility for the preparation of all Tax Returns that include any member of the CS&L Group for any Post-Closing Period. Except as otherwise provided herein, CS&L shall have the exclusive right to file, prosecute, compromise or settle any claim for refund for Taxes in respect of a Tax Return for which CS&L bears responsibility under this Section 2.1(b) and to determine whether any refunds of such Taxes to which the CS&L Group may be entitled shall be received by way of refund or credit against the Tax liability of the CS&L Group.

(c) To the extent permitted by law or administrative practice in any jurisdiction in which Tax Returns that include any member of the CS&L Group are filed, the Parties shall cause the current Taxable period of such member of the CS&L Group to end at the end of the Distribution Date.

(d) WHI shall have the sole and exclusive responsibility for the preparation and filing of all Tax Returns that include any member of the CS&L Group for any Straddle Period. No later than twenty (20) Business Days prior to the date on which any such Straddle Period Tax Return is required to be filed (taking into account any valid extensions), WHI shall submit or cause to be submitted to CS&L a draft of such Straddle Period Tax Return for CS&L's review. WHI shall make or cause to be made any and all changes to such Tax Return reasonably requested by CS&L, to the extent that such changes do not materially increase the amount of Tax for which WHI is responsible hereunder and shall consider, in good faith, other changes reasonably requested by CS&L; *provided, however*, that CS&L must submit to WHI its proposed changes to such Tax Return in writing within ten (10) Business Days of receiving such Tax Return.

Section 2.2 Manner of Preparation.

(a) Unless and until there has been a Final Determination to the contrary, all Tax Returns of or that include CS&L, WHI, or any of their respective Subsidiaries shall be prepared in a manner that is consistent with the Tax Materials. In addition, to the extent permitted by law, unless and until there has been a Final Determination to the contrary, all Tax Returns of any member of the CS&L Group prepared pursuant to Section 2.1(a) or Section 2.1(d) shall be prepared in a manner that is otherwise consistent with past practices of WHI, CS&L, and their respective Subsidiaries.

(b) To the extent a Party takes a position on an income Tax Return prepared pursuant to Section 2.1 that is reasonably expected to materially increase the Tax liability of the other Party and there is no past practice of WHI, CS&L or their respective Subsidiaries with respect to such position, the preparing Party shall provide such income Tax Return to the other Party for its review and comment at least twenty (20) Business Days prior to the date on which such income Tax Return is required to be filed (taking into account any valid extensions). The preparing Party shall make or cause to be made any and all changes to such Tax Return reasonably requested by the other Party, provided, however, that the other Party must submit to the preparing Party its proposed changes to such Tax Return in writing within ten (10) Business Days of receiving such Tax Return. To the extent the Parties disagree with respect to the position, the Parties shall negotiate in good faith to resolve such dispute. If the Parties are unable to resolve the dispute, such dispute shall be resolved pursuant to the terms of Section 2.10 of this Agreement.

Section 2.3 Obligation to Remit Taxes. Except as otherwise provided herein, WHI and CS&L shall each remit or cause to be remitted to the applicable Taxing Authority any Taxes due in respect of any Tax Return that it is required to file hereunder (or, in the case of a Tax for which no Tax Return is required to be filed, which is otherwise payable by it or its Subsidiaries to any Taxing Authority) and shall be entitled to reimbursement for such payments from the other Party to the extent provided herein; *provided*, *however*, that in the case of any Tax Return, the Party not required to file such Tax Return shall remit to the Party required to file such Tax Return in immediately available funds the amount of any Taxes reflected on such Tax Return for which the former Party is responsible hereunder at least two (2) Business Days before payment of the relevant amount is due to a Taxing Authority.

Section 2.4 Allocation of and Indemnification for Taxes.

(a) Indemnification by WHI. WHI shall pay or cause to be paid, shall be responsible for, and shall indemnify and hold harmless CS&L from and against, (i) all Taxes (other than Distribution Taxes) of the WHI Group for any period, (ii) all Taxes (other than Distribution Taxes) of the WHI Group and the CS&L Group for any Pre-Closing Period, and (iii) all Distribution Taxes, except to the extent that such Taxes are subject to indemnification by CS&L pursuant to Section 2.4(b)(ii).

(b) Indemnification by CS&L.

(i) CS&L shall pay or cause to be paid, shall be responsible for, and shall indemnify and hold harmless WHI from and against all Taxes (other than Distribution Taxes) of the CS&L Group, or that otherwise relate to the Assigned Assets or Assumed Liabilities, for any Post-Closing Period (except for Taxes for which WHI is responsible pursuant to Section 2.4(a)(i)).

(ii) Notwithstanding any other provision of this Agreement to the contrary, if there is a Final Determination that a Distribution Disqualification has occurred, then, to the extent that the Distribution Disqualification results from any Disqualifying Action taken after the Distribution Date by CS&L or any other member of the CS&L Group, CS&L shall indemnify, defend and hold harmless the WHI Group from and against any and all (A) Distribution Taxes, (B) accounting, legal and other professional fees and court costs incurred in connection with such Taxes (other than such costs incurred in the joint defense of a Third-Party Claim, which costs are subject to Section 5.4 below) and (C) Taxes resulting from indemnification payments hereunder incurred by the WHI Group. Notwithstanding any other provision of this Agreement to the contrary, the liability of CS&L pursuant to this Section 2.4(b)(ii), subject to the limitations contained in Section 2.4(c), shall be the sole and exclusive basis for any remedy of WHI and its Affiliates for any matter (including any breach of representation or covenant) related to a Distribution Disqualification or any Distribution Taxes.

(c) Straddle Period Taxes. In the case of Taxes (other than Distribution Taxes) that are attributable to a Straddle Period, such Taxes shall be allocated between the portion of the Straddle Period that is a Pre-Closing Period and the portion of the Straddle Period that is a Post-Closing Period based on a Closing of the Books Method.

Section 2.5 Transfer Taxes. WHI and CS&L shall each bear fifty percent of any Transfer Taxes.

Section 2.6 Refunds. CS&L shall be entitled to any refund of or credit for Taxes for which CS&L is responsible under this Agreement, and WHI shall be entitled to any refund of or credit for Taxes for which WHI is responsible under this Agreement. Refunds for any Straddle Period shall be equitably apportioned between WHI and CS&L in accordance with the provisions of this Agreement governing the Taxes with respect to such periods. A Party receiving a refund to which the other Party is entitled pursuant to this Agreement shall pay the amount to which such other Party is entitled within five (5) Business Days after the receipt of the refund.

Section 2.7 Carrybacks. To the extent permitted by law, the CS&L Group shall elect to forego a carryback of any net operating losses, capital losses, or credits (including the election under section 172(b)(3) of the Code) from any Post-Closing Period to any Pre-Closing Period. If and to the extent that the CS&L Group is not permitted by applicable law to forego such carryback and requests in writing that WHI obtain a refund with respect to such carryback, then (a) WHI shall use commercially reasonable efforts to obtain a refund with respect to such carryback (including by filing an amended Tax Return) and (b) to the extent that WHI receives a refund of Taxes (including interest received thereon) attributable to such carryback, WHI shall pay such refund to CS&L. WHI shall be entitled to reduce the amount of any such refund for its reasonable out-of-pocket costs and expenses incurred in connection with such refund, including any Taxes on receipt of such refund or interest thereon.

Section 2.8 Tax Attributes. The Parties acknowledge that CS&L intends to qualify as a real estate investment trust within the meaning of Sections 856 through 860 of the Code (a “REIT”) for the tax year ending December 31, 2015 and thereafter. As soon as reasonably practicable following the Distribution Date, and, in any event, at least 90 calendar days before the due date (including extensions) of the federal income Tax Return for the CS&L Group for the tax year ending December 31, 2015, WHI shall provide CS&L with its calculation of the Tax Attributes associated with the CS&L Group and the Tax bases of the assets and liabilities transferred to CS&L in connection with the Distributions for its review and comment, which calculation shall be in accordance with applicable law. WHI shall consider in good faith any reasonable comments to such calculation proposed by CS&L within thirty (30) days of CS&L’s receipt of such calculations and shall not unreasonably withhold incorporation of CS&L’s comments. To the extent the Parties are unable to resolve a dispute with respect to the calculations, and such dispute is with respect to an issue of law or fact, such dispute will be settled pursuant to the terms of Section 2.10 of this Agreement. Unless and until there has been a Final Determination to the contrary, all Tax Returns of or that include CS&L, WHI, or any of their respective Subsidiaries shall be prepared in a manner that is consistent with the determination of the allocation of Tax Attributes pursuant to this Section 2.8.

Section 2.9 Amended Returns. Without the prior written consent of WHI, which consent shall not be unreasonably withheld, conditioned or delayed, CS&L shall not, and shall not permit any member of the CS&L Group to, file any amended Tax Return that includes any member of the WHI Group.

Section 2.10 Dispute Resolution. Subject to the final sentence of this Section 2.10, the Parties shall attempt in good faith to resolve any disagreement arising with respect to this Agreement, including any dispute in connection with a claim by a third party (a "Dispute"). Either Party may give the other Party written notice of any Dispute not resolved in the normal course of business. Subject to the final sentence of this Section 2.10, if the Parties cannot agree within thirty (30) Business Day following the date on which one Party gives such notice (the "Dispute Date"), then the Dispute shall be referred to a Tax Advisor acceptable to each of the Parties to act as an arbitrator in order to resolve the dispute. If the Parties are unable to agree upon a Tax Advisor within fifteen (15) days, the Tax Advisor selected by WHI and the Tax Advisor selected by CS&L shall jointly select a Tax Advisor that will resolve the dispute. Such Tax Advisor shall be empowered to resolve the Dispute, including by engaging nationally recognized accounting and other experts. The Tax Advisor shall furnish written notice to the Parties of its resolution of such Dispute as soon as practicable, but in no event later than forty-five (45) Business Days after its acceptance of the matter for resolution. Any such resolution by the Tax Advisor will be conclusive and binding on the Parties. Each of WHI and CS&L shall bear 50% of the aggregate expenses of the Tax Advisor. Notwithstanding the foregoing, this provision shall not apply to any Dispute related to liability for, or an indemnification obligation with respect to, any Distribution Taxes.

ARTICLE III
REPRESENTATIONS AND COVENANTS

Section 3.1 Compliance with the Ruling Request, the Rulings and Tax Opinions.

(a) WHI hereby represents and warrants that (i) it has examined (or upon receipt will examine) the Tax Materials and (ii) the facts presented and representations made therein, to the extent descriptive of or otherwise relating to WHI or any of its Affiliates (including the CS&L Group), are or will be from the time presented or made through and including the Distribution Date true, correct, and complete in all material respects. WHI hereby confirms and agrees to comply (or to cause its Subsidiaries, including the CS&L Group for periods through and including the Distribution Date, to comply) with any and all covenants and agreements in the Tax Materials made by any member of the WHI Group.

(b) CS&L hereby represents and warrants that (i) it has examined (or upon receipt will examine) the Tax Materials and (ii) the facts presented therein, to the extent descriptive of or relating to the intent, action, or non-action of the CS&L Group as of or following the Distribution Date, will be true, correct, and complete in all material respects, and (iii) the representations made therein, to the extent made by any member of the CS&L Group, are or will be from the time presented or made through and including the Distribution Date true, correct, and complete in all material respects. CS&L hereby confirms and agrees to comply (or to cause the members of the CS&L Group to comply) with any and all covenants and agreements in the Tax Materials made by any member of the CS&L Group.

Section 3.2 Covenants.

(a) From and after the Distribution Date, WHI shall not, and shall not permit any member of the WHI Group (but, for avoidance of doubt, not including the CS&L Group) to, take any Disqualifying Action.

(b) Except as otherwise provided in this Section 3.2, until the expiration of the Restricted Period, CS&L shall not, and shall not permit any member of the CS&L Group to, take a Potential Disqualifying Action.

(c) Until the expiration of the Restricted Period, CS&L shall not enter into (or permit any member of the CS&L Group to enter into) any agreement, understanding or arrangement or any substantial negotiations with respect to any transaction (including a merger to which CS&L is a party) involving the acquisition (including by any member of the CS&L Group) of capital stock of CS&L, and CS&L shall not issue any additional shares of capital stock or transfer or modify any options, warrants, convertible obligations or other instrument that provides for the right or possibility to issue, redeem or transfer any shares of capital stock of CS&L (or enter into any agreement, understanding, arrangement or any substantial negotiations with respect to any such issuance, transfer or modification), except to the extent that all such agreements, understandings, arrangements, substantial negotiations and other issuances, taken together, do not involve a direct or indirect acquisition by any Person or Persons of a "50 percent or greater interest" in CS&L within the meaning of section 355(d)(4) of the Code. Notwithstanding the foregoing:

(i) CS&L may issue additional shares of common stock of CS&L to a person in a transaction to which section 83 or section 421(a) or (b) of the Code applies (or options to acquire stock in such a transaction) in connection with the person's performance of services as an employee, director or independent contractor of any member of the CS&L Group or any other person that is related to CS&L under section 355(d)(7)(A) of the Code or a corporation the assets of which CS&L or a member of the CS&L Group acquires in a reorganization under section 368 of the Code, provided that such stock is not excessive by reference to the services performed by such person and such person or a coordinating group of which the person is a member will not be a controlling shareholder or a ten-percent shareholder of CS&L (within the meaning of sections 1.355-7(h)(3) and (8) of the Treasury Regulations) immediately after the issuance of such common stock; and

(ii) CS&L may issue additional shares of common stock of CS&L to a retirement plan of CS&L or any other person that is treated as the same employer as CS&L under section 414(b), (c), (m), or (o) of the Code that qualifies under section 401(a) or 403(a) of the Code, provided that the stock acquired by all of the qualified plans of CS&L and such other persons during the four-year period beginning two years before the Distribution Date does not, in the aggregate, represent more than ten percent of the total combined voting power of all classes of stock of CS&L entitled to vote or more than ten percent of the total value of shares of all classes of stock of CS&L.

(d) Until the expiration of the Restricted Period, CS&L shall continue and cause to be continued the active conduct (as defined in section 355(b)(2) of the Code and the Treasury Regulations promulgated thereunder) of the Consumer CLEC Business, taking into account section 355(b)(3) of the Code.

(e) Until the expiration of the Restricted Period, CS&L shall not voluntarily dissolve, liquidate, merge or consolidate with any other person, unless, in the case of a merger or consolidation, CS&L is the survivor of the merger or consolidation.

(f) Until the expiration of the Restricted Period, CS&L shall not redeem or otherwise repurchase (directly or through an Affiliate) any stock, or rights to acquire stock, except to the extent such repurchases satisfy section 4.05(1)(b) of Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by Revenue Procedure 2003-48 and Revenue Procedure 2013-32).

(g) Neither CS&L nor any member of the CS&L Group (including the Operating Partnership) shall take any action with respect to the CS&L Debt Securities that might result in their failing to qualify as "securities" of CS&L, within the meaning of section 361, for purposes of the Internal Distribution and the Debt Exchange.

(h) Notwithstanding the foregoing, the provisions of this Section 3.2 shall not prohibit CS&L or any member of the CS&L Group from implementing any action or transaction (including a Potential Disqualifying Action) if (i) the IRS has granted a favorable ruling to WHI or CS&L that such action would not alter the Tax-Free Status of the Transactions, (ii) CS&L has delivered to WHI an Unqualified Tax Opinion, in form and substance reasonably acceptable to WHI**,** with respect to such action or transaction, or (iii) WHI has waived in writing the requirement to obtain such ruling or Unqualified Tax Opinion with respect to such action or transaction. Within 10 Business Days of the receipt by WHI of a draft of an Unqualified Tax Opinion, WHI shall inform CS&L in writing of whether such Unqualified Tax Opinion is reasonably acceptable to it and, to the extent unacceptable, shall inform CS&L with reasonable specificity of the reasons therefor. If CS&L notifies WHI that it desires to seek a ruling from the IRS or an Unqualified Tax Opinion with respect to such an action or transaction, WHI shall cooperate with CS&L and use its commercially reasonable efforts to assist CS&L in obtaining such a ruling from the IRS or an Unqualified Tax Opinion. CS&L shall reimburse WHI for all reasonable out-of-pocket costs and expenses incurred by the WHI Group in assisting CS&L in obtaining a ruling or Unqualified Tax Opinion within ten (10) days after receiving an invoice from WHI therefor.

ARTICLE IV
PAYMENTS

Section 4.1 Payments. Except as otherwise provided herein, payments due under this Agreement shall be made no later than ten (10) Business Days after (i) the receipt or crediting of a refund or (ii) the delivery of notice of payment of a Tax for which the other Party is responsible under this Agreement, in each case by wire transfer of immediately available funds to an account designated by the Party entitled to such payment. Payments due hereunder, but not made within such period, shall be accompanied by simple interest at a rate of ten (10) percent.

Section 4.2 Treatment of Payments. The Parties agree that any payment made between the Parties pursuant to this Agreement or the Distributing and Separation Agreement with respect to a Pre-Closing Period or as a result of an event or action occurring in a Pre-Closing Period shall be treated, to the extent permitted by law, for all Tax purposes as a distribution from or a capital contribution to CS&L made immediately prior to the Distributions. If the receipt or accrual of any such payment that is an indemnification payment results in Taxable income (including an increase in the amount of any gain or other income recognized on the Distributions) to the recipient thereof, such payment shall be increased so that, after the payment of any Taxes with respect to the payment, the recipient thereof shall have realized the same net amount it would have realized had the payment not resulted in Taxable income.

Section 4.3 Notice. The Parties shall give each other prompt written notice of any payment that may be due to the provider of such notice under this Agreement.

Section 4.4 CS&L REIT Status. In the event that CS&L determines that any payment provided for under this Agreement could reasonably be expected to give rise to a successful challenge to CS&L's status as a REIT, then WHI shall remit such payment in accordance with reasonable written instructions provided by CS&L no less ten (10) Business Days before such payment is to be made.

ARTICLE V
TAX CONTESTS

Section 5.1 Notice of Tax Contests. CS&L shall promptly notify WHI in writing upon receipt by CS&L or any member of the CS&L Group of a written communication from any Taxing Authority with respect to any Tax Contest concerning any Tax Return or otherwise concerning Taxes for which WHI may be liable under this Agreement. WHI shall promptly notify CS&L in writing upon receipt by WHI or any member of the WHI Group of a written communication from any Taxing Authority with respect to any Tax Contest concerning any Tax Return or otherwise concerning Taxes for which CS&L may be liable under this Agreement.

Section 5.2 Control of Contest by WHI. Except as provided in Section 5.4, WHI shall have the sole responsibility and control over the handling of any Tax Contest, including the exclusive right to communicate with agents of the Taxing Authority, involving (a) any Pre-Closing Period Tax Return of CS&L or any member of the CS&L Group or otherwise relating to the Assigned Assets or Assumed Liabilities for a Pre-Closing Period or (b) any Straddle Period Tax Return of CS&L or any member of the CS&L Group or otherwise relating to the Assigned Assets or Assumed Liabilities for a Straddle Period, to the extent that the Tax Contest relates only to the Pre-Closing Period portion of such Straddle Period**.** Upon CS&L's request, CS&L shall be allowed to participate in, but not to control, at CS&L's expense, the handling of any such Tax Contest with respect to any item that may affect CS&L's liability for Taxes pursuant to this Agreement. WHI shall not settle or concede any such Tax Contest with respect to any item in excess of $50,000 for which CS&L is liable hereunder without the prior written consent of CS&L, which consent shall not be unreasonably withheld, delayed, or conditioned.

Section 5.3 Control of Contest by CS&L. Except as provided in Section 5.4, CS&L shall have the sole responsibility and control over the handling of any Tax Contest, including the exclusive right to communicate with agents of the Taxing Authority, involving any Tax Return that includes CS&L or any member of the CS&L Group or otherwise relates to the Assigned Assets or Assumed Liabilities not described in Section 5.2. Upon WHI's request, WHI shall be allowed to participate in, but not to control, at WHI's expense, the handling of any such Tax Contest with respect to any item that may affect the liability of WHI hereunder. CS&L shall not settle or concede any such Tax Contest with respect to any item in excess of $50,000 for which WHI is liable hereunder without the prior written consent of WHI, which consent shall not be unreasonably withheld, delayed, or conditioned.

Section 5.4 Joint Control of Certain Tax Contests. WHI and CS&L shall jointly control, and shall cooperate in good faith in, the handing of any Tax Contest that relates to (i) any potential Distribution Disqualification or any Distribution Taxes for which CS&L may be obligated to provide indemnification hereunder or (ii) any Straddle Period Tax Return, if the Tax Contest relates both to the Pre-Closing Period portion and to the Post-Closing Period portion of the Straddle Period. WHI and CS&L shall exercise their rights to jointly control the defense of any such Tax Contest solely for the purpose of defeating such Tax Contest. If either WHI or CS&L fails to jointly defend any such Tax Contest, then the other party shall solely defend such Tax Contest and the party failing to jointly defend shall use reasonable best efforts to cooperate with the other party in its defense of such Tax Contest. WHI and CS&L shall each pay its own expenses related to the handling of any such Tax Contest.

ARTICLE VI
COOPERATION

Section 6.1 General. Each Party shall, and shall cause all of such Party's Subsidiaries and, to the extent capable of so doing, Affiliates to, fully cooperate with the other Party in connection with the preparation and filing of any Tax Return or the conduct of any Tax Contest (including, where appropriate or necessary, providing a power of attorney) concerning any issues or any other matter contemplated under this Agreement. Each Party shall make its employees and facilities available on a mutually convenient basis to facilitate such cooperation.

Section 6.2 Consistent Treatment. Unless and until there has been a Final Determination to the contrary, each Party agrees (a) to treat the Reorganization, taken together with the Distributions, the Debt Exchange and the Debt-for-Equity Exchange, as a tax-free reorganization under section 368(a)(1)(D) of the Code and the External Distribution as a tax-free distribution of the CS&L Common Stock under section 355(a) of the Code, and (b) not to take any position on any Tax Return or in connection with any Tax Contest that is inconsistent with (i) the allocation of Taxes and Tax Attributes hereunder, or (ii) this Agreement, the Separation and Distribution Agreement, or the Tax Materials.

ARTICLE VII
RETENTION OF RECORDS; ACCESS

Section 7.1 Retention of Records; Access. The Parties shall (a) retain records, documents, accounting data, and other information (including computer data) necessary for the preparation and filing of all Tax Returns in respect of Taxes of either the WHI Group or the CS&L Group for any Taxable period, or for any Tax Contests relating to such Tax Returns, and (b) give to the other Party reasonable access to such records, documents, accounting data, and other information (including computer data) and to its personnel (insuring their cooperation) and premises, for the purpose of the review or audit of such Tax Returns to the extent relevant to an obligation or liability of a Party under this Agreement or for purposes of the preparation or filing of any such Tax Return, the conduct of any Tax Contest or any other matter reasonably and in good faith related to the Tax affairs of the requesting Party. At any time after the Distribution Date that WHI or any member of the WHI Group proposes to destroy such material or information, WHI shall first notify CS&L in writing and CS&L shall be entitled to receive such materials or information proposed to be destroyed. At any time after the Distribution Date that CS&L or any member of the CS&L Group proposes to destroy such material or information, CS&L shall first notify WHI in writing and WHI shall be entitled to receive such materials or information proposed to be destroyed.

Section 7.2 Confidentiality; Ownership of Information; Privileged Information. The provisions of Section 8.2(b) of the Separation and Distribution Agreement relating to confidentiality of information, ownership of information, privileged information, and related matters shall apply with equal force to any records and information prepared and shared by and among the Parties in carrying out the intent of this Agreement.

Section 7.3 Continuation of Retention of Information, Access Obligations. The obligations set forth above in Section 7.1 and Section 7.2 shall continue until the longer of (a) the time of a Final Determination or (b) expiration of all applicable statutes of limitations to which the records and information relate. For purposes of the preceding sentence, each Party shall assume that no applicable statute of limitations has expired unless such Party has received notification or otherwise has actual knowledge that such statute of limitations has expired.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

Section 8.1 Complete Agreement; Construction. This Agreement shall constitute the entire agreement among the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter.

Section 8.2 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original agreement, but all of which together shall constitute one and the same instrument.

Section 8.3 Survival of Agreements. Notwithstanding any other provision of this Agreement to the contrary, all representations, covenants and obligations contained in this Agreement shall survive until the expiration of the applicable statute of limitations with respect to any such matter (including extensions thereof).

Section 8.4 Notices. All notices or other communications required or permitted hereunder shall be in writing and shall be delivered personally, by facsimile (with confirming copy sent by one of the other delivery methods specified herein), by overnight courier or sent by certified, registered or express air mail, postage prepaid, and shall be deemed given when so delivered personally, or when so received by facsimile or courier, or, if mailed, three (3) calendar days after the date of mailing, as follows:

If to WHI:	Windstream Holdings, Inc. 4001 Rodney Parham Road Little Rock, AR, 72212 Facsimile: (501) 748-7400 Attention: Willis Kemp
with a copy to:	Skadden, Arps, Slate, Meagher & Flom LLP Four Times Square New York, NY 10036 Facsimile: (917) 777-2000 Attention: Pamela Lawrence Endreny
If to CS&L:	Communications Sales & Leasing, Inc. 10802 Executive Center Drive Benton Building Suite 300 Little Rock, AR 72211 Attention: Kenny Gunderman
with a copy to:	Bryan Cave LLP One Metropolitan Square, Suite 3600 211 N. Broadway St. Louis, MO 63102 Facsimile: (314) 259-2020 Attention: Steven Baumer

or to such other address and with such other copies as any Party hereto shall notify the other Parties hereto (as provided above) from time to time.

Section 8.5 Waivers. The failure of any Party to require strict performance by the other Party of any provision in this Agreement will not waive or diminish that Party's right to demand strict performance thereafter of that or any other provision hereof.

Section 8.6 Amendment and Modification. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties hereto.

Section 8.7 Assignment; Successors and Assigns; No Third Party Rights. This Agreement may not be assigned by any Party hereto without the prior written consent of the other Parties hereto, and any attempted assignment shall be null and void. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns. This Agreement shall be for the sole benefit of the Parties hereto, and their respective successors and permitted assigns, and is not intended, nor shall be construed, to give any Person, other than the Parties hereto and their respective successors and permitted assigns any legal or equitable right, benefit, remedy or claim hereunder.

Section 8.8 No Strict Construction. WHI and CS&L each acknowledge that this Agreement has been prepared jointly by the Parties hereto and shall not be strictly construed against any Party hereto.

Section 8.9 Application to Present and Future Subsidiaries. This Agreement is being entered into by the Parties on behalf of themselves and their respective Subsidiaries. This Agreement shall constitute a direct obligation of each such entity and shall be deemed to have been readopted and affirmed on behalf of any entity that becomes a Subsidiary of any Party to this Agreement in the future.

Section 8.10 Titles and Headings. The headings and table of contents in this Agreement are for reference purposes only, and shall not in any way affect the meaning or interpretation of this Agreement.

Section 8.11 Exhibits and Schedules. The exhibits and schedules to this Agreement shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

Section 8.12 Governing Law; Consent to Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware. Each of the Parties hereto irrevocably submits to the exclusive jurisdiction of the courts of the State of Delaware and the United States District Court for any district within such state for the purpose of any Action or judgment relating to or arising out of this Agreement or any of the transactions contemplated hereby and to the laying of venue in such court. Service of process in connection with any such Action may be served on each Party hereto by the same methods as are specified for the giving of notices under this Agreement. Each Party hereto irrevocably and unconditionally waives and agrees not to plead or claim any objection to the laying of venue of any such Action brought in such courts and irrevocably and unconditionally waives any claim that any such Action brought in any such court has been brought in an inconvenient forum.

Section 8.13 Severability. If any term, provisions, covenant, or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, or unenforceable, the remainder of the terms, provisions, covenants, and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the fullest extent possible.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

Windstream Holdings, Inc.

By: _____
Name:
Title:

Windstream Corporation

By: _____
Name:
Title:

Communications Sales & Leasing, Inc.

By: _____
Name:
Title:

Exhibit 10.3

TRANSITION SERVICES AGREEMENT

THIS TRANSITION SERVICES AGREEMENT (this "Agreement"), dated , 201 , is entered into by and between Windstream Services, LLC, a Delaware limited liability company ("WIN"), and CSL National, L.P., a Maryland limited partnership ("CSL"), on behalf of itself and its Affiliates, including Talk America Services, LLC ("TAS"). WIN and CSL are each sometimes referred to herein as a "Party" and, collectively, as the "Parties".

WHEREAS, CSL and WIN have entered into that certain Separation and Distribution Agreement, dated , 2015 (the "Distribution Agreement"; capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Distribution Agreement), which provides, among other things, that WIN and CSL shall enter into a Transition Services Agreement in connection with the transactions contemplated by the Distribution Agreement;

WHEREAS, WIN and its Affiliates currently provide and provided as of the date of the Distribution Agreement certain services in support of the CSL Business; and

WHEREAS, to facilitate the transition of the CSL Business to CSL, the Parties desire that, for a limited transition period, WIN and its Affiliates provide certain services to CSL and its Affiliates on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Description of Services.

(a) Services. Subject to the terms and provisions of this Agreement and solely for the purpose of facilitating the transition of the CSL Business to CSL, WIN shall (or shall cause its Affiliates to) provide to CSL the services set forth on Exhibit 1 hereto (as such Exhibit 1 may be amended by the mutual agreement of the Parties in writing from time to time, the "Services Attachment") (the "Services").

(b) Purchase of Additional or Modified Services. From time to time, CSL may request WIN to provide additional or modified Services that are not described in Exhibit 1, but are of a similar scope or nature as those used by WIN relating to the CSL Business prior to the Distribution Date. WIN will use commercially reasonable efforts to accommodate any reasonable requests by CSL to provide such additional or modified Services. In order to initiate a request for additional or modified Services, CSL shall submit a request in writing to WIN specifying the nature of the additional or modified Services and requesting a cost estimate (based on the general parameters set forth in this Agreement) and time frame for completion. WIN shall respond within ten (10) business days to such written request; provided that, subject to the second sentence of Section 1.3, such ten (10) business day period shall be subject to a reasonable extension if, due to the volume, frequency or type of requests submitted by CSL, WIN's preparation of responses to such requests is materially interfering with, or is likely to materially interfere with, WIN's normal business activities. If WIN can accommodate CSL's request to provide such additional or modified Services, and if CSL accepts the terms and conditions set

forth in WIN's response to such request, then such additional or modified Services shall be provided hereunder and according to the terms agreed to by the Parties in a written amendment to this Agreement, which shall be consistent to the greatest extent practicable with the terms of this Agreement.

(c) Ancillary Services. Any functions, responsibilities, activities or tasks that are not specifically described in this Agreement or the Exhibit hereto, but are reasonably required for the proper performance and delivery of the Services (including any additional or modified Services), and are a necessary or inherent part of such Services, as performed by WIN, in the ordinary course of business, shall be deemed to be implied by and included within the scope of such Services, subject to any limitations set forth in this Agreement or the Exhibit hereto, to the same extent and in the same manner as if specifically described in this Agreement.

(d) Modifications. Unless otherwise provided for in this Agreement, if CSL makes any change in the processes, procedures, practices, networks, equipment, configurations, or systems pertaining to the CSL Business, and such change has a materially adverse impact on WIN's ability to provide any of the Services, then WIN shall be excused from performance of any such affected Service until CSL mitigates the material adverse impact of such change or the Parties enter into an agreement to purchase additional or modified services that may be necessitated by such changes, and CSL shall be responsible for all direct expenses incurred by WIN in connection with the cessation and, if applicable, the resumption of the affected Services.

(e) Transition Plan. The Parties shall agree on a written transition plan after the execution of this Agreement (the "Transition Plan") which shall include: (i) a plan and timetable for the migration of CSL away from the Services; (ii) assistance in relation to migration (including the migration of data and the "Carve-Out Assistance" listed in the Services Attachment); (iii) information in relation to the operation of the relevant IT systems and the interface between such IT systems for the purpose of implementing the migration referred to in this Section (including the applicable Services listed in the Services Attachment); (iv) respective responsibilities of the Parties in carrying out the migration; and (v) safeguards to ensure minimal disruption to both Parties' ongoing businesses during the migration. Each Party shall implement and comply with its obligations under the Transition Plan. Except as may otherwise be expressly provided in the Transition Plan or Schedule of Services, as applicable, CSL shall bear all costs associated with the migration by CSL away from the Services provided by WIN.

(f) Representatives.

(i) Transition Representatives. Each Party will designate an individual who shall be the primary interface for the purposes of coordinating the Services provided hereunder (the "Transition Representative"). Such individual shall (A) coordinate with the other Party and their Service Representatives (as defined below) to provide the relevant contacts in that Party's applicable departments for the purposes of implementing and performing the Services, and (B) evaluate in consultation with the other Party's Transition Representative when a particular Service may be terminated. The Transition Representative shall perform the duties required hereby in a professional and timely manner. Each Party may change its Transition Representative by giving written notice to the other in accordance with the notice provisions of this Agreement.

(ii) Role of the Service Representative. Each Party shall provide up to two (2) individuals (each, a "Service Representative") who are familiar with that Party's business and who will be that Party's primary points of contact in dealing with the other Party's Service Representatives under this Agreement and who will have the authority and power to make decisions with respect to actions to be taken by such Party with respect to the provision of Services under this Agreement. Each Party may change its Service Representative(s) by giving written notice to the other in accordance with the notice provisions of this Agreement.

(iii) Obligations of the Service Representatives. Each Party shall, or shall ensure that their Service Representative, as applicable, respond within a commercially reasonable time to any reasonable requests by the other Party or its Service Representative for such Party's Service Representative to provide directions, instructions, approvals, authorizations, decisions or other information reasonably necessary for WIN to perform any Services; provided, however, any request contemplated in Section 1(b) of this Agreement shall be delivered by and to, and accepted or rejected by, the Transition Representatives.

(iv) Meetings of the Transition and Service Representatives. The Transition Representatives and the Service Representatives shall meet on a monthly basis (which meeting may be held telephonically) during the Term. The purpose of such meetings shall be to discuss the Services and each Party's obligations under this Agreement, including operational details, transitional matters, dispute resolution and any other issues related to this Agreement. Such meetings will take place at mutually agreed locations (including by teleconference) and may include a reasonable number of additional representatives from either Party.

(g) Standard of the Provision of Services. WIN shall provide the Services in a manner and at a level as more particularly described in Section 8 of this Agreement. WIN shall provide Services in accordance in all material respects with all applicable Laws.

2. Term.

(a) The term of this Agreement shall commence on the date hereof and, unless terminated earlier in accordance with Section 12, expire on the latest end date specified in Exhibit 1 (the "Term"). Thereafter, if CSL desires and WIN agrees to continue to perform any of the Services after the Term has expired, the parties shall negotiate in good faith to determine an amount that compensates WIN for all of its costs for such performance. However, should WIN fail to complete performance of any billing and/or collection Service(s), including the logical billing database separation, within the Term identified in Exhibit 1 for such Service(s), and such failure does not result from the actions or inactions of CSL or a force majeure event (as defined in Section 16 herein), the Term for such incomplete Service(s) shall be extended to accommodate complete performance without additional charge to CSL. The Services so performed by WIN after the expiration of the Term shall continue to constitute Services under this Agreement and be subject in all respects to the provisions of this Agreement for the duration of the agreed-upon extension period.

(b) WIN shall (or shall cause its Affiliates to) provide each Service for the period commencing on the date hereof and ending on the earlier to occur of (i) the expiration of the Term, (ii) the Parties mutually agree in writing that such Service is no longer required to be provided by WIN or its Affiliates, or (iii) the date upon which the trigger event for termination occurs for such Service as set forth in the Services Attachment, subject to earlier termination of this Agreement or termination of all or a portion of the Services, as set forth in Section 12 hereof.

Notwithstanding the foregoing, CSL shall (and shall cause its Affiliates to) use commercially reasonable efforts to transition the Services to another, non-transitional provider as quickly as practicable or, as applicable, to cause CSL and/or its Affiliates to provide the Services.

3. Consideration for Services. As consideration for the Services, CSL shall pay to WIN the service fee for the Services as set forth in the Services Attachment and for all out-of-pocket costs and expenses from third parties actually incurred by WIN in the provision of the Services that are explicitly set forth in the applicable Services Attachment or otherwise approved in writing (including by electronic mail) by CSL's Transition Representative or Service Representatives prior to WIN incurring such out-of-pocket expense; provided, however, WIN shall be excused from performance for Services to the extent WIN's performance is delayed as a result of CSL's pre-approval process for third-party costs and expenses (the "Service Fee").

4. Terms of Payment.

(a) Not later than thirty (30) calendar days following the end of each calendar month during the Term, WIN shall submit to CSL in writing an invoice setting out in reasonable detail each Service performed by WIN during the preceding month and the related Service Fee. CSL shall pay the amount shown on each such invoice no later than thirty (30) calendar days after receipt of such invoice; payment shall be made without withholding or deduction of any kind. If such amount is not received by WIN within such 30-day period, CSL shall also pay WIN interest from and after the last day of such 30-day period following receipt of such invoice, at a rate per annum equal to the prime lender rate as reported on the last day of the calendar month in respect of such invoice by the *Wall Street Journal*.

(b) Any transition, excise, sales, use or similar tax charged to, assessed on or incurred by the rendering of the Services shall be split equally between WIN, on the one hand, and CSL, on the other hand, and CSL's share shall be paid to WIN in addition to the Service Fees; provided, however, WIN shall be solely responsible for its own income taxes.

(c) Should CSL dispute in good faith any portion or the entire amount due on any invoice or require any adjustment to an invoiced amount, CSL shall promptly notify WIN in writing of the nature and basis of the dispute and/or adjustment within fifteen (15) business days after CSL's receipt of such invoice. If CSL fails to notify WIN within such 15-day period, the invoiced amount shall be deemed to be accurate and correct and shall not be subject to dispute or contest by CSL or any Affiliate thereof. In the event CSL timely delivers notice of a dispute and/or adjustment, the Parties shall use their reasonable best efforts to resolve such matter within thirty (30) calendar days. WIN shall reimburse CSL within fifteen (15) business days following, as applicable (i) agreement by the Parties of any excess payment made by CSL in respect of Services, or (ii) resolution of any disputed amounts paid in excess of the amount of the costs of such Services, in either case, with interest from and after the date payment was made by CSL through, but excluding, the date of reimbursement by WIN, at the rate per annum equal to the prime lender rate as reported on the last day of the calendar month in respect of the applicable invoice by the *Wall Street Journal*.

(d) WIN and CSL agree to remit payments to each other in accordance with the terms and conditions set forth in the Billing and Remittance Agreement between the Parties.

5. Method of Payment. All amounts payable by CSL hereunder shall be remitted to WIN in United States dollars to a bank to be designated in the invoice or otherwise in writing by WIN, unless otherwise provided for and agreed upon in writing by the Parties.

6. Accounting Records and Documents.

(a) WIN or its Affiliates shall be responsible for maintaining full and accurate accounts and records of all Services rendered pursuant to this Agreement and such additional information as CSL may reasonably request for purposes of their internal bookkeeping, accounting, operations and management. WIN shall maintain its accounts and records in accordance with past practice; provided, that, to the extent full and accurate information is not relied upon by WIN in the ordinary course of business with respect to any particular item, unit or market/sub-market, WIN shall maintain such accounts and records on the basis of appropriate and reasonable allocations. WIN shall keep such accounts and records available, during all reasonable business hours during the Term of this Agreement, at its principal offices, or at such other location as required by applicable Laws, for audit, inspection and copying by CSL and Persons, upon reasonable notice, authorized by them or any governmental agency having jurisdiction over CSL; provided, that, the costs or expenses incurred by CSL or WIN for any such audit, inspection or copying shall be the sole responsibility of CSL.

(b) At any time during the Term of this Agreement, CSL, or its authorized independent auditors or counsel, shall have the right to inspect and audit WIN's accounts, books and records relating to the Services upon five (5) business days prior written notice during regular business hours and without undue disruption of the normal operations of WIN.

(c) All information CSL, its Affiliates and its other authorized Persons gain access to pursuant to this Section 6 shall be subject to the terms of the confidentiality provisions set forth in Section 13 of this Agreement.

7. Consents.

(a) If any consent or approval of, or notice to, any third party is required to implement the terms of this Agreement ("Third Party Consent"), CSL and WIN shall each use their respective reasonable endeavors to obtain any Third Party Consent as soon as reasonably practicable, each at the cost of CSL. If any such Third Party Consent is refused or not obtained within three (3) months after the Distribution Date, the Parties shall co-operate in good faith to agree and implement reasonable alternative arrangements which achieve the same commercial effect as that contemplated by this Agreement.

(b) If either Party so requests, the other Party shall provide all reasonable assistance in obtaining any Third Party Consent and neither Party will unreasonably do or omit to do anything which would cause any relevant third party to refuse to grant or to terminate or revoke any Third Party Consent.

8. Performance Standards. In providing the Services to CSL under this Agreement, WIN shall (and shall cause its Affiliates to) provide the Services in a timely and professional manner generally consistent with the past practices of WIN and its Affiliates in providing the same or similar Services to the CSL Business prior to the execution of the Distribution Agreement and in conformance in all material respects with any service levels set forth in the applicable Services Attachment. For purposes of clarity, the Parties agree that the

measure of such past performance shall be, except as otherwise agreed in writing by the Parties, that WIN shall provide each of the Services in substantially the same manner and with substantially the same level of care and service as the manner and the level of care and service with which such Service was provided during 2014.

9. No Representations or Warranties. WIN MAKES NO EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO THE TRANSITION SERVICES, AT LAW OR IN EQUITY, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY AND ALL REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED.

10. Status of Employees and Facilities; Proprietary Rights.

(a) Whenever WIN utilizes its (or its Affiliates') employees to perform the Services for CSL pursuant to this Agreement, such employees shall at all times remain subject to the direction and control of WIN (or its Affiliates), and CSL shall have no liability to such Persons for their welfare, salaries, fringe benefits, legally required employer contributions and tax obligations by virtue of the relationships established under this Agreement. WIN shall have complete discretion to supervise and manage such employees and any third-party contractors providing the Services on behalf of WIN, and WIN is not required to continue employment for any specific individual personnel of WIN or its Affiliates or to maintain engagements with specific third-party contractors. No equipment or facility of WIN used in performing the Services for or subject to use by CSL shall be deemed to be transferred, assigned, conveyed or leased by such performance or use. WIN shall maintain appropriate security, maintenance and insurance coverage on such equipment or facility.

(b) Except as set forth in the Services Attachment, to the extent WIN or its Affiliates use any proprietary intellectual property rights owned by or licensed to WIN or its Affiliates in providing the Services, such proprietary intellectual property rights and any derivative works thereof, or modifications or improvements thereto, conceived or created as part of the provision of Services ("Improvements") will, as between the Parties, remain the sole property of WIN or its Affiliate, as applicable, unless any such Improvement was created for CSL pursuant to a certain Service. If any Improvement is created for CSL pursuant to a certain Service or other proprietary intellectual property rights are created specifically for CSL pursuant to Services provided under the Services Attachment (a "CSL Specific Improvement"), such CSL Specific Improvement shall be owned by CSL. The applicable Party will and hereby does assign to the applicable owner designated above, and agrees to assign automatically in the future upon first recordation in a tangible medium or first reduction to practice, all of such Party's right, title and interest in and to all Improvements, if any. All rights not expressly granted herein are reserved.

11. Indemnification.

(a) From and after the date of this Agreement, WIN shall indemnify, defend and hold harmless the CSL Indemnified Parties from and against all Liabilities asserted against, imposed upon or incurred by the CSL Indemnified Parties resulting from, arising out of, based upon or otherwise in respect of any third party claim arising out of the gross negligence or willful misconduct of WIN in the performance of its obligations under this Agreement, except to the extent any such Liabilities arise out of or result from the gross negligence or willful misconduct of CSL.

(b) From and after the date of this Agreement, CSL shall indemnify, defend and hold harmless the WIN Indemnified Parties from and against all Liabilities asserted against, imposed upon or incurred by the WIN Indemnified Parties resulting from, arising out of, based upon or otherwise in respect of any third party claim arising out of the gross negligence or willful misconduct of CSL in the performance of its obligations under this Agreement, except to the extent any such Liabilities arise out of or result from the gross negligence or willful misconduct of WIN.

(c) In the event WIN (or any WIN Indemnified Party) or CSL (or any CSL Indemnified Party) shall have a claim for indemnity against the other party under the terms of this Agreement, the parties shall follow the procedures set forth in Article VII of the Distribution Agreement as if fully set forth herein.

(d) Independent of, severable from, and to be enforced independently of any other enforceable or unenforceable provision of this Agreement, NO PARTY WILL BE LIABLE TO ANY OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM ANY OTHER PARTY'S RIGHTS) FOR PUNITIVE, EXEMPLARY, SPECIAL, CONSEQUENTIAL OR INDIRECT DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, ANY LOSS OF USE, LOSS OF BUSINESS, LOSS OF PROFIT OR LOSS OF GOODWILL. Further, indemnification shall be limited to actual damages which in no event shall exceed the total amount of compensation payable to WIN hereunder.

(e) Except as otherwise provided in this Section 11, WIN's sole responsibility to CSL for errors or omissions in providing the Services shall be to re-perform such Services promptly and properly in a diligent manner, at no additional cost or expense; provided, however, that each Party shall use reasonable best efforts to detect any such errors or omissions and promptly advise the other Party of any such error or omission of which it becomes aware.

12. Termination.

(a) This Agreement may be terminated prior to expiration of the Term in accordance with the following:

(i) upon the mutual written agreement of the Parties;

(ii) by either WIN, on the one hand, or CSL, on the other hand, (i) for material breach of any of the terms hereof by WIN or by CSL, respectively, if such breach is curable within thirty (30) days and such breach shall not have been cured within thirty (30) calendar days after written notice of breach is delivered to the defaulting Party and (ii) if such breach is not curable within thirty (30) days, such breach shall not have been addressed by the defaulting Party through a good faith plan to cure such breach;

(iii) CSL shall fail to pay for Services in accordance with the terms of this Agreement (and such payment is not disputed by CSL in good faith in accordance with Section 4(c) hereof) and such breach is not cured within fifteen (15) calendar days after written notice of breach is delivered to CSL, including by electronic mail to CSL's Transition Representative; or

(iv) by either WIN, on the one hand, or CSL, on the other hand, upon written notice to WIN, on the one hand, or CSL, on the other hand, if the other Party files a proceeding in bankruptcy, receivership, rehabilitation or reorganization, or for composition, liquidation or dissolution or for similar relief, or there is a filing against such person of any such proceeding which is not dismissed within sixty (60) calendar days after the filing thereof.

(b) In addition, this Agreement may be terminated solely with respect to any one or more Service(s) or additional service(s) provided hereunder prior to the expiration of the Term in accordance with the following:

(i) If CSL desires to terminate a Service, CSL shall complete a Service Termination Request Form, substantially in the form attached hereto as Exhibit 2. In completing the Service Termination Request Form, CSL shall refer to the Service it wishes to terminate (the "Terminated Service") as it is specifically named in the Services Attachment or Transition Plan, as applicable.

(ii) Unless otherwise set forth on the Service Termination Request Form, WIN shall cease such Terminated Service(s) or additional service(s) as soon as practicable after WIN's receipt of the Service Termination Request Form, but in no event later than thirty (30) calendar days after WIN has received such written notification from CSL.

(iii) If a Service is terminated, the Services Attachment and/or Transition Plan shall be updated, as applicable, to reflect such termination.

(c) Immediately following expiration or termination of this Agreement, each Party shall return to the other Party (and make no further use of) all proprietary information of the other Party in each Party's possession or control, including, in the case of CSL, any WIN Confidential Information and, in the case of WIN, any CSL Confidential Information. Likewise, except as necessary to comply with applicable law, within thirty (30) days following any such termination or expiration, each Party shall return to the other Party (and make no further use of) all copies of all proprietary information of the other Party in each Party's possession or control, including, in the case of CSL, any WIN Confidential Information and, in the case of WIN, any CSL Confidential Information.

13. Confidentiality. Each Party acknowledges that during the course of providing Services hereunder, or in the course of receiving Services hereunder, the other Party may disclose to it certain confidential information. Each Party agrees to use such confidential information only for the purposes for which it was disclosed and in accordance with the terms and conditions set forth in Section 8.2 of the Distribution Agreement and the obligations hereunder shall survive until the earlier of (i) five (5) years after the date of final disclosure of confidential information hereunder or (ii) so long as may be required by Law.

14. Independent Contractor Status. Each Party shall be deemed to be an independent contractor to the other Party. Nothing contained in this Agreement shall create or be deemed to create an employment, agency, joint venture or partnership relationship between WIN and CSL. The terms of this Agreement are not intended to cause any of the Parties and their Affiliates to become a joint employer for any purpose. Each of the Parties agrees that the provisions of this Agreement as a whole are not intended to, and do not, constitute control of the other Party (or any Affiliates thereof) or provide it with the ability to control such other Party (or any Affiliates thereof), and each Party expressly disclaims any right or power under this Agreement to exercise any power whatsoever over the management or policies of the other Party (or any Affiliates thereof). Nothing in this Agreement shall oblige either Party to act in breach of the requirements of any Law applicable to it, including securities and telecommunications laws,

written policy statements of securities commissions, telecommunications and other regulatory authorities, and the by-laws, rules, regulations and written policy statements of relevant securities and self-regulatory organizations.

15. Governing Law. THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE (WITHOUT REGARD TO THE CHOICE OF LAW PROVISIONS THEREOF).

16. Force Majeure. Neither Party shall be held liable for any delay or failure in performance of any part of this Agreement (other than outstanding payment obligations hereunder) from acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, and power blackouts. Upon the occurrence of a condition described in this Section 16, the Party whose performance is prevented shall give written notice to the other Party and the Parties shall promptly confer, in good faith, to agree upon equitable, reasonable action to minimize the impact, on both Parties, of such conditions.

17. Dispute Resolution Procedures.

(a) Other than such disputed matters addressed by Section 4(c), if a dispute arises between the Parties with respect to the terms and conditions of this Agreement, a Party's performance of its obligations hereunder, or any matter relating to the Services ("Dispute"), the Parties agree to use and follow this dispute resolution procedure described in this Section 17 prior to initiating any judicial action.

(b) Claims Procedure. If a Party shall have a Dispute, such Party shall provide written notice to the other Party in accordance with the provisions of Section 19 of this Agreement, in the form of a claim identifying the nature of the Dispute in sufficient detail to describe the basis for the claim (a "Dispute Notice"). Upon receipt of the Dispute Notice, the other Party shall have five (5) calendar days to provide a written response to the Dispute Notice (the "Response"). The Party providing the Dispute Notice shall have an additional five (5) calendar days following its receipt of the Response to accept the proposed resolution or to request implementation of the procedure set forth in Section 17(c) below (the "Escalation Procedure"). Failure to comply with the time limitations set forth in this Section 17 may result in the implementation of the Escalation Procedures.

(c) Escalation Procedure. At the written request of a Party involved in the Dispute and in compliance with Section 17(b), each Party shall appoint a knowledgeable, responsible representative to negotiate in good faith to resolve such Dispute (the "Representatives"). The Parties intend that the Representatives shall be empowered to decide the issues presented in any Dispute. The Representatives will attempt to resolve the Dispute within five (5) business days of receiving the written request. If the Dispute cannot be resolved within that time period, then the Parties may resort to judicial action or other remedies. During the time period of any Dispute, each Party shall continue to perform its respective obligations under this Agreement (except in the event CSL fails to pay amounts due in accordance with Section 4 hereunder).

18. Amendments; Waivers. No alteration, modification or change of this Agreement, including the Services set forth on the Services Attachment, shall be valid except by an agreement in writing executed by the Parties. Except as otherwise expressly set forth herein, no failure or delay by any Party in exercising any right, power or privilege hereunder (and no course of dealing between or among any of the Parties) shall operate as a waiver of any such right, power or privilege. No waiver of any default on any one occasion shall constitute a waiver of any subsequent or other default. No single or partial exercise of any such right, power or privilege shall preclude the further or full exercise thereof

19. Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, (ii) sent by facsimile (with receipt personally confirmed by telephone), delivered by personal delivery, or sent by commercial delivery service or certified mail, return receipt requested, (iii) deemed to have been given on the date telecopied with receipt confirmed, the date of personal delivery, or the date set forth in the records of the delivery service or on the return receipt, and (iv) addressed as follows:

If to WIN:

Windstream Services, LLC
4001 Rodney Parham Rd.
Mailstop: B1F3-71A
Little Rock, AR 72212
Attn: General Counsel
Fax No.: 501-748-7400

If to CSL:

CSL National, L.P.
1701 Centerview Dr.
Suite 300
Little Rock, AR 72211
Attn: TBD

or to any other or additional persons and addresses as the Parties may from time to time designate in a writing delivered in accordance with this Section 19.

20. Assignment; Benefit and Binding Effect. No Party may assign this Agreement without the prior written consent of each of the other Party; provided, however, WIN, without the consent of CSL, may assign this Agreement to any Affiliate of WIN, and CSL may, without the consent of WIN, assign this Agreement to any Affiliate of CSL, but none of the assignments described in this sentence shall relieve the assignor of its obligations hereunder and, provided further, that any Party may make a collateral assignment of its rights hereunder for the benefit of its lenders. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. The provisions of this Agreement shall be for the exclusive benefit of the Parties (and their successors and permitted assigns) and shall not be for the benefit of any other Person.

21. Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by Law. Upon such determination that any term or other provision is invalid or unenforceable, the Parties shall

negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

22. Entire Agreement. The Distribution Agreement, this Agreement, the Billing and Remittance Agreement, and the Schedules and Exhibits hereto and thereto collectively represent the entire understanding and agreement of the Parties with respect to the subject matter of this Agreement. Each Party hereby represents, acknowledges and agrees that it has not relied on any representation, warranty, covenant, understanding, agreement, written or oral, discussion, or negotiation not expressly contained herein or in the Distribution Agreement in entering into this Agreement.

23. Captions. The captions contained in this Agreement are for reference purposes only and are not part of this Agreement.

24. Counterparts. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

25. Specific Performance. The Parties acknowledge that monetary damages may not be an adequate remedy for violations of this Agreement and that any Party may, in its sole discretion and in addition to all other rights and remedies available in law or in equity, to the extent permitted hereunder, apply for specific performance or injunctive or other relief with a court of competent jurisdiction as such court may deem just and proper in order to enforce this Agreement or to prevent violation hereof and, to the extent permitted by applicable Law, each Party waives any objection to the imposition of such relief.

26. Remedies Cumulative. All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall, be cumulative and not alternative, and the exercise or beginning of the exercise of any right, power or remedy thereof by a Party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such Party.

27. Fees and Expenses. Except as otherwise provided in this Agreement and the Exhibit hereto, each Party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives, and each Party shall be responsible for all fees or commissions payable to any finder, broker, advisor, or similar Person retained by or on behalf of such Party.

28. Survival. The provisions of Sections 4, 8 through 28, 30 and 31 shall survive the expiration or earlier termination of this Agreement.

29. General Cooperation. Subject to the terms and conditions set forth in this Agreement, WIN's obligations under this Agreement shall be conditioned on CSL using all commercially reasonable efforts to provide information and documentation sufficient for WIN to perform the Services as they were performed prior to the date of this Agreement, and make available, as reasonably requested by WIN, sufficient resources and timely decisions, approvals and acceptances in order that WIN accomplish its obligations under this Agreement in a timely and efficient manner.

30. Controlling Provisions. If there is any conflict or inconsistency between the terms and conditions set forth in the main body of this Agreement and the Services Attachment, the provisions of the Services Attachment shall control with respect to the rights and obligations of the Parties regarding the Services. If there is any conflict or inconsistency between the terms and conditions of this Agreement and the Distribution Agreement, the provisions of this Agreement shall control solely with respect to the rights and obligations of the Parties regarding the Services.

31. No Set-Off. The obligations under this Agreement shall not be subject to set-off for non-performance or any monetary or non-monetary claim by any Party or any of their respective Affiliates under any other agreement between the Parties or any of their respective Affiliates.

32. Parties in Interest. Other than Persons entitled to receive indemnification under Section 10, nothing in this Agreement, express or implied, is intended to confer on any Person other than the Parties and their respective successors and permitted assigns any rights or remedies under or by virtue of this Services Agreement. Each CSL Indemnified Party other than CSL, and each WIN Indemnified Party other than WIN, is an express, third-party beneficiary of Section 11.

33. Data Protection. Each Party shall comply with its obligations under all applicable data protection laws in respect of the Services to be provided under this Agreement. Each Party agrees in respect of any such personal data supplied to it by the other Party that it shall: (a) only act on instructions from the other Party regarding the processing of such personal data under this Agreement and shall ensure that appropriate technical and organizational measures shall be taken against unauthorized or unlawful processing of the personal data and against accidental loss or destruction of, or damage to, the personal data; and (b) comply with any reasonable request made by the other Party to ensure compliance with the measures contained in this Section.

34. Further Assurances. Each Party shall perform all other acts and execute and deliver all other documents as may be necessary to secure all necessary authorizations and approvals of this Agreement by all applicable governmental bodies in the United States of America, and as otherwise may be required to give effect to the terms and conditions of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on its behalf on the day and year first above written.

CSL NATIONAL, L.P.

By: _____
Name:
Title:

WINDSTREAM SERVICES, LLC

By: _____
Name:
Title:

EXHIBIT 1

SERVICES ATTACHMENT – SUMMARY SERVICES DESCRIPTION

Business Function Category	Business Area	Service Description	Term	Detailed Service Description
Billing - Payment Assurance	Consumer CLEC	Billing - Payment Processing: Receivables/ Cash Collections (pAptis only)	18 months	Following its existing processes, WIN shall provide to TAS processing of payments through lock box, E-Pay, IVR, Recurring, etc. Existing vendor SLAs will apply to TAS. No special reporting will be provided.
Billing - Payment Assurance	Consumer CLEC	Billing Payment Processing : Payment investigation (pAptis only)	18 months	Following its existing processes, WIN shall provide to TAS Investigation of misapplied payments. Vendor SLAs will apply to TAS.
Financial Services - Collections	Consumer CLEC	Treatment Collections – Inbound/ Outbound Calls (pAptis only)	18 months	WIN shall provide to TAS Online collection support to include Inbound/Outbound call support to customers.
Financial Services - Collections	Consumer CLEC	Treatment and Collections (pAptis only)	18 months	WIN shall provide to TAS offline collections support including preparation of customer lists for dunning/demand notifications, write off balances, bankruptcies, and referral to 3rd Party Collections agency.
Financial Services - Collections	Consumer CLEC	Treatment Collections – Customer Adjustments/ Refund Reviews (pAptis only)	18 months	WIN shall provide to TAS customer adjustments & refund reviews.
IT Infrastructure	Consumer CLEC	Data Migration: Cutover Assistance, including PST files	30 days	Assistance in planning, testing, and executing the cut-over from WIN to TAS applications at exit including the following applications: - File shares, PST files
IT Infrastructure	Consumer CLEC	PC Programs, Desktop Hardware and support	30 days	WIN shall provide to TAS PC Programs and LAN support. WIN shall provide to TAS desktop hardware, support, and image. Manage and support all business applications installed on end user workstation to include images, installs and supports tickets as required. Manage licensing, vendors and configurations.
IT Infrastructure	Consumer CLEC	Infrastructure: End User Migration	90 days	Provide ninety (90) days of email forwarding
IT Infrastructure	Consumer CLEC	Network and Communication: LAN/WAN Data Service	120 days	Provide Local Area Network (LAN) / Wide Area Network (WAN) data connectivity to the Richmond office as required to access core business systems identified within this Schedule.
IT Infrastructure	Consumer CLEC	Network and Communication: IP Telephony	120 days	Provide telephony services to individual users and manage MACs (Moves/Adds/Changes) within the system as requested by TAS. WIN may charge back to TAS any usage fees as long as they can be directly attributed to use of the resources.

EXHIBIT 1

SERVICES ATTACHMENT – SUMMARY SERVICES DESCRIPTION, CONT'D

Business Function Category	Business Area	Service Description	Term	Detailed Service Description
Marketing	Consumer CLEC	Fulfillment (pAptis only)	90 days (on-demand)	WIN shall provide to TAS fulfillment literature/collateral if needed. Assuming TAS will provide direction regarding which specific pieces are required. List of current pieces in use in ILEC markets is being provided for TAS to review and aid that decision.
Marketing Communications	Consumer CLEC	Advertising Support (pAptis only)	90 days (on-demand)	WIN shall provide to TAS advertising support to include: promotional mailers, email, bill inserts/onserts, and newspaper ads. Media placement service will also be available.
Marketing	Consumer CLEC	Product Management/ Marketing Support (pAptis only)	90 days (on-demand)	WIN shall provide to TAS Product Management/Marketing support for all current products/services (directory assistance, operator services, 3PV, TechHelp and PC Protect etc.)
Sales	Consumer CLEC	End of Life Equipment (pAptis only)	18 months	WIN shall provide to TAS End of Life equipment support - processes and procedures as provided to WIN's customers today.
SEC Financial Reporting	Finance and Accounting	CSL Annual and Quarterly Filings	120 days	WIN shall provide to CSL financial information and related footnote support, in a timely manner, to facilitate CSL in the preparation of its Q1 2015 Form 10-Q filing.
SEC Financial Reporting	Finance and Accounting	Financial Information	120 days	WIN shall provide to CSL financial information and related footnote support for the period from April 1, 2015 to spin-date, in a timely manner, to facilitate CSL in the preparation of its Q2 2015 Form 10-Q filing
Training	Consumer CLEC	Provide Financial Services training (pAptis only)	18 months	WIN shall provide financial services training to TAS.
HR	HR: Payroll	Data Requirements	90 days (on-demand)	General interaction and support from the WIN Payroll team to transition HR and pay-related data to the HR/Payroll vendors

EXHIBIT 2

SERVICES TERMINATION REQUEST FORM

Service Termination Request Form		
[I*nsert WIN Logo*]		[*Insert CSL Logo*]

Requesting Company:	
Date of Request:	
Completed By:	
Service to be Changed:	

Requested Service Termination

Item #	Service	Service Provider (Company)	Service Recipient (Company)	Estimated Cost	Requested Termination Date
1					
2					
3					
4					
5					
6					

Acknowledgements	
Functional TSA Owner: [*insert Receiving Functional Lead name*]	**Functional TSA Owner: [*insert Providing Functional Lead name*]**
X	**X**
On Behalf of [insert NewCo name]	*On Behalf of [insert ParentCo name]*
Contract Manager: [*insert CSL CM Name*]	**Contract Manager: [*insert WIN CM Name*]**
X	**X**
On Behalf of CSL National, L.P.	*On Behalf of Windstream Services, LLC*

Exhibit 10.4

EMPLOYEE MATTERS AGREEMENT

BY AND AMONG

WINDSTREAM HOLDINGS, INC.

AND

COMMUNICATIONS SALES & LEASING, INC.

Dated _____, 2015

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EMPLOYEE MATTERS AGREEMENT

This EMPLOYEE MATTERS AGREEMENT, dated as of _____, 2015 (this "Agreement"), is by and between Windstream Holdings, Inc., a Delaware corporation ("WHI"), and Communications Sales & Leasing, Inc., a Maryland corporation ("CSL" and, together with WHI, the "Parties").

W I T N E S S E T H:

WHEREAS, the board of directors of WHI has determined that it is advisable and in the best interests of WHI and its stockholders to separate the business of Windstream Services, LLC into two companies in order to accelerate the transformation of its consumer and enterprise network and create additional value for shareholders, and to spin off certain assets into CSL which will become an independent, publicly traded real estate investment trust;

WHEREAS, the Parties and Windstream Services, LLC have entered into a Separation and Distribution Agreement dated as of _____, 2015 (the "Distribution Agreement"), to set forth in part how such separation shall be effected;

WHEREAS, the Distribution Agreement provides that WHI and CSL will enter into this Employee Matters Agreement to allocate certain assets and liabilities, and to memorialize certain other agreements, in connection with such separation.

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Capitalized terms used, but not defined herein shall have the meanings assigned to such terms in the Distribution Agreement and the following terms shall have the following meanings:

"Action" means any demand, action, claim, dispute, suit, countersuit, arbitration, inquiry, subpoena, proceeding or investigation of any nature (whether criminal, civil, legislative, administrative, regulatory, prosecutorial or otherwise) by or before any federal, state, local, foreign or international Governmental Authority or any arbitration or mediation tribunal.

"Adjusted WHI Restricted Share" has the meaning set forth in Section 3.1(a).

"Adjusted WHI Stock Unit" has the meaning ascribed thereto in Section 3.2(a).

"Affiliate" means, when used with respect to a specified Person, a Person that directly or indirectly, through one (1) or more intermediaries, controls, is controlled by or is under common control with such specified Person. For the purpose of this definition and the definitions of "CSL

Group" and "WHI Group," "control" (including with correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. It is expressly agreed that, from and after the Effective Time and for purposes of this Agreement, no member of the CSL Group shall be deemed to be an Affiliate of any member of the WHI Group, and no member of the WHI Group shall be deemed to be an Affiliate of any member of the CSL Group.

"Agreement" has the meaning set forth in the Preamble.

"CSL" has the meaning set forth in the Preamble.

"CSL Common Stock" means the common stock, par value $0.0001 per share, of CSL.

"CSL Employee" means each individual identified in a letter, dated as of the date hereof, delivered by WHI and acknowledged by CSL.

"CSL Restricted Share" has the meaning set forth in Section 3.1(a).

"CSL Stock Plan" has the meaning set forth in Section 2.5.

"CSL Stock Unit" means a unit to be granted by CSL pursuant to Section 3.2 and the CSL Stock Plan representing a general unsecured agreement by CSL to deliver a share of CSL Common Stock (together with dividend equivalents, if applicable), or the cash equivalent of either, upon the satisfaction of a vesting requirement.

"Distribution Agreement" has the meaning set forth in the Recitals.

"Distribution Date" has the meaning set forth in the Distribution Agreement.

"Effective Time" means the time at which the External Distribution occurs on the Distribution Date, which shall be deemed to be 12:01 a.m., New York City Time, on the Distribution Date.

"Employment Transfer Date" means December 14, 2014, or such other date preceding the Distribution Date as WHI shall determine in its discretion.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means each business or entity which is a member of a "controlled group of corporations," under "common control" or a member of an "affiliated service group" with WHI within the meaning of Sections 414(b), (c) or (m) of the Code, or required to be aggregated with WHI under Section 414(o) of the Code, or under "common control" with WHI within the meaning of Section 4001(a)(14) of ERISA, in any event exclusive of members of the CSL Group.

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time that reference is made.

"External Distribution" has the meaning set forth in the Distribution Agreement.

"Governmental Authority" means any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, government and any executive official thereof.

"Law" means any national, supranational, federal, state, provincial, local or similar law (including common law), statute, code, order, ordinance, rule, regulation, treaty (including any income tax treaty), license, permit, authorization, approval, consent, decree, injunction, binding judicial or administrative interpretation or other requirement, in each case, enacted, promulgated, issued or entered by a Governmental Authority.

"Liabilities" means any and all debts, guarantees, liabilities, costs, expenses, interest and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured, reserved or unreserved, or determined or determinable, including those arising under any Law, claim (including any third Person product liability claim), demand, Action, whether asserted or unasserted, or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority and those arising under any contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment or undertaking, or any fines, damages or equitable relief that is imposed, in each case, including all costs and expenses relating thereto.

"Parties" has the meaning set forth in the Preamble.

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, Governmental Authority or other entity.

"Retained Employee" means each current or former employee of WHI, CSL or their respective Affiliates, exclusive of Transferred Employees

"SEC" means the United States Securities and Exchange Commission.

"Transferred Employee" means each CSL Employee who is actively employed by a member of the WHI Group or CSL Group as of immediately before the Distribution Date, including individuals on an approved leave of absence.

"WHI" has the meaning set forth in the Preamble.

"WHI Benefit Plan" means each plan, program, arrangement, agreement or commitment that is an employment, consulting, non-competition or deferred compensation agreement, or an executive compensation, incentive bonus or other bonus, employee pension, profit-sharing, savings, retirement, supplemental retirement, stock option, stock purchase, stock appreciation rights, restricted stock, other equity-based compensation, severance pay, salary continuation, life, health, hospitalization, sick leave, vacation pay, disability or accident insurance plan, corporate-owned or key-man life insurance or other employee benefit plan, program, arrangement, agreement or commitment, including any "employee benefit plan" (as defined in Section 3(3) of ERISA), sponsored or maintained by WHI or any ERISA Affiliate (or to which such entity contributes or is required to contribute).

"WHI Restricted Share" means a share of WHI Common Stock granted by WHI or a member of the WHI Group pursuant to one of the WHI Stock Plans that is subject to forfeiture based on the extent of attainment of a vesting requirement.

"WHI Stock Plans" means, collectively, the Windstream 2006 Equity Incentive Plan, the PAETEC Holding Corp. 2011 Omnibus Incentive Plan, the PAETEC Corp. 2001 Stock Option and Incentive Plan and any other stock option or stock incentive compensation plan or arrangement (exclusive of the CSL Stock Plan) maintained before the Distribution Date for employees, officers, non-employee directors or other independent contractors of WHI or its Affiliates, including in each case as it may have been amended from time to time.

"WHI Stock Unit" means a unit granted by WHI or a member of the WHI Group pursuant to one of the WHI Stock Plans representing a general unsecured promise by WHI or a member of the WHI Group to deliver a share of WHI Common Stock (together with dividend equivalents, if applicable), or the cash equivalent of either, upon the satisfaction of a vesting requirement.

ARTICLE II

GENERAL PRINCIPLES

Section 2.1 Transfer of Employment. The Parties acknowledge that, effective as of the Employment Transfer Date, WHI caused the employment of each CSL Employee to be transferred to a member of the CSL Group. Effective as of the Employment Transfer Date and through the Effective Time, WHI shall cause CSL to participate in each WHI Benefit Plan (on the terms and subject to the conditions as may be in effect from time to time) in respect of (i) CSL Employees to the extent the CSL Employee was a participant in such WHI Benefit Plan as of immediately before the Employment Transfer Date and (ii) to the extent provided by the terms of the applicable WHI Benefit Plan, any other employee of a member of the CSL Group.

Section 2.2 Assumption and Retention of Liabilities.

(a) As of the Effective Time, except as otherwise expressly provided for in this Agreement, WHI shall, or shall cause one or more members of the WHI Group to, assume or retain and WHI hereby agrees to (or to cause a member of the WHI Group to) pay, perform, fulfill and discharge, in due course in full (i) all Liabilities under all WHI Benefit Plans, (ii) all

Liabilities (excluding Liabilities incurred under a WHI Benefit Plan) with respect to the employment, service, termination of employment or termination of service of all Retained Employees to the extent arising in connection with or as a result of employment with or the performance of services for any member of the WHI Group or CSL Group, (iii) all Liabilities (excluding Liabilities incurred under a WHI Benefit Plan) with respect to the employment, service, termination of employment or termination of service of all Transferred Employees (exclusive of salary and commission payments) to the extent arising in connection with or as a result of employment with or the performance of services for any member of the WHI Group or CSL Group before the Distribution Date, and (iv) any other Liabilities or obligations expressly assigned to a member of the WHI Group under this Agreement. For purposes of clarification, the Liabilities assumed or retained by the WHI Group as provided for in this Section 2.2(a) are intended to be Excluded Liabilities within the meaning of the Distribution Agreement.

(b) As of the Effective Time, except as otherwise expressly provided for in this Agreement, CSL shall, or shall cause one or more members of the CSL Group to, assume or retain, as applicable, and CSL hereby agrees to (or to cause a member of the CSL Group to) pay, perform, fulfill and discharge, in due course in full all Liabilities with respect to (i) the employment, service, termination of employment or termination of service of all Transferred Employees to the extent arising in connection with or as a result of employment with or the performance of services for any member of the CSL Group on or after the Distribution Date and (ii) salary and commission payments payable to Transferred Employees to the extent arising in connection with or as a result of employment with or the performance of services for any member of the WHI Group or CSL Group before the Distribution Date. For purposes of clarification, the Liabilities assumed by the CSL Group as provided for in this Section 2.2(b) are intended to be Assumed Liabilities within the meaning of the Distribution Agreement.

(c) For purposes of this Section 2.2, a claim or Liability is deemed to be incurred (A) with respect to medical, dental, vision and/or prescription drug benefits, upon the rendering of health services giving rise to such claim or Liability; (B) with respect to life insurance, accidental death and dismemberment and business travel accident insurance, upon the occurrence of the event giving rise to such claim or Liability; (C) with respect to disability benefits, upon the date of an individual's disability, as determined by the disability benefit insurance carrier or claim administrator, giving rise to such claim or Liability; and (D) with respect to a period of continuous hospitalization, upon the date of admission to the hospital.

(d) To the extent that there shall be any disagreement between the Parties as to the amount of any Liability addressed in this Section 2.2 that is in the nature of a current liability and that is reflected in the final, binding and conclusive Closing Statement established pursuant to Section 8.9 of the Distribution Agreement, such Closing Statement shall control and neither Party shall take any position contrary to such Closing Statement.

Section 2.3 CSL Participation in WHI Benefit Plans. Except as otherwise expressly provided for in this Agreement or as otherwise expressly agreed to in writing between the Parties, effective as of the Distribution Date: (i) each member of the CSL Group shall cease to be a participating company in any WHI Benefit Plan; and (ii) except as required by applicable Law, each Transferred Employee shall cease to participate in, be covered by, accrue benefits under, be eligible to contribute to or have any rights under any WHI Benefit Plan.

Section 2.4 Service Recognition/Crediting.

(a) For purposes of eligibility, vesting, determination of level of benefits, and, to the extent applicable, benefit accruals under any employee compensation or benefit plan that a member of the CSL Group shall establish or maintain on or after the Distribution Date, CSL shall cause each Transferred Employee to receive full credit for the Transferred Employee's service with any member of the WHI Group or CSL Group before the Distribution Date to the same extent such service was recognized by an analogous WHI Benefit Plan immediately before the Distribution Date; provided, however, that such service shall not be recognized to the extent that such recognition would result in the duplication of benefits.

(b) To the extent commercially practicable, (i) CSL shall waive or cause to be waived all limitations as to preexisting conditions or waiting periods with respect to participation and coverage requirements applicable to each Transferred Employee under any employee benefit plans, programs and policies of any member of the CSL Group in which Transferred Employees participate (or are eligible to participate) that are "welfare benefit plans" (as defined in Section 3(1) of ERISA) to the same extent that such conditions and waiting periods were satisfied or waived under the comparable WHI Benefit Plan immediately before the Distribution Date, and (ii) CSL shall provide or cause each Employee to be provided with credit for any co-payments and deductibles paid during the plan year in which the Distribution Date occurs in satisfying any applicable co-payments, deductibles or other out-of-pocket requirements under any such welfare benefit plans for such plan year.

Section 2.5 Approval by WHI As Sole Stockholder. Effective as of not later than the Distribution Date, CSL shall have adopted the Communications Sales & Leasing, Inc. 2015 Equity Incentive Plan (the "CSL Stock Plan"), which shall permit the issuance of equity incentive awards denominated in CSL Common Stock as described in Article III. WHI shall cause the CSL Stock Plan to be approved before the Effective Time by Windstream Services, LLC as CSL's sole stockholder.

Section 2.6 Time-Off Benefits. CSL shall credit each Transferred Employee with the amount of accrued but unused vacation time, sick time and other time-off benefits as such Transferred Employee had with the WHI Group as of immediately before the Distribution Date (except to the extent that a benefit attributable to such accrual is provided by the WHI Group).

Section 2.7 Director Programs. WHI shall cause Windstream Services, LLC or another member of the WHI Group to retain all obligations under that certain letter agreement dated November 7, 2006, by and between Windstream Corporation and Francis X. Frantz regarding Access to Post-Retirement Medical Coverage.

ARTICLE III

EQUITY INCENTIVE AWARDS

Section 3.1 Treatment of WHI Restricted Shares.

(a) Each individual who holds a WHI Restricted Share that is outstanding immediately before the Distribution Date shall receive, upon the External Distribution being made, such number of shares of CSL Common Stock (each a "CSL Restricted Share") as equals the number of shares of CSL Common Stock to which all other holders of the same number of shares of WHI Common Stock shall be entitled to receive upon the External Distribution being made. The WHI Restricted Shares outstanding immediately following the External Distribution having been made are hereinafter referred to as "Adjusted WHI Restricted Shares."

(b) All CSL Restricted Shares and Adjusted WHI Restricted Shares shall continue to vest in accordance with the terms of the underlying WHI Restricted Share, including any service-based vesting dates.

(c) WHI shall provide that, effective as of the Distribution Date, for purposes of continued vesting of the Adjusted WHI Restricted Shares, a Transferred Employee's continued service with the CSL Group on and after the Distribution Date shall be deemed continued service with WHI. The issuance of each CSL Restricted Share shall be subject to the terms of the CSL Stock Plan, which shall provide that, except as otherwise provided herein, the terms and conditions applicable to the CSL Restricted Shares shall be substantially similar to the terms and conditions applicable to the corresponding WHI Restricted Shares (as set forth in the applicable WHI Stock Plan, award agreement or in the holder's then applicable employment agreement with WHI or a member of the WHI Group), including a provision to the effect that, for purposes of the CSL Restricted Shares, continued service with the WHI Group from and after the Distribution Date shall be deemed to constitute service with CSL and a provision to the effect that the vesting of any CSL Restricted Share held by a Retained Employee shall accelerate upon a change in control of WHI following the Effective Time to the same extent that the vesting of the underlying WHI Restricted Share would have accelerated in such event based on the provisions of such award as in effect immediately before the Effective Time.

(d) Upon the vesting of the CSL Restricted Shares, CSL shall be solely responsible for their settlement, regardless of the holder thereof. Upon the vesting of the Adjusted WHI Restricted Shares, WHI shall be solely responsible for their settlement, regardless of the holder thereof.

Section 3.2 Treatment of WHI Stock Units.

(a) Each WHI Stock Unit that is outstanding immediately before the Distribution Date shall be converted, as of the Distribution Date, into a CSL Stock Unit and an "Adjusted WHI Stock Unit" in accordance with the succeeding paragraphs of this Section 3.2.

(b) The number of CSL Stock Units shall be equal to the number of shares of CSL Common Stock to which the holder of WHI Stock Units would be entitled in the External Distribution had the WHI Stock Units represented actual shares of WHI Common Stock as of the Record Date, the resulting number of CSL Stock Units being rounded down/up to the nearest whole unit. Any dividend equivalents that accumulated under a WHI Stock Unit before the Distribution Date shall be attributed to the resulting Adjusted WHI Stock Unit. The CSL Stock Units and Adjusted WHI Stock Units shall become vested based on performance vesting requirements for the year in which the Distribution Date occurs and later years as shall be

established, in the case of Retained Employees, by the Compensation Committee of the Board of Directors of WHI and, in the case of Transferred Employees, by the Compensation Committee of the Board of Directors of CSL.

(c) WHI shall provide that, effective as of the Distribution Date, for purposes of continued vesting of the Adjusted WHI Stock Units, a Transferred Employee's continued service with the CSL Group on and after the Distribution Date shall be deemed continued service with WHI. The issuance of each CSL Stock Unit shall be subject to the terms of the CSL Stock Plan, which shall provide that, except as otherwise provided herein, the terms and conditions applicable to the CSL Stock Units shall be substantially similar to the terms and conditions applicable to the corresponding WHI Stock Units (as set forth in the applicable WHI Stock Plan, award agreement or in the holder's then applicable employment agreement with WHI or a member of the WHI Group), including a provision to the effect that, for purposes of the CSL Stock Units, continued service with the WHI Group from and after the Distribution Date shall be deemed to constitute service with CSL and a provision to the effect that the vesting of any CSL Stock Unit held by a Retained Employee shall accelerate upon a change in control of WHI following the Effective Time to the same extent that the vesting of the underlying WHI Stock Unit would have accelerated in such event based on the provisions of such award as in effect immediately before the Effective Time.

(d) Upon the vesting of the CSL Stock Units, CSL shall be solely responsible for their settlement (including any attributable dividend equivalents), regardless of the holder thereof. Upon the vesting of the Adjusted WHI Stock Units, WHI shall be solely responsible for their settlement (including any attributable dividend equivalents), regardless of the holder thereof.

Section 3.3 General

(a) All of the adjustments described in this Article III shall be effected in accordance with Sections 424 and 409A of the Code.

(b) Anything in the foregoing provisions of this Article III to the contrary, (i) WHI shall cause the vesting of any Adjusted WHI Restricted Share or Adjusted WHI Stock Unit held by a Transferred Employee to accelerate and for the restrictions thereon to lapse as and to the extent requested by the Compensation Committee of the Board of Directors of CSL from time to time; (ii) CSL shall cause the vesting of any CSL Restricted Share or CSL Stock Unit held by a Retained Employee to accelerate and for the restrictions thereon to lapse as and to the extent requested by the Compensation Committee of the Board of Directors of WHI from time to time; and (iii) except as otherwise expressly provided in this Article III, CSL shall cause the vesting of any CSL Restricted Share or CSL Stock Unit held by a Retained Employee not to accelerate except as and to the extent requested by WHI.

(c) The Parties shall use commercially reasonable efforts to maintain effective registration statements with the SEC with respect to the awards described in this Article III, to the extent any such registration statement is required by applicable Law. WHI shall, to the fullest extent permitted by law, indemnify and hold harmless CSL against any and all liabilities it may incur under the federal securities laws relating to the compliance with the provisions of this Article III, except to the extent that such Liabilities are attributable to the gross negligence or willful misconduct of CSL, its officers, employees, agents or representatives.

(d) Following the Distribution Date, (i) WHI will be responsible for all income, payroll and other tax remittance and reporting related to income of Retained Employees and non-employee members of its Board of Directors in respect of Adjusted WHI Restricted Shares, Adjusted WHI Stock Units, CSL Restricted Shares and CSL Stock Units; and (ii) CSL will be responsible for all income, payroll and other tax remittance and reporting related to income of Transferred Employees and non-employee members of its Board of Directors in respect of Adjusted WHI Restricted Shares, Adjusted WHI Stock Units, CSL Restricted Shares and CSL Stock Units. WHI or CSL, as applicable, shall facilitate performance by the other Party of its obligations hereunder by promptly remitting in cash the amount required to be withheld either (as directed by the Party responsible for withholding) directly to the applicable taxing authority or to such responsible Party for remittance to such taxing authority. The Parties will cooperate and communicate with each other and with third-party providers to effectuate withholding and remittance of taxes, as well as required tax reporting, in a timely, efficient and appropriate manner.

(e) Each of the Parties shall establish an appropriate administration system in order to handle in an orderly manner the settlement of Adjusted WHI Restricted Shares, Adjusted WHI Stock Units, CSL Restricted Shares and CSL Stock Units and provide to the other Party such information as such other Party may reasonably request in order to implement the provisions of this Article III. Without limiting the foregoing provisions of this Section 3.3(e), each of the Parties will work together to unify and consolidate all indicative data and payroll and employment information on regular timetables and make certain that each applicable entity's data and records in respect of such awards are correct and updated on a timely basis, including employment status and information required for tax withholding/remittance, compliance with trading windows and compliance with the requirements of the Exchange Act and other applicable Laws.

(f) The Parties hereby acknowledge that the provisions of this Article III are intended to achieve certain tax, legal and accounting objectives and, in the event such objectives are not achieved, the Parties agree to negotiate in good faith regarding such other actions that may be necessary or appropriate to achieve such objectives.

ARTICLE IV

GENERAL AND ADMINISTRATIVE

Section 4.1 Employer Rights. Nothing in this Agreement shall be deemed to be an amendment to any WHI Benefit Plan or to prohibit any member of the WHI Group from amending, modifying or terminating any WHI Benefit Plan at any time within its sole discretion.

Section 4.2 Effect on Employment. Nothing in this Agreement is intended to or shall confer upon any employee or former employee of WHI, CSL or any of their respective Affiliates any right to continued employment, or any recall or similar rights to any such individual on layoff or any type of approved leave.

Section 4.3 Effect on Restrictive Covenants. WHI will not assert (and will cause the other members of the WHI Group not to assert) that any service of a Transferred Employee with the CSL Group on or after the Distribution Date will constitute a breach of any confidentiality or noncompetition obligations imposed on Transferred Employees by any member of the WHI Group pursuant to any agreement in effect before the Distribution Date.

Section 4.4 Nonsolicitation of Employees.

(a) WHI agrees not to (and to cause the other members of the WHI Group not to) solicit or recruit for hire any employee of CSL or any other member of the CSL Group for a period of two years following the Distribution Date or until three months after such employee's employment with CSL or any other member of the CSL Group terminates, whichever occurs first.

(b) CSL agrees not to (and to cause the other members of the CSL Group not to) solicit or recruit for hire any employee of WHI or any other member of the WHI Group for a period of two years following the Distribution Date or until three months after such employee's employment with WHI or any other member of the WHI Group terminates, whichever occurs first.

(c) Notwithstanding the foregoing provisions of this Section 4.4, such prohibitions on solicitation shall not restrict general recruitment efforts carried out through a public or general solicitation.

Section 4.5 Access To Employees. On and after the Distribution Date, WHI and CSL shall, or shall cause each of their respective Affiliates to, make available to each other those of their employees who may reasonably be needed in order to defend or prosecute any legal or administrative action (other than a legal action between WHI and CSL) to which any employee or director of the WHI Group or CSL Group or WHI Benefit Plan is a party and which relates to a WHI Benefit Plan. The Party to whom an employee is made available in accordance with this Section 4.5 shall pay or reimburse the other Party for all reasonable expenses which may be incurred by such employee in connection therewith, including all reasonable travel, lodging, and meal expenses, but excluding any amount for such employee's time spent in connection herewith.

ARTICLE V

MISCELLANEOUS

Section 5.1 Effect If Distribution Does Not Occur. Notwithstanding anything in this Agreement to the contrary, if the Distribution Agreement is terminated before the Effective Time, then all actions and events that are under this Agreement to be taken or occur effective before, as of or following the Distribution Date, or otherwise in connection with the Distribution, shall not be taken or occur except to the extent specifically agreed to in writing by WHI and CSL and neither Party shall have any Liability or further obligation to the other Party under this Agreement.

Section 5.2 Relationship Of Parties. Nothing in this Agreement shall be deemed or construed by the Parties or any third Person as creating the relationship of principal and agent,

partnership or joint venture between the Parties, it being understood and agreed that no provision contained herein, and no act of the Parties, shall be deemed to create any relationship between the Parties other than the relationship set forth herein.

Section 5.3 Affiliates. Each of WHI and CSL shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement to be performed by each of their Affiliates, respectively.

Section 5.4 Authorization. Each of the Parties hereby represents and warrants that it has the power and authority to execute, deliver and perform this Agreement, that this Agreement has been duly authorized by all necessary corporate action on the part of such Party, that this Agreement constitutes a legal, valid and binding obligation of each such Party and that the execution, delivery and performance of this Agreement by such Party does not contravene or conflict with any provision of law or of its charter or bylaws or any material agreement, instrument or order binding on such Party.

Section 5.5 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any Law or as a matter of public policy, all other conditions and provisions of this Agreement shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the Transactions be consummated as originally contemplated to the greatest extent possible.

Section 5.6 Entire Agreement. Except as otherwise expressly provided in this Agreement, this Agreement (including the Schedules and Exhibits hereto and, to the extent referred to herein, the Distribution Agreement and the other Transaction Agreements) constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements and undertakings, both written and oral, between or on behalf of the Parties hereto with respect to the subject matter of this Agreement.

Section 5.7 Assignment; No Third-Party Beneficiaries. This Agreement shall not be assigned by either Party without the prior written consent of the other Party hereto. This Agreement is for the sole benefit of the Parties to this Agreement and members of their respective Group and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person (including any current or former director or employee of any member of the WHI Group or CSL Group) any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 5.8 Amendment. No provision of this Agreement may be amended or modified except by a written instrument each of the Parties; provided, however, that Exhibit A may be amended by WHI at any time before the Effective Time without the consent of CSL. No waiver by either Party of any provision of this Agreement shall be effective unless explicitly set forth in writing and executed by the Party so waiving. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

Section 5.9 Rules of Construction. Interpretation of this Agreement shall be governed by the following rules of construction: (i) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (ii) references to the terms Article, Section, paragraph, clause, Exhibit and Schedule are references to the Articles, Sections, paragraphs, clauses, Exhibits and Schedules of this Agreement unless otherwise specified, (iii) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement, including the Schedules and Exhibits hereto, (iv) references to "$" shall mean U.S. dollars, (v) the word "including" and words of similar import when used in this Agreement shall mean "including without limitation," unless otherwise specified, (vi) the word "or" shall not be exclusive, (vii) references to "written" or "in writing" include in electronic form, (viii) provisions shall apply, when appropriate, to successive events and transactions, (ix) the table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement, (x) the Parties have each participated in the negotiation and drafting of this Agreement and, if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any of the provisions in this Agreement or any interim drafts of this Agreement, and (xi) a reference to any Person includes such Person's successors and permitted assigns.

Section 5.10 Counterparts. This Agreement may be executed in two (2) or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or portable document format (PDF) shall be as effective as delivery of a manually executed counterpart of this Agreement.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the Parties hereto have caused this Employee Matters Agreement to be executed on the date first written above by their respective duly authorized officers.

WINDSTREAM HOLDINGS, INC.

By: _____
Name:
Title:

COMMUNICATIONS SALES & LEASING, INC.

By: _____
Name:
Title:

Exhibit 10.5

INTELLECTUAL PROPERTY MATTERS AGREEMENT

This INTELLECTUAL PROPERTY MATTERS AGREEMENT (this "Agreement") is dated as of , 2015 (the "Effective Date"), and is by and among Windstream Services, LLC, a Delaware limited liability company, individually and on behalf of its subsidiaries that may hold certain intellectual property as described herein ("Licensor"), CSL National, LP, a Delaware limited partnership ("CSL"), and Talk America Services, LLC, a Delaware limited liability company ("TRS" and, together with CSL and their respective permitted successors and assigns, "Licensee"). Licensor and Licensee are sometimes referred to herein individually as, "Party" and collectively as, the "Parties." All terms used but not defined herein, shall have the meaning set forth in the Separation Agreement (as defined below).

WHEREAS, Windstream Holdings, Inc., Windstream Services, LLC and Communications Sales & Leasing, Inc. have entered into that certain Separation and Distribution Agreement dated as of , 2015 (the "Separation Agreement"), which provides, among other things, for the separation of the CSL Business from Windstream Holdings, Inc. and Windstream Services, LLC;

WHEREAS, included in the Excluded Assets is certain intellectual property in the form of domain names, identified on Schedule 1.1 that is currently used in the CSL Business; and

WHEREAS, Licensee desires to license such intellectual property for use in connection with the CSL Business, in each case subject to the terms and conditions set forth herein;

WHEREAS, certain trademarks, identified on Schedule 1.2, held by Communications Sales & Leasing, Inc., or its subsidiaries, or other REIT-related entities, shall be retained by Communications Sales & Leasing, Inc., or the REIT-related entities at the time of separation of the CSL Business from Windstream Holdings, Inc. and Windstream Services, LLC; and

WHEREAS, certain domain names, identified on Schedule 1.3, currently owned by Licensor (or one of its subsidiaries) will be promptly transferred to Licensee, possibly before the separation of the CSL business, but if not, soon thereafter, with Licensor retaining no rights, duties or obligations concerning the domain names.

NOW THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. LICENSE GRANT

1.1 License Grant. Subject to the terms and conditions hereof, effective from and after the Effective Date, Licensor hereby grants to Licensee, and Licensee hereby accepts from Licensor, a perpetual and irrevocable (subject to Section 9), royalty-free, nonexclusive license, in those jurisdictions where Licensor has such rights, to use the Internet domain names owned by Licensor and set forth on Schedule 1.1 hereto (the "CSL Licensed IP"), in each case solely to the extent necessary for Licensee's customers of the CSL Business that have email addresses incorporating such domain names as of the Effective Date to continue using such email addresses during the Term, provided that any new email addresses issued by Licensee after the Effective Date shall not include any CSL Licensed IP.

1.2 Exclusion and Reservation of All Other Rights. Except as expressly provided herein, Licensee is granted no rights or licenses hereunder in or to the CSL Licensed IP or any other assets, products, services or intellectual, proprietary, personal or other rights of Licensor or its Affiliates. All rights and licenses not expressly granted in this Agreement are hereby expressly reserved by Licensor.

1.3 No Sublicenses or Transfer; No Modifications. Licensee may not sublicense, lease, outsource or otherwise distribute, or assign or transfer (subject to Section 10.9), in any way any CSL Licensed IP or any of Licensee's rights hereunder without Licensor's prior specific written consent in each instance. Without limiting the foregoing, Licensee may not, and may not authorize or permit any other Person to, create derivative works of or otherwise modify any CSL Licensed IP without Licensor's prior specific written consent in each instance. However, and for the avoidance of doubt, to the extent Licensee markets and sells products or service bundles containing Licensor's trademarks or intellectual property, Licensor agrees to said use of the trademarks and intellectual property without further permission being required from Licensor, consistent with the Master Services Agreement and the Wholesale Master Services Agreement between the parties hereto, or their parent companies or subsidiaries, being executed contemporaneously with this Agreement, as long as Licensee does not alter or change the trademarks or intellectual property in any way. If Licensee changes or alters the trademarks or intellectual property in any way, Licensor reserves the right to revoke Licensee's use of said trademarks and intellectual property.

2. OWNERSHIP; STANDARDS OF USE; QUALITY CONTROL

2.1 CSL Licensed IP. Licensee acknowledges and agrees that Licensor is, and at all times shall remain, the sole and exclusive owner of all right, title and interest, throughout the world (including all intellectual property and other proprietary rights), in and to all CSL Licensed IP, and any copies, derivatives or modifications of the CSL Licensed IP, whether made by or on behalf of Licensor or Licensee, and if and to the extent any proprietary rights, title or interest in or to the CSL Licensed IP or any copies, derivatives or modifications thereof vests in Licensee, Licensee hereby irrevocably assigns the same to Licensor and agrees to execute and deliver any such instruments as Licensor may request with respect to such assignment or any recordation thereof.

2.2 Standards of Use. Licensee acknowledges and agrees that any use of the CSL Licensed IP hereunder shall: (i) be in conformity with the practices of Licensor as of the Effective Date and, with respect thereto, as applicable; (ii) be in a manner that does not in any way harm or disparage the reputation or goodwill of the Licensor or any CSL Licensed IP; and (iii) be in accordance with all applicable Laws.

2.3 Quality Control. Licensee acknowledges and agrees that all uses of the CSL Licensed IP hereunder, and all products and services offered or sold under or in connection with any of the CSL Licensed IP hereunder, as applicable, shall be (i) of sufficiently high quality so as to protect the CSL Licensed IP and the goodwill symbolized thereby and reputation thereof; and (ii) of a standard of quality at least as high as that of the products and services historically offered and sold by or on behalf of Licensor under or in connection with the CSL Licensed IP as of the Distribution Date. Without limiting the foregoing, Licensee shall ensure that no products or services offered or sold under or in connection with the CSL Licensed IP hereunder would or would be reasonably likely to tarnish, disparage, degrade or injure the reputation of any of the CSL Licensed IP.

3. DEFENSE AND ENFORCEMENT OF LICENSED IP

3.1 Legal Action. Licensor shall maintain sole control and discretion over the prosecution and maintenance with respect to all rights, including all intellectual property rights in and to the CSL Licensed IP.

3.2 Protection of Intellectual Property Rights.

3.2.1 Licensee shall promptly notify Licensor in writing of any unauthorized use, infringement, misappropriation, dilution or other violation of the CSL Licensed IP of which it becomes aware or suspects.

3.2.2 Licensee acknowledges and agrees that, notwithstanding anything to the contrary herein, Licensor shall have the sole right, but not the obligation, to bring and control any suits against any unauthorized use, infringement, misappropriation, dilution or other violation of the CSL Licensed IP.

3.2.3 Licensee agrees to cooperate with Licensor in any litigation or other enforcement action that Licensor may undertake to enforce or protect the CSL Licensed IP and, upon Licensor's request, to execute, file and deliver all documents and proof necessary for such purpose, including being named as a party to such litigation as required by Law. Licensee shall have the right to participate and be represented in any such action, suit or proceeding by its own counsel at its own expense, provided that Licensee shall take no action and make no statement or admission in connection therewith that could adversely affect such litigation, Licensor or the CSL Licensed IP without Licensor's prior written consent. Licensee shall have no claim of any kind against Licensor based on or arising out of the Licensor's handling of or decisions concerning any such action, suit, proceeding, settlement, or compromise, and Licensee hereby irrevocably releases Licensor from any such claim.

3.3 Defense Against Infringement Claims. In the event an action is brought against the Licensee with respect to use hereunder of, or otherwise relating to, the CSL Licensed IP, Licensor shall have the primary right, but not the obligation, to defend such suits. In the event that Licensor elects not to exercise this right, Licensee shall have the right to defend such suit, at Licensee's sole expense, provided that Licensee shall take no action and make no statement or admission in connection therewith that could adversely affect such suit, Licensor or the CSL Licensed IP without Licensor's prior written consent. The Licensor shall have the right to participate and be represented in any such action, suit or proceeding by its own counsel at its own expense.

3.4 Costs. Each Party shall bear the costs, fees and expenses incurred by it in complying with the provisions of Sections 3.2 and 3.3, including those incurred in bringing or controlling any such suits.

4. TRADEMARKS

4.1 Trademarks owned by REIT-Related Entities. Schedule 1.2 sets forth various trademarks that are currently held by Communications Sales & Leasing, Inc., or other REIT-related entities that will, at the time of the separation of the CSL Business from Windstream Holdings, Inc., and Licensor, will be retained by the CSL Business. Licensor shall have no further right of use of the trademarks set forth on Schedule 1.2, and they will be the sole property, and shall be for the sole use of Licensee.

4.2 Domain Names to be Utilized by REIT-Related Entities. Schedule 1.3 sets forth domain names currently owned by Licensor, but solely utilized by Communications Sales & Leasing, Inc., or other REIT-related entities. Licensor will transfer ownership of these domain names promptly, and possibly prior to the proposed separation of the CSL business.

5. REPRESENTATIONS AND WARRANTIES

5.1 Each Party hereto represents and warrants that (i) it is an entity duly organized, validly existing and in good standing under the Laws of its state of incorporation or

formation and has full power and authority (corporate and otherwise) to own its properties and assets and to conduct its business as now being conducted, (ii) it has the power and authority (corporate and otherwise) to enter into this Agreement, and the execution, delivery and performance of this Agreement and the transactions and other documents contemplated hereby have been duly authorized by all necessary corporate action on the part of such Party, and (iii) this Agreement has been duly executed and delivered by the authorized officers of such party, and constitutes a legal, valid and binding obligation of the Party, fully enforceable against such party in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, and similar Laws of general applicability relating to or affecting creditors' rights, and general equity principles.

6. INDEMNIFICATION

6.1 Licensee will indemnify, protect, defend and hold harmless Licensor and its employees, officers and directors from and against all third-party claims, liabilities, suits, damages, costs and expenses including without limitation reasonable attorneys' fees, of any kind, arising in connection with, involving or otherwise relating to (i) any actual or alleged infringement of any third party's Intellectual Property rights arising out of any use of the CSL Licensed IP in accordance herewith or other exercise of Licensee's rights hereunder, or (ii) any breach or failure to comply with any representation, warranty or covenant hereunder by or on behalf of Licensee.

6.2 Licensor will exercise commercially reasonable efforts to retain the rights to all CSL Licensed IP and will promptly inform Licensee if it plans to relinquish any of its rights in the CSL Licensed IP to provide Licensee sufficient time to secure rights to the CSL Licensed IP, to the extent possible.

7. LIMITATIONS ON LIABILITY

7.1 Disclaimer of Representations and Warranties. LICENSEE ACKNOWLEDGES AND AGREES THAT, NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, ALL USE OF THE CSL LICENSED IP AND OTHER EXERCISE OF LICENSEE'S RIGHTS HEREUNDER IS AT LICENSEE'S SOLE RISK AND ALL CSL LICENSED IP AND THE RIGHTS GRANTED HEREUNDER ARE PROVIDED "AS IS, WHERE IS, WITH ALL FAULTS AND DEFECTS," AND LICENSOR IS NOT MAKING AND HEREBY EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE CSL LICENSED IP AND ANY RIGHTS GRANTED HEREUNDER, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, TITLE, VALIDITY, AVAILABILITY, ACCURACY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.

7.2 Disclaimer of Consequential and Special Damages. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EXCEPT WITH RESPECT TO INDEMNIFICATION OBLIGATIONS UNDER SECTION 5 OR IN CONNECTION WITH BREACHES OF SECTION 8 OR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY NOR ANY RELATED ENTITY THEREOF SHALL BE LIABLE TO THE OTHER PARTY, ANY RELATED ENTITY THEREOF OR ANY OTHER THIRD PERSON UNDER THIS AGREEMENT FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, RELIANCE OR PUNITIVE DAMAGES OR LOST OR IMPUTED PROFITS, LOST DATA OR COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT PRODUCT LIABILITY) INDEMNITY OR CONTRIBUTION, AND IRRESPECTIVE OF WHETHER A PARTY OR ANY RELATED ENTITY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE.

8. CONFIDENTIALITY

8.1 The Parties agree that all information which is communicated from time to time by them to each other in connection with this Agreement (whether oral, electronic or written of any kind or nature), or which is confidential and proprietary to the person disclosing the same shall be deemed secret and confidential ("Confidential Information"). For clarity, as between the Parties, all CSL Licensed IP shall constitute Confidential Information of Licensor hereunder. The Parties agree that the Confidential Information received by them from the other will be maintained in confidence and that the same will not be disclosed to or used by any Person, firm, or undertaking except their own agents and employees, subcontractors or distributors hereunder who need to know and/or use such Confidential Information for the purposes of this Agreement. Any such Person given access to Confidential Information shall be subject to confidentiality provisions by agreement with Licensor or Licensee no less restrictive than those set forth herein. If either Party is required by law to disclose any Confidential Information it has received, it will take reasonable efforts to minimize the extent of any required disclosure and to obtain an undertaking from the recipient to maintain the confidentiality thereof. Either Party must promptly inform the other Party of any information it believes comes within the circumstances in the immediately preceding sentence. Each Party will cooperate with the other Party, at the other Party's expense, in seeking to maintain the confidentiality of such Confidential Information. Each Party's obligations under this Section 8 shall survive the expiration or termination of this Agreement in perpetuity.

8.2 Nothing in this Section 8 shall require the recipient Party to hold in confidence or otherwise protect from unauthorized use of disclosure any information that: (i) is known to the recipient at the time of receipt (except, for clarity, with respect to any CSL Licensed IP that is known to Licensee as of the Effective Date); or (ii) is or becomes publicly available through no wrongful act of the recipient; or (iii) is rightfully received by the recipient from a third party without restriction and without breach of any agreement with the disclosing Party or any third party; or (iv) is independently developed by the recipient without breach of this Agreement or reference to the Confidential Information of the disclosing Party; or (v) is furnished by the disclosing Party to a third party without restriction.

9. TERM AND TERMINATION

9.1 Term. This Agreement shall become effective upon the Effective Date and continue in effect until and automatically expire upon the fifth (5th) anniversary of the Effective Date, unless and until terminated in accordance with Section 9.2 (the "Term").

9.2 Termination. Licensor may terminate this Agreement upon written notice to Licensee in the event of any material breach of this Agreement by or on behalf of Licensee that Licensee fails to cure within thirty (30) days following Licensor's notice thereof.

10. MISCELLANEOUS

10.1 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission) and shall be given (i) by personal delivery to the appropriate address as set forth below (or at such other address for the party as shall have been previously specified in writing to the other party), (ii) by reliable overnight courier service (with confirmation) to the appropriate address as set forth below (or at such other address for the party as shall have been previously specified in writing to the other party), or (iii) by facsimile transmission (with confirmation) to the appropriate facsimile number set forth below (or at such other facsimile number for the party as shall have been previously specified in writing to the other party) with follow-up copy by reliable overnight courier service the next Business Day:

If to Licensor, to:

Windstream Holdings, Inc.
4001 Rodney Parham Road
Little Rock, Arkansas 72212
Attention: General Counsel

with copies to:

Windstream Holdings, Inc.
4001 Rodney Parham Road
Mailstop B1-F03-71A
Little Rock, Arkansas 72212
Attention: Windstream Legal

and

Skadden Arps Slate Meagher & Flom LLP
One Rodney Square
920 N. King Street
Wilmington, Delaware 19801
Attention: Robert B. Pincus, Esq.
Facsimile: (302) 651-3001

if to Licensee:

Communications Sales & Leasing, Inc.
10802 Executive Center Drive
Benton Building Suite 300
Little Rock, AR 72211
Attention: Chief Executive Officer

All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5 p.m. (New York City time) and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

10.2 Amendments and Waivers. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by an authorized officer of each party. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by an authorized officer of the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

10.3 Headings. The table of contents and the article, section, paragraph and other headings contained in this Agreement are inserted for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

10.4 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

10.5 Entire Agreement. This Agreement, and the Separation Agreement, constitute the entire agreement between the parties hereto with respect to the subject matter hereof, and supersede and cancel all prior agreements, negotiations, correspondence, undertakings, understandings and communications of the parties, oral and written, with respect to the subject matter hereof.

10.6 Governing Law. **THIS AGREEMENT, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OR CHOICE OF LAWS OR ANY OTHER LAW THAT WOULD MAKE THE LAWS OF ANY OTHER JURISDICTION OTHER THAN THE STATE OF DELAWARE APPLICABLE HERETO.**

10.7 Resolution of Disputes. All disputes arising out of or relating to this Agreement or the breach, termination or validity thereof or the parties' performance hereunder or thereunder ("Dispute") shall be brought or determined exclusively in a state or federal court located within the County of New Castle in the State of Delaware.

10.8 Waiver of Jury Trial. **EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**

10.9 Assignment. Neither this Agreement nor any rights or obligations hereunder may be assigned by Licensee in whole or in part without the written consent of Licensor, including by way of merger, sale of securities or assets, operation of law or otherwise, and any purported assignment without such consent shall be null and void, ab initio. No such permitted assignment shall relieve either Party of any of its rights and obligations hereunder. Without limiting the foregoing, this Agreement shall be binding upon the Parties and their respective successors and assigns.

10.10 Fees and Expenses. Whether or not the transactions contemplated by this Agreement are consummated, each Party shall bear its own fees and expenses incurred in connection with the transactions contemplated by this Agreement.

10.11 Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person or Persons any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

10.12 Severability. This Agreement shall be deemed severable; the invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of this Agreement or of any other term hereof, which shall remain in full force and effect, for so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any Party. If it is ever held that any restriction hereunder is too broad to permit enforcement of such restriction to its fullest extent, each Party agrees that such restriction may be enforced to the maximum extent permitted by law, and each party hereby consents and agrees that such scope may be judicially modified accordingly in any proceeding brought to enforce such restriction.

10.13 Specific Performance. Licensee hereby agrees that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with the terms hereof and that Licensor shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

10.14 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement.

10.15 Interpretation. Any reference to any federal, state, local or non-U.S. statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context otherwise requires.

[signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

WINDSTREAM SERVICES, LLC

By: _____
Name:
Title:

CSL NATIONAL, LP

By: _____
Name:
Title:

TALK AMERICA SERVICES, LLC

By: _____
Name:
Title:

Schedule 1.1

CSL Licensed IP

bowlinggreen.net
bridgewater.net
carol.net
ccol.net
ceinetworks.com
connections-etc.net
cottoninternet.net
crosspaths.net
ctc.net
dejazzd.com
dejazzdfone.com
dejazzdphone.com
dejazzdphone.net
dejazzdphone.org
dejazzed.com
door.net
en-tel.net
evansville.com
evansville.net
ezmailbox.net
fast.net
fastraxs.net
fbx.com
fbx.net
fdn.com
gibsoncounty.net
glade.net
henderson.net
hopkinsville.net
hubofthe.net
iowatelecom.net
izoom.net
jazzd.com
jazzdphone.com
kdlnetworks.net
kentuckylakes.net
ktc.com
lakedalelink.net
lexcominc.net
lkdllink.net
lookingglass.net
lucasco.net
madisonville.com
mcleodusa.net
midsouth.net
midtech.net
midusa.net
navix.net
netaxs.com
netreach.net
norlight.net
nsatel.net
nuvox.net
odsy.net
one.net
op.net
owensboro.net
paducah.com
pcpartner.net
pcstx.net
pennyrile.net
purchasearea.net
roswell.net
sherbtel.net
slinknet.com
superlink.net
swindiana.com
swindiana.net
titlecast.com
titlecast.net
trailnet.com
trivergent.net
txcom.net
txkinet.com
txk.net
uslec.net
valornet.com
valortelecom.com
vincennes.net
westex.net
wh-link.net
willinet.net
windstreambusiness.net
windstream.net
zumatel.net
cavtel.net
talkamerica.net
visi.net
newsouth.net

Schedule 1.2

Trademarks

Trademark Applications by Communications Sales & Leasing, Inc.:

Communications Sales and Leasing	Application #86486914	Application date: 12.19.14
CS&L (with logo)	Application #86486681	Application date: 12.19.14
CS&L REIT	Application #86486912	Application date: 12.19.14
CS&L-THE COMMUNICATIONS REIT	Application #86486918	Application date: 12.19.14

Trademarks held by Talk America Holdings, Inc.

TALKAMERICA	#75061882	Expiration Date: August 18, 2017	Description: Telecommunications services, namely, a wireless telephone transmission service provided in conjunction with a packaged plan consisting of a telephone, a billing rate plan, and a self-activation service for wireless telephones by means of a call to a customer service center. Prior to the contemplation of the REIT transaction, Windstream determined there was no need to retain this mark. Thus, the mark will expire on August 18, 2017, because Windstream did not file the necessary affidavits of use.
TALK AMERICA SERVICES	#86497258	Expiration Date: January 7, 2025	Description: The mark consists of a word bubble containing the word “talk” in lower case letters followed by the word “America” in lower case letters. The word bubble has a shadow beneath it. The word “SERVICES” in upper case letters is located beneath the word “America”.
Talk America	#86497254	Expiration Date: January 7, 2025	Description: The mark consists of standard characters without claim to any particular font style, size, or color.

Schedule 1.3

CSL Related Domain Names

communicationsalesandleasing.com
cslreit.com
cslreit.net
talkamericaservices.com

WHOLESALE MASTER SERVICES AGREEMENT

THIS WHOLESALE MASTER SERVICES AGREEMENT consists of (in order of precedence) any Statement of Work ("SOW"), any Service Order ("SO"), Service Schedules, the Billing Agreement and any additional Schedules or Exhibits (each, an "Attachment") and this agreement (all of which are incorporated herein by reference, collectively the "**Agreement**") as of the Effective Date listed below between **Windstream Communications, Inc.**, a Delaware corporation, affiliate(s), with offices at 4001 North Rodney Parham Road, Little Rock, AR 72212 ("WIN")[1] and Talk America Services, LLC ("Customer"). Customer and WIN shall individually be referred to as "Party" and collectively as the "Parties".

NOTICE INFORMATION: All notices and communications under this Agreement shall be in writing and shall be given by personal delivery, by registered or certified mail, return receipt requested, or by email notification addressed to the respective Party as set forth below or to such other address as may be designated in writing by such Party. Notice shall be deemed given upon receipt.

To WIN:
Windstream
600 Willowbrook Office Park
Fairport, NY 14450
Attn: Contract Administration
Fax: 585-598-7684
email:\\wci.carrier.contracts@windstream.com

To Customer
Talk America Services, LLC
4001 Rodney Parham Road
Little Rock, AR 72212
Attn:
Phone:
email:

With Copy to:
Windstream
4001 North Rodney Parham Road
Little Rock, AR 72212
Attn: Legal

With Copy to:

The undersigned Parties have read and agree to the terms and conditions of this Agreement.

Windstream Communications, Inc

Authorized Signature:
Name: David Redmond
Title: President Consumer Services
Effective Date:

Customer:
a corporation
Authorized Signature:
Name:
Title:
Date:

[1] Services are provided by the relevant WIN operating entity, as listed in Schedule1.

GENERAL TERMS AND CONDITIONS

WIN, by or through its affiliates, owns and operates a telecommunications network and is in the business of providing telecommunications and other services ("Service") to other entities. This Agreement may NOT be used for ordering regulated Services from WIN ILEC affiliates. Customer operates as a Competitive Local Exchange Company ("CLEC") and reseller of long distance services to residential customers and desires to purchase certain telecommunications Services from WIN which it will resell to its residential End Users. Customer may satisfy its obligation to perform certain functions under this Agreement either directly or through a Transition Service Agreement with WIN. Based on Customer's desire to purchase from WIN certain Services on WIN's network and WIN's willingness to sell such Services to Customer, in consideration of the terms herein and other good and valuable consideration, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

1.1 **"Acknowledgement"** means a response from WIN to Customer to indicate a Service Order has been received.

1.2 **"Clean Order"** is a Service Order that has all fields required by the WIN completed.

1.3 **"Completion"** refers to the date Service has been installed and billing will begin.

1.4 **"Directory Assistance"** means the service that provides a lookup of customer telephone listings and optional call completion services.

1.5 **"Directory Assistance Database"** contains only those published and non-listed telephone number listings obtained by WIN from its own End User Customers and other Telecommunications Carriers.

1.6 **"Directory Assistance Service"** includes, but is not limited to, making available to callers, upon request, information contained in the Directory Assistance database. Directory Assistance Service includes, where available, the option to complete the call at the caller's direction.

1.7 **"Directory Listing"** means the names, addresses and phone numbers of Customer's End Users that are published in what is commonly known as white pages and in directory assistances databases.

1.8 **"Directory Listings" or "Listings"** are any information:" (1) identifying the listed names of subscribers of a Telecommunications Carrier and such subscriber's telephone numbers, addresses, or primary advertising classifications (as such classifications are assigned at the time of the establishment of such service), or any combination of such listed names, numbers, addresses or classifications; and (2) that the Telecommunications Carrier or an Affiliate has published, caused to be published, or accepted for publication in any directory format.

1.9 **"End User"** shall mean only residential, natural persons to which Customer furnishes services and specifically does not include any businesses, enterprises, governmental entities or any other entity.

1.10 **"Firm Order Confirmation" or "FOC"** means an install date for the Loop has been received.

1.11 **"Incomplete Orders"** are those that do not have all fields required by WIN in the Service Order completed by Customer.

1.12 **"Inside Wire Services"** means the service provided by WIN related to the maintenance and/or repair of the End User's inside wiring.

1.13 **"Inside Wiring"** has the meaning set forth in the Code of Federal Regulations and consistent with industry usage and custom.

1.14 **"Local Telecommunications Services"** means the provision of local exchange services, including but not limited to voice service, customer calling features, CLASS features, Voicemail, and DSL services by WIN to End Users pursuant to this Agreement.

1.15 **"Local Service Request" or "LSR"** means the industry standard forms and supporting documentation used for ordering Local Telecommunication Services.

1.16 **"Long Distance Services"** means interLATA and intraLATA services provided to End users.

1.17 **"Loop" or "Unbundled Loop"** is defined as a transmission facility between a distribution frame (or its equivalent) in an ILEC's Central Office and the Loop Demarcation Point at an End User's premises.

1.18 "**MRC**" are the monthly recurring charges Customer pays for Services. These may be designated as monthly lease fees, monthly recurring charges or other, depending on the WIN billing system.

1.19 **"Operator Services"** means the service that provides operator and automated call handling and billing, and special services including but not limited to: (1) operator handling for intraLATA (local and toll) call completion (for example, collect, third number billing, and manual credit card calls), (2) operator or automated assistance for billing after the customer has dialed the called number (for example, credit card calls); and (3) special services including but not limited to Busy Line Verification and Emergency Line Interrupt (ELI), Emergency Agency Call, Operator-Assisted Directory Assistance, and Rate Quotes.

1.20 **"OS/DA"** means Operator Services and Directory Assistance.

1.21 **"Point of Presence** (**POP**)" is a physical location where a Party maintains a telecommunications facility for the purpose of accessing its network or for providing access to End Users' facilities or other networks.

1.22 "**Regulatory Requirement"** is any rule, regulation, law or order issued by the FCC, a state Public Utility or Service Commission, a court of competent jurisdiction or other governmental entity or an ICA Change (defined

below) affecting the Agreement, pricing or Services provided by WIN, including changes to pricing based on jurisdiction or definition of what is compensable and how much. Regulatory Requirement also includes when an underlying provider of services to WIN has determined that it will no longer use the technology that was used as of the date of this Agreement to provide services to WIN (i.e. discontinuance of copper. TDM, migration to Ethernet, etc) or such underlying provider raises prices to WIN (an "ICA Change").

1.23 **"Service Order" ("SO")** shall mean the written executed or on-line request by Customer for Service using the WIN SO or Local Service Request ("LSR") or other ordering form (either written or electronic) in effect at the time of the order. A SO shall be deemed incorporated herein at the time it is executed and approved by WIN or, in the case of forms like LSRs, when it is accepted by WIN.

1.24 **"Service Schedule,"** "**Service Attachment," or "Statement of Work"** are any of the schedules contained within this Agreement for Services WIN provides and Customer orders.

1.25 **"Third Party Service(s)"** are any services to be provided by a third party (a **"Third Party Provider")** that are not carried on WIN's network and/or other related equipment or facilities that are not owned and/or controlled by WIN, including, without limitation, any telecommunications facilities or services provided by Third Party Providers connecting a Customer-designated termination point to a WIN POP.

1.26 **"Transferred End Users**" are those residential End Users that will be transferred from the WIN entities listed in Schedule 1 to Customer on or about March 1, 2015.

1.27 **"WIN ILEC Affiliates"** Incumbent Local Exchange Companies, as defined in the Telecommunications Act of 1996, affiliated with Windstream Communications, Inc.

ARTICLE II
PROVISION OF SERVICES AND TERM

2.1 **Provision of Services**. Subject to the terms of this Agreement, WIN shall use commercially reasonable efforts to provide to Customer, and Customer shall accept and pay for, the Services as requested by Customer.

2.2 **Term**. The term of the Master Agreement shall begin on the Effective Date and shall continue for an initial term of four (4) years, unless earlier terminated pursuant to Article X of this Agreement. After expiration of the initial Term, the Agreement shall continue for three hundred sixty five (365) day periods until canceled by either Party upon three hundred sixty five (365) days written notice to the other Party. The initial Term and any renewal period(s) are collectively referred to as the "Term". Notwithstanding termination or expiration of this Agreement, its terms continue to apply to any Attachment that still has Services being provided thereunder for a term pursuant to Section 2.2.

ARTICLE III
SCOPE OF AGREEMENT, CONTROLLING DOCUMENTS; CHANGE OF LAW; ELIGIBILITY FOR SERVICES UNDER THIS AGREEMENT

3.1 **Service**. Service is subject to availability. WIN reserves the right to reject an order where capacity constraints will hamper or delay Service delivery. WIN shall provide Customer with updates that shall reasonably notify Customer of any capacity issues. In the event WIN is unable to provide such Service, WIN shall notify Customer in a reasonable time frame and, upon Customer's request, provide all information necessary to enable Customer to determine alternative serving arrangements.

ARTICLE IV
RATES AND CHARGES

4.1 **Rates and Charges.** The rates and charges for the Services provided to Customer are set forth in Schedule 1.

4.2 **Taxes, Surcharges and Fees.** Taxes shall be settled in accordance with Schedule 1. Customer shall furnish WIN with such proper resale tax and USF exemption certificates as shall be necessary. Failure to provide said exemption certificates will result in no exemption being available to Customer for any period prior to the date that the Customer presents valid certificate(s). If WIN is subsequently required to directly pay such taxes or surcharges to the respective tax or regulatory authority on the services sold to Customer, Customer shall reimburse WIN same (including any interest, levies and penalties).

ARTICLE V
PAYMENT FOR SERVICE/DISPUTES/ SECURITY

5.1 **Payment Terms.** Billing shall be handled in accordance with the billing agreement between the parties and amounts received from End Users will be handled according to such billing agreement and Schedule 1. The billing agreement shall control over this Agreement.

5.2 **Billing Disputes.** Customer must provide WIN with written notice within ninety (90) days after the invoice date listed on the bill or such dispute is waived. Customer shall pay the undisputed amount by the Due Date. The notice shall set forth in reasonable detail the disputes charges and reasons for the dispute. WIN and Customer shall attempt in good faith to promptly resolve any dispute. If the dispute is subsequently resolved in favor of WIN, Customer shall pay the disputed amount previously withheld within ten (10) business days of such resolution, including late charges set forth in Sec. 4.1 from the original due date. If the dispute is subsequently resolved in favor of Customer and Customer has paid the disputed amount, WIN shall issue a credit on Customer's invoice for the disputed amount no later than the next Bill Due Date following resolution of the dispute

5.3 **Credit Approval/Deposits.** Customer shall provide WIN with credit information reasonably requested including, but not limited to, any audited and unaudited financial statements and a credit application. Delivery of Services is subject to credit approval which shall not be unreasonably withheld and shall be granted or rejected within thirty (30) days of receipt of complete credit information. WIN may request Customer to make an advance payment and/or a deposit as a condition both prior to and during the provision of Services if, in WIN's reasonable discretion, Customer shall not be required to pay WIN a cash deposit.

ARTICLE VI
ORDERING SERVICE/INSTALLATION/MAINTENANCE AND REPAIR/BILLING

6.1 **Prior to Ordering**. Customer is responsible for obtaining and interpreting its end user's Customer Service Record, performing SAG validation of end user's service location, and pre-qualifying the Service location prior to submitting a Service Order. WIN will make any information and/or LEC tools available to it, and for which WIN has the right to re-assign access, available to Customer to enable Customer to perform these pre-ordering functions through the LEC provider, including but not limited to:

6.1.1 Service address validation;

6.1.2 Service and feature availability

6.1.3 Loop makeup information

WIN shall not provision local Services to a prospect that WIN's loop prequalification indicates does not have acceptable loop facilities to provide reasonably adequate service unless requested in writing by Customer. Under no circumstances will WIN provision DSL services for loop qualifications greater than 14,000 feet.

6.2 **Ordering and Provisioning**.

6.2.1 To order Services, Customer will send a Service Order (SO) to WIN to identify the services and features Customer is requesting WIN to provision in accordance with WIN's reasonable ordering requirements. Upon acceptance of a Clean Order from Customer, WIN shall provision Local Telecommunications Services and Long Distance Service to an End User using the network solution agreed to.

6.2.1.a New customer orders will be limited to 1000 per month, however, if Customer anticipates exceeding this amount on a routine basis, then negotiations must begin to determine how orders can get processed timely and what, if any, additional charges will be incurred by Customer to cover Overtime or additional staff to accomplish this.

6.2.2 Upon acceptance of a Clean Order from Customer, WIN will provide Service Order responses to Customer in the same timeframes it provides to its retail customers. For the avoidance of doubt, there will be no penalties if WIN is unable to meet the agreed upon timeframes.

6.2.3 Upon request, WIN will provide Inside Wire Services to Customer's End Users as currently provided by WIN to such Customers today either by WIN field technicians at a pass-through of what WIN would charge its own customers or, if no WIN field technicians serve an area, by WIN's underlying providers' field technicians if such services are available to WIN in its agreements with underlying providers', at pass-through rates.

6.2.4 Customer shall use the same third-party operator and directory assistance services vendor that WIN uses for its retail operations. Customer shall have the option of OS and DA Services branded as Customer's services by the third-party vendor if such branding is available. Customer's End Users will be entitled to one free directory listing in the Directory Residential White Pages.

6.3 **Moves, Adds, Changes and Disconnects**. Moves, adds and changes shall be provisioned upon receipt of a clean order. New customer adds will be performed by WIN for $110 per add. This does not include any inside wire work that may be needed pursuant to Sec. 6.2.3 but does include field technicians' installation time if a premises visit is required for connection to the demarcation point. This includes only the connection or transfer of the End Users to WIN/Customer. If a move, add or change involves suspension of an individual End User's service, Customer shall remain responsible for payment of any applicable underlying line charges during such suspension.

6.4 **TN Inventory** WIN will manage available TN inventory and will assign new numbers as requested on the accepted Clean Order. Whenever possible/feasible, Customer shall continue to use WIN's TN management tool to assign TN to End Users at the Order Entry point of contact; however, Customer shall do so in accordance with all laws, regulations and standards related to numbering assignment.

6.5 **Customer Contacts** Customer, or Customer's authorized agent, shall act as the single point of contact for its End Users' service needs, including, without limitation, sales, service design, order taking, provisioning, change orders, disconnect notices, training, maintenance, trouble reports, repair, post-sale servicing, Billing, collection and inquiry. Customer shall inform its End Users that they are End Users of Customer. Any Customer End Users contacting WIN will be instructed to contact Customer directly, and any WIN's Subscribers contacting Customer will likewise be instructed to contact WIN. In responding to calls, neither Party shall make disparaging remarks about each other. To the extent the correct provider can be determined, misdirected calls received by either Party will be referred to the proper provider of Local Exchange Service; however, nothing in this Agreement shall be deemed to prohibit end user communications from WIN or Customer, if needed, to determine who their provider is or in conjunction with services provided under the TSA or Wholesale agreement between WIN and Customer. In such communications, CPNI Guidelines of the End User's provider must be followed.

6.6 Maintenance and Repair

6.6.1 WIN will provide Customer with access to interfaces for purpose of reporting and monitoring trouble tickets.

6.6.2 WIN will, maintain, repair and/or replace all Services in the same manner and timeframes that WIN performs these functions, which are assumed to be at a level consistent with its own retail customers

For the avoidance of doubt, this section includes all customer support services provided by the Broadband Customer Care Center.

6.7 **Cooperation and Access**. Both WIN and Customer shall provide a single point of contact for reporting trouble tickets, repair issues and other questions related to Service. Customer shall cooperate with WIN to activate Service by providing access to Customer's or its End User's premises for Service delivery and testing. Additionally, Customer shall provide reasonable access to necessary End User information.

6.7.1 Customer's IVR will direct end user Broadband and Dialtone trouble calls to Windstream's Consumer/SMB repair or technical support.

6.8. **Customer's End Users' activation of Call Trace and annoying call complaints** will be handled by the WIN operations centers responsible for handling such requests via a request from Customer. Any communication and resolution of each case involving one of Customer's End Users (whether the End User is a victim or suspect) will be coordinated through Customer. WIN will be indemnified, defended and held harmless by Customer and/or End User against any claim, loss or damage arising from providing this information to Customer. It is the responsibility of Customer to take the corrective action necessary with its End User who makes annoying calls.

6.9 **End User Billing Information**. Upon written request from Customer subsequent to implementation of Customer's billing platform, WIN will provide a Usage File for services provided hereunder in accordance with Exchange Message Interface (EMI) guidelines supported by the Ordering and Billing Forum (OBF). Any exceptions to the supported formats will be noted in the documentation. The usage data shall be provided as close to real time as possible, but in any event no later than once daily.

6.9.1 WIN will provide from the switch, a daily file of Customer Detail Records (CDRs) for Customer's End User's for billing purposes.

6.9.2 WIN will provide the rating, if applicable, and transmission of Long Distance billable records to Customer for billing purposes.

ARTICLE VII
FORECASTS/MAINTENANCE/NETWORK AUDITS

7.2 **Maintenance.** WIN periodically performs maintenance and repairs on its network at its cost unless the maintenance or repair is caused by the acts or failures to act of Customer or is due to equipment or facilities provided by Customer, in which case Customer shall be billed at WIN's standard rates. In some cases, routine maintenance may result in a temporary service interruption to WIN customers; however, WIN will use all reasonable efforts to provide notification of the network maintenance and will strive to perform same within the window of midnight and 6 a.m., local time zone for the affected site(s) ("Normal Maintenance Window"). WIN shall not be liable for service interruptions that may occur due to maintenance. Customer agrees to cooperate with all reasonable requests of WIN in connection with its system maintenance by, among other things, responding to WIN's request for the release of a circuit at such times as requested by WIN. The following are the types of maintenance and Customer notice that will be provided for each:

7.2.1 Normal Scheduled Maintenance is that which will enhance the reliability of the network. This includes, but is not limited to upgrading code, reloading routers, and adding new equipment. Notification for this type of maintenance will be provided ten (10) business days prior to the start of a Normal Scheduled Maintenance window.

7.2.2 Demand Scheduled Maintenance is that which is performed when the potential for router or network failure exists without the maintenance. This includes, but is not limited to hardware and software upgrades, and router debugging. Notification for this type of maintenance will be provided 48-72 hours prior to the start of a Demand Scheduled Maintenance window.

7.2.3 Emergency Maintenance is a subset of Demand Scheduled Maintenance in which maintenance is required on an urgent basis because the potential for router or network failure exists without the maintenance. Notification for this type of maintenance will be provided 1-24 hours prior to the start of an Emergency Maintenance window.

7.3 Network Audits. WIN regularly conducts network audits to assess commercial viability of services provided from its Central Offices (CO). If WIN determines that it cannot provide Services to Customer or its End users in an economically viable manner at specific CO(s), then WIN reserves the right to: (i) decommission COs and turn down any associated Services provided from these COs; (ii) provide Customer with 120 days' advance notice of such decommissioning; (iii) reject any non-installed SO(s); and (iv) work with Customer to coordinate the migration and reverse cut of Services (from WIN provided Service back to the ILEC or other Customer alternative).

ARTICLE VIII
FACILITIES AND EQUIPMENT

8.1 WIN Equipment and Collocation.

8.1.1 Use and Subsequent Changes. Customer shall not use any equipment or facilities for any purpose other than that for which WIN provided it. WIN may choose the equipment or facilities to be used in providing Service and may substitute, change or rearrange any such equipment or facilities at any time or from time to time as long as the quality of Service or type of Service is not materially impaired or changed.

8.1.2 Ownership. Title to any transmission facilities or equipment used or furnished by WIN to provide the Service does not transfer to Customer and remains the personal property of WIN. At WIN's request, Customer shall prominently affix identifying plates, tags, or labels on any such equipment and facilities showing the ownership interest of WIN and shall not tamper with, remove or conceal such identifying plates, tags or labels. In addition, Customer shall, from time to time, take additional actions and execute and deliver such further documents as WIN may reasonably request in order to confirm and protect WIN's title to and ownership of any such equipment or facilities.

8.1.3 Third Party Rights. Some third party components may be embedded in the equipment used by WIN or accessed by Customer to provide Service under this Agreement. Customer's use of these components is limited to the provision of Services by WIN, and is governed by the third party licensor's terms.

8.1.4 Maintenance and Customer Tampering. WIN shall be solely responsible for the maintenance of equipment and facilities owned or otherwise controlled by it and shall use reasonable efforts to maintain facilities and equipment that it provides to Customer. Customer shall not, nor permit others to, rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities or equipment installed by WIN, except upon the written consent of WIN.

8.1.5 Removal/Return. Customer agrees to allow WIN to remove all WIN equipment and facilities from Customer's premises upon termination or expiration of this Agreement, or a SO. At the time of such removal, such equipment and facilities shall be in the same condition as when installed, reasonable wear and tear expected. Customer shall reimburse WIN for any loss of, or damage to, WIN's facilities or equipment on Customer's or a Customer's End user's premises, except loss or damage caused by WIN'S own employees, agents or contractors.

8.1.6 Collocation. Customer shall furnish or arrange to have furnished to WIN at Customer's or its End Users' premises, at no charge, any space and/or electrical power required by WIN to provide any Service under this Agreement at the points of termination. The selection of AC or DC power shall be as specified by WIN. Customer shall make all necessary arrangements in order that WIN will have timely access to such space at reasonable times and to the extent reasonably required by WIN for installing, inspecting, repairing and/or removing equipment and facilities of WIN. WIN shall have no right to place equipment or facilities in space owned or controlled by Customer or its End User(s) without the prior consent of Customer, which consent shall not be unreasonably withheld, conditioned or delayed. Customer shall also be responsible for the payment of any charges imposed by WIN for visits to Customer's premises when any Service difficulty or trouble report results from any equipment or facility provided by any entity other than WIN or when incomplete or incorrect information causes unnecessary premises visits by WIN.

8.1.7 Damages. Customer shall reimburse WIN for any damages to WIN's equipment or facilities caused by: (i) any improper use of, or breach of this Agreement with respect to, any such equipment or facilities by Customer, its employees, agents or End Users; (ii) improper use of Service by Customer, its employees, agents or End Users; (iii) malfunction of any equipment or facilities not provided by WIN and used by Customer or Customer's employees, agents, or End Users, in connection with any Service provided hereunder; or (iv) fire, theft or other casualty on the premise of Customer (or of its agents or End Users). In the event Customer causes damage to facilities or equipment other than that owned by WIN, and such facilities or equipment are physically, optically and/or electrically associated with those of WIN, Customer shall reimburse the owner for, and indemnify and hold WIN harmless from any and all claims arising from, damage to any such facilities or equipment.

8.2 **Customer Equipment/Software/Applications, Encryption, and Collocation.**

8.2.1 Equipment/Software/Applications. Customer shall, at its own expense, procure any Customer Equipment necessary to receive Service, unless WIN specifies otherwise in writing. Customer shall ensure that all such

Customer Equipment shall perform according to published technical specifications, WIN's interface and Service specifications, and be compatible with the WIN Services ordered by Customer. WIN may confirm this through interoperability testing prior to permitting Customer use of Services. Customer shall be responsible for maintaining its own router, router configuration, and/or telephony and its configuration on its or its end users' premises and for installing, supporting, and maintaining applications that utilize the Service (e.g., VOIP, email service, database applications).

8.2.2 Customer's Equipment shall not: (i) interfere with or impair service over any such facilities and equipment of WIN; (ii) impair the privacy of any communications carried over WIN's facilities; or (iii) create hazards to the employees of WIN or the public. Promptly upon notice from WIN, Customer shall eliminate any hazard, interference or Service obstruction that any such Customer Equipment is causing or reasonably may cause. WIN, on Customer request and at its option, may assist in such removal at an additional charge. Additional charges may also apply for any necessary reconnection or other work occasioned by violation of this Section by Customer. WIN further reserves the right, at its option, to suspend Service on notice, if notice is practicable, if any such Customer Equipment does not comply with the foregoing provisions of this Section. During any such suspension, no Service Interruption or outage shall be deemed to have occurred.

8.2.3 Encryption. Customer shall be responsible for registering for and supplying to WIN any non-standard encryption software and for complying with all use obligations and restrictions related to such non-standard encryption software (including without limitation export restrictions).

8.2.4 Collocation. WIN may require that Customer collocate its equipment at a WIN POP in order to provide the Services ordered hereunder. In this event, the provision of Service shall be subject to Customer's execution of the collocation agreement.

ARTICLE IX
911

9.1 **Customer Chooses WIN as 911 Provider.** WIN will be responsible for maintaining the 911 and E911 databases and for Customer's End User's 911 records. WIN will be responsible for routing 911 emergency calls (and send e911 information in those areas where e911 is available) according to industry standards, using the End User information associated with the telephone number as reflected on any Order. CUSTOMER IS RESPONSIBLE TO FURNISH WIN WITH SUCH INFORMATION THAT IS COMPLETE, ACCURATE AND CURRENT, AND THAT WIN WILL RELY ON THE ACCURACY, COMPLETENESS AND CURRENCY THEREOF.

ARTICLE X
RELATIONSHIP WITH END USERS

10.1 **Customer Responsibilities.** This Agreement applies only to those Services provided directly to Customer and not to offerings by Customer to its customers. Except for Services provided pursuant to any transition services agreement between the parties, Customer is solely responsible for all dealings with its End Users including, but not limited to sales, contracts, orders, activations, and customer care. Customer will be responsible for all troubleshooting beyond the minimum point of entry at any end user location.

10.2 **End User Authorizations.** WIN will provide, if available to WIN, in-bound and out-bound number porting service ("Porting Service") on behalf of Customer in accordance with applicable law. Customer is responsible for obtaining valid End User authorizations ("LOAs") pursuant to federal and state law in order to change such End User's provider from its previous provider to Customer. WIN may request access to authorizations in order to respond to any slamming complaint or for any other reason; however, Customer is ultimately responsible for any response to slamming complaints. WIN and Customer will cooperate with any investigation of a complaint alleging slamming at the request of the FCC or applicable state commission.

10.3 **Customer Notice of Discontinuance to its End Users.** Customer is responsible for providing notice to its End Users if WIN's or Customer's disconnection of Services results in discontinuance of Service to those End Users. If Customer fails to notify its End Users, Customer will provide the End User contact information to WIN such that WIN may (but is not required to) provide the notice and shall reimburse WIN for the cost.

10.4 **Indemnity.** Customer shall indemnify and hold harmless WIN from any and all claims by a Customer End Users, third parties, or governmental entities related to such End Users or due to End Users' use of the Services (including without limitation any claim with respect to any of the services provided by Customer which may incorporate any of the WIN Services provided hereunder or failure to route 911 calls properly and shall indemnify WIN for any violation of this Agreement. Notwithstanding the foregoing, Customer shall not be required to indemnify WIN for slamming claims if it is determined that such claim was the result of WIN's negligence.

ARTICLE XI
SUSPENSION/TERMINATION

11.1 Either Party may terminate this Agreement, any Service, or Exhibits, Schedules or Attachments, and any or all SOs if the other Party materially breaches this Agreement or any of the other documents listed here and the breaching Party fails to cure the breach within forty-five (45) calendar days after written Notice thereof. If the nonperforming Party fails to cure such nonperformance or breach within the forth-five (45) calendar day period provided for within the original Notice, then the terminating Party will provide a subsequent written Notice of the termination of this Agreement and such termination shall take effect immediately upon delivery of written Notice to the other Party.

11.2 If this Agreement needs to be modified or terminated as a result of a Regulatory Requirement, the provisions of Section 15.5 apply.

ARTICLE XII
DISCLAIMER OF WARRANTY AND LIMITATIONS OF LIABILITY

12.1 EXCEPT FOR ANY DUTY TO INDEMNIFY SPECIFICALLY SET FORTH HEREIN, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF REVENUE, LOSS OF PROFITS, OR LOSS OF CUSTOMER'S CLIENTS OR GOODWILL, ARISING IN ANY MANNER FROM THIS AGREEMENT AND/OR THE PERFORMANCE OR NONPERFORMANCE HEREUNDER. WIN SHALL HAVE NO LIABILITY OR RESPONSIBILITY FOR THE CONTENT OF ANY COMMUNICATIONS TRANSMITTED VIA THE SERVICE BY CUSTOMER OR ANY OTHER PARTY.

12.2 THE LIABILITY OF WIN WITH RESPECT TO THE SERVICES PROVIDED UNDER THIS AGREEMENT SHALL BE LIMITED TO CIRCUMSTANCES IN WHICH THERE HAS BEEN A SERVICE INTERRUPTION OR OUTAGE. FOR SUCH SERVICE INTERRUPTIONS OR OUTAGES WIN'S LIABILITY IS LIMITED TO SERVICE INTERRUPTION CREDITS PURSUANT TO ANY APPLICABLE SERVICE LEVEL AGREEMENT. REMEDIES UNDER THIS AGREEMENT ARE EXCLUSIVE AND LIMITED TO THOSE EXPRESSLY STATED IN THE AGREEMENT.

12.3 **Force Majeure.** Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, power blackouts, volcanic action, other major environmental disturbances, or unusually severe weather conditions (collectively, a Force Majeure Event); provided that the Party affected by the Force Majeure event shall provide prompt notice of the delay or failure in performance caused by same. Inability to secure products or services of other Persons or transportation facilities or acts or omissions of transportation carriers shall be considered Force Majeure Events to the extent any delay or failure in performance caused by these circumstances is beyond the Party's control and without that Party's fault or negligence. The Party affected by a Force Majeure Event shall give prompt notice to the other Party, shall be excused from performance of its obligations hereunder on a day-to-day basis to the extent those obligations are prevented by the Force Majeure Event, and shall use commercially reasonable efforts to remove or mitigate the Force Majeure Event. In the event of a labor dispute or strike the Parties agree to provide service to each other at a level equivalent to the level they provide themselves.

12.4 **No Warranties.** WIN MAKES NO WARRANTIES ABOUT THE SERVICE PROVIDED HEREUNDER, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WIN makes no representations concerning and does not guarantee that Customer's domain name does not infringe upon any trademarks, trade names, service marks or other proprietary rights owned by a third party.

ARTICLE XIII
COMPLIANCE WITH LAWS

13.1 Each Party shall comply with all applicable laws, regulations, court decisions or administrative rulings regarding the provision or use of the Services. Failure to do so shall constitute a material breach of the Agreement.

13.2 **Certifications.** Each party has obtained all certifications necessary to provide its services to End Users and shall maintain all such certifications for the duration of this Agreement. Upon WIN's request, Customer shall provide WIN with Customer's certifications. Customer shall indemnify, defend and hold harmless WIN against all claims or liability due to or arising out of failure of Customer to obtain any permit or other consent as may be required from any local government or other regulatory body for use of the Services. In the event it is found that a Party does not have any necessary certificates, authorizations, or permits, such Party will promptly seek to obtain same. Failure to have any such certification, authorization, or permit will not be deemed a material breach unless it causes material adverse consequences to the other Party under this Agreement.

13.3 **Duty to Confirm Registration of Customer.** Before Services can be provided, and if applicable under the circumstances, Customer may be required to provide evidence of its filing of FCC Form 499-A as required by 47 CFR 64.1195(h). Regardless of any affirmative duty of WIN under the FCC rule, Customer's failure to file FCC Form 499-A, if required, constitutes willful misconduct and Customer agrees to indemnify and hold WIN harmless due to such failure.

13.4 **Requests for End User or Customer Information and Communications Assistance Law Enforcement Act (CALEA) Of 1994**. In the event WIN is in receipt of a request for information regarding Customer or its End User(s) or a CALEA request, from law enforcement, a governmental entity or other entity or person ("Requesting Entity"), WIN will inform Customer of such request (if not prohibited from doing so). WIN will also gather the information or facilitate the request if the ability to do so is uniquely within WIN's power (i.e., Customer obtains a switch-based Service and law enforcement submits a CALEA request). WIN will then either respond to the Requesting Entity or provide the information to Customer to submit to the Requesting Entity, at WIN's option. Each Party shall indemnify and hold the other Party harmless from any and all penalties imposed upon the other Party by a third party for noncompliance with CALEA and shall, at the noncompliant Party's sole cost and expense, modify or replace any equipment, facilities, or services provided to the other Party under this Agreement to ensure that such equipment, facilities, and services fully comply with CALEA.

ARTICLE XIV
UNAUTHORIZED USE AND NETWORK/ EQUIPMENT SECURITY

14.1 **Unauthorized/Fraudulent Use.**

14.1.1 WIN in its normal course of business will use reasonable efforts during business hours to notify Customer of any fraud detected during their normal usage review for fraud; however, Customer, and not WIN, shall bear the risk of loss arising from any unauthorized or fraudulent usage of Services provided under this Agreement to Customer, unless affirmatively caused by WIN (and not due to any failure to detect or notify Customer of fraud). WIN may take any and all action it deems appropriate (including blocking access to particular calling numbers or geographic areas) to prevent or terminate any fraud or abuse in connection with the Services.

14.1.2 The Parties agree to cooperate with one another to investigate, minimize, and take corrective action in cases of fraud. The Parties' fraud minimization procedures are to be cost-effective and implemented so as not to unduly burden or harm one Party as compared to the other.

14.2 **Network Security.** Customer and its customers and End Users are responsible for the security of their own networks and equipment. Neither Party assumes responsibility or liability for failures or breach of protective measures on the other Party's network, whether implied or actual, even in the event that the security measures have been installed or configured by the Party whose network fails or is breached. The Parties shall be solely responsible for addressing problems on their respective networks and escalating problems to the other Party for resolution when such problem involves compromise of the other Party's security.

14.3 **Acceptable Use Policy.** Customer agrees to adhere and to require and enforce its End Users' adherence to the WIN Acceptable Use Policy, attached hereto as Schedule 2. In the event that Customer (or Customer's End Users) utilizes the Services provided hereunder in a manner which generates a complaint to WIN, WIN may provide Customer's name and contact information to the complaining party. In the event WIN receives repeated complaints regarding Customer's (or Customer's End Users') use of the Services, WIN may in its reasonable discretion deem this to be a material breach of this Agreement.

ARTICLE XV
CONFIDENTIALITY AND INTELLECTUAL PROPERTY

15.1 **Confidentiality.** During the term of this Agreement and for a period of one (1) year thereafter, neither Party shall disclose any terms of this Agreement, including pricing or any other confidential information of the other Party. For purposes of this Agreement, the term "confidential information" shall mean information in written or other tangible form that a party should reasonably understand is confidential. Any confidential information transmitted orally shall be identified as such at the time of its disclosure. All confidential information shall remain the property of the disclosing Party. A Party receiving confidential information shall: (i) use or reproduce such information only when necessary to perform this Agreement; (ii) provide at least the same care to avoid disclosure or unauthorized use of such information as it provides to protect its own confidential information; (iii) limit access to such information to its employees or agents who need such information to perform this Agreement; and (iv) return or destroy all such information, including copies, after the need for it has expired, upon request of the disclosing Party, or upon termination of this Agreement.

The Party to whom confidential information is disclosed shall have none of the obligation above for confidential information which: (i) was previously known to such Party free of any obligation to keep it confidential; (ii) is or becomes publicly available by other than unauthorized disclosure; (iii) is developed by or on behalf of such Party independent of any confidential information furnished under this agreement; (iv) is received from a third party whose disclosure does not violate any confidentiality obligation; or (v) is disclosed pursuant to the requirement or request of a governmental agency or court of competent jurisdiction to the extent such disclosure is required by a valid law, regulation or court order.

15.2 **Intellectual Property and Digital Millennium Copyright Act ("DMCA").** This Agreement confers no right to use the name, service marks, trademarks, copyrights, or patents of either Party except as expressly provided herein or in the Parties' IP Matters Agreement, which is incorporated herein by reference. Neither Party shall take any action, which would compromise the registered copyrights or service marks of the other. In the event WIN creates any custom software enhancements in providing Services to Customer under this Agreement, such software enhancements shall be deemed solely the intellectual property of WIN unless otherwise provided in a SOW. Customer hereby disclaims all right, title, and interest in such custom software enhancements, including United States and foreign patent, copyright, and other intellectual property rights. Customer shall indemnify WIN if its domain name or combination of the Services provided by WIN with services or equipment not provided by WIN infringes or is alleged to infringe on any third party's intellectual property rights. Customer shall comply with all provisions of the DMCA Title II with respect to limiting liability for copyright infringement. Customer shall: (a) adopt and implement a policy of terminating accounts or subscriptions of repeat infringers; (b) inform subscribers and/or account holders of such policy; (c) accommodate and not interfere with standard technical measures as defined by the DMCA; (d) designate an agent to receive notification of alleged acts of infringement, file information related to such designated agent with the Copyright Office, and notify subscribers or account holders of the designated agent and such designated agent's contact information; and (e) comply with the DMCA's rules governing notification and counter-notification and procedures for removing or blocking access to (or restoring access to) content alleged to be infringing.

ARTICLE XVI
GENERAL INFRASTRUCTURE REQUIREMENTS

16.1 Quarterly, a Windstream account team comprised of Service Delivery, Carrier, and Consumer Repair resources shall meet with Customer to discuss future changes to the Windstream's network that may impact Customer's End Users. The parties shall negotiate reasonable accommodations for Customer if such changes will materially impact Customer's ability to serve its End Users

16.2 Neither Party shall be liable to the other for any costs whatsoever resulting from the presence or release of any environmental hazard(s) that either Party did not introduce to an affected work location. Both Parties shall defend and hold the other harmless, as well as its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from: (i) any environmental hazard that the indemnifying Party, its contractors or agents introduce to the work locations, or (ii) the presence or release of any environmental hazard for which the indemnifying Party is responsible under Applicable Law.

ARTICLE XVII
NETWORK SECURITY

17.1 **Protection of Service and Property.** Subject to Sec. 10.4 and 12 herein, each Party shall exercise the same degree of care to prevent harm or damage to the other Party and any third parties, its employees, agents or End Users, or their property as it employs to protect its own personnel, Subscribers, and property, etc., but in no case less than a commercially reasonable degree of care.

ARTICLE XVIII
MISCELLANEOUS

18.1 **Entire Agreement/Modifications/Waivers.** This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof and supersedes all other agreements, written or oral, between the Parties relating to the Services. As of the Effective Date hereof, any and all Service provided pursuant to any prior agreements shall be provided pursuant to the terms of this Agreement. This Agreement may only be modified by written agreement of both parties. No term herein shall be deemed waived or breach or default excused unless in writing and signed by the party against which it is to be enforced. Additionally, no consent by a Party to, or waiver of, a breach or default by the other, whether express or implied, shall constitute a consent to or waiver of, any subsequent breach or default.

18.2 **Contractual Relationships with Third Parties.** Services provided by WIN through Third Parties such as Incumbents and underlying per minute long distance providers of WIN shall be subject to, and governed by, the terms and conditions of WIN's agreements with those third parties. WIN shall not be liable for any failure to perform to the extent such failure is due to an act or omission of an Incumbent.

18.3 **Assignment.** Neither this Agreement, nor any rights or obligations under it may be assigned by Customer without the prior written consent of WIN, which consent shall not be unreasonably withheld.

18.4 **Partial Invalidity.** If any provision of this Agreement shall be held to be invalid or unenforceable (either under current law or in the future), such invalidity or unenforceability shall not invalidate or render this Agreement unenforceable, but rather this Agreement shall be construed as if not containing the invalid or unenforceable provision. However, if such provision is an essential element of this Agreement, the Parties shall promptly attempt to negotiate a substitute therefore.

18.5 **Regulatory Requirements**. If any Regulatory Requirement has the effect of canceling, changing or superseding any material term or provision of this Agreement, results in cost increases to WIN to provide such Services, and/or results in WIN being unable to obtain the technology used to provide the Services that was available as of the date of this Agreement, the Parties will negotiate new terms, conditions and pricing that are consistent with the form, intent and purpose of this Agreement and are necessary to comply with or accommodate the Regulatory Requirement. If the Parties cannot agree to such modifications within thirty (30) days after the Regulatory Requirement is effective, or such other period as mutually agreed by the Parties, then either Party may terminate this Agreement and/or Attachment impacted by the Regulatory Requirement by providing sixty (60) days written notice to the other Party. WIN agrees that if any ILEC proposes an ICA Change that affects the services provided by WIN to Customer, WIN will: (i) provide notice to Customer within 15 days of notification by the ILEC; and (ii) use its best efforts to negotiate rates, terms and conditions that minimize the impact on the costs and services Customer purchases under this agreement.

18.6 **Relationship of Parties.** Neither this Agreement nor the provision of Service hereunder shall be deemed to create any joint venture, partnership or agency between WIN and Customer. The Parties are independent contractors and shall not be deemed to have any other relationship. Neither Party shall have, or hold itself out as having, the power or authority to bind or create liability for the other by its intentional or negligent act.

18.7 **Governing Law.** This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Arkansas, without regard to choice of law provisions.

18.8 **Limitations of Actions; Waiver of Jury Trial**. Any claims arising out of or related to this Agreement shall be made within one (1) year from the date the claim arises or is discovered by WIN. EACH PARTY TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW HEREBY IRREVOCABLY WAIVES ALL RIGHTS IT MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF EITHER PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF.

Schedule 1- Services Available, SLA and Pricing

Customer may order the following Services from WIN via Service Order pursuant to the Wholesale Master Services Agreement, so long as Customer agrees to the Schedules, product descriptions, limitations, requirements and the associated attachments noted below, which shall be deemed incorporated by reference into the Agreement to the extent Customer uses or orders such Services.

Services

The Services provided by WIN under this Agreement ("Services") shall be limited to: Plain Old Telephone Services (POTS); custom calling features; call trace; per minute long distance; internet provided as an end-to-end resale solution; ancillary services such as directory assistance, directory listing services, white page listings and operator services; and, to the extent not otherwise identified herein, all services, plans and related functions provided by WIN to Transferred End Users as of March 31, 2015by the following WIN entities:

Cavalier Telephone Mid-Atlantic, LLC
Cavalier Telephone, LLC
LDMI Telecommunications, Inc.
McLeodUSA Telecommunications Services, LLC
Network Telephone Corp.
Paetec Communications, Inc.
Talk America of Virginia, Inc.
Talk America, Inc.
The Other Phone Company
US LEC Communications, LLC
US LEC of Alabama, LLC
US LEC of Florida, LLC
US LEC of Georgia, LLC
US LEC of Maryland, LLC
US LEC of Pennsylvania, LLC
US LEC of South Carolina, LLC
US LEC of Tennessee, LLC
US LEC of Virginia, LLC
Windstream Communications Telecom, LLC
Windstream Communications, Inc.
Windstream Lakedale Link, Inc.
Windstream KDL, Inc.
Windstream Norlight, Inc.
Windstream NorthStar, LLC
Windstream NTI, Inc.
Windstream NuVox, Inc.
Windstream NuVox Arkansas, Inc.
Windstream NuVox Illinois, Inc.
Windstream NuVox Indiana, Inc.
Windstream NuVox Kansas, Inc.
Windstream NuVox Missouri, Inc.
Windstream NuVox Ohio, Inc.
Windstream NuVox Oklahoma, Inc.
Windstream of the Midwest, Inc.

Performance SLAs

WIN shall continue to meet and maintain IT systems performance SLAs. Services shall be provided at levels consistent with those provided as of the Separation Date. If Additional Service Level Metrics are defined for specific Services not currently defined today, they supersede any other Services Levels defined by SLA's or established at Historical Levels. Services for systems, processes, and applications which are customarily monitored for uptime are to be delivered at levels consistent with that historically established and documented. If documented service levels are not available, both parties agree to uptime metrics that are both commercially reasonable and support the business objectives of the Customer.

Rates and Charges

Customer must have at least $2 million in End User Billed Revenues as of March 31, 2015 in order to qualify for the following billing and rate plan with discount.

Windstream will receive 60% of all Net Billed Revenues. Net Billed Revenues are defined as total gross end user billings, less: federal and state universal surcharges that require remittance of collected amounts to federal or state governmental authorities, taxes, customer service charges, customer restoral fees and customer late payment fees (collectively, "Taxes and Fees"). By way of example:

End User Billed Revenues	$2,500,000
Taxes and Fees	(100,000)
Net Billed Revenues	$2,400,000
Due to or retained by WIN (60%)	$1,440,000

Schedule 2
Acceptable Use Policy

Windstream Communications Internet Acceptable Use Policy
Introduction

Windstream Communications, Inc. and its affiliates and subsidiaries ("Windstream," "we," or "us") appreciate the opportunity to provide you with a connection to the Internet. This Acceptable Use Policy, together with the terms and conditions for your Internet service, provide guidelines for your conduct on the Internet as a Windstream residential or business customer.

By using Windstream's Internet services, you agree to comply with this Acceptable Use Policy and to remain responsible for all activity originating from your account. We reserve the right to modify this Acceptable Use Policy from time to time, effective when posted to www.Windstream.com and/or www.Windstream.net. Your use of the Internet services after changes to the Acceptable Use Policy are posted shall constitute acceptance of any changed or additional terms.

Scope

This Acceptable Use Policy applies to Windstream's data services that provide (or include) access to the Internet, including but not limited to dialup, Broadband DSL, dedicated, data center services, managed security, and cloud firewall services, or that are provided over the Internet or wireless data networks (collectively "Internet services").

For ease of reference, this policy addresses the following topics:

- Section 1: Prohibited Activities
- Section 2: Consequences for Activities in Violation of this Policy
- Section 3: Privacy
- Section 4: Account Usage
- Section 5: Copyright Complaints

Section 1: Prohibited Activities

General Prohibitions: It shall be a violation of this Acceptable Use Policy to use our Internet service in any way that is unlawful, harmful to or interferes with use of our network or systems, or the network of any other provider, violates the policies of any network accessed through our Internet service, interferes with the use and enjoyment of services received by others, infringes intellectual property rights, results in the publication of threatening material, or constitutes Spam/E-mail/Usenet abuse, a security risk or a violation of privacy.

If you have any questions regarding this Acceptable Use Policy, or wish to report a suspected violation of this policy, you may contact abuse@windstream.net.

Intellectual Property Rights: Windstream's Internet services shall not be used to host, publish, submit/receive, upload/download, post, use, copy or otherwise reproduce, transmit, re-transmit, distribute or store any content/material or to engage in any activity that infringes, misappropriates or otherwise violates the intellectual property rights or privacy or publicity rights of Windstream or any individual, group or entity, including but not limited to rights protected by any intellectual property right.

Child Pornography: Windstream's Internet services shall not be used to host, publish, submit/receive, upload/download, post, use, copy or otherwise reproduce, transmit, re-transmit, distribute or store child pornography. Suspected violations of this prohibition may be reported to Windstream at the following e-mail address: cp-abuse@windstream.net. If Windstream receives a complaint of child pornography regarding your use of Windstream's Internet services and child pornography is apparent in the complaint, we will terminate your Internet service immediately. Further, we will report the complaint, any images received with the complaint, your subscriber information, including your screen name or user identification, your location, your IP address, and the date, time and time zone that the images were transmitted to the National Center for Missing and Exploited Children and to any applicable law enforcement agency.

E-mail and Related Services: Spam/E-mail or Usenet abuse is prohibited using Windstream's Internet services. Examples of Spam/E-mail or Usenet abuse include, but are not limited to the following activities:

- Sending a harassing e-mail, whether through content, frequency or size
- Sending the same (or substantially similar) unsolicited e-mail message to an excessive number of recipients

- Sending multiple unwanted e-mail messages to the same address, or sending any e-mail that provokes a complaint to Windstream from the recipient
- Continuing to send e-mail to a specific address after the recipient or Windstream has requested you to stop
- Falsifying your e-mail or IP address, or any other identification information
- Using e-mail to originate chain e-mails or originate or forward pyramid-type schemes
- Using a mail server to relay or intercept e-mail without the express permission of the owner
- Placing your web site address, which you have hosted through Windstream, on unsolicited commercial messages
- Sending e-mails, files or other transmissions that exceed contracted for capacity or that create the potential for disruption of Windstream's network or of the networks with which Windstream interconnects, by virtue of quantity, size or otherwise
- Sending unsolicited mass or commercial e-mail ("spamming") for any purpose whatsoever. Mass or commercial e-mail may be sent only to recipients who have expressly requested receipt of such e-mails, by the sending of an e-mail request to the person performing the mass or commercial mailings. This exchanging of requests, acknowledgements, and final confirmations (commonly referred to as a "double opt-in" process) must be adhered to in its entirety for any mass or commercial e-mail to be considered "solicited." If you send mass or commercial e-mail, you must maintain complete and accurate records of all e-mail subscription requests, specifically including the e-mail and associated headers sent by you. Subscriptions that do not have a specific recipient-generated e-mail request associated with them are invalid, and are strictly prohibited. A violation of the CAN-SPAM Act will be considered a violation of this policy.
- Newsgroup spamming or cross-posting the same (or a substantially similar) article to multiple Newsgroups; Many Newsgroups prohibit posting of commercial advertisements or solicitations. Usenet policy prevents off-topic posting of articles. You are required to comply with both Newsgroup(s) and Usenet's policies. We reserve the right to restrict access to any Newsgroups.
- Using an Internet Relay Chat ("IRC") bot, or violating any policy of an IRC server, including use of IRC-based telephony and video conferencing. It is your responsibility to determine the acceptable use policies for any IRC server to which you connect. We reserve the right to restrict access to IRC services.

Hacking and Attacks: Hacking or attacking is prohibited using Windstream's Internet services. Hacking is any unauthorized attempt to monitor access or modify computer system information or interference with normal system operations, whether this involves Windstream equipment or any computer system or network that is accessed through our service. Attacking is any interference with Internet service to any user, host or network, including mail bombing, ping flooding, broadcast attempts or any attempt to overload a system to interrupt service. Examples of hacking and attacking include, but are not limited to the following:

- Satan or port scans, full, half, FIN or stealth (packet sniffing)
- SubSeven port probes
- BO scans or attacks
- Mail host relaying, mail proxying, or hi-jacking
- Telnet, FTP, Rcommands, etc. to internal systems
- Attempts to access privileged or private TCP or UDP ports
- Multiple and frequent finger attempts
- User ID/Password cracking or guessing schemes
- Virus, worms and Trojan horse attacks
- Smurf, teardrop and land attacks
- Participation in botnets, including but not limited to, spam e-mail messages, viruses, computer/server attacks, or committing other kinds of crime and fraud

Network Management: To preserve the integrity of our network, we implement reasonable network management practices to ensure that all customers have an enjoyable experience using the Internet. Windstream's Internet services shall not be used in a manner that is excessive or unreasonable with respect to frequency, duration or bandwidth consumption when compared to the predominant usage patterns of other customers on a similar service plan or in your geographic area. As technology and customer usage change, Windstream reserves the right to adjust its determination of excessive or unreasonable use. Windstream reserves the right to terminate service that it determines is excessive or unreasonable or to implement charges for excessive or unreasonable usage in its sole discretion. I n the event Windstream determines, in its sole discretion, a customer's usage is excessive or unreasonable, Windstream will make reasonable efforts to provide customer with notice prior to taking any action regarding customer's service.

Section 2: Consequences for Activities in Violation of this Policy

Suspension and Termination: Windstream has the right, in its sole discretion, with or without notice, to suspend or terminate your account when you engage in any conduct that violates Windstream's Terms and Conditions (which includes this policy, your written contract with Windstream, if applicable, or any other Windstream policy applicable to the service) at http://www.windstream.com/terms.aspx. We will make reasonable efforts to contact you if you are in jeopardy of suspension or termination; however, to protect our network and our customers, we reserve the right to block you first and subsequently contact you. We also reserve the right to cancel e-mail messages and/or restrict the size of e-mail distribution lists.

Charges: You agree to be responsible and pay for any activities that result in damages and/or administrative costs to us or our customers. These damages include, but are not limited to the following: system shut downs, retaliatory attacks or data flooding, and loss of peering arrangements. Damages may be as follows:

- Legal fees, subject to a minimum fee of $500
- Activation fee or further deposits to reconnect suspended services
- Simultaneous login (Dial-up services); $1.00 per hour. One-hour minimum charge; time exceeding the first hour will be rounded up to the next hour. Each simultaneous login will be treated as a separate instance of billing.
- Unsolicited bulk e-mail (spam clean-up): You will be charged $300 + $5 per message sent + $100 per complaint received by Windstream.

Windstream reserves the right to modify its rates any time and will provide notice through this policy.

Section 3: Privacy

Any information transmitted through the Internet, including information about you, can be intercepted by unwanted third parties. There is no guarantee that you or Windstream can prevent this. We provide certain security measures to reduce the risk that information about you is intercepted by others.

In an effort to protect your privacy, we:

- use security techniques designated to prevent unauthorized access of information about you.
- will honor your requests to remove your name from e-mail solicitation lists.
- do not collect personally identifiable information about you unless you provide it to us.
- do not sell the names and addresses of our customers, or visitors to our sites, to others without providing information of that disclosure when the personally identifiable information is collected.
- do not provide customer information to other companies with which we do business without an understanding that they will respect your privacy.

For more information about Windstream's privacy policies, please see Windstream's Privacy Statement at www.windstream.com or www.windstream.net.

Internet Security

Windstream can help you safeguard your family online. Windstream has partnered with industry leading experts to offer a robust collection of tools and services regarding Internet security. For more information, visit www.windstream.com/security.

Section 4: Account Usage

Usage

Your Windstream Internet account may only be used according to your service plan. If your account is not a dedicated account, then it may not be used to provide dedicated services such as e-mail, gaming, or streaming audio or video servers. Dedicated accounts may include, but are not limited to Static DSL, Ethernet Internet and Dedicated Internet services. We have several dedicated service solutions for you to consider if you desire continuous access to the Internet. We may end an Internet session following periods of inactivity to minimize the burden on the network. The use of automated intervention, such as software or hardware devices, for the purpose of maintaining a connection to the service is strictly prohibited.

Personal web space is limited to 10 megabytes per Internet account. Personal web space shall be used for non-commercial use only. Windstream reserves the right to restrict access to sites that are being used for commercial use. Commercial web space size is dependent on the web-hosting package purchased by the customer. If a personal page receives an inordinately large number of hits, the owner of said page will have the option of moving the page to our commercial section or remove the page from their home directory.

Passwords

You are solely responsible for maintaining the confidentiality of your account I.D. and passwords. Subscribers should not provide their login and password for use by others outside of their immediate business or household. You must notify us immediately if your account I.D. and/or password have been lost, stolen, or otherwise compromised. Simultaneous use of our service by multiple users with a single login and password is not allowed. Reselling or sharing, in whole or in part, access to your Internet account or Internet connectivity without our expressed written consent is prohibited.

Internet Software

Windstream is not a software licensor, and the license agreement for your Internet software is not a part of your service agreement with us. This means that your software license agreement may either remain in effect or terminate independently from your Internet service.

We are not responsible for technical support or the integrity of any files or software that you obtain from any other source. It is your responsibility to determine whether any software that you intend to use, including any program that you intend to download from the Internet, is compatible with your computer and can be installed correctly and safely. We strongly recommend that you review the documentation accompanying any software before you attempt to install it.

Exhibit 10.7

Form of

Stockholder's and Registration Rights Agreement

by and between

Windstream Services, LLC

and

Communications Sales & Leasing, Inc.

Dated as of [—], 2015

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STOCKHOLDER'S AND REGISTRATION RIGHTS AGREEMENT

This Stockholder's and Registration Rights Agreement (this "Agreement") is made as of [—], 2015 by and between Windstream Services, LLC, a Delaware limited liability company ("Windstream"), and Communications Sales & Leasing, Inc., a Maryland corporation and wholly owned subsidiary of Windstream ("CS&L"). Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to them in Section 1.01.

RECITALS

A. Pursuant to the Separation and Distribution Agreement, dated as of [—], 2015 (the "Separation and Distribution Agreement"), by and among Windstream Holdings, Inc., a Delaware corporation ("WHI"), Windstream and CS&L, Windstream will distribute to WHI and WHI will thereafter distribute to WHI's stockholders (together, the "Distribution"), at least 80.1% of the outstanding shares of common stock, par value $0.0001 per share, of CS&L (the "Common Stock").

B. Windstream or any of its Affiliates to whom such shares may be transferred pursuant to the terms of this Agreement may Sell those shares of Common Stock that Windstream receives pursuant to the Separation and Distribution Agreement but that are not distributed in the Distribution (the "Retained Shares") through one or more transactions, including pursuant to one or more transactions registered under the Securities Act.

C. CS&L desires to grant to the WHI Group the Registration Rights for the Retained Shares and other Registrable Securities, subject to the terms and conditions of this Agreement.

D. The WHI Group desires to grant CS&L a proxy to vote the Retained Shares in proportion to the votes cast by CS&L's other stockholders and to agree to certain related restrictions, subject to the terms and conditions of this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions.

As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" means, when used with respect to a specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person. As used in this definition, the term "control" (including with

correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. Notwithstanding the foregoing, it is expressly agreed that, from and after the Distribution Date, no member of the CS&L Group shall be deemed to be an Affiliate of any member of the WHI Group, and no member of the WHI Group shall be deemed to be an Affiliate of any member of the CS&L Group.

"Agreement" has the meaning set forth in the preamble.

"Ancillary Filings" has the meaning set forth in Section 2.03(a)(i).

"Blackout Notice" has the meaning set forth in Section 2.01(d).

"Blackout Period" has the meaning set forth in Section 2.01(d).

"Board" means the board of directors of CS&L.

"Business Day" means any day that is not a Saturday, Sunday or other day on which banking institutions doing business in New York, New York are authorized or obligated by law or required by executive order to be closed.

"Common Stock" has the meaning set forth in the recitals.

"CS&L" has the meaning set forth in the preamble and shall include CS&L's successors by merger, acquisition, reorganization or otherwise.

"CS&L Group" means CS&L, each Subsidiary of CS&L immediately after the Distribution Date and each Affiliate of CS&L immediately after the Distribution Date (in each case, other than any member of the WHI Group).

"CS&L Public Sale" has the meaning set forth in Section 2.02(a).

"Debt" means any indebtedness of any member of the WHI Group, including debt securities, notes, credit facilities, credit agreements and other debt instruments, including, in each case, any amounts due thereunder.

"Debt Exchanges" means one or more Public Debt Exchanges or Private Debt Exchanges.

"Demand Registration" has the meaning set forth in Section 2.01(a).

"Disadvantageous Condition" has the meaning set forth in Section 2.01(d).

"Dispute" has the meaning set forth in Section 4.03(a).

"Distribution" has the meaning set forth in the recitals.

"Distribution Date" means the date and time at which the Distribution occurs.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

"Exchange Offer" means an exchange offer of Registrable Securities for outstanding securities of a Holder.

"Governmental Authority" means any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, government and any executive official thereof.

"Group" means the WHI Group or the CS&L Group, as applicable.

"Holder" means any member of the WHI Group, so long as such Person holds any Registrable Securities, and any Permitted Transferee, so long as such Person holds any Registrable Securities.

"Indemnifying Party" has the meaning set forth in Section 2.07(c).

"Indemnitee" has the meaning set forth in Section 2.07(c).

"Initiating Holder" has the meaning set forth in Section 2.01(a).

"Loss" and "Losses" have the meaning set forth in Section 2.07(a).

"Offering Confidential Information" means, with respect to a Piggyback Registration, (i) CS&L's plan to file the relevant Registration Statement and engage in the offering so registered, (ii) any information regarding the offering being registered (including the potential timing, price, number of shares, underwriters or other counterparties, selling stockholders or plan of distribution) and (iii) any other information (including information contained in draft supplements or amendments to offering materials) provided to any Holders by CS&L (or by third parties) in connection with a Piggyback Registration; provided, that Offering Confidential Information shall not include information that (x) was or becomes generally available to the public (including as a result of the filing of the relevant Registration Statement) other than as a result of a disclosure by any Holder, (y) was or becomes available to any Holder from a source not bound by any confidentiality agreement with CS&L or (z) was otherwise in such Holder's possession prior to it being furnished to such Holder by CS&L or on CS&L's behalf.

"Other Holders" has the meaning set forth in Section 2.01(f).

"Participating Banks" means such investment banks that engage in any Debt Exchange with one or more members of the WHI Group.

"Permitted Transferee" means any Transferee and any Subsequent Transferee.

"Person" means an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

"Piggyback Registration" has the meaning set forth in Section 2.02(a).

"Private Debt Exchange" means a private exchange pursuant to which one or more members of the WHI Group shall Sell some or all of their Registrable Securities to one or more Participating Banks in exchange for Debt in a transaction or transactions not required to be registered under the Securities Act.

"Prospectus" means the prospectus included in any Registration Statement, all amendments and supplements to such prospectus, including post-effective amendments, and all other material incorporated by reference in such prospectus.

"Public Debt Exchange" means a public exchange pursuant to which one or more members of the WHI Group shall Sell some or all of their Registrable Securities to one or more Participating Banks in exchange for Debt in a transaction or transactions registered under the Securities Act.

"Registrable Securities" means the Retained Shares and any shares of Common Stock or other securities issued with respect to, in exchange for, or in replacement of such Retained Shares (including (i) any and all securities of CS&L into which the shares of Common Stock are converted, exchanged or substituted in any recapitalization or other capital reorganization by CS&L and (ii) any and all securities of any kind whatsoever of CS&L or any successor or permitted assign of CS&L (whether by merger, consolidation, sale of assets or otherwise) which may be issued on or after the date hereof in respect of, in conversion of, in exchange for or in substitution of, the shares of Common Stock), in each case as appropriately adjusted for any stock dividends, or other distributions, stock splits or reverse stock splits, combinations, recapitalizations, mergers, consolidations, exchange offers or other reorganizations occurring after the date hereof; provided, that the term "Registrable Securities" excludes any security (i) the offering and Sale of which has been registered effectively under the Securities Act and which has been Sold in accordance with a Registration Statement, (ii) that has been Sold by a Holder in a transaction or transactions exempt from the registration and prospectus delivery requirements of the Securities Act under Section 4(a)(1) thereof (including transactions pursuant to Rule 144 but excluding any Private Debt Exchange) such that the further Sale of such securities by the transferee or assignee is not restricted under the Securities Act or (iii) that has been Sold by a Holder in a transaction in which such Holder's rights under this Agreement are not, or cannot be, assigned.

"Registration" means a registration with the SEC of the offer and Sale to the public of any Registrable Securities under a Registration Statement. The terms "Register" and "Registering" shall have correlative meanings.

"Registration Expenses" means all expenses incident to the CS&L Group's performance of or compliance with this Agreement, including all (i) registration, qualification and filing fees, (ii) fees and expenses of compliance with securities or blue sky laws (including reasonable fees and disbursements of counsel in connection with blue sky qualifications within the United States of

any Registrable Securities being registered), (iii) printing expenses, messenger, telephone and delivery expenses, (iv) internal expenses of the CS&L Group (including all salaries and expenses of employees of members of the CS&L Group performing legal or accounting duties), (v) fees and disbursements of counsel for CS&L and customary fees and expenses for independent certified public accountants retained by the CS&L Group (including the expenses of any comfort letters or costs associated with the delivery by the CS&L Group members' independent certified public accountants of comfort letters customarily requested by underwriters) and (vi) fees and expenses of listing any Registrable Securities on any securities exchange on which the shares of Common Stock are then listed and Financial Industry Regulatory Authority registration and filing fees; but excluding any fees or disbursements of any Holder, all expenses incurred in connection with the printing, mailing and delivering of copies of any Registration Statement, any Prospectus, any other offering documents and any amendments and supplements thereto to any underwriters and dealers; any underwriting discounts, fees or commissions attributable to the offer and Sale of any Registrable Securities; any fees and expenses of the underwriters or dealer managers, the cost of preparing, printing or producing any agreements among underwriters, underwriting agreements and blue sky or legal investment memoranda, any selling agreements and any other similar documents in connection with the offering, Sale, distribution or delivery of the Registrable Securities or other shares of Common Stock to be sold, including any fees of counsel for any underwriters in connection with the qualification of the Registrable Securities or other shares of Common Stock to be Sold for offering and Sale or distribution under state securities laws, any stock transfer taxes, and out-of-pocket costs and expenses relating to any investor presentations on any "road show" presentations undertaken in connection with marketing of the Registrable Securities and any fees and expenses of any counsel to the Holders, underwriters or dealer managers.

"Registration Period" has the meaning set forth in Section 2.01(c).

"Registration Rights" means the rights of the Holders to cause CS&L to Register Registrable Securities pursuant to Article II.

"Registration Statement" means any registration statement of CS&L filed with, or to be filed with, the SEC under the rules and regulations promulgated under the Securities Act, including the related Prospectus, amendments and supplements to such registration statement, including post-effective amendments, and all exhibits and all material incorporated by reference into such registration statement. For the avoidance of doubt, it is acknowledged and agreed that such Registration Statement may be on any form that shall be applicable, including Form S-11, Form S-3 or Form S-4 and may be a Shelf Registration Statement.

"Retained Shares" has the meaning set forth in the recitals.

"Sale" means the direct or indirect transfer, sale, assignment or other disposition of a security. The terms "Sell" and "Sold" shall have correlative meanings.

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the U.S. Securities Act of 1933, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

"Separation and Distribution Agreement" has the meaning set forth in the recitals.

"Shelf Registration Statement" means a Registration Statement of CS&L for an offering of Registrable Securities to be made on a delayed or continuous basis pursuant to Rule 415 under the Securities Act (or similar provisions then in effect).

"Subsequent Transferee" has the meaning set forth in Section 4.06(b).

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (i) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (x) the total combined voting power of all classes of voting securities of such Person, (y) the total combined equity interests or (z) the capital or profit interests, in the case of a partnership, or (ii) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

"Transferee" has the meaning set forth in Section 4.06(b).

"Underwritten Offering" means a Registration in which Registrable Securities are Sold to an underwriter or underwriters on a firm commitment basis for reoffering to the public.

"WHI" has the meaning set forth in the preamble and shall include WHI's successors by merger, acquisition, reorganization or otherwise.

"WHI Group" means WHI, each Subsidiary of WHI immediately after the Distribution Date and each Affiliate of WHI immediately after the Distribution Date (in each case other than any member of the CS&L Group).

"Windstream" has the meaning set forth in the preamble and shall include Windstream's successors by merger, acquisition, reorganization or otherwise.

Section 1.02 Interpretation.

In this Agreement, unless the context clearly indicates otherwise:

(a) words used in the singular include the plural, and words used in the plural include the singular;

(b) references to any Person include such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and a reference to such Person's "Affiliates" or "Subsidiaries" shall be deemed to mean such Person's Affiliates or Subsidiaries, as applicable, following the Distribution Date;

(c) any reference to any gender includes the other gender and the neuter;

(d) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”;

(e) the words “shall” and “will” are used interchangeably and have the same meaning;

(f) the word “or” shall have the inclusive meaning represented by the phrase “and/or”;

(g) any reference to any Article, Section, Exhibit or Schedule means such Article or Section of, or such Exhibit or Schedule to, this Agreement, as the case may be, and references in any Section or definition to any clause means such clause of such Section or definition;

(h) the words “herein,” “hereunder,” “hereof,” “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Section or other provision of this Agreement;

(i) any reference to any agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement;

(j) any reference to any law (including statutes and ordinances) means such law (including all rules and regulations promulgated thereunder) as amended, modified, codified or reenacted, in whole or in part, and in effect at the time of determining compliance or applicability;

(k) relative to the determination of any period of time, “from” means “from and including,” “to” means “to but excluding” and “through” means “through and including”;

(l) the table of contents and titles to Articles and headings of Sections contained in this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of or to affect the meaning or interpretation of this Agreement;

(m) any portion of this Agreement obligating a party to take any action or refrain from taking any action, as the case may be, shall mean that such party shall also be obligated to cause its relevant Subsidiaries to take such action or refrain from taking such action, as the case may be;

(n) the language of this Agreement shall be deemed to be the language the parties hereto have chosen to express their mutual intent, and no rule of strict construction shall be applied against any party; and

(o) except as otherwise indicated, all periods of time referred to herein shall include all Saturdays, Sundays and holidays; provided, however, that if the date to perform the act or give any notice with respect to this Agreement shall fall on a day other than a Business Day, such act or notice may be performed or given timely if performed or given on the next succeeding Business Day.

ARTICLE II

REGISTRATION RIGHTS

Section 2.01 Registration.

(a) Prior to the fifth anniversary of the Distribution Date, the WHI Group or, following the Sale or Transfer by the WHI Group of at least 90% of the Registrable Securities owned by it on the date of this Agreement, any Holders acting together which collectively hold 10% or more of the then outstanding Registrable Securities (collectively, the "Initiating Holder") shall have the right to request that CS&L file a Registration Statement, on behalf of itself or, in the case of the WHI Group, on behalf of the Participating Banks, with the SEC on the appropriate registration form for all or part of the Registrable Securities held by such Initiating Holder, by delivering a written request thereof to CS&L specifying the number of Registrable Securities such Initiating Holder wishes to register (a "Demand Registration"); provided, that Holders may not make more than one Demand Registration during any 90-day period prior to the first anniversary of the Distribution Date and not more than two Demand Registrations during any subsequent 365-day period (unless, with respect to any such Demand Registration, such Demand Registration is withdrawn prior to the filing of a Registration Statement or the Registration effected pursuant thereto becomes subject to a Blackout Period, in each case pursuant to Section 2.01(d)). CS&L shall (i) within five days of the receipt of a Demand Registration, give written notice of such Demand Registration to all Holders of Registrable Securities (other than the Initiating Holder), (ii) use its reasonable best efforts to prepare and file the Registration Statement as expeditiously as possible but in any event within 30 days of such request, and (iii) use its reasonable best efforts to cause the Registration Statement to become effective in respect of such Demand Registration in accordance with the intended method of distribution set forth in the written request delivered by the Initiating Holder. CS&L shall include in such Registration all Registrable Securities with respect to which CS&L receives, within the 10 days immediately following the receipt by the Holder(s) of such notice from CS&L, a request for inclusion in the Registration from the Holder(s) thereof. Each such request from a Holder of Registrable Securities for inclusion in the Registration shall also specify the aggregate amount of Registrable Securities proposed to be Registered. The Initiating Holder may request that the Registration Statement be on any appropriate form, including Form S-11 in the case of secondary equity offerings, Form S-4 in the case of an Exchange Offer or a Shelf Registration Statement, and CS&L shall effect the Registration on the form so requested.

(b) The Holders may collectively make a total of two Demand Registration requests pursuant to Section 2.01(a) (including any exercise of rights to Demand Registration transferred pursuant to Section 4.06 and including any exercise of rights to Demand Registration made pursuant to any registration rights agreement entered into pursuant to Section 2.05).

(c) CS&L shall be deemed to have effected a Registration for purposes of this Section 2.01 if the Registration Statement is declared effective by the SEC or becomes effective upon filing with the SEC and remains effective until the earlier of (i) the date when all Registrable Securities thereunder have been Sold and (ii) 60 days from the effective date of the Registration Statement (or from the date the applicable Prospectus is filed with the SEC if CS&L is satisfying a request for a Demand Registration by filing a Prospectus under an effective Shelf Registration Statement) (the "Registration Period"). No Registration shall be deemed to have been effective if the conditions to closing specified in the underwriting agreement or dealer manager agreement, if any, entered into in connection with such Registration are not satisfied by reason of a wrongful act, misrepresentation or breach of such applicable underwriting agreement or dealer manager agreement by any member of the CS&L Group. If during the Registration Period, such Registration is interfered with by any stop order, injunction or other order or requirement of the SEC or other Governmental Authority or the need to update or supplement the Registration Statement, the Registration Period shall be extended on a day-for-day basis for any period in which the Holder(s) is unable to complete an offering as a result of such stop order, injunction or other order or requirement of the SEC or other Governmental Authority.

(d) With respect to any Registration Statement, whether filed or to be filed pursuant to this Agreement, if CS&L shall reasonably determine, upon the good faith advice of legal counsel, that maintaining the effectiveness of such Registration Statement or filing an amendment or supplement thereto (or, if no Registration Statement has yet been filed, filing such a Registration Statement) would require the public disclosure of material nonpublic information concerning any transaction or negotiations involving CS&L or any of its consolidated Subsidiaries that would require the public disclosure of material non-public information concerning any transaction or negotiations involving CS&L or any of its consolidated subsidiaries that would materially interfere with such transaction or negotiations (a "Disadvantageous Condition"), CS&L may, for the shortest period reasonably practicable, and in any event for not more than 30 consecutive calendar days (a "Blackout Period"), notify the Holders whose offers and Sales of Registrable Securities are covered (or to be covered) by such Registration Statement (a "Blackout Notice") that such Registration Statement is unavailable for use (or will not be filed as requested). Upon the receipt of any such Blackout Notice, the Holders shall forthwith discontinue use of the Prospectus contained in any effective Registration Statement; provided, that, if at the time of receipt of such Blackout Notice any Holder shall have Sold its Registrable Securities (or have signed a firm commitment underwriting agreement with respect to the purchase of such shares) and the Disadvantageous Condition is not of a nature that would require a post-effective amendment to the Registration Statement, then CS&L shall use its reasonable best efforts to take such action as to eliminate any restriction imposed by federal securities laws on the timely delivery of such Registrable Securities to the extent permitted under such applicable laws prior to disclosure of material information relating to such Disadvantageous Condition. When any Disadvantageous Condition as to which a Blackout Notice has been previously delivered shall cease to exist, CS&L shall as promptly as reasonably practicable notify the Holders and take such actions in respect of such Registration Statement as are otherwise required by this Agreement. The effectiveness period for any Demand Registration for which CS&L has given notice of a Blackout Period shall be increased by the length of time of such Blackout Period. CS&L shall not impose, in any 365-day period, more than two Blackout Periods; such Blackout Periods shall not be permitted to run consecutively; and such Blackout Periods may not be prompted by the same Disadvantageous Condition. If CS&L declares a

Blackout Period with respect to a Demand Registration for a Registration Statement that has not yet been declared effective, (i) the Holders may by notice to CS&L withdraw the related Demand Registration request without such Demand Registration request counting against the number of Demand Registration requests permitted to be made under Section 2.01(b) and (ii) the Holders shall not be responsible for any of CS&L's related Registration Expenses.

(e) If the Initiating Holder so indicates at the time of its request pursuant to Section 2.01(a), such offering of Registrable Securities shall be in the form of an Underwritten Offering or an Exchange Offer, and CS&L shall include such information in the written notice to the Holders required under Section 2.01(a). In the event that the Initiating Holder intends to Sell the Registrable Securities by means of an Underwritten Offering or Exchange Offer, the right of any Holder to include Registrable Securities in such registration shall be conditioned upon such Holder's participation in such Underwritten Offering or Exchange Offer and the inclusion of such Holder's Registrable Securities in the Underwritten Offering or the Exchange Offer to the extent provided herein. The Holders of a majority of the outstanding Registrable Securities being included in any Underwritten Offering or Exchange Offer shall select the underwriter(s) in the case of an Underwritten Offering or the dealer manager(s) in the case of an Exchange Offer, provided that such underwriter(s) or dealer manager(s) are reasonably acceptable to CS&L.

(f) If the managing underwriter or underwriters of a proposed Underwritten Offering of Registrable Securities included in a Registration pursuant to this Section 2.01 inform(s) in writing the Holders participating in such Registration that, in its or their opinion, the number of securities requested to be included in such Registration exceeds the number that can be Sold in such offering without being reasonably likely to have a significant adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, the number of Registrable Securities to be included in such Registration shall be (i) reduced to the maximum number recommended by the managing underwriter or underwriters and (ii) allocated first to any members of the WHI Group participating in the Registration, and then pro rata among the other Holders, including the Initiating Holder (other than any member of the WHI Group), in proportion to the number of Registrable Securities each Holder has requested to be included in such Registration; provided, that the Initiating Holder may notify CS&L in writing that the Registration Statement shall be abandoned or withdrawn, in which event CS&L shall abandon or withdraw such Registration Statement. In the event the Initiating Holder notifies CS&L that such Registration Statement shall be abandoned or withdrawn prior to the filing of the Registration Statement, such Holder shall not be deemed to have requested a Demand Registration pursuant to Section 2.01(a), and CS&L shall not be deemed to have effected a Demand Registration pursuant to Section 2.01(c). If the amount of Registrable Securities to be underwritten has not been limited in accordance with the first sentence of this Section 2.01(f), CS&L and the holders of Common Stock or, if the Registrable Securities include securities other than Common Stock, the holders of securities of the same class of those securities included in the Registrable Securities, in each case, other than the Holders ("Other Holders"), may include such securities for their own account or for the account of Other Holders in such Registration if the underwriter(s) so agree and to the extent that, in the opinion of such underwriter(s), the inclusion of such additional amount will not adversely affect the offering of the Registrable Securities included in such Registration.

Section 2.02 Piggyback Registrations.

(a) Prior to the earlier to occur of the fifth anniversary of the Distribution Date or the date on which the Registrable Securities then held by the Holder(s) represents less than 1% of CS&L's then-issued and outstanding Common Stock (or, if the Registrable Securities include securities other than Common Stock, less than 1% of CS&L's then-issued and outstanding securities of the same class as the securities included in the Registrable Securities), if CS&L proposes to file a Registration Statement (other than a Shelf Registration) or a Prospectus supplement filed pursuant to a Shelf Registration Statement under the Securities Act with respect to any offering of such securities for its own account and/or for the account of any Person (other than (i) a Registration under Section 2.01, (ii) a Registration pursuant to a Registration Statement on Form S-8 or on Form S-4 or similar form that relates to a transaction subject to Rule 145 under the Securities Act, (iii) in connection with any dividend reinvestment or similar plan, (iv) for the sole purpose of offering securities to another entity or its security holders in connection with the acquisition of assets or securities of such entity or any similar transaction or (v) a Registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered) (each, a "CS&L Public Sale"), then, as soon as practicable, but in any event not less than 15 days prior to the proposed date of filing such Registration Statement, CS&L shall give written notice of such proposed filing to each Holder, and such notice shall offer such Holders the opportunity to Register under such Registration Statement such number of Registrable Securities as each such Holder may request in writing (each, a "Piggyback Registration"). Subject to Section 2.02(b) and Section 2.02(c), CS&L shall use its commercially reasonable efforts to include in a Registration Statement with respect to a CS&L Public Sale all Registrable Securities that are requested to be included therein within five Business Days after the receipt of any such notice; provided, however, that if, at any time after giving written notice of its intention to Register any securities and prior to the effective date of the Registration Statement filed in connection with such Registration, CS&L shall determine for any reason not to Register or to delay Registration of the CS&L Public Sale, CS&L may, at its election, give written notice of such determination to each such Holder and, thereupon, (x) in the case of a determination not to Register, shall be relieved of its obligation to Register any Registrable Securities in connection with such Registration, without prejudice, however, to the rights of any Holder to request that such Registration be effected as a Demand Registration under Section 2.01 and (y) in the case of a determination to delay Registration, shall be permitted to delay Registering any Registrable Securities for the same period as the delay in Registering such other shares of Common Stock in the CS&L Public Sale. No Registration effected under this Section 2.02 shall relieve CS&L of its obligation to effect any Demand Registration under Section 2.01.

(b) In the case of any Underwritten Offering, each Holder shall have the right to withdraw such Holder's request for inclusion of its Registrable Securities in such Underwritten Offering pursuant to Section 2.02(a) at any time prior to the execution of an underwriting agreement with respect thereto by giving written notice to CS&L of such Holder's request to withdraw and, subject to the preceding clause, each Holder shall be permitted to withdraw all or part of such Holder's Registrable Securities from a Piggyback Registration at any time prior to the effective date thereof.

(c) If the managing underwriter or underwriters of any proposed Underwritten Offering of a class of Registrable Securities included in a Piggyback Registration informs CS&L and each Holder in writing that, in its or their opinion, the number of securities of such class that such Holder and any other Persons intend to include in such offering exceeds the number that can be Sold in such offering without being reasonably likely to have an adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, then the securities to be included in such Registration shall be (i) first, all securities of CS&L and any other Persons (other than CS&L's executive officers and directors) for whom CS&L is effecting the Registration, as the case may be, proposes to Sell, (ii) second, the number, if any, of Registrable Securities of such class that, in the opinion of such managing underwriter or underwriters, can be Sold without having such adverse effect, with such number to be allocated pro rata among the Holders that have requested to participate in such Registration based on the relative number of Registrable Securities of such class requested by such Holder to be included in such Sale, (iii) third, the number of securities of executive officers and directors of CS&L for whom CS&L is effecting the Registration, as the case may be, with such number to be allocated pro rata among the executive officers and directors and (iv) fourth, any other securities eligible for inclusion in such Registration, allocated among the holders of such securities in such proportion as CS&L and those holders may agree.

(d) After a Holder has been notified of its opportunity to include Registrable Securities in a Piggyback Registration, such Holder (i) shall treat the Offering Confidential Information as confidential information, (ii) shall not use any Offering Confidential Information for any purpose other than to evaluate whether to include its Registrable Securities (or other shares of Common Stock) in such Piggyback Registration, (iii) shall not trade while aware of such Offering Confidential Information if such information shall constitute material non-public information unless and until such information shall become public or shall cease to be material, and (iv) shall not disclose any Offering Confidential Information to any Person other than such of its agents, employees, advisors and counsel as have a need to know such Offering Confidential Information, and to cause such agents, employees, advisors and counsel to comply with the requirements of this Section 2.02(d); provided, that any such Holder may disclose Offering Confidential Information if such disclosure is required by legal process, but such Holder shall cooperate with CS&L to limit the extent of such disclosure through protective order or otherwise, and to seek confidential treatment of the Offering Confidential Information.

Section 2.03 Registration Procedures.

(a) In connection with CS&L's Registration obligations under Section 2.01 and Section 2.02, CS&L shall use its reasonable best efforts to effect such Registration to permit the offer and Sale of such Registrable Securities in accordance with the intended method or methods of distribution thereof as expeditiously as reasonably practicable and, in connection therewith, CS&L shall, and shall cause the members of the CS&L Group to:

(i) prepare and file the required Registration Statement, including all exhibits and financial statements and, in the case of an Exchange Offer, any document required under Rule 425 or Rule 165 with respect to such Exchange Offer (collectively, the "Ancillary Filings") required under the Securities Act to be filed therewith, and before filing with the SEC a Registration

Statement or Prospectus, or any amendments or supplements thereto, (A) furnish to the underwriters or dealer managers, if any, and to the Holders, copies of all documents prepared to be filed, which documents shall be subject to the review and comment of such underwriters or dealer managers and such Holders and their respective counsel, and provide such underwriters or dealers managers, if any, and such Holders and their respective counsel reasonable time to review and comment thereon and (B) not file with the SEC any Registration Statement or Prospectus or amendments or supplements thereto or any Ancillary Filing to which the Holders or the underwriters or dealer managers, if any, shall reasonably object;

(ii) prepare and file with the SEC such amendments and post-effective amendments to such Registration Statement and supplements to the Prospectus and any Ancillary Filing as may be reasonably requested by the participating Holders;

(iii) promptly notify the participating Holders and the managing underwriters or dealer managers, if any, and, if requested, confirm such advice in writing and provide copies of the relevant documents, as soon as reasonably practicable after notice thereof is received by any member of the CS&L Group (A) when the applicable Registration Statement or any amendment thereto has been filed or becomes effective, the applicable Prospectus or any amendment or supplement to such Prospectus has been filed, or any Ancillary Filing has been filed, (B) of any comments (written or oral) by the SEC or any request (written or oral) by the SEC or any other Governmental Authority for amendments or supplements to such Registration Statement, such Prospectus or any Ancillary Filing, or for any additional information, (C) of the issuance by the SEC of any stop order suspending the effectiveness of such Registration Statement, any order preventing or suspending the use of any preliminary or final Prospectus or any Ancillary Filing, or the initiation or threatening of any proceedings for such purposes, (D) if, at any time, the representations and warranties (written or oral) in any applicable underwriting agreement or dealer manager agreement cease to be true and correct in all material respects and (E) of the receipt by any member of the CS&L Group of any notification with respect to the suspension of the qualification of the Registrable Securities for offering or Sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose;

(iv) (A) promptly notify each participating Holder and the managing underwriter(s) or dealer manager(s), if any, when CS&L becomes aware of the occurrence of any event as a result of which the applicable Registration Statement, the Prospectus included in such Registration Statement (as then in effect) or any Ancillary Filing contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein (in the case of such Prospectus and any preliminary Prospectus, in light of the circumstances under which they were made) not misleading, or if for any other reason it shall be necessary during such time period to amend or supplement such Registration Statement, Prospectus or any Ancillary Filing in order to

comply with the Securities Act, and (B) in either case, as promptly as reasonably practicable thereafter, prepare and file with the SEC, and furnish without charge to each participating Holder and the underwriter(s) or dealer manager(s), if any, an amendment or supplement to such Registration Statement, Prospectus or Ancillary Filing that will correct such statement or omission or effect such compliance;

(v) use its reasonable best efforts to prevent or obtain the withdrawal of any stop order or other order suspending the use of any preliminary or final Prospectus;

(vi) promptly (A) incorporate in a Prospectus supplement or post-effective amendment such information as the managing underwriter(s) or dealer manager(s), if any, and the Holders agree should be included therein relating to the plan of distribution with respect to such Registrable Securities and (B) make all required filings of such Prospectus supplement or post-effective amendment as soon as reasonably practicable after being notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(vii) furnish to each participating Holder and each underwriter or dealer manager, if any, without charge, as many conformed copies as such Holder or underwriter or dealer manager may reasonably request of the applicable Registration Statement and any amendment or post-effective amendment thereto, including financial statements and schedules, all documents incorporated therein by reference and all exhibits (including those incorporated by reference);

(viii) deliver to each participating Holder and each underwriter or dealer manager, if any, without charge, as many copies of the applicable Prospectus (including each preliminary Prospectus) and any amendment or supplement thereto as such Holder or underwriter or dealer manager may reasonably request (it being understood that CS&L consents to the use of such Prospectus or any amendment or supplement thereto by each participating Holder and the underwriter(s) or dealer manager(s), if any, in connection with the offering and Sale of the Registrable Securities covered by such Prospectus or any amendment or supplement thereto) and such other documents as such participating Holder or underwriter or dealer manager may reasonably request in order to facilitate the Sale of the Registrable Securities by such Holder or underwriter or dealer manager;

(ix) on or prior to the date on which the applicable Registration Statement is declared effective or becomes effective, use its reasonable best efforts to register or qualify, and cooperate with each participating Holder, the managing underwriter(s) or dealer manager(s), if any, and their respective counsel, in connection with the registration or qualification of, such Registrable Securities for offer and Sale under the securities or "blue sky" laws of each state and other jurisdiction of the United States as any participating Holder

or managing underwriter(s) or dealer manager(s), if any, or their respective counsel reasonably request, and in any foreign jurisdiction mutually agreeable to CS&L and the participating Holders, and do any and all other acts or things reasonably necessary or advisable to keep such registration or qualification in effect for so long as such Registration Statement remains in effect and so as to permit the continuance of offers and Sales and dealings in such jurisdictions for so long as may be necessary to complete the distribution of the Registrable Securities covered by the Registration Statement; provided that CS&L will not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, to take any action which would subject it to taxation or general service of process in any such jurisdiction where it is not then so subject or conform its capitalization or the composition of its assets at the time to the securities or blue sky laws of any such jurisdiction;

(x) in connection with any Sale of Registrable Securities that will result in such securities no longer being Registrable Securities, cooperate with each participating Holder and the managing underwriter(s) or dealer manager(s), if any, to (A) if the Registrable Securities are certificated, facilitate the timely preparation and delivery of certificates representing Registrable Securities to be Sold and not bearing any restrictive Securities Act legends and (B) register such Registrable Securities in such denominations and such names as such participating Holder or the underwriter(s) or dealer manager(s), if any, may request at least two Business Days prior to such Sale of Registrable Securities; provided that CS&L may satisfy its obligations hereunder without issuing physical stock certificates through the use of the Depository Trust Company's Direct Registration System;

(xi) cooperate and assist in any filings required to be made with the Financial Industry Regulatory Authority Inc. (or any successor organization) and each securities exchange, if any, on which any of CS&L's securities are then listed or quoted and on each inter-dealer quotation system or trading market on which any of CS&L's securities are then quoted, and in the performance of any due diligence investigation by any underwriter or dealer manager (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of each such exchange, and use its reasonable best efforts to cause the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other Governmental Authorities as may be necessary to enable the seller or sellers thereof or the underwriter(s) or dealer manager(s), if any, to consummate the Sale of such Registrable Securities;

(xii) not later than the effective date of the applicable Registration Statement, provide a CUSIP number for all Registrable Securities and provide the applicable transfer agent with printed certificates for the Registrable Securities which are in a form eligible for deposit with the Depository Trust Company; provided, that CS&L may satisfy its obligations hereunder without issuing physical stock certificates through the use of the Depository Trust Company's Direct Registration System;

(xiii) obtain for delivery to and addressed to each participating Holder and to the underwriter(s) or dealer manager(s), if any, opinions from the general counsel of CS&L, dated the effective date of the Registration Statement or, in the event of an Underwritten Offering, the date of the closing under the underwriting agreement or, in the event of an Exchange Offer, the date of the closing under the dealer manager agreement or similar agreement or otherwise, and in each such case in customary form and content for the type of Underwritten Offering or Exchange Offer, as applicable;

(xiv) in the case of an Underwritten Offering or Exchange Offer, obtain for delivery to and addressed to CS&L and the managing underwriter(s) or dealer manager(s), if any, and, to the extent requested, each participating Holder, a comfort letter from CS&L's independent registered public accounting firm in customary form and content for the type of Underwritten Offering or Exchange Offer, dated the date of execution of the underwriting agreement or dealer manager agreement or, if none, the date of commencement of the Exchange Offer, and brought down to the closing, whether under the underwriting agreement or dealer manager agreement, if applicable, or otherwise;

(xv) in the case of an Exchange Offer that does not involve a dealer manager, provide to each participating Holder such customary written representations and warranties or other covenants or agreements as may be requested by any participating Holder comparable to those that would be included in an underwriting or dealer manager agreement;

(xvi) use its reasonable best efforts to comply with all applicable rules and regulations of the SEC and make generally available to its security holders, as soon as reasonably practicable, but in any event no later than 90 days, after the end of the 12-month period beginning with the first day of CS&L's first quarter commencing after the effective date of the applicable Registration Statement, an earnings statement satisfying the provisions of Section 11(a) of the Securities Act and covering the period of at least 12 months, but not more than 18 months, beginning with the first month after the effective date of the Registration Statement;

(xvii) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the effective date of such Registration Statement;

(xviii) cause all Registrable Securities covered by the applicable Registration Statement to be listed on each securities exchange on which any of CS&L's securities are then listed or quoted and on each inter-dealer quotation system or trading market on which any of CS&L's securities are then quoted;

(xix) provide (A) each Holder participating in the Registration, (B) the underwriters (which term, for purposes of this Agreement, shall include any Person deemed to be an underwriter within the meaning of Section 2(a)(11) of the Securities Act), if any, of the Registrable Securities to be registered, (C) the Sale or placement agent therefor, if any, (D) the dealer manager therefor, if any, (E) counsel for such Holder, underwriters, agent, or dealer manager and (F) any attorney, accountant or other agent or representative retained by such Holder or any such underwriter or dealer manager, as selected by such Holder, in each case, the opportunity to participate in the preparation of such Registration Statement, each Prospectus included therein or filed with the SEC, and each amendment or supplement thereto; and for a reasonable period prior to the filing of such Registration Statement, upon execution of a customary confidentiality agreement, make available for inspection upon reasonable notice at reasonable times and for reasonable periods, by the parties referred to in clauses (A) through (F) above, all pertinent financial and other records, pertinent corporate and other documents and properties of the CS&L Group that are available to CS&L, and cause all of the CS&L Group's officers, directors and employees and the independent public accountants who have certified its financial statements to make themselves available at reasonable times and for reasonable periods to discuss the business of CS&L and to supply all information available to CS&L reasonably requested by any such Person in connection with such Registration Statement as shall be necessary to enable them to exercise their due diligence or other responsibility, subject to the foregoing; provided, that in no event shall any member of the CS&L Group be required to make available any information which the Board determines in good faith to be competitively sensitive or confidential. The recipients of such information shall coordinate with one another so that the inspection permitted hereunder will not unnecessarily interfere with the CS&L Group's conduct of business. Each Holder agrees that information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it as the basis for any market transactions in the securities of CS&L or its Affiliates unless and until such information is made generally available to the public by CS&L or such Affiliate or for any reason not related to the Registration of Registrable Securities;

(xx) in the case of an Underwritten Offering or Exchange Offer registering 20% or more of the original number of Retained Shares (as adjusted pursuant to Section 4.12), cause the senior executive officers of CS&L to participate at reasonable times and for reasonable periods in the customary "road show" presentations that may be reasonably requested by the managing underwriter(s) or dealer manager(s), if any, and otherwise to facilitate, cooperate with, and participate in each proposed offering contemplated herein and customary selling efforts related thereto;

(xxi) comply with all requirements of the Securities Act, Exchange Act and other applicable laws, rules and regulations, as well as all applicable stock exchange rules; and

(xxii) take all other customary steps reasonably necessary or advisable to effect the Registration and distribution of the Registrable Securities contemplated hereby.

(b) As a condition precedent to any Registration hereunder, CS&L may require each Holder as to which any Registration is being effected to furnish to CS&L such information regarding the distribution of such securities and such other information relating to such Holder, its ownership of Registrable Securities and other matters as CS&L may from time to time reasonably request in writing. Each such Holder agrees to furnish such information to CS&L and to cooperate with CS&L as reasonably necessary to enable CS&L to comply with the provisions of this Agreement. If a Holder fails to promptly provide the requested information after prior written notice of such request and the requested information is required by applicable law to be included in the Registration Statement, CS&L shall be entitled to refuse to include for registration such Holder's Registrable Securities or other shares of Common Stock in the Registration Statement.

(c) Each Holder shall, as promptly as reasonably practicable, notify CS&L, at any time when a Prospectus is required to be delivered (or deemed delivered) under the Securities Act, of the occurrence of an event, of which such Holder has knowledge, relating to such Holder or its Sale of Registrable Securities thereunder requiring the preparation of a supplement or amendment to such Prospectus so that, as thereafter delivered (or deemed delivered) to the purchasers of such Registrable Securities, such Prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

(d) Windstream agrees (on behalf of itself and each member of the WHI Group), and any other Holder agrees by acquisition of such Registrable Securities, that, upon receipt of any written notice from CS&L of the occurrence of any event of the kind described in Section 2.03(a)(iv), such Holder will treat such notice as Offering Confidential Information and comply with Section 2.02(d), regardless of the nature of the Registration, and will forthwith discontinue Sale of Registrable Securities pursuant to such Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 2.03(a)(iv), or until such Holder is advised in writing by CS&L that the use of the Prospectus may be resumed. In the event CS&L shall give any such notice, the period during which the applicable Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such notice through the date when each seller of Registrable Securities covered by such Registration Statement either receives the copies of the supplemented or amended Prospectus contemplated by Section 2.03(a)(iv) or is advised in writing by CS&L that the use of the Prospectus may be resumed.

Section 2.04 Underwritten Offerings or Exchange Offers.

(a) If requested by the managing underwriter(s) for any Underwritten Offering or dealer manager(s) for any Exchange Offer that is requested by Holders pursuant to a Demand Registration under Section 2.01, CS&L shall enter into an underwriting agreement or dealer manager agreement, as applicable, with such underwriter(s) or dealer manager(s) for such offering, such agreement to be reasonably satisfactory in substance and form to CS&L and the underwriter(s) or dealer manager(s) and, if the WHI Group is a participating Holder, to the WHI Group. Such agreement shall contain such representations and warranties by CS&L and such other terms as are generally prevailing in agreements of that type. Each Holder with Registrable Securities to be included in any Underwritten Offering or Exchange Offer by such underwriter(s) or dealer manager(s) shall enter into such underwriting agreement or dealer manager agreement at the request of CS&L, which agreement shall contain such reasonable representations and warranties by the Holder and such other reasonable terms as are generally prevailing in agreements of that type.

(b) In the event of a CS&L Public Sale involving an offering of Common Stock or other equity securities of CS&L in an Underwritten Offering (whether in a Demand Registration or a Piggyback Registration, whether or not the Holders participate therein), the Holders hereby agree, and, in the event of a CS&L Public Sale of Common Stock or other equity securities of CS&L in an Underwritten Offering or an Exchange Offer, CS&L shall agree, and it shall cause its executive officers and directors to agree, if requested by the managing underwriter or underwriters in such Underwritten Offering or by the Holder or the dealer manager or dealer managers, in an Exchange Offer, not to effect any Sale or distribution (including any offer to Sell, contract to Sell, short Sale or any option to purchase) of any securities (except, in each case, as part of the applicable Registration, if permitted hereunder) that are of the same type as those being Registered in connection with such public offering and Sale, or any securities convertible into or exchangeable or exercisable for such securities, during the period beginning five days before, and ending 90 days (or such lesser period as may be permitted by CS&L or the participating Holder(s), as applicable, or such managing underwriter or underwriters) after, the effective date of the Registration Statement filed in connection with such Registration (or, if later, the date of the Prospectus), to the extent requested by such selling Person or the managing underwriter or underwriters or dealer manager or dealer managers, subject to such exceptions as are customarily provided in covenants of this type. The participating Holders and CS&L, as applicable, also agree to execute an agreement evidencing the restrictions in this Section 2.04(b) in customary form, which form is reasonably satisfactory to CS&L or the participating Holder(s), as applicable, and the underwriter(s) or dealer manager(s), as applicable; provided that such restrictions may be included in the underwriting agreement or dealer manager agreement, if applicable. CS&L may impose stop-transfer instructions with respect to the securities subject to the foregoing restriction until the end of the required stand-off period.

(c) No Holder may participate in any Underwritten Offering or Exchange Offer hereunder unless such Holder (i) agrees to Sell such Holder's securities on the basis provided in any underwriting arrangements or dealer manager agreements approved by CS&L or other Persons entitled to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements, dealer manager agreements and other documents reasonably required under the terms of such underwriting arrangements or dealer manager agreements or this Agreement.

Section 2.05 Registration Rights Agreement with Participating Banks.

If one or more members of the WHI Group decides to engage in a Private Debt Exchange with one or more Participating Banks, CS&L shall enter into a registration rights agreement with the Participating Banks in connection with such Private Debt Exchange on terms and conditions consistent with this Agreement providing any such Participating Bank with Registration-related right and obligations consistent with those provided to the WHI Group pursuant to this Agreement (other than the voting provisions contained in Article III hereof) and reasonably satisfactory to CS&L and the WHI Group. Unless and until such additional registration rights agreement is entered into by CS&L and a Participating Bank, such Participating Bank shall be entitled to the rights of a Transferee under this Agreement. Each exercise of rights to Demand Registration made pursuant to any such registration rights agreement entered into pursuant to this Section 2.05, or pursuant to any exercise of such rights by a Participating Bank in its capacity as a Transferee, shall count as a Demand Registration for purposes of Section 2.01(b).

Section 2.06 Registration Expenses Paid by CS&L.

In the case of any Registration of Registrable Securities required pursuant to this Agreement, CS&L shall pay all Registration Expenses regardless of whether the Registration Statement becomes effective; provided, however, that CS&L shall not be required to pay for any expenses of any Registration begun pursuant to Section 2.01 if the Demand Registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be Registered (in which case all participating Holders shall bear such expenses pro rata in accordance with the number of Registrable Securities requested to be registered by each Holder), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one Demand Registration to which they have the right pursuant to Section 2.01(b).

Section 2.07 Indemnification.

(a) CS&L agrees to indemnify and hold harmless, to the full extent permitted by law, each Holder whose shares are included in a Registration Statement, such Holder's Affiliates and their respective officers, directors, agents, advisors, employees and each Person, if any, who controls (within the meaning of the Securities Act or the Exchange Act) such Holder, from and against any and all losses, claims, damages, liabilities (or actions or proceedings in respect thereof, whether or not such indemnified party is a party thereto) and expenses, joint or several (including reasonable costs of investigation and legal expenses) (each, a "Loss" and collectively "Losses") arising out of or based upon (i) any untrue or alleged untrue statement of a material fact contained or incorporated by reference in any Registration Statement under which the offering and Sale of such Registrable Securities was Registered under the Securities Act (including any final or preliminary Prospectus contained therein or any amendment thereof or supplement thereto or any documents incorporated by reference therein), or any such statement made in any free writing prospectus (as defined in Rule 405 under the Securities Act) that CS&L has filed or is required to file pursuant to Rule 433(d) of the Securities Act or any Ancillary Filing, (ii) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, preliminary Prospectus or free writing prospectus, in light of the circumstances under

which they were made) not misleading; provided, that with respect to any untrue statement or omission or alleged untrue statement or omission made in any Prospectus, the indemnity agreement contained in this paragraph shall not apply to the extent that any such liability results from or arises out of (A) the fact that a current copy of the Prospectus was not sent or given to the Person asserting any such liability at or prior to the written confirmation of the Sale of the Registrable Securities concerned to such Person if it is determined by a court of competent jurisdiction in a final and non-appealable judgment that CS&L has provided such Prospectus and it was the responsibility of such Holder or its agents to provide such Person with a current copy of the Prospectus and such current copy of the Prospectus would have cured the defect giving rise to such liability, (B) the use of any Prospectus by or on behalf of any Holder after CS&L has notified such Person (x) that such Prospectus contains or incorporates by reference an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (y) that a stop order has been issued by the SEC with respect to a Registration Statement or (z) that a Disadvantageous Condition exists, or (C) information furnished in writing by such Holder or on such Holder's behalf, in either case expressly for use in such Registration Statement, Prospectus, free writing prospectus or Ancillary Filing relating to such Holder's Registrable Securities. This indemnity shall be in addition to any liability CS&L may otherwise have, including under the Separation and Distribution Agreement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Holder or any indemnified party and shall survive the Sale of such securities by such Holder.

(b) Each participating Holder whose Registrable Securities are included in a Registration Statement agrees (severally and not jointly) to indemnify and hold harmless, to the full extent permitted by law, CS&L, its directors, officers, agents, advisors, employees and each Person, if any, who controls (within the meaning of the Securities Act and the Exchange Act) CS&L from and against any and all Losses (i) arising out of or based upon information furnished in writing by such Holder or on such Holder's behalf to CS&L, in either case expressly for use in a Registration Statement, Prospectus, free writing prospectus or Ancillary Filing relating to such Holder's Registrable Securities or (ii) arising out of or based upon (A) the fact that a current copy of the Prospectus was not sent or given to the Person asserting any such liability at or prior to the written confirmation of the Sale of the Registrable Securities concerned to such Person if it is determined by a court of competent jurisdiction in a final and non-appealable judgment that it was the responsibility of such Holder or its agent to provide such Person with a current copy of the Prospectus and such current copy of the Prospectus would have cured the defect giving rise to such liability, or (B) the use of any Prospectus by or on behalf of any Holder after CS&L has notified such Person (x) that such Prospectus contains or incorporates by reference an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (y) that a stop order has been issued by the SEC with respect to a Registration Statement or (z) that a Disadvantageous Condition exists. This indemnity shall be in addition to any liability the participating Holder may otherwise have, including under the Separation and Distribution Agreement. In no event shall the liability of any participating Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such holder under the Sale of the Registrable Securities giving rise to such indemnification obligation. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of CS&L or any indemnified party.

(c) Any claim or action with respect to which a party (an "Indemnifying Party") may be obligated to provide indemnification to any Person entitled to indemnification hereunder (an "Indemnitee") shall be subject to the procedures for indemnification set forth in Section [—] of the Separation and Distribution Agreement.

(d) If for any reason the indemnification provided for in Section 2.07(a) or Section 2.07(b) is unavailable to an Indemnitee or insufficient to hold it harmless as contemplated by Section 2.07(a) or Section 2.07(b), then the Indemnifying Party shall contribute to the amount paid or payable by the Indemnitee as a result of such Loss in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and the Indemnitee on the other hand. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Indemnifying Party or the Indemnitee and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. For the avoidance of doubt, the establishment of such relative fault, and any disagreements or disputes relating thereto, shall be subject to Section 4.03. Notwithstanding anything in this Section 2.07(d) to the contrary, no Indemnifying Party (other than CS&L) shall be required pursuant to this Section 2.07(d) to contribute any amount in excess of the amount by which the net proceeds received by such Indemnifying Party from the Sale of Registrable Securities in the offering to which the Losses of the Indemnitees relate (before deducting expenses, if any) exceeds the amount of any damages which such Indemnifying Party has otherwise been required to pay by reason of such untrue statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.07(d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this Section 2.07(d). No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The amount paid or payable by an Indemnitee hereunder shall be deemed to include, for purposes of this Section 2.07(d), any legal or other expenses reasonably incurred by such Indemnitee in connection with investigating, preparing to defend or defending against or appearing as a third party witness in respect of, or otherwise incurred in connection with, any such loss, claim, damage, expense, liability, action, investigation or proceeding. If indemnification is available under this Section 2.07, the Indemnifying Parties shall indemnify each Indemnitee to the full extent provided in Section 2.07(a) and Section 2.07(b) without regard to the relative fault of said Indemnifying Parties or Indemnitee. Any Holders' obligations to contribute pursuant to this Section 2.07(d) are several and not joint.

Section 2.08 Reporting Requirements; Rule 144.

Until the earlier of (a) the expiration or termination of this Agreement in accordance with its terms and (b) the date upon which the WHI Group ceases to own any Registrable Securities, CS&L shall use its commercially reasonable efforts to be and remain in compliance with the periodic filing requirements imposed under the SEC's rules and regulations, including the

Exchange Act, and any other applicable laws or rules, and thereafter shall timely file such information, documents and reports as the SEC may require or prescribe under Sections 13, 14 and 15(d), as applicable, of the Exchange Act in order to enable the WHI Group to Sell Registrable Securities without registration under the Securities Act consistent with the exemptions from registration under the Securities Act provided by (i) Rule 144 or Regulation S under the Securities Act, as amended from time to time, or (ii) any similar SEC rule or regulation then in effect. From and after the date hereof through the earlier of the expiration or termination of this Agreement in accordance with its terms and the date upon which the WHI Group ceases to own any Registrable Securities, CS&L shall forthwith upon request furnish any Holder (x) a written statement by CS&L as to whether it has complied with such requirements and, if not, the specifics thereof, (y) a copy of the most recent annual or quarterly report of CS&L, and (z) such other reports and documents filed by CS&L with the SEC, as such Holder may reasonably request in availing itself of an exemption for the offering and Sale of Registrable Securities without registration under the Securities Act.

Section 2.09 Registration Rights Covenant.

CS&L covenants that it will not, and it will cause the members of the CS&L Group not to, grant any right of registration under the Securities Act relating to any of its shares of Common Stock or other securities to any Person other than pursuant to this Agreement, unless the rights so granted to another Person do not limit or restrict the right of the Holder(s) hereunder.

ARTICLE III

STOCKHOLDER'S AGREEMENT

Section 3.01 Voting of CS&L Common Stock.

(a) From the date of this Agreement and until the date that the WHI Group ceases to own any Retained Shares, Windstream shall, and shall cause each member of the WHI Group to (in each case, to the extent that it owns any Retained Shares), be present, in person or by proxy, at each and every CS&L stockholder meeting, and otherwise to cause all Retained Shares owned by them to be counted as present for purposes of establishing a quorum at any such meeting, and to vote or consent on any matter (including waivers of contractual or statutory rights), or cause to be voted or consented on any such matter, all such Retained Shares in proportion to the votes cast by the other holders of Common Stock on such matter.

(b) From the date of this Agreement and until the date that the WHI Group ceases to own any Retained Shares, Windstream hereby grants, and shall cause each member of the WHI Group (in each case, to the extent that it owns any Retained Shares) to grant, an irrevocable proxy, which shall be deemed coupled with an interest sufficient in law to support an irrevocable proxy to CS&L or its designees, to vote, with respect to any matter (including waivers of contractual or statutory rights), all Retained Shares owned by it in proportion to the votes cast by the other holders of Common Stock on such matter; provided, that (i) such proxy shall automatically be revoked as to a particular Retained Share upon any Sale of such Retained Share from a member of the WHI Group to a Person other than a member of the WHI Group and (ii) nothing in this Section 3.01(b) shall limit or prohibit any such Sale.

Section 3.02 Certain Additional Agreements.

(a) From the date of this Agreement and until the date that the WHI Group ceases to own any Retained Shares, no member of the WHI Group (excluding individuals serving as executive officers or directors) shall directly or indirectly (i) seek a seat on the board of directors of CS&L whether through formal nomination procedures under CS&L's Articles of Amendment and Restatement and Amended and Restated Bylaws or otherwise, and the WHI Group shall not support any individual for nomination or election to the board of directors of CS&L (except pursuant to the proportional voting requirements set forth in Section 3.01); (ii) engage in proxy or written consent solicitations or contests or in any way participate in (other than by voting its shares of Common Stock in a way that does not violate this Agreement), any solicitation of any proxy, consent or other authority to vote any shares of Common Stock; (iii) submit a stockholder proposal or any other agenda item at or with respect to any stockholder meeting; or (iv) exercise any other rights as a stockholder of CS&L in a manner that is intended to influence or control the management, governance or policies of CS&L.

(b) From the date of this Agreement and until the date that the WHI Group ceases to own any Retained Shares, no member of the WHI Group (excluding individuals serving as executive officers or directors) shall purchase or otherwise acquire any shares of Common Stock other than (i) the Retained Shares, (ii) any and all securities of CS&L into which the Retained Shares are converted, exchanged or substituted in any recapitalization or other capital reorganization by CS&L, (iii) any and all securities of any kind whatsoever of CS&L or any successor or permitted assign of CS&L (whether by merger, consolidation, sale of assets or otherwise) which may be issued on or after the date hereof in respect of, in conversion of, in exchange for or in substitution of, the Retained Shares, (iv) pursuant to stock dividends and stock splits and (v) any acquisitions allowed pursuant to the Employee Matters Agreement, dated —, 2015, between WHI and CS&L, in order for a member of WHI Group to acquire shares of Common Stock solely for the purpose of satisfying tax withholding obligations with respect to employees of WHI Group.

Section 3.03 Specific Performance.

(a) Windstream acknowledges and agrees (on behalf of itself and each member of the WHI Group) that CS&L will be irreparably damaged in the event any of the provisions of this Article III are not performed by Windstream in accordance with their terms or are otherwise breached. Accordingly, it is agreed that CS&L shall be entitled to an injunction to prevent breaches of this Article III and to specific enforcement of the provisions of this Article III in any action instituted in any court of the United States or any state having subject matter jurisdiction over such action.

ARTICLE IV

MISCELLANEOUS

Section 4.01 Term.

This Agreement shall terminate upon the earlier of (a) five years after the Distribution Date, (b) the time at which all Registrable Securities are held by Persons other than Holders and (c) the time at which all Registrable Securities have been Sold in accordance with one or more Registration Statements; provided, that the provisions of Section 2.06 and Section 2.07 and this Article IV shall survive any such termination.

Section 4.02 Counterparts; Entire Agreement; Corporate Power.

(a) This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each party and delivered to each other party.

(b) This Agreement and the exhibit hereto contain the entire agreement between the parties with respect to the subject matter hereof, supersedes all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the parties with respect to such subject matter other than those set forth or referred to herein.

(c) Windstream represents on behalf of itself and each other member of the WHI Group, and CS&L represents on behalf of itself and each other member of the CS&L Group, as follows: (i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby, and (ii) this Agreement has been duly executed and delivered by it and constitutes a valid and binding agreement of it enforceable in accordance with the terms hereof.

Section 4.03 Disputes.

(a) Any dispute, controversy or claim arising out of or relating to this Agreement, including the validity, interpretation, breach or termination hereof (a "Dispute"), shall be resolved in accordance with the procedures set forth in the Separation and Distribution Agreement, which shall be the sole and exclusive procedures for the resolution of any such Dispute unless otherwise specified in this Agreement or in the Separation and Distribution Agreement.

(b) This Agreement (and any claims or disputes arising out of or related hereto or to the transactions contemplated hereby or to the inducement of any party to enter herein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the laws of the State of New York, including all matters of validity, construction, effect, enforceability, performance and remedies.

(c) THE PARTIES EXPRESSLY WAIVE AND FOREGO ANY RIGHT TO TRIAL BY JURY.

Section 4.04 Amendment.

No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of CS&L, if such waiver, amendment, supplement or modification is sought to be enforced against CS&L, or the Holders of a majority of the Registrable Securities, if such waiver, amendment, supplement or modification is sought to be enforced against one or more Holders.

Section 4.05 Waiver of Default.

Waiver by any party of any default by the other party of any provision of this Agreement shall not be deemed a waiver by the waiving party of any subsequent or other default, nor shall it prejudice the rights of such party. No failure or delay by any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 4.06 Successors, Assigns and Transferees.

(a) This Agreement and all provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. CS&L may assign this Agreement at any time in connection with a sale or acquisition of CS&L, whether by merger, consolidation, sale of all or substantially all of CS&L's assets, or similar transaction, without the consent of the Holders; provided, that the successor or acquiring Person agrees in writing to assume all of CS&L's rights and obligations under this Agreement. Windstream may assign this Agreement to any member of the WHI Group or at any time in connection with a sale or acquisition of WHI or Windstream, whether by merger, consolidation, sale of all or substantially all of WHI's or Windstream's assets, or similar transaction, without the consent of CS&L.

(b) The WHI Group shall be permitted to Sell without restriction all or any portion of its Registrable Securities except that, because such Securities have not been registered under the Securities Act or any applicable state securities laws, it is agreed that such Securities may not be offered, Sold or transferred except (1) pursuant to the registration provisions of the Securities Act and applicable state securities laws, or (2) upon receipt by CS&L of a legal opinion reasonably acceptable to CS&L from counsel reasonably acceptable to CS&L, as well as such other documentation requested by CS&L, that registration under such laws is not required in connection with such offer, Sale or transfer. Upon any such Sale, The WHI Group shall be permitted to assign its Registration-related rights and obligations under this Agreement relating to the Registrable Securities Sold to the following transferees: (i) any member of the WHI Group to which Registrable Securities are Sold, (ii) one or more Participating Banks to which Registrable Securities are Sold and (iii) any transferee to which Registrable Securities representing at least 5% of CS&L's then issued and outstanding shares of Common Stock are Sold, calculated on a fully diluted basis; provided, that, in each such case, (x) CS&L is given written notice prior to or at the time of such Sale stating the name and address of the transferee and identifying the securities with respect to which the Registration-related rights and obligations are being Sold and (y) the transferee executes a counterpart in the form attached hereto as Exhibit A and delivers the same to CS&L (any such transferee in such Sale, a "Transferee"). In

connection with the Sale of Registrable Securities, a Transferee or Subsequent Transferee shall be permitted to Sell any portion of its Registrable Securities, if such Sale complies with all of the restrictions set forth in the first sentence of this Section 4.06(b). Upon any such Sale made in compliance with the terms set forth herein, a Transferee or Subsequent Transferee shall be permitted to assign its Registration-related rights and obligations under this Agreement relating to such Registrable Securities to the following subsequent transferees: (x) an Affiliate of such Transferee to which Registrable Securities are Sold, or (y) any transferee to which Registrable Securities representing at least 5% of CS&L's then issued and outstanding shares of Common Stock are Sold, calculated on a fully diluted basis; provided that, in the cases of clauses (x) and (y), (i) CS&L is given written notice prior to or at the time of such Sale stating the name and address of the subsequent transferee and identifying the securities with respect to which the Registration-related rights and obligations are being assigned and (ii) the subsequent transferee executes a counterpart in the form attached hereto as Exhibit A and delivers the same to CS&L (any such subsequent transferee, a "Subsequent Transferee"). In all cases, the Registration Rights shall not be transferred unless the transferee thereof executes a counterpart attached hereto as Exhibit A and delivers the same to CS&L. Any transfers of Registrable Securities not made in accordance with the provisions of this Section 4.06 shall cause such securities to no longer be deemed to be Registrable Securities under this Agreement.

Section 4.07 Further Assurances.

In addition to the actions specifically provided for elsewhere in this Agreement, each of the parties hereto shall use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary, proper or advisable on its part under applicable laws, regulations and agreements, to consummate and make effective the transactions contemplated by this Agreement.

Section 4.08 Performance.

Windstream shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement to be performed by any member of the WHI Group. CS&L shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement to be performed by any member of the CS&L Group. Each party (including its permitted successors and assigns) further agrees that it shall (a) give timely notice of the terms, conditions and continuing obligations contained in this Section 4.08 to all of the other members of its Group and (b) cause all of the other members of its Group not to take, or omit to take, any action which action or omission would violate or cause such party to violate this Agreement.

Section 4.09 Notices.

All notices, requests, claims, demands or other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service), or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 4.09):

If to Windstream, to:

Windstream Services, LLC
4001 Rodney Parham Road
Little Rock, Arkansas 72212
Attention: General Counsel

If to CS&L, to:

Communications Sales & Leasing, Inc.
10802 Executive Center Drive
Benton Building Suite 300
Little Rock, AR 72211
Attention: Chief Executive Officer

Any party may, by notice to the other party, change the address and contact person to which any such notices are to be given.

Section 4.10 Severability.

If any provision of this Agreement or the application hereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the parties.

Section 4.11 No Reliance on Other Party.

The parties hereto represent to each other that this Agreement is entered into with full consideration of any and all rights which the parties hereto may have. The parties hereto have relied upon their own knowledge and judgment and have conducted such investigations they and their in-house counsel have deemed appropriate regarding this Agreement and their rights in connection with this Agreement. The parties hereto are not relying upon any representations or statements made by any other party, or any such other party's employees, agents, representatives or attorneys, regarding this Agreement, except to the extent such representations are expressly set forth or incorporated in this Agreement. The parties hereto are not relying upon a legal duty, if one exists, on the part of any other party (or any such other party's employees, agents, representatives or attorneys) to disclose any information in connection with the execution of this Agreement or its preparation, it being expressly understood that no party hereto shall ever assert any failure to disclose information on the part of any other party as a ground for challenging this Agreement or any provision hereof.

Section 4.12 Registrations, Exchanges, etc.

(a) Notwithstanding anything to the contrary that may be contained in this Agreement, the provisions of this Agreement shall apply to the full extent set forth herein with respect to (i) any shares of Common Stock, now or hereafter authorized to be issued, (ii) any and all securities of CS&L into which the shares of Common Stock are converted, exchanged or substituted in any recapitalization or other capital reorganization by CS&L and (iii) any and all securities of any kind whatsoever of CS&L or any successor or permitted assign of CS&L (whether by merger, consolidation, sale of assets or otherwise) which may be issued on or after the date hereof in respect of, in conversion of, in exchange for or in substitution of, the shares of Common Stock, and shall be appropriately adjusted for any stock dividends, or other distributions, stock splits or reverse stock splits, combinations, recapitalizations, mergers, consolidations, exchange offers or other reorganizations occurring after the date hereof.

Section 4.13 Mutual Drafting.

This Agreement shall be deemed to be the joint work product of the parties, and any rule of construction that a document shall be interpreted or construed against a drafter of such document shall not be applicable.

[*The remainder of this page has been left blank intentionally.*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized representatives as of the date first above written.

Windstream Services, LLC

By: _____
Name:
Title:

Communications Sales & Leasing, Inc.

By: _____
Name:
Title:

[*Signature Page to Stockholder's and Registration Rights Agreement*]

Exhibit A

Form of

Agreement to be Bound

THIS INSTRUMENT forms part of the Stockholder's and Registration Rights Agreement (the "Agreement"), dated as of [•], 2015 by and between Windstream Services, LLC, a Delaware limited liability company ("Windstream"), and Communications Sales & Leasing, Inc., a Maryland corporation. The undersigned hereby acknowledges having received a copy of the Agreement and having read the Agreement in its entirety, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, hereby agrees that the terms and conditions of the Agreement binding upon and inuring to the benefit of Windstream shall be binding upon and inure to the benefit of the undersigned and its successors and permitted assigns as if it were an original party to the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this instrument on this day of , 20 .

_____

(Signature of transferee)

_____

Print name

EMPLOYMENT AGREEMENT
BETWEEN
COMMUNICATIONS SALES & LEASING, INC. AND KENNETH GUNDERMAN

This Employment Agreement (this "Agreement") is made, entered into, and is effective and binding as of February 12, 2015 (the "Execution Date"), by and between Communications Sales & Leasing, Inc., a Maryland corporation ("CS&L"), and Kenneth Gunderman (the "Executive"). In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions.

For purposes of this Agreement, the following terms shall have the meanings indicated below:

1.1 "Base Salary" shall have the meaning given to such term in Section 5.1, except that where the Base Salary of the Executive has, notwithstanding the provisions of Section 5.1, been reduced, Base Salary shall mean the Base Salary without giving effect to the reduction.

1.2 "Beneficiary" shall mean the person so designated by the Executive in a written notice to CS&L prior to his death, and in the absence of a written beneficiary designation, the Executive's Beneficiary shall be his surviving Spouse, or if he has no surviving Spouse, his estate, except (in each case) where otherwise required by law or the terms of an applicable compensation arrangement or employee benefit plan.

1.3 "Board" shall mean the Board of Directors of CS&L or a duly authorized committee of the Board, including, without limitation, the Compensation Committee of the Board.

1.4 "Cause" shall have the meaning given to such term in Section 7.3.

1.5 "Change-in-Control" shall mean, if at any time subsequent to the Spin-Off Date any of the following events shall have occurred:

(i) The consummation of an acquisition by any individual, entity or "group," within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Securities Exchange Act of 1934, as amended (a "Person"), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended) of voting securities of CS&L where such acquisition causes any such Person to own fifty percent (50%) or more of the combined voting power of the then outstanding voting securities of CS&L entitled to vote generally in the election of directors (the "Outstanding Voting Securities"); provided, however, that for purposes of this definition any acquisition by any corporation pursuant to a transaction that complies with clauses (A), (B) and (C) of subparagraph (iii) below shall not be deemed to result in a Change in Control;

(ii) Individuals who, as of the date of the Spin-Off, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date of the Spin-Off whose election, or nomination for election by CS&L's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(iii) The consummation of a reorganization, merger or consolidation or sale or other disposition of more than fifty percent (50%) of the assets of CS&L and its subsidiaries, taken as a whole (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, at least fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Corporation or all or substantially all of the Corporation's and its subsidiaries' assets either directly or through one or more subsidiaries), in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Voting Securities, as the case may be, (B) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Corporation or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, fifty percent (50%) or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or the action of the Board, providing for such Business Combination; or approval by the stockholders of CS&L of a complete liquidation or dissolution of CS&L.

1.6 "Code" shall mean the Internal Revenue Code of 1986, as amended.

1.7 "Corporation" shall mean Communications Sales & Leasing, Inc. and any successor to its business or assets, by operation of law or otherwise.

1.8 "Compensation Committee" shall mean the Compensation Committee of the Board or, with respect to any period during which there is no Compensation Committee of the Board, the Board.

1.9 “Confidential Information” shall have the meaning given to such term in Section 8.2.

1.10 “CS&L Group” shall mean, collectively, CS&L and all other entities that are direct or indirect subsidiaries or affiliates of CS&L from time to time, and a “member” of the CS&L Group shall mean CS&L or any of such entities. For the sake of clarity, prior to the Spin-Off Date, the CS&L Group shall include Windstream and its subsidiaries and affiliates, including CS&L, and following the Spin-Off Date, the CS&L Group shall no longer include Windstream or any affiliates of Windstream for any purpose under this Agreement.

1.11 “CS&L Parties” shall have the meaning given to such term in Section 8.5.

1.12 “Disability” shall mean the incapacity of the Executive, due to injury, illness, disease, or bodily or mental infirmity, to engage in the performance of his usual duties as contemplated by Section 3, except for an incapacity of the Executive for a period of less than 180 consecutive calendar days or any incapacity for which the Board has not provided Executive with at least 20 business days advance written notice that it intends to seek competent medical advice as to whether or not a Disability exists. The existence of a “Disability” shall be determined by the Board in the good faith exercise of its discretion upon receipt of and in reliance on competent medical advice from one or more individuals who are qualified to give professional medical advice on the matters that are relevant to the Executive’s condition selected by the Board.

1.13 “Effective Date” shall mean the date on which Executive’s employment with CS&L commences, which CS&L and Executive agree shall occur on a mutually agreeable date on or before February 28, 2015. Notwithstanding any other provision of this Agreement to the contrary, Executive shall not earn compensation or accrue benefits of any kind prior to the Effective Date.

1.14 “Good Reason” shall mean the occurrence on or after the Effective Date and no more than 90 calendar days prior to the date that Notice of Termination is given by the Executive in accordance with Section 7.6, without the Executive’s express written consent, of any one or more of the events described in (A), (B), (C), or (D) of subsection (i) of this Section 1.14.

(i) Executive may treat any of the following occurrences as a “Good Reason” condition: (A) any action of CS&L that results in a material adverse change in the Executive’s position (including status, offices, title, and reporting requirements), authorities, duties, or other responsibilities; (B) a material reduction by CS&L in the Executive’s compensation, as contemplated by Section 5; (C) the failure of the Board to nominate the Executive for election or re-election to the Board following the Spin-Off Date; and (D) a material breach by CS&L of any provision of this Agreement;

(ii) Notwithstanding any other provision of this Agreement to the contrary, before the Executive may resign for Good Reason, CS&L must have an opportunity within 30 days following delivery of Executive’s Notice of Termination to cure the Good Reason condition;

(iii) Notwithstanding any other provision of this Agreement to the contrary, in no event shall any of the following occurrences constitute "Good Reason": (A) a reduction in any component of the Executive's compensation if coincident with the reduction in that component of the Executive's compensation one or more other components of the Executive's compensation is or are increased or a substitute or alternative is provided so that the Executive's overall compensation is not materially reduced; (B) the Executive does not earn cash bonuses or benefit from equity incentives awarded to the Executive because one or more performance goals or targets (including appreciation in value related to equity awards) was or were not achieved; or (C) Executive's suspension for any period during which the Board is making a determination whether to terminate the Executive for Cause in accordance with Section 7.3.

1.15 "Non-Interference/Assistance Period" shall mean the period commencing with the Termination Date and ending on the first anniversary of the Termination Date.

1.16 "Notice of Termination" shall have the meaning given to such term in Section 12.1.

1.17 "Ordinary Termination Benefits" shall mean (i) the Executive's Base Salary earned but not paid through the Termination Date and (ii) Other Vested Benefits.

1.18 "Other Vested Benefits" shall mean all accrued but unpaid vacation pay as of the Termination Date and any amount payable to Executive under any incentive compensation plan implemented and approved by the Board on or after the Spin-Off Date, to the extent such incentive compensation is payable in accordance with the terms of any such plan with respect to the measuring period ending immediately prior to the measuring period during which the Termination Date occurs, but expressly excluding Base Salary or Severance Benefits.

1.19 "Protective Covenants" shall mean the Executive's obligations under Section 8 of this Agreement.

1.20 "Section 409A" shall mean Section 409A of the Code, and any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section 409A by the U.S. Department of Treasury or the Internal Revenue Service.

1.21 "REIT" shall mean a real estate investment trust.

1.22 "Release" shall have the meaning given to such term in Section 7.7.

1.23 "Release Deadline" shall have the meaning given to such term in Section 7.7.

1.24 "Severance Benefits" shall mean a lump sum payment, in cash, equal to two times the sum of Executive's annual Base Salary, which amount shall be in lieu of any severance benefits to which the Executive would otherwise be entitled or eligible to receive under any severance plan, program, policy or practice or contract or agreement of the CS&L Group.

1.25 "Spin-Off" shall mean the distribution by Windstream to the holders of the outstanding shares of common stock, par value $0.0001 per share, of Windstream, on a pro rata basis, of certain of the outstanding shares of CS&L common stock, par value $0.0001 per share, such that CS&L becomes an independent, publicly traded real estate investment trust.

1.26 “Spin-Off Date” shall mean the date on which the Spin-Off occurs.

1.27 “Spouse” shall mean the person (if any) to whom the Executive is legally married at the relevant time, or if the Executive is deceased, the person (if any) to whom the Executive was legally married at the time of the Executive’s death.

1.28 “Term” shall have the meaning given to such term in Section 2.

1.29 “Termination Date” shall mean the effective date of the termination of the Executive’s employment with the CS&L Group during the Term that constitutes a “separation from service” within the meaning of Section 409A. CS&L and the Executive shall take all steps necessary (including with regard to any post-termination services by the Executive) to ensure that any termination described in Section 7 of this Agreement constitutes a “separation from service” within the meaning of Section 409A, and the date on which such separation from service takes place shall be the “Termination Date.”

1.30 “Windstream” shall mean Windstream Holdings, Inc., a Delaware corporation.

Section 2. Term of Agreement.

(A) CS&L shall employ the Executive, and may cause any other member of the CS&L Group to employ the Executive, and the Executive shall continue his employment in accordance with the terms and conditions set forth herein, for the “Term” of this Agreement.

(B) The “Term” shall mean the period commencing on the Effective Date and ending on the earlier of: (i) the Termination Date; or (ii) December 31, 2018. To the extent not previously terminated, the Term shall be automatically renewed for successive one-year periods upon the terms and conditions set forth herein, commencing on December 31, 2018, and on each anniversary of such Term extension thereafter, unless either party gives the other party Notice of Termination at least 90 calendar days prior to the end of such initial or extended Term that the Term shall not be so extended. For purposes of this Agreement, any reference to the “Term” of this Agreement shall include the original term and any extension thereof.

Section 3. Position and Responsibilities.

(A) During the Term, the Executive shall serve as the Chief Executive Officer and President of CS&L, with such duties and responsibilities as are commensurate with such positions, reporting directly to the Board. In addition, CS&L shall cause the Executive to serve as a member of the Board, and during the Term, the Executive shall remain on the Board, subject to Section 8.6.

(B) The Executive agrees to serve, without additional compensation, as an officer and director for each member of the CS&L Group (other than Windstream or CS&L), as determined by the Board, provided, that such service does not materially interfere with the Executive’s performance of his duties and responsibilities as a member of the Board and Chief Executive Officer and President of CS&L.

(C) Subject to the Spin-Off occurring prior to the Termination Date and effective upon the Spin-Off Date, Executive acknowledges and agrees to comply with the CS&L's stock ownership guidelines for the Chief Executive Officer position, as the same may be adopted and amended from time to time. Executive acknowledges that it is contemplated that the stock ownership guidelines will require Executive to maintain ownership of CS&L stock equal in value to at least the Base Salary multiplied by five, to be calculated and determined in accordance with such stock ownership guidelines.

(D) Prior to and in connection with the Spin-Off, Executive agrees to execute an acknowledgement and agreement relating to any clawback policy adopted by the Board. Executive acknowledges that, notwithstanding any provision of this Agreement to the contrary, any incentive compensation or performance-based compensation paid or payable to Executive hereunder shall be subject to repayment or recoupment obligations arising under applicable law or any such clawback policy as may be so adopted, and as the same may be amended from time to time.

Section 4. Standard of Care.

During the Term, the Executive shall devote substantially his full business time, attention, and energies to the business of the CS&L Group. During the Term, it shall not be a violation of this Agreement for the Executive, to serve as a director of or officer of or otherwise participate in other businesses and civic, charitable, and educational organizations so long as that service or participation is not injurious to the CS&L Group, does not violate any provision of Section 8, and does not interfere with the performance of his duties for the CS&L Group. During the Term, the Executive shall:

(A) Devote his best efforts to the fulfillment of his employment obligations hereunder;

(B) Exercise the highest degree of care and loyalty to the CS&L Group and the highest standards of conduct in the performance of his duties;

(C) Comply with the policies, corporate governance board guidelines and code of ethics of each member of the CS&L Group; and

(D) Do nothing that intentionally harms, in any way, the business or reputation of the CS&L Group.

Section 5. Compensation.

As remuneration for all services to be rendered to the CS&L Group by the Executive during the Term and except as otherwise provided in this Agreement, CS&L shall pay or provide, or cause another member of the CS&L Group to pay or provide, to the Executive the following:

5.1 Base Salary.

During the Term, and effective on the Effective Date, the Executive shall receive a base salary ("Base Salary") at a rate of no less than $700,000 per annum. During the Term, the Executive's Base Salary shall be reviewed annually following the Spin-Off Date by the Board and may be increased by the Board in its sole and absolute discretion. If so increased, the Base Salary shall be increased for all purposes of this Agreement. Once so increased, the Base Salary shall not be decreased during the Term. The Executive's Base Salary shall be paid to the Executive in installments throughout the year, consistent with the normal payroll practices of CS&L.

5.2 Annual Bonus.

For each fiscal year during the Term following the Spin-Off Date, the Executive shall be eligible to participate in an annual incentive compensation plan, to be implemented with the Board's approval following the Spin-Off Date, under terms and conditions no less favorable than other senior executives of CS&L. For each fiscal year during the Term following the Spin-Off Date, the metrics associated with Executive's target bonus opportunity shall be determined by the Board; provided however, (a) if the Spin-Off occurs prior to June 30 of any calendar year, then, with respect to the first fiscal year in which Executive is eligible to participate in the annual incentive compensation plan described in this Section 5.2, any bonus that Executive earns under such annual incentive compensation plan will not be prorated and (b) if the Spin-Off occurs after June 30 of any calendar year, then, with respect to the first fiscal year in which Executive is eligible to participate in the annual incentive compensation plan described in this Section 5.2, any bonus that Executive earns under such annual incentive compensation plan shall be determined by the Board in the exercise of its reasonable discretion. Executive's target bonus opportunity under the annual incentive plan referenced in this Section 5.2 shall be equivalent to 150% of Executive's then Base Salary, and, subject to the terms of the annual incentive compensation plan and based on the sole discretion and approval of the Compensation Committee, CS&L may increase Executive's bonus payment under such an annual incentive compensation plan to an amount equivalent to 200% of Executive's then Base Salary during any fiscal year during the Term following the Spin-Off Date. Nothing contained in this Section 5.2 will guarantee Executive any specific amount of bonus payment or other incentive compensation, or prevent the Board from establishing performance goals and compensation targets applicable only to the Executive.

5.3 Equity Award.

Subject to and conditioned upon the occurrence of the Spin Off and upon the approval of the Compensation Committee, on or promptly following the Spin-Off Date CS&L shall grant to Executive a time-based restricted stock award with a grant date value of $2,625,000, which award shall vest in full on the third anniversary of the Spin-Off Date, and shall otherwise be granted upon the terms, and subject to the conditions, of the award agreement evidencing the grant and approved by the Compensation Committee. Executive's eligibility for and receipt of the award described in this Section 5.3 shall be conditioned upon Executive's continuous employment with CS&L from the Effective Date through the Spin-Off Date. If the Termination Date occurs for any reason prior to the Spin-Off Date, Executive shall have no eligibility for, or entitlement to, any award of shares pursuant to this Agreement.

5.4 Long-Term Incentive.

(A) Subject to and conditioned upon the Spin-Off Date occurring prior to the Termination Date and the implementation and approval of a long-term incentive compensation plan by the Compensation Committee, CS&L shall grant to Executive, with respect to the first fiscal year in which the Spin-Off Date occurs, restricted stock with a grant date value of $2,625,000, comprised as follows:

(i) no more than seventy-five percent (75%) of such grant shall be comprised of performance-based restricted stock or restricted stock units (as determined by the Board) with vesting criteria to be established by the Board; and

(ii) the remaining percentage of such grant shall be comprised of time-base restricted stock or restricted stock units (as determined by the Board), which shall vest ratably over the three year period following the Spin-Off Date.

(B) Any additional long-term incentive compensation award grants to Executive shall be made when and as determined by the Compensation Committee.

(C) Executive shall not be entitled to earn any stock or stock unit awards or long-term incentive compensation of any kind prior to the Spin-Off Date. No stock or stock unit award or other long-term incentive compensation of any kind shall, pursuant to this Section 5.4 or pursuant to an incentive compensation plan contemplated by this Agreement, be granted or vest at any time after the Termination Date.

5.5 Deferred Compensation Plan.

Subject to and conditioned upon the Spin-Off occurring prior to the Termination Date, Executive shall be eligible to participate in a deferred compensation plan implemented by the Board, subject to the terms of such deferred compensation plan. Executive shall not be eligible to participate in any deferred compensation plan prior to the Spin-Off Date, and at no time shall Executive be eligible to participate in any deferred compensation plan sponsored by Windstream or any of Windstream or any of Windstream's subsidiaries or affiliated entities.

5.6 Other Benefits.

During the Term, subject to approval by the Compensation Committee, the Executive shall be eligible to participate in all equity incentive, employee benefits and perquisite plans, programs and arrangements that are no less favorable to the Executive than the plans, programs and arrangements provided to other senior executives of CS&L from time to time.

Section 6. Expense Reimbursement.

CS&L shall pay or reimburse the Executive for ordinary and necessary employment-related expenses of the Executive on a basis that is no less favorable to the Executive than the basis on which payment or reimbursement of employment-related expenses is made from time to time to other senior executives of CS&L.

Section 7. Employment Termination.

7.1 Termination Due to Death. In the event of the death of the Executive during the Term, CS&L shall pay or provide to the Executive's Beneficiary, in full satisfaction of all amounts due, the Ordinary Termination Benefits.

7.2 Termination Due to Disability. In the event of the Executive's Disability during the Term, the Board may terminate or cause to be terminated the Executive's employment under this Agreement by Notice of Termination of the termination of Executive's employment for Disability in accordance with this Section 7.2 given at least 10 business days prior to the effective date of such termination. A termination for Disability shall become effective upon the end of the 10-business-day notice period. Upon the Termination Date on account of Disability, CS&L shall pay or provide to the Executive, in full satisfaction of all amounts due, the Ordinary Termination Benefits.

7.3 Termination for Cause.

(A) The Board may terminate or cause to be terminated Executive's employment under this Agreement for "Cause" in accordance with this Section 7.3 at any time during the Term. Upon a termination for Cause under this Section 7.3 during the Term, CS&L shall pay or provide to the Executive, in full satisfaction of all amounts due, the Ordinary Termination Benefits.

(B) "Cause" shall mean (i) the willful failure by Executive substantially to perform Executive's duties with the CS&L Group, other than any failure resulting from Executive's incapacity due to physical or mental illness or any actual or anticipated failure after the issuance of a Notice of Termination for Good Reason by Executive in accordance with Section 7.6, that continues for at least 30 calendar days after CS&L delivers to Executive a written demand for performance that identifies specifically and in detail the manner in which the Board believes that Executive willfully has failed substantially to perform Executive's duties; (ii) a conviction, guilty plea or plea of nolo contendere of Executive for any felony; (iii) gross negligence or willful misconduct by Executive that is intended to or does result in Executive's substantial personal enrichment or a material detrimental effect on the reputation or business of any member of the CS&L Group; (iv) a material violation by Executive of the corporate governance board guidelines or code of ethics of any member of the CS&L Group; (v) a material violation by Executive of the requirements of the Sarbanes-Oxley Act of 2002 or other federal or state securities law, rule or regulation; (vi) the use of illegal drugs by Executive or a violation by Executive of the drug and/or alcohol policies of any member of the CS&L Group; or (vii) a material breach by Executive of any Protective Covenants during the Term. For purposes of this definition, no act, or failure to act, on Executive's part shall be deemed "willful" unless done, or omitted to be done, by Executive not in good faith and without reasonable belief that Executive's act, or failure to act, was in the best interest of the CS&L Group. Whether an act or failure to act by Executive constitutes "Cause" shall be determined subject to the following requirements:

(i) Notice of Termination shall be provided to the Executive not less than 10 business days prior to the effective date of the termination setting forth the intention of the Board to consider terminating Executive for Cause, including a statement of the intended effective date of termination and a description of the specific facts believed to constitute Cause;

(ii) None of the acts or omissions of Executive that the Board believes to constitute Cause shall have occurred more than 365 calendar days before the earliest date on which any member of the Board who is not a party to the act or omission knew or should have known of such act or omission;

(iii) Executive shall be offered an opportunity to respond to the statement required by clause (i) above by appearing in person, together with Executive's legal counsel, before the Board prior to the Termination Date;

(iv) By the affirmative vote of at least 75 percent of the non-employee members of the Board present at the Board meeting at which the determination is made, the Board shall determine that the specified facts constituted Cause and that the Executive's employment should accordingly be terminated for Cause; and

(v) CS&L shall provide Executive a copy of the Board's written determination setting forth with specificity the basis of the termination for Cause and stating the effective date of termination.

Any purported termination for Cause that does not satisfy each substantive and procedural requirement of this Section 7.3(B) shall be treated for all purposes under this Agreement as a termination of Executive's employment under Section 7.6.

(C) By sole determination of the Board, CS&L (and any other member of the CS&L Group then employing the Executive) may, upon written notice to the Executive, suspend the Executive from his duties for a period of up to 30 calendar days with full pay and benefits hereunder during the period of time during which the Board is making a determination under Section 7.3(B) whether to terminate Executive's employment for Cause.

7.4 Voluntary Termination by the Executive Other Than for Good Reason.

(A) The Executive may terminate his employment under this Agreement other than for Good Reason in accordance with this Section 7.4 at any time during the Term by giving the Board at least 30 calendar days' prior Notice of Termination in accordance with this Section 7.4. The termination automatically shall become effective upon the expiration of the notice period. The Executive's right to terminate his employment under this Section 7.4 shall not be affected by the Executive's disability or incapacity.

(B) Upon a termination other than for Good Reason under this Section 7.4 during the Term, CS&L shall pay or provide to the Executive, in full satisfaction of all amounts due, the Ordinary Termination Benefits.

7.5 Termination Following a Post-Spin-Off Change in Control.

(A) Subject to the conditions set forth in subparagraphs of this Section 7.5, if a Payment Trigger occurs, during the Term and after the Spin-Off Date, CS&L, including for purposes of this Section 7.5 any successor to CS&L's business or assets by operation of law or otherwise, shall pay to Executive the following amounts in cash as follows:

(i) Executive's then Base Salary through the Payment Trigger to the extent not theretofore paid, to be paid in a lump sum within 30 days following the Payment Trigger;

(ii) the amount of any incentive compensation that has been allocated or awarded to Executive pursuant to an incentive compensation plan contemplated under Section 5.2 or Section 5.4 of this Agreement for a completed fiscal year or other completed measuring period preceding the occurrence of the Termination Date under any such incentive compensation plan but has not yet been paid to Executive, and such amount shall be paid in a lump sum within (x) the 30-day period commencing on the 60th day following the Payment Trigger, or (y) any earlier date as required by the applicable incentive compensation plan or plans, respectively;

(iii) the product of (x) the target bonus opportunity in effect immediately prior to the Payment Trigger under the terms of any incentive compensation plan that the Board has implemented as contemplated in Section 5.2 of this Agreement and (y) a fraction, the numerator of which is the number of calendar days in the current fiscal year through the Termination Date, and the denominator of which is 365, reduced by the amount, if any, paid or payable to Executive under the terms of any such incentive compensation plan or plans, respectively, that the Board has implemented as contemplated in Section 5.2 of this Agreement with respect to the fiscal year during which the Payment Trigger occurs, and such amount shall be paid in a lump sum within (I) the 30-day period commencing on the 60th day following the Payment Trigger, or (II) any earlier date as required by the applicable incentive compensation plan or plans, respectively;

(iv) any accrued vacation pay to the extent not theretofore paid, and such amount shall be paid in a lump sum within 30 days following the Payment Trigger;

(v) a lump sum in cash within the 30 day period commencing on the 60th day following the Payment Trigger an amount equal to the product of: (i) TWO multiplied by, (ii) the sum of: (x) the higher of Executive's annual Base Salary in effect immediately prior to the occurrence of the Change in Control or Executive's annual base salary in effect immediately prior to the Payment Trigger, plus (y) the higher of Executive's Annual Incentive Target in effect immediately prior to the occurrence of the Change in Control or Executive's Annual Incentive Target in effect immediately prior to the Payment Trigger;

(vi) a lump sum in cash within the 30 day period commencing on the 60th day following the Date of Termination an amount equal to the product of (i) Executive's monthly premium for health and dental insurance continuation coverage for the Executive and Executive's family under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), based on the monthly premium rate for such coverage in effect on the Date of Termination, multiplied by (ii) TWENTY-FOUR (24) months; and

(viii) to the extent not theretofore paid or provided, CS&L shall pay to Executive all vested benefits or other amounts that Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the CS&L Group at or subsequent to the Payment Trigger in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

(B) For purposes of this Agreement, the term "Payment Trigger" shall mean the occurrence of a Change in Control after the Spin-Off and during the Term of this Agreement coincident with or followed at any time before the end of the second anniversary of the Change in Control by the termination of the Executive's employment with CS&L, including for purposes of this Section 7.5 any successor to CS&L's business or assets by operation of law or otherwise, in a manner that constitutes a "separation from service," as defined in Section 409A of the Internal Revenue Code of 1986, as amended from time to time, for any reason other than (i) by the Executive without Good Reason, (ii) by CS&L, including for purposes of this Section 7.5 any successor to CS&L's business or assets by operation of law or otherwise, as a result of Executive's Disability or with Cause or, (iii) as a result of Executive's death.

(C) Notwithstanding any other provision of this Agreement to the contrary, no amount or benefit shall be payable under Section 7.5 of this Agreement unless there shall have occurred a Payment Trigger after the Spin-Off and during the Term. In no event shall payments in accordance with Section 7.5 of this Agreement be made in respect of more than one Payment Trigger. Furthermore, notwithstanding the foregoing, if Executive receives the payments and benefits in accordance with paragraphs (A)(iii), (v), (vi), (vii), and (vii) of this Section 7.5, Executive shall not be entitled to any severance pay or benefits under any severance plan, program, or policy of the CS&L Group or under Section 7.6 of this Agreement, unless otherwise specifically provided therein in a specific reference to this Agreement.

(D) Notwithstanding any other provision of this Agreement to the contrary, no purported termination of Executive's employment that is not effected in accordance with a Notice of Termination satisfying Section 12.1 shall satisfy the conditions precedent to any entitlement to payment under Section 7.5 of this Agreement. Executive's right, following the occurrence of a Change in Control, to terminate his employment under this Agreement for Good Reason shall not be affected by the Executive's Disability or incapacity.

(E) No payment of any kind shall be owed or paid to Executive pursuant to Section 7.5 of this Agreement unless Executive (i) complies with the Release Condition, including for purposes of this Section 7.5 any successor to CS&L's business or assets by operation of law or otherwise and (ii) delivers such executed general release to CS&L within 60 days following the Payment Trigger. CS&L, including for purposes of this Section 7.5 any successor to CS&L's business or assets by operation of law or otherwise, shall present such general release to Executive as an offer within 10 days following the Payment Trigger, and which offer shall be binding on Executive and CS&L, including for purposes of this Section 7.5 any successor to CS&L's business or assets by operation of law or otherwise, upon Executive's acceptance and non-revocation of the general release. Notwithstanding the foregoing, if the 60-day period following Payment Trigger spans two calendar years, in no event will any payments or benefits that constitute "deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended from time to time, be paid prior to the first day of such second calendar year.

(F) In the event that it shall be determined by the Accounting Firm that any Payment to the Executive would be subject to the Excise Tax, the Accounting Firm shall determine whether to reduce the aggregate amount of the Payments payable to the Executive to the Reduced Amount. The Payments shall be reduced to the Reduced Amount only if the Accounting Firm determines that the Executive would have a greater Net After-Tax Benefit if the Executive's Payments were reduced to the Reduced Amount. If, instead, the Accounting Firm determines that the Executive would have a greater Net After-Tax Benefit if the Executive's Payments were not reduced to the Reduced Amount, the Executive shall receive all Payments to which the Executive is entitled under this Agreement.

(G) If the Accounting Firm determines that the aggregate Payments otherwise payable to Executive should be reduced to the Reduced Amount pursuant to this Section 7.5, CS&L shall promptly give Executive notice to that effect and a copy of the detailed calculation thereof. All determinations made by the Accounting Firm under this Section 7.5 shall be binding upon CS&L and Executive and shall be made within thirty (30) business days after a termination of the Executive's employment or such earlier date as requested by CS&L. The reduction of Executive's Payments to the Reduced Amount, if applicable, shall be made by reducing the Payments under the following sections of this Agreement (and no other Payments) in the following order: (i) Section 7.5(A)(v), (ii) Section 7.5(A)(iii), (iii) Section 7.5(A)(vi), and (iv) 7.5(A)(vii). All fees and expenses of the Accounting Firm pursuant to this Section 7.5 shall be borne solely by CS&L.

(H) The following terms shall have the following meanings for purposes of this Section 7.5.

(i) "Accounting Firm" shall mean an independent, nationally recognized accounting firm designated by CS&L prior to a Change in Control; provided that if the Accounting Firm is not willing or able to value the restrictive covenants in Section 8, then the restrictive covenants shall be valued by an independent third-party valuation specialist selected by CS&L prior to a Change in Control.

(ii) "Annual Incentive Target" shall mean with respect to any measuring period, the amount of cash compensation that would be payable to the Executive under CS&L's annual incentive compensation plan (as the same is established pursuant to Section 5.2 hereof) for such measuring period, computed assuming that the level of performance with respect to a performance goal identified in accordance with the terms of such plan as the "target" level of performance has been achieved. Where no level of performance has been specifically identified as the "target" level, the "target" level shall be (i) the only level if one level is identified, (ii) the higher of two levels if two levels are identified, and (iii) the highest level if three or more levels are identified. Where the amount of compensation depends on the achievement of multiple performance goals, the achievement of each target level of performance with respect to each goal shall be assumed.

(iii) "Excise Tax" shall mean the excise tax imposed by Section 4999 of the Code, together with any interest or penalties imposed with respect to such excise tax.

(iv) “Net After-Tax Benefit” shall mean the aggregate Value of all Payments to Executive, net of all taxes imposed on Executive with respect thereto under Sections 1 and 4999 of the Code and under applicable state and local laws, as determined by the Accounting Firm after taking into account any value attributable to the restrictive covenants in Section 8 that is treated as reasonable compensation described in Section 280G(b)(4) of the Code.

(v) “Payment” shall mean any payment or distribution by CS&L in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of Executive that is contingent on a Payment Trigger, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise.

(vi) “Reduced Amount” shall mean the greatest amount of Payments that can be paid to Executive that would not result in the imposition of the Excise Tax upon Executive if the Accounting Firm determines to reduce Payments to Executive pursuant to this Section 7.5, determined after taking into account any value attributable to the restrictive covenants in Section 8 that is treated as reasonable compensation described in Section 280G(b)(4) of the Code.

(vii) “Value” of a Payment shall mean the economic present value of a Payment as of the date of the Change in Control (or such other date as required pursuant to Section 280G), as determined by the Accounting Firm pursuant to Section 280G of the Code using the discount rate required by Section 280G(d)(4) of the Code.

7.6 Termination by CS&L Other Than for Cause or by Executive for Good Reason.

(A) The Board may, in the exercise of its sole and absolute discretion, terminate or cause to be terminated Executive’s employment under this Agreement other than for Cause in accordance with this Section 7.6 at any time during the Term by Notice of Termination to Executive specifying the effective date of termination, which effective date shall not be earlier than the date on which the Notice of Termination under this Section 7.6 is given to Executive. Executive may terminate his employment under this Agreement for Good Reason in accordance with this Section 7.6 at any time during the Term by giving CS&L 30 calendar days’ Notice of Termination in accordance with this Section 7.6, which must set forth in reasonable detail the facts and circumstances that are claimed to provide a basis for the Good Reason termination. The termination automatically shall become effective upon the expiration of the applicable cure period. Executive’s right to terminate his employment for Good Reason under this Section 7.6 shall not be affected by the Executive’s Disability or incapacity. Executive’s continued employment under this Agreement shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason.

(B) Subject to and conditioned upon the Spin-Off Date occurring prior to the Termination Date and subject to the satisfaction of the Release Condition, upon a termination by CS&L other than for Cause or by the Executive for Good Reason under this Section 7.6 during the Term, CS&L shall pay or provide or cause another member of the CS&L Group to pay or provide to the Executive in full satisfaction of all amounts due (i) the Ordinary Termination Benefits in a single lump sum within 10 business days after the Termination Date, and (ii) the

Severance Benefits in a single lump sum within 10 business days after the Release Deadline set forth in Section 7.7. Notwithstanding any other provision of this Agreement to the contrary, a payment made to Executive under Section 7.6 shall be in lieu of any eligibility for Executive to receive any payment under Section 7.5 and vice versa. For the sake of clarity, under no circumstances shall Executive be entitled to receive a combination of payments under Sections 7.5 and 7.6.

7.7 Release. Notwithstanding anything contained in this Agreement to the contrary, no Severance Benefits shall be payable to Executive pursuant to this Agreement unless Executive timely executes and does not timely revoke a Release within 60 days following the Termination Date (the "Release Condition"). Notwithstanding the foregoing, if the 60-day period following Termination Date spans two calendar years, in no event will any payments or benefits that constitute "deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended from time to time, be paid prior to the first day of such second calendar year.

7.8 Non-Exclusivity of Rights.

Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the CS&L Group at or subsequent to the Termination Date shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement. Without limiting the generality of the foregoing, the Ordinary Termination Benefits shall be paid in a single cash lump sum within 10 business days after the Termination Date.

Section 8. Protective Covenants by Executive.

8.1 Return of Property.

Within five calendar days after the Termination Date, Executive shall deliver to CS&L all of the CS&L Group's and Windstream's property in his possession, custody or control, including, without limitation, all keys and credit cards, all computers and fax machines, and all files, documents, data and information in any medium relating in any way to the CS&L Group or its employees, suppliers, customers or business. Furthermore, to the extent Executive has any of Windstream's property in his possession, custody or control as of the Spin-Off Date, Executive shall immediately thereafter return such property to Windstream.

8.2 Non-Disclosure.

Executive acknowledges that in the course of his employment with and work for the CS&L Group he has had and will have access to confidential information and trade secrets proprietary to the CS&L Group, including, without limitation, (i) information relating to the CS&L Group's products, suppliers, and customers, the sources, nature, processes, costs and prices of the CS&L Group's products, the names, addresses, contact persons, purchasing and sales histories, and preferences of the CS&L Group's suppliers and customers, the CS&L Group's business plans and strategies, and the names and addresses of, amounts of compensation paid to, and the trading and sales performance of the CS&L Group's employees and agents and (ii) information relating to Windstream's products, suppliers, and customers, the sources, nature,

processes, costs and prices of Windstream's products, the names, addresses, contact persons, purchasing and sales histories, and preferences of Windstream's suppliers and customers, Windstream's business plans and strategies, and the names and addresses of, amounts of compensation paid to, and the trading and sales performance of the CS&L Group's employees and agents, which information Executive acknowledges he may receive during the Term prior to the Spin-Off Date (hereinafter information described in Section 8.2(i)-(ii) are referred to as the "Confidential Information"). Executive further acknowledges that the Confidential Information is proprietary to the CS&L Group (as it relates to information described in Section 8.2(i)) or to Windstream (as it relates to information described in Section 8.2(ii)), that the unauthorized disclosure of any of the Confidential Information to any person or entity will result in immediate and irreparable competitive injury to the CS&L Group and/or Windstream, and that such injury cannot adequately be remedied by an award of monetary damages. Accordingly, Executive shall not at any time disclose any of CS&L's Confidential Information to any person or entity who is not properly authorized by the CS&L Group to receive the information without the prior written consent of the Chairman of the Board of CS&L (which consent may be withheld for any reason or no reason) unless and except to the extent that such disclosure is required by any subpoena or other legal process (in which event the Executive will give the Chairman of the Board of CS&L prompt written notice of such subpoena or other legal process in order to permit CS&L to seek appropriate protective orders), and that he shall not use any Confidential Information for his own account without the prior written consent of the Chairman of the Board of CS&L (which consent may be withheld for any reason or no reason).

8.3 Non-Competition.

Executive shall not during his employment with the CS&L Group and thereafter until the expiration of the Non-Interference/Assistance Period, in any manner, directly or indirectly, through any person, firm or corporation, alone or as a member of a partnership or as an officer, director, shareholder, investor or employee of or in any other corporation or enterprise or otherwise, anywhere in the United States, engage in or be engaged in, or assist any other person, firm, corporation or enterprise in engaging or being engaged in, the ownership, formation or operation of any REIT or other business entity or enterprise whose business activities involve acquiring, owning, leasing and/or operating (i) telecommunications infrastructure assets, (ii) other types or classes of assets which are owned, leased or operated by the CS&L Group after the Spin-Off and during Executive's employment with the CS&L Group and/or (iii) other types or classes of assets which the CS&L Group has, during Executive's employment with the CS&L Group, actively pursued acquiring, owning, leasing or operating, or internally investigated and intends to commence the active pursuit of acquiring, owning, leasing or operating. Nothing in this Section 8.3 shall prohibit Executive from being: (x) a shareholder in a mutual fund or a diversified investment company or (y) a passive owner of not more than 5% of the outstanding equity securities of any class of a corporation or other entity which is publicly traded, so long as Executive has no active participation in the business of such corporation or other entity. Notwithstanding any provision of this Agreement to the contrary, if the Spin-Off Date does not occur prior to the Termination Date, the covenants set forth in this Section 8.3 shall have no effect.

8.4 Non-Interference.

Executive shall not during his employment with the CS&L Group and thereafter until the expiration of the Non-Interference/Assistance Period employ, or assist any person or entity in employing, any employee of any member of the CS&L Group. Executive shall not during his employment with the CS&L Group and thereafter until the expiration of the Non-Interference/Assistance Period solicit, or assist any person or entity to solicit, any employee of any member of the CS&L Group to leave the CS&L Group's employment or to become employed by any entity that is not a member of the CS&L Group.

8.5 Harmful Statements.

Executive shall not at any time disseminate any information or make any statements, whether written, oral or otherwise, that are negative, disparaging or critical of CS&L, any member of the CS&L Group, or any of their parents, subsidiaries, affiliates, or their respective officers, directors, employees, shareholders, trustees, administrators, or employee benefit plans, or the representatives, employees, agents, predecessors, successors, heirs, or assigns of any of the foregoing (hereinafter "CS&L Parties"), or their business or operations, or that place any of the CS&L Parties in a bad light, other than any such statement or information that is made or disseminated by Executive in a good faith belief as to their truth or accuracy and either is required by law or is reasonably necessary to the enforcement by Executive of any right Executive has related to his employment with the CS&L Group. The CS&L Group shall not at any time disseminate any information or make any statements, whether written, oral or otherwise, that are negative, disparaging or critical of Executive or his service to the CS&L Group or their predecessors, or that place Executive in a bad light, other than any such statement or information that is made or disseminated by the CS&L Group in a good faith belief as to their truth or accuracy and either is required by law or is reasonably necessary to the enforcement by the CS&L Group of this Agreement or the Release. CS&L's obligations under this Section 8.5 shall not extend to individuals employed in a non-executive level position with the CS&L Group.

8.6 Resignations.

Notwithstanding any other provision of this Agreement, upon termination of Executive's employment with the CS&L Group, and unless otherwise requested by the Board, Executive shall immediately resign as of the Termination Date from all positions that he holds or has ever held with CS&L and the CS&L Group (and with any other entities with respect to which CS&L has requested the Executive to perform services), including, without limitation, the Board and all boards of directors of any member of the CS&L Group. Executive hereby agrees to execute any and all documentation to effectuate such resignations upon request by CS&L, but he shall be treated for all purposes as having so resigned upon termination of his employment, regardless of when or whether he executes any such documentation.

8.7 Challenge to Validity.

Executive shall not at any time commence any action, suit, arbitration or proceeding challenging the validity or enforceability of any provision of this Agreement, or adjudicate the limits or scope of any of its provisions, and Executive shall not assert, in any action, suit,

arbitration or proceeding against Executive by any CS&L Group member for a breach by Executive of any of the covenants in this Section 8 that any provision of the covenants is invalid or unenforceable in any respect or to any extent, irrespective of the outcome of any such action, suit or proceeding.

8.8 Assistance to CS&L.

During the Non-Interference/Assistance Period, Executive shall provide such information and assistance as CS&L reasonably requests to assist any CS&L Group member in the mediation, arbitration, or litigation of any, claim, action, suit or proceeding maintained against any CS&L Group member arising from events occurring during Executive's employment with the CS&L Group, provided that CS&L shall reimburse Executive for all reasonable and necessary out-of-pocket expenses incurred by the Executive in complying with this Section 8.8.

8.9 Revision.

If a court of competent jurisdiction holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law.

Section 9. Successors; Binding Agreement; Assignment.

9.1 As to CS&L.

This Agreement shall be binding upon, and shall inure to the benefit of, and be enforceable by CS&L and its successors. For purposes of this Section 9.1, the term "successor" shall mean any successor to the business or assets of CS&L by operation of law or otherwise, including, without limitation, any person, corporation, partnership, or entity that, directly or indirectly, whether by purchase, merger, consolidation, or otherwise, acquires all or substantially all of the business or assets of CS&L (and each successor to a successor to CS&L). Any such successor shall be deemed to be CS&L for all purposes of this Agreement. In addition to any obligations imposed by law upon any successor, CS&L shall require any successor expressly to assume and agree to perform this Agreement in the same manner and to the same extent that CS&L would be required to perform it if no succession had taken place. A failure of CS&L to obtain the assumption of and agreement to perform this Agreement prior to the effectiveness of any succession shall be a material breach of this Agreement by CS&L. The provisions of this Section 9.1 shall apply to each successor to any successor of CS&L. Notwithstanding the foregoing provisions of this Section 9.1, CS&L and any other predecessor to a successor shall remain, with each successor, jointly and severally liable for all obligations of CS&L hereunder. Except as provided in this Section 9.1, this Agreement shall not be assigned by CS&L, and any purported assignment of this Agreement by CS&L (except as provided in this Section 9.1) shall be void.

9.2 As to Executive.

This Agreement shall be binding upon and inure to the benefit of and be enforceable by Executive and Executive's personal or legal representatives, executors, and administrators. If Executive should die while any amounts payable to Executive hereunder remain outstanding, unless otherwise provided herein, all such amounts shall be paid in accordance with the terms of this Agreement to Executive's Beneficiary, determined in accordance with Section 7.1. This Agreement shall not be assigned by Executive, and any purported assignment of this Agreement by Executive shall be void.

Section 10. Dispute Resolution and Notices.

10.1 Dispute Resolution.

(A) Any dispute or controversy arising out of or in connection with this Agreement shall be settled by binding arbitration. The arbitration proceeding shall be conducted before a panel of three arbitrators sitting (i) if the Executive is employed by an CS&L Group member at the time of the initiation of the arbitration, in the municipality in which the Executive's principal place of employment is located at the time, and (ii) if the Executive's employment with the CS&L Group has terminated prior to the time of initiation of the arbitration, at a location which is within 50 miles of the location of the Executive's principal place of employment at the time of his termination of employment. The arbitration will be conducted in accordance with the rules of the American Arbitration Association then in effect. Judgment maybe entered on any arbitration award in any court having jurisdiction. Notwithstanding the foregoing, the CS&L Group shall not be required to seek or participate in arbitration regarding any breach or threatened breach by the Executive of his Protective Covenants, but may pursue its remedies for such breach in a court of competent jurisdiction in a federal district court or state court located in Pulaski County, Arkansas.

(B) Except as otherwise provided in this Section 10.1(B), and to the fullest extent permitted by applicable law, all expenses of any arbitration under Section 10.1(A) incurred by the Executive at any time from the date of this Agreement through the Executive's remaining lifetime or, if longer, through the 10th anniversary of the date of the Effective Date, including, without limitation, the reasonable fees and expenses of the legal representative for the Executive, and necessary costs and disbursements incurred as a result of such dispute or proceeding, and any prejudgment interest, calculated at the rate provided by law, shall be paid by CS&L as incurred (within 10 days following CS&L's receipt of an invoice from the Executive), whether or not the Executive prevails in such arbitration; provided that the Executive shall have submitted an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred. The amount of such legal fees and expenses that CS&L is obligated to pay in any given calendar year pursuant to this Section 10.1(B) shall not affect the legal fees and expenses that CS&L is obligated to pay in any other calendar year, and the Executive's right to have CS&L pay such legal fees and expenses may not be liquidated or exchanged for any other benefit. If the Executive does not prevail (after exhaustion of all available arbitral remedies), and the arbitration panel affirmatively finds that the Executive instituted the proceeding in bad faith or that the Executive's claims were frivolous, no further reimbursement for legal fees and expenses shall be

due to the Executive, and the Executive shall repay CS&L for any amounts previously paid by CS&L pursuant to this Section 10.1(B). With respect to any dispute regarding the provisions of Section 8, if the Executive does not prevail (after exhaustion of all available arbitral remedies), no further reimbursement for legal fees and expenses shall be due to the Executive, and the Executive shall repay CS&L for any amounts previously paid by CS&L to the Executive hereunder pursuant to this Section 10.1(B) in respect of such dispute. No fees or expenses of the Executive shall be paid by CS&L with respect to any dispute or controversy as to the validity or enforceability of this Agreement, or any provision hereof, or in connection with the litigation of any issue arising under this Agreement in a court of law other than fees and expenses incurred by the Executive in enforcing an arbitration award entered in favor of the Executive in accordance with this Section 10.1(B).

10.2 Notices.

Any notices, requests, demands, or other communications provided for by this Agreement shall be in writing and shall be deemed to have been duly given when mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon actual receipt:

To the Board, the Compensation Committee, and CS&L:

Communications Sales & Leasing, Inc.
4001 Rodney Parham Road
Little Rock, Arkansas 72212
Attention: Chairman; and General Counsel

To Executive: At Executive's most recent address in the records of CS&L.

Section 11. Survival of Obligations and Remedies.

11.1 Survival of Obligations.

Upon the expiration of the Term of this Agreement in accordance with Section 2, no provision of this Agreement shall have any further force or effect and all obligations of CS&L and the Executive hereunder shall immediately terminate, except as follows:

(A) CS&L shall be required to pay or provide to Executive, or the Beneficiary in the case of the death of the Executive, any benefits to which Executive became entitled under Section 7, by reason of a qualifying Termination Date (occurring during the Term), in accordance with the terms thereof, including benefits to be paid or provided within a specified number of calendar days following the Termination Date, which remain unpaid or unprovided following the expiration or the Term;

(B) The provisions of Section 8 shall remain in full force and effect for the applicable periods of time specified in Section 8 with respect to the provisions thereof;

(C) The provisions of Section 9 shall remain in full force and effect so long as any rights or obligations of either party continue to exist under the Agreement; and

(D) The provisions of Sections 10, 11.2, and 12 shall remain in full force and effect with respect to rights and obligations existing on the Termination Date or that may arise thereafter in accordance with the foregoing clauses of this Section 11.1.

11.2 Remedies; Protective Covenants.

(A) Executive's sole and exclusive remedy with respect to any and all claims arising under this Agreement, for termination of Executive's employment with the CS&L Group during the Term, and for breach hereof by CS&L shall be the right to receive the benefits provided for under Section 7, and such expenses as are provided for under Section 10.1, in each case, to which Executive is otherwise entitled pursuant to the terms and conditions hereof. Without limiting the foregoing, Executive's sole and exclusive remedy for the failure of CS&L or the CS&L Group to provide compensation or expense reimbursement to Executive in an amount or form not in conformity with any one or more of the provisions of Section 5 or Section 6 is to seek recovery against CS&L pursuant to Section 10 for only such benefits, if any, that are expressly provided for consequent upon Executive's termination of employment pursuant to the applicable provisions of Section 7. Executive's employment with the CS&L Group is "at will" and may be terminated by the Board for any reason in its sole and absolute discretion in accordance with any applicable provision of Section 7 and the payment or provision of such benefits as may be required under this Agreement.

(B) Executive acknowledges and agrees that each and every covenant contained in Section 8 (the "Protective Covenants") is reasonable in period, scope and geographical area and is necessary to protect the CS&L Group's legitimate business interests and Confidential Information and that his compliance with each of the Protective Covenants is necessary to protect the CS&L Group from unfair injury. Executive agrees that he will notify CS&L Group in writing if he has, or reasonably should have, any questions regarding the applicability of the Protective Covenants. Executive further acknowledges and agrees that a breach of any of the Protective Covenants will result in irreparable and continuing harm and damage to the CS&L Group for which there will be no adequate remedy at law. In the event of a breach or threatened breach of any of the Protective Covenants, each and every member of the CS&L Group shall be entitled to injunctive relief and to such other relief (whether at law or in equity) as a court of competent jurisdiction deems proper in the circumstances, in addition to any other remedy or relief to which any of them may be entitled. The parties agree that the foregoing relief shall not be construed to limit or otherwise restrict the CS&L Group's ability to pursue any other remedy provided by law, including the recovery of any actual, compensatory or punitive damages. Notwithstanding any other provision of this Agreement, the obligations of each member of the CS&L Group under this Agreement are conditioned upon compliance by Executive with each of the Protective Covenants, and failure by Executive to comply with any of the Protective Covenants shall entitle each CS&L Group member to forfeit, terminate payment of, and, to the extent paid, recover immediately from Executive any Severance Benefits, benefits, amounts, expenses, or costs that may have been paid or would otherwise be owing to or vested in Executive, under Section 7 of this Agreement. Executive acknowledges that any forfeiture resulting under the provisions of this Agreement is reasonably related and proportional to the

harm that the CS&L Group would sustain if he were to violate any of the Protective Covenants. Executive acknowledges that the Protective Covenants are a principal inducement for the willingness of CS&L to enter into this Agreement and make the payments and provide the benefits to Executive under this Agreement and that CS&L and Executive intend the Protective Covenants to be binding upon and enforceable against Executive in accordance with their terms, notwithstanding any common or statutory law to the contrary. Executive agrees that the obligations of CS&L under this Agreement (specifically including, but not limited to, the obligation to provide the Severance Benefits as provided herein) constitute sufficient consideration for the Protective Covenants.

Section 12. Miscellaneous.

12.1 Termination Procedures.

Any intended termination of Executive's employment by either party shall be communicated by written Notice of Termination from the party initiating such termination to the other party hereto in accordance with Section 10.2. For purposes of this Agreement, a "Notice of Termination" shall mean a written notice that indicates the specific termination provision in this Agreement relied upon, and, if applicable, the notice shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated. Notices under Sections 7.3 and 7.6 shall include the information required thereunder.

12.2 CS&L Representations.

CS&L hereby represents and warrants to the Executive as follows: The execution and delivery of this Agreement and the performance by CS&L of the actions contemplated hereby have been duly authorized by all necessary corporate action on the part of CS&L. This Agreement is a legal, valid and legally binding obligation of CS&L enforceable in accordance with its terms. Neither the execution or delivery of this Agreement nor the consummation by CS&L of the actions contemplated hereby (i) will violate any provision of the certificate of incorporation or bylaws (or other charter documents) of CS&L, (ii) will violate or be in conflict with any applicable law or any judgment, decree, injunction or order of any court or governmental agency or authority, or (iii) will violate or conflict with or constitute a default (or an event of which, with notice or lapse of time or both, would constitute a default) under or will result in the termination of, accelerate the performance required by, or result in the creation of any lien, security interest, charge or encumbrance upon any of the assets or properties of CS&L under, any term or provision of the certificate of incorporation or bylaws (or other charter documents) of CS&L or of any contract, commitment, understanding, arrangement, agreement or restriction of any kind or character to which CS&L is a party or by which CS&L or any of its properties or assets may be bound or affected.

12.3 No Duplication.

In no event shall payments in accordance with this Agreement be made in respect of more than one of Sections 7.1, 7.2, 7.3, 7.4, 7.5 and 7.6.

12.4 No Offsets or Mitigation.

Except as otherwise provided in Section 11.2(B), CS&L's obligation to make the payments provided for in Sections 7 or 10.1(B) of this Agreement and otherwise to perform its obligations hereunder shall be absolute and unconditional and shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the CS&L Group may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment.

12.5 Entire Agreement.

This Agreement supersedes any prior agreements or understandings, oral or written, between the parties hereto with respect to the subject matter hereof and constitutes the entire agreement of the parties with respect thereto. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

12.6 Modification.

Except as otherwise provided in Section 12.8, this Agreement shall not be varied, altered, modified, canceled, changed, or in any way amended, or any provision of this Agreement waived, except by mutual agreement of the parties in a written instrument executed by the parties hereto or their legal representatives and in the case of CS&L by an officer specifically designated by the Board. No waiver by a party to this Agreement at any time of any breach by any party to this Agreement of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

12.7 Severability.

In the event that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect. In the event that any provision of this Agreement is held unenforceable, such provision shall be reformed so as to be enforced to the maximum extent possible, and if it is determined that it is not possible to reform any such provision of this Agreement, such provision shall be severed from this Agreement and the remainder of this Agreement shall be enforced to the full extent permitted by law.

12.8 Compliance with Section 409A.

(A) It is intended that the payments and benefits provided under Section 7 of this Agreement shall be exempt from the application of the requirements of Section 409A. This Agreement shall be construed, administered, and governed in a manner that effects such intent, and the CS&L Group shall not take any action that would be inconsistent with such intent. Specifically, any Severance Benefits payable pursuant to Section 7 above, to the extent they are required to be paid, and are actually or constructively received, during the period from the

Termination Date through March 15 of the calendar year following such termination, are intended to constitute separate payments for purposes of Section 409A and thus exempt from application of Section 409A by reason of the "short-term deferral" rule. To the extent payments are required to be paid commencing after that date, they are intended to constitute separate payments that are exempt from the application of Section 409A by reason of the exceptions under Sections 1.409A-1(b)(9)(iii) or 1.409A-1(b)(9)(v) of the Treasury Regulations, as applicable, to the maximum extent permitted by those provisions. Without limiting the foregoing, the payments and benefits provided under this Agreement may not be deferred, accelerated, extended, paid out or modified in a manner that would result in the imposition of an additional tax under Section 409A upon Executive.

(B) Notwithstanding anything to the contrary in this Agreement, if Executive is a "specified employee," as determined under CS&L's policy for determining specified employees on the Termination Date, all reimbursements or payments provided under Section 10.1(B), and any other payments or benefits provided hereunder that for any reason constitute a "deferral of compensation" within the meaning of Section 409A, that are provided upon a "separation from service" within the meaning of Section 409A and that would otherwise be paid or provided during the first six months following such Termination Date, shall instead be accumulated through and paid or provided (without interest) on the first business day following the six month anniversary of such Termination Date. Notwithstanding the foregoing, payments delayed pursuant to this Section 12.8(B) shall commence within 10 calendar days following Executive's death prior to the end of the six-month period.

(C) Although CS&L shall use its best efforts to avoid the imposition of taxation, interest and penalties under Section 409A, the tax treatment of the benefits provided under this Agreement is not warranted or guaranteed. Neither the CS&L Group nor is respective directors, officers, employees or advisers shall be held liable for any taxes, interest, penalties or other monetary amounts owed by the Executive (or any other individual claiming a benefit through the Executive) as a result of this Agreement.

12.9 Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

12.10 Withholding.

Any member of the CS&L Group may withhold from any amounts payable under this Agreement all federal, state, city, or other taxes or payments as may be required pursuant to any law or governmental regulation or ruling or as may be expressly authorized by Executive to be withheld, deducted or reduced from those amounts.

12.11 Third Party Beneficiaries.

This Agreement is entered into for the benefit only of (i) Executive, (ii) Executive's Beneficiary, and (iii) CS&L and the other members of the CS&L Group, and their successors, and no other parties shall have any rights hereunder, except as otherwise provided in Section 9.

12.12 Governing Law.

To the extent not preempted by federal law, the validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of Arkansas (without giving effect to any conflicts of law principles of the State of Arkansas that would require the application of the laws of another jurisdiction).

(Signatures are on the following page)

IN WITNESS WHEREOF, CS&L and the Executive have executed this Agreement as of the date first above written.

COMMUNICATIONS SALES & LEASING, INC.

By: /s/ Francis X. Frantz
Francis X. Frantz, Chairman

EXECUTIVE

/s/ Kenneth Gunderman
Kenneth Gunderman

EXHIBIT A
WAIVER AND RELEASE AGREEMENT

THIS WAIVER AND RELEASE AGREEMENT (this "Waiver and Release") is entered into by and between Kenneth Gunderman ("Executive") and Communications Sales & Leasing, Inc. ("CS&L") (collectively, the "Parties").

WHEREAS, the Parties entered into an Employment Agreement dated February 12, 2015 (the "Agreement");

WHEREAS, Executive is required to sign this Waiver and Release in order to receive certain payments contemplated under Section 7 of the Agreement (the "Separation Payment Benefits") following his resignation; and

WHEREAS, CS&L has agreed to sign this Waiver and Release.

NOW, THEREFORE, in consideration of the promises and agreements contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

1. In consideration of the Separation Payment Benefits which Executive acknowledges are in addition to payments and benefits to which Executive would be entitled but for the Waiver and Release (except as otherwise provided in the Agreement), Executive, on behalf of himself, his heirs, representatives, agents and assigns by dower or otherwise hereby COVENANTS NOT TO SUE OR OTHERWISE VOLUNTARILY PARTICIPATE IN ANY LAWSUIT AGAINST, FULLY RELEASES, INDEMNIFIES, HOLDS HARMLESS and OTHERWISE FOREVER DISCHARGES (i) CS&L, (ii) any companies controlled by, controlling or under common control with CS&L, and any predecessors, successors or assigns to the foregoing (together with CS&L, the ("CS&L Group"), (iii) the CS&L Group's compensation, benefit, incentive (including, but not limited to, individual incentive, project incentive, annual incentive, long-term incentive and annual bonus), pension, welfare and other plans and arrangements, and any predecessor or successor to any such plans and arrangements (including the sponsors, administrators and fiduciaries of any such plan and/or arrangements), (iv) Windstream Holding, Inc., including without limitation its subsidiaries and affiliated entities ("Windstream"), and (v) any of the CS&L Group's and/or Windstream's current or former officers, directors, agents, executives, employees, attorneys, insurers, shareholders, predecessors, successors or assigns (collectively (i) – (v) the "Released Parties") from any and all actions, charges, claims, demands, damages or liabilities of any kind or character whatsoever, known or unknown, which Executive now has or may have had whether or not based on or arising out of Executive's employment relationship with the CS&L Group or the cessation of that employment relationship through the date of execution of this Waiver and Release, other than workers' compensation claims filed prior to the date of execution of this Waiver and Release. Executive acknowledges and understands that in the event Executive files a charge or complaint with the Equal Employment Opportunity Commission ("EEOC"), or a similar state, local or federal agency, the Occupational Safety and Health Administration ("OSHA"), the Secretary of

Labor, or other similar governmental agency or authority, Executive shall be entitled to no relief, reinstatement, remuneration, damages, back pay, front pay, or compensation whatsoever from the Released Parties as a result of such charge or complaint. Executive understands and agrees that he is waiving and releasing any and all actions and causes of action, suits, debts, claims, complaints and demands of any kind whatsoever, in law or in equity, including, but not limited to, the following:

a. Those arising under any federal, state or local statute, ordinance or common law governing or relating to the Parties' employment relationship including, but not limited to, (i) any claims on account of, arising out of or in any way connected with Executive's hiring by the CS&L Group, employment with the CS&L Group or the cessation of that employment; (ii) any claims alleged or which could have been alleged in any charge or complaint against the Released Parties, including, but not limited to, those with the EEOC, or any analogous state agency, OSHA and the Secretary of Labor; (iii) any claims relating to the conduct, including action or inaction, of any executive, employee, officer, director, agent or other representative of the Release Parties; (iv) any claims of discrimination, harassment or retaliation on any basis; (v) any claims arising from any legal restrictions on an employer's right to separate its employees; (vi) any claims for personal injury, compensatory or punitive damages, front pay, back pay, liquidated damages, treble damages, legal and/or attorneys' fees, expenses and litigation costs or other forms of relief; (vii) any claims for compensation and benefits; (viii) any cause of action or claim that could have been asserted in any litigation or other dispute resolution process, regardless of forum (judicial, arbitral or other), against any employee, officer, director, agent or other representative of the Released Parties; (ix) any claim for, or right to, arbitration, and any claim alleged or which could have been alleged in any charge, complaint or request for arbitration against the Released Parties; (x) any claim on account of, arising out of or in any way connected with any employment or change-in-control agreement between Executive and the Released Parties, including but not limited to stock options, restricted shares, performance-based restricted stock units, bonuses, incentive payments, commissions, and/or continued salary payments; (xi) any claim on account of, arising out of or in any way connected with the alleged termination of Executive's employment without "cause" or for "good reason"; (xii) any claim on account of, arising out of or in any way connected with medical, dental, life insurance or other welfare benefit plan coverage; and (xiii) all other causes of action sounding in contract, tort or other common law basis, including, but not limited to: (a) the breach of any alleged oral or written contract; (b) negligent or intentional misrepresentations; (c) wrongful discharge; (d) just cause dismissal; (e) defamation; (f) interference with contract or business relationship; (g) negligent or intentional infliction of emotional distress; (h) promissory estoppel; (i) claims in equity or public policy; (j) assault; (k) battery; (l) breach of employee handbooks, manuals or other policies; (m) breach of fiduciary duty; (n) false imprisonment; (o) fraud; (p) invasion of privacy; (q) whistleblower claims; (r) negligence, negligent hiring, retention or supervision; and (s) constructive discharge; and

b. Those arising under any law relating to sex, age, race, color, religion, handicap or disability, harassment, veteran status, sexual orientation, retaliation, or national origin discrimination including, without limitation, any rights or claims arising under Title VII of the Civil Rights Act of 1866 and 1964, as amended, 42 U.S.C. §§ 1981 and 2000(e), et seq.; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. §§ 621, et seq., as amended by the Older Workers Benefit Protection Act; the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. §§ 12,101, et seq.; Sections 806 and 1107 of the Sarbanes-Oxley Act of 2002; the Fair Labor Standards Act of 1938, 29 U.S.C. §§ 201, et seq.; the National Labor Relations Act, 29 U.S.C. §§ 151, et seq.; the Occupational Safety and Health Act, 29 U.S.C. §§ 651, et seq.; the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101, et seq.; and any other state or local law; and

c. Those arising out of the Employee Retirement Income Security Act of 1974, as amended; and

d. Those arising out of the Family and Medical Leave Act, 29 U.S.C. §§ 2601 et seq.; and

e. Those arising under the civil rights, labor and employment laws of any state, municipality or local ordinance; and

f. Any claim for reinstatement, compensatory damages, back pay, front pay, interest, punitive damages, special damages, legal and/or attorneys' fees, expenses and litigation costs including expert fees; and

g. Any other federal, state or local law that affords employees or individuals protection of any kind whatsoever.

3. The Parties acknowledge that it is their mutual and specific intent that this Waiver and Release fully complies with the requirements of the Older Workers Benefit Protection Act (29 U.S.C. § 626) and any similar law governing the release of claims. Accordingly, Executive hereby acknowledges that:

a. Executive was advised of his right to consult with an attorney prior to executing this Waiver and Release and acknowledges being given the advice to do so. Executive represents that Executive has read and fully understands all of the provisions of this Waiver and Release. Executive represents that Executive is voluntarily signing this Waiver and Release.

b. Executive has been offered at least twenty-one (21) days in which to review and consider this Waiver and Release.

c. Executive waives any right to assert any claim or demand for reemployment with the Released Parties.

4. Executive has a period of seven (7) calendar days following the execution of this Waiver and Release during which Executive may revoke this Waiver and Release by delivering written notice to CS&L at the following address:

Attention: Chairman or General Counsel
Communications Sales & Leasing, Inc.
4001 Rodney Parham Road
Little Rock, Arkansas 72212

Executive understands that if he revokes this Waiver and Release, it will be null and void in its entirety, and Executive shall not be entitled to any Separation Payment Benefits. This Waiver and Release is effective on the 8th day following the end of the revocation period described in this Paragraph 4, provided Executive has signed and not revoked this Waiver and Release (the "Effective Date").

5. Notwithstanding anything herein to the contrary, the sole matters to which the Waiver and Release do not apply are: (i) Executive's rights of indemnification and directors and officers liability insurance coverage, if any, to which he was entitled immediately prior to the Effective Date of this Waiver and Release with regard to his service as an officer or director of any member of the CS&L Group; (ii) Executive's rights under the Indemnification Agreement with CS&L dated as of February 12, 2015; (iii) Executive's rights under any tax-qualified pension or claims for accrued vested benefits under any other employee benefit plan, policy or arrangement (whether tax-qualified or not) maintained by the CS&L Group or under the Consolidated Omnibus Budget Reconciliation Act of 1985; and (iv) Executive's and CS&L's rights and obligations under Sections 7 and 8 of the Agreement, which are intended to survive cessation of employment.

6. In the event that Executive breaches or threatens to breach any provision of this Waiver and Release, he agrees that the Released Parties shall be entitled to seek any and all equitable and legal relief provided by law, specifically including immediate and permanent injunctive relief. Executive hereby waives any claim that the Released Parties have an adequate remedy at law. In addition, and to the extent not prohibited by law, Executive agrees that the Released Parties shall be entitled to an award of all costs and attorneys' fees incurred by the Released Parties in any successful effort to enforce the terms of this Waiver and Release. Executive agrees that the foregoing relief shall not be construed to limit or otherwise restrict the Released Parties ability to pursue any other remedy provided by law, including the recovery of any actual, compensatory or punitive damages. Moreover, if Executive pursues any claims against the Released Parties subject to the foregoing Waiver and Release, Executive agrees to immediately reimburse CS&L for the value of all Separation Payment Benefits received to the fullest extent permitted by law.

7. The Parties acknowledge that this Waiver and Release is entered into solely for the purpose of ending their employment relationship on an amicable basis and shall not be construed as an admission of liability or wrongdoing by either Party and that both the CS&L Group and Executive have expressly denied any such liability or wrongdoing.

Executive agrees that he is not eligible for re-employment by CS&L Group under any circumstances, and in any event Executive agrees he shall not apply for reemployment with the CS&L Group.

8. Each of the promises and obligations contained in this Waiver and Release shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, assigns and successors in interest of each of the Parties.

9. The Parties agree that each and every paragraph, sentence, clause, term and provision of this Waiver and Release is severable and that, if any portion of this Waiver and Release should be deemed not enforceable for any reason, such portion shall be stricken and the remaining portion or portions thereof should continue to be enforced to the fullest extent permitted by applicable law.

10. This Waiver and Release shall be interpreted, enforced and governed under the laws of the State of Arkansas, without regard to any applicable state's choice of law provisions.

11. Executive represents and acknowledges that in signing this Waiver and Release he does not rely, and has not relied, upon any representation or statement made by the CS&L Group or by any of the Released Parties with regard to the subject matter, basis or effect of this Waiver and Release other than those specifically contained herein.

12. This Waiver and Release represents the entire agreement between the Parties concerning the subject matter hereof, shall supersede any and all prior agreements which may otherwise exist between them concerning the subject matter hereof (specifically excluding, however, the post-termination obligations contained in the Agreement), and shall not be altered, amended, modified or otherwise changed except by a writing executed by both Parties.

PLEASE READ CAREFULLY. WITH RESPECT TO EXECUTIVE, THIS WAIVER AND RELEASE INCLUDES A COMPLETE RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

(Signatures are on the following page)

IN WITNESS WHEREOF, the Parties have themselves signed, or caused a duly authorized agent thereof to sign, this Waiver and Release on their behalf and thereby acknowledge their intent to be bound by its terms and conditions.

KENNETH GUNDERMAN

[DO NOT SIGN UNTIL AFTER SEPARATION DATE]

Signed: _____
Print Name: _____
Date: _____

COMMUNICATIONS SALES & LEASING, INC.

Signed: _____
Title: _____
Date: _____

Exhibit 10.10

MASTER SERVICES AGREEMENT

Between

Windstream Services, LLC

And

Talk America Services, LLC

Proprietary and Confidential

MASTER SERVICES AGREEMENT

TABLE OF CONTENTS

MASTER SERVICES AGREEMENT

This Master Services Agreement (this "Agreement"), dated as of , 2015, (the "Effective Date") is made by and between Windstream Services, LLC, a Delaware limited liability company, on behalf of itself and its competitive local exchange and interexchange carrier affiliates ("Windstream"), and Talk America Services, LLC, a Delaware limited liability company ("TAS").

WHEREAS, TAS desires to obtain from Windstream on the terms and conditions set forth in this Agreement the information technology and related services as described in this Agreement, as set forth in the Exhibits attached hereto and made a part hereof and as set forth in any Statement of Works entered into hereunder; and

WHEREAS, Windstream desires to provide to TAS such information technology and related services on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the agreements of the parties set forth below, TAS and Windstream agree as follows:

1. DEFINITIONS

1.1 Definitions. As used in this Agreement:

"Agreement" shall mean this Master Services Agreement and all Exhibits hereto and any Statement of Work hereunder.

"Affiliate" with respect to either TAS or Windstream shall mean any other Person at any time now or hereafter controlling, controlled by or under common control with TAS or Windstream, as applicable. For purposes of this definition, "control" and its derivations shall mean the legal, beneficial, or equitable ownership, directly or indirectly, of more than 50% of the aggregate of all voting equity interests in an entity and, in the case of a limited partnership, also includes the holding by an entity (or one of its Affiliates) of the position of sole general partner.

"Billing and Remittance Agreement" shall mean that certain Billing and Remittance Agreement of even effective date between Windstream, on behalf of itself and its competitive local exchange and interexchange carrier affiliates, and CSL National, L.P., on behalf of itself and its Affiliates.

"Confidential Information" of TAS or Windstream means all information and documentation of TAS and Windstream, respectively, whether disclosed to or accessed by TAS or Windstream in connection with this Agreement both before and after the Effective Date, including the terms of this Agreement, a party's Data, Software and all information, including

CPNI, information relating to customers, technology, operations, facilities, consumer markets, products, capacities, systems, procedures, security practices, research, development, business affairs, ideas, concepts, innovations, inventions, designs, business methodologies and processes, improvements, trade secrets, copyrightable subject matter and other proprietary information, of a party, the Affiliates of a party or its or their customers, suppliers, contractors and other third parties doing business with a party or its Affiliates; provided, however, in each case, that except to the extent otherwise provided by applicable law, the term "Confidential Information" will not include information that (1) is independently developed by the recipient, as demonstrated by the recipient's written records, without violating the disclosing party's proprietary rights, (2) is or becomes publicly known (other than through unauthorized disclosure), (3) is disclosed by the owner of such information to a third party free of any obligation of confidentiality, or (4) is rightfully received by a party free of any obligation of confidentiality, provided that (a) such recipient has no knowledge that such information is subject to a confidentiality agreement and (b) such information is not of a type or character that a reasonable person would have regarded it as confidential.

"Customer Proprietary Network Information" or "CPNI" as defined in 47 U.S.C. § 222(h)(1). CPNI shall be treated as Confidential Information under this Agreement.

"Days" shall mean calendar Days unless otherwise specified.

"Effective Date" shall mean the date set forth above.

"Losses" shall mean all claims, losses, liabilities, obligations, payments, damages, charges, judgments, fines, penalties, costs and expenses of any kind or character with the exception of consequential, punitive, incidental and special damages, including but not limited to reasonable attorneys' fees and costs and expenses resulting from any claims, demand, action, suit or similar proceeding.

"Pass Through Expenses" shall mean those designated out-of-pocket costs or expenses incurred by Windstream as provided in this Agreement that shall be passed through to TAS by Windstream at cost and without mark up or margin. Pass Through Expenses of Windstream shall not be limited to direct cost paid to third parties and may include charges for Windstream employees so long as such expenses are not otherwise included in the Fees payable by TAS under a Statement of Work.

"Person" shall mean an individual, corporation, partnership, limited liability company, sole proprietorship, joint venture, or other form of organization or entity, now existing or hereinafter formed or acquired.

"Representatives" refers to a party's partners, agents, consultants, subcontractors, successors and permitted assigns.

"Software" shall mean collectively the TAS Software and the Windstream Software, except when otherwise indicated.

"Systems" shall mean collectively the TAS third party Software, the Windstream Software and the Equipment which are part of the data center used to provide the Services.

"TAS Software" shall mean the third party and proprietary software of TAS utilized by TAS during the Term of any Statement of Work with respect to the Services provided by Windstream.

"Windstream Software" shall mean any program or part of a program, which is proprietary to Windstream, or licensed or sublicensed to Windstream by a third party, including without limitation the software described in a Statement of Work, and provided and used by Windstream in connection with this Agreement.

1.2 Definition Cross-Reference Index.

As used in this Agreement, the following terms are defined in the following sections of the Agreement:

Term	Section
Affected Performance	13.1
Windstream	Preamble
Windstream Relationship Manager	7
Default Cure Period	16.1
Default Notice	16.1
Effective Date	Preamble
Fees	4.1
Force Majeure Event	13.1
Indemnified Parties	17.1
Management Committee	7
Service Levels	5
Services	3.1
Term	2
Termination Assistance Period	16.4
Termination Assistance Services	16.4
TAS	Preamble
TAS Data	12
TAS Relationship Manager	7
TAS Interruption Event	13.2

2. TERM

This Agreement shall continue in full force and effect with respect to a Statement of Work until such time as the Statement of Work expires or is otherwise terminated pursuant to its terms (the "Term"). The term of each Statement of Work shall be as set forth in the applicable Statement of Work. This Agreement shall terminate thirty (30) Days after there is no Statement of Work in effect.

3. SERVICES

3.1 Statements of Work. The services provided by Windstream under this Agreement (the "Services") will be described in one or more statements of work in the form or substantially similar to the form attached hereto and labeled Exhibit A (each a "Statement of Work"). Each Statement of Work is to be separately executed and when so executed shall become a part of this Agreement. Terms and conditions in said Statement of Work(s) shall supersede any conflicting terms and conditions in this Agreement for only the specific services defined in said Statement of Work(s). All Statement of Work(s), together with the terms and conditions of this Agreement, shall constitute and be construed as the Agreement.

3.2 Scope of Work. Each Statement of Work attached hereto, together with its exhibits, if any, will define the scope of work for a particular Service provided by Windstream to TAS pursuant to this Agreement.

3.3 Error Correction. In the event of an error in processing TAS' Data and to the extent reasonably practicable, Windstream will correct such error. TAS shall not incur additional charges in connection with the correction of such error unless such error was caused by (i) the nature of TAS' Data submitted to Windstream, (ii) a TAS Interruption Event, or (iii) TAS' failure to notify Windstream of the error within the applicable timeframe set forth below. TAS shall give notice of any error in processing to Windstream within thirty (30) Days after performance of such Services, and failure by TAS to provide notice within such thirty (30) Day period shall constitute final acceptance of such Services.

4. INVOICES AND PAYMENTS

4.1 Fees. TAS shall pay to Windstream the fees described in this Agreement (collectively "Fees"). All charges will be stated in United States dollars and shall be payable in United States dollars.

4.2 Taxes. All amounts due from TAS to Windstream are exclusive of tax. TAS shall pay directly or, if paid by Windstream, reimburse or indemnify Windstream for any applicable tax, including any sales, use, value added, excise, and goods and services taxes, imposed by any federal, state, or local governmental entity for products or services provided under this Agreement. TAS shall pay such taxes in addition to the sums due under this Agreement. All property, employment and income taxes based on the assets, employees and net income, respectively, of Windstream shall be Windstream's sole responsibility. The parties shall cooperate in good faith to minimize taxes to the extent legally permissible. Each party shall provide and make available to the other party any resale certificates, treaty certification and other exemption information reasonably requested by the other party. If TAS disputes and refuses to pay any tax or provides an exemption certificate in connection therewith, TAS agrees to indemnify and hold Windstream harmless for such tax and related penalties and interest if such tax is later determined to be due and payable by TAS.

4.3 Invoicing and Payment. Windstream shall invoice TAS for all work performed according to the applicable Statement of Work, and the Billing and Remittance Agreement. Windstream shall submit detailed monthly invoices for all work performed. Windstream shall invoice TAS monthly for travel or other permitted expenses incurred, and shall include receipts and supporting data for such expenses. TAS shall reimburse Windstream for reasonable travel expenses incurred by Windstream's personnel for travel approved by TAS' Project Manager. In order to be eligible for reimbursement, all planned travel shall be approved in advance by TAS' Project Manager and made in accordance with Windstream's then current travel policy. All invoices submitted by Windstream must, at a minimum, set forth the following information: (i) the contract number of this Agreement and number(s) of the particular Statement of Work(s) being billed; (ii) the name(s) of the Service(s) to which the Statement of Work(s) relate; and (iii) a record of expenses to be reimbursed by TAS. Unless a Statement of Work provides otherwise, TAS shall pay invoices within forty-five (45) days of receipt from Windstream.

4.4 Pass Through Expenses. TAS shall reimburse Windstream for any Pass Through Expenses set forth in this Agreement. Windstream will use commercially reasonable efforts to minimize the amount of Pass Through Expenses. Each Statement of Work will list known Pass Through Expenses.

4.5 Billing and Remittance Agreement. Windstream and TAS agree to remit payments to each other in accordance with the terms and conditions set forth in the Billing and Remittance Agreement.

5. SERVICE LEVELS

The Service Levels applicable to each Service, if any, are set forth in the Statement of Work for such Service (the "Service Levels").

6. SECURITY REQUIREMENTS

6.1 Information Security Requirements.

6.1.1 General Requirements. Both parties shall maintain a security policy that (a) provides guidance to its personnel to ensure the confidentiality, integrity and availability of information and systems maintained or processed by either of them, and (b) provides express instructions regarding the steps to take in the event of a compromise or other anomalous event. The policies shall address the following key points: delegation and assignment of responsibilities for security; management oversight for the policy and its deployment; means for managing security within the enterprise; policies and procedures for data confidentiality and privacy and data protection and access to, and handling of, data; and planning for incident response in the event of a breach of security or unauthorized disclosure of data. Each party shall maintain commercially reasonable standards and procedures to address the configuration, operation, and management of systems and networks, services, and data owned by the other. Such standards and procedures shall include commercial or professional-grade (a) security controls, (b) identification and patching of security vulnerabilities on a commercially reasonable schedule, (c) use of anti-virus software and current virus definitions, (d) change control processes and procedures, (e) problem management, and (f) incident detection and management. While each party shall continually update and modify its standards and procedures to reflect reasonable

commercial improvements in information security, neither party shall be required to have better, stricter, or more robust information security standards and procedures than the other during the term of this Agreement.

6.1.2 Notice Requirements Regarding Information Security. Either party shall notify, by telephone and in writing, the other's Chief Information Security Officer ("CISO") of the following events without undue delay, as soon as practicable after the event:

(a) Suspected breaches or compromises of data, systems, or networks that directly or indirectly support the other, or claims or threats thereof made by any personnel or external person;

(b) Termination of any personnel for cause, where related to such personnel's potential or actual misuse or compromise of data, systems, or networks that directly or indirectly support the other pursuant to this Agreement;

(c) Any law enforcement or administrative investigation or inquiry into suspected misuse or abuse of systems or networks;

(d) Non-compliance, for a period greater than one (1) week, with any requirement under the information security requirements of this Agreement; and

(e) Retention of a new third party technology vendor that will have responsibility for data, any system, or network that directly or indirectly supports the other pursuant to this Agreement.

7. RELATIONSHIP MANAGEMENT

Each party will designate a relationship manager. The relationship manager for Windstream shall be Windstream's , currently (the "Windstream Relationship Manager") and the relationship manager for TAS shall be TAS's , currently , (the "TAS Relationship Manager") (collectively, the "Management Committee"). The Management Committee shall meet at least once each month during the Term to discuss any matters related to the Services or this Agreement, including, identifying any issues relating to the Services and suggesting corrective actions to solve such issues, and reviewing the composition of the Windstream personnel performing the Services and any planned or suggested changes to the Services. The TAS Relationship Manager will serve as the primary point of contact for the Windstream with respect to this Agreement. The Windstream Relationship Manager will have overall responsibility for Day-to-Day management and administration of the Services provided under this Agreement and will serve as the primary contact for TAS with respect to this Agreement.

8. DISPUTE RESOLUTION

8.1 Dispute Resolution.

8.1.1 Except as otherwise provided in this Agreement, any dispute between the parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiation between the parties. To initiate such negotiation, a party must provide to the other party written notice of the dispute that includes both a detailed description of the dispute or alleged nonperformance and the name of an individual who will serve as the initiating party's representative in the negotiation. Failure to provide a detailed description of the dispute or alleged nonperformance will result in denial of the dispute. The other party shall have five (5) business Days to designate its own representative in the negotiation. The parties' representatives shall meet at least once within fifteen (15) Days after the date of the initiating party's written notice in an attempt to reach a good faith resolution of the dispute. Upon agreement, the parties' representative may utilize other alternative dispute resolution procedures such as private mediation to assist in the negotiations.

8.1.2 If the parties have been unable to resolve the dispute within sixty (60) Days of the date of the initiating party's written notice, either party may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise.

8.1.3 The parties shall continue providing services to each other during the pendency of any dispute resolution procedure and the parties shall continue to perform their payment obligations in accordance with this Agreement.

8.1.4 ANY DISPUTE HEREUNDER REQUIRING JUDICIAL RESOLUTION SHALL ONLY BE MADE THE SUBJECT OF AN ACTION BROUGHT IN A COURT OF COMPETENT JURISDICTION IN PULASKI COUNTY, ARKANSAS, AND THE PARTIES EACH ACCEPT THE EXCLUSIVE JURISDICTION OF SUCH COURTS.

8.2 Claim Expiration. No claims under this Agreement may be made more than two (2) years after expiration or termination of this Agreement; failure to make such a claim within the two (2) years period shall forever bar the claim.

8.3 Continuity of Services. In the event of a Dispute between TAS and Windstream, during the pendency of the dispute resolution process described in this Section 8, Windstream shall continue to provide the Services and TAS shall continue to pay amounts invoiced by Windstream pursuant to this Agreement.

8.4 Injunctive Relief. Each party acknowledges and agrees that, in the event of a breach or threatened breach of any provision of this Agreement for which a party shall have no adequate remedy at law, that such party is entitled to seek an injunctive or equitable relief to prevent such breach or threatened breach; provided, however, that no specification of a particular legal or equitable remedy is to be construed as a waiver, prohibition, or limitation of any legal or equitable remedies in the event of a breach hereof.

9. EQUIPMENT AND SOFTWARE SUPPORT

9.1 Equipment. Windstream shall provide the computer equipment and the necessary operating system software used to provide the Services ("Equipment"). TAS shall provide all other equipment necessary for itself in connection with the Services (including but not limited to personal computers, printers, and related peripheral equipment and network equipment).

9.2 Software Support. Windstream shall support the Windstream Software. The Fees for such support are included in the Fees payable under each Statement of Work. Unless otherwise agreed by the parties, TAS shall be responsible for providing support for the TAS Software, and any costs paid by Windstream for TAS Software shall be a Pass Through Expense.

10. REQUIRED CONSENTS.

10.1 TAS Consents. TAS shall obtain at its expense all consents and approvals necessary to allow Windstream and its Representatives to use the TAS Software used to provide the Services and for TAS to receive the Services during the Term; provided, however, in the event there is an expense associated with such consent and approval for Windstream and Windstream's Representatives, TAS shall only be responsible for the expense necessary to obtain Windstream the rights contemplated by this Section 10.1.

10.2 Windstream Consents. Windstream shall obtain at its expense all consents and approvals necessary to allow Windstream to provide the Services to TAS and for TAS to receive from Windstream the Services during the Term, including approvals required to use the Windstream Software to provide the Services to TAS.

11. PROPRIETARY RIGHTS

11.1 Ownership of Software. All Software of a party, including enhancements or modifications thereto prepared by either party or their Representative, will be and will remain the exclusive property of that party or the third party licensors thereof and the other party will have no rights or interests in such Software except as described in this Section 11. A party shall not, without the owning party's prior consent, decompile or reverse engineer the Software of the other party.

11.2 Termination or Expiration of Agreement. Upon expiration of this Agreement or termination of this Agreement for any reason, the rights granted to a party in this Agreement will immediately revert to the entity which granted them and the party using such Software shall, at no cost to the other party, other than the transfer fees described below (i) cease use of all Software of the other party, except to the extent as required in connection with the Termination Assistance Services, (ii) deliver to the other party a current copy, if any, of all the Software (including any related source code in such party's possession or control) in the form in use as of the date of such expiration or termination of this Agreement, (iii) destroy or erase all other copies of the Software and documentation of the other party in a party's possession or the possession of such party's Representatives unless otherwise instructed by the other party, and (iv) if a party has modified or enhanced any Software of the other party, the modifying party shall deliver to the other party all copies of such modifications or enhancements, and any documentation related thereto.

11.3 Developed Software. Except with respect to the TAS Software and Windstream Software, the relative rights to which are described above in Section 11, the relative rights of the parties in any other software developed by Windstream upon request of TAS and any related documentation shall be determined by the parties prior to the time of development of such developed Software. TAS and Windstream shall each be the sole and exclusive owner of all trade secrets, patents, copyrights, and other proprietary rights owned by each of them as of the Effective Date.

12. TAS DATA.

All data and information submitted to Windstream by TAS in connection with Services rendered by Windstream to TAS (the "TAS Data") is and will remain the property of TAS. Windstream and its representatives shall not (1) use the TAS Data for any purpose other than to provide the Services, (2) disclose, sell, assign, lease, or otherwise provide the TAS Data to third parties, or (3) commercially exploit the TAS Data. Windstream shall upon the earlier of (1) the request by TAS at any time or (2) the cessation of all Termination Assistance Services (as described in Section 16.4), promptly return to TAS, in the format and on the media requested by TAS, all of the TAS Data. TAS shall pay the cost of, and shall own, any media (for example, tapes) on which the TAS Data is stored. TAS shall pay the cost of shipment of such media to TAS. Windstream and its subcontractors shall not use archival tapes containing any TAS Data other than for the purposes described herein. Windstream shall not condition or withhold the return of any TAS Data upon the payment of any fees or expenses due Windstream by TAS, and Windstream shall not have, or assert, any lien or restriction on any TAS Data.

13. FORCE MAJEURE; TIME OF PERFORMANCE

13.1 Force Majeure. Neither party shall be held liable for any delay or failure in performance of all or a portion of the Services or of any part of this Agreement from any cause beyond its reasonable control, including, but not limited to, acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents and floods ("Force Majeure Event"). Upon the occurrence of a Force Majeure Event, the party whose performance is affected shall give immediate written notice to the other party describing the affected performance, ("Affected Performance") and the parties shall promptly confer, in good faith, to agree upon equitable, reasonable action to minimize the impact, on both parties, of such condition. The parties agree that the party whose performance is affected shall use commercially reasonable efforts to minimize the delay caused by the Force Majeure Events and recommence the Affected Performance. TAS may immediately cease paying for that part of the Affected Performance which Windstream is unable to perform. In the event the delay caused by the Force Majeure Event lasts for a period of more than fifteen (15) Days, the parties shall negotiate an equitable modification to this Agreement (or the applicable Statement of Work) with respect to the Affected Performance. If the parties are unable to agree upon an equitable modification within ten (10) Days after such fifteen (15) Day period has expired, then either party shall be entitled to serve thirty (30) Days' notice of termination on the other party with respect to only such Affected Performance. Windstream acknowledges that this provision shall not relieve Windstream of its obligation to provide the business continuity services as set forth in the applicable Statement of Work.

13.2 Time of Performance and Increased Costs. Windstream's time of performance with respect to Services performed under this Agreement shall be extended, and its obligations hereunder shall be suspended as provided herein, if and to the extent reasonably necessary, in the event that (a) TAS fails to submit data or materials in the prescribed form agreed to by the parties or in accordance with the requirements identified in this Agreement, (b) TAS fails to perform on a timely basis or provide adequate resources to perform the material tasks, functions or other responsibilities of TAS, (c) TAS or any governmental agency authorized to regulate or supervise TAS makes any special request which extends Windstream's normal performance schedule, or (d) any TAS Software does not perform, in all material respects, in accordance with its documentation and the same is necessary for Windstream's performance hereunder or TAS or Windstream (at TAS's direction) changes or modifies the TAS Software which change or modification materially affects Windstream's performance of the Services (each of (a), (b), (c) and (d) a "TAS Interruption Event"). Windstream's time of performance shall only be extended, and its obligations hereunder suspended, if (i) such Windstream nonperformance results from a TAS Interruption Event and (ii) Windstream uses commercially reasonable efforts to perform notwithstanding the TAS Interruption Event. Windstream shall give TAS immediate notice of a TAS Interruption Event. If a TAS Interruption Event occurs and Windstream is not prevented thereby from performing any Services, but the occurrence of such TAS Interruption Event results in an inability of Windstream to perform any or all of the Services at the Service Levels, then Windstream shall be relieved of Service Levels with respect to the affected Services for so long as the TAS Interruption Event continues to prevent performance in accordance with the applicable Service Levels. Further, if a TAS Interruption Event occurs and results in an increase in Windstream's cost of providing the affected Services, Windstream shall advise TAS of such increased cost to Windstream and, thereafter, TAS may elect to either (i) modify Windstream's performance of such Services so as to mitigate the increased costs related to the TAS Interruption Event until such time as the TAS Interruption Event no longer exists and continue to pay for such Services or (ii) elect to receive the Services from Windstream in which event TAS shall pay Windstream's increase cost of performing the Services, and Windstream will thereafter provide the Services in compliance with the Service Levels if the payment of the increase in costs cures the TAS Interruption Event. If a TAS Interruption Event prevents Windstream from performing any Services, TAS shall continue to pay Windstream for the Services.

14. CONFIDENTIALITY.

Each party shall use at least the same standard of care in the protection of Confidential Information of the other party as it uses to protect its own confidential or proprietary information (provided that such Confidential Information shall be protected in at least a reasonable manner). Each party shall use the Confidential Information of the other party only in connection with the purposes of this Agreement and shall make such Confidential Information available only to its employees and Representatives having a "need to know" with respect to such purpose. Each party shall advise its respective employees and Representatives of such party's obligations under this Agreement. Further, Windstream agrees to use TAS' CPNI solely to provide the services

under this Agreement and for no other purpose. Except as otherwise required by the terms of this Agreement or applicable law or national stock exchange rule, upon the expiration or termination of this Agreement all Confidential Information of a party disclosed to, and all copies thereof made by, the other party shall be returned to the disclosing party or, at the disclosing party's option, erased or destroyed. The recipient of the Confidential Information shall provide to the disclosing party certificates evidencing such destruction. The obligations in this Section 14 will not restrict disclosure by a party pursuant to applicable law, or by order or request of any court or government agency; provided that, prior to such disclosure the receiving party shall (i) immediately give notice to the disclosing party and (ii) cooperate with the disclosing party in challenging the right to such access and (iii) only provide such information as is required by law, such order or a final, non-appealable ruling of a court of proper jurisdiction. Confidential Information of a party will not be afforded the protection of this Agreement if such Confidential Information was (A) rightfully obtained by the other party without restriction from a third party, (B) publicly available other than through the fault or negligence of the other party, or (C) released by the disclosing party without restriction to anyone.

15. REPRESENTATIONS AND WARRANTIES

15.1 Windstream's Representations and Warranties. Windstream represents and warrants that:

15.1.1 It is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware.

15.1.2 It has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement.

15.1.3 With respect to the subject matter of this Agreement, it is duly licensed, authorized or qualified to do business and is in good standing in every jurisdiction in which a license, authorization or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it, except where the failure to be so licensed, authorized or qualified would not have a material adverse effect on Windstream's ability to fulfill its obligations under this Agreement.

15.1.4 It is in compliance with all applicable Federal, state, local, international and foreign laws and regulations applicable to it in connection with its obligations under this Agreement. In connection with providing the Services, Windstream shall comply with all applicable Federal, state and local laws and regulations and shall obtain all applicable permits and licenses related to the Service Locations.

15.1.5 The execution, delivery and performance of this Agreement will not cause a breach of any commitments by Windstream to third parties.

15.1.6 The Services and the Additional Services will be performed in a professional and workmanlike manner in accordance with the care and skill ordinarily used by other members of the information processing industry practicing under similar conditions at the same time.

15.2 TAS Representations and Warranties. TAS represents that:

15.2.1 It is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware.

15.2.2 It has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement.

15.2.3 With respect to the subject matter of this Agreement, it is duly licensed, authorized or qualified to do business and is in good standing in every jurisdiction in which a license, authorization or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it, except where the failure to be so licensed, authorized or qualified would not have a material adverse effect on TAS's ability to fulfill its obligations under this Agreement.

15.2.4 It is in compliance with all applicable Federal, state, local, international and foreign laws and regulations applicable to TAS in connection with its obligations under this Agreement.

15.3 No Additional Representations or Warranties. EXCEPT AS SPECIFIED IN THIS AGREEMENT, NEITHER TAS NOR WINDSTREAM MAKES ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND EACH AGREES THAT ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES THAT ARE NOT PROVIDED IN THIS AGREEMENT ARE HEREBY EXCLUDED AND DISCLAIMED.

16. TERMINATION

16.1 Termination For Breach.

16.1.1 Either party may terminate the Agreement or a Statement of Work immediately if the other party is in material default hereunder or under a Statement of Work and fails to either cure such default or begin implementation of a mutually agreed upon plan to cure such default within thirty (30) Days of written notice from the other party specifying the nature of such default and requiring its remedy ("Default Notice") (or promptly following such notice, the breaching party has begun and thereafter diligently and in good faith is working to effect such cure and such cure could not reasonably be accomplished within thirty (30) Days, in which case the defaulting party shall have an additional thirty (30) Days) ("Default Cure Period"). In the event the default is not cured within the Default Cure Period, the non-defaulting party shall affect the termination by providing notice that the Agreement has been terminated and specifying the effective date of such termination. For purposes of this Agreement, a "material default" shall

be a default which (a) substantially impairs or will, with certainty, impair the ability of a party to perform its obligations under this Agreement or (b) results in a substantial disruption of either party's performance of operations under this Agreement or its normal and customary business operations.

16.1.2 Windstream may terminate the Agreement or a Statement of Work in the event any undisputed charges are past due and TAS fails to pay such charges within ten (10) Days after notice and demand by Windstream.

16.2 Termination for Insolvency. Consistent with applicable law then in force, in the event that either party:

16.2.1 Shall admit in writing its inability to, or be generally unable to, pay its debts as such debts become due; or

16.2.2 shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, examiner or liquidator of itself or of all or a substantial part of its property or assets, (ii) make a general assignment for the benefit of its creditors, (iii) commence a voluntary case under the Bankruptcy Code, (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, liquidation, dissolution, arrangement or winding-up, or composition or readjustment of debts, (v) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code or (vi) take any corporate or other action for the purpose of effecting any of the foregoing;

Then the other party may, by giving notice thereof to such party, exercise the right to terminate this Agreement, and such termination shall become effective as of the date specified in such termination notice.

16.2.3 In the event that:

(1) a proceeding or case shall be commenced, without the application or consent of a party, in any court of competent jurisdiction, seeking (i) its reorganization, liquidation, dissolution, arrangement or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a receiver, custodian, trustee, examiner, liquidator or the like of such party or of all or any substantial part of its property or assets or (iii) similar relief in respect of such party under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue either uncontested or unstayed and in effect for a period of sixty (60) Days or more Days; or

(2) An order for relief against such party shall be entered in an involuntary case under the Bankruptcy Code;

Then the other party may, by giving notice thereof to such party, exercise the right to terminate this Agreement, and such termination shall become effective as of the date specified in such termination notice.

16.3 Waiver. No delay or omission by a party to exercise any right or power accruing hereunder will impair or be construed as a waiver of any such right or power nor will such party be deemed to have waived any event of default or acquiesced in it, and such party shall be entitled to exercise every such right and power from time to time and as often as shall be deemed expedient. All waivers shall be in writing and signed by the party waiving its rights.

16.4 Termination Assistance. Upon the termination or expiration of a Statement of Work for any reason, provided that TAS remains current on all undisputed Fees due under such Statement of Work, Windstream will provide TAS, at TAS's request, the transition services reasonably necessary for TAS to effect an orderly transition for the performance by or on behalf of TAS of the Services so terminated. Further, Windstream will provide, at TAS's request, all staff, services and assistance reasonably required by TAS for such transition ("Termination Assistance Services"). All Termination Assistance Services shall be at Windstream's then-current rates for such Services, not to exceed the hourly rates, if any, set forth for similar services in the applicable Statement of Work. In the event Windstream terminates a Statement of Work for material breach of such Statement of Work by TAS, during the Termination Assistance Period, each month TAS shall prepay to Windstream all reasonably anticipated fees and expenses related to the Termination Assistance Services prior to the commencement of Termination Assistance Services for that month. Windstream will comply with TAS's directions to accomplish the orderly transition and migration of the Services to TAS or any entity designated by the TAS, from Windstream. Windstream will continue to provide Services in connection with Termination Assistance Services for a period of up to twelve (12) months after termination or expiration of this Statement of Work, but only if requested by TAS, and for such further period as reasonably required by TAS ("Termination Assistance Period"). Windstream's termination assistance obligations shall include, without limitation providing (a) information in regard to Windstream's delivery of the Services, (b) detailed specifications and documentation available to Windstream for equipment and Software (if so permitted by the third party software licensor) used by Windstream to provide the Services, and (c) such other services as reasonably requested by TAS.

17. INDEMNIFICATION

17.1 Personal Injury and Property Damage. Each party agrees to indemnify, defend and hold harmless the other and its officers, directors, employees, Affiliates and Representatives (collectively, the "Indemnified Parties") from any and all Losses arising from or in connection with the damage, loss (including theft) or destruction of any real property or tangible personal property of the indemnified party or personal injury resulting from the actions or inactions of any employee or Representative of the indemnifying party insofar as such damage arises out of or in the course of fulfilling its obligations under this Agreement and to the extent such damage is due to any negligence, breach of statutory duty, omission or default of the indemnifying party, its employees or Representatives.

17.2 Infringement Claims Relating to TAS Software. TAS shall indemnify, defend and hold the Windstream Indemnified Parties harmless at its own expense, from any threatened claim, claim, action, brought by any third party against Windstream Indemnified Parties and all Losses due to such claim, threatened claim or action experienced by Windstream Indemnified Parties for actual or alleged infringement of any patent, copyright or other property right (including, but not limited to, misappropriation of trade secrets or breach of confidentiality) based upon the TAS Software furnished hereunder by TAS. If any such threatened claim, claim or action is brought, or if the TAS Software (or any component thereof) is held to constitute an infringement or violation of any other party's property rights and is enjoined, or if TAS deems it advisable to do so, TAS shall at its sole option take one or more of the following actions at no additional cost to Windstream: (a) procure the right to continue the use of the same without material interruption; (b) replace the same with non-infringing software that meets the specifications; (c) modify said TAS Software (to the extent legally permissible) so as to be non-infringing; or (d) terminate those Statements of Work in which the TAS Software is required for the performance of the Services by Windstream.

17.3 Infringement Claims Relating to Windstream Software. Windstream shall indemnify, defend and hold the TAS Indemnified Parties harmless at its own expense, from any threatened claim, claim, action, brought by any third party against the TAS Indemnified Parties and all Losses due to such claim, threatened claim or action experienced by the TAS Indemnified Parties for actual or alleged infringement of any patent, copyright or other intellectual property right (including, but not limited to, misappropriation of trade secrets) based upon the Windstream Software. If any such threatened claim, claim or action is brought, or if all or any part of the Windstream Software (or any component thereof) is held to constitute an infringement or violation of any other party's intellectual property rights and is enjoined, or if Windstream deems it advisable to do so, Windstream shall at its sole option take one or more of the following actions at no additional cost to TAS: (a) procure the right to continue the use of the same without material interruption; (b) replace the same with non-infringing software that meets the specifications; (c) modify said Windstream Software (to the extent legally permissible) so as to be non-infringing; or (d) terminate those Statements of Work in which the Windstream Software is required for the performance of the Services by Windstream. This indemnity shall not extend to infringement to the extent determined by a court of competent jurisdiction that such Loss (i) would not have occurred but for: (A) Windstream's compliance with TAS's designs, processes or formulas; or (B) a modification of the Software by TAS or a third party at the request of TAS; or (ii) results from items not provided or approved by Windstream that contribute to a claim based on combination of such items with Software.

17.4 Indemnification Procedures. As a condition to an indemnifying party's indemnification obligations under this Agreement, an indemnified party shall (i) give the indemnifying party prompt written notice of the claim, action or suit (provided that the failure of the indemnified party to provide prompt notice shall not relieve the indemnifying party from any of its obligations hereunder, except to the extent the indemnifying party is actually prejudiced thereby), (ii) reasonably cooperate with the indemnifying party in the defense and settlement of such claim, action or suit, (iii) give the indemnifying party authority to control the defense of the claim, action or suit and any settlement negotiations, provided the indemnifying party and any of its applicable insurance carriers have accepted the duty to indemnify the indemnified party and have demonstrated to the indemnified party's satisfaction (based upon commercially reasonable analysis) that the indemnifying party and any applicable insurance carrier are financially capable of fully indemnifying the indemnified party.

18. LIMITATION OF LIABILITY

18.1 Limitation of Liability. EXCEPT WHEN CAUSED BY A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY CLAIM, CAUSE OF ACTION OR LIABILITY WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE ARISING UNDER OR RELATED TO THIS AGREEMENT. Notwithstanding anything herein to the contrary, the total liability of Windstream under or in connection with this Agreement or any SOW will be limited to the fees (excluding pass-through expenses) paid by TAS to Windstream in the twelve (12) months immediately preceding the date the claim arose.

18.2 Exclusion of Consequential Damages. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR BUSINESS, OF ANY KIND WHATSOEVER

18.3 Effect of TAS Software. Windstream shall have no liability, express or implied, whether arising under contract, tort or otherwise which results directly or indirectly from the internal operations and performance of any TAS Software. Windstream will continue to perform the Services, except to the extent that the internal operations and performance of such TAS Software prevents such performance of the Services. In such event, Windstream will use its reasonable best efforts to implement an appropriate "work around" so as to minimize any material adverse effect to TAS.

19. MISCELLANEOUS

19.1 Notices. Except as otherwise specified in this Agreement, all notices, requests, consents, approvals, and other communications required or permitted under this Agreement shall be in writing and shall have been deemed to have been properly given, unless explicitly stated otherwise if sent to each of the persons at the addresses or facsimile numbers set forth below for a party by (i) Federal Express or other comparable overnight courier, (ii) registered or certified mail, postage prepaid, return receipt requested, or (iii) facsimile during normal business hours to the place of business of the recipient; provided that any facsimile notice must be followed the same Day with a delivery of identical notice by Federal Express or other comparable overnight courier, for next business Day delivery.

In the case of Windstream:

Windstream Services, LLC.
4001 Rodney Parham Road
Little Rock, Arkansas 72212
Facsimile: (501) _____
Attention: Windstream Relationship Manager

With a copy to: Attention: General Counsel

In the case of TAS: Talk America Services, LLC

Little Rock, AR 722_____
Facsimile: (501) _____
Attention: TAS Relationship Manager

With a copy to: Attention: General Counsel

All notices, notifications, demands or requests so given shall be deemed given and received (i) if mailed, three (3) Days after being deposited in the mail; (ii) if sent via overnight courier, the next business Day after being deposited; or (iii) if sent via facsimile on a business Day, that Day, or if sent via facsimile on a Day that is not a business Day, the next Day that is a business Day; provided that any facsimile notice must be followed the same Day with a delivery of identical notice by Federal Express or other comparable overnight courier, for next business Day delivery. Either party may change its address or facsimile number or the individuals for notification purposes by giving the other party notice of the new address or telecopy number and/or individual and the date upon which it will become effective.

19.2 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, then the remaining provisions of this Agreement or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable will not be affected thereby, and each such provision of this Agreement will be valid and enforceable to the extent permitted by law.

19.3 Entire Agreement. This Agreement and each of the Exhibits and Statements of Work, and the Billing and Remittance Agreement which are hereby incorporated by reference into this Agreement, are the entire agreement between the parties with respect to the subject matter hereof, and supersedes all oral agreements between the parties with respect to the subject matter hereof. There are no other representations, understandings, or agreements between the parties relative to such subject matter.

19.4 Amendments. No amendment to, or change, waiver, or discharge of, any provision of this Agreement will be valid unless in writing and signed by an authorized representative of the party against which such amendment, change, waiver, or discharge is sought to be enforced.

19.5 Governing Law. This Agreement will be interpreted pursuant to and governed by the laws of the State of Arkansas applicable to contracts to be performed within Arkansas, without giving effect to any conflicts of law doctrine of such State. The Parties hereto expressly exclude the application of any non-United States laws and the United Nations Convention on Contracts for the International Sale of Goods from this Agreement and any transaction that may be entered into between the Parties in connection with this Agreement.

19.6 Survival. The terms of Section 4.2 (Taxes), Section 8.1 (Dispute Resolution), Section 11 (Proprietary Rights), Section 12 (TAS Data), Section 14 (Confidentiality), Section 17 (Indemnification), Section 18 (Limitation of Liability), Section 19.1 (Notices), Section 19.3 (Entire Agreement), Section 19.5 (Governing Law), Section 19.8 (Third Party Beneficiaries), Section 19.11 (Assignment) and Section 19.12 (Press Releases) will survive the expiration of this Agreement or termination of this Agreement for any reason.

19.7 Relationship. The performance by Windstream of its duties and obligations under this Agreement are that of an independent contractor and nothing contained in this Agreement, except for the limited agency expressly provided for herein, creates or implies an agency relationship between TAS and Windstream, nor will this Agreement be deemed to constitute a joint venture or partnership between TAS and Windstream. Windstream and TAS agree that Windstream is an independent contractor and neither party's personnel are agents or employees of the other party for federal or state tax purposes, and are not entitled to any employee benefits from the other party. Except as specifically set forth herein, each party assumes sole and full responsibility for its acts and the acts of its personnel, agents and subcontractors. Neither party has any authority to make commitments or enter into contracts on behalf of, bind, or otherwise obligate the other party in any manner whatsoever except as specifically set forth herein.

19.8 Third Party Beneficiaries. Each party intends that this Agreement will not benefit, or create any right or cause of action in or on behalf of, any person or entity other than TAS or Windstream.

19.9 Acknowledgment. TAS and Windstream each acknowledge that the limitations and exclusions contained in this Agreement have been the subject of active and complete negotiation between the parties and represents the agreement of the parties based upon the level of risk to TAS and Windstream associated with their respective obligations under this Agreement and the payments to be made to Windstream and charges incurred by Windstream pursuant to this Agreement. The parties agree that the terms and conditions of this Agreement will not be construed in favor of or against any party by reason of the extent to which any party or its professional advisors participated in the preparation of this Agreement.

19.10 Covenant of Further Assurances. TAS and Windstream covenant and agree that, subsequent to the execution and delivery of this Agreement and without any additional consideration, each of TAS and Windstream will execute and deliver any further legal instruments and perform any acts which are or shall become necessary to effectuate the purposes of this Agreement.

19.11 Assignment. Windstream may assign, delegate, subcontract or otherwise convey or transfer (the "Assignment") its rights, interests or obligations under this Agreement to any person or entity without the prior written consent of TAS. TAS may not assign, delegate, subcontract or otherwise convey or transfer its rights, interests or obligations under this Agreement without the prior written consent of Windstream, which will not be unreasonably withheld, except that TAS may assign or otherwise convey or transfer its rights, or interests under this Agreement pursuant to any merger, sale of all or substantially all of the business unit

or division for which this Agreement is a part of, consolidation or other reorganization and may otherwise assign, convey or transfer its rights to any Affiliate of such party upon notice to, but not upon written consent of, the other party. A change in control shall not be deemed an assignment for purposes of this Agreement. All obligations and duties of any party under this Agreement shall be binding on all successors in interest and permitted assigns of such party. If the other party consents to the Assignment, the proposed assignee or transferee shall, upon completion of the Assignment, automatically succeed to the corresponding rights, interests, and obligations of the assigning and transferring party and shall be a successor of such party for purposes of this Agreement. Any transfer or assignment of this Agreement in violation of this Section shall be null and void.

19.12 Press Release. The parties shall consult with each other in preparing any press release, public announcement, news media response or other form of release of information concerning this Agreement or the transactions contemplated hereby that is intended to provide such information to the news media or the public (a "Press Release"). Neither party shall issue or cause the publication of any such Press Release without the prior written consent of the other party; except that nothing herein will prohibit either party from issuing or causing publication of any such Press Release to the extent that such action is required by applicable law or the rules of any national stock exchange applicable to such party or its affiliates, in which case the party wishing to make such disclosure will, if practicable under the circumstances, notify the other party of the proposed time of issuance of such Press Release and consult with and allow the other party reasonable time to comment on such Press Release in advance of its issuance.

19.13 Counterparts. This Agreement shall be executed in any number of counterparts all of which taken together will constitute one single agreement between the parties.

19.14 Audit Rights.

19.14.1 TAS Audit Rights. Windstream shall provide to TAS, and to TAS's internal and external auditors, inspectors, regulators and other representatives, as TAS may from time to time designate in writing, access at reasonable hours to Windstream personnel, to the facilities at or from which Services are then being provided and to Windstream records and other pertinent information, all to the extent reasonably relevant to an audit of Windstream's obligations under this Agreement. Such access shall be provided for the purpose of performing audits and inspections (a) to verify the integrity of TAS Data, (b) to examine the facilities and systems that are used to process, store, support and transmit that Data, (c) of (I) practices and procedures, (II) systems, (III) general controls (e.g., organizational controls, input/output controls, system modification controls, processing controls, system design controls, and access controls) and security practices and procedures, and (IV) disaster recovery and back-up procedures, to the extent applicable, and (d) necessary to enable TAS to meet applicable regulatory requirements. Windstream shall provide to such auditors, inspectors, regulators, and representatives such assistance as they reasonably require, including installing and operating audit software; and shall cooperate with TAS or its designees in connection with audit functions and with regard to examinations by regulatory authorities. TAS, its auditors (internal or external) and other representatives shall comply with Windstream's reasonable security and confidentiality requirements, and shall conduct the audit in a manner that does not unreasonably

disrupt, delay or interfere with Windstream's provision of the Services. If any audit results in Windstream being notified that it is not in compliance with any federal, state or local law or the rules or regulations of any regulatory authority, Windstream shall comply with such law, rule or regulation and shall use its best efforts to do so within the period of time specified by such auditor or regulatory authority to the extent reasonably practicable.

19.14.2 Windstream Audit Rights. TAS shall provide to Windstream, and to Windstream's internal and external auditors, inspectors, regulators and other representatives, as Windstream may from time to time designate in writing, access at reasonable hours to TAS personnel, to the facilities at or from which TAS is providing services to Windstream under this Agreement and to TAS records and other pertinent information, all to the extent reasonably relevant to an audit of TAS's obligations under this Agreement. Such access shall be provided for the purpose of performing audits and inspections (a) to verify the integrity of Windstream data, (b) to examine the facilities and systems that are used to process, store, support and transmit that data, (c) of (I) practices and procedures, (II) systems, (III) general controls (e.g., organizational controls, input/output controls, system modification controls, processing controls, system design controls, and access controls) and security practices and procedures, and (IV) disaster recovery and back-up procedures, to the extent applicable, and (d) necessary to enable Windstream to meet applicable regulatory requirements. TAS shall provide to such auditors, inspectors, regulators, and representatives such assistance as they reasonably require, including installing and operating audit software; and shall cooperate with Windstream or its designees in connection with audit functions and with regard to examinations by regulatory authorities. Windstream, its auditors (internal or external) and other representatives shall comply with TAS's reasonable security and confidentiality requirements, and shall conduct the audit in a manner that does not unreasonably disrupt, delay or interfere with TAS's provision of the services. If any audit results in TAS being notified that it is not in compliance with any federal, state or local law or the rules or regulations of any regulatory authority, TAS shall comply with such law, rule or regulation and shall use its best efforts to do so within the period of time specified by such auditor or regulatory authority to the extent reasonably practicable.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

TAS: Talk America Services, LLC

By: _____
Name: _____
Title: _____
Date: _____

WINDSTREAM: Windstream Services, LLC

By: _____
Name: _____
Title: _____
Date: _____

Exhibit A

STATEMENT OF WORK #___

TO MASTER SERVICES AGREEMENT

This Statement of Work # is entered into effective , 2015, is attached to the Master Services Agreement (the "Master Agreement") dated , 2015 between Windstream Services, LLC ("Windstream") and Talk America Services, LLC ("TAS"). The Master Agreement is incorporated herein by reference and the terms and conditions are applicable to the work performance under this Statement of Work.

1. Term and Termination.
2. Services.
3. Fees.
4. Service Levels.
5. Project Managers. The project manager for each of Windstream and TAS are as follows

   TAS Project Manager Windstream Project Manager:
6. Miscellaneous.

IN WITNESS WHEREOF, the Parties hereto have caused this Statement of Work to be executed by their respective authorized representatives effective as of the date last written below.

Windstream Services, LLC.	**Talk America Services, LLC**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

STATEMENT OF WORK #1

TO MASTER SERVICES AGREEMENT

This Statement of Work #1 is entered into effective , 2015, is attached to the Master Services Agreement (the "Master Agreement") dated , 2015 between Windstream Services, LLC, on behalf of its competitive local exchange and interexchange carrier affiliates ("Windstream") and Talk America Services, LLC ("TAS"). The Master Agreement is incorporated herein by reference and the terms and conditions are applicable to the work performance under this Statement of Work.

1. Term and Termination.

1.1 Initial Term. The initial term of this Statement of Work Term #1 shall be four (4) years, commencing on , 2015, and ending on , 2019 unless terminated earlier pursuant to the terms and conditions of the Agreement (the "Initial Term").

1.2 Renewal. This Statement of Work #1 shall automatically renew at the end of the Initial Term (and at the end of each Renewal Term thereafter) for a one (1) year period unless either party shall provide not less than three hundred sixty five (365) Days' notice of non-renewal to the other party (each a "Renewal Term").

2. Services. Windstream will be the exclusive provider of the following information services to TAS with regard to the Paetec Aptis billing system (pAptis):

2.1 IT Infrastructure and Applications. Using Windstream's processes as of the effective date of this Statement of Work #1 as modified by Windstream from time to time during the Term, Windstream will provide the following IT infrastructure and applications services (the "IT Infrastructure and Applications Services"):

2.1.1 Operate, maintain, and provide access to pAptis and supporting systems (as described on Schedule A attached hereto) for TAS. TAS will not have access to make code changes, or parameter table updates;

2.1.2 Provide daily IT operations management and processing support for pAptis and supporting systems;

2.1.3 Retain current and historical customer bills based on existing regulatory requirements;

2.1.4 Provide end user support for IT operational issues for pAptis and supporting systems. Support will be provided in accordance with Windstream's current incident management policies, to define incident severity, response, and resolution service levels.

2.1.5 Perform usage polling, mediation, rating and billing;

2.1.6 Apply tax vendor software updates; and

2.1.7 Provide remote access to enterprise networks for access to business applications when users are not physically connected to corporate networks.

2.1.8 Continued support for IVR call routing.

2.1.9 Provide inquiry access only to the third party systems listed on Schedule B as permitted by the third party.

2.2 Financial Services. Windstream will provide customer suspends, disconnects and restorals as directed by TAS (the "Financial Services").

2.3 Billing Operations. Windstream will perform the following billing operations services (the "Billing Operations Services"):

2.3.1 Support product code modifications. TAS shall submit all desired changes to TAS customer product codes in writing. Windstream shall have at least four (4) weeks to provide product code modifications; however, depending upon complexity of changes requested, more time may be required.

2.3.2 Support the ability to modify rate plans, features and bundles on an ongoing basis. TAS will provide desired rate and plan updates to Windstream for updates. TAS will not have access to the systems to make updates. Windstream shall have at least four (4) weeks to provide rate updates. In the event of a regulatory change requiring changes to billing tables, Windstream will make every reasonable effort to meet those deadlines.

2.3.3 Provide billing support, including applying updates to products and services and supporting systems required for rating and application of appropriate taxes and surcharges.

2.3.4 Provide reasonable system modifications, as requested by TAS for regulatory/legal reasons.

2.3.5 Provide verification for all bill cycles, with the following agreed upon volumes:

2.3.5.1 For a billing cycle with less than 2,000 bills, Windstream will verify 3 bills from such cycle;

2.3.5.2 For a billing cycle with more than 1,999 bills, but less than 3,000 bills, Windstream will verify 4 bills from such cycle;

2.3.5.3 For a billing cycle with more than 2,999 bills, but less than 4,000 bills, Windstream will verify 5 bills from such cycle; and

2.3.5.4 For a billing cycle with more than 4,000 bills, Windstream will verify 6 bills from such cycle.

2.3.6 TAS customers will bill in Windstream's existing bill cycles following Windstream's published bill production schedule. Windstream will provide TAS a copy of the bill schedule prior to the start of each month. Windstream will advise TAS if the bill verification process indicates problems. Trending and variance analysis will follow existing processes and reporting on those analyses provided to TAS.

2.3.7 Provide assistance in the investigation of billing questions. Requests for assistance must be submitted to Windstream in written form.

2.3.8 Provide continued support for external billing, accounting and other audits. Windstream will provide a summarization of billing data and extracts including supporting detail at a Billing Account Number ("BAN") level.

2.3.9 Provide journalized billing and additional services including but not limited to ad hoc reports, assistance with variance analysis, tax or regulatory investigations/questions, etc. Requests for assistance will be submitted to Windstream via email to @ WCI Billing Adminstration@windstream.com

2.4 Tax. Using Windstream's processes as of the effective date of this Statement of Work #1 as modified by Windstream from time to time during the Term, Windstream will provide the following tax services (the "Tax Services"):

2.4.1 Support for tax filings through preparation of tax return work-papers, including tax reports and data manipulation required for tax filing.

2.4.2 Support customer care/billing calls for tax related questions;

2.4.3 Provide tax reports and identification of any variances with G/L activity.

2.4.4 Provide tax audit support for federal, state, and local levels for all applicable tax types. Windstream will not be responsible for managing any appeals resulting from the outcome of a tax audit. Audit appeal support will be provided for an additional hourly fee.

2.4.5 Provide tax compliance support, which support includes filing and paying applicable transaction tax returns and filings.

2.5 Reporting. Consistent with Windstream's reporting processes as of the effective date of this Statement of Work #1 as modified by Windstream from time to time during the Term, Windstream will provide to TAS the following reporting services (the "Reporting Services"):

2.5.1 Billing – sales reporting metrics on customer counts, churn, sales, etc.;

2.5.2 Operating metrics including call volume, service levels, average answer times, abandon rates, average hold times, etc.;

2.5.3 Information as required for quality of service reports for accounting, tax and regulatory;

2.5.4 Revenue and access line information as required for state Commission or FCC reporting. Windstream shall submit the Lifeline reports on behalf of TAS following current policies and procedures;

2.5.5 Revenue variance and gathering of information needed for regulatory audits as requested by TAS.

2.6 Output Processing. Using its existing processes and document retention policies (as modified by Windstream from time to time during the Term), and existing print vendor SLAs, Windstream will provide the following output processing services (the "Output Processing Services"):

2.6.1 TAS the ability to access current and historical customer bills and data for disputes;

2.6.2 Production of paper and electronic invoices image, bill printing and mailing of invoices;

2.6.3 Application of bill messages, inserts and onserts as directed by TAS. This does not include costs of inserts.

2.7 Special Projects. Services in addition to those set forth in Sections 2.1 through 2.6 above, including professional services, conversion and de-conversion services and transition services, shall be treated as "Special Project Services" provided by Windstream. Such services will be provided on an ad hoc basis and provided by Windstream on such terms and conditions as Windstream and TAS shall determine for the requested Special Project Service.

3. Fees. The fees and expenses for the information services (as described in Section 2 above) performed by Windstream for TSA pursuant to this Statement of Work #1 are set forth in that certain Billing and Remittance Agreement between Windstream, on behalf of its competitive local exchange and interexchange carrier affiliates, and CSL National, L.P., on behalf of itself and its affiliates, which fees and expenses are incorporated herein by reference.

4. System Availabiltiy. Windstream shall maintain the availability of the production application environment at a minimum of 98% where “availability” is defined by TAS end-user ability to gain access to the environment. Calculated in accordance with the following formula: x = [(n - y) * 100]/n, where x = Availability percentage, n = total hours per month, and y = hours the Service was not available solely because of an act or omission by Windstream for Services within Windstream’s direct control.

5. Project Managers. The project manager for each of Windstream and TAS are as follows

TAS Project Manager:	Windstream Project Manager:
Allison Taylor	Traci Steiner

6. Miscellaneous. N/A

IN WITNESS WHEREOF, the Parties hereto have caused this Statement of Work to be executed by their respective authorized representatives effective as of the date last written below.

Windstream Services, LLC.	**Talk America Services, LLC**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Schedule A

Windstream Supporting Systems

Customer Portal
Nextop
Translator
WINhelp
The Document Center
Windows storage server

Schedule B

Third Party Supporting Systems

AT&T Toolbar
LSI GUI – Verizon Toolbar

STATEMENT OF WORK #2

TO MASTER SERVICES AGREEMENT

This Statement of Work #2 is entered into effective , 2015, is attached to the Master Services Agreement (the "Master Agreement") dated , 2015 between Windstream Services, LLC, on behalf of its competitive local exchange and interexchange carrier affiliates ("Windstream") and Talk America Services, LLC ("TAS"). The Master Agreement is incorporated herein by reference and the terms and conditions are applicable to the work performance under this Statement of Work.

1. Term and Termination.

1.1 Initial Term. The initial term of this Statement of Work Term #2 shall be four (4) years, commencing on , 2015, and ending on , 2019 unless terminated earlier pursuant to the terms and conditions of the Agreement (the "Initial Term").

1.2 Renewal. This Statement of Work #2 shall automatically renew at the end of the Initial Term (and at the end of each Renewal Term thereafter) for a one (1) year period unless either party shall provide not less than three hundred sixty five (365) Days' notice of non-renewal to the other party (each a "Renewal Term").

2. Services. Windstream will be the exclusive provider of the following information services to TAS with regard to the CAMS, Nuvox Aptis (nAptis), RevChain 7 and RevChain 8 billing systems (the "Billing Systems"):

2.1 IT Infrastructure and Applications. Using Windstream's processes as of the effective date of this Statement of Work #2 as modified by Windstream from time to time during the Term, Windstream will provide the following IT infrastructure and applications services (the "IT Infrastructure and Applications Services"):

2.1.1 Operate and maintain the Billing Systems for TAS. TAS will not have access to make code changes, or parameter table updates;

2.1.2 Provide daily IT operations management and processing support for the Billing Systems;

2.1.3 Retain current and historical customer bills based on existing regulatory requirements;

2.1.4 Continued support for IVR call routing.

2.1.5 Perform usage polling, mediation, rating and billing;

2.1.6 Apply tax vendor software updates; and

2.1.7 Provide remote access to enterprise networks for access to business applications when users are not physically connected to corporate networks.

2.2 Customer Service Support. Using Windstream's processes as of the effective date of this Statement of Work #2 as modified by Windstream from time to time during the Term Windstream shall provide the following customer service support for TAS CLEC residential customers:

2.2.1 Support for inbound/outbound customer telephone calls, emails, written correspondence, etc.;

2.2.2 Order processing support including in—orders, out—orders, cancellations, and changes to customer accounts;

2.2.3 Customer adjustment processing including online adjustments etc. Windstream will not retain liability for bad debts, insufficient checks, etc.;

2.2.4 The ability to move reps to different call queues based on call volumes;

2.2.5 Support for customer disconnect requests/calls; and

2.2.6 Customer care/billing calls support for tax related questions.

2.3 Financial Services. Windstream will provide the following financial and collection services (the "Financial Services"):

2.3.1 Offline collections and support, including preparation of customer lists for dunning/demand notifications, suspend/restoral/disconnect services, write off balances, bankruptcies, and referral to 3rd party collections agency. International Fraud monitoring for all systems, high toll and known abuse monitoring on CAMS customers only and monitor front end toll errors and reprocessing of CDRs as needed;

2.3.2 Generation of treatment notices (demand and dunning);

2.3.3 Online collection support to include Inbound/Outbound call support to customers; and

2.3.4 Customer adjustments and refund reviews.

2.4 Sales. Windstream shall provide End of Life equipment support – processes and procedures as provided to Windstream's customers today (the "Sales Services").

2.5 Payment Assurance. Using Windstream's processes as of the effective date of this Statement of Work #2 as modified by Windstream from time to time during the Term, Windstream will the following billing payment assurance services (the "Payment Assurance Services"):

2.5.1 Processing of payments through lock box;

2.5.2 Processing of payments through E-Pay, IVR, and other established payment channels; and

2.5.3 Investigation of misapplied payments.

2.6 Billing Operations. Windstream will perform the following billing operations services (the "Billing Operations Services"):

2.6.1 Support product code modifications. TAS shall submit all desired changes to TAS customer product codes in writing. Windstream shall have at least four (4) weeks to provide product code modifications; however, depending upon complexity of changes requested, more time may be required.

2.6.2 Support the ability to modify rate plans, features and bundles on an ongoing basis. TAS will provide desired rate and plan updates to Windstream for updates. TAS will not have access to the systems to make updates. Windstream shall have at least four (4) weeks to provide rate updates. In the event of a regulatory change requiring changes to billing tables, Windstream will make every reasonable effort to meet those deadlines.

2.6.3 Provide billing support, including applying updates to products and services and supporting systems required for rating and application of appropriate taxes and surcharges.

2.6.4 Provide reasonable system modifications, as requested by TAS for regulatory/legal reasons.

2.6.5 Provide verification for all bill cycles, with the following agreed upon volumes:

2.6.5.1 For a billing cycle with less than 2,000 bills, Windstream will verify 3 bills from such cycle;

2.6.5.2 For a billing cycle with more than 1,999 bills, but less than 3,000 bills, Windstream will verify 4 bills from such cycle;

2.6.5.3 For a billing cycle with more than 2,999 bills, but less than 4,000 bills, Windstream will verify 5 bills from such cycle; and

2.6.5.4 For a billing cycle with more than 4,000 bills, Windstream will verify 6 bills from such cycle.

2.6.6 TAS customers will bill in Windstream's existing bill cycles following Windstream published bill production schedule. Windstream will provide TAS a copy of the bill schedule prior to the start of each month. Windstream will advise TAS if the bill verification process indicates problems. Trending and variance analysis will follow existing processes and reporting on those analyses provided to TAS.

2.6.7 Provide assistance in the investigation of billing questions. Requests for assistance must be submitted to Windstream in written form.

2.6.8 Provide continued support for external billing, accounting and other audits. Windstream will provide a summarization of billing data and extracts including supporting detail at a Billing Account Number ("BAN") level.

2.6.9 Provide journalized billing and additional services including but not limited to ad hoc reports, assistance with variance analysis, tax or regulatory investigations/questions, etc. Requests for assistance will be submitted to Windstream via email to @ WCI Billing Adminstration@windstream.com

2.7 Tax. Using Windstream's processes as of the effective date of this Statement of Work #2 as modified by Windstream from time to time during the Term, Windstream will provide the following tax services (the "Tax Services"):

2.7.1 Support for tax filings through preparation of tax return work-papers, including tax reports and data manipulation required for tax filing.

2.7.2 Support customer care/billing calls for tax related questions;

2.7.3 Provide tax reports and identification of any variances with G/L activity.

2.7.4 Provide tax audit support for federal, state, and local levels for all applicable tax types. Windstream will not be responsible for managing any appeals resulting from the outcome of a tax audit. Audit appeal support will be provided for an additional hourly fee.

2.7.5 Provide tax compliance support, which support includes filing and paying applicable transaction tax returns and filings.

2.8 Reporting. Consistent with Windstream's reporting processes as of the effective date of this Statement of Work #2 as modified by Windstream from time to time during the Term, Windstream will provide to TAS the following reporting services (the "Reporting Services"):

2.8.1 Billing – sales reporting metrics on customer counts, churn, sales, etc.;

2.8.2 Operating metrics including call volume, service levels, average answer times, abandon rates, average hold times, etc.;

2.8.3 Information as required for quality of service reports for accounting, tax and regulatory;

2.8.4 Revenue and access line information as required for state Commission or FCC reporting. Windstream shall submit the Lifeline reports on behalf of TAS following current policies and procedures;

2.8.5 Revenue variance and gathering of information needed for regulatory audits as requested by TAS.

2.9 Output Processing. Using its existing processes and document retention policies (as modified by Windstream from time to time during the Term), and existing print vendor SLAs, Windstream will provide the following output processing services (the "Output Processing Services"):

2.9.1 TAS the ability to access current and historical customer bills and data for disputes;

2.9.2 Production of paper and electronic invoices image, bill printing and mailing of invoices;

2.9.3 Application of bill messages, inserts and onserts as directed by TAS. This does not include costs of inserts.

2.10 Special Projects. Services in addition to those set forth in Sections 2.1 through 2.6 above, including professional services, conversion and de-conversion services and transition services, shall be treated as "Special Project Services" provided by Windstream. Such services will be provided on an ad hoc basis and provided by Windstream on such terms and conditions as Windstream and TAS shall determine for the requested Special Project Service.

3. Fees. The fees and expenses for the information services (as described in Section 2 above) performed by Windstream for TSA pursuant to this Statement of Work #2 are set forth in that certain Billing and Remittance Agreement between Windstream, on behalf of its competitive local exchange and interexchange carrier affiliates, and CSL National, L.P., on behalf of itself and its affiliates, which fees and expenses are incorporated herein by reference.

4. Service Levels. N/A.

5. Project Managers. The project manager for each of Windstream and TAS are as follows

TAS Project Manager:	Windstream Project Manager:
Allison Taylor	Traci Steiner

6. Miscellaneous. N/A

IN WITNESS WHEREOF, the Parties hereto have caused this Statement of Work to be executed by their respective authorized representatives effective as of the date last written below.

Windstream Services, LLC.	**Talk America Services, LLC**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

REVERSE TRANSITION SERVICES AGREEMENT

THIS REVERSE TRANSITION SERVICES AGREEMENT (this "Agreement"), dated , 201 , is entered into by and between Windstream Services, LLC, a Delaware limited liability company ("WIN"), and CSL National, L.P., a Maryland limited partnership ("CSL"), on behalf of itself and its Affiliates, including Talk America Services, LLC ("TAS"). WIN and CSL are each sometimes referred to herein as a "Party" and, collectively, as the "Parties".

WHEREAS, CSL and WIN have entered into that certain Separation and Distribution Agreement, dated , 2015 (the "Distribution Agreement"; capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Distribution Agreement);

WHEREAS, WIN desires for CSL to provide certain services in support of WIN's business; and

WHEREAS, the Parties desire that, for a limited transition period, CSL shall provide certain services to WIN and its Affiliates on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Description of Services.

(a) Services. Subject to the terms and provisions of this Agreement CSL shall (or shall cause its Affiliates to) provide to WIN the services set forth on Exhibit 1 hereto (as such Exhibit 1 may be amended by the mutual agreement of the Parties in writing from time to time, the "Services Attachment") (the "Services").

(b) Purchase of Additional or Modified Services. From time to time, WIN may request CSL to provide additional or modified Services that are not described in Exhibit 1, but are of a similar scope or nature as those used by WIN prior to the Distribution Date. CSL will use commercially reasonable efforts to accommodate any reasonable requests by WIN to provide such additional or modified Services. In order to initiate a request for additional or modified Services, WIN shall submit a request in writing to CSL specifying the nature of the additional or modified Services and requesting a cost estimate (based on the general parameters set forth in this Agreement) and time frame for completion. CSL shall respond within ten (10) business days to such written request; provided that, subject to the second sentence of Section 1.3, such ten (10) business day period shall be subject to a reasonable extension if, due to the volume, frequency or type of requests submitted by WIN, CSL's preparation of responses to such requests is materially interfering with, or is likely to materially interfere with, CSL's normal business activities. If CSL can accommodate WIN's request to provide such additional or modified Services, and if WIN accepts the terms and conditions set forth in CSL's response to such request, then such additional or modified Services shall be provided hereunder and according to the terms agreed to by the Parties in a written amendment to this Agreement, which shall be consistent to the greatest extent practicable with the terms of this Agreement.

(c) Ancillary Services. Any functions, responsibilities, activities or tasks that are not specifically described in this Agreement or the Exhibit hereto, but are reasonably required for the proper performance and delivery of the Services (including any additional or modified Services), and are a necessary or inherent part of such Services, as performed by CSL, in the ordinary course of business, shall be deemed to be implied by and included within the scope of such Services, subject to any limitations set forth in this Agreement or the Exhibit hereto, to the same extent and in the same manner as if specifically described in this Agreement.

(d) Modifications. Unless otherwise provided for in this Agreement, if WIN makes any change in the processes, procedures, practices, networks, equipment, configurations, or systems pertaining to the WIN business, and such change has a materially adverse impact on CSL's ability to provide any of the Services, then CSL shall be excused from performance of any such affected Service until WIN mitigates the material adverse impact of such change or the Parties enter into an agreement to purchase additional or modified services that may be necessitated by such changes, and WIN shall be responsible for all direct expenses incurred by CSL in connection with the cessation and, if applicable, the resumption of the affected Services.

(e) Transition Plan. The Parties shall agree on a written transition plan after the execution of this Agreement (the "Transition Plan") which shall include: (i) a plan and timetable for the migration of WIN away from the Services; (ii) assistance in relation to migration (including the migration of data and the "Carve-Out Assistance" listed in the Services Attachment); (iii) information in relation to the operation of the relevant IT systems and the interface between such IT systems for the purpose of implementing the migration referred to in this Section (including the applicable Services listed in the Services Attachment); (iv) respective responsibilities of the Parties in carrying out the migration; and (v) safeguards to ensure minimal disruption to both Parties' ongoing businesses during the migration. Each Party shall implement and comply with its obligations under the Transition Plan. Except as may otherwise be expressly provided in the Transition Plan or Schedule of Services, as applicable, WIN shall bear all costs associated with the migration by WIN away from the Services provided by CSL.

(f) Representatives.

(i) Transition Representatives. Each Party will designate an individual who shall be the primary interface for the purposes of coordinating the Services provided hereunder (the "Transition Representative"). Such individual shall (A) coordinate with the other Party and their Service Representatives (as defined below) to provide the relevant contacts in that Party's applicable departments for the purposes of implementing and performing the Services, and (B) evaluate in consultation with the other Party's Transition Representative when a particular Service may be terminated. The Transition Representative shall perform the duties required hereby in a professional and timely manner. Each Party may change its Transition Representative by giving written notice to the other in accordance with the notice provisions of this Agreement.

(ii) Role of the Service Representative. Each Party shall provide up to two (2) individuals (each, a "Service Representative") who are familiar with that Party's business and who will be that Party's primary points of contact in dealing with the other Party's Service Representatives under this Agreement and who will have the authority and power to make decisions with respect to actions to be taken by such Party with respect to the provision of Services under this Agreement. Each Party may change its Service Representative(s) by giving written notice to the other in accordance with the notice provisions of this Agreement.

(iii) Obligations of the Service Representatives. Each Party shall, or shall ensure that their Service Representative, as applicable, respond within a commercially reasonable time to any reasonable requests by the other Party or its Service Representative for such Party's Service Representative to provide directions, instructions, approvals, authorizations, decisions or other information reasonably necessary for CSL to perform any Services; provided, however, any request contemplated in Section 1(b) of this Agreement shall be delivered by and to, and accepted or rejected by, the Transition Representatives.

(iv) Meetings of the Transition and Service Representatives. The Transition Representatives and the Service Representatives shall meet on a monthly basis (which meeting may be held telephonically) during the Term. The purpose of such meetings shall be to discuss the Services and each Party's obligations under this Agreement, including operational details, transitional matters, dispute resolution and any other issues related to this Agreement. Such meetings will take place at mutually agreed locations (including by teleconference) and may include a reasonable number of additional representatives from either Party.

(g) Standard of the Provision of Services. CSL shall provide the Services in a manner and at a level as more particularly described in Section 8 of this Agreement. CSL shall provide Services in accordance in all material respects with all applicable Laws.

2. **Term**.

(a) The term of this Agreement shall commence on the date hereof and, unless terminated earlier in accordance with Section 12, expire on the latest end date specified in Exhibit 1 (the "Term"). Thereafter, if WIN desires and CSL agrees to continue to perform any of the Services after the Term has expired, the parties shall negotiate in good faith to determine an amount that compensates CSL for all of its costs for such performance. The Services so performed by CSL after the expiration of the Term shall continue to constitute Services under this Agreement and be subject in all respects to the provisions of this Agreement for the duration of the agreed-upon extension period.

(b) CSL shall (or shall cause its Affiliates to) provide each Service for the period commencing on the date hereof and ending on the earlier to occur of (i) the expiration of the Term, (ii) the Parties mutually agree in writing that such Service is no longer required to be provided by CSL or its Affiliates, or (iii) the date upon which the trigger event for termination occurs for such Service as set forth in the Services Attachment, subject to earlier termination of this Agreement or termination of all or a portion of the Services, as set forth in Section 12 hereof.

Notwithstanding the foregoing, WIN shall (and shall cause its Affiliates to) use commercially reasonable efforts to transition the Services to another, non-transitional provider as quickly as practicable or, as applicable, to cause WIN and/or its Affiliates to provide the Services.

3. Consideration for Services. As consideration for the Services, WIN shall pay to CSL the service fee for the Services as set forth in the Services Attachment and for all out-of-pocket costs and expenses from third parties actually incurred by CSL in the provision of the Services that are explicitly set forth in the applicable Services Attachment or otherwise approved in writing (including by electronic mail) by WIN's Transition Representative or Service Representatives prior to CSL incurring such out-of-pocket expense; provided, however, CSL shall be excused from performance for Services to the extent CSL's performance is delayed as a result of WIN's pre-approval process for third-party costs and expenses (the "Service Fee").

4. Terms of Payment.

(a) Not later than thirty (30) calendar days following the end of each calendar month during the Term, CSL shall submit to WIN in writing an invoice setting out in reasonable detail each Service performed by CSL during the preceding month and the related Service Fee. WIN shall pay the amount shown on each such invoice no later than thirty (30) calendar days after receipt of such invoice; payment shall be made without withholding or deduction of any kind. If such amount is not received by CSL within such 30-day period, WIN shall also pay CSL interest from and after the last day of such 30-day period following receipt of such invoice, at a rate per annum equal to the prime lender rate as reported on the last day of the calendar month in respect of such invoice by the *Wall Street Journal*.

(b) Any transition, excise, sales, use or similar tax charged to, assessed on or incurred by the rendering of the Services shall be split equally between CSL, on the one hand, and WIN, on the other hand, and WIN's share shall be paid to CSL in addition to the Service Fees; provided, however, CSL shall be solely responsible for its own income taxes.

(c) Should WIN dispute in good faith any portion or the entire amount due on any invoice or require any adjustment to an invoiced amount, WIN shall promptly notify CSL in writing of the nature and basis of the dispute and/or adjustment within fifteen (15) business days after WIN's receipt of such invoice. If WIN fails to notify CSL within such 15-day period, the invoiced amount shall be deemed to be accurate and correct and shall not be subject to dispute or contest by WIN or any Affiliate thereof. In the event WIN timely delivers notice of a dispute and/or adjustment, the Parties shall use their reasonable best efforts to resolve such matter within thirty (30) calendar days. CSL shall reimburse WIN within fifteen (15) business days following, as applicable (i) agreement by the Parties of any excess payment made by WIN in respect of Services, or (ii) resolution of any disputed amounts paid in excess of the amount of the costs of such Services, in either case, with interest from and after the date payment was made by WIN through, but excluding, the date of reimbursement by CSL, at the rate per annum equal to the prime lender rate as reported on the last day of the calendar month in respect of the applicable invoice by the *Wall Street Journal*.

(d) WIN and CSL agree to remit payments to each other in accordance with the terms and conditions set forth in the Billing and Remittance Agreement between the Parties.

5. Method of Payment. All amounts payable by WIN hereunder shall be remitted to CSL in United States dollars to a bank to be designated in the invoice or otherwise in writing by CSL, unless otherwise provided for and agreed upon in writing by the Parties.

6. Accounting Records and Documents.

(a) CSL or its Affiliates shall be responsible for maintaining full and accurate accounts and records of all Services rendered pursuant to this Agreement and such additional information as WIN may reasonably request for purposes of their internal bookkeeping, accounting, operations and management. CSL shall maintain its accounts and records in accordance with past practice; provided, that, to the extent full and accurate information is not relied upon by CSL in the ordinary course of business with respect to any particular item, unit or market/sub-market, CSL shall maintain such accounts and records on the basis of appropriate and reasonable allocations. CSL shall keep such accounts and records available, during all reasonable business hours during the Term of this Agreement, at its principal offices, or at such other location as required by applicable Laws, for audit, inspection and copying by WIN and Persons, upon reasonable notice, authorized by them or any governmental agency having jurisdiction over WIN; provided, that, the costs or expenses incurred by CSL or WIN for any such audit, inspection or copying shall be the sole responsibility of WIN.

(b) At any time during the Term of this Agreement, WIN, or its authorized independent auditors or counsel, shall have the right to inspect and audit CSL's accounts, books and records relating to the Services upon five (5) business days prior written notice during regular business hours and without undue disruption of the normal operations of CSL.

(c) All information WIN, its Affiliates and its other authorized Persons gain access to pursuant to this Section 6 shall be subject to the terms of the confidentiality provisions set forth in Section 13 of this Agreement.

7. **Consents**.

(a) If any consent or approval of, or notice to, any third party is required to implement the terms of this Agreement ("Third Party Consent"), CSL and WIN shall each use their respective reasonable endeavors to obtain any Third Party Consent as soon as reasonably practicable, each at the cost of WIN. If any such Third Party Consent is refused or not obtained within three (3) months after the Distribution Date, the Parties shall co-operate in good faith to agree and implement reasonable alternative arrangements which achieve the same commercial effect as that contemplated by this Agreement.

(b) If either Party so requests, the other Party shall provide all reasonable assistance in obtaining any Third Party Consent and neither Party will unreasonably do or omit to do anything which would cause any relevant third party to refuse to grant or to terminate or revoke any Third Party Consent.

8. Performance Standards. In providing the Services to WIN under this Agreement, CSL shall (and shall cause its Affiliates to) provide the Services in a timely and professional manner generally consistent with the past practices of CSL and its Affiliates in providing the same or similar Services to the WIN business prior to the execution of the Distribution Agreement and in conformance in all material respects with any service levels set forth in the applicable Services Attachment. For purposes of clarity, the Parties agree that the measure of such past performance shall be, except as otherwise agreed in writing by the Parties, that CSL shall provide each of the Services in substantially the same manner and with substantially the same level of care and service as the manner and the level of care and service with which such Service was provided during 2014.

9. No Representations or Warranties. CSL MAKES NO EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO THE TRANSITION SERVICES, AT LAW OR IN EQUITY, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY AND ALL REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED.

10. Status of Employees and Facilities; Proprietary Rights.

(a) Whenever CSL utilizes its (or its Affiliates') employees to perform the Services for WIN pursuant to this Agreement, such employees shall at all times remain subject to the direction and control of CSL (or its Affiliates), and WIN shall have no liability to such Persons for their welfare, salaries, fringe benefits, legally required employer contributions and tax obligations by virtue of the relationships established under this Agreement. CSL shall have complete discretion to supervise and manage such employees and any third-party contractors providing the Services on behalf of CSL, and CSL is not required to continue employment for any specific individual personnel of CSL or its Affiliates or to maintain engagements with specific third-party contractors. No equipment or facility of CSL used in performing the Services for or subject to use by WIN shall be deemed to be transferred, assigned, conveyed or leased by such performance or use. CSL shall maintain appropriate security, maintenance and insurance coverage on such equipment or facility.

(b) Except as set forth in the Services Attachment, to the extent CSL or its Affiliates use any proprietary intellectual property rights owned by or licensed to CSL or its Affiliates in providing the Services, such proprietary intellectual property rights and any derivative works thereof, or modifications or improvements thereto, conceived or created as part of the provision of Services ("Improvements") will, as between the Parties, remain the sole property of CSL or its Affiliate, as applicable, unless any such Improvement was created for WIN pursuant to a certain Service. If any Improvement is created for WIN pursuant to a certain Service or other proprietary intellectual property rights are created specifically for WIN pursuant to Services provided under the Services Attachment (a "WIN Specific Improvement"), such WIN Specific Improvement shall be owned by WIN. The applicable Party will and hereby does assign to the applicable owner designated above, and agrees to assign automatically in the future upon first recordation in a tangible medium or first reduction to practice, all of such Party's right, title and interest in and to all Improvements, if any. All rights not expressly granted herein are reserved.

11. Indemnification.

(a) From and after the date of this Agreement, CSL shall indemnify, defend and hold harmless the WIN Indemnified Parties from and against all Liabilities asserted against, imposed upon or incurred by the WIN Indemnified Parties resulting from, arising out of, based upon or otherwise in respect of any third party claim arising out of the gross negligence or willful misconduct of CSL in the performance of its obligations under this Agreement, except to the extent any such Liabilities arise out of or result from the gross negligence or willful misconduct of WIN.

(b) From and after the date of this Agreement, WIN shall indemnify, defend and hold harmless the CSL Indemnified Parties from and against all Liabilities asserted against, imposed upon or incurred by the CSL Indemnified Parties resulting from, arising out of, based upon or otherwise in respect of any third party claim arising out of the gross negligence or willful misconduct of WIN in the performance of its obligations under this Agreement, except to the extent any such Liabilities arise out of or result from the gross negligence or willful misconduct of CSL.

(c) In the event CSL (or any CSL Indemnified Party) or WIN (or any WIN Indemnified Party) shall have a claim for indemnity against the other party under the terms of this Agreement, the parties shall follow the procedures set forth in Article VII of the Distribution Agreement as if fully set forth herein.

(d) Independent of, severable from, and to be enforced independently of any other enforceable or unenforceable provision of this Agreement, NO PARTY WILL BE LIABLE TO ANY OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM ANY OTHER PARTY'S RIGHTS) FOR PUNITIVE, EXEMPLARY, SPECIAL, CONSEQUENTIAL OR INDIRECT DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, ANY LOSS OF USE, LOSS OF BUSINESS, LOSS OF PROFIT OR LOSS OF GOODWILL. Further, indemnification shall be limited to actual damages which in no event shall exceed the total amount of compensation payable to CSL hereunder.

(e) Except as otherwise provided in this Section 11, CSL's sole responsibility to WIN for errors or omissions in providing the Services shall be to re-perform such Services promptly and properly in a diligent manner, at no additional cost or expense; provided, however, that each Party shall use reasonable best efforts to detect any such errors or omissions and promptly advise the other Party of any such error or omission of which it becomes aware.

12. Termination.

(a) This Agreement may be terminated prior to expiration of the Term in accordance with the following:

(i) upon the mutual written agreement of the Parties;

(ii) by either WIN, on the one hand, or CSL, on the other hand, (i) for material breach of any of the terms hereof by WIN or by CSL, respectively, if such breach is curable within thirty (30) days and such breach shall not have been cured within thirty (30)

calendar days after written notice of breach is delivered to the defaulting Party and (ii) if such breach is not curable within thirty (30) days, such breach shall not have been addressed by the defaulting Party through a good faith plan to cure such breach;

(iii) WIN shall fail to pay for Services in accordance with the terms of this Agreement (and such payment is not disputed by CSL in good faith in accordance with Section 4(c) hereof) and such breach is not cured within fifteen (15) calendar days after written notice of breach is delivered to WIN, including by electronic mail to WIN's Transition Representative; or

(iv) by either WIN, on the one hand, or CSL, on the other hand, upon written notice to WIN, on the one hand, or CSL, on the other hand, if the other Party files a proceeding in bankruptcy, receivership, rehabilitation or reorganization, or for composition, liquidation or dissolution or for similar relief, or there is a filing against such person of any such proceeding which is not dismissed within sixty (60) calendar days after the filing thereof.

(b) In addition, this Agreement may be terminated solely with respect to any one or more Service(s) or additional service(s) provided hereunder prior to the expiration of the Term in accordance with the following:

(i) If WIN desires to terminate a Service, WIN shall complete a Service Termination Request Form, substantially in the form attached hereto as Exhibit 2. In completing the Service Termination Request Form, WIN shall refer to the Service it wishes to terminate (the "Terminated Service") as it is specifically named in the Services Attachment or Transition Plan, as applicable.

(ii) Unless otherwise set forth on the Service Termination Request Form, CSL shall cease such Terminated Service(s) or additional service(s) as soon as practicable after CSL's receipt of the Service Termination Request Form, but in no event later than thirty (30) calendar days after CSL has received such written notification from WIN.

(iii) If a Service is terminated, the Services Attachment and/or Transition Plan shall be updated, as applicable, to reflect such termination.

(c) Immediately following expiration or termination of this Agreement, each Party shall return to the other Party (and make no further use of) all proprietary information of the other Party in each Party's possession or control, including, in the case of WIN, any CSL Confidential Information and, in the case of CSL, any WIN Confidential Information. Likewise, except as necessary to comply with applicable law, within thirty (30) days following any such termination or expiration, each Party shall return to the other Party (and make no further use of) all copies of all proprietary information of the other Party in each Party's possession or control, including, in the case of WIN, any CSL Confidential Information and, in the case of CSL, any WIN Confidential Information.

13. Confidentiality. Each Party acknowledges that during the course of providing Services hereunder, or in the course of receiving Services hereunder, the other Party may disclose to it certain confidential information. Each Party agrees to use such confidential information only for the purposes for which it was disclosed and in accordance with the terms

and conditions set forth in Section 8.2 of the Distribution Agreement and the obligations hereunder shall survive until the earlier of (i) five (5) years after the date of final disclosure of confidential information hereunder or (ii) so long as may be required by Law.

14. Independent Contractor Status. Each Party shall be deemed to be an independent contractor to the other Party. Nothing contained in this Agreement shall create or be deemed to create an employment, agency, joint venture or partnership relationship between WIN and CSL. The terms of this Agreement are not intended to cause any of the Parties and their Affiliates to become a joint employer for any purpose. Each of the Parties agrees that the provisions of this Agreement as a whole are not intended to, and do not, constitute control of the other Party (or any Affiliates thereof) or provide it with the ability to control such other Party (or any Affiliates thereof), and each Party expressly disclaims any right or power under this Agreement to exercise any power whatsoever over the management or policies of the other Party (or any Affiliates thereof). Nothing in this Agreement shall oblige either Party to act in breach of the requirements of any Law applicable to it, including securities and telecommunications laws, written policy statements of securities commissions, telecommunications and other regulatory authorities, and the by-laws, rules, regulations and written policy statements of relevant securities and self-regulatory organizations.

15. Governing Law. THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE (WITHOUT REGARD TO THE CHOICE OF LAW PROVISIONS THEREOF).

16. Force Majeure. Neither Party shall be held liable for any delay or failure in performance of any part of this Agreement (other than outstanding payment obligations hereunder) from acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, and power blackouts. Upon the occurrence of a condition described in this Section 16, the Party whose performance is prevented shall give written notice to the other Party and the Parties shall promptly confer, in good faith, to agree upon equitable, reasonable action to minimize the impact, on both Parties, of such conditions.

17. Dispute Resolution Procedures.

(a) Other than such disputed matters addressed by Section 4(c), if a dispute arises between the Parties with respect to the terms and conditions of this Agreement, a Party's performance of its obligations hereunder, or any matter relating to the Services ("Dispute"), the Parties agree to use and follow this dispute resolution procedure described in this Section 17 prior to initiating any judicial action.

(b) Claims Procedure. If a Party shall have a Dispute, such Party shall provide written notice to the other Party in accordance with the provisions of Section 19 of this Agreement, in the form of a claim identifying the nature of the Dispute in sufficient detail to describe the basis for the claim (a "Dispute Notice"). Upon receipt of the Dispute Notice, the other Party shall have five (5) calendar days to provide a written response to the Dispute Notice (the "Response"). The Party providing the Dispute Notice shall have an additional five (5)

calendar days following its receipt of the Response to accept the proposed resolution or to request implementation of the procedure set forth in Section 17(c) below (the "Escalation Procedure"). Failure to comply with the time limitations set forth in this Section 17 may result in the implementation of the Escalation Procedures.

(c) Escalation Procedure. At the written request of a Party involved in the Dispute and in compliance with Section 17(b), each Party shall appoint a knowledgeable, responsible representative to negotiate in good faith to resolve such Dispute (the "Representatives"). The Parties intend that the Representatives shall be empowered to decide the issues presented in any Dispute. The Representatives will attempt to resolve the Dispute within five (5) business days of receiving the written request. If the Dispute cannot be resolved within that time period, then the Parties may resort to judicial action or other remedies. During the time period of any Dispute, each Party shall continue to perform its respective obligations under this Agreement (except in the event WIN fails to pay amounts due in accordance with Section 4 hereunder).

18. Amendments; Waivers. No alteration, modification or change of this Agreement, including the Services set forth on the Services Attachment, shall be valid except by an agreement in writing executed by the Parties. Except as otherwise expressly set forth herein, no failure or delay by any Party in exercising any right, power or privilege hereunder (and no course of dealing between or among any of the Parties) shall operate as a waiver of any such right, power or privilege. No waiver of any default on any one occasion shall constitute a waiver of any subsequent or other default. No single or partial exercise of any such right, power or privilege shall preclude the further or full exercise thereof

19. Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, (ii) sent by facsimile (with receipt personally confirmed by telephone), delivered by personal delivery, or sent by commercial delivery service or certified mail, return receipt requested, (iii) deemed to have been given on the date telecopied with receipt confirmed, the date of personal delivery, or the date set forth in the records of the delivery service or on the return receipt, and (iv) addressed as follows:

If to WIN:

Windstream Services, LLC
4001 Rodney Parham Rd.
Mailstop: B1F3-71A
Little Rock, AR 72212
Attn: General Counsel
Fax No.: 501-748-7400

If to CSL:

CSL National, L.P.
1701 Centerview Dr.
Suite 300
Little Rock, AR 72211
Attn: TBD

or to any other or additional persons and addresses as the Parties may from time to time designate in a writing delivered in accordance with this Section 19.

20. Assignment; Benefit and Binding Effect. No Party may assign this Agreement without the prior written consent of each of the other Party; provided, however, WIN, without the consent of CSL, may assign this Agreement to any Affiliate of WIN, and CSL may, without the consent of WIN, assign this Agreement to any Affiliate of CSL, but none of the assignments described in this sentence shall relieve the assignor of its obligations hereunder and, provided further, that any Party may make a collateral assignment of its rights hereunder for the benefit of its lenders. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. The provisions of this Agreement shall be for the exclusive benefit of the Parties (and their successors and permitted assigns) and shall not be for the benefit of any other Person.

21. Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by Law. Upon such determination that any term or other provision is invalid or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

22. Entire Agreement. The Distribution Agreement, this Agreement, the Billing and Remittance Agreement, and the Schedules and Exhibits hereto and thereto collectively represent the entire understanding and agreement of the Parties with respect to the subject matter of this Agreement. Each Party hereby represents, acknowledges and agrees that it has not relied on any representation, warranty, covenant, understanding, agreement, written or oral, discussion, or negotiation not expressly contained herein or in the Distribution Agreement in entering into this Agreement.

23. Captions. The captions contained in this Agreement are for reference purposes only and are not part of this Agreement.

24. Counterparts. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

25. Specific Performance. The Parties acknowledge that monetary damages may not be an adequate remedy for violations of this Agreement and that any Party may, in its sole discretion and in addition to all other rights and remedies available in law or in equity, to the extent permitted hereunder, apply for specific performance or injunctive or other relief with a court of competent jurisdiction as such court may deem just and proper in order to enforce this Agreement or to prevent violation hereof and, to the extent permitted by applicable Law, each Party waives any objection to the imposition of such relief.

26. Remedies Cumulative. All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall, be cumulative and not alternative, and the exercise or beginning of the exercise of any right, power or remedy thereof by a Party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such Party.

27. Fees and Expenses. Except as otherwise provided in this Agreement and the Exhibit hereto, each Party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives, and each Party shall be responsible for all fees or commissions payable to any finder, broker, advisor, or similar Person retained by or on behalf of such Party.

28. Survival. The provisions of Sections 4, 8 through 28, 30 and 31 shall survive the expiration or earlier termination of this Agreement.

29. General Cooperation. Subject to the terms and conditions set forth in this Agreement, CSL's obligations under this Agreement shall be conditioned on WIN using all commercially reasonable efforts to provide information and documentation sufficient for CSL to perform the Services as they were performed prior to the date of this Agreement, and make available, as reasonably requested by CSL, sufficient resources and timely decisions, approvals and acceptances in order that CSL accomplish its obligations under this Agreement in a timely and efficient manner.

30. Controlling Provisions. If there is any conflict or inconsistency between the terms and conditions set forth in the main body of this Agreement and the Services Attachment, the provisions of the Services Attachment shall control with respect to the rights and obligations of the Parties regarding the Services. If there is any conflict or inconsistency between the terms and conditions of this Agreement and the Distribution Agreement, the provisions of this Agreement shall control solely with respect to the rights and obligations of the Parties regarding the Services.

31. No Set-Off. The obligations under this Agreement shall not be subject to set-off for non-performance or any monetary or non-monetary claim by any Party or any of their respective Affiliates under any other agreement between the Parties or any of their respective Affiliates.

32. Parties in Interest. Other than Persons entitled to receive indemnification under Section 10, nothing in this Agreement, express or implied, is intended to confer on any Person other than the Parties and their respective successors and permitted assigns any rights or remedies under or by virtue of this Services Agreement. Each CSL Indemnified Party other than CSL, and each WIN Indemnified Party other than WIN, is an express, third-party beneficiary of Section 11.

33. Data Protection. Each Party shall comply with its obligations under all applicable data protection laws in respect of the Services to be provided under this Agreement. Each Party agrees in respect of any such personal data supplied to it by the other Party that it shall: (a) only act on instructions from the other Party regarding the processing of such personal data under this Agreement and shall ensure that appropriate technical and organizational measures shall be taken against unauthorized or unlawful processing of the personal data and against accidental loss or destruction of, or damage to, the personal data; and (b) comply with any reasonable request made by the other Party to ensure compliance with the measures contained in this Section.

34. Further Assurances. Each Party shall perform all other acts and execute and deliver all other documents as may be necessary to secure all necessary authorizations and approvals of this Agreement by all applicable governmental bodies in the United States of America, and as otherwise may be required to give effect to the terms and conditions of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on its behalf on the day and year first above written.

CSL NATIONAL, L.P.

By: _____
Name:
Title:

WINDSTREAM SERVICES, LLC

By: _____
Name:
Title:

EXHIBIT 1

SERVICES ATTACHMENT – SUMMARY SERVICES DESCRIPTION

Business Function Category	Term	Detailed Service Description
Customer Service Support	90 days, or upon conversion of McLeod customers into the WINCare billing platform	Using TAS current processes, TAS shall provide the following customer service support to WIN for McLeod CLEC residential customers: (i) support for inbound/outbound customer telephone calls, emails, written correspondence, etc.; (ii) order processing support including in-orders, out-orders, cancellations, and changes to customer accounts; (iii) the ability to move customer service representatives to different call queues based on call volume; (iv) support for customer disconnect requests and calls; (v) customer adjustment processing including online adjustments, etc.; and (vi) customer payment processing including online payments, etc. TAS will retain liability for bad debts, insufficient checks, etc.

EXHIBIT 2

SERVICES TERMINATION REQUEST FORM

Service Termination Request Form		
[*Insert WIN Logo*]		[*Insert CSL Logo*]

Requesting Company:	
Date of Request:	
Completed By:	
Service to be Changed:	

Requested Service Termination

Item #	Service	Service Provider (Company)	Service Recipient (Company)	Estimated Cost	Requested Termination Date
1					
2					
3					
4					
5					
6					

Acknowledgements	
Functional TSA Owner: [*insert Receiving Functional Lead name*]	**Functional TSA Owner: [*insert Providing Functional Lead name*]**
X	**X**
On Behalf of [insert NewCo name]	*On Behalf of [insert ParentCo name]*
Contract Manager: [*insert CSL CM Name*]	**Contract Manager: [*insert WIN CM Name*]**
X	**X**
On Behalf of CSL National, L.P.	*On Behalf of Windstream Services, LLC*

Exhibit 10.12

COMMUNICATIONS SALES & LEASING, INC.

2015 EQUITY INCENTIVE PLAN

1. Purpose of the Plan. The purpose of this 2015 Equity Incentive Plan (this "Plan") is to attract, retain and motivate the consultants, directors, officers and other key employees of Communications Sales & Leasing, Inc. (the "Company") and its Affiliates and to provide to such persons incentives and rewards for superior performance and contribution.

2. Definitions. Capitalized terms used herein have the meanings assigned to such terms in this Section 2.

"Affiliate" means any corporation that is a Subsidiary of the Company and, for purposes other than the grant of Incentive Stock Options, any limited liability company, partnership, corporation, joint venture, or any other entity in which the Company or any such Subsidiary owns an equity interest.

"Applicable Laws" means the requirements relating to the administration of equity-based compensation plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Shares are listed or quoted and the applicable laws of any other country or jurisdiction where awards are granted under this Plan, in each case as applicable to an award made hereunder.

"Appreciation Right" means a right granted pursuant to Section 5 or Section 9 of this Plan, and shall include both Tandem Appreciation Rights and Free-Standing Appreciation Rights.

"Base Price" means the price to be used as the basis for determining the Spread upon the exercise of a Free-Standing Appreciation Right or a Tandem Appreciation Right.

"Board" means the Board of Directors of the Company.

"Cause" means, except as otherwise provided in an Evidence of Award: (a) the failure of the Participant to make a good faith effort to substantially perform his or her duties (other than any such failure due to the Participant's Disability) or Participant's insubordination with respect to a specific directive of the Participant's supervisor or officer (or, if such Participant reports directly to the Board, the Board) to which the Participant reports directly or indirectly; (b) Participant's dishonesty, gross negligence in the performance of the duties of his or her employment or engaging in willful misconduct, which in the case of any such gross negligence, has caused or is reasonably expected to result in direct or indirect material injury to the Company or any of its Affiliates; (c) breach by Participant of any material provision of any written agreement with the Company or any of its Affiliates or material violation of any Company policy applicable to Participant; or (d) Participant's commission of a crime that constitutes a felony or other crime of moral turpitude or fraud. If, subsequent to Participant's termination of employment hereunder for other than Cause, it is determined in good faith by the Company that Participant's employment could have been terminated for Cause hereunder, Participant's employment shall, at the election of the Company, be deemed to have been terminated for Cause retroactively to the date the events giving rise to Cause occurred.

"Change in Control" means, except as otherwise provided in an Evidence of Award, the occurrence of any of the following:

a. any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to any Person or group of related Persons for purposes of Section 13(d) of the Exchange Act (a "Group"), together with any affiliates thereof;

b. the commencement of the liquidation or dissolution of the Company that occurs following the approval by the holders of capital stock of the Company of any plan or proposal for such liquidation or dissolution of the Company;

c. any Person or Group becomes the beneficial owner (within the meaning of Section 13(d) of the Exchange Act), directly or indirectly, of shares representing more than 50% of the aggregate voting power of the issued and outstanding stock entitled to vote in the election of directors, managers or trustees of the Company and such Person or Group actually has the power to vote such shares in any such election;

d. the replacement of a majority of the Board over a two-year period from the directors who constituted the Board at the beginning of such period, and such replacement shall not have been approved by a vote of at least a majority of the Board then still in office who either were members of such Board at the beginning of such period; or

e. a merger or consolidation of the Company with another entity in which holders of the Common Shares immediately prior to the consummation of the transaction hold, directly or indirectly, immediately following the consummation of the transaction, 50% or less of the common equity interest in the surviving corporation in such transaction.

Notwithstanding anything herein to the contrary, an event described above shall be considered a Change in Control hereunder only if it also constitutes a "change in control event" under Section 409A of the Code, to the extent necessary to avoid the adverse tax consequences thereunder with respect to any award subject to Section 409A of the Code.

"Code" means the Internal Revenue Code of 1986 and the rules and regulations promulgated thereunder, as such law, rules and regulations may be amended, supplemented or replaced from time to time.

"Committee" means the committee of directors appointed by the Board to administer this Plan. In the absence of a specific appointment, "Committee" means the Compensation Committee of the Board.

"Common Shares" means shares of common stock, par value $0.0001, of the Company or any security into which such Common Shares may be changed by reason of any transaction or event of the type referred to in Section 12 of this Plan.

"Covered Employee" means a Participant who is, or is determined by the Committee to be likely to become, a "covered employee" within the meaning of Section 162(m) of the Code (or any successor provision).

"Date of Grant" means the date specified by the Committee on which a grant of Option Rights, Appreciation Rights, Performance Units or Performance Shares or a grant or sale of Restricted Shares or Restricted Stock Units, or awards granted under Section 10 of this Plan shall become effective (which date will not be earlier than the date on which the Committee takes action with respect thereto).

"Director" means a member of the Board.

"Disability" means, except as otherwise provided in an Evidence of Award, that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, provided, however, for purposes of determining the term of an Incentive Stock Option, the term Disability shall have the meaning ascribed to it under Section 22(e)(3) of the Code. The determination of whether an individual has a Disability shall be determined under procedures established by the Committee. Except in situations where the Committee is determining Disability for purposes of the term of an Incentive Stock Option within the meaning of Section 22(e)(3) of the Code, the Committee may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Participant participates, provided that the definition of disability applied under such disability plan meets the requirements of a Disability in the first sentence hereof.

"Evidence of Award" means an agreement, certificate, resolution or other type or form of writing or other evidence approved by the Committee which sets forth the terms and conditions of the Option Rights, Appreciation Rights, Performance Units, Performance Shares, Restricted Shares, Restricted Stock Units, or awards granted under Section 10 of this Plan. An Evidence of Award may be in an electronic medium, may be limited to a notation on the books and records of the Company and, with the approval of the Committee, need not be signed by a representative of the Company or a Participant.

"Exchange Act" means the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as such law, rules and regulations may be amended, supplemented or replaced from time to time.

"Free-Standing Appreciation Right" means an Appreciation Right granted pursuant to Section 5 or Section 9 of this Plan that is not granted in tandem with an Option Right.

"Good Reason" means any one of the following: (a) a material diminution in Participant's base compensation; (b) a material diminution in authority, duties, or responsibilities of Participant; (c) a material diminution in the budget over which Participant retains authority; (d) a material change in the geographic location (i.e., to a location more than 50 miles from the Participant's primary work location prior to such change) at which Participant is required to perform services; and (e) any other action or inaction that constitutes a material breach of the Participant's employment agreement, if any, with the Company or any Affiliate; provided, however, that for the Participant to be able to resign for "Good Reason," the Participant must give the Company and the applicable Affiliate, if any, notice of the above conditions within 90 days after the condition first exists, the Company and/or Affiliate must not have not remedied the condition within 30 days after receiving written notice, and the Participant must resign within 60 days after the Company's and/or Affiliate's failure to remedy.

"Incentive Stock Options" means Option Rights that are intended to qualify as "incentive stock options" under Section 422 of the Code or any successor provision.

"Management Objectives" means the measurable performance objective or objectives established pursuant to this Plan for Participants who have received grants of Performance Units or Performance Shares or, when so determined by the Committee, Option Rights, Appreciation Rights, Restricted Shares and Restricted Stock Units pursuant to this Plan. Management Objectives may be described in terms of Company-wide objectives or objectives that are related to the performance of the individual Participant or of the Affiliate, Subsidiary, division, department, region or function within the Company, Affiliate or Subsidiary in which the Participant is employed and may be made relative to the performance of other companies. The Management Objectives applicable to any award to a Covered Employee that is intended to qualify for the performance-based compensation exception to Section 162(m) of the Code shall be based on specified levels of or growth in one or more of the following criteria: revenues, weighted average revenue per unit, earnings from operations, operating income, earnings before or after interest and taxes, operating income before or after interest and taxes, net income, cash flow, earnings per share, debt to capital ratio, economic value added, return on total capital, return on invested capital, return on equity, return on assets, total return to stockholders, earnings before or after interest, taxes, depreciation, amortization or extraordinary or special items, operating income before or after interest, taxes, depreciation, amortization or extraordinary or special items, return on investment, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, funds from operations, adjusted funds from operations, cash flow in excess of cost of capital, operating margin, operating expenses, gross expense management, profit margin, contribution margin, stock price and/or strategic business criteria consisting of one or more objectives based on meeting specified product development, strategic partnering, research and development, market penetration, geographic business expansion goals (e.g., opening of new offices in new geographic areas) cost targets, customer satisfaction, gross or net additional customers, average customer life, employee satisfaction, management of employment practices and employee benefits, supervision of litigation and information technology, and goals relating to acquisitions or divestitures of subsidiaries, affiliates and joint ventures. Management Objectives may be stated as a combination of the listed factors. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which it conducts its business, or other events or circumstances (including those events and circumstances described in Section 12 of this Plan) render the Management Objectives unsuitable, the Committee may, at its discretion, modify such Management Objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable, except in the case of a Covered Employee to the extent that such action would result in the loss of the otherwise available exemption of the award under Section 162(m) of the Code.

"Market Value per Share" means, as of any particular date, (i) the closing sale price per Common Share as reported on the principal exchange on which Common Shares are then trading, or if there are no sales on such day, on the next preceding trading day during which a sale occurred, or (ii) if the Common Shares are not then-currently traded on an exchange, the fair market value of a Common Share as determined by the Committee in discretion.

"Non-Employee Director" means a member of the Board who is a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act.

"Optionee" means the optionee named in an agreement evidencing an outstanding Option Right.

"Option Price" means the purchase price payable on exercise of an Option Right.

"Option Right" means the right to purchase Common Shares upon exercise of an option granted pursuant to Section 4 or Section 9 of this Plan.

"Participant" means a person who is selected by the Committee to receive benefits under this Plan and who is at the time an officer, consultant or other key employee of the Company or any Affiliate and also includes each Non-Employee Director who receives an award of Option Rights, Appreciation Rights, Restricted Shares, Restricted Stock Units or any awards under Section 10 of this Plan.

"Performance Period" means, in respect of a Performance Unit or Performance Share, a period of time established pursuant to Section 6 of this Plan within which the Management Objectives relating to such Performance Share or Performance Unit are to be achieved.

"Performance Share" means a bookkeeping entry that records the equivalent of one Common Share awarded pursuant to Section 6 of this Plan.

"Performance Unit" means a bookkeeping entry that records a unit equivalent to $1.00 awarded pursuant to Section 6 of this Plan.

"Person" means an individual, partnership, corporation, limited liability company, unincorporated organization, trust or joint venture, or a governmental agency or political subdivision thereof.

"Restricted Shares" means Common Shares granted or sold pursuant to Section 7 or Section 9 of this Plan as to which neither the substantial risk of forfeiture nor the prohibition on transfers referred to in such Section 7 has expired.

"Restricted Stock Units" means an award made pursuant to Section 8 or Section 9 of this Plan.

"Restriction Period" means the period of time during which Restricted Stock Units are subject to deferral limitations under Section 8 of this Plan.

"Spread" means the excess of the Market Value of a Share on the date when an Appreciation Right is exercised, or on the date when Option Rights are surrendered in payment of the Option Price of other Option Rights, over the per share Option Price or per share Base Price provided for in the related Option Right or Free-Standing Appreciation Right, respectively.

"Subsidiary" means a "subsidiary corporation," as that term is defined in Section 424(f) of the Code, or any successor provision.

"Tandem Appreciation Right" means an Appreciation Right granted pursuant to Section 5 or Section 9 of this Plan that is granted in tandem with an Option Right.

3. Shares Available Under the Plan.

a. Subject to adjustment as provided in Section 12 of this Plan, the number of Common Shares that may be issued or transferred (i) upon the exercise of Option Rights or Appreciation Rights, (ii) as Restricted Shares, (iii) in payment of Restricted Stock Units, (iv) in payment of Performance Units or Performance Shares that have been earned, (v) as awards to Non-Employee Directors, (vi) in payment of awards granted under Section 10 of this Plan or (vii) in payment of dividend equivalents paid with respect to awards made under the Plan shall not exceed in the aggregate 6,000,000 Common Shares, plus any shares relating to awards that expire, are forfeited or cancelled. Notwithstanding anything to the contrary contained herein: (A) Common Shares tendered in payment of the Option Price of an Option Right shall not be added to the aggregate Plan limit described above; (B) Common Shares withheld by the Company to satisfy the tax withholding obligation shall not be added to the aggregate Plan limit described above; (C) Common Shares that are repurchased by the Company with Option Right proceeds shall not be added to the aggregate Plan limit described above; and (D) all Common Shares covered by an Appreciation Right, to the extent that it is exercised and settled in Common Shares, and whether or not Common Shares are actually issued to the Participant upon exercise of the right, shall be considered issued or transferred pursuant to the Plan. Such Common Shares may be shares of original issuance or treasury shares or a combination of the foregoing.

b. If, under this Plan, a Participant has elected to give up the right to receive compensation in exchange for Common Shares based on fair market value, such Common Shares will not count against the number of shares available in Section 3(a) above.

c. Notwithstanding anything in this Section 3, or elsewhere in this Plan, to the contrary and subject to adjustment as provided in Section 12 of this Plan, (i) the aggregate number of Common Shares actually issued or transferred by the Company upon the exercise of Incentive Stock Options shall not exceed 2,000,000 Common Shares; and (ii) no Participant shall be granted Option Rights and Appreciation Rights, in the aggregate, for more than 2,000,000 Common Shares during any calendar year.

d. Notwithstanding any other provision of this Plan to the contrary, in no event shall any Participant in any calendar year receive an award of (i) Performance Shares, Restricted Shares or Restricted Stock Units that specify Management Objectives, in the aggregate, for more than 1,000,000 Common Shares or (ii) Performance Units having an aggregate maximum value as of their respective Dates of Grant in excess of $5,000,000.

4. Option Rights. The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting to Participants of Option Rights. Each such grant may utilize any or all of the authorizations, and shall be subject to all of the limitations, contained in the following provisions:

a. Each grant shall specify the number of Common Shares to which it pertains.

b. Each grant shall specify an Option Price per share, which may not be less than the Market Value per Share on the Date of Grant.

c. Each grant shall specify whether the Option Price shall be payable (i) in cash or by check acceptable to the Company, (ii) by the actual or constructive transfer to the Company of nonforfeitable, unrestricted Common Shares owned by the Optionee having a value at the time of exercise equal to the total Option Price, on such basis as the Committee may determine, (iii) in any other legal consideration that the Committee may deem appropriate, on such basis as the Committee may determine, or (iv) by a combination of such methods of payment.

d. To the extent permitted by law, any grant may provide for (i) deferred payment of the Option Price from the proceeds of sale through a bank or broker on a date satisfactory to the Company of some or all of the shares to which such exercise relates; (ii) payment of the Option Price, at the election of the Optionee, in installments or using a promissory note, upon terms determined by the Committee in its discretion; or (iii) any combination of such methods.

e. Successive grants may be made to the same Participant whether or not any Option Rights previously granted to such Participant remain unexercised.

f. Each grant shall specify the period or periods of continuous service by the Optionee with the Company or any Affiliate that is necessary before the Option Rights or installments thereof will become exercisable and may provide for accelerated vesting of such Option Rights in the event of a Change in Control, retirement, death or Disability of the Optionee or other similar transaction or event as approved by the Committee; provided that in no event will any Option Right vest or become exercisable early solely as the result of a Change in Control.

g. Any grant of Option Rights may specify Management Objectives that must be achieved as a condition to the exercise of such rights.

h. Option Rights granted under this Plan may be (i) Incentive Stock Options, that are intended to qualify under Section 422 of the Code (or any successor to such section), (ii) “nonqualified stock options” that are not intended to so qualify, or (iii) a combination of the foregoing. Incentive Stock Options may only be granted to Participants who meet the definition of “employees” under Section 3401(c) of the Code on the Date of Grant.

i. The exercise of an Option Right shall result in the cancellation on a share-for-share basis of any Tandem Appreciation Right authorized under Section 5 of this Plan.

j. No Option Right shall be exercisable more than 10 years from the Date of Grant.

k. Each grant of Option Rights shall be evidenced by an Evidence of Award which shall contain such terms and provisions, consistent with this Plan and applicable sections of the Code, as the Committee may approve.

l. The Committee may, at the Date of Grant of any Option Rights (other than Incentive Stock Options), provide for the payment of dividend equivalents to the Optionee on either a current or deferred or contingent basis or may provide that such equivalents shall be credited against the Option Price.

5. Appreciation Rights.

a. The Committee may authorize the granting (i) to any Optionee, of Tandem Appreciation Rights in respect of Option Rights granted hereunder, and (ii) to any Participant, of Free-Standing Appreciation Rights. A Tandem Appreciation Right shall be a right of the Optionee, exercisable by surrender of the related Option Right, to receive from the Company an amount determined by the Committee, which shall be expressed as a percentage of the Spread (not exceeding 100 percent) at the time of exercise. Tandem Appreciation Rights may be granted at any time prior to the exercise or termination of the related Option Rights; provided, however, that a Tandem Appreciation Right awarded in relation to an Incentive Stock Option must be granted concurrently with such Incentive Stock Option. A Free-Standing Appreciation Right shall be a right of the Participant to receive from the Company an amount determined by the Committee, which shall be expressed as a percentage of the Spread (not exceeding 100 percent) at the time of exercise.

b. Each grant of Appreciation Rights may utilize any or all of the authorizations, and shall be subject to all of the requirements, contained in the following provisions:

(i) Any grant may specify that the amount payable on exercise of an Appreciation Right may be paid by the Company in cash, in Common Shares or in any combination thereof and may either grant to the Participant or retain in the Committee the right to elect among those alternatives.

(ii) Any grant may specify that the amount payable on exercise of an Appreciation Right may not exceed a maximum specified by the Committee at the Date of Grant.

(iii) Each grant shall specify the period or periods of continuous service by the Participant with the Company or any Affiliate that is necessary before the Appreciation Right or installments thereof will become exercisable and may provide for accelerated vesting of such Appreciation Rights in the event of a Change in Control, retirement, death or Disability of the Participant or other similar transaction or event as approved by the Committee; provided that in no event will any Appreciation Right vest or become exercisable early solely as the result of a Change in Control.

(iv) Each grant of an Appreciation Right shall be evidenced by an Evidence of Award, which shall describe such Appreciation Right, identify any related Option Right, state that such Appreciation Right is subject to all the terms and conditions of this Plan, and contain such other terms and provisions, consistent with this Plan and applicable sections of the Code, as the Committee may approve.

(v) Any grant may provide for the payment to the Participant of dividend equivalents thereon in cash or Common Shares on a current, deferred or contingent basis.

c. Any grant of Tandem Appreciation Rights shall provide that such Rights may be exercised only at a time when the related Option Right is also exercisable and at a time when the Spread is positive, and by surrender of the related Option Right for cancellation.

d. Regarding Free-Standing Appreciation Rights only:

(i) Each grant shall specify in respect of each Free-Standing Appreciation Right a Base Price, which shall not be less than the Market Value per Share on the Date of Grant;

(ii) Successive grants may be made to the same Participant regardless of whether any Free-Standing Appreciation Rights previously granted to the Participant remain unexercised; and

(iii) No Free-Standing Appreciation Right granted under this Plan may be exercised more than 10 years from the Date of Grant.

e. Any grant of Appreciation Rights may specify Management Objectives that must be achieved as a condition to exercise such rights.

6. Performance Units and Performance Shares. The Committee may also authorize the granting to Participants of Performance Units and Performance Shares that will become payable to a Participant upon achievement of specified Management Objectives. Each such grant may utilize any or all of the authorizations, and shall be subject to all of the limitations, contained in the following provisions:

a. Each grant shall specify the number of Performance Units or Performance Shares to which it pertains, which number may be subject to adjustment to reflect changes in compensation or other factors; provided, however, that no such adjustment shall be made in the case of a Covered Employee where such action would result in the loss of the otherwise available exemption of the award under Section 162(m) of the Code.

b. The Performance Period with respect to each Performance Unit or Performance Share shall be such period of time commencing with the Date of Grant as shall be determined by the Committee at the time of grant. Each grant may provide for the earlier lapse or other modification of such Performance Period in the event of a Change in Control, retirement, or death or Disability of the Participant or other similar transaction or event as approved by the Committee.

c. Any grant of Performance Units or Performance Shares shall specify Management Objectives which, if achieved, will result in payment of the award, and each grant may specify in respect of such specified Management Objectives a minimum acceptable level of achievement and shall set forth a formula for determining the number of Performance Units or Performance Shares that will be earned if performance is at or above the minimum level, but falls short of full achievement of the specified Management Objectives. Each grant of Performance Units or Performance Shares shall specify that, before any Performance Shares or Performance Units are earned and paid, the Committee must determine that at least the minimum level of Management Objectives has been satisfied.

d. Each grant shall specify the time and manner of payment of Performance Units or Performance Shares that have been earned. Any grant may specify that the amount payable with respect thereto may be paid by the Company to the Participant in cash, in Common Shares or in any combination thereof, and may either grant to the Participant or retain in the Committee the right to elect among those alternatives.

e. Any grant of Performance Units may specify that the amount payable or the number of Common Shares issued with respect thereto may not exceed maximums specified by the Committee at the Date of Grant. Any grant of Performance Shares may specify that the amount payable with respect thereto may not exceed a maximum specified by the Committee at the Date of Grant.

f. Each grant of Performance Units or Performance Shares shall be evidenced by an Evidence of Award, which shall contain such terms and provisions, consistent with this Plan and applicable sections of the Code, as the Committee may approve.

g. The Committee may, at the Date of Grant of Performance Shares, provide for the payment of dividend equivalents to the holder thereof on either a current or deferred or contingent basis, either in cash or in additional Common Shares.

7. Restricted Shares. The Committee may also authorize the grant or sale of Restricted Shares to Participants. Each such grant or sale may utilize any or all of the authorizations, and shall be subject to all of the limitations, contained in the following provisions:

a. Each such grant or sale shall constitute an immediate transfer of the ownership of Common Shares to the Participant in consideration of the performance of services, entitling such Participant to voting, dividend and other ownership rights (unless otherwise determined by the Committee), but subject to the substantial risk of forfeiture and restrictions on transfer hereinafter referred to.

b. Each such grant or sale may be made without additional consideration or in consideration of a payment by such Participant that is less than Market Value per Share at the Date of Grant.

c. Each such grant or sale shall provide that the Restricted Shares covered by such grant or sale shall be subject to a "substantial risk of forfeiture" within the meaning of Section 83 of the Code for a period to be determined by the Committee at the Date of Grant and may provide for the earlier lapse of such substantial risk of forfeiture in the event of a Change in Control, retirement, or death or Disability of the Participant or other similar transaction or event as approved by the Committee; provided that in no event will such substantial risk of forfeiture lapse early solely as the result of a Change in Control.

d. Each such grant or sale shall provide that during the period for which such substantial risk of forfeiture is to continue, the transferability of the Restricted Shares shall be prohibited or restricted in the manner and to the extent prescribed by the Committee at the Date of Grant (which restrictions may include, without limitation, rights of repurchase or first refusal in the Company or provisions subjecting the Restricted Shares to a continuing substantial risk of forfeiture in the hands of any transferee).

e. Any grant of Restricted Shares may specify Management Objectives that, if achieved, will result in termination or early termination of the restrictions applicable to such shares. Each grant may specify in respect of such Management Objectives a minimum acceptable level of achievement and may set forth a formula for determining the number of Restricted Shares on which restrictions will terminate if performance is at or above the minimum level, but falls short of full achievement of the specified Management Objectives.

f. Any such grant or sale of Restricted Shares may require that any or all dividends or other distributions paid thereon during the period of such restrictions be automatically deferred and reinvested in additional Restricted Shares, which may be subject to the same restrictions as the underlying award.

g. Each grant or sale of Restricted Shares shall be evidenced by an Evidence of Award, which shall contain such terms and provisions, consistent with this Plan and applicable sections of the Code, as the Committee may approve. Unless otherwise directed by the Committee, all certificates representing Restricted Shares shall be held in custody by the Company until all restrictions thereon shall have lapsed, together with a stock power or powers executed by the Participant in whose name such certificates are registered, endorsed in blank and covering such Shares.

8. Restricted Stock Units. The Committee may also authorize the grant or sale of Restricted Stock Units to Participants. Each such grant or sale may utilize any or all of the authorizations, and shall be subject to all of the requirements contained in the following provisions:

a. Each such grant or sale shall constitute the agreement by the Company to deliver Common Shares, pay an amount in cash, or pay a combination of Common Shares and cash to the Participant in the future in consideration of the performance of services, but subject to the fulfillment of such conditions during the Restriction Period as the Committee may specify.

b. Each such grant or sale may be made without additional consideration or in consideration of a payment by such Participant that is less than the Market Value per Share at the Date of Grant.

c. Each such grant or sale shall be subject to a Restriction Period as determined by the Committee at the Date of Grant, and may provide for the earlier lapse or other modification of such Restriction Period in the event of a Change in Control, retirement, or death or Disability of the Participant or other similar transaction or event as approved by the Committee; provided that in no event will a Restriction Period lapse early solely as the result of a Change in Control.

d. Any grant of Restricted Stock Units may specify Management Objectives that, if achieved, will result in termination or early termination of the Restriction Period applicable to such shares. Each grant may specify in respect of such Management Objectives a minimum acceptable level of achievement and may set forth a formula for determining the number of Restricted Stock Units on which restrictions will terminate if performance is at or above the minimum level, but falls short of full achievement of the specified Management Objectives.

e. During the Restriction Period, the Participant shall have no right to transfer any rights under his or her award and shall have no rights of ownership in the Restricted Stock Units and shall have no right to vote them, but the Committee may, at the Date of Grant, authorize the payment of dividend equivalents on such Restricted Stock Units on either a current or deferred or contingent basis, either in cash or in additional Common Shares.

f. Each grant or sale of Restricted Stock Units shall be evidenced by an Evidence of Award, which shall contain such terms and provisions, consistent with this Plan and applicable sections of the Code, as the Committee may approve.

9. Awards to Non-Employee Directors. The Board may, from time to time and upon such terms and conditions as it may determine, authorize the granting to Non-Employee Directors of Option Rights under Section 4 of this Plan or Appreciation Rights under Section 5 of this Plan, and may also authorize the grant or sale of Restricted Shares under Section 7 of this Plan, Restricted Stock Units under Section 8 of this Plan or other awards under Section 10 of this Plan, or any combination of the foregoing. For clarity, the authority to grant awards to Non-Employee Directors pursuant to this Plan rests exclusively with the Board (and, for the avoidance of doubt, not with the Committee), except to the extent expressly delegated by the Board to a committee or person(s) pursuant to Section 16.

10. Other Awards.

a. The Committee is authorized, subject to limitations under applicable law, to grant to any Participant such other awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Common Shares or factors that may influence the value of Common Shares, including, without limitation, convertible or exchangeable debt securities, other rights convertible or exchangeable into Common Shares, purchase rights for Common Shares, awards with value and payment contingent upon performance of the Company or business units thereof or any other factors designated by the Committee, and awards valued by reference to the book value of Common Shares or the value of securities of, or the performance of specified Subsidiaries or Affiliates or other business units of, the Company. The Committee shall determine the terms and conditions of such awards. Common Shares delivered pursuant to an award in the nature of a purchase right granted under this Section 10 shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including, without limitation, cash, Common Shares, other awards, notes or other property, as the Committee shall determine.

b. Cash awards, as an element of or supplement to any other award granted under this Plan, may also be granted pursuant to this Section 10 of this Plan.

c. The Committee is authorized to grant Common Shares as a bonus, or to grant Common Shares or other awards in lieu of obligations of the Company or an Affiliate to pay cash or deliver other property under the Plan or under other plans or compensatory arrangements, subject to such terms as shall be determined by the Committee.

11. Transferability.

a. Except as otherwise determined by the Committee, no Option Right, Appreciation Right or other derivative security granted under the Plan shall be transferable by a Participant other than by will or the laws of descent and distribution. Except as otherwise determined by the Committee, Option Rights and Appreciation Rights shall be exercisable during the Optionee’s lifetime only by him or her or by his or her guardian or legal representative.

b. The Committee may specify at the Date of Grant that part or all of the Common Shares that are (i) to be issued or transferred by the Company upon the exercise of Option Rights or Appreciation Rights, upon the termination of the Restriction Period applicable to Restricted Stock Units or upon payment under any grant of Performance Units or Performance Shares or (ii) no longer subject to the substantial risk of forfeiture and restrictions on transfer referred to in Section 7 of this Plan, shall be subject to further restrictions on transfer.

12. Adjustments. The Committee shall make or provide for such adjustments in the numbers of Common Shares covered by outstanding Option Rights, Appreciation Rights, Performance Shares, Restricted Stock Units and share-based awards described in Section 10 of this Plan granted hereunder, in the Option Price and Base Price provided in outstanding Option Rights and Appreciation Rights, and in the kind of shares covered thereby, as the Committee, in its discretion, exercised in good faith, may determine is equitably required to prevent dilution or enlargement of the rights of Participants or Optionees that otherwise would result from (a) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, or (b) any merger, consolidation, spin-off, split-off, spin-out, split-up, reorganization, partial or complete liquidation or other distribution of assets (including, without limitation, a special or large non-recurring dividend), issuance of rights or warrants to purchase securities, or (c) any other corporate transaction or event having an effect similar to any of the foregoing. Moreover, in the event of any such transaction or event, the Committee, in its discretion, may provide in substitution for any or all outstanding awards under this Plan such alternative consideration (including cash) as it, in good faith, may determine to be equitable in the circumstances and may require in connection therewith the surrender of all awards so replaced. The Committee may also make or provide for such adjustments in the numbers of shares specified in Section 3 of this Plan as the Committee, in its discretion, exercised in good faith, may determine is appropriate to reflect any transaction or event described in this Section 12; provided, however, that any such adjustment to the number specified in Section 3(c)(i) shall be made only if and to the extent that such adjustment would not cause any Option intended to qualify as an Incentive Stock Option to fail so to qualify. In no event shall any adjustment be required under this Section 12 if the Committee determines that such action could cause an award to fail to satisfy the conditions of an applicable exception from the requirements of Section 409A of the Code or otherwise could subject a Participant to the additional tax imposed under Section 409A in respect of an outstanding award.

13. Fractional Shares. The Company shall not be required to issue any fractional Common Shares pursuant to this Plan. The Committee may provide for the elimination of fractions or for the settlement of fractions in cash.

14. Withholding Taxes. The Company shall have the right to deduct from any payment or benefit realized under this Plan an amount equal to the federal, state, local, foreign and other taxes which in the opinion of the Company are required to be withheld by it with respect to such payment or benefit. To the extent that the amounts available to the Company for such withholding are insufficient, it shall be a condition to the receipt of such payment or the realization of such benefit that the Participant or other recipient make arrangements satisfactory to the Company for payment of the balance of such taxes required to be withheld. At the discretion of the Committee, such arrangements may include relinquishment of a portion of such benefit pursuant to procedures adopted by the Committee from time to time. The Company and a Participant or such other recipient may also make similar arrangements with respect to the payment of any taxes with respect to which withholding is not required.

15. Foreign Employees. In order to facilitate the making of any grant or combination of grants under this Plan, the Committee may provide for such special terms for awards to Participants who are foreign nationals or who are employed by the Company or any Affiliate outside of the United States of America as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Committee may approve such supplements to or amendments, restatements or alternative versions of this Plan as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of this Plan as in effect for any other purpose, and the Corporate Secretary or other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as this Plan. No such special terms, supplements, amendments or restatements, however, shall include any provisions that are inconsistent with the terms of this Plan as then in effect unless this Plan could have been amended to eliminate such inconsistency without further approval by the stockholders of the Company.

16. Administration of the Plan.

a. The Committee shall administer this Plan or delegate its authority to do so as provided in Section 16(c) hereof or, in the Board's sole discretion or in the absence of the Committee, the Board shall administer this Plan; provided that the authority to grant awards to Non-Employee Directors pursuant to this Plan rests exclusively with the Board (and, for the avoidance of doubt, not with the Committee), and each reference in this Plan to the Committee shall be deemed, when used in the context of any award(s) made or to be made to a Non-Employee Director, a reference to the Board. The Committee, or if no Committee has been appointed, the Board, may delegate administration of the Plan to a committee or committees of one or more members of the Board, and the term "Committee" shall apply to any such committee, person(s) to whom such authority has been delegated. The Committee shall have the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Committee shall thereafter be to the committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may abolish, suspend or supersede the Committee at any time and revest in the Board the administration of the Plan.

b. Subject to the express provisions of the Plan, the Committee shall have plenary authority, in its discretion, to determine the individuals to whom, and the time or times at which, awards shall be granted and the number of shares, if applicable, to be subject to each award. In making such determinations, the Committee may take into account the nature of services rendered by the respective individuals, their present and potential contributions to the Company's success and such other factors as the Committee deems relevant. Subject to the express provisions of the Plan, the Committee shall also have plenary discretionary authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it, to determine the terms and provisions of the respective Evidence of Award (which need not be identical) and to make all other determinations necessary or advisable for the administration of the Plan. The interpretation and construction by the Committee of any provision of this Plan or of any Evidence of Award and any determination by the Board pursuant to any provision of this Plan or of any such Evidence of Award shall be final, conclusive and binding on the Company and the Participants, unless such decisions are determined by a court having jurisdiction to be arbitrary and capricious. No member of the Board or the Committee shall be liable for any such action or determination made in good faith.

c. To the extent permitted by applicable law, the Committee may delegate to one or more of its members or to one or more officers of the Company, or to one or more agents or advisors, such administrative duties or powers as it may deem advisable, and the Committee, or any person(s) or committee to whom duties or powers have been delegated as aforesaid, may employ one or more persons to render advice with respect to any responsibility the Committee or such person or committee may have under the Plan. To the extent permitted by applicable law, the Committee may, by resolution, authorize one or more officers of the Company to do one or both of the following on the same basis as the Committee: (i) designate employees to be recipients of awards under this Plan; (ii) determine the size of any such awards; provided, however, that (A) the Committee shall not delegate such responsibilities to any such officer for awards granted to an employee who is an officer, Director, or more than 10% beneficial owner of any class of the Company's equity securities that is registered pursuant to Section 12 of the Exchange Act, as determined by the Committee in accordance with Section 16 of the Exchange Act; (B) the resolution providing for such authorization sets forth the total number of Common Shares such officer(s) may grant; and (iii) the officer(s) shall report periodically to the Committee, as the case may be, regarding the nature and scope of the awards granted pursuant to the authority delegated.

d. Any authority granted to the Committee may also be exercised by the Board or another committee of the Board duly appointed for such purpose, except to the extent that the grant or exercise of such authority would cause any award intended to qualify for favorable treatment under Section 162(m) of the Code to cease to qualify for the favorable treatment under Section 162(m) of the Code. To the extent that any permitted action taken by the Board conflicts with action taken by the Committee, the Board action shall control. Without limiting the generality of the foregoing, to the extent the Board has delegated any authority under this Plan to another committee of the Board, such authority shall not be exercised by the Committee unless expressly permitted by the Board in connection with such delegation.

e. The Board shall have discretion to determine whether or not it intends to comply with the exemption requirements of Rule 16b-3 and/or Section 162(m) of the Code. Nothing herein shall create an inference that an award is not validly granted under the Plan in the event awards are granted under the Plan by a compensation committee of the Board that does not at all times consist solely of two or more Non-Employee Directors who are also "outside directors" within the meaning of Section 162(m) of the Code.

17. Amendments and Other Matters.

a. The Board may at any time and from time to time amend the Plan in whole or in part; provided, however, that any amendment which must be approved by the stockholders of the Company in order to comply with applicable law or the rules of the NASDAQ Global Stock Market shall not be effective unless and until such approval has been obtained. Presentation of this Plan or any amendment thereof for stockholder approval shall not be construed to limit the Company's authority to offer similar or dissimilar benefits under other plans or otherwise with or without stockholder approval. Without limiting the generality of the foregoing, the Board may amend this Plan to eliminate provisions which are no longer necessary as a result in changes in tax or securities laws or regulations, or in the interpretation thereof.

b. Neither the Board nor the Committee shall, without the further approval of the stockholders of the Company, authorize the amendment of any outstanding Option Right or Appreciation Right to reduce the Option Price or Base Price. Furthermore, no Option Right or Appreciation Right shall be cancelled and replaced with awards having a lower Option Price or Base Price, respectively, without further approval of the stockholders of the Company. This Section 17(b) is intended to prohibit the repricing of "underwater" Option Rights and Appreciation Rights and shall not be construed to prohibit the adjustments provided for in Section 12 of this Plan.

c. To the extent consistent with Section 409A of the Code, the Committee also may permit Participants to elect to defer the issuance of Common Shares or the settlement of awards in cash under the Plan pursuant to such rules, procedures or programs as it may establish for purposes of this Plan. The Committee also may provide that deferred issuances and settlements include the payment or crediting of dividend equivalents or interest on the deferral amounts.

d. If permitted by Section 409A of the Code, in case of termination of employment by reason of death, Disability or normal or early retirement, or in the case of hardship or other special circumstances, of a Participant who holds an Option Right or Appreciation Right not immediately exercisable in full, or any Restricted Shares as to which the substantial risk of forfeiture or the prohibition or restriction on transfer has not lapsed, or any Restricted Stock Units as to which the Restriction Period has not been completed, or any Performance Shares or Performance Units which have not been fully earned, or any other awards made pursuant to Section 10 subject to any vesting schedule or transfer restriction, or who holds Common Shares subject to any transfer restriction imposed pursuant to Section 11(b) of this Plan, the Committee may, at its discretion, accelerate the time at which such Option Right, Appreciation Right or other award may be exercised or the time at which such substantial risk of forfeiture or prohibition or restriction on transfer will lapse or the time when such Restriction Period will end or the time at which such Performance Shares or Performance Units will be deemed to have been fully earned or the time when such transfer restriction will terminate or may waive any other limitation or requirement under any such award.

f. This Plan shall not confer upon any Participant any right with respect to continuance of employment or other service with the Company or any Affiliate, nor shall it interfere in any way with any right the Company or any Affiliate would otherwise have to terminate such Participant's employment or other service at any time.

g. To the extent that any provision of this Plan would prevent any Option Right that was intended to qualify as an Incentive Stock Option from qualifying as such, that provision shall be null and void with respect to such Option Right. Such provision, however, shall remain in effect for other Option Rights and there shall be no further effect on any provision of this Plan.

h. Subject to Section 20, this Plan shall continue in effect until the date on which all Common Shares available for issuance or transfer under this Plan have been issued or transferred and the Company has no further obligation hereunder.

i. Neither a Participant nor any other person shall, by reason of participation in the Plan, acquire any right or title to any assets, funds or property of the Company or any Affiliate, including without limitation, any specific funds, assets or other property which the Company or any Affiliate may set aside in anticipation of any liability under the Plan. A Participant shall have only a contractual right to an award or the amounts, if any, payable under the Plan, unsecured by any assets of the Company or any Affiliate, and nothing contained in the Plan shall constitute a guarantee that the assets of the Company or any Affiliate shall be sufficient to pay any benefits to any person.

j. This Plan and each Evidence of Award shall be governed by the laws of the State of Maryland, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.

k. In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Plan, and this Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

18. Compliance with Section 409A of the Code. Awards granted under this Plan shall be designed and administered in such a manner that they are either exempt from the application of, or comply with, the requirements of Section 409A of the Code. To the extent that the Committee determines that any award granted under the Plan is subject to Section 409A of the Code, the Evidence of Award shall incorporate the terms and conditions necessary to avoid the imposition of an additional tax under Section 409A of the Code upon a Participant. Notwithstanding any other provision of the Plan or any Evidence of Award (unless the Evidence of Award provides otherwise with specific reference to this Section), an award shall not be granted, deferred, accelerated, extended, paid out, settled, substituted or modified under this Plan in a manner that would result in the imposition of an additional tax under Section 409A of the Code upon a Participant. Although the Company intends to administer the Plan so that awards will be exempt from, or will comply with, the requirements of Section 409A of the Code, the Company does not warrant that any award under the Plan will qualify for favorable tax treatment under Section 409A of the Code or any other provision of federal, state, local, or non-United States law. Neither the Company, its Affiliates, nor their respective directors, officers, employees or advisers shall be liable to any Participant (or any other individual claiming a benefit through the Participant) for any tax, interest, or penalties the Participant might owe as a result of the grant, holding, vesting, exercise, or payment of any award under the Plan. Any reference in this Plan to Section 409A of the Code will also include the applicable proposed, temporary or final regulations, or any other guidance, issued with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

19. Applicable Laws. To the extent that federal laws do not otherwise control, this Plan and all determinations made and actions taken pursuant to this Plan shall be governed by the laws of Maryland, without giving effect to principles of conflicts of laws, and construed accordingly.

20. Term and Termination. This Plan shall terminate 10 years after the date on which it is approved and adopted by the Board and no award(s) shall be made hereunder after the expiration of such 10 year period. Awards outstanding at the termination of the Plan will continue in accordance with their terms and will not be affected by such termination.

Exhibit 99.1

Preliminary and Subject to Completion, dated March 12, 2015

, 2015

Dear Shareholder of Windstream Holdings, Inc.:

We are pleased to inform you that the board of directors of Windstream Holdings, Inc. ("Windstream Holdings" and, together with its consolidated subsidiaries, "Windstream") has approved a plan to spin off certain telecommunications network assets, including its fiber and copper networks and other real estate, into Communications Sales & Leasing, Inc. ("CS&L"), which will become, upon its election, an independent, publicly traded real estate investment trust. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the spinoff. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the spinoff, subject to market conditions, to retire debt.

Certain subsidiaries of CS&L will lease the assets to Windstream Holdings through an exclusive long-term triple-net lease. Windstream will continue to operate and maintain the assets in order to deliver advanced communications and technology services to consumers and businesses. We believe that CS&L will be positioned to provide an attractive dividend to shareholders and grow through acquisitions, capital investments and rent escalation.

The transaction will be completed by way of a *pro rata* distribution of no less than 80.1 percent of the outstanding shares of CS&L common stock to Windstream Holdings shareholders of record as of the close of business on , 2015, the record date for the spinoff. After giving effect to the interest in CS&L retained by Windstream, each Windstream Holdings shareholder will receive one share of CS&L common stock for every five shares of Windstream Holdings common stock held on the record date. The number of Windstream Holdings shares you own will not change as a result of the spinoff. CS&L intends to list its common stock on the NASDAQ Global Select Market under the symbol "CSAL." Windstream Holdings common stock will continue to be listed and traded on the NASDAQ Global Select Market under the symbol "WIN."

If the distribution date is not on the record date of Windstream's normal quarterly dividend, we intend to pay a *pro rata* dividend to our shareholders based on the number of days elapsed in the quarter. Following the close of the transaction, Windstream initially expects to pay an annual dividend of $.10 per share and CS&L initially expects to pay an annual dividend of $2.40 per share (which would be equivalent to a $.60 per share Windstream dividend per annum). After giving effect to the interest in CS&L retained by Windstream, each shareholder at the time of the spinoff will receive the equivalent of a $.48 per share Windstream dividend per annum.

No vote of Windstream Holdings' shareholders is required in connection with the spinoff. You do not need to make any payment, surrender or exchange your shares of Windstream Holdings common stock or take any other action to receive your shares of CS&L common stock.

The enclosed information statement, which is being made available to all Windstream Holdings shareholders, describes the spinoff in detail and contains important information about CS&L and its business. We urge you to read the information statement carefully and in its entirety.

We want to thank you for your continued support of Windstream, and we look forward to your support of CS&L in the future.

Sincerely,

Anthony W. Thomas
President and Chief Executive Officer

, 2015

Dear Future Shareholder of Communications Sales & Leasing, Inc.:

It is our pleasure to welcome you as a shareholder of our company, Communications Sales & Leasing, Inc. ("CS&L"). Following the distribution of no less than 80.1 percent of the outstanding shares of CS&L common stock by Windstream Holdings, Inc. to its shareholders, CS&L will be an independent, publicly traded real estate investment trust that will own, acquire and lease distribution systems serving the communications infrastructure industry and potentially other industries. We will strive to be a significant provider of capital and financing to the communication industry.

Our initial properties will include, among other things, an extensive communications distribution system, comprised of approximately 66,000 route miles of fiber optic cable lines, 235,000 route miles of copper cable lines, and central office land and buildings across 37 states that are currently owned by Windstream. This distribution system will be leased to Windstream Holdings on a long-term, triple-net basis. We expect to diversify our tenant base in the future by acquiring additional properties and leasing them to other local, regional and national telecommunications providers. We also expect to grow and diversify our portfolio through the acquisition of properties in different geographic markets, and in different asset classes.

Our goal at CS&L is to create value for our shareholders and we plan to accomplish this by growing our dividend distributions over time. CS&L initially expects to pay an annual dividend of $2.40 per share.

We invite you to learn more about CS&L and its business by reviewing the enclosed information statement. We urge you to read the information statement carefully and in its entirety. We are excited by our future prospects, and look forward to your support as a holder of our common stock.

Sincerely,
Kenneth Gunderman
President and Chief Executive Officer

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Information contained herein is subject to completion or amendment. A registration statement on Form 10 relating to these securities has been filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

Preliminary and Subject to Completion, dated March 12, 2015

INFORMATION STATEMENT

COMMUNICATIONS SALES & LEASING, INC.

Common Stock

(Par Value $0.0001 Per Share)

This information statement is being furnished in connection with the *pro rata* distribution by Windstream Holdings, Inc. ("Windstream Holdings" and, together with its consolidated subsidiaries, "Windstream") to its shareholders of no less than 80.1 percent of the outstanding shares of common stock of Communications Sales & Leasing, Inc. ("CS&L"). At the time of the distribution, certain of CS&L's subsidiaries will own approximately 66,000 route miles of fiber optic cable lines, 235,000 route miles of copper cable lines, central office land and buildings across 37 states and beneficial rights to permits, pole agreements and easements that are currently owned by Windstream (collectively, together with certain other rights, title and interests, the "Distribution Systems").

Prior to the *pro rata* distribution by Windstream Holdings to its shareholders of no less than 80.1 percent of the outstanding shares of CS&L common stock, Windstream will effect a series of restructuring transactions, culminating with a distribution of no less than 80.1 percent of the outstanding shares of CS&L common stock to Windstream Holdings by its wholly owned subsidiary (together with the *pro rata* distribution by Windstream Holdings to its shareholders of no less than 80.1 percent of the outstanding shares of CS&L common stock, the "Spin-Off"). Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt.

After the Spin-Off, certain of CS&L's subsidiaries will lease the Distribution Systems to Windstream Holdings on a long-term triple-net basis. The Spin-Off is intended to be tax-free to Windstream Holdings shareholders for U.S. federal income tax purposes, except for cash paid in lieu of fractional shares.

After giving effect to the interest retained in CS&L by Windstream, you will receive one share of CS&L common stock for every five shares of Windstream Holdings common stock held of record by you as of the close of business on , 2015 (the "record date"). You will receive cash in lieu of any fractional shares of CS&L common stock which you would have otherwise received. The date on which the shares of CS&L common stock will be distributed to you (the "distribution date") is expected to be , 2015. After the Spin-Off is completed, CS&L will be an independent, publicly traded real estate investment trust.

No vote of Windstream Holdings' shareholders is required in connection with the Spin-Off. Therefore, you are not being asked for a proxy, and you are requested not to send us a proxy. You will not be required to make any payment, surrender or exchange your shares of Windstream Holdings common stock or take any other action to receive your shares of CS&L common stock.

There is no current trading market for CS&L common stock. We anticipate that a limited market, commonly known as a "when-distributed" trading market, will develop at some point following the record date, and that "regular-way" trading in shares of CS&L common stock will begin on the first trading day following the distribution date. If trading begins on a "when-distributed" basis, you may purchase or sell CS&L common stock up to and including the distribution date, but your transaction will not settle until after the distribution date. CS&L intends to apply to have its common stock authorized for listing on the NASDAQ Global Select Market ("NASDAQ") under the symbol "CSAL." As discussed under the caption "The Spin-Off—Listing and Trading of Our Shares," if you sell your Windstream Holdings common stock in the "due-bills" market after the record date and before the distribution date, you also will be selling your right to receive shares of CS&L common stock in connection with the Spin-Off. However, if you sell your Windstream Holdings common stock in the "ex-distribution" market before the distribution date, you will still receive shares of CS&L common stock in the Spin-Off.

CS&L intends to elect to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes commencing with its taxable year ending December 31, 2015. To assist CS&L in qualifying as a REIT, among other purposes, CS&L's charter will contain certain restrictions relating to the ownership and transfer of its stock, including a provision generally restricting shareholders from owning more than 9.8% in value or in number, whichever is more restrictive, of the outstanding shares of CS&L's common stock or more than 9.8% in value of the aggregate of the outstanding shares of all classes and series of CS&L stock, without the prior consent of CS&L's board of directors. See "Description of Our Capital Stock—Restrictions on Transfer and Ownership of CS&L Stock."

CS&L is an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and, as such, is allowed to provide in this information statement more limited disclosures than an issuer that would not so qualify. In addition, for so long as we remain an emerging growth company, we may also take advantage of certain limited exceptions from investor protection laws such as Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act"), and the Investor Protection and Securities Reform Act of 2010 for limited periods. However, we expect that we will cease to be an emerging growth company upon the issuance of debt prior to the consummation of the Spin-Off. See "Summary—Emerging Growth Company Status" and "Description of Financing and Material Indebtedness".

In reviewing this information statement, you should carefully consider the matters described under the caption "Risk Factors" beginning on page 18.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved these securities or determined if this information statement is truthful or complete. Any representation to the contrary is a criminal offense.

This information statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Windstream Holdings first mailed this information statement to its shareholders on or about , 2015.

The date of this information statement is , 2015.

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SUMMARY

The following is a summary of material information included in this information statement. This summary may not contain all of the details concerning the Spin-Off or other information that may be important to you. To better understand the Spin-Off and CS&L's business, you should carefully review this entire information statement.

Unless the context otherwise requires, any references in this information statement to "we," "our," "us" and the "Company" refer to CS&L and/or its consolidated subsidiaries. References in this information statement to "Windstream" generally refer to Windstream Holdings, Inc. and its consolidated subsidiaries (other than CS&L and its consolidated subsidiaries after the Spin-Off), unless the context requires otherwise. Windstream Holdings, Inc. is a holding company with no direct operating assets, employees or revenues. All of its operations are conducted by its wholly owned subsidiary Windstream Services, LLC ("Windstream Subsidiary"), which has its own management, employees and assets, and by Windstream Subsidiary's direct and indirect wholly owned subsidiaries.

This information statement has been prepared on a prospective basis on the assumption that, among other things, the Spin-Off and the related transactions contemplated to occur prior to or contemporaneously with the Spin-Off will be consummated as contemplated by this information statement. There can be no assurance, however, that any or all of such transactions will occur or will occur as so contemplated.

You should not assume that the information contained in this information statement is accurate as of any date other than the date set forth on the cover. Changes to the information contained in this information statement may occur after that date, and we undertake no obligation to update the information, except in the normal course of our public disclosure obligations. In particular, a number of matters contained in this information statement relate to agreements or arrangements that have not yet been finalized and expectations of what may occur. Prior to the Spin-Off, it is possible that these agreements, arrangements and expectations may change.

Our Company

Following the Spin-Off, CS&L will become, upon its election, a publicly traded, self-administered real estate investment trust ("REIT") primarily engaged in the ownership, acquisition and leasing of communication distribution systems. CS&L expects to generate revenues primarily by leasing communications distribution systems to telecommunications operators in triple-net lease arrangements, under which the tenant is primarily responsible for costs relating to the distribution systems (including property taxes, insurance, and maintenance and repair costs). To our knowledge, CS&L will be the first REIT focused on acquiring and building communication distribution systems, and expects to grow its portfolio by aggressively pursuing opportunities to acquire additional communications distribution systems to lease to communication service providers on a triple-net basis. CS&L also anticipates diversifying its portfolio over time, including potentially acquiring other real property assets within or outside of the communications infrastructure industry to lease to third parties.

At the time of the Spin-Off, certain of CS&L's subsidiaries will own, among other things, the Distribution Systems. After the Spin-Off, the Distribution Systems will be leased to Windstream Holdings on a triple-net basis pursuant to a long-term exclusive lease agreement (the "Master Lease") and CS&L's primary source of revenue will be rent payable under the Master Lease. See "Our Relationship with Windstream Following the Spin-Off—Master Lease." Additionally, CS&L will operate a small consumer competitive local exchange carrier ("CLEC") business (the "Consumer CLEC Business").

Approximately 50 employees are expected to be employed by CS&L following the Spin-Off. Many of these employees will be employed by Talk America Services, LLC, an indirect wholly owned subsidiary of CS&L that will conduct the Consumer CLEC Business ("Talk America"), in connection with the operation of the Consumer CLEC Business.

CS&L intends to make an election on its U.S. federal income tax return for its taxable year ending on December 31, 2015 to be treated as a REIT. CS&L and Talk America will jointly elect to treat Talk America as a "taxable REIT subsidiary" ("TRS") effective on the first day of the first taxable year of CS&L as a REIT.

To maintain REIT status, we must meet a number of organizational and operational requirements, including a requirement that we annually distribute to our shareholders at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains. See "U.S. Federal Income Tax Considerations."

Overview of the Spin-Off

On July 29, 2014, the board of directors of Windstream Holdings announced its plan to separate its business into two separate and independent publicly traded companies:

- Windstream, which will continue to provide advanced network communications and technology solutions to businesses and customers through its existing operations; and
- CS&L, which, through its subsidiaries, will own, acquire and lease distribution systems serving the communications infrastructure industry and potentially other industries and operate the Consumer CLEC Business.

Windstream will accomplish the separation by contributing to CS&L the Distribution Systems and the Consumer CLEC Business, and then distributing no less than 80.1 percent of the outstanding shares of CS&L common stock to Windstream Holdings' shareholders. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt.

Immediately after the Spin-Off, we and Windstream Holdings will enter into the Master Lease, under which Windstream Holdings will lease the Distribution Systems on a triple-net basis. We will also enter into a number of other agreements with Windstream to govern the relationship between us and Windstream following the Spin-Off. See "Our Relationship with Windstream Following the Spin-Off."

After giving effect to the interest in CS&L retained by Windstream, Windstream will effect the Spin-Off by distributing to Windstream Holdings' shareholders one share of CS&L common stock for every five shares of Windstream Holdings common stock held at the close of business on , 2015, the record date for the Spin-Off. Windstream Holdings' shareholders will receive cash in lieu of any fractional shares of CS&L common stock which they would have otherwise received. We expect the shares of CS&L common stock to be distributed by Windstream Holdings on or about , 2015.

Windstream will allocate its accumulated earnings and profits (as determined for U.S. federal income tax purposes) for periods prior to the Spin-Off between Windstream and CS&L in a manner that, in its best judgment, is in accordance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"). As a result of its election to be taxed as a REIT for U.S. federal income tax purposes, in order to comply with certain REIT qualification requirements, CS&L would be required to declare a dividend to its shareholders to distribute any accumulated earnings and profits attributable to any non-REIT years, including any earnings and

profits allocated to CS&L in connection with the Spin-Off (the "Purging Distribution"). CS&L currently does not expect that any accumulated earnings and profits will be allocated to it in connection with the Spin-Off and, accordingly, does not expect that it will be required to make the Purging Distribution. In the event that a Purging Distribution is required, CS&L expects that it would declare the Purging Distribution within the last three months of the calendar year in which it makes its REIT election and to make the Purging Distribution no later than January 31 of the following calendar year. See "The Spin-Off—The Purging Distribution."

The Spin-Off is subject to the satisfaction or waiver of a number of conditions. See "The Spin-Off—Conditions to the Spin-Off." In addition, Windstream Holdings' board of directors has reserved the right, in its sole discretion, to amend, modify or abandon the Spin-Off or any related transaction at any time prior to the distribution date.

Reasons for the Spin-Off

It is expected that the Spin-Off will:

- provide CS&L with increased flexibility to pursue its plan to expand its communications real estate platform, including alternatives such as acquisitions that are unlikely to be available absent the Spin-Off;
- enable CS&L to issue equity on meaningfully more favorable terms in connection with investments and acquisitions, which management believes is critical to the success of the plan to expand Windstream's existing real estate platform, with less dilution to existing shareholders;
- create opportunity to unlock shareholder value by creating two independent public companies with distinct investment characteristics;
- meaningfully enhance the ability to raise capital for CS&L's business by issuing equity on more favorable terms than would be possible, absent the Spin-Off, in the public markets to institutional investors that invest in REITs;
- reduce the actual or perceived competition for capital resources within Windstream;
- meaningfully enhance each of Windstream's and CS&L's ability to attract and retain qualified management; and
- allow CS&L's real property business to optimize its leverage and enhance the credit profile of the Windstream business, providing Windstream with greater financial and strategic flexibility.

Our Relationship with Windstream

After the Spin-Off, CS&L will be a separate and independent publicly traded, self-administered REIT. Windstream Holdings will be a separate and independent publicly traded company and, through its consolidated operating subsidiaries, will continue to provide advanced network communications and technology solutions to businesses and customers through its existing operations. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt.

In order to comply with restrictions under Windstream's debt agreements and to minimize the number of states in which regulatory approvals of the Spin-Off were required, Windstream will retain ownership of certain distribution systems in select states. Windstream will continue to operate the distribution systems that it owns and those that it leases from parties other than CS&L. Windstream has selected assets for inclusion in the Spin-Off which it believes provide CS&L with sufficient scale and geographic diversity to meet the business purposes for the Spin-Off described above under "Reasons for the Spin-Off."

To govern their relationship after the Spin-Off, Windstream and the Company will enter into, among other arrangements: (1) a separation and distribution agreement setting forth the mechanics of the Spin-Off, certain organizational matters and other ongoing obligations of Windstream and CS&L (the "Separation and Distribution Agreement"), (2) the Master Lease, (3) an agreement relating to tax matters (the "Tax Matters Agreement"), (4) an agreement pursuant to which Windstream will provide certain administrative and support services to CS&L on a transitional basis (the "Transition Services Agreement"), (5) an agreement relating to employee matters (the "Employee Matters Agreement"), (6) a wholesale master services agreement pursuant to which Windstream will provide services in support of the Consumer CLEC Business (the "Wholesale Master Services Agreement"), (7) an agreement pursuant to which Windstream will provide billing and collection services to CS&L (the "Master Services Agreement"), (8) an agreement relating to intellectual property matters (the "Intellectual Property Matters Agreement"), and (9) an agreement pursuant to which CS&L will agree to provide Windstream with certain customer service support on a transitional basis (the "Reverse Transition Services Agreement"). CS&L will also enter into a Stockholder's and Registration Rights Agreement with Windstream pursuant to which, among other things, CS&L will agree that, upon the request of Windstream, it will use its best efforts to effect the registration under applicable securities laws of the shares of CS&L common stock retained by Windstream. See "Our Relationship with Windstream Following the Spin-Off."

Financing

We expect to put in place a capital structure that provides us with the flexibility to grow and a cost of debt capital that allows us to compete for investment opportunities. Our financing arrangements over time may include a revolving credit facility, bank debt, bonds and long-term mortgage financing. In connection with the Spin-Off, we anticipate that we will raise approximately $3.65 billion in long-term debt by the issuance of a combination of senior notes and term loans. Additionally, we anticipate that we will enter into a revolving credit facility in an aggregate principal amount of up to $500 million (which is expected to be undrawn at the effective time of the Spin-Off), to be provided by a syndicate of banks and other financial institutions. We expect that approximately $2.35 billion in principal amount of notes will be issued to Windstream Holdings' wholly owned subsidiary, Windstream Subsidiary, as partial consideration for the contribution of the Distribution Systems and the Consumer CLEC Business assets to us by Windstream Subsidiary. We expect that Windstream Subsidiary will exchange these notes for outstanding debt of Windstream Subsidiary. The amount of CS&L notes to be issued to Windstream Subsidiary was determined by assessing comparable leverage levels for other triple net lease REIT companies. Based on its review of these market factors and through consultation with its advisors, we determined that the issuance of $3.65 billion in debt will provide CS&L a leverage profile consistent with its peer companies while affording sufficient liquidity to support the business and operating plan. We expect that approximately $1.1 billion in cash from the proceeds of CS&L's long-term borrowings will be transferred to Windstream Subsidiary, together with CS&L common stock and CS&L debt securities, in connection with the contribution of the Distribution Systems and the Consumer CLEC Business assets to us by Windstream Subsidiary, and will be used to retire Windstream Subsidiary debt. The remaining proceeds of the debt issuance will be available to us for working capital purposes, to fund acquisitions and for general corporate purposes.

The notes are expected to have terms customary for high yield senior notes of this type, including covenants relating to debt incurrence, liens, restricted payments, asset sales, transactions with affiliates, and mergers or sales of all or substantially all of CS&L's assets, and customary provisions regarding optional redemption and events of default. The credit agreement is expected to contain customary covenants that, among other things, restrict, subject to certain exceptions, our ability to grant liens on assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations and pay certain dividends and other restricted payments. We also anticipate that the credit agreement will contain customary events of default and that it will require us to comply with specified financial maintenance covenants. We have not yet entered into any commitments with respect to our financing arrangements, and, accordingly, the terms of such financing arrangements have not yet been determined, remain under discussion and are subject to change, including as a

result of market conditions. For additional information concerning this indebtedness, see “Description of Financing and Material Indebtedness.”

Restrictions on Ownership and Transfer of Our Common Stock

To assist us in complying with the limitations on the concentration of ownership of REIT stock imposed by the Code, among other purposes, our charter will provide for restrictions on ownership and transfer of our shares of stock, including, subject to certain exceptions, prohibitions on any person beneficially or constructively owning more than 9.8% in value or in number, whichever is more restrictive, of the outstanding shares of our common stock, or more than 9.8% in value of the aggregate of the outstanding shares of all classes and series of our stock. A person that did not acquire more than 9.8% of our outstanding stock may become subject to our charter restrictions if repurchases by us cause such person’s holdings to exceed 9.8% of our outstanding stock. Under certain circumstances, our board of directors may waive the ownership limits. Windstream will be granted a waiver of these ownership limits. Our charter will provide that shares of our capital stock acquired or held in excess of the ownership limit will be transferred to a trust for the benefit of a designated charitable beneficiary, and that any person who acquires shares of our capital stock in violation of the ownership limit will not be entitled to any dividends on the shares or be entitled to vote the shares or receive any proceeds from the subsequent sale of the shares in excess of the lesser of the price paid for the shares or the amount realized from the sale (net of any commissions and other expenses of sale). A transfer of shares of our capital stock in violation of the ownership limit will be void ab initio under certain circumstances. Our 9.8% ownership limitation may have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium price for our shareholders. See “Description of Our Capital Stock—Restrictions on Transfer and Ownership of CS&L Stock.”

Our Tax Status

We intend to elect to be taxed as a REIT for U.S. federal income tax purposes commencing with our taxable year ending December 31, 2015. Our qualification as a REIT will depend upon our ability to meet, on a continuing basis, various complex requirements under the Code relating to, among other things, the sources of our gross income, the composition and values of our assets, our distribution levels to our shareholders and the concentration of ownership of our capital stock. We believe that, commencing with our taxable year ending December 31, 2015, we will be organized in conformity with the requirements for qualification and taxation as a REIT under the Code, and that our intended manner of operation will enable us to meet the requirements for qualification and taxation as a REIT. In connection with the Spin-Off, we will receive an opinion of Skadden, Arps, Slate, Meagher & Flom LLP, counsel to Windstream, to the effect that we have been organized in conformity with the requirements for qualification and taxation as a REIT under the Code, and that our proposed method of operation will enable us to meet the requirements for qualification and taxation as a REIT.

Emerging Growth Company Status

We are an “emerging growth company” as defined in the JOBS Act. For as long as we remain an emerging growth company, we may take advantage of certain limited exemptions from various reporting requirements that are applicable to other public companies. These provisions include, but are not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act for up to five years;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

However, we expect that we will cease to be an emerging growth company upon the issuance of our notes prior to the consummation of the Spin-Off. Accordingly, we do not expect to take advantage of any of these exemptions other the reduced disclosure obligations regarding executive compensation in this information statement and in any other periodic reports, proxy statements and registration statements that pre-date the date on which we cease to be an emerging growth company. We cannot predict if investors will find our common stock less attractive due to the reduced disclosure regarding executive compensation in this information statement and in our other periodic reports, proxy statements and registration statements. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile and adversely affected.

In addition, Section 107 of the JOBS Act provides that an emerging growth company may take advantage of the extended transition period provided in Section 13(a) of the Exchange Act of 1934, as amended (the "Exchange Act"), for complying with new or revised accounting standards applicable to public companies. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to take advantage of this extended transition period, and such election is irrevocable pursuant to Section 107(b) of the JOBS Act.

We will remain an emerging growth company until the earliest of (1) the last day of the first fiscal year in which our total annual gross revenues exceed $1 billion, (2) the date on which we are deemed to be a "large accelerated filer," as defined in Rule 12b-2 under the Exchange Act or any successor statute, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, (3) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three-year period, and (4) the end of the fiscal year following the fifth anniversary of the date of the first sale of our common stock pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"). Because we expect to issue more than $1 billion in debt prior to the consummation of the Spin-Off, we expect that we will cease to be an emerging growth company prior to the consummation of the Spin-Off.

Risks Associated with Our Business and the Spin-Off

The Spin-Off and the related transactions pose a number of risks, including:

- We may be unable to achieve some or all of the benefits that we expect to achieve from the Spin-Off;
- If the Spin-Off were to fail to qualify as a tax-free transaction for U.S. federal income tax purposes, Windstream, Windstream Holdings' shareholders and we could be subject to significant tax liabilities and, in certain circumstances, we could be required to indemnify Windstream for material taxes pursuant to indemnification obligations under the Tax Matters Agreement that we will enter into with Windstream;
- Our agreements with Windstream may not reflect terms that would have resulted from negotiations with unaffiliated third parties;
- The historical and pro forma financial information included in this information statement may not be a reliable indicator of future results;
- The Spin-Off could give rise to disputes or other unfavorable effects, which could materially and adversely affect our business, financial position or results of operation;
- If we do not qualify as a REIT, or fail to remain qualified as a REIT, we will be subject to U.S. federal income tax as a regular corporation and could face a substantial tax liability, which would reduce the amount of cash available for distribution to our shareholders;
- Complying with the REIT requirements may cause us to forego otherwise attractive acquisition opportunities or liquidate otherwise attractive investments;

- We will be dependent on Windstream Holdings to make payments to us under the Master Lease, and an event that materially and adversely affects Windstream's business, financial position or results of operations could materially and adversely affect our business, financial position or results of operation;
- Our level of indebtedness could materially and adversely affect our financial position, including reducing funds available for other business purposes and reducing operational flexibility, and we may have future capital needs and may not be able to obtain additional financing on acceptable terms;
- Covenants in our debt agreements may limit our operational flexibility, and a covenant breach or default could materially and adversely affect our business, financial position or results of operations; and
- Our business is subject to government regulations and changes in current or future laws or regulations could restrict our ability to operate our business in the manner currently contemplated.

These and other risks related to the Spin-Off and our business are discussed in greater detail under the heading "Risk Factors" in this information statement. You should read and consider all of these risks carefully.

Our Corporate Information

We are a Maryland corporation and wholly owned subsidiary of Windstream. Prior to the Spin-Off, we will not have commenced any operations nor have any assets or liabilities. We will own substantially all of our properties, and conduct substantially all of our operations, other than the Consumer CLEC Business through our operating limited partnership, CSL National, LP (our "Operating Partnership"), the initial limited partner of which will be CSL Capital, LLC, a Delaware limited liability company wholly-owned by CS&L (our "Holding Company"), and the general partner of which will be CSL National GP, LLC, a Delaware limited liability company wholly-owned by our Holding Company (our "GP LLC"). Our principal executive offices are located at 10802 Executive Center Drive, Benton Building Suite 300, Little Rock, AR 72211 and our telephone number is (501) 748-4491. We will maintain a website at *www.cslreit.com*. Information contained on or connected to our website or Windstream's website does not and will not constitute part of this information statement or the registration statement on Form 10 of which this information statement is a part.

Questions and Answers about CS&L and the Separation

What is CS&L and how will the separation of Windstream's Distribution Systems and the Consumer CLEC Business benefit the two companies and their shareholders?

CS&L is currently a newly-formed wholly owned subsidiary of Windstream Corporation, with no assets or liabilities. Prior to the Spin-Off, Windstream Subsidiary will transfer to us the assets currently held by Windstream comprising the Distribution Systems and Consumer CLEC Business in exchange for cash of approximately $1.1 billion, CS&L common stock and CS&L debt securities. Windstream Subsidiary intends to exchange CS&L debt securities for outstanding Windstream Subsidiary debt. Windstream Subsidiary will distribute no less than 80.1 percent of the CS&L common stock to Windstream Holdings and, immediately thereafter, Windstream Holdings will distribute no less than 80.1 percent of the CS&L common stock to Windstream Holdings' shareholders on a *pro rata* basis. The separation of CS&L from Windstream and the distribution of CS&L common stock are intended to provide you with equity investments in two separate companies. Following the Spin-Off, Windstream will continue to provide advanced network communications and technology solutions to businesses and customers through its existing operations and CS&L, through its subsidiaries, will own, acquire and lease distribution

	systems serving the communications infrastructure industry and potentially other industries, and will own and operate the Consumer CLEC Business. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt. The Spin-Off also allows Windstream to retire approximately $3.4 billion in debt at the time of the Spin-Off and additional debt thereafter.
What are the reasons for the Spin-Off?	It is expected that the Spin-Off will: • provide CS&L with increased flexibility to pursue its plan to expand its communications real estate platform, including alternatives such as acquisitions that are unlikely to be available absent the Spin-Off; • enable CS&L to issue equity on meaningfully more favorable terms in connection with investments and acquisitions, which management believes is critical to the success of the plan to expand Windstream's existing real estate platform, with less dilution to existing shareholders; • create opportunity to unlock shareholder value by creating two independent public companies with distinct investment characteristics; • meaningfully enhance the ability to raise capital for CS&L's business by issuing equity on more favorable terms than would be possible, absent the Spin-Off, in the public markets to institutional investors that invest in REITs; • reduce the actual or perceived competition for capital resources within Windstream; • meaningfully enhance each of Windstream's and CS&L's ability to attract and retain qualified management; and • allow CS&L's real property business to optimize its leverage and enhance the credit profile of the Windstream business, providing Windstream with greater financial and strategic flexibility. See "The Spin-Off—Reasons for the Spin-Off."
What will CS&L's initial portfolio consist of?	At the time of the Spin-Off, CS&L will hold the assets currently held by Windstream comprising the Distribution Systems and the Consumer CLEC Business. At the time of the Spin-Off, CS&L through its subsidiaries will own, among other things, approximately 66,000 route miles of fiber optic cable lines, 235,000 route miles of copper cable lines, central office land and buildings across 37 states and beneficial rights to permits, pole agreements and easements that are currently owned by Windstream.

Why is CS&L referred to as a REIT, and what is a REIT?	Following the Spin-Off, CS&L intends to qualify and elect to be taxed as a REIT for U.S. federal income tax purposes commencing with its taxable year ending December 31, 2015. A REIT is a company that derives most of its income from real property or real estate mortgages and has elected to be taxed as a REIT. If a corporation elects to be taxed and qualifies as a REIT, it will generally not be subject to U.S. federal corporate income taxes on income that it currently distributes to its shareholders. A company's qualification as a REIT depends on its ability to meet, on a continuing basis, various complex requirements under the Code relating to, among other things, the sources of its gross income, the composition and values of its assets, its distribution levels to its shareholders and the concentration of ownership of its capital stock.
Why is the separation of CS&L structured as a distribution?	Windstream believes that a spin-off, or distribution, of CS&L common stock to Windstream Holdings' shareholders is an efficient way to separate the Distribution Systems and the Consumer CLEC Business from Windstream's telecommunications business.
How will the separation of CS&L work?	Windstream Holdings will distribute no less than 80.1 percent of the shares of CS&L common stock to the holders of Windstream Holdings common stock on a *pro rata* basis. Holders of Windstream Holdings common stock will receive cash in lieu of any fractional shares of CS&L common stock which they would have otherwise received.
What is the record date for the Spin-Off?	The record date for determining the holders of Windstream Holdings common stock who will receive shares of CS&L common stock in the Spin-Off is the close of business on , 2015.
When will the Spin-Off occur?	The Spin-Off is expected to occur on or about , 2015, subject to certain conditions described under "The Spin-Off—Conditions to the Spin-Off."
What do shareholders need to do to participate in the Spin-Off?	No action is required on the part of shareholders. Shareholders who hold Windstream Holdings common stock as of the record date will not be required to take any action in order to receive shares of CS&L common stock in the Spin-Off. **No shareholder approval of the Spin-Off is required or sought. We are not asking you for a proxy, and you are requested not to send us a proxy.**
If I sell my shares of Windstream Holdings common stock prior to the Spin-Off, will I still be entitled to receive shares of CS&L in the Spin-Off?	If you hold shares of Windstream Holdings common stock as of the record date and decide to sell the shares prior to the distribution date, you may choose to sell such shares with or without your entitlement to receive shares of CS&L common stock. If you sell your Windstream Holdings common stock in the "due-bills" market prior to the distribution date, you also will be selling your right to receive shares of CS&L common stock in connection with the Spin-Off. However, if you sell your Windstream Holdings common stock in the "ex-distribution" market prior to the distribution date, you will still receive shares of CS&L common stock in the Spin-Off.

	If you sell your Windstream Holdings common stock prior to the distribution date, you should make sure your bank or broker understands whether you want to sell your Windstream Holdings common stock or the CS&L common stock you will receive in the Spin-Off or both. You should consult your financial advisors, such as your bank, broker or tax advisor, to discuss your options and alternatives. See "The Spin-Off—Listing and Trading of Our Shares" for additional details.
How will fractional shares be treated in the Spin-Off?	No fractional shares will be distributed in connection with the Spin-Off. Instead, holders of Windstream Holdings common stock will receive a cash payment equal to the value of such shares in lieu of fractional shares. See "The Spin-Off—Treatment of Fractional Shares."
What are the U.S. federal income tax consequences of the Spin-Off?	Windstream has received a private letter ruling from the Internal Revenue Service (the "IRS") to the effect that, on the basis of certain facts presented and representations and assumptions set forth in the request submitted to the IRS, the Spin-Off will qualify as tax-free under Sections 368(a)(1)(D) and 355 of the Code (the "IRS Ruling"). The IRS Ruling does not address certain requirements for tax-free treatment of the Spin-Off, and Windstream expects to receive opinions from Skadden, Arps, Slate, Meagher & Flom LLP (collectively, the "Tax Opinion") with respect to such requirements. The tax consequences to you of the Spin-Off depend on your individual situation. You are urged to consult with your tax advisor as to the particular tax consequences of the Spin-Off to you, including the applicability of any U.S. federal, state, local and non-U.S. tax laws. For additional details, see "The Spin-Off—U.S. Federal Income Tax Consequences of the Spin-Off" and "U.S. Federal Income Tax Considerations."
Can Windstream decide to cancel the Spin-Off even if all the conditions have been satisfied?	Yes. The Spin-Off is subject to the satisfaction or waiver of certain conditions. Until the Spin-Off has occurred, Windstream Holdings has the right to terminate the transaction, even if all of the conditions have been satisfied, if the board of directors of Windstream Holdings determines that the Spin-Off is not in the best interests of Windstream Holdings and its shareholders or that market conditions or other circumstances are such that the Spin-Off is no longer advisable at that time.
What are the conditions to the Spin-Off?	The Spin-Off is subject to the satisfaction or waiver of a number of conditions, including, among others: • each of the Separation and Distribution Agreement, the Master Lease, the Tax Matters Agreement, the Transition Services Agreement, the Employee Matters Agreement, the Wholesale Master Services Agreement, the Master Services Agreement, the Intellectual Property Matters Agreement, the Reverse Transition Services Agreement and the Stockholder's and Registration Rights Agreement shall have been duly executed and delivered by the parties thereto;

- certain reorganization steps shall have been completed in accordance with the plan of reorganization contemplated in the Separation and Distribution Agreement (the "Reorganization");
- the IRS Ruling shall not have been revoked or modified in any material respect and Windstream Holdings shall have received the Tax Opinion in form and substance satisfactory to Windstream Holdings;
- Windstream shall have received such solvency opinions, each in such form and substance, as it shall deem necessary, appropriate or advisable in connection with the consummation of the Spin-Off;
- the SEC declaring effective CS&L's registration statement on Form 10, of which this information statement is a part, under the Exchange Act, and no stop order relating to the registration statement being in effect, and no proceedings for such purpose shall be pending before, or threatened by, the SEC, and this information statement shall have been mailed to holders of Windstream Holdings' common stock as of the record date;
- all actions and filings necessary or appropriate under applicable federal, state or foreign securities or "blue sky" laws and the rules and regulations thereunder shall have been taken and, where applicable, become effective or been accepted;
- the CS&L common stock to be delivered in the Spin-Off shall have been accepted for listing on NASDAQ, subject to compliance with applicable listing requirements;
- no order, injunction or decree issued by any court of competent jurisdiction or other legal restraint or prohibition preventing consummation of the Spin-Off or the Reorganization, shall be threatened, pending or in effect;
- all required governmental and third-party approvals shall have been obtained and be in full force and effect;
- CS&L shall have entered into the financing transactions described in this information statement and contemplated to occur on or prior to the Spin-Off, and Windstream shall have entered into the financing transactions and credit agreement amendments to be entered into in connection with the Reorganization and the respective amendments thereunder shall have become effective and financings thereunder shall have been consummated and shall be in full force and effect;
- CS&L shall have transferred to Windstream Holdings or its continuing subsidiaries, (x) CS&L debt securities with a principal amount approximately equal to $2.35 billion, (y) an amount in cash that will not exceed Windstream's total adjusted tax basis in all of the assigned assets, and (z) all of the stock of CS&L;

- Windstream and CS&L shall each have taken all necessary action that may be required to provide for the adoption by CS&L of its Articles of Amendment and Restatement and Amended and Restated Bylaws, and CS&L shall have filed its Articles of Amendment and Restatement with the Maryland State Department of Assessments and Taxation; and
- no event or development shall have occurred or exist that, in the judgment of the board of directors of Windstream Holdings, in its sole discretion, makes it inadvisable to effect the Spin-Off.

We cannot assure you that all of the conditions will be satisfied or waived. See "The Spin-Off—Conditions to the Spin-Off" for additional details.

Does CS&L intend to pay cash dividends?

Following the Spin-Off, CS&L intends to make regular quarterly dividend payments of at least 90% of its REIT taxable income to holders of its common stock out of assets legally available for this purpose. Dividends will be authorized by CS&L's board of directors and declared by CS&L based on a number of factors including actual results of operations, dividend restrictions under Maryland law, its liquidity and financial condition, its taxable income, the annual distribution requirements under the REIT provisions of the Code, its operating expenses and other factors its directors deem relevant. It is expected that CS&L's initial dividend will be $2.40 per share per annum (which would be equivalent to a $0.60 per share Windstream dividend per annum based on the relative initial capitalization of CS&L and Windstream). After giving effect to the interest in CS&L retained by Windstream, each shareholder at the time of the Spin-Off will receive the equivalent of a $.48 per share Windstream dividend per annum. For more information, see "Dividend Policy."

What will happen to Windstream Holdings equity awards in connection with the separation?

It is expected that outstanding Windstream equity awards at the time of the Spin-Off will be treated as follows:

Restricted Stock. Awards of restricted Windstream Holdings common stock, whether held by continuing employees of Windstream or CS&L employees, will participate in the *pro rata* distribution of CS&L common stock on the same basis as all other shares of Windstream Holdings common stock. Accordingly, employees of Windstream and CS&L will each hold restricted shares of common stock of Windstream Holdings and CS&L, and the shares of CS&L common stock that are distributed will be subject to the same restrictions as apply to the restricted shares of Windstream Holdings common stock to which they are attributable (in the case of CS&L employees, based on service with CS&L rather than Windstream).

Restricted Stock Units. Awards of restricted Windstream Holdings stock units, whether held by continuing employees of Windstream or CS&L employees, will be credited with additional units of CS&L common stock in the same amount as would have been credited as actual shares of CS&L common stock had the Windstream Holdings stock units been actual outstanding shares of Windstream Holdings

	common stock entitled to participate in the *pro rata* distribution of CS&L common stock. Accordingly, employees of Windstream and CS&L will each hold units based on the common stock of Windstream Holdings and CS&L. The units of CS&L stock will be subject to the same service-based vesting conditions as apply to the Windstream Holdings stock units to which they are attributable (in the case of CS&L employees, based on service with CS&L rather than Windstream). To the extent the units are subject to performance-based (*i.e.*, OIBDA and total shareholder return (TSR)) vesting conditions, the performance metrics will be equitably adjusted to appropriately preserve the original performance hurdles. *Stock Options*. All options to purchase Windstream Holdings common stock (whether held by a Windstream employee or a CS&L employee) will remain options to purchase Windstream Holdings common stock but with their strike price and the number of shares covered by them equitably adjusted so that the intrinsic value of the options immediately following the Spin-Off (*i.e.*, the excess of the value of the underlying shares over the aggregate exercise price) will be the same as their intrinsic value immediately before the Spin-Off.
What will be the relationship between Windstream and CS&L following the Spin-Off?	Windstream will retain a passive ownership interest in up to 19.9 percent of the shares of CS&L common stock following the Spin-Off. We and Windstream will enter into the Separation and Distribution Agreement, the Master Lease, the Tax Matters Agreement, the Transition Services Agreement, the Employee Matters Agreement, the Wholesale Master Services Agreement, the Master Services Agreement the Intellectual Property Matters Agreement and the Reverse Transition Services Agreement, among others. Such agreements will govern our relationship with Windstream after the Spin-Off, including certain transition services, allocations of assets and liabilities and obligations attributable to periods prior to the Spin-Off, and indemnification arrangements for certain liabilities. CS&L will also enter into a Stockholder's and Registration Rights Agreement with Windstream pursuant to which, among other things, CS&L will agree that upon the request of Windstream, it will use its best efforts to effect the registration under applicable securities laws of the shares of CS&L common stock retained by Windstream. See "Our Relationship with Windstream Following the Spin-Off."
What does Windstream intend to do with the shares of CS&L common stock that it retains?	Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt.
How will Windstream vote the shares of CS&L common stock that it retains?	Windstream will agree in the Stockholder's and Registration Rights Agreement to vote the shares of CS&L common stock that it retains in proportion to the votes cast by CS&L's other shareholders, to grant CS&L a proxy with respect to such shares, and not to seek a seat on the board of directors of CS&L. Windstream will also agree in the Stockholder's and Registration Rights Agreement not to acquire additional shares of CS&L common stock. See "Our Relationship with Windstream Following the Spin-Off."

Will I receive physical certificates representing shares of CS&L common stock following the Spin-Off?	No. Following the Spin-Off, neither Windstream Holdings nor CS&L will be issuing physical certificates representing shares of CS&L common stock. Instead, Windstream Holdings, with the assistance of Wells Fargo Bank, National Association, the distribution agent, will electronically issue shares of CS&L common stock to you or to your bank or brokerage firm on your behalf by way of direct registration in book-entry form. The distribution agent will mail you a book-entry account statement that reflects your shares of CS&L common stock, or your bank or brokerage firm will credit your account for the shares. A benefit of issuing stock electronically in book-entry form is that there will be none of the physical handling and safekeeping responsibilities that are inherent in owning physical stock certificates. See "The Spin-Off—Manner of Effecting the Spin-Off."
What will the price be for my shares of CS&L common stock and when will I be able to trade such shares?	There is no current trading market for CS&L common stock. CS&L intends to apply to have its common stock authorized for listing on NASDAQ under the symbol "CSAL." We anticipate that a limited market, commonly known as a "when-distributed" trading market, will develop at some point following the record date, and that "regular-way" trading in shares of CS&L common stock will begin on the first trading day following the distribution date. If trading begins on a "when-distributed" basis, you may purchase or sell CS&L common stock up to and including the distribution date, but your transaction will not settle until after the distribution date. We cannot predict the trading prices for CS&L common stock before, on or after the distribution date.
Will the number of shares of Windstream Holdings common stock that I own change as a result of the Spin-Off?	No. The number of shares of Windstream Holdings common stock you own will not change as a result of the Spin-Off.
Will my shares of Windstream Holdings common stock continue to trade after the Spin-Off?	Yes. Windstream Holdings common stock will continue to be listed and traded on the NASDAQ Global Select Market ("NASDAQ") under the symbol "WIN." See "The Spin-Off—Listing and Trading of Our Shares" for additional details.
Are there risks associated with owning CS&L common stock?	Yes. CS&L's business is subject to both general and specific risks and uncertainties relating to its business, including risks specific to its industry and operations, its leverage, its relationship with Windstream and its status as an independent, publicly traded company. Its business is also subject to risks relating to the Spin-Off. These risks are described in the "Summary—Risks Associated with Our Business and the Spin-Off" section in this information statement beginning on page 6, and are described in more detail in the "Risk Factors" section of this information statement beginning on page 18. We encourage you to read those sections carefully.

Do I have appraisal rights in connection with the Spin-Off?	No. Windstream Holdings shareholders will not have any appraisal rights in connection with the Spin-Off.
How will the Spin-Off affect my tax basis and holding period in Windstream Holdings common stock?	Assuming that the Spin-Off is tax-free to Windstream Holdings shareholders, your tax basis in Windstream Holdings common stock held by you immediately prior to the Spin-Off will be allocated between your Windstream Holdings common stock and CS&L common stock that you receive in the Spin-Off in proportion to the relative fair market values of each immediately following the Spin-Off. Your holding period for such Windstream Holdings shares will not be affected by the Spin-Off. Your holding period for the shares of CS&L common stock that you receive in the Spin-Off will include the holding period of your shares of Windstream Holdings common stock, provided that such Windstream Holdings shares are held as capital assets immediately following the Spin-Off. Windstream will provide its shareholders with information to enable them to compute their tax basis in both Windstream Holdings and CS&L common stock. This information will be posted on Windstream's website, *www.windstream.com*, promptly following the distribution date. See "The Spin-Off—U.S. Federal Income Tax Consequences of the Spin-Off." You are urged to consult with your tax advisor as to the particular tax consequences of the Spin-Off to you, including the applicability of any U.S. federal, state, local and non-U.S. tax laws.
What is the Purging Distribution?	CS&L currently does not expect that it will have any accumulated earnings and profits (as determined for U.S. federal income tax purposes) for periods prior to the Spin-Off. If it has such accumulated earnings and profits, Windstream will allocate such earnings and profits between Windstream and CS&L in a manner that, in its best judgment, is in accordance with applicable provisions of the Code. As a result of its election to be taxed as a REIT for U.S. federal income tax purposes, in order to comply with certain REIT qualification requirements, CS&L would be required to declare a dividend (the Purging Distribution) to its shareholders to distribute any accumulated earnings and profits attributable to any non-REIT years, including any earnings and profits allocated to CS&L in connection with the Spin-Off. Because CS&L does not expect that it will have any accumulated earnings and profits for periods prior to the Spin-Off, it does not expect that it will be required to make the Purging Distribution.
What will I receive in connection with the Purging Distribution?	If, contrary to expectations, CS&L is obligated to make the Purging Distribution, such distribution would be paid to CS&L shareholders in a combination of cash and CS&L stock, with the cash portion not to exceed 20% of the total amount of the Purging Distribution. CS&L would expect to declare the Purging Distribution within the last three months of the calendar year in which it makes its REIT election and to make the Purging Distribution no later than January 31 of the following calendar year. See "The Spin-Off—The Purging Distribution."

What are the U.S. federal income tax consequences of the Purging Distribution?	Although CS&L currently does not expect to make the Purging Distribution, Windstream has received the IRS Ruling, which addresses, in addition to the treatment of the Spin-Off, certain issues relevant to CS&L's payment of the Purging Distribution in a combination of cash and CS&L stock. In general, the IRS Ruling provides, subject to the terms and conditions contained therein, that (1) any and all of the cash and stock distributed by CS&L to its shareholders as part of the Purging Distribution would be treated as a distribution of property with respect to CS&L stock, and as a dividend to the extent of CS&L's current and accumulated earnings and profits (as determined for U.S. federal income tax purposes) and (2) the amount of any distribution of stock received by any of CS&L's shareholders as part of the Purging Distribution would be considered to equal the amount of the money which could have been received instead. In the Purging Distribution, a holder of CS&L common stock would be required to report dividend income as a result of the Purging Distribution even if CS&L distributes no cash or only nominal amounts of cash to such shareholder. You are urged to consult with your tax advisor as to the particular tax consequences of the Purging Distribution to you, including the applicability of any U.S. federal, state and local and non-U.S. tax laws. See "The Spin-Off—The Purging Distribution."
Who is the transfer agent for CS&L shares?	The transfer agent for our common stock is: Wells Fargo Bank, National Association Wells Fargo Shareowner Services 1110 Centre Pointe Curve, Suite 101 Mendota Heights, MN 55210-4101 Phone: (800) 401-1957 Email: https://shareowneronline.com/UserManagement/Contact.aspx
Where can I get more information?	Before the Spin-Off, if you have any questions relating to the Spin-Off, and after the Spin-Off if you have any questions relating to Windstream or the Windstream Holdings common stock, you should contact Windstream at: Windstream Holdings, Inc. Investor Relations 4001 Rodney Parham Road Little Rock, Arkansas 72212 Individual Shareholders: Phone: (501) 748-7216 Email: genesis.white@windstream.com Institutional Shareholders: Phone: (501) 748-7578 Email: mary.michaels@windstream.com After the Spin-Off, if you have any questions relating to us or our common stock, you should contact us at: Communications Sales & Leasing, Inc. Investor Relations 10802 Executive Center Drive Benton Building Suite 300 Little Rock, AR 72211 Phone: (501)748-4491

Summary Historical and Pro Forma Condensed Combined Financial Data

The following table sets forth summary and selected financial data for CS&L (as described below) on an historical basis, as well as on a pro forma basis. Prior to the Spin-Off, we will not have operated the Consumer CLEC Business separate from Windstream, nor have we commenced our leasing business.

The summary historical financial data as of December 31, 2014 and 2013 and for the years ended December 31, 2014, 2013 and 2012 has been derived from the Consumer CLEC Business audited financial statements included elsewhere in this information statement.

The unaudited pro forma combined financial data as of and for the year ended December 31, 2014 has been derived from the pro forma combined financial statements included elsewhere in this information statement. The pro forma data gives effect to the Spin-Off and the related transactions including (i) the issuance of $3.65 billion of long-term debt by CS&L and the related debt issuance costs and interest expense; (ii) the distribution of approximately 150.7 million shares of CS&L common stock to Windstream Holdings, of which no less than 80.1 percent of the outstanding shares or at least 120.7 million shares will be distributed to Windstream Holdings stockholders through a tax-free stock dividend with Windstream Holdings retaining a passive ownership interest in up to 19.9 percent of the CS&L common stock or up to 30.0 million shares, payment of a special cash dividend by CS&L to Windstream in an amount not to exceed Windstream's tax basis in Distribution Systems transferred to CS&L, and the transfer by CS&L of certain of its debt securities to Windstream; (iii) rental income associated with the new Master Lease between the Company and Windstream Holdings for the Distribution Systems leased by the Company to Windstream Holdings; and (iv) costs related to various services as described in the new Master Services Agreement, Transition Services Agreement and Wholesale Master Services Agreement between the Company and Windstream Holdings.

The unaudited pro forma combined income statements for the year ended December 31, 2014 assume the Spin-Off and the related transactions occurred on January 1, 2014. The unaudited pro forma combined balance sheet assumes the Spin-Off and the related transactions occurred on December 31, 2014. The pro forma financial data is not necessarily indicative of what our actual financial condition and results of operations would have been as of the date and for the periods indicated if we had been a separate, standalone company during the periods presented, nor does it purport to represent our future financial condition or results of operations.

	As of or For the Year Ended December 31,			
(Millions)	Pro Forma 2014	2014	2013	2012
Revenues	$ 703.2	$ 36.0	$ 45.1	$63.5
Revenues in excess of direct expenses	*	$ 12.3	$ 16.5	$24.5
Operating income	$ 106.9	*	*	*
Net income	$ 103.8	*	*	*
Earnings per share:				
Basic	$.69	*	*	*
Diluted	$.69	*	*	*
Balance sheet data				
Total assets	$2,810.7	$2,588.5	$2,704.9	$29.4(b)
Total long-term debt	$3,650.0	*	*	*
Total liabilities	$3,660.1	$ 7.9	$ 9.7	$13.1
Total equity	$ (849.4)	$2,580.6(a)	$2,695.2(a)	*

* Information not applicable for periods presented.
(a) - Includes net assets contributed of the Consumer CLEC Business.
(b) - Does not includes Distribution Systems.

RISK FACTORS

You should carefully consider the following risks and other information in this information statement in evaluating us and our common stock. Any of the following risks, as well as additional risks and uncertainties not currently known to us or that we currently deem immaterial, could materially and adversely affect our business, financial condition or results of operations, and could, in turn, impact the trading price of our common stock.

RISKS RELATED TO OUR SPIN-OFF FROM WINDSTREAM

We may be unable to achieve some or all of the benefits that we expect to achieve from the Spin-Off.

We believe that, as a publicly traded company independent from Windstream, CS&L will have the ability to pursue transactions with other telecommunications operators that would not pursue transactions with Windstream as a current competitor, to fund acquisitions with its equity on significantly more favorable terms than those that would be available to Windstream, and to pursue certain transactions that Windstream otherwise may be disadvantaged by or precluded from pursuing due to regulatory constraints. However, we may not be able to achieve some or all of the benefits that we expect to achieve as a company independent from Windstream in the time we expect, if at all. For instance, it may take longer than anticipated for operators to, or operators may never, embrace a lease structure for distribution system assets.

If the Spin-Off were to fail to qualify as a tax-free transaction for U.S. federal income tax purposes, Windstream, Windstream Holdings' shareholders and we could be subject to significant tax liabilities and, in certain circumstances, we could be required to indemnify Windstream for material taxes pursuant to indemnification obligations under the Tax Matters Agreement that we will enter into with Windstream.

Windstream has received the IRS Ruling to the effect that, on the basis of certain facts presented and representations and assumptions set forth in the request submitted to the IRS, the Spin-Off will qualify as tax-free under Sections 355 and 368(a)(1)(D) of the Code. Although a private letter ruling from the IRS generally is binding on the IRS, if the factual representations and assumptions made in the letter ruling request are untrue or incomplete in any material respect, then Windstream will not be able to rely on the IRS Ruling. In addition, the IRS Ruling does not address certain requirements for tax-free treatment of the Spin-Off under Sections 355 and 368(a)(1)(D) of the Code. Accordingly, the Spin-Off is conditioned upon the receipt by Windstream of the Tax Opinion, as described below, with respect to the requirements on which the IRS will not rule. The Tax Opinion will be based on, among other things, the IRS Ruling, current law and certain representations and assumptions as to factual matters made by Windstream and CS&L. Any change in currently applicable law, which may or may not be retroactive, or the failure of any factual representation or assumption to be true, correct and complete in all material respects, could adversely affect the conclusions reached in the Tax Opinion. In addition, the Tax Opinion will not be binding on the IRS or the courts, and the IRS and/or the courts may not agree with the Tax Opinion. For more information regarding the IRS Ruling and the Tax Opinion, see "The Spin-Off—U.S. Federal Income Tax Consequences of the Spin-Off."

If the Spin-Off ultimately were determined to be taxable, then a shareholder of Windstream Holdings that received shares of our common stock in the Spin-Off would be treated as having received a distribution of property in an amount equal to the fair market value of such shares on the distribution date and could incur significant income tax liabilities. Such distribution would be taxable to such shareholder as a dividend to the extent of Windstream's current and accumulated earnings and profits (including earnings and profits resulting from the recognition of gain by Windstream in the Spin-Off). Any amount that exceeded Windstream's earnings and profits would be treated first as a non-taxable return of capital to the extent of such shareholder's tax basis in its shares of Windstream Holdings stock with any remaining amount being taxed as a capital gain. In addition, if the Spin-Off were determined to be taxable, Windstream would recognize taxable gain.

Under the terms of the Tax Matters Agreement that we will enter into with Windstream, we generally will be responsible for any taxes imposed on Windstream that arise from the failure of the Spin-Off to qualify as tax-free for U.S. federal income tax purposes, within the meaning of Section 355 and Section 368(a)(1)(D) of the

Code, as applicable, to the extent such failure to qualify is attributable to certain actions, events or transactions relating to our stock, assets or business, or a breach of the relevant representations or any covenants made by us in the Tax Matters Agreement, the materials submitted to the IRS in connection with the request for the IRS Ruling or the representations provided in connection with the Tax Opinion. Our indemnification obligations to Windstream will not be limited by any maximum amount. If we are required to indemnify Windstream under the circumstances set forth in the Tax Matters Agreement, we may also be subject to substantial tax liabilities. For more information regarding the Tax Matters Agreement, see "Our Relationship with Windstream Following the Spin-Off—Tax Matters Agreement."

We may not be able to engage in desirable strategic transactions and equity issuances following the Spin-Off because of certain restrictions relating to requirements for tax-free distributions for U.S. federal income tax purposes. In addition, we could be liable for adverse tax consequences resulting from engaging in significant strategic or capital-raising transactions.

To preserve the tax-free treatment to Windstream of the Spin-Off, for the two-year period following the Spin-Off, CS&L may be prohibited, except in specific circumstances, from taking certain actions, including: (1) entering into any transaction pursuant to which all or a portion of CS&L's stock would be acquired, whether by merger or otherwise, (2) issuing equity securities beyond certain thresholds, or (3) repurchasing CS&L's common stock. In addition, we will be prohibited from taking or failing to take any other action that prevents the Spin-Off and related transactions from being tax-free.

These restrictions may limit CS&L's ability to pursue strategic transactions or engage in new business or other transactions that may maximize the value of CS&L's business. For a more detailed description, see "Our Relationship with Windstream Following the Spin-Off—Tax Matters Agreement."

Our agreements with Windstream may not reflect terms that would have resulted from negotiations with unaffiliated third parties.

The agreements related to the Spin-Off, including the Separation and Distribution Agreement, the Master Lease, the Tax Matters Agreement, the Transition Services Agreement, the Employee Matters Agreement, the Wholesale Master Services Agreement, the Master Services Agreement, the Intellectual Property Matters Agreement, the Reverse Transition Services Agreement and the Stockholder's and Registration Rights Agreement will have been entered into in the context of the Spin-Off while we are still controlled by Windstream. As a result, they may not reflect terms that would have resulted from negotiations between unaffiliated third parties. The terms of the agreements being entered into in the context of the Spin-Off concern, among other things, divisions and allocations of assets and liabilities and rights and obligations, between Windstream and us. For a more detailed description, see "Our Relationship with Windstream Following the Spin-Off."

The Windstream Holdings board of directors has reserved the right, in its sole discretion, to amend, modify or abandon the Spin-Off and the related transactions at any time prior to the distribution date.

Until the Spin-Off occurs, Windstream Holdings' board of directors will have the sole discretion to amend, modify or abandon the Spin-Off and the related transactions at any time prior to the distribution date. This means Windstream may cancel or delay the planned distribution of common stock of CS&L if at any time the board of directors of Windstream determines that the distribution of such common stock or the terms thereof are not in the best interests of Windstream. If Windstream's board of directors determines to cancel the Spin-Off, shareholders of Windstream will not receive any distribution of CS&L common stock and Windstream will be under no obligation whatsoever to its shareholders to distribute such shares. In addition, the Spin-Off and related transactions are subject to the satisfaction or waiver (by Windstream's board of directors in its sole discretion) of a number of conditions. See "The Spin-Off—Conditions to the Spin-Off."

The historical and pro forma financial information included in this information statement may not be a reliable indicator of future results.

Our combined historical financial data and our pro forma combined financial data included in this information statement may not reflect our business, financial position or results of operations had we been an independent, publicly traded company during the periods presented, or what our business, financial position or results of operations will be in the future when we are an independent, publicly traded company. Prior to the Spin-Off, our business will have been operated by Windstream as part of one corporate organization and not operated as a stand-alone company. Because we will not acquire the Distribution Systems and Consumer CLEC Business assets that comprise our business until immediately prior to the Spin-Off, there are no historical financial statements for us as we will exist following the Spin-Off. Significant changes will occur in our cost structure, financing and business operations as a result of our operation as a stand-alone company and the entry into transactions with Windstream that have not existed historically, including the Master Lease.

The pro forma financial data included in this information statement includes adjustments based upon available information that our management believes to be reasonable to reflect these factors. However, the assumptions may change or may be incorrect, and actual results may differ, perhaps significantly. In addition, the pro forma financial data does not include adjustments for estimated general and administrative expenses. For these reasons, our cost structure may be higher and our future financial costs and performance may be worse than the performance implied by the pro forma financial data presented in this information statement. For additional information about the basis of presentation of our combined historical financial data and our pro forma combined financial data included in this information statement, see “Description of Financing and Material Indebtedness,” “Capitalization,” “Summary—Summary Historical and Pro Forma Condensed Combined Financial Data,” “CS&L’s Unaudited Pro Forma Combined Financial Data,” “Selected Combined Historical Financial Data,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” included elsewhere in this information statement.

Windstream’s inability to obtain all material authorizations, consents, approvals and clearances of third parties including lenders and U.S. federal, state and local governmental agencies (“Third-Party Approvals”) in connection with the Spin-Off may have a material adverse effect on Windstream’s ability to consummate the Spin-Off.

Windstream is required, or deems it desirable, to obtain certain Third-Party Approvals to consummate the Spin-Off and the restructuring of Windstream’s business in connection therewith, including consents to the Spin—Off of the Distribution Systems from public service commissions in nine states. There is no assurance that Windstream will be able to obtain these Third-Party Approvals. Windstream may decide not to consummate the Spin-Off if it does not receive some or all of these Third-Party Approvals, unless it believes that the inability to obtain one or more Third-Party Approvals would not reasonably be expected to have a material adverse effect on the business, financial position or results of operations of Windstream or us. However, there can be no assurance that such a material adverse effect will not occur.

The Spin-Off could give rise to disputes or other unfavorable effects, which could materially and adversely affect our business, financial position or results of operations.

The Spin-Off may lead to increased operating and other expenses, of both a nonrecurring and a recurring nature, and to changes to certain operations, which expenses or changes could arise pursuant to arrangements made between Windstream and us or could trigger contractual rights of, and obligations to, third parties. Disputes with third parties could also arise out of these transactions, and we could experience unfavorable reactions to the Spin-Off from employees, lenders, ratings agencies, regulators or other interested parties. These increased expenses, changes to operations, disputes with third parties, or other effects could materially and adversely affect our business, financial position or results of operations. In addition, following the completion of the Spin-Off, disputes with Windstream could arise in connection with the Master Lease, the Separation and Distribution Agreement, the Transition Services Agreement, the Employee Matters Agreement, the Tax Matters Agreement, the Wholesale Master Services Agreement, the Master Services Agreement, the Intellectual Property Matters Agreement, the Reverse Transition Services Agreement, the Stockholder’s and Registration Rights Agreement or other agreements.

The Spin-Off may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws.

A court could deem the Spin-Off of CS&L common stock or certain internal restructuring transactions undertaken by Windstream in connection therewith, or any Purging Distribution by CS&L, to be a fraudulent conveyance or transfer. Fraudulent conveyances or transfers are defined to include transfers made or obligations incurred with the actual intent to hinder, delay or defraud current or future creditors or transfers made or obligations incurred for less than reasonably equivalent value when the debtor was insolvent, or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due. In such circumstances, a court could void the transactions or impose substantial liabilities upon us, which could adversely affect our financial condition and our results of operations. Among other things, the court could require our shareholders to return to Windstream some or all of the shares of our common stock issued in the distribution, to return some of the Purging Distribution, if any, to CS&L, or require us to fund liabilities of other companies involved in the restructuring transactions for the benefit of creditors. Whether a transaction is a fraudulent conveyance or transfer will vary depending upon the jurisdiction whose law is being applied.

After the Spin-Off, we may be unable to make, on a timely or cost-effective basis, the changes necessary to operate as an independent, publicly traded company primarily focused on owning real property utilized in the telecommunications industry.

We have no significant historical operations as an independent company and may not, at the time of the Spin-Off, have the infrastructure and personnel necessary to operate as a separate publicly traded company without relying on Windstream to provide certain services on a transitional basis. Upon the completion of the Spin-Off, Windstream will be obligated to provide such transition services pursuant to the terms of the Transition Services Agreement that CS&L will enter into with Windstream, to allow CS&L time, if necessary, to build the infrastructure and retain the personnel necessary to operate as a separate publicly traded company without relying on such services. Following the expiration of the Transition Services Agreement, Windstream will be under no obligation to provide further assistance to CS&L other than the services contemplated in the Wholesale Master Services Agreement and the Master Services Agreement. As a separate public entity, we will be subject to, and responsible for, regulatory compliance, including periodic public filings with the SEC and compliance with NASDAQ continued listing requirements as well as compliance with generally applicable tax and accounting rules. Because CS&L's business has not been operated as a separate publicly traded company, we cannot assure you that it will be able to successfully implement the infrastructure or retain the personnel necessary to operate as a separate publicly traded company or that CS&L will not incur costs in excess of anticipated costs to establish such infrastructure and retain such personnel.

RISKS RELATED TO THE STATUS OF CS&L AS A REIT

If we do not qualify as a REIT, or fail to remain qualified as a REIT, we will be subject to U.S. federal income tax as a regular corporation and could face a substantial tax liability, which would reduce the amount of cash available for distribution to our shareholders.

We intend to operate in a manner that will allow us to qualify as a REIT for U.S. federal income tax purposes commencing with our taxable year ending December 31, 2015. References throughout this document to the "first taxable year" for which we have elected to be taxed as a REIT refer to the taxable year ending December 31, 2015. We expect to receive an opinion of Skadden, Arps, Slate, Meagher & Flom LLP, counsel to Windstream, with respect to our qualification as a REIT in connection with this transaction. Investors should be aware, however, that opinions of counsel are not binding on the IRS or any court. The opinion of Skadden, Arps, Slate, Meagher & Flom LLP represents only the view of Skadden, Arps, Slate, Meagher & Flom LLP based on its review and analysis of existing law and on certain representations as to factual matters and covenants made by us, including representations relating to the values of our assets and the sources of our income. The opinion is expressed as of the date issued. Skadden, Arps, Slate, Meagher & Flom LLP will have no obligation to advise us or the holders of our common stock of any subsequent change in the matters stated, represented or assumed or of any subsequent change in applicable law. Furthermore, both the validity of the opinion of Skadden, Arps, Slate, Meagher & Flom LLP and our qualification as a REIT will depend on our satisfaction of certain asset, income,

organizational, distribution, shareholder ownership and other requirements on a continuing basis, the results of which will not be monitored by Skadden, Arps, Slate, Meagher & Flom LLP. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we will not obtain independent appraisals.

If we were to fail to qualify as a REIT in any taxable year, we would be subject to U.S. federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates, and dividends paid to our shareholders would not be deductible by us in computing our taxable income. Any resulting corporate liability could be substantial and would reduce the amount of cash available for distribution to our shareholders, which in turn could have an adverse impact on the value of our common stock. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year in which we failed to qualify as a REIT.

Qualifying as a REIT involves highly technical and complex provisions of the Code.

Qualification as a REIT involves the application of highly technical and complex Code provisions for which only limited judicial and administrative authorities exist. Even a technical or inadvertent violation could jeopardize our REIT qualification. Our qualification as a REIT will depend on our satisfaction of certain asset, income, organizational, distribution, shareholder ownership and other requirements on a continuing basis. In addition, our ability to satisfy the requirements to qualify as a REIT may depend in part on the actions of third parties over which we have no control or only limited influence.

Legislative or other actions affecting REITs could have a negative effect on us.

The rules dealing with U.S. federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Department of the Treasury (the "Treasury"). Changes to the tax laws or interpretations thereof, with or without retroactive application, could materially and adversely affect our investors or us. We cannot predict how changes in the tax laws might affect our investors or us. New legislation, Treasury regulations, administrative interpretations or court decisions could significantly and negatively affect our ability to qualify to be taxed as a REIT or the U.S. federal income tax consequences to our investors and us of such qualification.

On February 26, 2014, House Ways and Means Committee Chairman David Camp released a proposal formally introduced recently as proposed legislation, H.R. 1, the Tax Reform Act of 2014 (the "Camp Proposal"), for comprehensive tax reform. The Camp Proposal includes a number of provisions that, if enacted, would have an adverse effect on corporations seeking to make an election to be taxed as a REIT. These include the following: (i) if the stock of a corporation is distributed in a tax-free spin-off under section 355 of the Code, such corporation will not be eligible to make an election to be taxed as a REIT for the ten-year period following the taxable year in which the spin-off occurs, (ii) if a corporation elects to be taxed as a REIT, such corporation will be required to recognize certain built-in gains inherent in its property as if all its assets were sold at their fair market value immediately before the close of the taxable year immediately before the corporation became taxed as a REIT, (iii) for purposes of the REIT income and asset tests, "real property" would be defined to exclude all tangible property with a class life of less than 27.5 years (as defined under the depreciation rules), and (iv) any dividend made to satisfy the REIT requirement that a REIT must not have any earnings and profits accumulated during non-REIT years by the end of its first tax year as a REIT must be made in cash instead of a combination of cash and stock. Provisions (i) and (ii), if enacted in their current form, would apply to REIT elections and tax-free spin-off distributions made on or after February 26, 2014. If enacted in its current form, the Camp Proposal would materially and adversely affect our ability to make an election to be taxed as a REIT. See the risk factor captioned "If we do not qualify as a REIT, or fail to remain qualified as a REIT, we will be subject to U.S. federal income tax as a regular corporation and could face a substantial tax liability, which would reduce the amount of cash available for distribution to our shareholders." It is uncertain whether the Camp Proposal, in its current form as it relates to CS&L, or any other legislation affecting REITs and entities desiring to elect REIT status will be enacted and whether any such legislation will apply to CS&L because of its proposed effective date or otherwise.

We could fail to qualify as a REIT if income we receive from Windstream is not treated as qualifying income.

Under applicable provisions of the Code, we will not be treated as a REIT unless we satisfy various requirements, including requirements relating to the sources of our gross income. See "U.S. Federal Income Tax Considerations—Taxation of REITs in General—Income Tests." Rents received or accrued by us from Windstream will not be treated as qualifying rent for purposes of these requirements if the Master Lease is not respected as a true lease for U.S. federal income tax purposes and is instead treated as a service contract, joint venture or some other type of arrangement. If the Master Lease is not respected as a true lease for U.S. federal income tax purposes, we may fail to qualify as a REIT.

In addition, subject to certain exceptions, rents received or accrued by us from Windstream will not be treated as qualifying rent for purposes of the REIT gross income requirements if we or a beneficial or constructive owner of 10% or more of our stock beneficially or constructively owns 10% or more of the total combined voting power of all classes of Windstream Holdings stock entitled to vote or 10% or more of the total value of all classes of Windstream Holdings stock. Our charter will provide for restrictions on ownership and transfer of our shares of stock, including restrictions on such ownership or transfer that would cause the rents received or accrued by us from Windstream to be treated as non-qualifying rent for purposes of the REIT gross income requirements. The provisions of our charter that will restrict the ownership and transfer of our stock are described in "Description of Our Capital Stock—Restrictions on Transfer and Ownership of CS&L Stock." Nevertheless, there can be no assurance that such restrictions will be effective in ensuring that rents received or accrued by us from Windstream will not be treated as qualifying rent for purposes of REIT qualification requirements.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum U.S. federal income tax rate applicable to income from "qualified dividends" payable by U.S. corporations to U.S. shareholders that are individuals, trusts and estates is currently 20%. Dividends payable by REITs, however, generally are not eligible for the reduced rates. Although these rules do not adversely affect the taxation of REITs, the more favorable rates applicable to regular corporate qualified dividends could cause investors who are individuals, trusts and estates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the stock of REITs, including our stock.

REIT distribution requirements could adversely affect our ability to execute our business plan.

We generally must distribute annually at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains, in order for us to qualify as a REIT (assuming that certain other requirements are also satisfied) so that U.S. federal corporate income tax does not apply to earnings that we distribute. To the extent that we satisfy this distribution requirement and qualify for taxation as a REIT but distribute less than 100% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains, we will be subject to U.S. federal corporate income tax on our undistributed net taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we distribute to our shareholders in a calendar year is less than a minimum amount specified under U.S. federal income tax laws. We intend to make distributions to our shareholders to comply with the REIT requirements of the Code.

Initially our funds from operations will be generated primarily by rents paid under the Master Lease. From time to time, we may generate taxable income greater than our cash flow as a result of differences in timing between the recognition of taxable income and the actual receipt of cash or the effect of nondeductible capital expenditures, the creation of reserves or required debt or amortization payments. If we do not have other funds available in these situations, we could be required to borrow funds on unfavorable terms, sell assets at disadvantageous prices or distribute amounts that would otherwise be invested in future acquisitions in order to make distributions sufficient to enable us to pay out enough of our taxable income to satisfy the REIT distribution requirement and to avoid corporate income tax, including the 4% excise tax in a particular year. These alternatives could increase our costs or reduce our equity. Thus, compliance with the REIT requirements may hinder our ability to grow, which could adversely affect the value of our common stock.

Even if we remain qualified as a REIT, we may face other tax liabilities that reduce our cash flow.

Even if we remain qualified for taxation as a REIT, we may be subject to certain U.S. federal, state, and local taxes on our income and assets, including taxes on any undistributed income and state or local income, property and transfer taxes. See "U.S. Federal Income Tax Considerations—Taxation of CS&L." For example, we may hold some of our assets or conduct certain of our activities through one or more TRSs or other subsidiary corporations that will be subject to U.S. federal, state, and local corporate-level income taxes as regular C corporations. In addition, we may incur a 100% excise tax on transactions with a TRS if they are not conducted on an arm's-length basis. Any of these taxes would decrease cash available for distribution to our shareholders.

Complying with the REIT requirements may cause us to forego otherwise attractive acquisition opportunities or liquidate otherwise attractive investments.

To qualify as a REIT for U.S. federal income tax purposes, we must ensure that, at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and "real estate assets" (as defined in the Code). The remainder of our investments (other than government securities, qualified real estate assets and securities issued by a TRS) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our total assets (other than government securities, qualified real estate assets and securities issued by a TRS) can consist of the securities of any one issuer, and no more than 25% of the value of our total assets can be represented by securities of one or more TRSs. See "U.S. Federal Income Tax Considerations—Taxation of CS&L." If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result, we may be required to liquidate or forego otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to our shareholders.

In addition to the asset tests set forth above, to qualify as a REIT we must continually satisfy tests concerning, among other things, the sources of our income, the amounts we distribute to our shareholders and the ownership of our stock. We may be unable to pursue investments that would be otherwise advantageous to us in order to satisfy the source-of-income or asset-diversification requirements for qualifying as a REIT. Thus, compliance with the REIT requirements may hinder our ability to make certain attractive investments.

Complying with the REIT requirements may limit our ability to hedge effectively and may cause us to incur tax liabilities.

The REIT provisions of the Code substantially limit our ability to hedge our assets and liabilities. Income from certain hedging transactions that we may enter into to manage risk of interest rate changes with respect to borrowings made or to be made to acquire or carry real estate assets does not constitute "gross income" for purposes of the 75% or 95% gross income tests that apply to REITs, provided that certain identification requirements are met. To the extent that we enter into other types of hedging transactions or fail to properly identify such transaction as a hedge, the income is likely to be treated as non-qualifying income for purposes of both of the gross income tests. See "U.S. Federal Income Tax Considerations—Taxation of CS&L." As a result of these rules, we may be required to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because the TRS may be subject to tax on gains or expose us to greater risks associated with changes in interest rates that we would otherwise want to bear. In addition, losses in the TRS will generally not provide any tax benefit, except that such losses could theoretically be carried back or forward against past or future taxable income in the TRS.

Even if we qualify as a REIT, we could be subject to tax on any unrealized net built-in gains in our assets held before electing to be treated as a REIT.

Following our REIT election, we will own appreciated assets that were held by a C corporation and will be acquired by us in a transaction in which the adjusted tax basis of the assets in our hands will be determined by reference to the adjusted basis of the assets in the hands of the C corporation. If we dispose of any such appreciated assets during the ten-year period following our qualification as a REIT, we will be subject to tax at the highest corporate tax rates on any gain from such assets to the extent of the excess of the fair market value of the assets on the date that we became a REIT over the adjusted tax basis of such assets on such date, which are referred to as built-in gains. We would be subject to this tax liability even if we qualify and maintain our status as a REIT. Any recognized built-in gain will retain its character as ordinary income or capital gain and will be taken into account in determining REIT taxable income and our distribution requirement. Any tax on the recognized built-in gain will reduce REIT taxable income. We may choose not to sell in a taxable transaction appreciated assets we might otherwise sell during the ten-year period in which the built-in gain tax applies in order to avoid the built-in gain tax. However, there can be no assurances that such a taxable transaction will not occur. If we sell such assets in a taxable transaction, the amount of corporate tax that we will pay will vary depending on the actual amount of net built-in gain or loss present in those assets as of the time we became a REIT. The amount of tax could be significant.

RISKS RELATED TO OUR BUSINESS

We will be dependent on Windstream Holdings to make payments to us under the Master Lease, and an event that materially and adversely affects Windstream's business, financial position or results of operations could materially and adversely affect our business, financial position or results of operations.

Immediately following the Spin-Off, Windstream Holdings will be the lessee of the Distribution Systems pursuant to the Master Lease and, therefore, will be the source of substantially all of our revenues. Additionally, because the Master Lease is a triple-net lease, we will depend on Windstream Holdings to pay all insurance, taxes, utilities, charges relating to the easements, permits and pole arrangements and maintenance and repair expenses in connection with the Distribution Systems, subject to limited carveouts, and to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities arising in connection with its business. There can be no assurance that Windstream Holdings will have sufficient assets, income and access to financing to enable it to satisfy its payment obligations under the Master Lease. The inability or unwillingness of Windstream Holdings to meet its rent obligations under the Master Lease could materially adversely affect our business, financial position or results of operations, including our ability to pay dividends to our shareholders as required to maintain our status as a REIT. The inability of Windstream Holdings to satisfy its other obligations under the Master Lease, such as the payment of insurance, taxes and utilities, could materially and adversely affect the condition of the Distribution Systems as well as the business, financial position and results of operations of Windstream. Since Windstream Holdings is a holding company, it will be dependent on distributions from Windstream Subsidiary and its subsidiaries in order to satisfy the payment obligations under the Master Lease, and the ability of Windstream Subsidiary and its subsidiaries to make such distributions may be adversely impacted in the event of the insolvency or bankruptcy of such entities or by covenants that restrict the amount of the distributions that may be made by such entities. For these reasons, if Windstream Holdings, Windstream Subsidiary or their subsidiaries were to experience a material and adverse effect on its business, financial position or results of operations, our business, financial position or results of operations could also be materially and adversely affected.

Due to our dependence on rental payments from Windstream Holdings as our primary source of revenues, we may be limited in our ability to enforce our rights under, or to terminate, the Master Lease. Failure by Windstream Holdings to comply with the terms of the Master Lease or to comply with the regulations to which the Distribution Systems are subject could require us to find another lessee for such Distribution Systems and there could be a decrease or cessation of rental payments by Windstream Holdings.

There is no assurance that we would be able to lease the Distribution Systems to another lessee on substantially equivalent or better terms than the Master Lease, or at all, successfully reposition the Distribution Systems for other uses or sell the Distribution Systems on terms that are favorable to us. It may be more difficult to find a replacement tenant for a telecommunications property than it would be to find a replacement tenant for a general commercial property due to the specialized nature of the business. Even if we are able to find a suitable replacement tenant for the Distribution Systems, transfers of operations of communication distribution systems are subject to regulatory approvals not required for transfers of other types of commercial operations, which may affect our ability to successfully transition the Distribution Systems.

Additional risks relating to Windstream's business can be found in Windstream's public filings with the SEC. To find out where you can get copies of these public filings, see "Where You Can Find More Information."

We intend to pursue acquisitions of additional properties and seek other strategic opportunities, which may result in the use of a significant amount of management resources or significant costs, and we may not fully realize the potential benefits of such transactions.

We intend to pursue acquisitions of additional properties and seek acquisitions and other strategic opportunities. Accordingly, we may often be engaged in evaluating potential transactions and other strategic alternatives. In addition, from time to time, we may engage in discussions that may result in one or more transactions. Although there is uncertainty that any of these discussions will result in definitive agreements or the completion of any transaction, we may devote a significant amount of our management resources to such a transaction, which could negatively impact our operations. We may incur significant costs in connection with seeking acquisitions or other strategic opportunities regardless of whether the transaction is completed and in combining our operations if such a transaction is completed. In the event that we consummate an acquisition or strategic alternative in the future, there is no assurance that we would fully realize the potential benefits of such a transaction.

We will operate in a highly competitive market and face competition from other REITs, investment companies, private equity and hedge fund investors, sovereign funds, telecommunications operators, lenders and other investors, some of whom are significantly larger and have greater resources and lower costs of capital. Increased competition will make it more challenging to identify and successfully capitalize on acquisition opportunities that meet our investment objectives. Our board of directors may change our investment objectives at any time without shareholder approval. If we cannot identify and purchase a sufficient quantity of suitable properties at favorable prices or if we are unable to finance acquisitions on commercially favorable terms, our business, financial position or results of operations could be materially and adversely affected. Additionally, the fact that we must distribute 90% of our net taxable income in order to maintain our qualification as a REIT may limit our ability to rely upon rental payments from our leased properties or subsequently acquired properties in order to finance acquisitions. As a result, if debt or equity financing is not available on acceptable terms, further acquisitions might be limited or curtailed.

Acquisitions of properties we might seek to acquire entail risks associated with real estate investments generally, including that the investment's performance will fail to meet expectations or that the tenant, operator or manager will underperform.

Required regulatory approvals can delay or prohibit transfers of the rights to use our real property utilized by telecommunications operators, which could result in periods in which we are unable to receive rent for such assets.

Some of our tenants may be operators of telecommunications assets, which operators must be licensed under applicable state and federal laws. Prior to the transfer of the rights to use our real property to successor operators, the new operator generally must become licensed under state and federal laws. If an existing lease is terminated or expires and a new tenant is found, then any delays in the new tenant receiving regulatory approvals from the applicable federal, state or local government agencies, or the inability to receive such approvals, may prolong the period during which we are unable to collect the applicable rent.

Our level of indebtedness could materially and adversely affect our financial position, including reducing funds available for other business purposes and reducing our operational flexibility, and we may have future capital needs and may not be able to obtain additional financing on acceptable terms.

In connection with the Spin-Off, we anticipate that we will raise approximately $3.65 billion in long-term debt by the issuance of a combination of senior notes and term loans. Additionally, we anticipate that we will enter into a revolving credit facility in an aggregate principal amount of up to $500 million (which is expected to be undrawn at the effective time of the Spin-Off), to be provided by a syndicate of banks and other financial institutions. Although it is anticipated that our debt agreements will restrict the amount of our indebtedness, we may incur additional indebtedness in the future to refinance our existing indebtedness, to finance newly-acquired assets or for other purposes. Our governing documents do not contain any limitations on the amount of debt we may incur and we do not have a formal policy limiting the amount of debt we may incur in the future. Subject to the restrictions set forth in our debt agreements, our board of directors may establish and change our leverage policy at any time without shareholder approval. Any significant additional indebtedness could require a substantial portion of our cash flow to make interest and principal payments due on our indebtedness. Greater demands on our cash resources may reduce funds available to us to pay dividends, make capital expenditures and acquisitions, or carry out other aspects of our business strategy. Increased indebtedness can also limit our ability to adjust rapidly to changing market conditions, make us more vulnerable to general adverse economic and industry conditions and create competitive disadvantages for us compared to other companies with relatively lower debt levels. Increased future debt service obligations may limit our operational flexibility, including our ability to acquire assets, finance or refinance our assets, contribute assets to joint ventures or sell assets as needed.

Moreover, our ability to obtain additional financing and satisfy our financial obligations under our indebtedness outstanding from time to time will depend upon our future operating performance, which is subject to then prevailing general economic and credit market conditions, including interest rate levels and the availability of credit generally, and financial, business and other factors, many of which are beyond our control. A worsening of credit market conditions could materially and adversely affect our ability to obtain financing on favorable terms, if at all.

We may be unable to obtain additional financing or financing on favorable terms or our operating cash flow may be insufficient to satisfy our financial obligations under our indebtedness outstanding from time to time (if any). Among other things, the absence of an investment grade credit rating or any credit rating downgrade could increase our financing costs and could limit our access to financing sources. If financing is not available when needed, or is available on unfavorable terms, we may be unable to complete acquisitions or otherwise take advantage of business opportunities or respond to competitive pressures, any of which could materially and adversely affect our business, financial condition and results of operations.

Covenants in our debt agreements may limit our operational flexibility, and a covenant breach or default could materially and adversely affect our business, financial position or results of operations.

The agreements governing our indebtedness are expected to contain customary covenants, which may limit our operational flexibility. The notes are expected to have terms customary for high yield senior notes of this type, including covenants relating to debt incurrence, liens, restricted payments, asset sales, transactions with affiliates, and mergers or sales of all or substantially all of CS&L's assets, and customary provisions regarding optional redemption and events of default. The credit agreement is expected to contain customary covenants that, among other things, restrict, subject to certain exceptions, our ability to grant liens on assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations and pay certain dividends and other restricted payments. We also anticipate that the credit agreement will contain customary events of default and that it will require us to comply with specified financial maintenance covenants. Breaches of certain covenants may result in defaults and cross-defaults under certain of our other indebtedness, even if we satisfy our payment obligations to the respective obligee. In addition, defaults under the Master Lease, including defaults associated with the bankruptcy of the tenant, may result in cross-defaults under certain of our indebtedness.

Covenants that limit our operational flexibility, as well as covenant breaches or defaults under our debt instruments, could materially and adversely affect our business, financial position or results of operations, or our ability to incur additional indebtedness or refinance existing indebtedness.

An increase in market interest rates could increase our interest costs on existing and future debt and could adversely affect our stock price.

If interest rates increase, so could our interest costs for any new debt and our variable rate debt obligations on the credit agreement. This increased cost could make the financing of any acquisition more costly, as well as lower our current period earnings. Rising interest rates could limit our ability to refinance existing debt when it matures or cause us to pay higher interest rates upon refinancing. In addition, an increase in interest rates could decrease the access third parties have to credit, thereby decreasing the amount they are willing to pay for our assets and consequently limiting our ability to reposition our portfolio promptly in response to changes in economic or other conditions. Further, the dividend yield on our common stock, as a percentage of the price of such common stock, will influence the price of such common stock. Thus, an increase in market interest rates may lead prospective purchasers of our common stock to expect a higher dividend yield, which could adversely affect the market price of our common stock.

Our charter will restrict the ownership and transfer of our outstanding stock, which may have the effect of delaying, deferring or preventing a transaction or change of control of our company.

In order for us to qualify as a REIT, not more than 50% in value of our outstanding shares of stock may be owned, beneficially or constructively, by five or fewer individuals at any time during the last half of each taxable year after the first year for which we elect to be taxed and qualify as a REIT. Additionally, at least 100 persons must beneficially own our stock during at least 335 days of a taxable year (other than the first taxable year for which we elect to be taxed and qualify as a REIT). Our charter, with certain exceptions, will authorize our board of directors to take such actions as are necessary or advisable to preserve our qualification as a REIT. Our charter will also provide that, unless exempted by the board of directors, no person may own more than 9.8% in value or in number, whichever is more restrictive, of the outstanding shares of our common stock or more than 9.8% in value of the aggregate of the outstanding shares of all classes and series of our stock. Windstream will be exempt from these ownership restrictions. See “Description of Our Capital Stock—Restrictions on Transfer and Ownership of CS&L Stock” and “U.S. Federal Income Tax Considerations.” The constructive ownership rules are complex and may cause shares of stock owned directly or constructively by a group of related individuals or entities to be constructively owned by one individual or entity. These ownership limits could delay or prevent a transaction or a change in control of us that might involve a premium price for shares of our stock or otherwise be in the best interests of our shareholders. The acquisition of less than 9.8% of our outstanding stock by an individual or entity could cause that individual or entity to own constructively in excess of 9.8% in value of our outstanding stock, and thus violate our charter’s ownership limit. Our charter will also prohibit any person from owning shares of our stock that would result in our being “closely held” under Section 856(h) of the Code or otherwise cause us to fail to qualify as a REIT. In addition, our charter will provide that (i) no person shall beneficially own shares of stock to the extent such beneficial ownership of stock would result in us failing to qualify as a “domestically controlled qualified investment entity” within the meaning of Section 897(h) of the Code, and (ii) no person shall beneficially or constructively own shares of stock to the extent such beneficial or constructive ownership would cause us to own, beneficially or constructively, more than a 9.9% interest (as set forth in Section 856(d)(2)(B) of the Code) in a tenant of our real property. Any attempt to own or transfer shares of our stock in violation of these restrictions may result in the transfer being automatically void.

Maryland law and provisions in our charter and bylaws may delay or prevent takeover attempts by third parties and therefore inhibit our shareholders from realizing a premium on their stock.

Our charter and bylaws will contain, and Maryland law contains, provisions that are intended to deter coercive takeover practices and inadequate takeover bids and to encourage prospective acquirors to negotiate with our board of directors, rather than to attempt a hostile takeover. Our charter and bylaws will, among other

things (1) contain transfer and ownership restrictions on the percentage by number and value of outstanding shares of our stock that may be owned or acquired by any shareholder; (2) provide that shareholders are not allowed to act by written consent; (3) permit the board of directors, without further action of the shareholders, to increase or decrease the authorized number of shares and to issue and fix the terms of one or more classes or series of preferred stock, which may have rights senior to those of the common stock; (4) permit only the board of directors to amend the bylaws; (5) establish certain advance notice procedures for shareholder proposals and director nominations; (6) provide that special meetings of shareholders may only be called by the company or upon written request of a majority in voting power of the shareholders entitled to vote at the meeting; (7) provide for supermajority approval requirements for amending or repealing certain provisions in our charter; and (8) designate the Maryland courts as the exclusive forum for resolving certain claims.

In addition, specific anti-takeover provisions of the Maryland General Corporation Law ("MGCL") could make it more difficult for a third party to attempt a hostile takeover. These provisions include:

- "business combination" provisions that, subject to limitations, prohibit certain business combinations between us and an "interested stockholder" (defined generally as any person who beneficially owns 10% or more of the voting power of our shares or an affiliate thereof) for five years after the most recent date on which the shareholder becomes an interested stockholder, and thereafter impose special appraisal rights and special shareholder voting requirements on these combinations; and
- "control share" provisions that provide that "control shares" of our company (defined as shares which, when aggregated with other shares controlled by the shareholder, entitle the shareholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a "control share acquisition" (defined as the direct or indirect acquisition of ownership or control of "control shares") have no voting rights except to the extent approved by our shareholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding all interested shares.

We believe these provisions will protect our shareholders from coercive or otherwise unfair takeover tactics by requiring potential acquirors to negotiate with our board of directors and by providing our board of directors with more time to assess any acquisition proposal. These provisions are not intended to make us immune from takeovers. However, these provisions will apply even if the offer may be considered beneficial by some shareholders and could delay or prevent an acquisition that our board of directors determines is not in our best interests. These provisions may also prevent or discourage attempts to remove and replace incumbent directors.

If we are not able to hire, or if we lose, key management personnel, we may not be able to successfully manage our business and achieve our objectives.

Our success depends in large part upon the leadership and performance of our executive management team, particularly Kenneth Gunderman, and other key employees. If we lose the services of Mr. Gunderman or are not able to hire, or if we lose, other key employees we may not be able to successfully manage our business or achieve our business objectives.

We or our tenants may experience uninsured or underinsured losses, which could result in a significant loss of the capital we have invested in a property, decrease anticipated future revenues or cause us to incur unanticipated expense.

The Master Lease will require, and new lease agreements that we enter into are expected to require, that the tenant maintain comprehensive insurance and hazard insurance or self-insure its insurance obligations. However, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, hurricanes and floods, that may be uninsurable or not economically insurable. Insurance coverage may not be sufficient to pay the full current market value or current replacement cost of a loss. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it infeasible to use insurance proceeds to replace the property after such property has been damaged or destroyed. Under such circumstances, the insurance proceeds received might not be adequate to restore the economic position with respect to such property.

Our properties are located in 37 states, and if one of our properties experiences a loss that is uninsured or that exceeds policy coverage limits, we could lose the capital invested in the damaged property as well as the anticipated future cash flows from the property. If the damaged property is subject to recourse indebtedness, we could continue to be liable for the indebtedness even if the property is irreparably damaged.

In addition, even if damage to our properties is covered by insurance, a disruption of business caused by a casualty event may result in loss of revenue for our tenants or us. Any business interruption insurance may not fully compensate them or us for such loss of revenue. If one of our tenants experiences such a loss, it may be unable to satisfy its payment obligations to us under its lease with us.

We are dependent on the communications industry and may be susceptible to the risks associated with it, which could materially adversely affect our business, financial position or results of operations.

As the owner of distribution systems serving the communications industry, we will be impacted by the risks associated with the communications industry. Therefore, our success is to some degree dependent on the communications industry, which could be adversely affected by economic conditions in general, changes in consumer trends and preferences and other factors over which we and our tenants have no control. As we are subject to risks inherent in substantial investments in a single industry, a decrease in the communications business would likely have a greater adverse effect on our revenues than if we owned a more diversified real estate portfolio.

The communications industry is characterized by a high degree of competition among a large number of participants. Competition is intense between telecommunications, wireless and cable operators in most of the markets where our properties are located. As competing properties are constructed, the lease rates we assess for our properties may be negatively impacted upon renewal or new tenant pricing events.

Our business is subject to government regulations and changes in current or future laws or regulations could restrict our ability to operate our business in the manner currently contemplated.

Our business, and that of our tenants, is subject to federal, state, local and foreign regulation. In certain jurisdictions these regulations could be applied or enforced retroactively. Local zoning authorities and community organizations are often opposed to construction in their communities and these regulations can delay, prevent or increase the cost of new distribution system construction and modifications, thereby limiting our ability to respond to customer demands and requirements. Existing regulatory policies may materially and adversely affect the associated timing or cost of such projects and additional regulations may be adopted which increase delays or result in additional costs to us, or that prevent such projects in certain locations. These factors could materially and adversely affect our business, results of operations or financial condition. For more information regarding the regulations we are subject to, please see the section entitled “Business and Properties – Government Regulation, Licensing and Enforcement.”

RISKS RELATED TO OUR COMMON STOCK

There is no existing market for our common stock and a trading market that will provide you with adequate liquidity may not develop for our common stock. In addition, once our common stock begins trading, the market price and trading volume of our common stock may fluctuate widely.

There is no current trading market for our common stock. Our common stock issued in the Spin-Off will be trading publicly for the first time. We anticipate that a limited market, commonly known as a “when-distributed” trading market, will develop at some point following the record date, and that “regular-way” trading in shares of our common stock will begin on the first trading day following the distribution date. However, there can be no assurance that an active trading market for our common stock will develop as a result of the Spin-Off or be sustained in the future. The lack of an active trading market may make it more difficult for you to sell your shares and could lead to our share price being depressed or more volatile.

For many reasons, including the risks identified in this information statement, the market price of our common stock following the Spin-Off may be more volatile than the market price of Windstream Holdings common stock before the Spin-Off. These factors may result in short-term or long-term negative pressure on the value of our common stock.

We cannot predict the prices at which our common stock may trade after the Spin-Off. The market price of our common stock may fluctuate significantly, depending upon many factors, some of which may be beyond our control, including, but not limited to:

- a shift in our investor base;
- our quarterly or annual earnings, or those of comparable companies;
- actual or anticipated fluctuations in our operating results;
- our ability to obtain financing as needed;
- changes in laws and regulations affecting our business;
- changes in accounting standards, policies, guidance, interpretations or principles;
- announcements by us or our competitors of significant investments, acquisitions or dispositions;
- the failure of securities analysts to cover our common stock after the Spin-Off;
- changes in earnings estimates by securities analysts or our ability to meet those estimates;
- the operating performance and stock price of comparable companies;
- overall market fluctuations; and
- general economic conditions and other external factors.

Stock markets in general have experienced volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations may adversely affect the trading price of our common stock.

The combined post-Spin-Off value of Windstream Holdings common stock and our common stock may not equal or exceed the pre-Spin-Off value of Windstream Holdings common stock.

We cannot assure you that the combined trading prices of Windstream Holdings common stock and our common stock after the Spin-Off will be equal to or greater than the trading price of Windstream Holdings common stock prior to the Spin-Off. Until the market has fully evaluated the business of Windstream Holdings without our business, the price at which Windstream Holdings common stock trades may fluctuate more significantly than might otherwise be typical. Similarly, until the market has fully evaluated the stand-alone business of our company, the price at which shares of our common stock trades may fluctuate more significantly than might otherwise be typical, including volatility caused by general market conditions.

Future sales or distributions of our common stock, including the disposition by Windstream of shares of our common stock that it retains after the Spin-Off, could depress the market price for shares of our common stock.

Our common stock that Windstream Holdings intends to distribute in the Spin-Off generally may be sold immediately in the public market. Although we have no actual knowledge of any plan or intention on the part of any holder of Windstream Holdings common stock to sell our common stock on or after the record date, it is possible that some Windstream Holdings shareholders will decide to sell some or all of the shares of our common stock that they receive in the Spin-Off.

In addition, some of the holders of Windstream Holdings common stock are index funds tied to stock or investment indices or are institutional investors bound by various investment guidelines. Companies are

generally selected for investment indices, and in some cases selected by institutional investors, based on factors such as market capitalization, industry, trading liquidity and financial condition. As an independent company, we expect to initially have a lower market capitalization than Windstream Holdings has today, and our business will differ from the business of Windstream Holdings prior to the Spin-Off. As a result, our common stock may not qualify for those investment indices. In addition, our common stock may not meet the investment guidelines of some institutional investors. Consequently, these index funds and institutional investors may have to sell some or all of our common stock they receive in the Spin-Off.

In addition, following the Spin-Off, Windstream will retain a passive ownership interest in up to 19.9 percent of our common stock. Pursuant to the Stockholder's and Registration Right Agreement with Windstream, Windstream will be required to vote such shares in proportion to the votes cast by our other shareholders, will grant CS&L a proxy with respect to such shares, and will agree not to seek a seat on the board of directors of CS&L. Windstream will also agree in the Stockholder's and Registration Rights Agreement not to acquire additional shares of CS&L common stock.

Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt. Pursuant to the Stockholder's and Registration Rights Agreement, we will agree that, upon the request of Windstream we will use our best efforts to effect the registration under applicable securities laws of the shares of common stock retained by Windstream. See "Our Relationship with Windstream Following the Spin-Off."

Any disposition by Windstream, or any other significant shareholder, of our common stock, or the perception in the market that such dispositions could occur, may cause the price of our common stock to fall. Any such decline could impair our ability to raise capital through future sales of our common stock. Further, our common stock may not qualify for other investment indices, including indices specific to REITs, and any such failure may discourage new investors from investing in our common stock.

We cannot assure you of our ability to pay dividends in the future.

It is expected that our initial dividend will be $2.40 per share per annum (which would be equivalent to a $0.60 per share Windstream dividend per annum based on the relative initial capitalization of CS&L and Windstream). After giving effect to the interest in CS&L retained by Windstream, each shareholder at the time of the Spin-Off will receive the equivalent of a $.48 per share Windstream dividend per annum. In no event will the annual dividend be less than 90% of our REIT taxable income on an annual basis, determined without regard to the dividends paid deduction and excluding any net capital gains. Our ability to pay dividends may be adversely affected by a number of factors, including the risk factors described in this information statement. Dividends will be authorized by our board of directors and declared by us based upon a number of factors, including actual results of operations, restrictions under Maryland law or applicable debt covenants, our financial condition, our taxable income, the annual distribution requirements under the REIT provisions of the Code, our operating expenses and other factors our directors deem relevant. We cannot assure you that we will achieve investment results that will allow us to make a specified level of cash dividends or year-to-year increases in cash dividends in the future.

Furthermore, while we are required to pay dividends in order to maintain our REIT status (as described above under "Risks Related to Our Taxation as a REIT—REIT distribution requirements could adversely affect our ability to execute our business plan"), we may elect not to maintain our REIT status, in which case we would no longer be required to pay such dividends. Moreover, even if we do elect to maintain our REIT status, after completing various procedural steps, we may elect to comply with the applicable distribution requirements by distributing, under certain circumstances, a portion of the required amount in the form of shares of our common stock in lieu of cash. If we elect not to maintain our REIT status or to satisfy any required distributions in shares of common stock in lieu of cash, such action could negatively affect our business and financial condition as well as the market price of our common stock. No assurance can be given that we will pay any dividends on shares of our common stock in the future.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This information statement includes forward-looking statements, including the sections entitled “Summary,” “Risk Factors,” “The Spin-Off,” “Management’s Discussion and Analysis of Financial Condition and Results of Operation,” and “Business and Properties.” Forward-looking statements include all statements that are not historical statements of fact and those regarding our intent, belief or expectations, including, but not limited to, statements regarding: the anticipated timing, structure, benefits and tax treatment of the Spin-Off; future financing plans, business strategies, growth prospects and operating and financial performance; expectations regarding the making of distributions and the payment of dividends; and compliance with and changes in governmental regulations.

Words such as “anticipate(s),” “expect(s),” “intend(s),” “plan(s),” “believe(s),” “may,” “will,” “would,” “could,” “should,” “seek(s)” and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management’s current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained. Factors which could have a material adverse effect on our operations and future prospects or which could cause actual results to differ materially from our expectations include, but are not limited to:

- the ability to achieve some or all the benefits that we expect to achieve from the Spin-Off;
- delays or the nonoccurrence of the consummation of the Spin-Off;
- the ability and willingness of Windstream to meet and/or perform its obligations under any contractual arrangements that are entered into with us in connection with the Spin-Off, including the Master Lease, and any of its obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities;
- the ability of Windstream to comply with laws, rules and regulations in the operation of the assets we will lease to it following the Spin-Off;
- the ability and willingness of our tenants, including Windstream, to renew their leases with us upon their expiration, and the ability to reposition our properties on the same or better terms in the event of nonrenewal or in the event we replace an existing tenant, and obligations, including indemnification obligations, we may incur in connection with the replacement of an existing tenant;
- the availability of and the ability to identify suitable acquisition opportunities and the ability to acquire and lease the respective properties on favorable terms;
- the ability to generate sufficient cash flows to service our outstanding indebtedness;
- access to debt and equity capital markets;
- fluctuating interest rates;
- the ability to retain our key management personnel;
- the ability to qualify or maintain our status as a REIT;
- changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs;
- other risks inherent in the Distribution Systems, including potential liability relating to environmental matters and illiquidity of real estate investments; and
- additional factors discussed in the sections entitled “Business and Properties,” “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this information statement.

Forward-looking statements speak only as of the date of this information statement. Except in the normal course of our public disclosure obligations, we expressly disclaim any obligation to release publicly any updates or revisions to any forward-looking statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any statement is based.

THE SPIN-OFF

Background of the Spin-Off

On July 29, 2014, the board of directors of Windstream Holdings announced its plan to implement the Spin-Off. As part of the Spin-Off, Windstream will reorganize its assets and liabilities into two companies:

- Windstream, which will continue to provide advanced network communications and technology solutions to businesses and customers through its existing operations; and
- CS&L, which, through its subsidiaries, will own, acquire and lease distribution systems serving the communications infrastructure industry and potentially other industries and operate the Consumer CLEC Business.

Windstream will accomplish the separation by having its wholly owned subsidiary Windstream Subsidiary, or Windstream Subsidiary's subsidiaries, contribute to CS&L the assets currently owned by Windstream constituting the Distribution Systems and the Consumer CLEC Business, and related liabilities in exchange for:

- the issuance to Windstream Subsidiary of CS&L common stock to be distributed in the Spin-Off;
- the transfer from CS&L to Windstream Subsidiary of an amount not to exceed the tax basis of Windstream Subsidiary in the CS&L common stock (which is estimated to equal approximately $1.1 billion), which Windstream Subsidiary will use to retire Windstream Subsidiary debt; and
- the transfer from CS&L to Windstream Subsidiary of CS&L debt securities, which Windstream Subsidiary intends to exchange for outstanding Windstream Subsidiary debt.

Subsequently, Windstream Subsidiary will distribute no less than 80.1 percent of the outstanding shares of CS&L to Windstream Holdings and Windstream Holdings will distribute no less than 80.1 percent of the outstanding shares of CS&L common stock *pro rata* to holders of Windstream Holdings common stock pursuant to the Spin-Off. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt.

Immediately after the Spin-Off, the Company and Windstream Holdings will enter into the Master Lease, under which Windstream Holdings will lease the Distribution Systems on a triple-net basis. The Company and Windstream Holdings will also enter into a number of other agreements to govern the relationship between them following the Spin-Off. See "Our Relationship with Windstream Following the Spin-Off."

Upon the satisfaction or waiver of the conditions to the Spin-Off, which are described in more detail in "—Conditions to the Spin-Off" below, and after giving effect to the interest in CS&L retained by Windstream, Windstream Holdings will effect the Spin-Off by distributing to Windstream Holdings' shareholders one share of CS&L common stock for every five shares of Windstream Holdings common stock held at the close of business on , 2015, the record date for the Spin-Off. We expect the shares of CS&L common stock to be distributed by Windstream Holdings on or about , 2015.

You will not be required to make any payment, surrender or exchange your shares of Windstream Holdings common stock or take any other action to receive your shares of our common stock.

Windstream will allocate its accumulated earnings and profits (as determined for U.S. federal income tax purposes) for periods prior to the Spin-Off between Windstream and CS&L in a manner that, in its best judgment, is in accordance with the provisions of the Code. As a result of its election to be taxed as a REIT for U.S. federal income tax purposes, in order to comply with certain REIT qualification requirements, CS&L will make the Purging Distribution by declaring a dividend to its shareholders to distribute any accumulated earnings and profits attributable to any non-REIT years, including any earnings and profits allocated to CS&L in connection with the Spin-Off. CS&L currently does not expect that it will have any such accumulated earnings and profits and, accordingly, does not expect that it will be required to make the Purging Distribution. If, contrary

to expectations, CS&L is obligated to make the Purging Distribution, such distribution would be paid to CS&L shareholders in a combination of cash and CS&L stock, with the cash portion not to exceed 20% of the total amount of the Purging Distribution. If required to do so, CS&L expects that it would declare the Purging Distribution within the last three months of the calendar year in which it makes its REIT election and to make the Purging Distribution no later than January 31 of the following calendar year. See "—The Purging Distribution."

The Spin-Off is subject to the satisfaction or waiver of certain conditions. Until the Spin-Off has occurred, Windstream Holdings has the right to terminate the transaction, even if all of the conditions have been satisfied, if the board of directors of Windstream Holdings determines that the Spin-Off is not in the best interests of Windstream Holdings and its shareholders or that market conditions or other circumstances are such that the Spin-Off is no longer advisable at that time. We cannot provide any assurances that the Spin-Off will be completed. For a more detailed description of these conditions, see the section entitled "—Conditions to the Spin-Off" below.

Reasons for the Spin-Off

It is expected that the Spin-Off will:

- provide CS&L with increased flexibility to pursue its plan to expand its communications real estate platform, including alternatives such as acquisitions that are unlikely to be available absent the Spin-Off;
- enable CS&L to issue equity on meaningfully more favorable terms in connection with investments and acquisitions, which management believes is critical to the success of the plan to expand Windstream's existing real estate platform, with less dilution to existing shareholders;
- create opportunity to unlock shareholder value by creating two independent public companies with distinct investment characteristics;
- meaningfully enhance the ability to raise capital for CS&L's business by issuing equity on more favorable terms than would be possible, absent the Spin-Off, in the public markets to institutional investors that invest in REITs;
- reduce the actual or perceived competition for capital resources within Windstream;
- meaningfully enhance each of Windstream's and CS&L's ability to attract and retain qualified management; and
- allow CS&L's real property business to optimize its leverage and enhance the credit profile of the Windstream business, providing Windstream with greater financial and strategic flexibility.

Increased Flexibility for CS&L to Expand its Real Estate Business

Following the Spin-Off, CS&L will be uniquely positioned to pursue opportunities to broaden its real estate holdings that would not currently be available to it as a subsidiary of Windstream. As an unrelated party not perceived to be a competitor, CS&L will have greater ability to pursue transactions to acquire the communication distribution systems of competitors of Windstream. CS&L is also expected to benefit from being able to offer industry participants attractive transaction terms based on an expected lower cost of capital following the Spin-Off than is currently available to Windstream. CS&L will also have the focus and expertise to manage real estate, particularly as it relates to communication properties, and greater flexibility to invest in communication distribution systems outside of Windstream's business model such as fiber assets, wireless assets and cable communication systems, as well as assets outside of the communications sector. CS&L will have additional opportunities to diversify its tenant mix and grow both within telecom and other industry sectors that would not be available as a subsidiary of Windstream.

Ability of CS&L to Issue Equity on More Favorable Terms for Investments and Acquisitions

As CS&L pursues expansion opportunities following the Spin-Off with potential sellers of real estate assets, CS&L will be in an improved position to offer equity as acquisition consideration on terms that are more favorable to such sellers and with less dilution to existing shareholders than could be achieved by Windstream. Sellers will be able to receive acquisition consideration in the form of equity in a pure play entity like CS&L with a geographically diverse asset portfolio, and this consideration is likely to be a preferred form of equity to sellers of real estate, as compared to an investment in a specialized telecommunications carrier like Windstream. Additionally, we believe a number of sellers of real estate assets will likely favor equity securities with dividend yields that are high and relatively stable, which should align with CS&L's investment profile.

Creates Opportunity to Unlock Shareholder Value by Creating Two Independent Public Companies with Distinct Investment Characteristics

The Spin-Off will create two independent public companies whose market valuations will be determined based on each company's asset mix, business outlook, capital allocation policies, and strategic objectives. In addition, each stock will appeal to a different investor class that seeks to invest in stocks with specific underlying characteristics. We expect CS&L will be valued consistently with REITs that derive their revenue from triple-net leases with long duration and with appropriate rent escalators, and these attributes provide REIT investors with prospects for stable cash flows, stable dividends, and less exposure to fluctuations in operating results more typically associated with the underlying operating companies. The Spin-Off also allows Windstream to retire approximately $3.4 billion in debt at the time of the Spin-Off and additional debt thereafter and is expected to unlock additional free cash flow that can be used to fund incremental growth opportunities in Windstream's business. We believe that this structure creates the potential to unlock additional incremental value for shareholders over time compared to the stand-alone value of Windstream.

Ability of CS&L to Raise Capital by Issuing Equity on More Favorable Terms to Investors

There is a highly liquid and well-developed capital markets investor base for investments in REITs. We believe that over time CS&L will gain access to capital from investors in this investor base who invest in the equity securities of REITs for their stable cash flow and dividend characteristics. Because this REIT investor base is distinct from the institutions who invest in an operating company like Windstream, we believe that the Spin-Off will position CS&L to raise capital for real estate acquisitions on terms more favorable than would be possible for Windstream.

Reduction of Competition for Capital Resources within Windstream

Absent the Spin-Off, the prospects for CS&L's business plan would be constrained by Windstream's focus on its core communications business and by internal competition for the allocation of capital resources. The Spin-Off will create two independent public companies with separate management teams who can focus on their respective business plans and strategic objectives. As a result, the Spin-Off will reduce competition for capital resources and better position both companies to successfully pursue their business plans.

Enhance Each of Windstream's and CS&L's Ability to Attract and Retain Qualified Management

We believe that creating two independent public companies with separate business plans will improve the ability of each company to attract and retain management through the issuance of equity-based compensation linked directly to the line of business in which each management team is employed. The Spin-Off also allows CS&L to attract and retain a separate management team with the specific skills and experience to operate a REIT, which skills are distinct from those necessary to operate Windstream's core communication business.

Allows CS&L to Optimize its Leverage Profile and Provide Greater Financial and Strategic Flexibility to Both Companies

Historically, REITs have been able to incur and maintain higher debt leverage ratios than their tenant operating companies because of the operating characteristics of REITs including their relatively stable cash flows and less volatility in operating results. Accordingly, CS&L is expected to raise and maintain debt capital at higher leverage ratios than Windstream, and as a result the Spin-Off should allow capital to be allocated more efficiently across the entire system of the two companies as compared to Windstream on a stand-alone basis. This dynamic facilitates Windstream's ability to retire approximately $3.4 billion in debt at the time of the Spin-Off and additional debt thereafter, to delever upfront and to generate additional free cash flow that can be used to fund incremental growth opportunities in Windstream's business. As a result, the Spin-Off is expected to allow both companies to optimize their leverage profiles and capital allocation policies to best suit their long-term business plans.

Manner of Effecting the Spin-Off

The general terms and conditions relating to the Spin-Off will be set forth in the Separation and Distribution Agreement between us and Windstream. Under the Separation and Distribution Agreement, the Spin-Off is anticipated to be effective from and after , 2015.

After giving effect to the interest in CS&L retained by Windstream, you will receive one share of CS&L common stock for every five shares of Windstream Holdings common stock that you owned at the close of business on , 2015, the record date. The actual total number of shares of our common stock to be distributed will depend on the number of shares of Windstream Holdings common stock outstanding on the record date. The shares of our common stock to be distributed will constitute no less than 80.1 percent of the outstanding shares of our common stock. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt.

Neither we nor Windstream Holdings will be issuing physical certificates representing shares of our common stock. Instead, if you own Windstream Holdings common stock as of the close of business on the record date, the shares of our common stock that you are entitled to receive in the Spin-Off will be issued electronically, as of the distribution date, to you or to your bank or brokerage firm on your behalf by way of direct registration in book-entry form. A benefit of issuing stock electronically in book-entry form is that there will be none of the physical handling and safekeeping responsibilities that are inherent in owning physical stock certificates.

If you hold physical stock certificates that represent your shares of Windstream Holdings common stock and you are the registered holder of the Windstream Holdings shares represented by those certificates, the distribution agent will mail you an account statement that reflects the number of shares of our common stock that have been registered in book-entry form in your name. If you have any questions concerning the mechanics of having shares of common stock registered in book-entry form, you are encouraged to contact Windstream Investor Relations by mail at 4001 Rodney Parham Rd., Little Rock, AR 72212, by phone at (866) 320-7922 or by email at windstream.investor.relations@windstream.com.

Most Windstream Holdings shareholders hold their shares of Windstream Holdings common stock through a bank or brokerage firm. In such cases, the bank or brokerage firm would be said to hold the stock in "street name" and ownership would be recorded on the bank or brokerage firm's books. If you hold your Windstream Holdings common stock through a bank or brokerage firm, your bank or brokerage firm will credit your account for the shares of our common stock that you are entitled to receive in the Spin-Off. If you have any questions concerning the mechanics of having shares of our common stock held in "street name," you are encouraged to contact your bank or brokerage firm.

Results of the Spin-Off

After the Spin-Off, we will be an independent, publicly traded company. Immediately following the Spin-Off, we expect to have approximately 30,000 registered shareholders, based on the number of registered shareholders of Windstream Holdings common stock on March 10, 2015. Immediately following the Spin-Off, we expect to have approximately 150,366,000 shares of our common stock outstanding on a fully diluted basis, based on the number of shares of Windstream Holdings common stock outstanding on a fully diluted basis as of March 9, 2015. Up to 19.9 percent of our common stock will be held by Windstream. The actual number of shares to be distributed will be determined on the record date and will reflect any changes in the number of shares of Windstream Holdings common stock between March 9, 2015 and the record date. The Spin-Off will not affect the number of outstanding shares of Windstream Holdings common stock or any rights of Windstream Holdings shareholders.

Immediately after the Spin-Off, we and Windstream Holdings will enter into the Master Lease, under which Windstream Holdings will lease the Distribution Systems on a triple-net basis. The Company and Windstream will also enter into a number of other agreements to govern their relationship following the Spin-Off, and divide and allocate various assets and liabilities and rights and obligations. We also will enter into a Stockholder's and Registration Rights Agreement with Windstream pursuant to which, among other things, we will agree that, upon the request of Windstream, we will use our best efforts to effect the registration under applicable federal and state securities laws of the shares of CS&L common stock retained by Windstream after the Spin-Off. For a more detailed description of these agreements, see the section entitled "Our Relationship With Windstream Following the Spin-Off."

Treatment of Fractional Shares

The transfer agent will not distribute any fractional shares of our common stock in connection with the Spin-Off. Instead, the transfer agent will aggregate all fractional shares of our common stock into whole shares and sell them on the open market at the prevailing market prices on behalf of those registered holders who otherwise would be entitled to receive a fractional share. We anticipate that these sales will occur as soon as practicable after the distribution date. The transfer agent will then distribute to such registered holders the aggregate cash proceeds of such sale, in an amount equal to their *pro rata* share of the total proceeds of those sales. Any applicable expenses, including brokerage fees, will be paid by us. We do not expect the amount of any such fees to be material to us.

If you hold physical stock certificates that represent your shares of Windstream Holdings common stock and you are the registered holder of the Windstream Holdings shares represented by those certificates, your check for any cash that you may be entitled to receive instead of fractional shares of our common stock will be mailed to you separately. If you hold your shares of Windstream Holdings common stock through a bank or brokerage firm, your bank or brokerage firm will receive, on your behalf, your pro rata share of the aggregate net cash proceeds from the sales and will electronically credit your account for your share of such proceeds.

None of us, Windstream Holdings or the transfer agent will guarantee any minimum sale price for the fractional shares of our common stock. Neither we nor Windstream Holdings will pay any interest on the proceeds from the sale of fractional shares. The receipt of cash in lieu of fractional shares will generally be taxable to the recipient shareholders. Each shareholder entitled to receive cash proceeds from these fractional shares should consult his, her or its own tax advisor as to the shareholder's particular circumstances. See "—U.S. Federal Income Tax Consequences of the Spin-Off."

Listing and Trading of Our Shares

There is no current trading market for CS&L common stock. A condition to the Spin-Off is the listing of our common stock on NASDAQ. We intend to apply to have our common stock authorized for listing on NASDAQ under the symbol "CSAL."

At some point following the record date and continuing up to and including the distribution date, we expect that there will be two markets in Windstream Holdings common stock: a "due-bills" market and an "ex-distribution" market. Shares of Windstream Holdings common stock that trade on the "due-bills" market will trade with an entitlement to shares of our common stock distributed pursuant to the Spin-Off. Shares that trade on the "ex-distribution" market will trade without an entitlement to shares of our common stock distributed pursuant to the Spin-Off. Therefore, if you sell shares of Windstream Holdings common stock in the "due-bills" market after the record date and before the distribution date, you will be selling your right to receive shares of our common stock in connection with the Spin-Off. If you own shares of Windstream Holdings common stock at the close of business on the record date and sell those shares on the "ex-distribution" market before the distribution date, you will still receive the shares of our common stock that you would be entitled to receive pursuant to your ownership of the shares of Windstream Holdings common stock on the record date.

Furthermore, at some point following the record date and continuing up to and including the distribution date, we expect that a limited market, commonly known as a "when-distributed" trading market, will develop in our common stock. "When-distributed" trading refers to a sale or purchase made conditionally because the security has been authorized but not yet distributed. The "when-distributed" trading market will be a market for shares of our common stock that will be distributed to Windstream Holdings shareholders on the distribution date. If you owned shares of Windstream Holdings common stock at the close of business on the record date, you would be entitled to shares of our common stock distributed pursuant to the Spin-Off. You may trade this entitlement to shares of our common stock, without trading the shares of Windstream Holdings common stock you own, on the "when-distributed" market. On the first trading day following the distribution date, "when-distributed" trading with respect to our common stock will end and "regular-way" trading will begin.

Treatment of Windstream Holdings Equity Awards

It is expected that outstanding Windstream equity awards at the time of the Spin-Off will be treated as follows:

Restricted Stock. Awards of restricted Windstream Holdings common stock, whether held by continuing employees of Windstream or CS&L employees, will participate in the *pro rata* distribution of CS&L common stock on the same basis as all other shares of Windstream Holdings common stock. Accordingly, employees of Windstream and CS&L will each hold restricted shares of common stock of Windstream Holdings and CS&L, and the shares of CS&L common stock that are distributed will be subject to the same restrictions as apply to the restricted shares of Windstream Holdings common stock to which they are attributable (in the case of CS&L employees, based on service with CS&L rather than Windstream).

Restricted Stock Units. Awards of restricted Windstream Holdings stock units, whether held by continuing employees of Windstream or CS&L employees, will be credited with additional units of CS&L common stock in the same amount as would have been credited as actual shares of CS&L common stock had the Windstream Holdings stock units been actual outstanding shares of Windstream Holdings common stock entitled to participate in the *pro rata* distribution of CS&L common stock. Accordingly, employees of Windstream and CS&L will each hold units based on the common stock of Windstream Holdings and CS&L. The units of CS&L stock will be subject to the same service-based vesting conditions as apply to the Windstream Holdings stock units to which they are attributable (in the case of CS&L employees, based on service with CS&L rather than Windstream). To the extent the units are subject to performance-based (*i.e.*, OIBDA and total shareholder return (TSR)) vesting conditions, the performance metrics will be equitably adjusted to appropriately preserve the original performance hurdles.

Stock Options. All options to purchase Windstream Holdings common stock (whether held by a Windstream employee or a CS&L employee) will remain options to purchase Windstream Holdings common stock but with their strike price and the number of shares covered by them equitably adjusted so that the intrinsic value of the options immediately following the Spin-Off (*i.e.*, the excess of the value of the underlying shares over the aggregate exercise price) will be the same as their intrinsic value immediately before the Spin-Off.

The Purging Distribution

Windstream will allocate its accumulated earnings and profits (as determined for U.S. federal income tax purposes) for periods prior to the Spin-Off between Windstream and CS&L in a manner that, in its best judgment, is in accordance with the provisions of the Code. As a result of its election to be taxed as a REIT for U.S. federal income tax purposes, in order to comply with certain REIT qualification requirements, CS&L would be required to make the Purging Distribution by declaring a dividend to its shareholders to distribute any accumulated earnings and profits attributable to any non-REIT years, including any earnings and profits allocated to CS&L in connection with the Spin-Off. CS&L currently does not expect that it will have any such accumulated earnings and profits and, accordingly, does not expect that it will be required to make the Purging Distribution. If, contrary to expectations, CS&L is obligated to make the Purging Distribution, such distribution would be paid to CS&L shareholders in a combination of cash and CS&L stock, with the cash portion not to exceed 20% of the total amount of the Purging Distribution. CS&L would expect to declare the Purging Distribution within the last three months of the calendar year in which it makes its REIT election and to make the Purging Distribution no later than January 31 of the following calendar year. See "—The Purging Distribution."

Although CS&L currently does not expect to make the Purging Distribution, Windstream has received the IRS Ruling, which addresses, in addition to the treatment of the Spin-Off, certain issues relevant to CS&L's payment of the Purging Distribution in a combination of cash and CS&L stock. In general, the IRS Ruling provides, subject to the terms and conditions contained therein, that (1) any and all of the cash and stock distributed by CS&L to its shareholders as part of the Purging Distribution would be treated as a distribution of property with respect to CS&L stock, and as a dividend to the extent of CS&L's current and accumulated earnings and profits (as determined for U.S. federal income tax purposes) and (2) the amount of any distribution of stock received by any of CS&L's shareholders as part of the Purging Distribution would be considered to equal the amount of the money which could have been received instead. In the Purging Distribution, a holder of CS&L common stock would be required to report dividend income as a result of the Purging Distribution even if CS&L distributes no cash or only nominal amounts of cash to such shareholder.

You are urged to consult with your tax advisor as to the particular tax consequences of the Purging Distribution to you, including the applicability of any U.S. federal, state and local and non-U.S. tax laws.

U.S. Federal Income Tax Consequences of the Spin-Off

The following is a summary of the U.S. federal income tax consequences to the holders of shares of Windstream Holdings common stock in connection with the Spin-Off. This summary is based on the Code, the Treasury Regulations promulgated thereunder, and judicial and administrative interpretations thereof, all as in effect as of the date of this information statement and all of which are subject to differing interpretations and may change at any time, possibly with retroactive effect. Any such change could affect the tax consequences described below. This summary assumes that the Spin-Off will be consummated in accordance with the Separation and Distribution Agreement and as described in this information statement.

Except as specifically described below, this summary is limited to holders of shares of Windstream Holdings common stock that are U.S. Holders, as defined immediately below. For purposes of this summary, a U.S. Holder is a beneficial owner of Windstream Holdings common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or a resident of the U.S.;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the U.S. or any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if (1) a court within the U.S. is able to exercise primary jurisdiction over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (2) in the case of a trust that was treated as a domestic trust under the law in effect before 1997, a valid election is in place under applicable Treasury Regulations.

This summary also does not discuss all tax considerations that may be relevant to shareholders in light of their particular circumstances, nor does it address the consequences to shareholders subject to special treatment under the U.S. federal income tax laws, such as:

- dealers or traders in securities or currencies;
- tax-exempt entities;
- cooperatives;
- banks, trusts, financial institutions, or insurance companies;
- persons who acquired shares of Windstream Holdings common stock pursuant to the exercise of employee stock options or otherwise as compensation;
- shareholders who own, or are deemed to own, at least 10% or more, by voting power or value, of Windstream Holdings equity;
- holders owning Windstream Holdings common stock as part of a position in a straddle or as part of a hedging, conversion, constructive sale, synthetic security, integrated investment, or other risk reduction transaction for U.S. federal income tax purposes;
- certain former citizens or former long-term residents of the U.S.;
- holders who are subject to the alternative minimum tax; or
- persons that own Windstream Holdings common stock through partnerships or other pass-through entities.

This summary does not address the U.S. federal income tax consequences to Windstream Holdings shareholders who do not hold shares of Windstream Holdings common stock as a capital asset. Moreover, this summary does not address any state, local, or foreign tax consequences or any estate, gift or other non-federal income tax consequences.

If a partnership (or any other entity treated as a partnership for U.S. federal income tax purposes) holds shares of Windstream Holdings common stock, the tax treatment of a partner in that partnership will generally depend on the status of the partner and the activities of the partnership. Such a partner or partnership is urged to consult its tax advisor as to the tax consequences of the Spin-Off.

YOU ARE URGED TO CONSULT WITH YOUR TAX ADVISOR AS TO THE SPECIFIC U.S. FEDERAL, STATE AND LOCAL, AND NON-U.S. TAX CONSEQUENCES OF THE SPIN-OFF IN LIGHT OF YOUR PARTICULAR CIRCUMSTANCES AND THE EFFECT OF POSSIBLE CHANGES IN LAW THAT MIGHT AFFECT THE TAX CONSEQUENCES DESCRIBED IN THIS INFORMATION STATEMENT.

Treatment of the Spin-Off

Windstream received the IRS Ruling substantially to the effect that, on the basis of certain facts presented and representations and assumptions set forth in the request submitted to the IRS for such IRS Ruling, the Spin-Off will qualify as tax-free under Sections 368(a)(1)(D) and 355 of the Code.

Assuming the Spin-Off qualifies as tax-free under Sections 368(a)(1)(D) and 355 of the Code, for U.S. federal income tax purposes:

- no gain or loss will be recognized by Windstream as a result of the Spin-Off;
- no gain or loss will be recognized by, or be includible in the income of, a holder of Windstream Holdings common stock solely as a result of the receipt of our common stock in the Spin-Off;

- the aggregate tax basis of the shares of Windstream Holdings common stock and shares of our common stock, including any fractional share deemed received, in the hands of each Windstream Holdings shareholder immediately after the Spin-Off will be the same as the aggregate tax basis of the shares of Windstream Holdings common stock held by such holder immediately before the Spin-Off, allocated between the shares of Windstream Holdings common stock and shares of our common stock, including any fractional share deemed received, in proportion to their relative fair market values immediately following the Spin-Off;
- the holding period with respect to shares of our common stock received by Windstream Holdings shareholders will include the holding period of their shares of Windstream Holdings common stock, provided that such shares of Windstream Holdings common stock are held as capital assets immediately following the Spin-Off;
- Windstream Holdings shareholders that have acquired different blocks of Windstream Holdings common stock at different times or at different prices are urged to consult their tax advisors regarding the allocation of their aggregate adjusted basis among, and their holding period of, our shares distributed with respect to blocks of Windstream Holdings common stock; and
- a holder of Windstream Holdings common stock who receives cash in lieu of a fractional share of our common stock in the Spin-Off will recognize capital gain or loss measured by the difference between the tax basis of the fractional share deemed to be received, as determined above, and the amount of cash received.

Although the IRS Ruling generally will be binding on the IRS, the IRS Ruling will be based on certain facts and assumptions, and certain representations and undertakings, from Windstream and us that certain necessary conditions to obtain tax-free treatment under the Code have been satisfied. Furthermore, as a result of the IRS's general ruling policy with respect to distributions under Section 355 of the Code, the IRS does not rule on whether a distribution satisfies certain critical requirements necessary to obtain tax-free treatment under the Code. In particular, the IRS does not rule that a distribution was effected for a valid business purpose, that a distribution does not constitute a device for the distribution of earnings and profits, and that a distribution is not part of a plan described in Section 355(e) of the Code (as discussed below). Accordingly, the Spin-Off is conditioned upon the receipt by Windstream of the Tax Opinion, in which Skadden, Arps, Slate, Meagher & Flom LLP is expected to conclude that the Spin-Off is being effected for a valid business purpose, that the Spin-Off does not constitute a device for the distribution of earnings and profits, and that the Spin-Off is not part of a plan described in Section 355(e) of the Code. In addition, the IRS Ruling does not address the conversion of Windstream Corporation into a limited liability company. Skadden, Arps, Slate, Meagher & Flom LLP is expected to conclude in the Tax Opinion that the conversion qualifies as a tax-tree transaction. Finally, the IRS did not rule on certain requirements for the tax-free treatment of Windstream's receipt and subsequent exchange of CS&L debt securities and CS&L common stock for outstanding Windstream debt. Skadden, Arps, Slate, Meagher & Flom LLP is expected to conclude in the Tax Opinion that such requirements also should be satisfied.

The Tax Opinion will rely on the IRS Ruling as to matters covered by the ruling. The Tax Opinion will be based on, among other things, certain assumptions and representations as to factual matters made by Windstream and CS&L that, if incorrect or inaccurate in any material respect, would jeopardize the conclusions reached by counsel in the Tax Opinion. The Tax Opinion will not be binding on the IRS or the courts, and the IRS or the courts may not agree with the opinion. The Tax Opinion will be expressed as of the date issued and will not cover subsequent periods, and the Tax Opinion will rely on the IRS Ruling. As a result, the Tax Opinion is not expected to be issued until after the date of this information statement. An opinion of counsel represents counsel's best legal judgment based on current law and is not binding on the IRS or any court. We cannot assure you that the IRS will agree with the conclusions expected to be set forth in the Tax Opinion, and it is possible that the IRS or another tax authority could adopt a position contrary to one or all of those conclusions and that a court could sustain that contrary position. If any of the facts, representations, assumptions, or undertakings described or made in connection with the IRS Ruling or the Tax Opinion are not correct, are incomplete or have been violated, the IRS Ruling could be revoked retroactively or modified by the IRS, and our ability to rely on the Tax Opinion could be jeopardized. We are not aware of any facts or circumstances, however, that

would cause these facts, representations, or assumptions to be untrue or incomplete, or that would cause any of these undertakings to fail to be complied with, in any material respect.

If, notwithstanding the conclusions that are included in the IRS Ruling and that we expect to be included in the Tax Opinion, it is ultimately determined that the Spin-Off does not qualify as tax-free under Section 355 and Section 368(a)(1)(D) of the Code, as applicable, for U.S. federal income tax purposes, then Windstream would recognize taxable gain in an amount equal to the excess, if any, of the fair market value of the shares of our common stock held by it over its tax basis in such shares. In addition, each Windstream Holdings shareholder that receives shares of our common stock in the Spin-Off would be treated as receiving a distribution in an amount equal to the fair market value of our common stock that was distributed to the shareholder, which would generally be taxed as a dividend to the extent of the shareholder's *pro rata* share of Windstream's current and accumulated earnings and profits, including Windstream's taxable gain, if any, on the Spin-Off, then treated as a non-taxable return of capital to the extent of the shareholder's basis in the Windstream Holdings stock and thereafter treated as capital gain from the sale or exchange of Windstream Holdings stock.

Even if the Spin-Off otherwise qualifies for tax-free treatment under Sections 368(a)(1)(D) and 355 of the Code, the Spin-Off may result in corporate level taxable gain to Windstream under Section 355(e) of the Code if 50% or more, by vote or value, of our stock or Windstream Holdings' stock is treated as acquired or issued as part of a plan or series of related transactions that includes the Spin-Off. If an acquisition or issuance of our stock or Windstream Holdings' stock triggers the application of Section 355(e) of the Code, Windstream would recognize taxable gain as described above, but the distribution would generally be tax-free to each Windstream Holdings' shareholders, as described above.

U.S. Treasury regulations require certain U.S. Holders who are "significant distributees" and who receive common stock in the Spin-Off to attach to their U.S. federal income tax returns for the year in which the Spin-Off occurs a statement setting forth certain information with respect to the transaction. Windstream Holdings will provide shareholders who receive our common stock in the Spin-Off with the information necessary to comply with such requirement. Holders are urged to consult their tax advisors to determine whether they are significant distributees required to provide the foregoing statement.

Cash in Lieu of Fractional Shares

No fractional shares of our common stock will be distributed to Windstream Holdings shareholders in connection with the Spin-Off. All such fractional shares resulting from the Spin-Off will be aggregated and sold by the transfer agent, and the proceeds, if any, less any brokerage commissions or other fees, will be distributed to Windstream Holdings shareholders in accordance with their fractional interest in the aggregate number of shares sold. A holder that receives cash in lieu of a fractional share of our common stock as a part of the Spin-Off will generally recognize capital gain or loss measured by the difference between the cash received for such fractional share and the holder's tax basis in the fractional share determined as described above. Any such capital gain or loss will be long-term capital gain or loss if an Windstream Holdings shareholder held such stock for more than one year at the time of the Spin-Off. Long-term capital gains generally are subject to preferential rates of U.S. federal income tax for certain non-corporate U.S. holders (including individuals). The deductibility of capital losses is subject to significant limitations.

Conditions to the Spin-Off

We expect that the Spin-Off will be effective on the distribution date, provided that the following conditions, among others, have been satisfied or waived by the board of directors of Windstream Holdings:

- each of the Separation and Distribution Agreement, the Master Lease, the Tax Matters Agreement, the Transition Services Agreement, the Employee Matters Agreement, the Wholesale Master Services Agreement, the Master Services Agreement, the Intellectual Property Matters Agreement, the Reverse Transition Services Agreement and the Stockholder's and Registration Rights Agreement shall have been duly executed and delivered by the parties thereto;

- certain reorganization steps shall have been completed in accordance with the plan of reorganization contemplated in the Separation and Distribution Agreement (the "Reorganization");
- the IRS Ruling shall not have been revoked or modified in any material respect and Windstream Holdings shall have received the Tax Opinion in form and substance satisfactory to Windstream Holdings;
- Windstream shall have received such solvency opinions, each in such form and substance, as it shall deem necessary, appropriate or advisable in connection with the consummation of the Spin-Off;
- the SEC declaring effective CS&L's registration statement on Form 10, of which this information statement is a part, under the Exchange Act, and no stop order relating to the registration statement being in effect, and no proceedings for such purpose shall be pending before, or threatened by, the SEC, and this information statement shall have been mailed to holders of Windstream Holdings' common stock as of the record date;
- all actions and filings necessary or appropriate under applicable federal, state or foreign securities or "blue sky" laws and the rules and regulations thereunder shall have been taken and, where applicable, become effective or been accepted;
- the CS&L common stock to be delivered in the Spin-Off shall have been accepted for listing on NASDAQ, subject to compliance with applicable listing requirements;
- no order, injunction or decree issued by any court of competent jurisdiction or other legal restraint or prohibition preventing consummation of the Spin-Off or the Reorganization, shall be threatened, pending or in effect;
- all required governmental and third-party approvals shall have been obtained and be in full force and effect;
- CS&L shall have entered into the financing transactions described in this information statement and contemplated to occur on or prior to the Spin-Off, and Windstream shall have entered into the financing transactions and credit agreement amendments to be entered into in connection with the Reorganization and the respective amendments thereunder shall have become effective and financings thereunder shall have been consummated and shall be in full force and effect;
- CS&L shall have transferred to Windstream Holdings or its continuing subsidiaries, (x) CS&L debt with a principal amount approximately equal to $2.35 billion, (y) an amount in cash that will not exceed Windstream's total adjusted tax basis in all of the assigned assets, and (z) all of the stock of CS&L;
- Windstream and CS&L shall each have taken all necessary action that may be required to provide for the adoption by CS&L of its Articles of Amendment and Restatement and Amended and Restated Bylaws, and CS&L shall have filed its Articles of Amendment and Restatement with the Maryland State Department of Assessments and Taxation; and
- no event or development shall have occurred or exist that, in the judgment of the board of directors of Windstream Holdings, in its sole discretion, makes it inadvisable to effect the Spin-Off.

The fulfillment of the above conditions will not create any obligation on behalf of Windstream to effect the Spin-Off. Until the Spin-Off has occurred, Windstream has the right to terminate the Spin-Off, even if all the conditions have been satisfied, if the board of directors of Windstream Holdings determines that the Spin-Off is not in the best interests of Windstream Holdings and its shareholders or that market conditions or other circumstances are such that the separation of CS&L and Windstream Holdings is no longer advisable at that time.

Regulatory Approvals

We must complete the necessary registration under U.S. federal securities laws of our common stock, as well as satisfy the applicable NASDAQ listing requirements for such shares. See "—Conditions to the Spin-Off."

No Appraisal Rights

Windstream Holdings shareholders will not have any appraisal rights in connection with the Spin-Off.

Accounting Treatment

At the time of the Spin-Off, the balance sheet of CS&L will include the assets and liabilities associated with Windstream's Distribution Systems and Consumer CLEC Business. The assets and liabilities of CS&L will be recorded at their respective historical carrying values at the time of the Spin-Off in accordance with the provisions of FASB ASC 505-60, "Spinoffs and Reverse Spinoffs."

Financial Advisors

Stephens Inc. and Bank of America Merrill Lynch are providing financial advice in connection with the Spin-Off. Each was retained in connection with the transaction because of such firm's familiarity with Windstream's assets and operations, and such firm's qualifications and reputation.

Reasons for Furnishing this Information Statement

We are furnishing this information statement solely to provide information to Windstream Holdings shareholders who will receive shares of our common stock in the Spin-Off. You should not construe this information statement as an inducement or encouragement to buy, hold or sell any of our securities or any securities of Windstream Holdings. We believe that the information contained in this information statement is accurate as of the date set forth on the cover. Changes to the information contained in this information statement may occur after that date, and neither we nor Windstream Holdings undertake any obligation to update the information except in the normal course of Windstream Holdings' business and our public disclosure obligations and practices.

DIVIDEND POLICY

We intend to elect to be taxed as a REIT for U.S. federal income tax purposes commencing with our taxable year ending December 31, 2015. Commencing with our taxable year ending December 31, 2015, we expect to initially pay dividends in cash in an amount equal to $2.40 per share per annum (which would be equivalent to a $0.60 per share Windstream dividend per annum based on the relative initial capitalization of CS&L and Windstream). After giving effect to the interest in CS&L retained by Windstream, each shareholder at the time of the Spin-Off will receive the equivalent of a $.48 per share Windstream dividend per annum. In no event will the annual dividend be less than 90% of our REIT taxable income on an annual basis, determined without regard to the dividends paid deduction and excluding any net capital gains. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pay regular corporate rates to the extent that it annually distributes less than 100% of its taxable income.

Initially, cash available for distribution to our shareholders will be derived solely from the rental payments under the Master Lease and the income, if any, from operations of the Consumer CLEC Business. All dividends will be made by us at the discretion of our board of directors and will depend on the financial position, results of operations, cash flows, capital requirements, debt covenants (which are expected to include limits on dividends), applicable law and other factors as our board of directors deems relevant. Our board of directors has not yet determined when any dividends will be declared or paid, although we currently expect that dividends will be paid on a quarterly basis. We cannot guarantee, and there can be no assurance, that we will declare or pay any dividends or distributions.

Our pro forma financial results anticipate that we will receive estimated annual rental revenues of $667.2 million and generate annual operating income before taxes of $106.9 million. After adjusting for non-cash depreciation and amortization expense of $347.7 million, we anticipate that we would have sufficient funds to support our projected quarterly dividend. The following table sets forth in greater detail the cash we expect to be available for distribution for the twelve-month period following the Spin-Off.

Dollars in millions, except per share amounts	
Estimated annual cash rental payment	$650.0
Estimated cash expenses:	
Interest expense	215.9
Cash compensation, audit, legal, board of director fees, shareholder-related and other general expenses	25.0
Total cash expenses	240.9
Excess of annual rental payment over cash expenses	409.1
Add: net cash provided from Consumer CLEC Business	8.4
Estimated cash available for distribution	417.5
Estimated annual dividend ($2.40 per share, 150.7 million common shares issued and outstanding)	361.7
Estimated excess cash available after dividend distributions	$ 55.8

Note: Information presented in the table above includes certain estimates with respect to cash interest, other cash expenses and the net cash provided from the Consumer CLEC Business. Such estimates could vary significantly based on market conditions at the time the Spin-Off is consummated and the final pricing terms related to the issuance of $3,650 million in debt by CS&L.

We currently intend to pay quarterly dividends in cash. We anticipate that our dividends will generally be taxable as ordinary income to our shareholders, although a portion of the dividends may be designated by us as qualified dividend income or capital gain or may constitute a return of capital. We will furnish annually to each

of our shareholders a statement setting forth dividends paid during the preceding year and their characterization as ordinary income, return of capital, qualified dividend income or capital gain. For a more complete discussion of the U.S. federal income tax treatment of distributions to our shareholders, see "U.S. Federal Income Tax Considerations—Taxation of Shareholders—Taxation of Taxable U.S. Shareholders."

Our dividend policy enables us to review from time to time alternative funding sources to pay our required distributions. We presently anticipate that any future property acquisitions will be financed through the proceeds of debt we expect to incur in connection with the Spin-Off, other debt financing or the issuance of equity securities. To the extent those funding sources are insufficient to meet our cash needs, or the cost of such financing exceeds the cash flow generated by the acquired properties for any period, cash available for distribution could be reduced. To the extent that our cash available for distribution is less than the amount required to be distributed under the REIT provisions of the Code, we may consider various funding sources to cover any such shortfall, including borrowing under available debt facilities, selling certain of our assets or using a portion of the net proceeds we receive in future offerings. However, the sale of any properties acquired in connection with the Spin-Off within a ten-year period following the Spin-Off may subject us to adverse consequences. See "Risk Factors—Risks Related to Our Taxation as a REIT."

For purposes of satisfying the minimum distribution requirement to qualify for and maintain REIT status, our taxable income will be calculated without reference to our cash flow. Consequently, under certain circumstances, we may not have available cash to pay our required distributions and a portion of our distributions may consist of our stock or our debt instruments. In either event, a shareholder of ours will be required to report dividend income as a result of such distributions even though we distributed no cash or only nominal amounts of cash to such shareholder. The IRS Ruling allows us to make REIT distributions in our first two taxable years in a combination of cash and stock (similar to the Purging Distribution) to satisfy the REIT annual distribution requirement and qualify for the dividends paid deduction for U.S. federal income tax purposes. For more information, see "U.S. Federal Income Tax Considerations—Taxation of REITs in General—Annual Distribution Requirements." We currently believe that we will have sufficient available cash to pay our required distribution for 2015 in cash, but there can be no assurance that this will be the case.

DESCRIPTION OF FINANCING AND MATERIAL INDEBTEDNESS

The following summary sets forth information based on our current expectations about the financing arrangements anticipated to be entered into prior to the Spin-Off. However, we have not yet entered into any commitments with respect to such financing arrangements, and, accordingly, the terms of such financing arrangements have not yet been determined, remain under discussion and are subject to change, including as a result of market conditions.

Senior Notes Issuance

Prior to the Spin-Off, we anticipate that we will issue senior notes with a term of seven to ten years in a total aggregate principal amount, together with the term loans under the credit agreement described below, of up to approximately $3.65 billion, of which approximately $2.35 billion will be issued to Windstream Holdings' wholly owned subsidiary Windstream Subsidiary as partial consideration for the contribution of assets to us by Windstream Subsidiary in connection with the Spin-Off. We expect that Windstream Subsidiary will exchange these notes for outstanding debt of Windstream Subsidiary. The amount of notes to be issued to Windstream Subsidiary was determined by assessing comparable leverage levels for other triple net lease REIT companies. Based on its review of these market factors and through consultation with its advisors, the Company determined that the issuance of $3,650 million in debt by CS&L will provide it a leverage profile consistent with its peer companies while affording sufficient liquidity to support the business and operating plan. The Company also performed a similar analysis to evaluate the post Spin-Off leverage profile of Windstream giving consideration to the primary use of proceeds from the CS&L debt issuance to repay the outstanding indebtedness of Windstream.

We anticipate that the notes will be co-issued by CS&L and our Holding Company and will be guaranteed, jointly and severally, on a senior basis, by certain of our Holding Company's wholly owned subsidiaries, including the Operating Partnership. We also anticipate that a portion of the notes may be secured. The notes are expected to have terms customary for high yield senior notes of this type, including covenants relating to debt incurrence, liens, restricted payments, asset sales, transactions with affiliates, and mergers or sales of all or substantially all of CS&L's assets, and customary provisions regarding optional redemption and events of default.

The foregoing summarizes some of the currently expected terms of our notes. However, the foregoing summary does not purport to be complete, and the terms of the notes have not yet been finalized. There may be changes to the expected principal amount and terms of the notes, some of which may be material. Nothing in this summary or otherwise herein shall constitute or be deemed to constitute an offer to sell or the solicitation of an offer to buy the notes.

Credit Agreement

We anticipate that we will enter into a credit agreement providing for a revolving credit facility in an aggregate principal amount of up to $500 million and a term loan facility in a total aggregate principal amount, together with the senior notes described above, of up to approximately $3.65 billion to be provided by a syndicate of banks and other financial institutions. We expect that approximately $1.1 billion in cash from the proceeds of CS&L's long-term borrowings will be transferred to Windstream Subsidiary together with CS&L common stock and CS&L debt securities in connection with the contribution of assets to us by Windstream Subsidiary in connection with the Spin-Off, and will be used to retire Windstream Subsidiary debt. To the extent we are required to make the Purging Distribution, we expect to use a portion of the proceeds from the borrowing under the credit agreement to pay the Purging Distribution, which we would expect to make by January 31, 2016. The remaining proceeds will be available to us for working capital purposes, to fund acquisitions and for general corporate purposes.

We anticipate that CS&L and our Holding Company will be the co-borrowers under the credit agreement, and that the borrowings under the credit agreement will be guaranteed, jointly and severally, by certain of

CS&L's wholly owned subsidiaries, including the Operating Partnership. The credit agreement is expected to contain customary covenants that, among other things, restrict, subject to certain exceptions, our ability to grant liens on their assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations and pay certain dividends and other restricted payments. We also anticipate that the credit agreement will require us to comply with a financial maintenance covenant to be tested quarterly. We anticipate that the credit agreement will also contain certain customary events of default. We anticipate that CS&L will be required to maintain its status as a REIT on and after the effective date or its election to be treated as a REIT.

The credit agreement is expected to be secured by a pledge of the equity interests in substantially all subsidiaries of CS&L, together with a pledge of substantially all personal property of CS&L and its wholly owned subsidiaries that guaranty the borrowings under the credit agreement.

The foregoing summarizes some of the currently expected terms of our credit agreement. However, the foregoing summary does not purport to be complete, and the terms of the credit agreement have not yet been finalized. There may be changes to the expected size and other terms of the credit agreement, some of which may be material.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2014 on a historical and on a pro forma basis to give effect to the Spin-Off and the transactions related thereto, including the financing transactions, as if they occurred on December 31, 2014. Explanation of the pro forma adjustments made to our combined historical financial statements can be found under "CS&L's Unaudited Pro Forma Combined Financial Data." The following table should be reviewed in conjunction with "CS&L Unaudited Pro Forma Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical combined financial statements and accompanying notes included elsewhere in this information statement.

	Historical December 31, 2014	Pro Forma December 31, 2014
	(in millions)	
Cash and cash equivalents	$ —	$ 167.4
Total debt	$ —	$ 3,650.0
Total equity	2,580.6	(849.4)
Total capitalization	$ 2,580.6	$ 2,800.6

CS&L'S UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

The following unaudited pro forma consolidated financial statements present CS&L's unaudited pro forma combined income statement for the year ended December 31, 2014, and its unaudited pro forma combined balance sheet as of December 31, 2014, which have been derived from the historical financial statements of the Consumer CLEC Business and Distribution Systems included elsewhere in this information statement.

The following unaudited pro forma combined financial statements give effect to the Spin-Off and the related transactions, including: (i) the transfer of certain assets and liabilities from and to Windstream Holdings and CS&L immediately prior to the Spin-Off that are not included in CS&L's historical balance sheet as of December 31, 2014, (ii) the issuance of $3.65 billion of long-term debt by CS&L and the related debt issuance costs and interest expense as further discussed in Notes (A), (B) and (C) below, (iii) the spin-off and distribution of approximately 150.7 million shares of CS&L common stock to Windstream Holdings, of which no less than 80.1 percent of the outstanding shares or at least 120.7 million shares will be distributed to Windstream Holdings stockholders through a tax-free stock dividend with Windstream Holdings retaining a passive ownership interest in up to 19.9 percent of the CS&L common stock or up to 30.0 million shares, a cash payment by CS&L to Windstream Holdings in an amount not to exceed Windstream Holdings' tax basis in the Distribution Systems transferred to CS&L, and the transfer by CS&L of certain of its debt securities to Windstream Holdings; (iv) the rental income associated with the Master Lease between CS&L and Windstream Holdings for the distribution system assets transferred to CS&L; (v) the elimination of certain deferred income tax liabilities in conjunction with the election of REIT status; and (vi) costs related to various services as described in the new Master Services Agreement, Transition Services Agreement and Wholesale Master Services Agreement between CS&L and Windstream Holdings. The unaudited pro forma combined income statement for the year ended December 31, 2014 assumes the Spin-Off and the related transactions occurred on January 1, 2014. The unaudited pro forma combined balance sheet assumes the Spin-Off and the related transactions occurred on December 31, 2014. The pro forma adjustments are based on currently available information and assumptions we believe are reasonable, factually supportable, directly attributable to our separation from Windstream Holdings, and for purposes of the pro forma income statements, are expected to have a continuing impact on us.

The historical financial data has been adjusted to give pro forma effect to events that are directly attributable to the transactions described above, are factually supportable and for purposes of our statement of income are expected to have an ongoing effect. Our unaudited pro forma combined financial statements and explanatory notes present how our financial statements may have appeared had our capital structure reflected the above transactions as of the dates noted above.

The pro forma financial results assume that 100% of taxable income has been distributed and that all relevant REIT qualifying tests, as dictated by the Code and IRS rules and interpretations, were met for the entire periods presented herein.

Our unaudited pro forma combined financial statements were prepared in accordance with Article 11 of Regulation S-X, using the assumptions set forth in the notes to our unaudited pro forma combined financial statements. The following unaudited pro forma combined financial statements are presented for illustrative purposes only and do not purport to reflect the results we may achieve in future periods or the historical results that would have been obtained had the above transactions been completed on January 1, 2014 or as of December 31, 2014, as the case may be. Our unaudited pro forma combined financial statements also do not give effect to the potential impact of current financial conditions, any anticipated synergies, operating efficiencies or cost savings that may result from the transactions described above.

Our unaudited pro forma combined financial statements are derived from and should be read in conjunction with the historical financial statements of the Consumer CLEC Business and Distribution Systems and accompanying notes included elsewhere in this information statement.

We expect to incur incremental general and administrative costs resulting from CS&L operating as an independent publicly-traded entity including cash compensation, audit fees, legal and board of director fees, stock exchange listing fees and other shareholder-related costs estimated to be $20.0 million to $25.0 million on an annual basis. These amounts have not been recorded in the pro forma combined statement of income.

COMMUNICATIONS SALES & LEASING, INC.
UNAUDITED PRO FORMA COMBINED BALANCE SHEET
As of December 31, 2014

(Millions)	As Reported: CLEC Business	As Reported: Distribution Systems	Pro Forma Adjustments		Pro Forma
Assets:					
Real estate investments, net of accumulated depreciation	$ —	$ 2,571.8	$ —		$2,571.8
Cash and cash equivalents	—	—	167.4	(E)	167.4
Accounts receivable, net	1.9	—	—		1.9
Customer list intangible assets, net	14.5	—	—		14.5
Deferred financing costs	—	—	54.8	(B)	54.8
Other assets	0.3	—	—		0.3
Total Assets	$ 16.7	$ 2,571.8	$ 222.2		$2,810.7
Liabilities and Shareholders' Equity					
Current liabilities	$ 2.4	$ —	$ —		$ 2.4
Long-term debt	—	—	3,650.0	(A)	3,650.0
Deferred income taxes	5.5	—	2.2	(F)	7.7
Total liabilities	7.9	—	3,652.2		3,660.1
Net assets	8.8	—	(8.8)	(D)	—
Invested equity	—	2,571.8	(2,571.8)	(D)	—
Common stock	—	—	—		—
Distributions in excess of capital	—	—	(849.4)	(G)	(849.4)
Total shareholders' equity	8.8	2,571.8	(3,430.0)		(849.4)
Total Liabilities and Shareholders' Equity	$ 16.7	$ 2,571.8	$ 222.2		$2,810.7

The accompanying notes are an integral part of the unaudited pro forma combined financial statements.

COMMUNICATIONS SALES & LEASING, INC.
UNAUDITED PRO FORMA COMBINED STATEMENT OF INCOME
For the Year Ended December 31, 2014

(Millions, except per share amounts)	As Reported CLEC Business	Pro Forma Adjustments		Pro Forma	
Revenues and sales:					
Leasing rental revenues	$ —	$ 667.2	(I)	$ 667.2	
Consumer CLEC revenues	36.0	—		36.0	
Total revenues	36.0	667.2		703.2	
Costs and Expenses:					
Cost of revenues	19.0	4.7	(J)	23.7	
Selling, general and administrative	0.1	1.7	(K)	1.8	
Depreciation and amortization	4.6	343.1	(L)	347.7	
Interest	—	223.1	(C)	223.1	
Total costs and expenses	23.7	572.6		596.3	
Income before income taxes	12.3	94.6		106.9	
Income tax expense	—	3.1	(H)	3.1	
Net income	$ 12.3	$ 91.5		$ 103.8	
Earnings per share:					
Basic				$.69	(M)
Diluted				$.69	(M)
Weighted average shares:					
Basic				150.7	(M)
Diluted				150.7	(M)

The accompanying notes are an integral part of the unaudited pro forma combined financial statements.

COMMUNICATIONS SALES & LEASING, INC.
NOTES TO THE UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

Basis of Presentation

Operations — Immediately following the Spin-Off, we will own the Distribution Systems and the Consumer CLEC Business that will be contributed to us from Windstream Holdings. The unaudited pro forma combined financial statements give effect to the Spin-Off and related transactions as discussed above.

Debt Exchange and Debt Retirement — In conjunction with the Spin-Off, while still a wholly owned subsidiary of Windstream Holdings, CS&L will issue to Windstream approximately $2.35 billion in CS&L debt securities consisting of a mixture of secured and unsecured borrowings that may include term loans, secured and unsecured notes. Certain investment banks will exchange approximately $2.35 billion of Windstream debt (previously purchased by them in a tender offer and/or private purchases) for such CS&L debt securities. CS&L will also make a cash payment to Windstream in an amount not to exceed Windstream's tax basis in the Distribution Systems, which was approximately $1.1 billion as of December 31, 2014. Windstream will use the cash payment received from CS&L to retire Windstream Subsidiary debt.

Long-term Lease Agreement — Following the Spin-Off, Windstream Holdings will enter into the Master Lease to lease back the Distribution Systems from CS&L. Under terms of the Master Lease, Windstream Holdings will have the exclusive right to use the Distribution Systems for an initial term of 15 years with up to four, five-year renewal options. If Windstream Holdings renews in the first five years in consideration of CS&L funding certain network improvements, the initial term of the Master Lease will be extended from 15 years to 20 years. Windstream Holdings will be required to pay all property taxes, insurance, and repair or maintenance costs associated with the leased property. The Master Lease will provide for an annual rent of $650.0 million paid in equal monthly installments in advance and is fixed for the first three years. Thereafter, rent will increase on an annual basis at a base rent escalator of 0.5 percent. Future lease payments due under the agreement reset to fair market rental rates upon Windstream Holdings' execution of the renewal options. CS&L will recognize rental revenues from the Master Lease on a straight-line basis to include the effects of base rent escalations over the initial term of the Master Lease.

Pro Forma Adjustments

(A) The issuance of $3.65 billion in debt.

CS&L expects to issue $3.65 billion of long-term debt utilizing a mixture of secured and unsecured borrowings consisting of the following:

	(Millions)
Term loan, variable rate with 7-year maturity	$ 1,050.0
Senior unsecured notes, 7.0% with 10-year maturity	1,110.0
Secured notes, 5.75% with 8-year maturity	1,490.0
Total debt issued	$ 3,650.0

The secured and unsecured notes will be issued in a private placement offering. The weighted average maturity of CS&L's debt is estimated to 8.3 years. The actual mix and maturity of the debt is subject to change depending on a number of factors, including market conditions at the time that the debt is issued.

(B) Debt issuance costs associated with the new debt are estimated to be $54.8 million and will be amortized over the term of the debt instrument.

COMMUNICATIONS SALES & LEASING, INC.
NOTES TO THE UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

(C) Interest expense related to new CS&L debt was computed as follows:

The increase in interest expense was computed as follows:

	(Millions)
Interest expense — Term loan	$ 52.5
Interest expense — Senior unsecured notes	77.7
Interest expense — Secured notes	85.7
Interest expense — Amortization of debt issuance costs	7.2
Net increase in interest expense	$ 223.1

Based on CS&L's current expected debt rating, the weighted-average interest rate on the debt is expected to be approximately 5.9%. In the unaudited pro forma combined income statements, interest expense was calculated assuming constant debt levels throughout the period presented. Interest expense may be higher or lower if CS&L's actual interest rate or credit ratings change. The actual interest rate will depend on market conditions when the debt is issued and the final composition of the debt structure is determined. A 1/8% change to the annual interest rate would change interest expense by approximately $4.6 million on an annual basis.

(D) To reflect distribution of 150.7 million shares of our common stock and the elimination of the net asset and invested equity account balances attributable to the Consumer CLEC Business and the Distribution Systems, respectively.

(E) To reflect cash payment and exchange of certain of CS&L's debt securities for Windstream Subsidiary debt securities. Following the cash payment and other distributions to Windstream Holdings, CS&L's cash balance is estimated to be as follows:

	(Millions)
Issuance of debt, net of issuance costs	$ 3,595.2
Cash payment to Windstream Holdings	(1,077.8)
Exchange of CS&L debt securities for debt securities of Windstream Subsidiary	(2,350.0)
Estimated cash balance	$ 167.4

(F) To record state deferred income taxes related to the Distribution Systems.

(G) The pro forma adjustments to distributions in excess of capital consist of the following:

	(Millions)
Adjustment for net assets of Consumer CLEC Business	$ 8.8
Adjustment for invested equity of Distribution Systems	2,571.8
State deferred income taxes	(2.2)
Cash payment to Windstream Holdings	(1,077.8)
Exchange of CS&L debt securities for debt securities to Windstream Subsidiary	(2,350.0)
Net adjustment to distributions in excess of capital	$ (849.4)

(H) Assumes that CS&L will distribute 100% of taxable income and has met all conditions necessary to be treated as a REIT, and as a result no provision for federal income taxes has been made for the Distribution Systems operations. The Distribution Systems operations will be subject to state and local income taxes in certain jurisdictions. State and local income tax expense was estimated to be $0.7 million for the year ended December 31, 2014, based on applicable statutory rates. As a taxable REIT subsidiary, operations of the

COMMUNICATIONS SALES & LEASING, INC.
NOTES TO THE UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

Consumer CLEC Business will be taxable and tax expense attributable to the Consumer CLEC Business was calculated based on the estimated statutory tax rate of 38.5% and resulted in federal income tax expense of $2.4 million for the year ended December 31, 2014.

(I) To reflect rental income associated with the Master Lease with Windstream Holdings recognized on a straight-line basis to include the effects of base rent escalations over the initial term of the Master Lease.

(J) The pro forma adjustments to cost of revenues consist of the following:

	(Millions)
Adjustment for franchise and gross receipts tax expense	$ 0.3
Transport service charge pursuant to pricing under the Wholesale Master Services Agreement	19.4
Remove interconnection and leased network facilities costs	(15.0)
Net adjustment to cost of revenues	$ 4.7

The Distribution Systems operations will be subject to franchise and gross receipts taxes in certain state jurisdictions. Franchise and gross receipts tax expense was estimated to be $0.3 million for the year ended December 31, 2014.

Prior to the Spin-Off, we will enter into a Wholesale Master Services Agreement with Windstream Holdings pursuant to which Windstream Holdings and its affiliates will provide to us for an agreed upon charge network transport services for the Consumer CLEC Business. The transport service charge under this agreement will be in lieu of interconnection and leased network facilities costs that the Consumer CLEC Business has historically incurred and was estimated to be $19.4 million for the year ended December 31, 2014 based on the pricing for the services provided to us under terms of the Wholesale Master Services Agreement. See “Our Relationship with Windstream after the Spin-Off” for additional information.

(K) Windstream and CS&L will enter into a Transition Services Agreement pursuant to which Windstream and its affiliates will provide to CS&L for an agreed upon charge, on an interim, transitional basis, various services, including but not limited to information technology services, payment processing and collection services, financial and tax services, regulatory compliance and other support services. Windstream and CS&L will also enter into a Master Services Agreement pursuant to which Windstream and its affiliates will provide to CS&L for an agreed upon charge, various services to support the operations of the Consumer CLEC Business transferred to CS&L, including but not limited to information technology services, customer billing, payment processing and collection services, and other customer support services. The fees charged to CS&L for services furnished under the Transition Services Agreement will be based on fixed hourly or monthly rates and are intended to approximate the actual costs incurred by Windstream in providing these services to CS&L. The fees charged to CS&L for services under the Master Services Agreement will be based on fixed hourly or monthly rates as negotiated and available on commercially reasonable terms. Windstream and CS&L will also enter into a Reverse Transition Services Agreement pursuant to which we will provide to Windstream for an agreed upon charge for a term of ninety (90) days or upon completion of an internal billing system conversion, whichever is later, customer support services. The fees charged to Windstream will approximate the actual cost incurred by us in providing these services to Windstream and will reduce amounts owned by us to Windstream under the Transition Services Agreement. The fees charged by us to Windstream are estimated to be less than $0.1 million. See “Our Relationship with Windstream after the Spin-Off” for additional information.

(L) To reflect depreciation expense related to the Distribution Systems transferred to CS&L.

(M) Our pro forma earnings per share are based upon the distribution of one share of our common stock for every four shares of Windstream Holdings common stock, or 150.7 million shares.

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The number of CS&L shares used to compute basic earnings per share for the year ended December 31, 2014 is based on the number of shares of CS&L common stock assumed to be outstanding on the distribution date, based on the number of Windstream common shares outstanding on December 31, 2014, assuming a distribution ratio of one share of CS&L common stock for every four Windstream common shares outstanding. The number of Windstream common shares used to determine the assumed distribution reflects the Windstream common shares outstanding as of December 31, 2014, which is the most current information as of the date of these financial statements.

WINDSTREAM'S UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma consolidated financial statements present Windstream Holdings' unaudited pro forma combined income statement for the year ended December 31, 2014, and its unaudited pro forma consolidated balance sheet as of December 31, 2014, which have been derived from (1) the audited consolidated financial statements of Windstream Holdings included in Windstream Holdings' annual report on Form 10-K as of and for its fiscal year ended December 31, 2014, which are incorporated herein by reference, (2) the statement of assets contributed and liabilities assumed of the Consumer CLEC Business of Windstream Holdings as of December 31, 2014 and statement of revenues and direct expenses for the year ended December 31, 2014, which are included elsewhere in this information statement, and (3) Windstream Holdings' Distribution Systems combined balance sheet as of December 31, 2014, which is included elsewhere in this information statement.

The unaudited pro forma consolidated financial statements present the historical financial statements of Windstream Holdings adjusted to give effect to (i) the transfer of Distribution Systems and the Consumer CLEC Business to CS&L; (ii) the issuance to Windstream Holdings of all the outstanding common stock of CS&L (approximately 150.7 million common shares in the aggregate); (iii) the effect of the debt exchange and debt retirement; (iv) cash payment received by Windstream Holdings from CS&L in an amount not to exceed Windstream Holdings' tax basis in the Distribution Systems transferred to CS&L; (v) the pro rata distribution to Windstream Holdings shareholders of no less than 80.1 percent of the outstanding shares of CS&L common stock as a tax-free stock dividend based on a distribution ratio of one share of CS&L common stock for every four shares of Windstream Holdings common stock issued and outstanding with Windstream Holdings retaining a passive ownership interest in up to 19.9 percent of the CS&L common stock; (vi) the recognition of a lease obligation and related interest expense associated with the Master Lease between CS&L and Windstream Holdings for the Distribution Systems transferred to CS&L; (vii) the adjustment of deferred income tax liabilities in conjunction with the Spin-Off and the related transactions; and (viii) revenues associated with the new Wholesale Master Services Agreement between CS&L and Windstream Holdings. The unaudited pro forma consolidated income statement for the year ended December 31, 2014 assumes the Spin-Off and the related transactions occurred on January 1, 2014. The unaudited pro forma consolidated balance sheet assumes the Spin-Off and the related transactions occurred on December 31, 2014. The pro forma adjustments are based on currently available information and assumptions Windstream Holdings believes are reasonable, factually supportable, directly attributable to the Spin-Off, and for purposes of the pro forma income statements, are expected to have a continuing impact on us.

The historical financial data has been adjusted to give pro forma effect to events that are directly attributable to the transactions described above, are factually supportable and for purposes of our consolidated statement of income are expected to have an ongoing effect. Our unaudited pro forma consolidated financial statements and explanatory notes present how our financial statements may have appeared had our capital structure reflected the above transactions as of the dates noted above.

The unaudited pro forma consolidated financial statements were prepared in accordance with Article 11 of Regulation S-X, using the assumptions set forth in the notes to Windstream Holdings' unaudited pro forma consolidated financial statements. The following unaudited pro forma consolidated financial statements are presented for illustrative purposes only and do not purport to reflect the results Windstream Holdings may achieve in future periods or the historical results that would have been obtained had the above transactions been completed on January 1, 2014 or as of December 31, 2014, as the case may be. Windstream Holdings' unaudited pro forma consolidated financial statements also do not give effect to the potential impact of current financial conditions, any anticipated synergies, operating efficiencies or cost savings that may result from the transactions described above.

The unaudited pro forma consolidated financial statements are derived from and should be read in conjunction with Windstream Holdings' historical financial statements and accompanying notes included in its annual report on Form 10-K as of and for its fiscal year ended December 31, 2014, which are incorporated herein by reference.

WINDSTREAM HOLDINGS, INC.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
As of December 31, 2014

(Millions)	As Reported	Receipt of Cash Payment and Exchange of CS&L Debt Securities for Windstream Corp. Debt Securities		Other Pro Forma Adjustments		Pro Forma
Assets						
Cash and cash equivalents	$ 27.8	$ 1,077.8	(A)	$(1,105.6)	(E)	$ —
Accounts receivable, net of allowance for doubtful accounts	635.5	—		(1.9)	(F)	633.6
Current deferred income taxes	105.4	—		55.1	(I)	160.5
Other current assets	235.0	—		27.8	(G)	262.8
Investment in CS&L	—	—		883.0	(B)	883.0
Goodwill	4,352.8	—		(7.9)	(H)	4,344.9
Other intangibles, net	1,764.0	—		(14.5)	(F)	1,749.5
Net property, plant and equipment	5,412.3	—		—		5,412.3
Other assets	180.6	—		(20.5)	(A)	160.1
Total Assets	$12,713.4	$ 1,077.8		$ (184.5)		$13,606.7
Liabilities						
Cash overdraft	$ —	$ —		$ 48.0	(E)	$ 48.0
Current maturities of long-term debt	717.5	(711.5)	(A)	—		6.0
Current portion of long-term lease obligation	—	—		141.3	(C)	141.3
Advance payments and customer deposits	214.7	—		(1.2)	(F)	213.5
Other current liabilities	1,110.8	—		(1.2)	(F)	1,109.6
Long-term debt	7,934.2	(1,638.5)	(A)	(1,045.0)	(A)	5,250.7
Long-term lease obligation	—	—		4,990.5	(C)	4,990.5
Deferred income taxes	1,878.6	—		(1,499.6)	(I)	379.0
Other liabilities	632.8	—		(20.2)	(E)	612.6
Total liabilities	12,488.6	(2,350.0)		2,612.6		12,751.2
Shareholders' equity	224.8	3,427.8	(A)	(2,797.1)	(J)	855.5
Total Liabilities and Shareholders' Equity	$12,713.4	$ 1,077.8		$ (184.5)		$13,606.7

The accompanying notes are an integral part of the unaudited pro forma condensed consolidated financial statements.

WINDSTREAM HOLDINGS, INC.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME
For the Year Ended December 31, 2014

(Millions, except per share amounts)	As Reported	Pro Forma Adjustments		Pro Forma
Revenues and sales:				
Service revenues	$ 5,647.6	$ (16.6)	(K)	$5,631.0
Product sales	181.9	—		181.9
Total revenues and sales	5,829.5	(16.6)		5,812.9
Costs and expenses:				
Cost of services	2,719.3	(4.0)	(L)	2,715.3
Cost of products sold	156.6	—		156.6
Selling, general and administrative	983.8	—		983.8
Depreciation and amortization	1,386.4	14.6	(M)	1,401.0
Merger and integration costs	40.4	(15.4)	(N)	25.0
Restructuring charges	35.9	—		35.9
Total costs and expenses	5,322.4	(4.8)		5,317.6
Operating income	507.1	(11.8)		495.3
Other income, net	0.1	—		0.1
Interest expense	(571.8)	(354.0)	(D)	(925.8)
Loss from continuing operations before income tax benefit	(64.6)	(365.8)		(430.4)
Income tax benefit	(25.1)	(142.7)	(O)	(167.8)
Net loss	$ (39.5)	$ (223.1)		$ (262.6)
Loss per share:				
Basic and diluted	($.07)			($.44)
Weighted average shares:				
Basic	596.9			596.9
Diluted	596.9			596.9

The accompanying notes are an integral part of the unaudited pro forma condensed consolidated financial statements.

NOTES TO WINDSTREAM HOLDINGS' UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

Operations — Immediately following the Spin-Off, Windstream Holdings will continue to provide advanced network communications and technology solutions to businesses and customers through its existing operations. The unaudited pro forma consolidated financial statements give effect to the Spin-Off and related transactions as discussed above.

Debt Exchange and Debt Retirement — In conjunction with the Spin-Off, while still a wholly owned subsidiary of Windstream Holdings, CS&L will issue to Windstream approximately $2.35 billion in CS&L debt securities consisting of a mixture of secured and unsecured borrowings that may include term loans, secured and unsecured notes. Certain investment banks will exchange approximately $2.35 billion of Windstream debt (previously purchased by them in a tender offer and/or private purchases) for such CS&L debt securities. CS&L will also make a cash payment to Windstream in an amount not to exceed Windstream's tax basis in the Distribution Systems, which was approximately $1.1 billion as of December 31, 2014. Windstream will use the cash payment received from CS&L to retire Windstream Subsidiary debt.

Long-term Lease Obligation — Windstream Holdings will enter into a Master Lease to lease back the Distribution Systems from CS&L. Under terms of the Master Lease, Windstream Holdings will have the exclusive right to use the Distribution Systems for an initial term of 15 years with up to four, five-year renewal options. If Windstream Holdings renews in the first five years in consideration of CS&L funding certain network improvements, the initial term of the Master Lease will be extended from 15 years to 20 years. Windstream Holdings will be required to pay all property taxes, insurance, and repair or maintenance costs associated with the leased property. The Master Lease will provide for an annual rent of $650.0 million paid in equal monthly installments in advance and is fixed for the first three years. The effective interest rate on the long-term lease obligation is 10.15%. Thereafter, rent will increase on an annual basis at a base rent escalator of 0.5 percent. Future lease payments due under the agreement reset to fair market rental rates upon Windstream Holdings' execution of the renewal options.

Due to various forms of continuing involvement, including Windstream Subsidiary remaining the legal counterparty to the various easements, permits and pole attachment agreements related to the Distribution Systems, the transaction will be accounted for as a failed spin-leaseback. As a result, the net book value of the Distribution Systems will continue to be reported in Windstream Holdings' consolidated balance sheet and will be fully depreciated over the initial lease term of 15 years. Windstream Holdings will also record a lease obligation equal to the sum of the minimum future annual lease payments over the initial 15-year lease term discounted to the present value based on Windstream Subsidiary's incremental borrowing rate. As annual payments are made, a portion of the payment will decrease the long-term lease obligation with the balance of the payment charged to interest expense using the effective interest method. The effective interest rate on the long-term lease obligation is 10.15%.

Recently Adopted Accounting Standards — As permitted, during the fourth quarter of 2014, Windstream Holdings early adopted authoritative guidance related to the reporting of discontinued operations. Because the Consumer CLEC Business does not represent for Windstream Holdings a strategic shift or major line of business, the Consumer CLEC Business does not qualify as a discontinued operation under the new accounting standards.

Pro Forma Adjustments

The adjustments reflect the following related to the Spin-Off:

(A) The retirement of Windstream Subsidiary long-term debt from the $2.35 billion tax-free debt exchange and the use of the cash payment received from CS&L in the Spin-Off. As a result, Windstream Subsidiary

NOTES TO WINDSTREAM HOLDINGS' UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

expects to retire approximately $3.4 billion of its long-term debt obligations consisting of Tranches A3, A4 and B4 term loans and its revolving line of credit borrowings outstanding under its senior secured credit facility along with a combination of certain debentures and notes issued by Windstream Subsidiary and its subsidiaries. The actual composition of debentures and notes will depend on a number of factors, including market conditions at the time that the debt is repaid. In the unaudited pro forma condensed consolidated financial statements, Windstream Subsidiary has assumed the repayment of debt to be comprised of the following:

	(Millions)
Senior secured credit facility — Tranche A3	$ 344.3
Senior secured credit facility — Tranche A4	255.0
Senior secured credit facility — Tranche B4	1,318.1
Senior secured credit facility — Revolving line of credit	625.0
Debentures and notes - various	850.0
	3,392.4
Unamortized premium on long-term debt	2.6
Total debt repayment	$ 3,395.0

The other pro forma adjustments to long-term debt consist of the following:

	(Millions)
Repayment in cash of certain long-term debt obligations of Windstream Subsidiary	$(1,042.4)
Write-off of unamortized premium on long-term debt extinguishment	(2.6)
	$(1,045.0)

In conjunction with the repayment of debt, Windstream Subsidiary expects to terminate seven of its ten interest rate swaps designated as cash flow hedges of the variable cash flows paid on the senior secured credit facility. Upon termination of the seven interest rate swaps, Windstream Subsidiary will reclassify from accumulated other comprehensive income to other income, net a loss of $0.5 million, net of tax. The reclassification from accumulated other comprehensive income is based on the assumption that the cash flows associated with the hedges going forward are no longer probable of occurring due to the amount of the debt retirement.

For purposes of the pro forma condensed consolidated financial statements, Windstream Subsidiary has accounted for the debt exchange and debt retirement as an extinguishment. Certain of the debentures and notes that will be repaid from the cash payment received from CS&L include a call right allowing Windstream Subsidiary to repurchase the debt at 104% of par value. The pretax loss on extinguishment of debt of $51.9 million (inclusive of the write-off of $20.5 million in unamortized debt issuance costs, the call right premium of $34.0 million and $2.6 million in unamortized premium on long-term debt and the loss on the termination of the interest rate swaps) have not been included as a pro forma adjustment to the condensed consolidated statement of income due to its non-recurring nature but has been recorded in the condensed consolidated balance sheet as of December 31, 2014. The difference in the fair value of the Windstream Subsidiary long-term debt and its carrying value at the date of extinguishment is expected to be immaterial. A 1% decrease in the fair value of the extinguished debt would result in an additional pretax loss of $33.9 million.

(B) To reflect the retained 19.9% ownership interest in available-for-sale CS&L common stock recorded at estimated fair value at the date of Spin-Off of $883.0 million. The fair value is based on the midpoint of the

NOTES TO WINDSTREAM HOLDINGS' UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

expected share value of the CS&L common stock. A 10% change in the fair value would result in a change in the fair value of this investment of approximately $88.3 million. Windstream Holdings intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions to retire debt.

(C) To reflect the long-term lease obligation, including the current portion of the liability, resulting from the Master Lease with CS&L.

(D) To reflect the interest expense associated with the long-term lease obligation, net of reduction in interest expense, due to the retirement of existing debt. The net increase in interest expense was computed as follows:

	(Millions)
Interest expense — Long-term lease obligation	$ 508.7
Interest expense — Senior secured credit facility	(80.2)
Interest expense — Debentures and notes	(65.9)
Interest expense — Interest rate swaps	(8.6)
Net increase in interest expense	$ 354.0

The reduction in interest expense attributable to the debentures and notes issued by Windstream Subsidiary and its subsidiaries was calculated based on the weighted-average interest rate of these borrowings, which is 7.75%. The actual interest expense reduction may be higher or lower depending upon the actual composition of the debentures and notes that are repaid. A 1/8% change to the weighted-average interest rate would change interest expense by approximately $1.1 million on an annual basis.

(E) The other pro forma adjustments to cash and cash equivalents and the resulting cash overdraft consist of the following:

	(Millions)
Cash and cash equivalents following receipt of cash payment from CS&L	$ 1,105.6
Repayment of certain long-term debt obligations of Windstream Subsidiary	(1,042.4)
Payment of call right premium	(34.0)
Payment to settle certain interest rate swaps	(20.2)
Payment of transaction fees and expenses	(57.0)
Cash overdraft	$ (48.0)

Windstream Subsidiary expects to incur approximately $57.0 million in fees and expenses in connection with completing the transaction, which may not be deductible for income tax purposes, and to pay $20.2 million to terminate the interest rate swaps. These costs have not been included as a pro forma adjustment to the condensed consolidated statement of income due to their non-recurring nature but have been recorded in the condensed consolidated balance sheet as of December 31, 2014.

(F) To reflect the transfer of assets and liabilities from the Consumer CLEC Business to CS&L.

(G) Changes to other current assets consist of the following:

	(Millions)
Adjustment to reflect transfer of Consumer CLEC Business to CS&L	$ (0.3)
Record income tax benefits associated with loss on extinguishment of debt and payment to settle interest rate swaps	28.1
	$ 27.8

NOTES TO WINDSTREAM HOLDINGS' UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

(H) In accordance with U.S. GAAP, this adjustment allocates, using the relative fair value method, reporting unit goodwill to the disposal of the Consumer CLEC Business.

(I) To adjust Windstream Holdings' deferred tax assets and liabilities as follows:

(Millions)	Current Deferred Tax Assets	Non-Current Deferred Tax Liabilities
Adjust deferred income tax liabilities to reflect transfer of Consumer CLEC Business to CS&L	$ —	$ (5.5)
Adjust deferred income tax liabilities to reflect transfer of Distribution Systems to CS&L	—	420.3
Adjust deferred income tax liabilities to reflect settlement of interest rate swaps	—	8.3
Adjust deferred income tax liabilities for taxable gains recognized in conjunction with the Spin-Off	—	15.8
Record deferred income tax asset for long-term term lease obligation	55.1	(1,946.3)
Adjust deferred income tax assets and related valuation allowances to reflect entity restructurings completed in conjunction with the Spin-Off	—	(8.3)
Adjust deferred income tax liabilities to reflect entity restructurings completed in conjunction with the Spin-Off	—	16.1
Net adjustment to deferred income taxes	$ 55.1	$ (1,499.6)

(J) The other pro forma adjustments to shareholders' equity consist of the following:

	(Millions)
Remove net assets of Consumer CLEC Business transferred to CS&L and related goodwill	$ (22.2)
Record Windstream Holdings' 19.9% retained interest in CS&L at estimated fair value	883.0
Loss on extinguishment of debt	(51.9)
Payment of transaction fees and expenses	(57.0)
Record long-term lease obligation	(5,131.8)
Record income tax benefits associated with loss on extinguishment of debt and payment to settle interest rate swaps	28.1
Adjust current deferred income taxes for current portion of long-term lease obligation	55.1
Adjust deferred income taxes for effects of the Spin-Off and debt-related transactions	1,499.6
Net adjustment to shareholders' equity	$(2,797.1)

(K) To adjust service revenues as follows:

	(Millions)
Remove revenues of Consumer CLEC Business transferred to CS&L	$ (36.0)
Record wholesale revenues from CS&L earned under the Wholesale Master Services Agreement	19.4
Net adjustment to service revenues	$ (16.6)

NOTES TO WINDSTREAM HOLDINGS' UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

Prior to the Spin-Off, Windstream Holdings will enter into a Wholesale Master Services Agreement with CS&L pursuant to which Windstream Holdings and its affiliates will provide to CS&L for an agreed upon charge network transport services to the Consumer CLEC Business. Wholesale revenues earned by Windstream Holdings were estimated to be $19.4 million for the year ended December 31, 2014 based on the pricing for the services provided to CS&L under terms of the Wholesale Master Services Agreement.

(L) To adjust cost of service as follows:

	(Millions)
Remove expenses of Consumer CLEC Business transferred to CS&L	$ (19.0)
Record interconnection and leased network facilities costs incurred by Windstream to provide network transport services to CS&L	15.0
Net adjustment to cost of service	$ (4.0)

In providing network transport services to CS&L under the Wholesale Master Services Agreement, Windstream Holdings will incur interconnection and leased network facilities costs estimated to be $15.0 million for the year ended December 31, 2014 based on the historical amount of these expenses incurred by the Consumer CLEC Business in providing service to its customers.

(M) To adjust depreciation and amortization expense as follows:

	(Millions)
Record additional depreciation expense to fully depreciate the Distribution Systems at the end of the initial 15-year lease term	$ 19.2
Adjust amortization expense to reflect Consumer CLEC Business customer lists transferred to CS&L	(4.6)
Net adjustment to depreciation and amortization expense	$ 14.6

(N) To eliminate non-recurring transaction costs and expenses incurred during the period that directly related to the Spin-Off.

(O) The pro forma adjustments were tax effected using the Windstream Holdings estimated statutory tax rate of 39.0%.

SELECTED COMBINED HISTORICAL FINANCIAL DATA

The following table sets forth selected financial data for CS&L (as described below) on a historical basis. Prior to the Spin-Off, we will not have operated the Consumer CLEC Business separate from Windstream, nor have we commenced our leasing business.

The selected combined historical financial data as of December 31, 2014 and 2013 and for the years ended December 31, 2014, 2013 and 2012 has been derived from the audited financial statements of the Consumer CLEC Business and Distribution Systems included elsewhere in this information statement.

Certain information included elsewhere in this information and note disclosures normally included in the annual combined financial statements have been condensed or omitted, as permitted under applicable rules and regulations. Our management believes the assumptions underlying the combined financial statements and accompanying notes are reasonable. However, such combined financial statements may not necessarily reflect our financial condition and results of operations in the future, or what they would have been had we been a separate, stand-alone company during the periods presented. The results of operations presented in the combined financial statements are not necessarily representative of operations for the entire year.

The following should be read in conjunction with the combined financial statements, accompanying notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” each of which are included elsewhere in this information statement.

	As of or For the Year Ended December 31,		
(Millions)	2014	2013	2012
Revenues	$ 36.0	$ 45.1	$ 63.5
Revenues in excess of direct expenses	$ 12.3	$ 16.5	$ 24.5
Balance sheet data			
Total assets	$ 2,588.5	$ 2,704.9	$ 29.4(b)
Total liabilities	$ 7.9	$ 9.7	$ 13.1
Total equity	$ 2,580.6(a)	$ 2,695.2(a)	*

* - Information not applicable for periods presented.
(a) - Includes net assets contributed of the Consumer CLEC Business.
(b) - Does not includes Distribution Systems.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of (i) our anticipated financial condition immediately following the Spin-Off and (ii) CS&L's historical results of operations of the Consumer CLEC Business that we will own and operate following the Spin-Off. The Distribution Systems, which we will own following the Spin-Off, were not operated by Windstream Holdings as a stand-alone business, and accordingly, there are no historical results of operations related to these assets. The following should be read in conjunction with CS&L's historical financial statements and accompanying notes of the Consumer CLEC Business and the Distribution Systems, as well as our unaudited pro forma combined financial statements and accompanying notes, each of which are included elsewhere in this information statement. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those projected, forecasted or expected in these forward-looking statements as a result of various factors, including those which are discussed below and elsewhere in this information statement. See also "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." Prior to the Spin-Off, we will not have operated our Consumer CLEC Business separate from Windstream Holdings. CS&L's historical results of operations include the results of operations of the Consumer CLEC Business that Windstream Holdings will contribute to us prior to the Spin-Off, and our management believes the assumptions underlying CS&L's historical financial statements and accompanying notes are reasonable. However, such financial statements may not necessarily reflect our financial condition and results of operations in the future, or what they would have been had we been a separate, stand-alone company during the periods presented.

OVERVIEW

At the time of the Spin-Off, the Company will own the assets currently owned by Windstream Holdings constituting its Distribution Systems and Consumer CLEC Business. The Distribution Systems will be leased to Windstream Holdings pursuant to the Master Lease.

Following the Spin-Off, we will be a publicly traded, self-administered REIT primarily engaged in the ownership, acquisition and leasing of telecommunications assets. We expect to generate revenues primarily by leasing telecommunications assets to telecommunications operators in triple-net lease arrangements, under which the tenant is primarily responsible for the costs related to the assets (including property taxes, insurance, and maintenance and repair costs). We expect to grow our portfolio by pursuing opportunities to acquire additional facilities that will be leased to a diverse group of local, regional and national telecommunications providers, which may include Windstream Holdings, as well as related businesses. We also anticipate diversifying our portfolio over time, including by acquiring assets in different geographic markets, and in different asset classes.

We intend to elect to be taxed as a REIT for U.S. federal income tax purposes commencing with our taxable year ending December 31, 2015. We intend to operate in what is commonly referred to as an UPREIT structure, in which substantially all of our properties and assets other than the Consumer CLEC Business will be held through our indirect wholly owned Operating Partnership. The Operating Partnership is managed by our indirect wholly-owned subsidiary, GP LLC, which is the sole general partner of the Operating Partnership. While GP LLC will be responsible for the management of the Operating Partnership in accordance with Delaware law and the Operating Partnership's limited partnership agreement, GP LLC will not have any employees (all employees will be at the Operating Partnership level), and the directors and officers of the Company who are identified in this information statement under the heading "Management" will control the management decisions made by GP LLC. The Company, GP LLC and the Operating Partnership will initially lack certain non-management administrative capabilities, and accordingly the Company will be entering into the Transition Services Agreement pursuant to which Windstream will provide administrative services that are customary for a transaction such as the Spin-Off for a limited transition period.

To maintain REIT status, we must meet a number of organizational and operational requirements, including a requirement that we annually distribute to our shareholders at least 90% of our REIT taxable income,

determined without regard to the dividends paid deduction and excluding any net capital gains. See “U.S. Federal Income Tax Considerations.”

COMPONENTS OF OUR REVENUES AND EXPENSES FOLLOWING THE SPIN-OFF

Revenues

Following the Spin-Off, we expect our earnings to primarily be attributable to rental revenues from the leasing of our Distribution Systems to Windstream Holdings pursuant to the Master Lease. Under the Master Lease, Windstream Holdings will be primarily responsible for the costs related to operating the Distribution Systems, including property taxes, insurance, and maintenance and repair costs. The lease will have an initial term of 15 years with four (4) five-year renewal options and will encompass approximately 37 distinct market areas. The rent for the initial term will be a fixed amount set near the time of the Spin-Off. We currently anticipate that the initial estimated annual rent under the Master Lease will be approximately $650 million during the first three years of the Master Lease. Commencing with the fourth year of the Master Lease and continuing for the remainder of the initial term, under the Master Lease, the rent is subject to annual escalation of 0.5%. Each five-year renewal option will provide Windstream Holdings the opportunity to renew any or all of the market areas. The rent for the first year of each renewal term will be an amount agreed to by us and Windstream Holdings, or if we are unable to agree, the renewal rent will be determined by an independent appraisal process. Commencing with the second year of each renewal term, the renewal rent will increase at an escalation rate of 0.5%. Rental revenues over the 15 year initial term of the Master Lease will be recognized in the financial statements on a straight line basis, or approximately $667.2 million per year.

General and Administrative Expenses

General and administrative costs are expected for items such as compensation costs (including stock-based compensation awards), professional services, office costs and other costs associated with administrative activities. To the extent requested by us, Windstream Holdings will provide us with certain administrative and support services on a transitional basis pursuant to the Transition Services Agreement. We expect that the fees charged to us for transition services furnished pursuant to the Transition Services Agreement will approximate the actual cost incurred by Windstream Holdings in providing such transition services to us for the relevant period.

General and administrative expenses are anticipated to be approximately $20.0 million to $25.0 million in the first year after the Spin-Off, consisting of cash compensation, professional services, administration and other costs and transitional services costs. These amounts were determined based on the experience of management and discussions with outside service providers, consultants and advisors. Non-cash stock-based compensation, incentive-based cash compensation and acquisition costs are not included in these amounts. The details of our future anticipated equity grants and compensation have not yet been determined for our board of directors or executive officers. The amount of compensation-related expense, including incentive-based cash compensation and non-cash stock compensation expense, actually incurred by us in the first year after the Spin-Off will be based on determinations by our compensation committee and board of directors following the Spin-Off.

Depreciation and Amortization Expense

We will incur depreciation and amortization expense for the property, plant, and equipment and customer list intangible assets transferred to us from Windstream Holdings, which is expected to be between $340.0 million and $350.0 million in the first year after the Spin-Off. This amount was determined based on the remaining useful lives of the assets as of December 31, 2014.

Operations of the Consumer CLEC Business TRS

We will own and operate a competitive local exchange carrier business offering voice, broadband, long distance and value-added services to consumer customers, which will operate as a TRS. Substantially all of the

network assets used to provide these services to customers are contracted through interconnection agreements with other carriers. Following the Spin-Off, we intend to market these services to new residential customers in the service areas covered by these operations. As a result, we expect the rate of decline in the revenues of this business to moderate over time. As a TRS, we expect the Consumer CLEC Business will be taxed at a statutory rate of 38.5%.

Interest Expense

We will incur interest expense from our borrowing obligations and the amortization of our debt issuance costs related to our indebtedness. Our current estimate of debt outstanding following the Spin-Off is approximately $3,650.0 million in outstanding borrowings, and annual interest costs of approximately $215.9 million based on a weighted average interest rate of 5.9%. See “Liquidity and Capital Resources” below for more information.

DISCUSSION OF HISTORICAL RESULTS OF OPERATIONS OF THE CONSUMER CLEC BUSINESS

Basis of Presentation

CS&L’s historical financial statements of the Consumer CLEC Business were prepared on a stand-alone basis and were derived from the consolidated financial statements and accounting records of Windstream Holdings. These statements reflect the historical financial condition and results of operations of the Consumer CLEC Business, which we will own following the Spin-Off, in accordance with GAAP. All intercompany transactions and accounts have been eliminated.

Operating Results

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

(Millions)	2014	2013	(Decrease) Amount	(Decrease) %
Revenues	$36,015	$45,126	$(9,111)	(20)%
Direct expenses:				
Cost of revenues	19,060	23,239	(4,179)	(18)%
Selling, general and administrative	80	121	(41)	(34)%
Amortization	4,586	5,253	(667)	(13)%
Total direct expenses	23,726	28,613	(4,887)	(17)%
Revenues in excess of direct expenses	$12,289	$16,513	$(4,224)	(26)%

Revenues

Revenues principally consist of voice, broadband, long-distance, and value-added services to residential customers in primarily rural markets where Windstream provides access to or usage of leased networks and facilities. Revenues also include sales of customer premise equipment and routers. Presently, Windstream no longer accepts new residential customers in these service areas. In addition to no longer acquiring new customers, competition from wireless carriers, cable companies and other providers using emerging technologies has also contributed to a decline in the number of residential customers served by the Consumer CLEC Business. As of December 31, 2014, the number of customers served was approximately 54,000 compared to approximately 77,000 at December 31, 2013, a decrease of 23,000 customers or 30 percent. As a result, the decrease in revenues primarily reflected the decline in customers due to the effects of competition and customer attrition.

Cost of revenues

Cost of revenues expense primarily consists of charges incurred for interconnection, bad debt and customer support. Interconnection expense consists of charges incurred to access the public switched network and transport traffic to the Internet, including charges paid to other carriers to lease network facilities where we do not own network infrastructure. The decrease primarily reflected a reduction in interconnection costs due to lower usage of other carriers' networks consistent with the decline in the number of customers served by the Consumer CLEC Business as noted above. Customer support costs also decreased primarily due to the decline in customers served.

Selling, general, and administrative

Selling, general, and administrative expenses include costs resulting from sales and marketing efforts, including advertising and sales. The decrease was attributable to a reduction in compensation-related costs for the consumer sales force reflecting Windstream's decision to no longer accept new residential customers in the residential areas served by the Consumer CLEC Business.

Amortization

Windstream acquired certain consumer CLEC operations and customers through various acquisitions completed prior to 2011. In connection with the purchase price allocation for these acquisitions, Windstream recorded the estimated fair value of consumer CLEC customer list intangible assets at the dates of acquisition. The customer list intangible assets attributable to the Consumer CLEC Business are amortized using the sum-of-the-years digits method over their estimated useful lives. The effect of using an accelerated amortization method results in incremental declines in amortization expense each period as the related customer lists amortize.

Year Ended December 31, 2013 Compared to Year Ended December 31, 2012

(Thousands)	2013	2012	(Decrease) Amount	%
Revenues	$45,126	$63,478	$(18,352)	(29)%
Direct expenses:				
Cost of revenues	23,239	32,362	(9,123)	(28)%
Selling, general and administrative	121	682	(561)	(82)%
Amortization	5,253	5,921	(668)	(11)%
Total direct expenses	28,613	38,965	(10,352)	(27)%
Revenues in excess of direct expenses	$16,513	$24,513	$ (8,000)	(33)%

Revenues

The decrease in revenues primarily reflected a reduction in customers due to the effects of competition and customer attrition resulting from Windstream's decision in 2012 to no longer market services to new residential customers. As of December 31, 2013, the number of customers served was approximately 77,000 compared to approximately 99,000 at December 31, 2012, a decrease of 22,000 customers or 22 percent.

Cost of revenues

The decrease primarily reflected a reduction in interconnection costs due to lower usage of other carriers' networks consistent with the decline in the number of customers served by the Consumer CLEC Business as noted above. Customer support costs also decreased primarily due to the decline in customers served.

Selling, general, and administrative

The decrease was primarily attributable to a reduction in compensation-related costs for the consumer sales force reflecting Windstream's decision in 2012 to no longer accept new customers in the residential areas served by the Consumer CLEC Business.

Amortization

The decrease in amortization expense reflected the use of sum-of-the-years digits method to amortize the customer list intangible assets. As previously noted, the effect of using an accelerated amortization method results in incremental declines in expense each period as the related customer lists amortize.

Non-GAAP Measurements

We believe that net income, as defined by GAAP, is the most appropriate earnings measure. We also believe that Funds From Operations ("FFO"), as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), and Funds Available for Distribution ("FAD") are important non-GAAP supplemental measures of operating performance for a REIT. Because the historical cost accounting convention used for real estate assets requires the recognition of depreciation expense except on land, such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a REIT that uses historical cost accounting for depreciation could be less informative. Thus, NAREIT created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. FFO is defined by NAREIT as net income computed in accordance with GAAP, excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization and impairment charges. We compute FFO in accordance with NAREIT's definition. FAD is defined as FFO excluding noncash expenses such as stock-based compensation expense and amortization of deferred financing costs. We believe that the use of FFO and FAD, combined with the required GAAP presentations, improves the understanding of operating results of REITs among investors and makes comparisons of operating results among such companies more meaningful. We consider FFO and FAD to be useful measures for reviewing comparative operating and financial performance because, by excluding gains or losses from real estate dispositions, impairment charges and real estate depreciation and amortization, and, for FAD, by excluding non-cash expenses such as stock-based compensation expense and amortization of deferred financing costs, FFO and FAD can help investors compare our operating performance between periods and to other REITs. While FFO and FAD are relevant and widely used measures of operating performance of REITs, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating performance. FFO and FAD do not purport to be indicative of cash available to fund our future cash requirements. Further, our computation of FFO and FAD may not be comparable to FFO and FAD reported by other REITs that do not define FFO in accordance with the current NAREIT definition or that interpret the current NAREIT definition or define FAD differently than we do.

The following table reconciles our calculations of FFO and FAD to net income, the most directly comparable GAAP financial measure, on a pro forma basis for the year ended December 31, 2014:

	For the Year Ended December 31, 2014
Net income	$ 103.8
Depreciation and amortization	347.7
FFO	451.5
Amortization of deferred financing costs	7.2
FAD	$ 458.7

LIQUIDITY AND CAPITAL RESOURCES

Senior Notes Issuance

Prior to the Spin-Off, we anticipate that we will issue senior notes with a term of seven to ten years in a total aggregate principal amount, together with the term loans under the credit agreement described below, of up to approximately $3.65 billion, of which approximately $2.35 billion will be issued to Windstream Holdings' wholly owned subsidiary Windstream Subsidiary as partial consideration for the contribution of assets to us by Windstream Subsidiary in connection with the Spin-Off. We expect that Windstream Subsidiary will exchange these notes for outstanding debt of Windstream Subsidiary. The amount of notes to be issued to Windstream Subsidiary was determined by assessing comparable leverage levels for other triple net lease REIT companies. Based on its review of these market factors and through consultation with its advisors, the Company determined that the issuance of $3,650 million in debt by CS&L will provide it a leverage profile consistent with its peer companies while affording sufficient liquidity to support the business and operating plan. The Company also performed a similar analysis to evaluate the post Spin-Off leverage profile of Windstream giving consideration to the primary use of proceeds from the CS&L debt issuance to repay the outstanding indebtedness of Windstream.

We anticipate that the notes will be co-issued by CS&L and our Holding Company and will be guaranteed, jointly and severally, on a senior basis, by certain of our Holding Company's wholly owned subsidiaries, including the Operating Partnership. We also anticipate that a portion of the notes may be secured. The notes are expected to have terms customary for high yield senior notes of this type, including covenants relating to debt incurrence, liens, restricted payments, asset sales, transactions with affiliates, and mergers or sales of all or substantially all of CS&L's assets, and customary provisions regarding optional redemption and events of default.

The foregoing summarizes some of the currently expected terms of our notes. However, the foregoing summary does not purport to be complete, and the terms of the notes have not yet been finalized. There may be changes to the expected principal amount and terms of the notes, some of which may be material. Nothing in this summary or otherwise herein shall constitute or be deemed to constitute an offer to sell or the solicitation of an offer to buy the notes.

Credit Agreement

We anticipate that we will enter into a credit agreement providing for a revolving credit facility in an aggregate principal amount of up to $500 million and a term loan facility in a total aggregate principal amount, together with the senior notes described above, of up to approximately $3.65 billion to be provided by a syndicate of banks and other financial institutions. We expect that approximately $1.1 billion in cash from the proceeds of CS&L's long-term borrowings will be transferred to Windstream Subsidiary together with CS&L common stock and CS&L debt securities in connection with the contribution of assets to us by Windstream Subsidiary in connection with the Spin-Off, and will be used to retire Windstream Subsidiary debt. The remaining proceeds will be available to us for working capital purposes, to fund acquisitions and for general corporate purposes.

We anticipate that CS&L and our Holding Company will be the co-borrowers under the credit agreement, and that the borrowings under the credit agreement will be guaranteed, jointly and severally, by certain of CS&L's wholly owned subsidiaries, including the Operating Partnership. The credit agreement is expected to contain customary covenants that, among other things, restrict, subject to certain exceptions, our ability to grant liens on their assets, incur indebtedness, sell assets, make investments, engage in acquisitions, mergers or consolidations and pay certain dividends and other restricted payments. We also anticipate that the credit agreement will require us to comply with a financial maintenance covenant to be tested quarterly. We anticipate that the credit agreement will also contain certain customary events of default. We anticipate that CS&L will be required to maintain its status as a REIT on and after the effective date or its election to be treated as a REIT.

The credit agreement is expected to be secured by a pledge of the equity interests in substantially all subsidiaries of CS&L, together with a pledge of substantially all personal property of CS&L and its wholly owned subsidiaries that guaranty the borrowings under the credit agreement.

The foregoing summarizes some of the currently expected terms of our credit agreement. However, the foregoing summary does not purport to be complete, and the terms of the credit agreement have not yet been finalized. There may be changes to the expected size and other terms of the credit agreement, some of which may be material.

OBLIGATIONS AND COMMITMENTS

The following pro forma table summarizes our contractual obligations and commitments at December 31, 2014, as if the following had occurred on December 31, 2014: the Spin-Off and the issuance of $3.65 billion of long-term debt, consisting of a $1,050.0 million term loan, $1,110.0 million aggregate principal amount of senior unsecured notes and $1,490.0 million aggregate principal amount of secured notes.

	Obligations by Period				
(Millions)	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 years	Total
Long-term debt	$ —	$ —	$ —	$ 3,650.0	$3,650.0
Interest payments on long-term debt obligations (a)	216.6	433.4	433.2	621.7	1,704.9
Total contractual obligations and commitments	$ 216.6	$433.4	$433.2	$ 4,271.7	$5,354.9

(a) Interest payments computed using estimated interest rates of 5.0% for the term loan, 5.75% for the secured notes and 7.0% for the senior unsecured notes. The actual interest rates will depend on market conditions when the debt is issued and the final composition of the debt structure is determined.

CAPITAL EXPENDITURES

We do not anticipate incurring significant capital expenditures on an annual basis in connection with operating our Consumer CLEC Business. Capital expenditures for the Distribution Systems leased under the Master Lease are generally the responsibility of Windstream Holdings, which may submit requests to us seeking financing from us to cover all or a portion of such expenditures, except that Windstream Holdings will have an option, which may only be exercised in the first five years, to require us to fund capital expenditures in an amount of up to $50 million annually for a maximum period of five years (but in no event to extend beyond the end of the sixth year of the Master Lease). If Windstream Holdings exercises this option, the lease payments will be adjusted at a rate of 8.125 percent of the capital expenditures funded by us during the first two years and at a floating rate based on our cost of capital thereafter. Additionally, the exercising of the option will extend the initial term of the Master Lease from 15 years to 20 years and the number of renewal terms will be reduced from four renewal terms of five years each to three renewal terms of five years each.

CRITICAL ACCOUNTING ESTIMATES

We make certain judgments and use certain estimates and assumptions when applying accounting principles in the preparation of our financial statements. The nature of the estimates and assumptions are material due to the levels of subjectivity and judgment necessary to account for highly uncertain factors or the susceptibility of such factors to change. We have identified the accounting for income taxes, revenue recognition, useful lives of assets, and the impairment of property, plant and equipment as critical accounting estimates, as they are the most important to our financial statement presentation and require difficult, subjective and complex judgments.

We believe the current assumptions and other considerations used to estimate amounts reflected in our financial statements are appropriate. However, if actual experience differs from the assumptions and other

considerations used in estimating amounts reflected in our financial statements, the resulting changes could have a material adverse effect on our results of operations and, in certain situations, could have a material adverse effect on our financial condition.

Emerging Growth Company

Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 13(a) of the Exchange Act for complying with new or revised accounting standards applicable to public companies. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to take advantage of this extended transition period, and such election is irrevocable pursuant to Section 107(b) of the JOBS Act.

Income Taxes

We anticipate that we will qualify as a REIT for U.S. federal income tax purposes commencing with the taxable year ending December 31, 2015, and we intend to continue to be organized and to operate in a manner that will permit us to qualify as a REIT. To qualify as a REIT, we must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of our annual REIT taxable income to shareholders. As a REIT, we will generally not be subject to U.S. federal income tax on income that we distribute as dividends to our shareholders. If we fail to qualify as a REIT in any taxable year, we will be subject to U.S. federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate income tax rates, and dividends paid to our shareholders would not be deductible by us in computing taxable income. Any resulting corporate liability could be substantial and could materially and adversely affect our net income and net cash available for distribution to shareholders. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year in which we failed to qualify as a REIT.

Historically, our operations have been included in Windstream Holdings' U.S. federal and state income tax returns and all income taxes have been paid by Windstream. Income tax related information included in the pro forma combined financial statements are presented on a separate tax return basis as if we filed our own tax returns. Management believes that the assumptions and estimates used to determine these tax amounts are reasonable. However, our pro forma combined financial statements may not necessarily reflect our income tax expense or tax payments in the future, or what our tax amounts would have been if we had been a stand-alone company during the periods presented.

Deferred tax assets and liabilities are established for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities at tax rates in effect when such temporary differences are expected to reverse. We generally expect to fully utilize our deferred tax assets; however, when necessary, we record a valuation allowance to reduce our net deferred tax assets to the amount that is more likely than not to be realized.

In determining the need for a valuation allowance or the need for and magnitude of liabilities for uncertain tax positions, we make certain estimates and assumptions. These estimates and assumptions are based on, among other things, knowledge of operations, markets, historical trends and likely future changes and, when appropriate, the opinions of advisors with knowledge and expertise in relevant fields. Due to certain risks associated with our estimates and assumptions, actual results could differ.

Revenue Recognition

Service revenues are primarily derived from providing access to or usage of leased networks and facilities. Service revenues are recognized over the period that the corresponding services are rendered to customers.

Revenues derived from other telecommunications services, including broadband, long distance and enhanced service revenues are recognized monthly as services are provided. Sales of customer premise equipment and modems are recognized when products are delivered to and accepted by customers.

Useful Lives of Assets

The calculation of depreciation and amortization expense is based on the estimated economic useful lives of the underlying property, plant and equipment and customer lists intangible assets. Some of our Distribution Systems assets use a group composite depreciation method. Under this method, when plant is retired, the original cost, net of salvage value, is charged against accumulated depreciation and no immediate gain or loss is recognized on the disposition of the plant.

Rapid changes in technology or changes in market conditions could result in significant changes to the estimated useful lives of our property, plant and equipment that could materially affect the carrying value of these assets and our future operating results. An extension of the average useful life of our property, plant and equipment of one year would decrease depreciation expense by approximately $20.3 million per year, while a reduction in the average useful life of one year would increase depreciation expense by approximately $18.2 million per year.

At December 31, 2014, our unamortized customer lists intangible assets totaled $14.5 million. The customer lists are amortized using the sum-of-the-years digits method over their estimated useful lives. A reduction in the average useful lives of the customer lists of one year would have increased the amount of amortization expense recorded in 2014 by approximately $0.2 million.

Impairment of Property, Plant, and Equipment

We continually monitor events and changes in circumstances that could indicate that the carrying amount of our property, plant and equipment may not be recoverable or realized. When indicators of potential impairment suggest that the carrying value may not be recoverable, we assess the recoverability by estimating whether we will recover the carrying value of those assets through its undiscounted future cash flows and the eventual disposition of the asset. If, based on this analysis, we do not believe that we will be able to recover the carrying value of our property, plant and equipment, we would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of the related assets.

DIVIDENDS

We intend to elect to be taxed as a REIT for U.S. federal income tax purposes. We intend to make regular quarterly dividend payments to holders of our common stock. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pay tax at regular corporate rates to the extent that it annually distributes less than 100% of its taxable income. We intend to make regular quarterly dividend payments of all or substantially all of our taxable income to holders of our common stock out of assets legally available for this purpose, if and to the extent authorized by our board of directors. Before we make any dividend payments, whether for U.S. federal income tax purposes or otherwise, we must first meet both our operating requirements and debt service on our debt payable. If our cash available for distribution is less than our taxable income, we could be required to sell assets or borrow funds to make cash dividends or we may make a portion of the required dividend in the form of a taxable distribution of stock or debt securities.

We will make dividend payments based on our estimate of taxable earnings per share of common stock, but not earnings calculated pursuant to GAAP. Our dividends and taxable and GAAP earnings will typically differ due to items such as differences in premium amortization and discount accretion, and non-deductible general and administrative expenses. Our quarterly dividends per share may be substantially different than our quarterly taxable earnings and GAAP earnings per share.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this information statement, we do not have any off-balance sheet arrangements.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our primary market risk exposure will be interest rate risk with respect to our expected indebtedness after the Spin-Off. This indebtedness will include indebtedness that we expect to incur prior to the Spin-Off. In connection with the Spin-Off, we anticipate that we will raise approximately $3.65 billion in long-term debt by the issuance of senior notes and entry into a credit agreement providing for term loans and a revolving credit facility in an aggregate principal amount of up to $500 million (which is expected to be undrawn at the effective time of the Spin-Off), to be provided by a syndicate of banks and other financial institutions. See "—Liquidity and Capital Resources" above for a further description of our expected indebtedness after the Spin-Off.

An increase in interest rates could make the financing of any acquisition by us more costly. Rising interest rates could also limit our ability to refinance our debt when it matures or cause us to pay higher interest rates upon refinancing and increase interest expense on refinanced indebtedness. We may manage, or hedge, interest rate risks related to our borrowings by means of interest rate swap agreements. We also expect to manage our exposure to interest rate risk by maintaining a mix of fixed and variable rates for our indebtedness. However, the REIT provisions of the Code substantially limit our ability to hedge our assets and liabilities. See "Risk Factors—Risks Related to the Status of CS&L as a REIT—Complying with the REIT requirements may limit our ability to hedge effectively and may cause us to incur tax liabilities."

BUSINESS AND PROPERTIES

Overview

On July 29, 2014, the board of directors of Windstream Holdings announced its plan to separate its business into two separate and independent publicly traded companies:

- Windstream, which will continue to provide advanced network communications and technology solutions to businesses and customers through its existing operations; and
- CS&L, which, through its subsidiaries, will own, acquire and lease distribution systems serving the communications infrastructure industry and potentially other industries and operate the Consumer CLEC Business.

The reorganization will be accomplished through the Spin-Off, under which Windstream Holdings will distribute no less than 80.1 percent of the outstanding shares of our common stock to Windstream Holdings shareholders on a *pro rata* basis. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to use all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, to retire debt.

At the time of the Spin-Off, we will hold the assets currently held by Windstream comprising the Distribution Systems and the Consumer CLEC Business. The Distribution Systems will be leased to Windstream Holdings on a triple-net basis, meaning that Windstream Holdings will be primarily responsible for the costs related to the Distribution Systems (including property taxes, insurance, and maintenance and repair costs) pursuant to the Master Lease.

Following the Spin-Off, we will be a publicly traded, self-administered REIT primarily engaged in the ownership, acquisition and leasing of communication distribution systems. To our knowledge, CS&L will be the first REIT focused on acquiring and building communication distribution systems, and we expect to grow our portfolio by aggressively pursuing opportunities to acquire additional communications distribution systems to lease to communication service providers.

Properties Summary

REIT Properties

The property leased by Windstream Holdings under the Master Lease will consist of property spun-out to the Company in the Spin-Off. Below is the summary of the fiber and copper assets that are expected to be leased by Windstream Holdings pursuant to the Master Lease:

Summary of Network Route Miles

State	Fiber	Copper	Total	% of Total
GA	8,800	45,400	54,200	18%
TX	7,800	40,400	48,200	16%
IA	8,300	33,200	41,500	14%
KY	7,800	32,100	39,900	13%
NC	3,800	18,400	22,200	7%
AR	3,300	13,000	16,300	5%
OH	3,400	11,500	14,900	5%
OK	1,700	12,400	14,100	5%
MO	1,100	10,800	11,900	4%
FL	1,600	8,500	10,100	3%
NM	800	5,300	6,100	2%
IL	4,000	—	4,000	1%
AL	600	2,400	3,000	1%
IN	3,000	—	3,000	1%
MI	2,400	—	2,400	1%
WI	2,200	—	2,200	1%
Other	5,000	1,900	6,900	2%
	65,600	235,300	300,900	

In addition, Windstream Holdings will lease central office buildings, telephone poles and other assets from the Company under the Master Lease.

Under the terms of the Separation and Distribution Agreement and before giving effect to the terms of the Master Lease:

- the Company will hold all right and interest in all easements and intangible licenses (*i.e.*, pole attachment agreements, highway department permits and municipal franchises) (collectively, “Intangible Assets”), but Windstream will retain bare legal title to such Intangible Assets for the benefit of the Company;
- no assignments of easements from Windstream to the Company with respect to Intangible Assets will be recorded in the real property records, and no agreements governing Intangible Assets will be amended or assigned to reflect the Company as a party to the agreement;
- the Company will have the right to all future income, gains and benefits from Intangible Assets, and will bear all risk of loss associated with Intangible Assets; and
- the Company will have the right, at its option and discretion, to require legal title to the Intangible Assets to be transferred to the Company subject to obtaining all required authorizations and the payment of all costs and expenses associated with the transfer.

The Company will have the option to acquire legal title to the Intangible Assets by making a de minimis payment to Windstream under the terms of the transfer documents. The remaining cost and expenses to be incurred in connection with a transfer of ownership of the Intangible Assets include filing fees with county real estate offices to transfer the easements, consent/transfer fees that may be charged by either a governmental entity issuing a permit (or franchise) or a counterparty to a pole attachment agreement and attorneys’ fees. Real estate

filing fees and related title work incurred to transfer easements is expected to be approximately $500,000. Neither Windstream nor the Company has engaged in discussions to date with any governmental agency issuing the permits (or franchises) or any counterparty to the pole attachment agreement regarding a transfer of legal title to such assets. Accordingly, it is not presently possible to accurately estimate the total cost and expenses that the Company will be required to pay to acquire legal title to the Intangible Assets; however, based on our experience with these types of arrangements, we do not believe that such costs would be material to the overall financial position or results of operations for the Company.

Except as described in the immediately preceding paragraph, the Company will hold all right, title and interest in and to the assets, including all property rights associated with the fiber and copper assets.

TRS Properties

We will operate a residential Consumer CLEC Business through a TRS. The TRS, Talk America, will be an indirect wholly owned subsidiary of CS&L. Talk America will provide local telephone, high-speed Internet and long distance service to approximately 54,000 customers principally located in 17 states across the eastern and central United States. The Consumer CLEC Business generated approximately $36.0 million of revenue during fiscal year 2014.

Talk America will be a reseller of communications services, which it will obtain through an interconnection and resale agreement with Windstream. Over time, Talk America may negotiate interconnection and resale agreements with other carriers to diversify its access to carrier services. Talk America will focus on providing a quality service alternative to residential customers that place a premium on responsive and positive interactions with a service team dedicated to ensuring customer satisfaction.

Our Competitive Advantages

We believe that we have significant competitive advantages that support our leadership position in owning, building and leasing communications infrastructure.

Leading Nationwide REIT Focused on Communications Infrastructure

When the Spin-Off is complete, we expect to be the only REIT focused on owning and developing communication distribution systems across the United States. As such, we will be able to enhance our focus on communications infrastructure and tailor our business strategy to address our company’s industry-specific goals and needs. We believe our scale and national reach will help us achieve operational efficiencies and support future growth opportunities.

Uniquely Positioned to Capitalize on Expansion Opportunities

We believe there is a large market opportunity to provide capital to communication service providers to build new and enhance existing communication distribution systems across the United States. We believe that a number of communication service providers would like to de-lever or are seeking liquidity while still wanting to continue to operate their existing businesses. CS&L believes that a number of communication service providers would be willing to enter into transactions designed to monetize their network assets (*i.e.*, fiber and copper distribution systems) through sale-leaseback transactions with an unrelated party not perceived to be a competitor, such as CS&L. These communication service providers could use the proceeds from the sale of their communications infrastructure assets to repay debt and rebalance their capital structures, while maintaining the use of the sold network assets through long term leases. CS&L also hopes to provide such communication service providers with expansion opportunities that providers may not otherwise be in a position to pursue by providing them with capital to expand and enhance their network assets at more attractive rates then they may be able to receive through traditional debt financing arrangements. As such, CS&L believes there are numerous opportunities for CS&L to evaluate and potentially pursue following the Spin-Off.

Although we believe there is a large market opportunity for CS&L to acquire distribution system assets from communications operators and enter into lease-back transactions, it may take longer than anticipated for operators to, or operators may never, embrace the lease structure for distribution system assets. (See "Risk Factors—Risks Related to Our Spin-Off from Windstream—We may be unable to achieve some or all of the benefits that we expect to achieve from the Spin-Off"). Other risks or limitations for execution of our strategy include:

- For the two-year period following the Spin-Off, we may be prohibited from taking certain strategic actions including issuing equity securities beyond certain thresholds to preserve the tax-free treatment to Windstream of the Spin-Off (See "Risk Factors—Risks Related to Our Spin-Off from Windstream—We may not be able to engage in desirable strategic transactions and equity issuances following the Spin-Off because of certain restrictions relating to requirements for tax-free distributions for U.S. federal income tax purposes. In addition, we could be liable for adverse tax consequences resulting from engaging in significant strategic or capital-raising transactions");
- Our level of indebtedness could materially adversely affect our financial position, including reducing funds available for acquisitions or other business purposes (See See "Risk Factors—Risks Related to Our Business—Our level of indebtedness could materially and adversely affect our financial position, including reducing funds available for other business purposes and reducing our operational flexibility, and we may have future capital needs and may not be able to obtain additional financing on acceptable terms"); and
- Other investors seeking to acquire distribution system assets may possess a lower cost of capital than CS&L, which may make it more challenging for us to acquire such assets on favorable terms (See "Risk Factors—Risks Related to Our Business—We intend to pursue acquisitions of additional properties and seek other strategic opportunities, which may result in the use of a significant amount of management resources or significant costs, and we may not fully realize the potential benefits of such transactions").

Geographically Diverse Asset Portfolio

Our properties are located in 37 different states across the continental United States. The properties in any one state do not account for more than 20% of the total route miles in our network. We believe this geographic diversification will limit the effect of changes in any one market on our overall performance.

Financially Secure Tenant

Immediately following the Spin-Off, Windstream will be our only tenant. Windstream is a leading provider of advanced network communications, including cloud computing and managed services, to businesses nationwide. Windstream also offers broadband, phone and digital TV services to consumers primarily in rural areas. Following the Spin-Off, Windstream will continue to operate the leased communications facilities, hold the associated regulatory licenses and own and operate other assets, including distribution systems in select states not included in the Spin-Off. Windstream will retain ownership of distribution systems in select states in order to achieve a transaction size that in its determination is optimal in terms of assets transferred, debt extinguishment and fair market rental. For the year ended December 31, 2014, Windstream generated annual revenue of approximately $5.8 billion and net cash from operations of $1.5 billion. Windstream's liquidity position, modest leverage and ability to generate significant free cash flow should provide it with the ability to pay the annual lease obligations to CS&L for the foreseeable future. Windstream currently has a credit rating of BB- from Standard & Poor's and Ba3 from Moody's Corporation, and we do not anticipate that the ratings of Windstream will change substantially as a result of the Spin-Off. Additionally, Windstream is publicly traded and is subject to SEC reporting requirements, which provide ongoing transparency regarding its operating and financial performance.

Long-Term, Triple-Net Lease Structure

At the time of the Spin-Off, all of our properties (except for our TRS, Talk America) will be leased to Windstream Holdings under the Master Lease on a triple-net lease basis for an initial term of 15 years. Under the Master Lease, Windstream Holdings is responsible for maintaining the Distribution Systems in accordance with prudent industry practice and in compliance with all federal and state utility commissions delivery standards. The maintenance responsibilities include, among others, (i) repairing fiber and copper cuts with respect to the distribution systems and (ii) replacing poles, conduits and other facilities at the Distribution Systems as required to comply with Windstream Holdings' maintenance obligations. Windstream Holdings is required to submit periodic reports to us upon request on operational matters to enable us to confirm that Windstream Holdings is complying with its maintenance and other obligations under the Master Lease. In addition to maintenance requirements, Windstream will also be responsible for insurance required to be carried under the Master Lease, taxes levied on or with respect to the Distribution Systems and all utilities and other services necessary or appropriate for the Distribution Systems and the business conducted on the Distribution Systems. The Master Lease is a single, indivisible lease of the Distribution Systems and not separate leases. At the option of Windstream Holdings, the Master Lease may be extended for up to four five-year renewal terms beyond the initial 15-year term and Windstream Holdings can elect which facilities then subject to the Master Lease to renew. If Windstream Holdings elects to extend the initial term of the Master Lease from 15 to 20 years, the number of renewal terms will be reduced from four renewal terms of five years each to three renewal terms of five years each.

Strong Relationships with Communication Service Providers

The members of our management team have developed an extensive network of relationships with qualified local, regional and national communication service providers of communications facilities across the United States. This extensive network has been built by our management team through decades of operating experience, involvement in industry trade organizations and the development of banking relationships and investor relations within the communications infrastructure industry. We believe these strong relationships with communication service providers will allow us to effectively source investment opportunities from communication service providers other than Windstream. We intend to work collaboratively with our operating partners in providing expansion capital at attractive rates to help them achieve their growth and business objectives. We will seek to partner with communication service providers who possess local market knowledge, demonstrate hands-on management and have proven track records. We believe our management team's experience gives us a key competitive advantage in objectively evaluating a communication service provider's credit worthiness and operating efficiency.

Our Business Strategy

Our primary goal is to create long-term shareholder value through the payment of consistent cash dividends and the growth of our cash flow and asset base. To achieve this goal, we intend to pursue a business strategy focused on opportunistic acquisitions and asset and tenant diversification. We do not currently have a fixed schedule of the number of acquisitions we intend to make over a particular time period, but, rather, we intend to pursue those acquisitions that meet our investing and financing objectives where we can earn a return above our weighted average cost of capital adjusted to contemplate counterparty risk.

The key components of our business strategy include:

- *Acquire Additional Distribution Systems:* Initially, we expect to focus on growing and diversifying our asset portfolio by acquiring existing distribution systems from communication service providers and leasing these assets back to the communication service provider on a long-term triple-net basis. We will employ a disciplined, opportunistic acquisition strategy and price transactions appropriately based on, among other things, the mix of assets acquired, length and terms of the lease, growth opportunities and credit worthiness of the initial tenant.

- *Fund Strategic Capital Improvements for Existing Tenants:* We intend to support our tenant operators by providing capital to them for a variety of purposes, including capacity augmentation projects and network expansions. We expect to structure these investments as either lease amendments that produce additional rents or as loans that are repaid by operators during the applicable lease term.
- *Fund Capital Extensions of Additional Distribution Systems:* The communications infrastructure industry is currently going through an upgrade cycle driven by the nation's general desire for greater bandwidth. These upgrades require significant capital expenditures, and we believe CS&L provides an attractive, non-competitive funding source for communication service providers to help accelerate the expansion of their network at an attractive cost of capital.
- *Develop New Tenant Relationships:* We plan to cultivate new relationships with potential tenants and communication service providers in order to expand the mix of tenants operating our distribution systems and other real property and, in doing so, to reduce our concentration with Windstream. We expect that this objective will be achieved over time as part of our overall strategy to acquire new distribution systems and other real property either within or outside of the communications infrastructure industry to further diversify our overall portfolio.
- *Acquire Adjacent Communications Infrastructure and Other Real Property Assets:* Over time, we have the potential to diversify our asset portfolio further by investing in adjacent communications infrastructure, such as wireless towers and data center assets. As we enhance our scale through M&A and asset and tenant diversification, we have the potential to consider investing in other asset classes that are adjacent to the communications infrastructure industry.
- *Maintain Balance Sheet Strength and Liquidity:* We will seek to maintain a capital structure that provides the resources and financial flexibility to support our business. At the time of the Spin-Off, we anticipate having approximately $600 million in total liquidity, consisting of cash and cash equivalents and available borrowings under our senior secured revolving credit facility. Through disciplined capital spending and working capital management, we intend to maximize our cash flows and maintain our strong balance sheet.

Investment and Financing Policies

Our investment objectives will be to increase cash flow, provide quarterly cash dividends, maximize the value of our assets and acquire assets with cash flow growth potential. Initially, we intend to invest primarily in copper and fiber distribution systems. Over time, we have the potential to diversify into other communications assets such as data centers and wireless towers. While our current distribution systems are more heavily weighted in the eastern United States, over time we intend to acquire distribution systems in other geographic areas throughout the United States.

The Master Lease contains certain non-compete provisions, which, during the term of the lease, limit the Company's ability to construct fiber, copper, coaxial and fixed wireless distribution assets in territories where Windstream is both an incumbent local exchange carrier ("ILEC") and where the distribution system is subject to the Master Lease. These ILEC exchange areas are located in primarily rural areas within 13 states, (Arkansas, Georgia, Kentucky, Ohio, Iowa, Alabama, North Carolina, Oklahoma, Texas, Florida, Missouri, Mississippi, and New Mexico). The Company is not subject to any other limitations.

We expect that future investments in distribution systems including any improvements or renovations of current owned or newly-acquired distribution systems, will be financed, in whole or in part, with cash flow from our operations, borrowings under our revolving credit facility, or the proceeds from issuances of common stock, preferred stock, debt or other securities. At the time of the Spin-Off, all of our owned distribution systems will be exclusively leased to Windstream Holdings pursuant to the Master Lease. As we acquire additional distribution systems we expect to enter into triple-net leases with other communication service providers. Our investment and

financing policies and objectives are subject to change periodically at the discretion of our Board of Directors without a vote of shareholders.

Flexible UPREIT Structure

We intend to operate in what is commonly referred to as an UPREIT structure, in which substantially all of our properties and assets other than the Consumer CLEC Business will be held through our indirect wholly owned Operating Partnership. The Operating Partnership is managed by our indirect wholly-owned subsidiary, GP LLC, which is the sole general partner of the Operating Partnership, and accordingly will control the management and decisions of the Operating Partnership. Conducting business through the Operating Partnership allows us flexibility in the manner in which we structure and acquire properties. In particular, an UPREIT structure enables us to acquire additional properties from sellers in exchange for limited partnership units. As a result, this structure potentially may facilitate our acquisition of assets in a more efficient manner and may allow us to acquire assets that the owner would otherwise be unwilling to sell. Although we have no current plan or intention, and at the time of the Spin-Off will have no plan or intention to use limited partnership units in the Operating Partnership as consideration for properties we acquire or to issue any limited partnership units in connection with the Spin-Off, we believe that the flexibility to do so provides us an advantage in seeking future acquisitions.

Master Lease with Windstream

At the time of the Spin-Off, the Distribution Systems will be leased to Windstream Holdings pursuant to the Master Lease, which will be a triple-net lease. The Master Lease will provide for an initial term of 15 years, with no purchase options. At the option of Windstream Holdings, the Master Lease may be extended for up to four renewal terms of five years each beyond the initial term and Windstream Holdings can elect which facilities then subject to the Master Lease to renew. In addition, Windstream Holdings has the right to extend the initial term from 15 years to 20 years and, if exercised, the number of renewal terms will be reduced to three so that the maximum term (taking into account all renewals) is 35 years. The rent will be a fixed amount that will be initially set near the time of the Spin-Off. We currently anticipate that the initial estimated annual rent under the Master Lease will be approximately $650 million during the first three years of the Master Lease. Commencing with the fourth year of the Master Lease and continuing for the remainder of the initial term, under the Master Lease, the rent is subject to annual escalation of 0.5%. The rent for the first year of each renewal term will be an amount agreed to by us and Windstream Holdings, or if we are unable to agree, the renewal rent will be determined by an independent appraisal process. Commencing with the second year of each renewal term, the renewal rent will increase at an escalation rate of 0.5%. In addition, if the Company is required to fund any capital improvements by Windstream Holdings or otherwise elects to fund any capital improvements by Windstream Holdings to the Distribution Systems, the rent shall be increased to account for such funding.

Because we will lease the Distribution Systems to Windstream Holdings under the Master Lease, Windstream Holdings initially will be the source of substantially all of our revenues, and Windstream Holdings' financial condition and ability and willingness to satisfy its obligations under the Master Lease and its willingness to renew the Master Lease upon expiration of the initial base term thereof will significantly impact our revenues and our ability to service our indebtedness and to make distributions to our shareholders. There can be no assurance that Windstream Holdings will have sufficient assets, income and access to financing to enable it to satisfy its obligations under the Master Lease, and any inability or unwillingness on its part to do so would have a material adverse effect on our business, financial condition, results of operations and liquidity, on our ability to service our indebtedness and other obligations and on our ability to pay dividends to our shareholders, as required for us to qualify, and maintain our status, as a REIT. We also cannot assure you that Windstream Holdings will elect to renew its lease arrangements with us upon expiration of the initial base terms or any renewal terms thereof or, if such leases are not renewed, that we can reposition the affected properties on the same or better terms. See "Risk Factors—Risks Related to Our Business—We will be dependent on Windstream Holdings to make payments to us under the Master Lease, and an event that materially and adversely affects

Windstream's business, financial position or results of operations could materially and adversely affect our business, financial position or results of operations."

Employees

Following the Spin-Off, we expect to employ approximately 50 employees (including our executive officers), none of whom is expected to be subject to a collective bargaining agreement. None of our employees will continue to be employees of Windstream.

Competition

We will compete for real property investments with other REITs, investment companies, private equity, hedge fund investors, sovereign funds and communication distribution systems companies. Some of our future competitors are significantly larger and have greater financial resources and lower costs of capital than we have. However, we believe that the Spin-Off will increase our competitive edge and position us to identify and successfully capitalize on acquisition opportunities that meet our investment objectives.

In addition, revenues from our network properties will be dependent, to an extent, on the ability of our operating partners to compete with other communication service providers. The communications infrastructure industry is characterized by a high degree of competition among a large number of participants, including many local, regional and global corporations. Not only is competition seen strictly in the communication distribution systems business, but also in any means by which information is transferred.

Mortgages, Liens or Encumbrances

At the time of the Spin-Off, CS&L will not have imposed any material mortgages, or other liens or encumbrances against the properties.

Government Regulation, Licensing and Enforcement

As operators of telecommunications facilities, Windstream and any future tenants of our telecommunications assets are typically subject to extensive and complex federal, state and local telecommunications laws and regulations. The Federal Communications Commission ("FCC") regulates interstate matters, and state public utility commissions ("PUCs") regulate intrastate matters. These regulations are wide-ranging and can subject our tenants to civil, criminal and administrative sanctions. We expect that the telecommunications industry, in general, will continue to face increased regulation. Changes in laws and regulations and reimbursement enforcement activity and regulatory non-compliance by our tenants could have a significant effect on their operations and financial condition, which in turn may adversely affect us, as detailed below and set forth under "Risk Factors—Risks Related to Our Business."

The following is a discussion of certain laws and regulations generally applicable to operators of our telecommunications facilities, and in certain cases, to us.

Windstream and similarly situated wireline carriers are subject to federal and state regulations that limit their pricing flexibility for regulated voice and high-speed Internet products, subject them to service quality, service reporting and other obligations and expose them to the reduction of revenue from changes to the universal service fund, the intercarrier compensation system, or access to interconnection with competitors' facilities. State regulatory commissions have jurisdiction over local and intrastate services including, to some extent, the rates that carriers charge and service quality standards. The FCC has primary jurisdiction over interstate services including the rates that carriers charge other telecommunications companies that use a carrier's network and other issues related to interstate service. In some circumstances, these regulations restrict the carrier's ability to adjust rates to reflect market conditions and may affect the ability of our tenant's to compete and respond to changing industry conditions.

Talk America will operate the CLEC Consumer Business as a reseller of telecommunication services pursuant to the Wholesale Master Services Agreement. In almost all cases, Windstream will not own the underlying telecommunication facilities required to support the Consumer CLEC Business, and Windstream will be a reseller of facility-based services pursuant to wholesale interconnection agreements with the third party carriers who own the underlying telecommunication facilities. In order to become qualified to operate the Consumer CLEC Business, Talk America will become regulated as a CLEC in each state where it has Consumer CLEC Business customers. These CLEC certifications will subject Talk America to regulations requiring it to file and maintain tariffs for the rates charged to its Consumer CLEC Business customers for regulated services and to comply with service quality, service reporting and other obligations. Talk America's ability to operate the Consumer CLEC Business is dependent on existing telecommunication regulations that allow access to such underlying facilities of other carriers at reasonable rates.

We believe that we have structured the operations for our core real estate business in a manner that will not require us to become regulated as a public utility or common carrier by the FCC or state public service commissions. Once we obtain final regulatory approvals for the Spin-off, we will determine if we will be required to become regulated as a CLEC or other regulatory classification, and if any such regulation is required, we believe that we will be able to operate in compliance with such regulations without any material impact to its operations.

Future revenues, costs, and capital investment in the communication businesses of Windstream, Talk America and other carriers could be adversely affected by material changes to or decisions regarding applicability of government requirements, including, but not limited to, changes in rules governing intercarrier compensation, interconnection access to network facilities, state and federal USF support and other pricing and requirements. Federal and state communications laws may be amended in the future, and other laws may affect our business. In addition, certain laws and regulations applicable to us and our competitors may be, and have been, challenged in the courts and could be changed at any time. We cannot predict future developments or changes to the regulatory environment or the impact such developments or changes would have.

In addition, these regulations could create significant compliance costs for us. Delays in obtaining certifications and regulatory approvals could cause us to incur substantial legal and administrative expenses, and conditions imposed in connection with such approvals could adversely affect the rates that we are able to charge our customers. The business of Windstream, Talk America, and future tenants also may be affected by legislation and regulation imposing new or greater obligations related to, for example, assisting law enforcement, bolstering homeland and cyber-security, protecting intellectual property rights of third parties, minimizing environmental impacts, protecting customer privacy, or addressing other issues that affect the business of our tenants.

Environmental Matters

A wide variety of federal, state and local environmental and occupational health and safety laws and regulations affect telecommunications operations and facilities. These complex laws, and their enforcement, involve a myriad of regulations, many of which involve strict liability on the part of the potential offender. Some of these federal, state and local laws may directly impact us. Under various federal, state and local environmental laws, ordinances and regulations, an owner of real property, such as us, may be liable for the costs of removal or remediation of hazardous or toxic substances at, under or disposed of in connection with such property, as well as other potential costs relating to hazardous or toxic substances (including government fines and damages for injuries to persons and adjacent property). The cost of any required remediation, removal, fines or personal property damages and the owner's liability therefore could exceed or impair the value of the property and/or the assets of the owner. In addition, the presence of such substances, or the failure to properly dispose of or remediate such substances, may adversely affect the owner's ability to sell or rent such property or to borrow using such property as collateral, which, in turn, could reduce revenues.

REIT Qualification

We intend to elect to be taxed as a REIT for U.S. federal income tax purposes commencing with our taxable year ending December 31, 2015. Our qualification as a REIT will depend upon our ability to meet, on a continuing basis, various complex requirements under the Code relating to, among other things, the sources of our gross income, the composition and values of our assets, our distribution levels to our shareholders and the concentration of ownership of our capital stock. We believe that, commencing with our taxable year ending December 31, 2015, we will be organized in conformity with the requirements for qualification and taxation as a REIT under the Code, and that our intended manner of operation will enable us to meet the requirements for qualification and taxation as a REIT.

Legal Proceedings

It is expected that, pursuant to the Separation and Distribution Agreement, any liability arising from or relating to legal proceedings involving the assets to be owned by us will be assumed by us and that we will indemnify Windstream (and its directors, officers, employees and agents and certain other related parties) against any losses arising from or relating to such legal proceedings. In addition, pursuant to the Separation and Distribution Agreement, Windstream has agreed to indemnify us (including our subsidiaries, directors, officers, employees and agents and certain other related parties) for any liability arising from or relating to legal proceedings involving Windstream's telecommunications business prior to the Spin-Off, and, pursuant to the Master Lease, Windstream will agree to indemnify us for, among other things, any use, misuse, maintenance or repair by Windstream with respect to the Distribution Systems. Windstream is currently a party to various legal actions and administrative proceedings, including various claims arising in the ordinary course of its telecommunications business, which will be subject to the indemnities to be provided by Windstream to us. While these actions and proceedings are not believed to be material, individually or in the aggregate, the ultimate outcome of these matters cannot be predicted. The resolution of any such legal proceedings, either individually or in the aggregate, could have a material adverse effect on Windstream's business, financial position or results of operations, which, in turn, could have a material adverse effect on our business, financial position or results of operations if Windstream is unable to meet their indemnification obligations.

Insurance

We will maintain, or require in our leases, including the Master Lease, that our tenants maintain, all applicable lines of insurance on our properties and their operations. The tenant under the Master Lease has the ability to self-insure or use a captive provider with respect to its insurance obligations. We anticipate that the amount and scope of insurance coverage provided by our policies and the policies maintained by our tenants will be customary for similarly situated companies in our industry. However, we cannot assure you that our tenants will maintain the required insurance coverages, and the failure by any of them to do so could have a material adverse effect on us. We also cannot assure you that we will continue to require the same levels of insurance coverage under our leases, including the Master Lease, that such insurance will be available at a reasonable cost in the future or that the insurance coverage provided will fully cover all losses on our properties upon the occurrence of a catastrophic event, nor can we assure you of the future financial viability of the insurers.

MANAGEMENT

Directors

Set forth below is certain biographical information and ages, as of , 2015, for individuals who are expected to serve as our directors following the Spin-Off. Prior to the Spin-Off we expect to select two additional individuals who will serve as our directors following the Spin-Off. The identity of those two additional directors has not yet been determined. Each director will hold office until his or her successor is duly elected or appointed and qualified or until his or her earlier death, retirement, disqualification, resignation or removal.

Our charter that will become effective contemporaneously with the Spin-Off will provide that our board of directors shall consist of not less than three and not more than nine directors as the board of directors may from time to time determine. We expect that our board of directors will initially consist of four directors. Each director will be elected for a one-year term of office.

Upon completion of the Spin-Off, we expect to have four directors, three of whom (Francis X. “Skip” Frantz and the two directors who have not yet been identified) we believe will be determined to be independent, as defined under the NASDAQ listing requirements.

Our charter will not provide for cumulative voting in the election of directors, which means that the holders of a majority of the outstanding shares of common stock will be able to elect all of the directors standing for election, and the holders of the remaining shares will not be able to elect any directors.

Name	Age	Position
Francis X. “Skip” Frantz	61	Chairman of the Board of Directors
Kenneth Gunderman	44	Director

Francis X. (“Skip”) Frantz, age 61, has served as a director of Windstream since 2006 and has served on its Audit Committee since August 7, 2012 and as its Chairman since May 1, 2013. From July 2006 to February 2010, he served as Chairman of the Windstream Board. Mr. Frantz served as the 2006 and 2007 Chairman of the Board and of the Executive Committee of the United States Telecom Association. Mr. Frantz served as Chairman of a community bank in Little Rock, Arkansas from February 2007 until May 2014, and serves as a director of a number of other privately held companies. Prior to January 2006, Mr. Frantz was Executive Vice President-External Affairs, General Counsel and Secretary of Alltel Corporation. Mr. Frantz joined Alltel in 1990 as Senior Vice President and General Counsel and was appointed Secretary in January 1992 and Executive Vice President in July 1998. While with Alltel, he was responsible for Alltel’s mergers and acquisitions negotiations, wholesale services group, federal and state government and external affairs, corporate communications, administrative services, and corporate governance, in addition to serving as Alltel’s chief legal officer.

Mr. Frantz’s qualifications for election to the Board include his ability to provide insight and perspective on a wide range of issues facing business enterprises based on his long tenure as a senior executive in the telecommunications industry. Mr. Frantz’s over 15-year career as a senior telecom executive in various capacities provides him with a thorough understanding of all aspects of CS&L’s target market, and his service as a director and chairman of the United States Telecom Association provides Mr. Frantz with additional experience and insight in communications policy and regulation. Through his current involvement with a number of private companies and his prior role as Chairman of Windstream and, before that, as senior executive of Alltel Corporation, Mr. Frantz has extensive experience in corporate governance, mergers and acquisitions, risk management, government policy and regulation, and capital markets transactions, in addition to the specific aspects of the telecom industry.

Kenneth Gunderman, age 44, is President and Chief Executive Officer of CS&L. Mr. Gunderman has 17 years of investment banking experience and is focused on creating shareholder value by expanding and

diversifying the REIT"s real estate portfolio. Prior to his appointment as CEO of CS&L, he served as the co-head of investment banking at Stephens, Inc. where he was responsible for the strategic direction for the investment banking department and advised on many of the firm's notable investment banking transactions. Mr. Gunderman currently serves on the board of Car-Mart (ticker "CRMT") and the Arkansas Red Cross. Prior to joining Stephens, Inc., Mr. Gunderman was a member of the telecom investment banking group at Lehman Brothers, where he advised on various transactions and financings totaling more than $125 billion. He also worked at KPMG as a CPA and holds an MBA from Yale and a Bachelor of Arts degree from Hendrix College.

The Board believes it is important that CS&L's Chief Executive Officer serve on the Board, as the position of Chief Executive Officer puts Mr. Gunderman in a unique position to understand the challenges and issues facing the Company. Mr. Gunderman's qualifications for election to the Board include the same demonstrated skills and experience that qualify him to serve as Chief Executive Officer of CS&L.

Executive Officers

Unless otherwise indicated, the following table will show the names and ages as of , 2015 for individuals who, once identified, are expected to serve as our executive officers and the positions they will hold following the completion of the Spin-Off. A description of the business experience of each for at least the past five years will follow the table.

Name	Age	Position
Kenneth Gunderman	44	President and Chief Executive Officer
Jeffery W. Small	39	Senior Vice President of Corporate Development and Operations

Jeffery W. Small, age 39, is the Senior Vice President of Corporate Development & Operations of CS&L. He is responsible for lease administration of the real estate portfolio, evaluation of asset acquisition opportunities and is the senior leader of the consumer CLEC operations of Talk America. From 2014 to 2015, Mr. Small served as the SVP - REIT Corporate Development & Operations for Windstream with responsibilities for administering the separation and start-up of CS&L from Windstream. From 2012 to 2014 Mr. Small served as the Vice President of Procurement and Carrier Service Delivery at Windstream with responsibilities for supply chain management, procurement strategy, vendor management, as well as oversight of the service delivery experience for a full portfolio of carrier communications products provided to carriers, wireless providers, cable providers and others. Additionally, he held various accounting and finance leadership roles since joining Windstream in 2008. Prior to joining Windstream, Mr. Small served as the controller for Ranger Boats, Inc., and was a senior auditor with Arthur Andersen LLP.

Committees of the Board of Directors

Prior to the Spin-Off, we expect that our board of directors will establish the following committees, each of which will operate under a written charter that will be posted to our website at *www.cslreit.com* prior to the Spin-Off:

Audit Committee

The audit committee will be established in accordance with Rule 10A-3 under the Exchange Act and the NASDAQ listing requirements. The primary duties of the audit committee will be to, among other things:

- determine the appointment, compensation, retention, oversight of the work and replacement of our independent registered public accounting firm;
- review and approve in advance all audit and permitted non-audit engagements and services to be performed by our independent registered public accounting firm;

- evaluate our independent registered public accounting firm's qualifications, independence and performance;
- review and discuss with our independent registered public accounting firm their audit plan, including the budget and scope of audit activities;
- review our combined financial statements, including the Management Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") for inclusion in our annual report;
- review with management and our independent auditors, material changes in our selection or application of accounting principles, the potential financial statement impact of recently enacted material regulatory or accounting principle rules;
- discuss with management our policy for earnings press releases;
- review our critical accounting policies and practices;
- review the adequacy and effectiveness of our accounting and internal control policies and procedures;
- review with our management all significant deficiencies and material weaknesses in the design and operation of our internal controls;
- review and concur in the appointment, reassignment or dismissal of our Vice President—Internal Audit;
- review and approve the Internal Audit department's budget and internal audit plan;
- develop and recommend to our board a policy on approval of related party transactions, and review and approve any related party transactions;
- establish procedures for the receipt, retention and treatment of complaints regarding internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- prepare the reports required by the rules of the SEC to be included in our annual proxy statement; and
- discuss with our management and our independent registered public accounting firm the results of our annual audit and the review of our quarterly combined financial statements.

The audit committee will provide an avenue of communication among management, the independent registered public accounting firm, the corporate auditors and the board of directors.

The audit committee will be comprised of at least three (3) members that meet the independence requirements set forth by the SEC, in the NASDAQ listing requirements and the audit committee charter. Each member of the audit committee will be financially literate in accordance with the NASDAQ listing requirements. The initial members of the audit committee will be determined prior to the effective date.

Governance Committee

The primary responsibilities of the governance committee will be to, among other things:

- assist in identifying and evaluating individuals qualified to become members of our board of directors, consistent with skills and characteristics identified by our board of directors and the governance committee;
- recommend to our board of directors individuals qualified to serve as directors;
- make an annual report to our board on succession planning should the Chief Executive Officer unexpectedly die, become disabled or terminate employment;
- monitor compliance with stock ownership guidelines for the Chief Executive Officer, executive officers and directors;

- recommend to our board of directors certain corporate governance matters and practices; and
- assist the chairman of the board with an annual evaluation for our board of directors and committees.

The governance committee will be comprised of at least three (3) members that meet the independence requirements set forth by the SEC and in the NASDAQ listing requirements and the governance committee charter. The initial members of the nominating and corporate governance committee will be determined prior to the effective date.

Compensation Committee

The primary responsibilities of the compensation committee will be to, among other things:

- annually review, approve and evaluate goals and objectives relevant to the Chief Executive Officer compensation consistent with our corporate governance principles, and determine and approve the compensation level based on this evaluation;
- review, approve and evaluate goals and objectives relevant to compensation of our executive officers, and make recommendations to our board of directors, as appropriate;
- review and make recommendations to our board with respect to the compensation of all non-employee directors;
- review and make recommendations to our board regarding employment agreements, severance arrangements and plans and change in control arrangements for the Chief Executive Officer and executive officers;
- review the results of any shareholder advisory vote on compensation;
- oversee the annual review of our compensation policies and practices for all employees
- administer our various employee benefit, pension and equity incentive programs;
- review and discuss with management our compensation discussion and analysis (the "CD&A") and recommend to our board of directors that the CD&A be included in the annual proxy statement or annual report; and
- prepare an annual report on executive compensation for inclusion in our proxy statement.

The compensation committee will be comprised of at least three (3) members that meet the independence requirements set forth by the SEC and in the NASDAQ listing requirements and the compensation committee charter. In the event the members of the compensation committee are not "outside directors" (within the meaning of Section 162(m) of the Code), the committee shall delegate to a subcommittee comprised of "outside directors" any and all approvals, certifications and administrative and other determinations and actions with respect to compensation intended to satisfy the requirements of the "performance-based compensation" exception to Section 162(m). The initial members of the compensation committee will be determined prior to the effective date.

Other Committees

Our board of directors may establish other committees as it deems necessary or appropriate from time to time.

Compensation Committee Interlocks and Insider Participation

None of our directors will have interlocking or other relationships with other boards of directors, compensation committees or our executive officers that would require disclosure under Item 407(e)(4) of Regulation S-K.

Compensation of Directors

Following completion of the Spin-Off, we expect that we will pay an annual cash fee to each independent director equal to $75,000. In addition, we expect that each independent director will receive a one-time grant of $100,000 in restricted shares subject to four-year vesting (with the board chair receiving an additional not-yet-determined amount of restricted shares subject to four-year vesting as compensation for extensive time and effort expended between the July 29, 2014 announcement of the Spin-Off and the consummation of the Spin-Off) and an annual grant of $100,000 in restricted shares subject to one-year vesting. Further, we expect that an annual cash fee of $75,000 will be paid to the board chair. We expect that each independent director who serves on the Audit Committee, the Compensation Committee or the Governance Committee will also receive restricted shares subject to one-year vesting for their service on such committees. Fees to independent directors payable in restricted shares will be based on the value of such common stock at the date of issuance. Director minimum stock ownership guidelines will require that independent directors retain 100% of their equity grants received until the total market value of their equity owned equals or exceeds $500,000. We expect that any of our executive officers who also serve as directors, however, will not be separately compensated by us for their service as directors. We expect that all members of the board of directors will be reimbursed for reasonable costs and expenses incurred in attending meetings of our board of directors.

Executive Officer Compensation

Executive Compensation

The following table provides certain summary information concerning the compensation paid by Windstream for the fiscal year ended December 31, 2014 to our chief executive officer and our two other most highly compensated executive officers following the Spin-Off (the “named executive officers”). Kenneth Gunderman, our CEO, did not receive any compensation from Windstream in 2014. Jeffery W. Small will be one of the named executive officers. The other named executive officer has not yet been identified. The amounts and forms of compensation reported below are not necessarily indicative of the compensation that our named executive officers will receive following the Spin-Off.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(2)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)(3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Jeffery W. Small Windstream-SVP - REIT Corporate Development & Operations; Vice President of Procurement and Carrier Service Delivery(1)	2014	$198,069	—	$199,993	—	$ 31,572	—	$ 9,859(4)	$439,493

(1) Mr. Small will be Senior Vice President of Corporate Development and Operations of CS&L at the time of the Spin-Off.

(2) Represents the value of 24,999 restricted shares of Windstream Holdings common stock calculated using the closing stock price of Windstream Holdings common stock on the grant date ($8.18). The shares vest in three annual installments generally subject to continuous employment.

(3) Represents payouts associated with Windstream's Management Incentive Compensation Plan. The payout was subject to the attainment of certain Windstream quarterly and annual financial objectives during 2014.
(4) Consists of imputed life insurance of $165, company contributions to 401(k) defined contribution plan of $9,094 and cell phone allowance of $600.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table provides certain summary information concerning outstanding Windstream Holdings equity awards held by Jeffery W. Small, one of our named executive officers, as of December 31, 2014. Kenneth Gunderman held no Windstream Holdings equity awards as of December 31, 2014, and the other named executive officer has not yet been identified.

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)(1)	Equity incentive plan awards: number of unearned shares, units or other rights that have not vested (#)	Equity incentive plan awards: market or payout value of unearned shares, units or other rights that have not vested ($)
Jeffery W. Small	—	—	—	—	34,210(2)	$ 281,890	—	—

(1) The market value of shares or units of stock that have not vested was calculated using the closing stock price of Windstream Holdings common stock of $8.24 per share on December 31, 2014.
(2) The number of shares or units of stock held by Mr. Small that have not vested as of December 31, 2014 includes 5,513 shares that vested in full on February 15, 2015, 8,150 shares that vested in full on March 1, 2015, 4,247 shares that vest in full on February 15, 2016, 8,150 shares that vest in full on March 1, 2016 and 8,150 shares that vest in full on March 1, 2017.

Employment Agreement with Kenneth Gunderman

Effective as of February 12, 2015, CS&L entered into an Employment Agreement with Kenneth Gunderman (the "Employment Agreement") pursuant to which Mr. Gunderman will serve as CS&L's Chief Executive Officer and President, and CS&L has agreed to cause him to be a member of CS&L's board of directors. The original term of the Employment Agreement runs through December 31, 2018, unless earlier terminated, and it will automatically renew for successive one-year intervals after 2018 unless either party gives the other at least 90 days' notice. The Employment Agreement provides Mr. Gunderman a base salary of no less than $700,000 per year (subject to periodic review and increase) and provides further that, upon consummation of the Spin-Off, he will be eligible to participate in any annual compensation plans as may be then implemented with a target bonus equal to 150% of his then base salary. The target bonus may be increased to 200% of the then base salary at the discretion of the Compensation Committee of CS&L's board of directors.

Subject to and conditioned upon his continued employment through the Spin-Off, CS&L will grant Mr. Gunderman a time-based restricted stock award with a grant date value of $2,625,000, which will vest in full on the third anniversary of the Spin-Off. Additionally, for the fiscal year in which the Spin-Off occurs, CS&L will grant Mr. Gunderman restricted stock with a grant date value of $2,625,000; no more than seventy-five percent (75%) of the grant will be comprised of performance-based restricted stock or restricted stock units and the remaining percentage will be comprised of time-based restricted stock or restricted stock units vesting ratably over the three year period following the Spin-Off.

In the event CS&L terminates Mr. Gunderman's employment during the term of the Employment Agreement and following the Spin-Off without "cause" (as defined in the agreement) or Mr. Gunderman terminates his employment for "good reason" (as defined in the agreement), then CS&L will pay to Mr. Gunderman a lump-sum severance benefit equal to two times his annual base salary (in addition to any other amounts already due and owing). If Mr. Gunderman is terminated without cause or he terminates his employment with CS&L for good reason, in each case within two years of a "change in control" of CS&L (as defined in the agreement), then CS&L will pay to Mr. Gunderman, in a lump sum, the following amounts (in addition to any other amounts already due and owing): (i) a pro-rata annual bonus for the year of termination at target; (ii) a severance benefit equal to two times the sum of (x) the higher of his annual base salary in effect prior to the change in control or his annual base salary in effect prior to his termination and (y) the higher of his annual target bonus in effect prior to the change in control or his target annual bonus in effect prior to his termination; and (iii) an amount equivalent to the cost of two-years' health and dental insurance continuation. No severance payable following a change in control is subject to gross-up for golden parachute excise taxes, and the severance payable to Mr. Gunderman will be reduced to the amount that is not subject to such taxes if doing so would result in a greater after-tax payment to him. In any event, any severance payable to Mr. Gunderman will be subject to his execution of a release of claims, and the Employment Agreement also imposes one-year post-termination noncompetition/nonsolicitation obligations.

The above description of the Employment Agreement is a summary of certain of its terms only and is qualified in its entirety by the full text of the Employment Agreement, which is attached as an exhibit to the Form 10 of which this information statement forms a part.

Equity Plan

Introduction

We have adopted the Communications Sales & Leasing, Inc. 2015 Equity Incentive Plan (the "Equity Plan"), under which 6,000,000 shares of the Company's common stock may be issued or transferred.

Section 162(m) of the Code

Section 162(m) of the Code generally limits to $1 million the U.S. federal income tax deductibility of compensation paid in one year to a company's chief executive officer or any of its three next-highest-paid executive officers (other than the principal financial officer). Performance-based compensation is not subject to the limits on deductibility of Section 162(m) of the Code, provided that such compensation meets certain requirements, including stockholder approval of material terms of compensation. Thus, if the Equity Plan, including the list of performance criteria available under the Equity Plan for application to awards intended to qualify as performance-based compensation under Section 162(m) of the Code, is approved by stockholders, and other conditions of Section 162(m) of the Code are satisfied, certain compensation paid to the Company's chief executive officer or any of its three next-highest paid executive officers (other than the principal financial officer) pursuant to the Equity Plan should not be subject to the deduction limit of Section 162(m) of the Code.

Description of the Equity Plan

The following is a description of the material provisions of the Equity Plan.

Plan Administration. The compensation committee (the "Committee") of the board of directors of the Company (the "Board") will administer the Equity Plan, or may delegate its authority to do so as described below, except that all authority with respect to awards, or the making of awards, to non-employee directors under the Equity Plan rests exclusively with the Board, not with the Committee. In the Board's sole discretion, or in the absence of the Committee, the Board may determine to administer the Equity Plan. The Committee, or if no Committee has been appointed, the Board, may delegate administration of the Equity Plan to a committee or committees of one or more members of the Board. The Committee may delegate to a subcommittee any of the

administrative powers the Committee is authorized to exercise, subject, however, to such resolutions, not inconsistent with the provisions of the Equity Plan, as may be adopted from time to time by the Board. The Board may abolish, suspend or supersede the Committee at any time and revest in the Board the administration of the Plan. To the extent permitted under applicable law, authority to perform the following responsibilities may also be delegated by resolution to one or more officers of the Company: to (i) designate employees (other than those employees who are (A) officers or directors of the Company or (B) who beneficially own more than 10% of any class of equity security of the Company) to be recipients of awards; and (ii) determine the size of such awards. Any officer to whom such authority has been delegated must report to the Committee periodically regarding the nature and scope of awards granted pursuant to such authority.

Among other things, the Committee has the authority to:

- construe and interpret the Equity Plan;
- make rules and regulations relating to the administration of the Equity Plan;
- designate eligible persons to receive awards;
- establish the terms and conditions of awards; and
- make all other determinations necessary or advisable for the administration of the Equity Plan.

Eligibility. Officers, employees, non-employee directors and consultants of the Company or any of its subsidiaries or affiliates are eligible to receive awards under the Equity Plan. Non-employee directors may be granted nonqualified stock options, stock appreciation rights, restricted shares, restricted stock units and other share-based awards, but are not eligible to receive grants of incentive stock options, performance shares or performance units.

Shares Authorized. Subject to adjustment in the event of certain specified corporate events, including, without limitation, any merger, recapitalization, stock split, reorganization or similar transaction (see “Adjustments” below), the maximum aggregate number of shares available for issuance under the Equity Plan will be 6,000,000 and the maximum number of shares available for issuance under the Equity Plan with respect to incentive stock options will be 2,000,000. Shares subject to or underlying awards that expire or are cancelled or forfeited will again be available for issuance under the Equity Plan. Shares surrendered or withheld as payment of either the exercise price of an award and/or withholding taxes in respect of an award will be counted against the Equity Plan limits and will not be available for issuance in connection with future awards.

Individual Limits. The Equity Plan includes the following individual limits: (i) no participant may be granted option rights and stock appreciation rights (whether granted independent of or in tandem with an option right), in the aggregate, for more than 2,000,000 shares of common stock during any calendar year, (ii) no participant may be granted performance shares, restricted shares or restricted stock units specifying management objectives (described below), in the aggregate, for more than 1,000,000 shares of common stock during any calendar year, and (iii) no participant may be granted performance units having an aggregate maximum value in excess of $5,000,000 as of their date of grant during any calendar year.

Types of Awards. The Equity Plan provides for the grant of incentive stock options, “non-qualified” stock options, stock appreciation rights, performance units and performance shares, restricted shares, restricted stock units, and other types of incentive awards.

Options. Option rights, including both rights that are intended to qualify as incentive stock options under Section 422 of the Code (which may be granted only to employees of the Company) and “non-qualified” stock options, provide the right to purchase shares of the Company’s common stock at a price not less than fair market value of the Company’s common stock on the date of grant (which date may not be earlier than the date that the Committee takes action with respect thereto). No option rights may be exercised more than ten years from the date of grant. Each grant must specify the period of continuous

employment that is necessary before the option rights become exercisable, and may provide for the earlier exercise of such option rights in the event of the retirement, death or disability of the recipient, or other similar event as approved by the Committee. The option price is payable at the time of exercise (i) in cash, (ii) by the transfer to the Company of nonforfeitable, unrestricted shares of the Company's common stock that are already owned by the recipient and have a value at the time of exercise equal to the option price, (iii) with any other legal consideration that the Committee may deem appropriate or (iv) by any combination of the foregoing methods of payment. Any grant of option rights may provide for deferred payment of the option price from the proceeds of sale through a broker on the date of exercise of some or all of the shares of the Company's common stock to which the exercise relates, or the payment of the option price in installments, subject to compliance with applicable law. Any grant of option rights may specify management objectives that must be achieved as a condition to exercise such rights. The Committee may, at the date of grant of any "non-qualified" option rights, provide for the payment of dividend equivalents to the recipient on a current, deferred or contingent basis, or may provide that such equivalents be credited against the option price. Successive grants may be made to the same recipient regardless of whether option rights previously granted to him or her remain unexercised.

Stock Appreciation Rights. Stock appreciation rights (SARs) represent the right to receive from the Company an amount, determined by the Committee and expressed as a percentage not exceeding 100 percent, of the difference between the base price established for such SARs (not less than the fair market value per share of the Company's common stock on the date of grant) and the market value of the common stock on the date the SARs are exercised. SARs can be tandem (granted with option rights to provide an alternative to exercise of the option rights) or free-standing. Tandem SARs may only be exercised at a time when the related option right is exercisable and the spread is positive, and requires that the related option right be surrendered for cancellation. Free-standing SARs may not be exercisable more than ten years from the date of grant. Any grant of SARs may specify that the amount payable by the Company on exercise of the appreciation right may be paid in cash, in shares of the Company's common stock or in any combination thereof, and may either grant to the recipient or retain in the Committee the right to elect among those alternatives. Any grant of SARs may provide for the payment of dividend equivalents in the form of cash or shares of the Company's common stock paid on a current, deferred or contingent basis. Each grant must specify the period of continuous employment that is necessary before the SARs become exercisable, and may provide for the earlier exercise of such SARs in the event of the retirement, death or disability of the recipient, or other similar event approved by the Committee. Any grant of SARs may specify management objectives (as described below) that must be achieved as a condition to exercise such rights.

Performance Shares and Performance Units. A performance share is the equivalent of one share of the Company's common stock and a performance unit is the equivalent of $1.00. The recipient of such a performance award will be given one or more management objectives to meet within a specified period. A minimum level of acceptable achievement will also be established by the Committee. If by the end of the performance period, the specified management objectives have been achieved, then the recipient will be deemed to have fully earned the performance shares or performance units. If the management objectives have not been achieved, but a predetermined minimum level of acceptable achievement has been attained, then the recipient will be deemed to have partly earned the performance shares or performance units in accordance with a predetermined formula. To the extent earned, the performance shares or performance units will be paid to the recipient at the time and in the manner determined by the Committee in cash, shares of the Company's common stock or any combination thereof. The grant may provide for the payment of dividend equivalents thereon in cash or in shares of the Company's common stock on a current, deferred or contingent basis. The grant may also provide for the earlier termination of the performance period in the event of a change in control of the Company, the retirement, death or disability of the recipient, or other similar transaction or event approved by the Committee.

Restricted Shares. Restricted shares constitute an immediate transfer of ownership of a specified number of shares of the Company's common stock to the recipient in consideration of the performance of

services. Unless otherwise determined by the Committee, upon grant, the recipient becomes entitled to voting, dividend and other ownership rights in shares of the Company's common stock. The transfer may be made with or without the payment of additional consideration by the recipient. Restricted shares must be subject to a "substantial risk of forfeiture," within the meaning of Section 83 of the Code, for a period determined by the Committee on the date of the grant, and may provide for the earlier termination of the forfeiture provisions in the event of the retirement, death or disability of the recipient, or other similar event approved by the Committee. In order to enforce these forfeiture provisions, the transferability of restricted shares is restricted for the period during which such forfeiture provisions apply. Any grant of restricted shares may specify management objectives which, if achieved, will result in the early termination of the restrictions applicable to such shares. Any such grant may also specify in respect of such specified management objectives a minimum acceptable level of achievement and may set forth a formula for determining the number of restricted shares on which restrictions will terminate if performance is at or above the minimum level, but below full achievement of the specified management objectives.

Restricted Stock Units. Restricted stock units constitute an agreement to issue or deliver shares of the Company's common stock, pay an amount in cash, or a combination of the two, to the recipient in the future in consideration of the performance of services over a specified period, subject to the conditions established by the Committee. During the restriction period the recipient may not transfer any rights under his or her award and has no right to vote or receive dividends on the shares of Company's common stock covered by the restricted stock units, unless the Committee otherwise authorizes the payment of dividend equivalents with respect to the restricted stock units, in cash or shares of Company's common stock, on a current, deferred or contingent basis. The Committee must fix a restriction period at the time of grant, and may provide for the earlier termination of the restriction period in the event of the retirement, death or disability of the recipient, or other similar event approved by the Committee. Awards of restricted stock units may be made without additional consideration or in consideration of a payment by the recipient that is less than the fair market value per share of the Company's common stock on the date of grant. Any grant of restricted stock units may specify management objectives which, if achieved, will result in the early termination of the restrictions applicable to such restricted stock units. Any such grant may also specify in respect of such specified management objectives a minimum acceptable level of achievement and may set forth a formula for determining the number of restricted shares on which restrictions will terminate if performance is at or above the minimum level, but below full achievement, of the specified management objectives.

Other Awards. Subject to applicable law, the Committee may, on such terms and conditions as it determines, grant to officers and other key employees of the Company and its subsidiaries and affiliates other awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, shares of the Company's common stock or factors that may influence the value of such shares (including, without limitation, convertible or exchangeable debt securities or other securities, purchase rights for shares of the Company's common stock, or awards with value and payment contingent upon performance of the Company or its subsidiaries or affiliates or other factors determined by the Committee). Shares of the Company's common stock issued or delivered pursuant to these types of awards will be purchased for such consideration, by such methods and in such forms as the Committee determines. Cash awards, as an element of or supplement to any other award granted under the Equity Plan, may also be granted. The Committee may also grant shares of the Company's common stock as a bonus, or may grant other awards in lieu of obligations of the Company or a subsidiary or affiliate to pay cash or deliver other property under the Equity Plan or under other plans or compensatory arrangements, subject to such terms as are determined by the Committee.

Management Objectives/Performance Criteria. For purposes of awards of performance shares and performance unit, and for awards of stock options, stock appreciation rights, restricted shares, restricted stock units and other awards made subject to the achievement of certain performance criteria, the Committee will establish "management objectives." Management objectives may be described in terms of either company-wide objectives or objectives that are related to the performance of the individual

participant, or of the affiliate, subsidiary, division, department, region or function within the Company, affiliate or subsidiary in which the participant is employed and may be made relative to the performance of other companies. The Management Objectives applicable to any award to a Covered Employee that is intended to qualify for the performance-based compensation exception to Section 162(m) of the Code shall be based on specified levels of or growth in one or more of the following criteria: revenues, weighted average revenue per unit, earnings from operations, operating income, earnings before or after interest and taxes, operating income before or after interest and taxes, net income, cash flow, earnings per share, debt to capital ratio, economic value added, return on total capital, return on invested capital, return on equity, return on assets, total return to stockholders, earnings before or after interest, taxes, depreciation, amortization or extraordinary or special items, operating income before or after interest, taxes, depreciation, amortization or extraordinary or special items, return on investment, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, funds from operations, adjusted funds from operations, cash flow in excess of cost of capital, operating margin, operating expenses, gross expense management, profit margin, contribution margin, stock price and/or strategic business criteria consisting of one or more objectives based on meeting specified product development, strategic partnering, research and development, market penetration, geographic business expansion goals (e.g., opening of new offices in new geographic areas) cost targets, customer satisfaction, gross or net additional customers, average customer life, employee satisfaction, management of employment practices and employee benefits, supervision of litigation and information technology, and goals relating to acquisitions or divestitures of subsidiaries, affiliates and joint ventures. Management Objectives may be stated as a combination of the listed factors. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which it conducts its business, or other events or circumstances (including those events and circumstances described in Section 12 of this Plan) render the Management Objectives unsuitable, the Committee may, at its discretion modify such Management Objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable, except in the case of a Covered Employee to the extent that such action would result in the loss of the otherwise available exemption of the award under Section 162(m) of the Code.

Change in Control. The Committee may provide, in an evidence of award or other award agreement, for the accelerated vesting of award(s) made under the Plan in the event of a change in control of the Company, or other similar transaction as approved by the Committee; provided that, except with respect to performance shares and performance units as described above, no award will vest or become exercisable early solely as a result of a change in control of the Company.

Adjustments. The Committee shall make or provide for such adjustments in the numbers of shares of common stock covered by outstanding option rights, stock appreciation rights, performance shares, restricted stock units and other share-based awards, in the option price and base price provided in outstanding options and stock appreciation rights, and in the kind of shares covered thereby, as the Committee in its discretion may in good faith determine to be equitably required in order to prevent dilution or enlargement of the rights of participants that would otherwise result from: (i) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure; (ii) any merger, consolidation, spin-off, spin-out, split-off, split-up, reorganization, partial or complete liquidation or other distribution of assets, issuance of rights or warrants to purchase securities; or (iii) any other corporate transaction or event having an effect similar to any of the foregoing. In the event of any such transaction or event, the Committee may provide in substitution for any or all of the outstanding awards under the Equity Plan such alternative consideration (or no consideration) as it may in good faith determine to be equitable under the circumstances and may require in connection therewith the surrender of all awards so replaced. The Committee may also make or provide for such adjustments in the number of shares available under the Equity Plan, the various sub-limits described above, the number of shares and price per share applicable to any outstanding award, and other share limitations contained in the Equity Plan as the Committee may determine to reflect any transaction or event described above.

Amendments and Miscellaneous. The Equity Plan may be amended by the Board, but any amendment that must be approved by the Company's stockholders in order to comply with applicable laws or stock exchange rules will not be effective unless and until such approval has been obtained. The Board may amend the Equity Plan to eliminate provisions which are no longer necessary as a result of changes in tax or securities laws and regulations, or in the interpretation of such laws and regulations.

Where the Committee has established conditions to the exercisability or retention of certain awards, the Equity Plan allows the Committee to take action in its discretion at or after the date of grant to adjust such conditions in certain circumstances, including in the case of the death, disability or retirement of a participant.

Except with respect to adjustments made in connection with a corporate transaction (see "*Adjustments*" above) neither the Board nor the Committee may, without the further approval of the Company's stockholders, authorize the amendment of any outstanding option right or appreciation right to reduce the option price or base price. No option right or appreciation right may be cancelled and replaced with award(s) having a lower option price or base price, respectively, without further approval of our stockholders.

To the extent consistent with Section 409A of the Code, the Committee may permit participants to elect to defer the issuance or delivery of shares of common stock or the settlement of awards in cash under the Equity Plan pursuant to such rules, procedures or programs as it may establish for purposes of the Equity Plan. The Committee also may provide that deferred issuances or deliveries and settlements include the payment or crediting of dividend equivalents or interest on the deferral amounts.

The Committee may provide for special terms for awards to participants who are foreign nationals or who are employed by the Company or any of its affiliates or subsidiaries outside of the United States of America as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy, or custom; provided that no such special terms may include provisions that are inconsistent with the terms of the Equity Plan, unless the Board could have amended the Equity Plan to eliminate such inconsistency(ies) without obtaining stockholder approval.

Termination. The Equity Plan has a term of 10 years from the date of its approval by the Board and no awards may be made under the Equity Plan following the expiration of such 10 year period. Notwithstanding the expiration of the Equity Plan, all grants made on or prior to the expiration of the Equity Plan will remain in effect thereafter in accordance with their terms and the terms of the Equity Plan.

Clawback Policy

The Company expects to adopt a policy regarding repayment or forfeiture of certain compensation by executive officers ("Clawback Policy") that may require an executive officer to repay or forfeit certain compensation in the event that the Company's financial statements become subject to restatement and the Audit Committee determines that the executive officer committed actions or omissions that caused or significantly contributed to the need for the restatement or knew or should have known of such actions or omissions.

Potential Payments Upon Termination Or Change In Control

Except as described above under the heading "Employment Agreement with Kenneth Gunderman" or the heading "Equity Plan," there are no benefits guaranteed to be paid to the named executive officers upon termination or a change in control.

Code of Business Conduct and Ethics

Prior to the Spin-Off, we intend to adopt a Code of Business Conduct and Ethics, effective as of the time of our listing on NASDAQ. The Code of Business Conduct and Ethics will confirm our commitment to conduct our affairs

in compliance with all applicable laws and regulations and observe the highest standards of business ethics, and will seek to identify and mitigate conflicts of interest between our directors, officers and employees, on the one hand, and us on the other hand. The Code of Business Conduct and Ethics will also apply to ensure compliance with stock exchange requirements and to ensure accountability at a senior management level for that compliance. We intend that the spirit, as well as the letter, of the Code of Business Conduct and Ethics be followed by all of our directors, officers, employees and subsidiaries. This will be communicated to each new director, officer and employee. A copy of our Code of Business Conduct and Ethics will be available on our website.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of the date hereof, all of the outstanding shares of our common stock are owned by Windstream Holdings' wholly owned subsidiary Windstream Subsidiary. After the Spin-Off, Windstream will own up to 19.9 percent of our common stock. The following table provides information with respect to the expected beneficial ownership of our common stock immediately following the completion of the Spin-Off by (1) each person who we believe will be a beneficial owner of more than 5% of our outstanding common stock, (2) each of our directors and named executive officers, and (3) all directors, director nominees and executive officers as a group. We based the share amounts on each person's beneficial ownership of Windstream Holdings common stock as of March 9, 2015, unless we indicate some other basis for the share amounts, and assuming a distribution ratio of one share of CS&L common stock for every five shares of Windstream Holdings common stock, after giving effect to the interest in CS&L retained by Windstream.

To the extent our directors and officers own Windstream Holdings common stock at the time of the Spin-Off, they will participate in the Spin-Off on the same terms as other holders of Windstream Holdings common stock.

Except as otherwise noted in the footnotes below, each person or entity identified below has sole voting and investment power with respect to such securities. Following the Spin-Off, we will have outstanding an aggregate of 150,366,271 shares of common stock on a fully diluted basis based upon 605,363,439 shares of Windstream Holdings common stock outstanding as of March 9, 2015, applying the distribution ratio of one share of CS&L common stock for every five shares of Windstream Holdings common stock held as of the record date, after giving effect to the interest in CS&L retained by Windstream, and without accounting for cash in lieu of factional shares.

Name and Address of Beneficial Owner(1)	Amount and Nature of Beneficial Ownership	Percent of Class
Named Executive Officers and Directors:		
Francis X. "Skip" Frantz	139,148.2	*
Kenneth Gunderman	5,728.6	*
Jeffery W. Small	6,935.4	*
All directors, nominees and executive officers as a group (three persons)	151,812.2	*
Five Percent Shareholders:		
Windstream Subsidiary 4001 Rodney Parham Road Little Rock, Arkansas 72212	29,293,583(2)	19.5%(3)
		%
		%

* Denotes less than 1%.

(1) The address of all of the officers and directors listed above are in the care of CS&L, 10802 Executive Center Drive, Benton Building Suite 300, Little Rock, AR 72211.

(2) For a description of certain voting arrangements relating to the shares of our common stock retained by Windstream, see "Our Relationship with Windstream Following the Spin-Off—Stockholder's and Registration Rights Agreement."

(3) An additional 0.4% are issuable to employees of Windstream in the form of unvested equity awards in CS&L common stock pursuant to the Employee Matters Agreement.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Relationship between Windstream and CS&L

After the Spin-Off, we and Windstream Holdings will operate separately, each as an independent, publicly traded company. Windstream will retain a passive ownership interest in up to 19.9 percent of the common stock of CS&L at the time of the Spin-Off. Windstream intends to dispose of all of its shares of CS&L common stock opportunistically during a twelve month period following the Spin-Off, subject to market conditions, with the net proceeds used to retire debt. Such dispositions may include exchanges for indebtedness of Windstream or stock of Windstream and/or distributions to Windstream shareholders.

To govern our relationship after the Spin-Off, we and Windstream intend to enter into certain agreements prior to the Spin-Off, including, among others: the Separation and Distribution Agreement; the Master Lease; the Tax Matters Agreement; the Transition Services Agreement; the Employee Matters Agreement; the Wholesale Master Services Agreement; the Master Services Agreement; the Intellectual Property Matters Agreement; the Reverse Transition Services Agreement and the Stockholder's and Registration Rights Agreement. See "Our Relationship with Windstream Following the Spin-Off."

The current Chief Financial Officer and Treasurer of Windstream (Bob Gunderman) is the brother of our Chief Executive Officer (Kenneth Gunderman).

Procedures for Approval of Related Person Transactions

We expect our board of directors to adopt a policy regarding the approval of any "related person transaction," which is any transaction or series of transactions in which we or any of our subsidiaries is or are to be a participant, the amount involved exceeds $120,000, and a "related person" (as defined under SEC rules) has a direct or indirect material interest. Under the policy, a related person would need to promptly disclose to our Chief Financial Officer any proposed related person transaction and all material facts about the proposed transaction. Our Chief Financial Officer would then assess and promptly communicate that information to our audit committee. Based on our audit committee's consideration of all of the relevant facts and circumstances, our audit committee will decide whether or not to approve such transaction and will generally approve only those transactions that are in, or are not inconsistent with, the best interests of CS&L. If we become aware of an existing related person transaction that has not been pre-approved under this policy, the transaction will be referred to our audit committee, which will evaluate all options available, including ratification, revision or termination of such transaction. Our policy will require any director who may be interested in a related person transaction to recuse himself or herself from any consideration of such related person transaction.

OUR RELATIONSHIP WITH WINDSTREAM FOLLOWING THE SPIN-OFF

After the Spin-Off, we and Windstream Holdings will operate separately, each as an independent, publicly traded company. To govern our relationship after the Spin-Off, we will enter into the following agreements with Windstream, among others: the Separation and Distribution Agreement; the Master Lease; the Tax Matters Agreement; the Transition Services Agreement; the Employee Matters Agreement; the Wholesale Master Services Agreement; the Master Services Agreement; the Intellectual Property Matters Agreement; the Reverse Transition Services Agreement; and the Stockholder's and Registration Rights Agreement. The following is a summary of the material terms of those agreements.

The material agreements described below have been, or will be, filed as exhibits to the registration statement on Form 10 of which this information statement is a part, and the summaries of each of these agreements set forth the terms of the agreements that we believe are material. These summaries are qualified in their entirety by reference to the full text of the applicable agreements, which are incorporated by reference into this information statement. The terms of the agreements described below that will be in effect at the time of and following the Spin-Off have not yet been finalized; changes to these agreements, some of which may be material, may be made prior to the Spin-Off.

Separation and Distribution Agreement

The Separation and Distribution Agreement contains the key provisions relating to the separation of the Distribution Systems and Consumer CLEC Business from Windstream. It also contains other agreements that govern certain aspects of our relationship with Windstream that will continue after the Spin-Off.

Transfer of Assets and Assumption of Liabilities

The Separation and Distribution Agreement divides and allocates the assets and liabilities of Windstream prior to the Spin-Off between us and Windstream, and describes when and how any required transfers and assumptions of assets and liabilities will occur.

The Spin-Off

The Separation and Distribution Agreement governs the rights and obligations of the parties regarding the Spin-Off. On the distribution date, Windstream Holdings will cause its agents to distribute, on a *pro rata* basis, all of the issued and outstanding shares of our common stock to Windstream Holdings' shareholders as of the record date.

Conditions

The Separation and Distribution Agreement provides that the Spin-Off is subject to multiple conditions that must be satisfied or waived by Windstream, in its sole discretion. For further information regarding these conditions, see "The Spin-Off—Conditions to the Spin-Off." Even if all of the conditions have been satisfied, Windstream may, in its sole and absolute discretion, terminate and abandon the Spin-Off or any related transaction at any time prior to the distribution date.

Representations or Warranties

Under the Separation and Distribution Agreement, each party makes representations and warranties to the other regarding organization and authority, due authorization, consents and approvals, no violation, litigation and solvency. Windstream makes additional representations and warranties to CS&L regarding ownership of the assigned assets, no undisclosed liabilities, absence of certain changes or events, taxes, compliance with laws, licenses and permits, and environmental compliance. CS&L makes additional representations and warranties to Windstream regarding the validity of the CS&L common stock and limited activity.

None of the representations or warranties described above will survive the effective time of the Separation and Distribution Agreement.

Access to Information

The Separation and Distribution Agreement provides that the parties will exchange, as soon as reasonably practicable after written request therefor, any information reasonably requested by the other party, unless such provision of information could be commercially detrimental, violate any law or agreement, or waive any attorney-client privilege, in which case the parties will take all reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence. In addition, the parties will use reasonable best efforts to make available to each other directors, officers, other employees and agents as witnesses in any legal, administrative or other proceeding in which the other party may become involved to the extent reasonably required.

Releases, Allocation of Liabilities and Indemnification

The Separation and Distribution Agreement provides for a full and complete release and discharge of all liabilities existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed at or before the separation, between Windstream and us, except as expressly set forth in the Separation and Distribution Agreement.

The Separation and Distribution Agreement provides that (i) we will indemnify Windstream and its affiliates and each of their respective current and former directors, officers, agents and employees against any and all losses relating to (a) liabilities arising out of the Distribution Systems and Consumer CLEC Business, (b) any breach by us of any provision of the Separation and Distribution Agreement or any ancillary agreement, and (c) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to information contained in the registration statement of which this information statement is a part (other than information regarding Windstream provided to us by Windstream for inclusion therein), and (ii) that Windstream will indemnify us and our affiliates and each of our respective current and former directors, officers, agents and employees against any and all losses relating to (a) liabilities arising out of the Windstream telecommunications business, (b) any breach by Windstream of any provision of the Separation and Distribution Agreement or any ancillary agreement, and (c) any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to information contained in the registration statement of which this information statement is a part (solely with respect to information regarding Windstream provided to us by Windstream for inclusion therein).

The Separation and Distribution Agreement also establishes dispute resolution procedures with respect to claims subject to indemnification and related matters.

Indemnification with respect to taxes, employee benefits and certain intellectual property is governed by the Tax Matters Agreement, the Employee Matters Agreement and the Intellectual Property Matters Agreement, respectively.

Termination

The Separation and Distribution Agreement provides that it may be terminated and the Spin-Off may be abandoned at any time prior to the distribution date by Windstream, in its sole discretion.

Expenses

The Separation and Distribution Agreement provides that all costs and expenses incurred and directly related to the Spin-Off will be paid by Windstream to the extent incurred and payable on or prior to the distribution date, and will be paid by the party incurring the cost or expense to the extent arising and payable following the distribution date.

Net Working Capital Adjustment

The Separation and Distribution Agreement provides a mechanism for the parties to agree, after closing of the Spin-Off, upon the net working capital of the Distribution Systems and Consumer CLEC Business as of the distribution date. If such amount is less than $0, CS&L will pay such amount to Windstream. If such amount is greater than $0, Windstream will pay such amount to CS&L.

Master Lease

We will enter into the Master Lease with Windstream Holdings, pursuant to which Windstream Holdings will lease the Distribution Systems. Under the Master Lease, the Operating Partnership and our individual subsidiaries that own the properties subject to the Master Lease will be the landlord, and Windstream Holdings will be the tenant. A default by Windstream Holdings with regard to any property will cause a default with regard to the entire portfolio, The subsidiaries of Windstream Holdings will have the right to use, occupy and operate the Distribution Systems and discharge any of Windstream Holdings' obligations under the Master Lease.

The following description of the Master Lease does not purport to be complete, but contains a summary of certain material provisions of the Master Lease.

Term and Renewals

The Master Lease will provide for the lease of land, buildings, structures and other improvements on the land and appurtenances to the land and improvements (including the Company's rights under any permits, easements and pole agreements) relating to the operation of the Distribution Systems.

The Master Lease will provide for an initial term of 15 years, with no purchase options. At the option of Windstream Holdings, the Master Lease may be extended for up to four renewal terms of five years each, and Windstream Holdings can elect which Distribution Systems then subject to the Master Lease to renew. In addition, Windstream Holdings has the right to extend the initial term of the Master Lease from 15 years to 20 years for all of the Distribution Systems and, if exercised, the number of renewal terms will be reduced to three so that the maximum term (taking into account all renewals) is 35 years and we will have certain capital funding obligations under the Master Lease as summarized below.

Windstream Holdings will not have the ability to terminate its obligations under the Master Lease prior to its expiration without our consent other than in limited circumstances (i.e., condemnation). If the Master Lease is terminated prior to its expiration other than with our consent, Windstream Holdings may be liable for damages and incur charges such as continued payment of rent through the end of the lease term and maintenance and repair costs for the Distribution Systems. See "Risk Factors—Risks Related to Our Business."

Rental Amounts and Escalators

The Master Lease is a triple-net lease. Accordingly, in addition to rent, Windstream Holdings will be required to pay, among other things, the following items subject to limited carveouts set forth in the Master Lease:

- all impositions and taxes levied on or with respect to the Distribution Systems (other than taxes on our income, gross receipts and capital stock and our franchise taxes);

- all utilities and other services necessary or appropriate for the Distribution Systems and the business conducted thereon;
- all insurance required in connection with the Distribution Systems;
- all maintenance and repair costs with respect to the Distribution Systems;
- charges under the easements, permits and pole agreements; and
- all fees in connection with any licenses or authorizations necessary or appropriate for the Distribution Systems and the business conducted thereon.

The rent will be a fixed annual amount that will be set near the time of the Spin-Off. The rent will be determined by resolution of the Board of Directors of Windstream Holding adopted prior to the Spin-Off based on an assessment of the fair market value of the rental property, the projected residual value of the property at the end of the Master Lease, an appropriate rate of return, and such other factors as the Board of Directors of Windstream Holdings deems appropriate in consultation with its advisors, including a third party valuation expert engaged for such purposes.

Windstream Holdings will make the rent payment in monthly installments. We currently anticipate that the initial estimated annual rent under the Master Lease will be approximately $650 million during the first three years of the Master Lease. Commencing with the fourth year and continuing for the remainder of the initial term, the rent will be subject to annual escalation of 0.5%. The rent for the first year of each renewal term will be an amount agreed to by us and Windstream Holdings, or if we are unable to agree, the renewal rent will be determined by an independent appraisal process. Commencing with the second year of each renewal term, the rent will increase at an escalation rate of 0.5%. If the Company is required to fund any capital improvements or otherwise elects to fund any capital improvements by Windstream Holdings to the Distribution Systems, the rent will be increased to account for such funding.

Maintenance, Capital Expenditures and Alterations

Windstream Holdings will be required to maintain the Distribution Systems in accordance with the standard of operation and maintenance then engaged in or approved by a significant portion of the owners of distribution systems that are similar to the Distribution Systems (“Prudent Industry Practice”). Windstream Holdings is required to maintain all of its personal property that is necessary to operate the Distribution Systems in accordance with Prudent Industry Practice and in compliance with all applicable legal, insurance and licensing requirements. Capital expenditures for the Distribution Systems are generally the responsibility of Windstream Holdings, except that Windstream Holdings will have an option to require us to fund capital expenditures in an amount up to $50 million annually for a maximum period of five years (but in no event to extend beyond the end of the sixth year of the Master Lease) if Windstream Holdings elects to extend the initial term of the Master Lease from 15 years to 20 years and such election is made with the first five years of the Master Lease. We have separately agreed with Windstream Holdings to fund an additional $50 million in 2015 irrespective of whether the initial term of the Master Lease is extended.

Windstream Holdings has the right to make alterations (which includes maintenance, repairs, extensions, upgrades, additions, replacements or overbuilds to the Distribution Systems) that are constructed in accordance with Windstream Holdings’ current engineering standard without our consent. Windstream Holdings’ engineering standard may be modified without our consent so long as the standard is consistent with prevailing industry practice and is in compliance with applicable law. Prior to commencing any alterations that require our consent, Windstream Holdings will be required to provide us with a general description of the proposed alteration, the projected cost and such plans and specifications, permits, licenses, contracts and other information concerning the proposal as we shall request.

Use of the Distribution Systems

Windstream Holdings is permitted to use the Distribution Systems for, among other things, the provision, routing and delivery of voice, data, video, data center, cloud computing and other communication services, the

colocation activities in the data center space, the provision of dark or dim rim fiber services to third parties, such other services and uses consistent with its current use or with prevailing communications industry use and/or uses under subleases that are permitted under the Master Lease. Windstream must continuously operate the Distribution Systems for one or more of the permitted uses subject to limited exceptions that are specified in the Master Lease.

Events of Default

Under the Master Lease, an "Event of Default" will be deemed to occur upon certain events, including, without limitation:

- the failure by Windstream Holdings to pay rent or other amounts when due and such failure is not remedied within the applicable notice and cure period;
- the revocation, termination or material suspension of any license or other agreement that is not stayed pending appeal and would have a material adverse effect on Windstream Holdings or the operation of the Distribution Systems, taken as a whole;
- the occurrence of a default under another material agreement between us and Windstream Holdings or our respective affiliates, which is not cured within the applicable notice and cure period (excluding certain agreements specified in the Master Lease);
- a voluntary cessation of operations at the Distribution Systems (except as otherwise permitted under the Master Lease) that is not cured within the applicable notice and cure period and would have a material adverse effect on Windstream Holdings or on the operation of the Distribution Systems, taken as a whole;
- the sale or transfer of any license or other authorization relating to the Distribution Systems without our consent subject to the pledges and transfers expressly permitted under the Master Lease;
- the occurrence of an event or condition that results or causes the material indebtedness of Windstream becoming due prior to its stated maturity, or requires a payment, repurchase, redemption or defeasance of the material indebtedness prior to the stated maturity, or if Windstream Holdings fails to pay the principal of any material indebtedness at the final maturity date, in each case subject to limited exceptions set forth in the Master Lease;
- certain events of bankruptcy or insolvency with respect to Windstream Holdings;
- the breach by Windstream Holdings of a representation or warranty in the Master Lease in a manner which materially and adversely affects us and is not cured within the applicable notice and cure period; and
- the failure by Windstream Holdings to comply with any other covenants set forth in the Master Lease that is not cured within the applicable notice and cure period.

Remedies for an Event of Default

Upon an Event of Default under the Master Lease, we may (at our option) exercise certain remedies, including, without limitation:

- subject to any rights that a leasehold mortgagee that meets the criteria set forth in the Master Lease or the holder of any indebtedness entered into by Windstream Holdings or its affiliates may have, terminate the Master Lease, dispossess Windstream Holdings from the Distribution Systems, and/or collect monetary damages by reason of Windstream Holdings' breach (including the acceleration of all rent which would have accrued after such termination and could not have been reasonably avoided);
- elect to leave the Master Lease in place and sue for rent and any other monetary damages;

- if we elect to terminate the Master Lease, Windstream Holdings is required to transfer the business operations conducted by Windstream at the Distribution Systems so terminated (with limited exceptions set forth in the Master Lease) to a successor tenant for fair market value pursuant to a process set forth in the Master Lease and cooperate with us to ensure that an operational facility is transferred to the successor tenant; and
- seek any and all other rights and remedies available under law or in equity.

Assignment and Subletting

The Master Lease will provide that Windstream Holdings may not sublease, assign, encumber or otherwise transfer or dispose of the Master Lease or any Distribution Systems, including by virtue of a change of control of Windstream Holdings, or engage a management company without our consent subject to certain agreed upon exceptions set forth in the Master Lease. These exceptions include, but are not limited to, the following: (i) undergo a change of control in Windstream Holdings if the transferee is a qualified transferee that meets certain criteria set forth in the Master Lease, (ii) an assignment of the Master Lease to any of the subsidiaries of Windstream Holdings, (iii) a pledge or mortgage of Windstream Holdings' interest under the Master Lease to a qualified lender that meets certain criteria, and the foreclosure by such lender or its designee, (iv) an assignment of the Master Lease to a qualified transferee that meets certain criteria set forth in the Master Lease, (v) the right to sublease (including, without limitation, any rights granted under dark fiber agreements, dim fiber agreements and colocation agreements) for a non-material portion of the Distribution Systems, and (vi) the right to sublease a material portion of the Distribution Systems if the sublease or subtenant meets certain criteria or Windstream is obligated to enter into the colocation arrangement in order to discharge its obligations under any license, authorization or law.

As a means of promoting competition, the Telecommunications Act of 1996 imposed on an incumbent local exchange carrier ("ILEC") the requirements to provide a competitor with access to physical space within the ILEC's premises (e.g., central offices) for the placement of equipment necessary for providing interconnection services or to purchase access to the ILEC's network infrastructure at cost, plus a reasonable profit. The term "colocation" refers to the arrangement pursuant to which a competitor either places its equipment within an ILEC's central office or accesses the ILEC's network infrastructure. The terms of the Master Lease will allow Windstream to enter into colocation agreements in order to comply with its regulatory requirements.

In addition, Windstream Holdings is permitted to grant any of its rights and privileges under the Master Lease to any of its subsidiaries and we have agreed to acknowledge that the performance of any obligations or agreements by any of such subsidiaries shall satisfy Windstream Holdings' obligations to perform such obligation or agreement thereunder.

New Opportunities

Generally, neither we nor Windstream Holdings will be prohibited from developing, redeveloping, expanding, purchasing or building facilities subject to certain limitations set forth in the Master Lease. By way of example, these limitations may include:

- A requirement that any alterations to the Distribution Systems (which includes maintenance, repairs, extensions, upgrades, additions, replacements or overbuilds to the Distribution Systems) must be performed in accordance with the terms of the Master Lease.
- A prohibition on us from (i) constructing for any party other than Windstream fiber, copper, coaxial and fixed wireless facilities within the same local exchange area of the ILECs that are subsidiaries of Windstream Holdings and are operating the Distribution Systems or (ii) constructing for any party other than Windstream extensions (including extensions in the form of fiber, copper, coaxial or fixed wireless facilities) of any ILEC facility under the Master Lease into a geographic area that adjoins the local exchange area of any ILEC facilities that are leased by Windstream Holdings under the Master Lease.

- Transfer restrictions that only permit us to sell all (but not less than all) of our interest in the Distribution Systems to a single buyer/assignee that is not a competitor of Windstream.
- Transfer restrictions that prohibit: (1) a competitor of Windstream from acquiring 10% or more of the equity interests in CS&L or the entities comprising the landlord under the Master Lease, (2) a competitor of Windstream from acquiring all or substantially all of our assets relating to the Distribution Systems, or (3) a merger or consolidation by us with or into a competitor of Windstream.
- Transfer restrictions that require the Operating Partnership and the other subsidiaries that comprise the landlord under the Master Lease to remain subsidiaries of CS&L during the term of the Master Lease.

Licenses/Successor Lessee Provisions

Licenses and all other authorizations necessary to operate the facilities that will be subject to the Master Lease will be procured and maintained by the tenant pursuant to the terms of the Master Lease. The Master Lease will require Windstream Holdings to transfer, to the extent permitted by law, licenses and all other authorizations at the expiration or earlier termination of the Master Lease to a successor tenant for fair market value pursuant to process set forth in the Master Lease.

Tax Matters Agreement

The Tax Matters Agreement will govern our and Windstream's respective rights, responsibilities and obligations with respect to taxes (including taxes arising in the ordinary course of business and taxes, if any, incurred as a result of any failure of the Spin-Off and certain related transactions to qualify as tax-free for U.S. federal income tax purposes), tax attributes, tax returns, tax contests and certain other tax matters.

In addition, the Tax Matters Agreement will impose certain restrictions on us and our subsidiaries (including restrictions on share issuances, business combinations, sales of assets and similar transactions) that will be designed to preserve the tax-free status of the Spin-Off and certain related transactions, including:

- generally, for two years after the Spin-Off, taking, or permitting any of its subsidiaries to take, an action that might be a disqualifying action without receiving the prior consent of Windstream Holdings;
- for two years after the Spin-Off, entering into any agreement, understanding or arrangement or engaging in any substantial negotiations with respect to any transaction involving the acquisition of CS&L stock or the issuance of shares of CS&L stock, or options to acquire or other rights in respect of such stock, unless, generally, the shares are issued to qualifying CS&L employees or retirement plans, each in accordance with "safe harbors" under regulations issued by the IRS;
- for two years after the Spin-Off, repurchasing our shares, except to the extent consistent with guidance issued by the IRS;
- for two years after the Spin-Off, permitting certain wholly owned subsidiaries that were wholly owned subsidiaries of CS&L at the time of the Spin-Off to cease the active conduct of the Consumer CLEC Business to the extent so conducted by those subsidiaries immediately prior to the Spin-Off; and
- for two years after the Spin-Off, voluntarily dissolving, liquidating, merging or consolidating with any other person.

Nevertheless, CS&L will be permitted to take any of the actions described above in the event that the IRS has granted a favorable ruling to Windstream Holdings or CS&L as to the effect of such action on the tax-free status of the transactions described in this document.

The Tax Matters Agreement will provide special rules allocating tax liabilities in the event the Spin-Off, together with certain related transactions, was not tax-free. In general, under the Tax Matters Agreement, each

party is expected to be responsible for any taxes imposed on Windstream Holdings and/or Windstream Holdings' wholly owned subsidiary Windstream Corporation that arise from the failure of the Spin-Off and certain related transactions to qualify as a tax-free transaction for U.S. federal income tax purposes under Section 355 and Section 368(a)(1)(D) of the Code, as applicable, and certain other relevant provisions of the Code to the extent that the failure to qualify is attributable to actions taken by such party.

The Tax Matters Agreement will also set forth our and Windstream's obligations as to the filing of tax returns, the administration of tax contests and assistance and cooperation on tax matters.

Transition Services Agreement

Windstream will agree to provide us with certain administrative and support services on a transitional basis pursuant to the Transition Services Agreement for a period not to exceed eighteen months. The transition services will consist of information technology infrastructure support, customer call routing, accounting and collection services. We expect that the fees charged to us for transition services furnished pursuant to the Transition Services Agreement will approximate the actual cost incurred by Windstream in providing the transition services to us for the relevant period. The Transition Services Agreement will provide that we have the right to terminate a transition service upon notice to Windstream, in which case the service shall be terminated as soon as practicable after the notice, but in no event later than thirty days thereafter. The Transition Services Agreement also will contain provisions under which Windstream will generally agree to indemnify us for all losses incurred by us resulting from Windstream's material breach of the Transition Services Agreement.

Employee Matters Agreement

The Employee Matters Agreement will govern the respective compensation and employee benefit obligations of us and Windstream with respect to the current and former employees of each company, and generally will allocate liabilities and responsibilities relating to employee compensation and benefit plans and programs. The following is a summary of some of the expected material provisions of the Employee Matters Agreement:

- Windstream will retain all liabilities except for salaries and commissions attributable to present and former employees of both us and Windstream in respect of the period before the Spin-Off;
- the employment of those current Windstream employees who will be our employees at the time of the Spin-Off will be transferred from Windstream to us at some point before the Spin-Off and we will participate in existing Windstream benefit plans from that time until the Spin-Off (exclusive of incentive compensation plans for 2015 because we expect to establish our own plans for our employees);
- there will be no transfer of any employee benefit plan assets or liabilities from Windstream to us and existing Windstream employees who become our employees will be treated as having terminated employment with Windstream at the time of the Spin-Off (except as provided in respect of equity incentive awards (see "Management—Outstanding Equity Awards at Fiscal Year-End—Incentive Award Plan") and for purposes of paid-time off benefits, which we will assume);
- we will assume all liabilities in respect of our employees that are attributable to the period beginning on the distribution date and, for purposes of the benefit plans we may establish on or after the distribution date, credit our employees for service with Windstream before the Spin-Off (except to the extent it would result in a duplication of benefits).

We otherwise will be generally free to establish the terms and conditions of employment of our employees.

Wholesale Master Services Agreement

Windstream's competitive local exchange carrier affiliates will agree in the Wholesale Master Services Agreement to resell to Talk America local exchange service (including, among other things, access to emergency

services, access to operator services, access to interexchange service, access to directory assistance, toll limitation for qualifying low-income consumers, and any other ancillary functionalities that Talk America must provide pursuant to applicable statutes and regulations), interexchange service and broadband service. In this connection, Windstream will provide the Company transport services (local and long distance telecommunications service), provisioning services (directory assistance, directory listing, service activation and service changes), and repair services (routine and emergency network maintenance, network audits and network security). The Wholesale Master Services Agreement will be limited to residential customers. Windstream will charge Talk America retail rates included in Windstream's tariffs/agreements for each customer served and will provide Talk America a monthly volume discount which will be based on the number of active customers served by Talk America.

Master Services Agreement

Windstream will agree to provide us billing, collection and certain support services pursuant to a Master Services Agreement for an initial term of four (4) years. The Master Services Agreement will consist of billing services, and information technology support principally associated with the billing services, output processing, customer call routing, and collection services. The fees charged to us for services provided pursuant to the Master Services Agreement will be based on commercially reasonable terms.

Intellectual Property Matters Agreement

Windstream will agree to provide us with a license to use, for five years, certain domain names owned by Windstream that are used by customers of the Consumer CLEC Business in their email addresses. The purpose of the license is to allow such customers to continue to use existing domain names without requiring any transfer to a new "Talk America" domain, but we will not be permitted to issue any new email addresses using the licensed domains.

The license granted pursuant to the Intellectual Property Matters Agreement will be a royalty-free, nonexclusive license, in those jurisdictions where Windstream has such rights. We will be responsible for ensuring that our use of the domain names is in conformity with certain defined standards, and will indemnify Windstream from and against all liability involving or otherwise relating to any actual or alleged infringement of any third party's intellectual property rights arising out of our use of the domain names or any breach or failure by us to comply with any representation, warranty or covenant set forth in the Intellectual Property Matters Agreement.

Windstream will maintain sole control and discretion over the prosecution and maintenance with respect to all rights, including all intellectual property rights in and to the domain names.

Reverse Transition Services Agreement

We will agree to provide Windstream with customer service support on a transitional basis pursuant to the Reverse Transition Services Agreement for a term of ninety (90) days or upon completion of an internal billing system conversion, whichever is later. The reverse transition services will consist of support for inbound/outbound customer telephone calls, emails, correspondence, etc., order processing support, the ability to move customer service representatives to different call queues based on call volumes, and support for customer disconnect requests. The fees charged to Windstream for reverse transition services furnished pursuant to the Reverse Transition Services Agreement will approximate the actual cost incurred by us in providing the reverse transition services to Windstream for the relevant period. The Reverse Transition Services Agreement will provide that we will have the right to terminate this reverse transition service upon notice to Windstream, in which case the service shall be terminated as soon as practicable after the notice, but in no event later than thirty (30) days thereafter. The Reverse Transition Services Agreement also will contain provisions under which we will generally agree to indemnify Windstream for all losses incurred by Windstream resulting from our material breach of the Reverse Transition Services Agreement.

Stockholder's and Registration Rights Agreement

We and Windstream will enter into a Stockholder's and Registration Rights Agreement pursuant to which we will agree that, upon the request of Windstream, we will use our best efforts to effect the registration under applicable federal and state securities laws of the shares of our common stock retained by Windstream after the Spin-Off. In addition, Windstream will grant us a proxy to vote the shares of our common stock that Windstream retains immediately after the Spin-Off in proportion to the votes cast by our other shareholders. This proxy, however, will be automatically revoked as to a particular share upon any sale or transfer of such share from Windstream to a person other than Windstream, and neither the voting agreement nor the proxy will limit or prohibit any such sale or transfer. Further, Windstream will agree not to seek a seat on the board of directors of CS&L and will agree not to acquire additional shares of CS&L common stock.

DESCRIPTION OF OUR CAPITAL STOCK

Our charter and bylaws will be amended and restated prior to the Spin-Off. The following is a summary description of the material terms of our capital stock as will be set forth in our charter and bylaws that will govern the rights of holders of our common stock upon the consummation of the Spin-Off.

While the following attempts to describe the material terms of our capital stock, the description may not contain all of the information that is important to you. You are encouraged to read the full text of our charter and bylaws, the forms of which are included as exhibits to the registration statement on Form 10, of which this information statement is a part, as well as the provisions of the Maryland General Corporation Law and other applicable Maryland law.

Certain Differences between the Rights of Windstream Holdings Stockholders and CS&L Stockholders

CS&L was incorporated as a Maryland corporation and following the Spin-Off intends to be classified as a REIT for U.S. federal income tax purposes. Maryland was chosen as CS&L's domicile due to Maryland being the leading jurisdiction for the incorporation or formation of REITs, with a vast majority of all publicly-traded REITs having been formed under Maryland law. Certain provisions of Maryland law that may be deemed more favorable to REITs than other common jurisdictions for incorporation, such as Delaware, include (i) no franchise tax and (ii) the ability of the board of directors to increase authorized capital stock without approval by stockholders.

Although Windstream Holdings is incorporated under and governed by Delaware law and CS&L is incorporated under and governed by Maryland law, CS&L has generally modeled its corporate governance after that of Windstream Holdings', with certain exceptions arising (i) due to differences between Maryland and Delaware corporate law, and (ii) as a result of outreach and discussions with certain significant stockholders of Windstream Holdings that will also become significant stockholders of CS&L after the Spin-Off. The chart below provides a summary comparison of certain of the corporate governance features applicable to each of Windstream and CS&L.

	Windstream Holdings	**CS&L**
Election of Directors	Annually	Annually
Size of the Board of Directors	10 (Number of directors must be within a range of 3-15)	4 (Number of directors must be within a range of 3-9)
General Voting Standard	Majority of votes cast	Majority of votes cast
Voting Standard for Election of Directors in Uncontested Elections	Majority of votes cast standard with director resignation policy	Majority of votes cast standard with director resignation policy
Voting Standard to Amend Key Provisions of bylaws (size of the board of directors, vacancies on the board, process for nominating directors, and process for bringing business before a stockholder meeting)	Supermajority (2/3)	Board has exclusive authority to amend the Bylaws
Voting Standard to Amend Key Provisions of Charter	Supermajority (2/3)	Majority of outstanding
Blank Check Preferred Stock	Yes	Yes
Separate Chairman and Chief Executive Officer	Yes	Yes
All Directors other than Chief Executive Officer are Independent	Yes	Yes
Stockholders Authorized to Call a Special Meeting of Stockholders	No	Yes (upon request by the holders of at least 20% of all shares outstanding)
Stockholder Action Via Written Consent Without a Meeting	No	No
Restrictions on Ownership of Common Stock	No	Yes
Anti-Takeover Statues	Are applicable to Windstream	CS&L will opt out

General

Following the Spin-Off, our authorized stock will consist of 500,000,000 shares of common stock, par value $0.0001 per share, and 50,000,000 shares of preferred stock, par value $0.0001 per share.

Based on the number of shares of Windstream Holdings common stock outstanding as of March 9, 2015, it is expected that we will have approximately 150,366,000 shares of common stock outstanding on a fully diluted basis upon completion of the Spin-Off. No shares of our preferred stock will be issued and outstanding at the time of the Spin-Off.

Common Stock

All of the shares of our common stock distributed in the Spin-Off will be duly authorized, validly issued, fully paid and nonassessable. Subject to the preferential rights of any other class or series of our stock and the provisions of our charter that will restrict transfer and ownership of stock, the holders of shares of our common stock generally will be entitled to receive dividends on such stock out of assets legally available for distribution to the shareholders when, as and if authorized by our board of directors and declared by us. The holders of shares of our common stock will also be entitled to share ratably in our net assets legally available for distribution to shareholders in the event of our liquidation, dissolution or winding up, after payment of or adequate provision for all known debts and liabilities.

Subject to the rights of any other class or series of our stock and the provisions of our charter that will restrict transfer and ownership of stock, each outstanding share of our common stock will entitle the holder to one vote on all matters submitted to a vote of the shareholders, including the election of directors. Under our charter there will be no cumulative voting in the election of directors. Our bylaws will require that each director be elected by a plurality of votes cast with respect to such director, except in the case of an uncontested election, in which case our bylaws will require that each director be elected by a majority of votes cast with respect to such director.

Holders of shares of our common stock will generally have no preference, conversion, exchange, sinking fund, redemption or appraisal rights and will have no preemptive rights to subscribe for any of our securities. Subject to the provisions of our charter that will restrict transfer and ownership of stock, all shares of our common stock will have equal dividend, liquidation and other rights.

Our charter will authorize our board of directors to reclassify any unissued shares of our common stock into other classes or series of stock, to establish the designation and number of shares of each class or series and to set, subject to the provisions of our charter relating to the restrictions on ownership and transfer of our capital stock, the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms and conditions of redemption of each such class or series.

Preferred Stock

Under our charter, our board of directors will be permitted from time to time to establish and to cause us to issue one or more classes or series of preferred stock and set the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications, or terms or conditions of redemption of such classes or series. Accordingly, our board of directors, without shareholder approval, will be permitted to issue preferred stock with voting, conversion or other rights that could adversely affect the voting power and other rights of the holders of common stock. Preferred stock could be issued quickly with terms calculated to delay or prevent a change of control or make removal of management more difficult. Additionally, the issuance of preferred stock may have the effect of decreasing the market price of our common stock, may adversely affect the voting and other rights of the holders of our common stock, and could have the effect of delaying, deferring or preventing a change of control of our company or other corporate action. No shares of preferred stock are expected to be outstanding immediately following the Spin-Off and we have no present plans to issue any shares of preferred stock.

Power to Increase or Decrease Authorized Shares of Our Common Stock and Issue Additional Shares of Our Common and Preferred Stock

Our board of directors will have the authority, without any action by our shareholders, to amend CS&L's charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that CS&L has authority to issue.

We believe that the power of our board of directors to amend our charter to increase or decrease the aggregate number of authorized shares of stock, to authorize us to issue additional authorized but unissued shares of our common stock or preferred stock and to classify or reclassify unissued shares of our common stock or preferred stock and thereafter to authorize us to issue such classified or reclassified shares of stock will provide us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs that might arise. The additional classes or series, as well as the additional authorized shares of our common stock, will be available for issuance without further action by our shareholders, unless such action is required by applicable law, the terms of any class or series of preferred stock that we may issue in the future or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded. Although our board of directors does not currently intend to do so, it could authorize us to issue a class or series of stock that could, depending upon the terms of the particular class or series, delay, defer or prevent a transaction or a change of control of our company that might involve a premium price for holders of our common stock or that our common shareholders otherwise believe to be in their best interests.

Restrictions on Transfer and Ownership of CS&L Stock

In order for us to qualify as a REIT under the Code, our stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months (other than the first year for which an election to be a REIT has been made) or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of the outstanding shares of our stock may be owned, beneficially or constructively, by five or fewer individuals (as defined in the Code to include certain entities such as qualified pension plans) during the last half of a taxable year (other than the first year for which an election to be a REIT has been made). In addition, rent from related party tenants (generally, a tenant of a REIT owned, beneficially or constructively, 10% or more by the REIT, or a 10% owner of the REIT) is not qualifying income for purposes of the gross income tests under the Code. To qualify as a REIT, we must satisfy other requirements as well. See "U.S. Federal Income Tax Considerations—Taxation of REITs in General."

Our charter will contain restrictions on the transfer and ownership of our stock. The relevant sections of our charter will provide that, subject to the exceptions described below, no person or entity may beneficially own, or be deemed to own by virtue of the applicable constructive ownership provisions of the Code, more than 9.8% in value or in number, whichever is more restrictive, of the outstanding shares of our common stock or more than 9.8% in value of the aggregate of the outstanding shares of all classes and series of our stock. These limits are collectively referred to herein as the "ownership limits." The constructive ownership rules under the Code are complex and may cause stock owned beneficially or constructively by a group of related individuals or entities to be owned constructively by one individual or entity. As a result, the acquisition of less than 9.8% of our outstanding common stock or less than 9.8% of our outstanding capital stock, or the acquisition of an interest in an entity that beneficially or constructively owns our stock, could, nevertheless, cause the acquiror, or another individual or entity, to own constructively shares of our outstanding stock in excess of the ownership limits.

Upon receipt of certain representations and agreements and in its sole and absolute discretion, our board of directors will be able to, prospectively or retroactively, exempt a person from the ownership limits or establish a different limit on ownership, or an excepted holder limit, for a particular shareholder if the shareholder's ownership in excess of the ownership limits would not result in us being "closely held" under Section 856(h) of the Code or otherwise failing to qualify as a REIT. As a condition of granting a waiver of the ownership limits or creating an excepted holder limit, our board of directors will be able to, but is not required to, require an IRS

ruling or opinion of counsel satisfactory to our board of directors (in its sole discretion) as it may deem necessary or advisable to determine or ensure our status as a REIT. Windstream will be an excepted holder following the Spin-Off, and may hold up to 19.9 percent of the common stock of CS&L.

Our board of directors will also be able to, from time to time, increase or decrease the ownership limits unless, after giving effect to the increased or decreased ownership limits, five or fewer persons could beneficially own or constructively own, in the aggregate, more than 49.9% in value of our outstanding stock or we would otherwise fail to qualify as a REIT. Decreased ownership limits will not apply to any person or entity whose ownership of our stock is in excess of the decreased ownership limits until the person or entity's ownership of our stock equals or falls below the decreased ownership limits, but any further acquisition of our stock will be in violation of the decreased ownership limits.

Our charter will also prohibit:

- any person from beneficially or constructively owning shares of our stock to the extent such beneficial or constructive ownership would result in us being "closely held" under Section 856(h) of the Code or otherwise cause us to fail to qualify as a REIT;
- any person from transferring shares of our stock if the transfer would result in shares of our stock being beneficially owned by fewer than 100 persons;
- any person from beneficially owning shares of our stock to the extent such ownership would result in our failing to qualify as a "domestically controlled qualified investment entity," within the meaning of Section 897(h) of the Code;
- any person from beneficially or constructively owning shares of our stock to the extent such beneficial or constructive ownership would cause us to own, beneficially or constructively, more than a 9.9% interest (as set forth in Section 856(d)(2)(B) of the Code) in a tenant of our real property; and
- any person from constructively owning shares of our stock to the extent such constructive ownership would cause any "eligible independent contractor" that operates a "qualified health care property" on behalf of a "taxable REIT subsidiary" of ours (as such terms are defined in Sections 856(d)(9)(A), 856(e)(6)(D)(i) and 856(l) of the Code, respectively) to fail to qualify as such.

Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our stock that will or may violate the ownership limits, or any of the other restrictions on transfer and ownership of our stock, and any person who is the intended transferee of shares of our stock that are transferred to the charitable trust described below, will be required to give immediate written notice and, in the case of a proposed transaction, at least 15 days prior written notice, to us and provide us with such other information as we may request in order to determine the effect of the transfer on our status as a REIT. The provisions of our charter regarding restrictions on transfer and ownership of our stock will not apply if our board of directors determines that it is no longer in our best interests to attempt to qualify, or to continue to qualify, as a REIT.

Any attempted transfer of our stock which, if effective, would result in our stock being beneficially owned by fewer than 100 persons will be null and void and the proposed transferee will acquire no rights in such shares of our stock. Any attempted transfer of our stock which, if effective, would violate any of the other restrictions described above will cause the number of shares causing the violation (rounded up to the nearest whole share) to be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries, and the proposed transferee will not acquire any rights in the shares. The trustee of the trust will be appointed by us and will be unaffiliated with us and any proposed transferee of the shares. The automatic transfer will be effective as of the close of business on the business day prior to the date of the violative transfer or other event that results in a transfer to the trust. Shares of our stock held in the trust will be issued and outstanding shares. If the transfer to the trust as described above is not automatically effective, for any reason, to prevent violation of the applicable restrictions on transfer and ownership of our stock, then the transfer of the shares will be null and void and the proposed transferee will acquire no rights in such shares.

Shares of our stock held in trust will be issued and outstanding shares. The proposed transferee will not benefit economically from ownership of any shares of our stock held in the trust, will have no rights to dividends and no rights to vote or other rights attributable to the shares of stock held in the trust. The trustee of the trust will exercise all voting rights and receive all dividends and other distributions with respect to shares held in the trust for the exclusive benefit of the charitable beneficiary of the trust. Any dividend or other distribution paid prior to our discovery that shares have been transferred to a trust as described above must be repaid by the recipient to the trustee upon demand. Subject to Maryland law, effective as of the date that the shares have been transferred to the trust, the trustee will have the authority, at the trustee's sole discretion, to rescind as void any vote cast by a proposed transferee prior to our discovery that the shares have been transferred to the trust and to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary of the trust. However, if we have already taken irreversible corporate action, then the trustee may not rescind and recast the vote.

If our board of directors or a committee thereof determines in good faith that a proposed transfer or other event has taken place that violates the restrictions on transfer and ownership of our stock set forth in our charter, our board of directors or such committee may take such action as it deems advisable to refuse to give effect to or to prevent such transfer, including, but not limited to, causing us to redeem shares of stock, refusing to give effect to the transfer on our books or instituting proceedings to enjoin the transfer; provided that any transfer or other event in violation of the above restrictions shall automatically result in the transfer to the trust described above, and, where applicable, such transfer or other event shall be null and void as provided above irrespective of any action or non-action by our board of directors or any committee or designee thereof.

Shares of stock transferred to the trustee will be deemed offered for sale to us, or our designee, at a price per share equal to the lesser of (1) the price paid per share in the transaction that resulted in such transfer to the charitable trust (or, in the case of a devise or gift, the market price of such stock at the time of such devise or gift) and (2) the market price of such stock on the date we, or our designee, accept such offer. We may reduce the amount so payable to the trustee by the amount of any dividend or other distribution that we made to the proposed transferee before we discovered that the shares had been automatically transferred to the trust and that are then owed by the proposed transferee to the trustee as described above, and we may pay the amount of any such reduction to the trustee for distribution to the charitable beneficiary. We will have the right to accept such offer until the trustee has sold the shares held in the charitable trust, as discussed below. Upon a sale to us, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will be required to distribute the net proceeds of the sale to the proposed transferee, and any distributions held by the trustee with respect to such shares to the charitable beneficiary.

If we do not buy the shares, the trustee will be required, within 20 days of receiving notice from us of a transfer of shares to the trust, to sell the shares to a person or entity designated by the trustee who could own the shares without violating the ownership limits, or the other restrictions on transfer and ownership of our stock. After selling the shares, the interest of the charitable beneficiary in the shares transferred to the trust will terminate and the trustee will be required to distribute to the proposed transferee an amount equal to the lesser of (1) the price paid by the proposed transferee for the shares or, if the proposed transferee did not give value for the shares in connection with the event causing the shares to be held by the trust (*e.g.*, in the case of a gift, devise or other such transaction), the market price of such stock on the day of the event causing the shares to be held by the trust and (2) the sales proceeds (net of any commissions and other expenses of sale) received by the trustee from the sale or other disposition of the shares. The trustee may reduce the amount payable to the proposed transferee by the amount of any dividends or other distributions that we paid to the proposed transferee before we discovered that the shares had been automatically transferred to the trust and that are then owed by the proposed transferee to the trustee as described above. Any net sales proceeds in excess of the amount payable to the proposed transferee will be paid immediately to the charitable beneficiary, together with any distributions thereon. If the proposed transferee sells such shares prior to the discovery that such shares have been transferred to the trustee, then (a) such shares shall be deemed to have been sold on behalf of the trust and (b) to the extent that the proposed transferee received an amount for such shares that exceeds the amount that such proposed

transferee would have received if such shares had been sold by the trustee, such excess shall be paid to the trustee upon demand. The proposed transferee will have no rights in the shares held by the trustee.

Any certificates representing shares of our stock will bear a legend referring to the restrictions on transfer and ownership described above.

Every owner of 5% or more (or such lower percentage as required by the Code or the regulations promulgated thereunder) of our stock, within 30 days after the end of each taxable year, will be required to give us written notice stating the person's name and address, the number of shares of each class and series of our stock that the person beneficially owns, a description of the manner in which the shares are held and any additional information that we request in order to determine the effect, if any, of the person's beneficial ownership on our status as a REIT and to ensure compliance with the ownership limits. In addition, any beneficial owner or constructive owner of shares of our stock and any person or entity (including the shareholder of record) who holds shares of our stock for a beneficial owner or constructive owner will be required to, on request, disclose to us in writing such information as we may request in order to determine the effect, if any, of the shareholder's beneficial and constructive ownership of our stock on our status as a REIT and to comply, or determine our compliance with, the requirements of any governmental or taxing authority.

The restrictions on transfer and ownership described above could have the effect of delaying, deferring or preventing a change of control in which holders of shares of our stock might receive a premium for their shares over the then prevailing price.

Amendments to Our Charter and Bylaws and Approval of Extraordinary Actions

Under Maryland law, a Maryland corporation generally cannot amend its charter, merge, consolidate, sell all or substantially all of its assets, engage in a statutory share exchange or dissolve unless the action is advised by the board of directors and approved by the affirmative vote of shareholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter. However, a Maryland corporation may provide in its charter for approval of these actions by a lesser percentage, but not less than a majority of all of the votes entitled to be cast on the matter. Our charter will provide that the affirmative vote of the holders of at least a majority in voting power of our outstanding stock will be required to approve all charter amendments or extraordinary actions. However, Maryland law permits a Maryland corporation to transfer all or substantially all of its assets without the approval of the shareholders of the corporation to one or more persons if all of the equity interests of the person or persons are owned, directly or indirectly, by the corporation.

Our charter will also require the affirmative vote of the holders of at least a majority in voting power of our outstanding stock to amend the provisions of the charter relating to the restrictions on transfer and ownership of our stock, amendment of our bylaws, shareholder action and the inability of shareholders to act by written consent, and the amendment of the foregoing provisions of our charter.

Our board of directors will have the authority, without any action by our shareholders, to amend CS&L's charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that CS&L has authority to issue.

Our board of directors will have the exclusive power to adopt, alter or repeal any provision of CS&L's bylaws and to adopt new bylaws.

Business Combinations

CS&L has elected not to be governed by the Maryland Business Combination Act. If it were not for this election (which is stated in our charter and can be amended only with the approval of the holders of at least a majority in voting power of our outstanding stock), under the MGCL, certain "business combinations" between

us and any interested stockholder or affiliate of an interested stockholder would be prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include a merger, consolidation, share exchange or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as:

- any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation's outstanding voting stock; or
- an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then outstanding voting stock of the corporation.

A person is not an interested stockholder under the statute if the board of directors approved in advance the transaction by which such person otherwise would have become an interested stockholder. However, in approving a transaction, a board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board of directors.

After the five-year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and
- two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder, voting together as a single class.

These supermajority vote requirements do not apply if the corporation's common shareholders receive a minimum price, as defined under the MGCL, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares. The statute permits various exemptions from its provisions, including business combinations that are exempted by the board of directors before the time that the interested stockholder becomes an interested stockholder. In light of the election in our charter, however, the five-year prohibition and the supermajority vote requirements will not apply to business combinations between us and any interested stockholder of ours.

Control Share Acquisitions

CS&L has exempted all of its shares from the application of the Maryland Control Share Acquisition Act. If it were not for this exemption, Maryland law would provide that issued and outstanding shares of our stock acquired in a control share acquisition have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter. Shares owned by the acquiror, by officers or by employees who are directors of the corporation are excluded from shares entitled to vote on the matter. Control shares are voting shares of stock that, if aggregated with all other shares of stock owned by the acquiror or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to, directly or indirectly, exercise voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third;
- one-third or more but less than a majority; or
- more than 50%.

Control shares do not include shares the acquiror is then entitled to vote as a result of having previously obtained shareholder approval. A control share acquisition means the acquisition of control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition may compel the board of directors of the corporation to call a special meeting of shareholders to be held within 50 days of demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction or waiver of certain conditions, including an undertaking to pay the expenses of the special meeting. If no request for a special meeting is made, the corporation may itself present the question at any shareholder meeting.

If voting rights are not approved at the special meeting or if the acquiror does not deliver an acquiring person statement as required by the statute, then the corporation may, subject to certain conditions and limitations, redeem for fair value any or all of the control shares, except those for which voting rights have previously been approved. Fair value is determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquiror or of any meeting of shareholders at which the voting rights of the shares are considered and not approved. If voting rights for control shares are approved at a shareholder meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. The fair value of the shares as determined for purposes of appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition.

The control share acquisition statute does not apply (1) to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction, or (2) to acquisitions approved or exempted by the charter or bylaws of the corporation.

Our charter will contain a provision that will exempt from the control share acquisition statute any and all acquisitions by any person of any shares of our stock. This charter provision can be amended only with the approval of the holders of at least a majority in voting power of our outstanding stock.

Subtitle 8

CS&L is prohibited by its charter from electing to be subject to the “unsolicited takeover” provisions of Subtitle 8 of Title 3 of the MGCL which permit a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect to be subject, by provision in its charter or bylaws or by a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to any or all of five provisions:

- a classified board;
- a two-thirds vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of the directors;
- a requirement that a vacancy on the board be filled only by the affirmative vote of a majority of the remaining directors in office and such director shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred and until a successor is elected and qualified; and
- a majority requirement for the calling of a special meeting of shareholders.

This prohibition may be rescinded or amended only with the approval of at least a majority in voting power of our outstanding stock.

Special Meetings of the Shareholders; Shareholder Action by Written Consent

Our charter will provide that special meetings of the shareholders may be called at any time by our board of directors or upon the written request of the holders of not less than twenty percent in voting power of our outstanding stock. Our charter will prohibit shareholders from taking any action by written consent in lieu of a meeting for so long as any security of the Company is registered under Section 12 of the Exchange Act.

Transactions Outside the Ordinary Course of Business

Under the MGCL, a Maryland corporation generally may not dissolve, merge or consolidate with another entity, sell all or substantially all of its assets or engage in a statutory share exchange unless the action is declared advisable by the board of directors and approved by the affirmative vote of shareholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter, unless a lesser percentage (but not less than a majority of all of the votes entitled to be cast on the matter) is specified in the corporation's charter. Our charter will provide that these actions must be approved by a majority in voting power of our outstanding stock.

Advance Notice of Director Nomination and New Business

Our bylaws will provide that, at any annual meeting of shareholders, nominations of individuals for election to the board of directors and proposals of business to be considered by shareholders may be made only (1) pursuant to our notice of the meeting, (2) by or at the direction of the board of directors or (3) by a shareholder who was a shareholder of record at the time of provision of notice and at the time of the meeting, is entitled to vote at the meeting in the election of directors or on such other proposed business and who has complied with the advance notice procedures of our bylaws. The shareholder generally must provide notice to the secretary not less than 120 days nor more than 150 days prior to the first anniversary of the date of preceding year's annual meeting.

Only the business specified in our notice of meeting may be brought before any special meeting of shareholders. Our bylaws will provide that nominations of individuals for election to our board of directors at a meeting of shareholders may be made only (1) by or at the direction of its board of directors or (2) by any shareholder of record at the time of provision of the notice and at the time of the meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the advance notice provisions set forth in our bylaws. Such shareholder will be entitled to nominate one or more individuals, as the case may be, for election as a director if the shareholder's notice, containing the information required by our bylaws, is delivered to the secretary (i) in the case of an annual meeting, not less than 120 days nor more than 150 days prior to the anniversary of our preceding year's annual meeting; provided that in the case of the first annual meeting or if the date of the annual meeting is changed by more than 30 days from such anniversary date, notice must be received not later than the close of business on the 10th day following the day on which public announcement of the date of such meeting is first made, or (ii) in the case of a special meeting, not earlier than 120 days prior to such special meeting and not later than the later of 90 days prior to such special meeting and the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the board of directors to be elected at such meeting.

The purpose of requiring shareholders to give advance notice of nominations and other proposals is to afford our board of directors the opportunity to consider the qualifications of the proposed nominees or the advisability of the other proposals and, to the extent considered necessary by our board of directors, to inform shareholders and make recommendations regarding the nominations or other proposals. The advance notice procedures will also permit a more orderly procedure for conducting shareholder meetings.

Effect of Certain Provisions of Maryland Law and of Our Charter and Bylaws

The restrictions on transfer and ownership of our stock will prohibit any person from acquiring more than 9.8% in value or in number, whichever is more restrictive, of the outstanding shares of our common stock or more than 9.8% in value of the aggregate of the outstanding shares of all classes and series of our stock, without

the prior consent of our board of directors. Because our board of directors will be able to approve exceptions to the ownership limits, the ownership limits will not interfere with a merger or other business combination approved by our board of directors.

The provisions described above, along with other provisions of the MGCL and our charter and bylaws discussed above, including provisions relating to the removal of directors and the filling of vacancies, the supermajority vote that will be required to amend certain provisions of our charter, the advance notice provisions and the procedures that shareholders will be required to follow to request a special meeting, alone or in combination, could have the effect of delaying, deferring or preventing a proxy contest, tender offer, merger or other change in control of us that might involve a premium price for shares of our common shareholders or otherwise be in the best interest of our shareholders, and could increase the difficulty of consummating any offer.

Exclusive Forum

Our bylaws will designate the Circuit Court for Baltimore City, Maryland (and, in some circumstances, other federal and state courts in Maryland) as the exclusive forum for resolving:

- any derivative action or proceeding brought on behalf of CS&L;
- any action asserting a claim for breach of fiduciary duty owed by any director, officer, shareholder, employee or agent of CS&L to CS&L or its shareholders;
- any action asserting a claim against CS&L or any director, officer, shareholder, employee or agent of CS&L arising out of or relating to any provision of the MGCL, our charter or our bylaws; or
- any action asserting a claim against CS&L or any director, officer, shareholder, employee or agent of CS&L governed by the internal affairs doctrine of the State of Maryland.

Transfer Agent and Registrar

After the Spin-Off, the registrar and transfer agent for our common stock will be Wells Fargo Bank, National Association.

Listing

We intend to list our common stock on NASDAQ under the symbol “CSAL.”

Indemnification of Directors and Executive Officers

Maryland law permits a Maryland corporation to include in its charter a provision that limits the liability of its directors and officers to the corporation and its shareholders for money damages, except for liability resulting from (1) actual receipt of an improper benefit or profit in money, property or services or (2) active or deliberate dishonesty that is established by a final judgment and that is material to the cause of action. Our charter will contain a provision that will limit, to the maximum extent permitted by Maryland law, the liability of our directors and officers to us and our shareholders for money damages.

Maryland law requires a Maryland corporation (unless otherwise provided in its charter, which our charter will not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made or threatened to be made a party by reason of his or her service in that capacity. Maryland law permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in that capacity unless it is established that:

- the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty;

- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

Under the MGCL, we may not indemnify a director or officer in a suit by us or in our right in which the director or officer was adjudged liable to us or in a suit in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by the corporation or in its right, or for a judgment of liability on the basis that personal benefit was improperly received, will be limited to expenses.

In addition, Maryland law permits a Maryland corporation to advance reasonable expenses to a director or officer upon receipt of (1) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification and (2) a written undertaking by him or her, or on his or her behalf, to repay the amount paid or reimbursed if it is ultimately determined that the standard of conduct was not met.

Our charter will require, to the maximum extent permitted by Maryland law, that we indemnify and pay or reimburse the reasonable expenses in advance of the final disposition of a proceeding of (1) any present or former director or officer who is a party to a proceeding (or threatened to be made a party) by reason of his or her service in that capacity, and (2) any individual who, while a director or officer and, at our request, serves or has served as a director, officer, partner, member, manager or trustee of another corporation, REIT, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise from and against any claim or liability to which he or she may become subject or which he or she may incur by reason of his or her service in any of the foregoing capacities.

In respect to our obligations to provide indemnification to directors and officers for liability arising under the Securities Act, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and it therefore unenforceable.

We will enter into indemnification agreements with each of our executive officers and directors providing for the indemnification of, and advancement of expenses to, each such person in connection with claims, suits or proceedings arising as a result of such person’s service as an officer or director of ours. We also will maintain insurance on behalf of our directors and officers, insuring them against liabilities that they may incur in such capacities or arising from this status.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the U.S. federal income tax consequences of an investment in our common stock. For purposes of this section, references to "CS&L," "we," "our" and "us" generally mean only Communications Sales & Leasing, Inc. and not its subsidiaries or other lower-tier entities, except as otherwise indicated. This summary is based on the Code, the regulations promulgated by the Treasury, rulings and other administrative pronouncements issued by the IRS, and judicial decisions, all as currently in effect, and all of which are subject to differing interpretations or to change, possibly with retroactive effect. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below. The summary is also based upon the assumption that we and our subsidiaries and affiliated entities will operate in accordance with our and their applicable organizational documents. This summary is for general information only and is not tax advice. It does not discuss any other U.S. federal tax consequences (e.g., estate or gift tax), state, local or non-U.S. tax consequences relevant to us or an investment in our common stock, and it does not purport to discuss all aspects of U.S. federal income taxation that may be important to a particular investor in light of its investment or tax circumstances or to investors subject to special tax rules, such as:

- financial institutions;
- insurance companies;
- broker-dealers;
- regulated investment companies;
- partnerships, other pass-through entities and trusts;
- persons who hold our stock on behalf of other persons as nominees;
- persons who receive our stock as compensation;
- persons holding our stock as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment;
- persons who are subject to alternative minimum tax;

and, except to the extent discussed below:

- tax-exempt organizations; and
- foreign investors.

This summary assumes that investors will hold their common stock as a capital asset, which generally means property held for investment.

The U.S. federal income tax treatment of holders of our common stock depends, in some instances, on determinations of fact and interpretations of complex provisions of U.S. federal income tax law for which no clear precedent or authority may be available. In addition, the tax consequences to any particular shareholder of holding our common stock will depend on the shareholder's particular tax circumstances. You are urged to consult with your tax advisor as to the U.S. federal, state, local, and foreign income and other tax consequences to you in light of your particular investment or tax circumstances of acquiring, holding, exchanging, or otherwise disposing of our common stock.

TAXATION OF CS&L

Following the Spin-Off, we intend to elect to be taxed as a REIT for U.S. federal income tax purposes commencing with our taxable year ending December 31, 2015. We believe that we will be organized, and we expect and intend to operate, in such a manner as to qualify for taxation as a REIT under the applicable provisions of the Code. We expect that we will receive an opinion of Skadden, Arps, Slate, Meagher & Flom

LLP, tax counsel to Windstream ("Tax Counsel"), with respect to our qualification to be taxed as a REIT in connection with the Spin-Off. Investors should be aware, however, that opinions of counsel are not binding on the IRS or any court. The Tax Opinion represents only the view of Tax Counsel, based on its review and analysis of existing law and on certain representations as to factual matters and covenants made by Windstream and us, including representations relating to the values of our assets and the sources of our income. The opinion will be expressed as of the date issued. Tax Counsel will have no obligation to advise Windstream, us or the holders of our common stock of any subsequent change in the matters stated, represented or assumed or of any subsequent change in applicable law. Furthermore, both the validity of the Tax Opinion and our qualification as a REIT will depend on our satisfaction of certain asset, income, organizational, distribution, shareholder ownership and other requirements on a continuing basis, the results of which will not be monitored by Tax Counsel. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we will not obtain independent appraisals.

The IRS Ruling addresses certain issues relevant to our qualification as a REIT, including the character of our assets and income. Although we may generally rely upon the IRS Ruling, no assurance can be given that the IRS will not challenge our qualification as a REIT on the basis of other issues or facts outside the scope of the IRS Ruling.

TAXATION OF REITS IN GENERAL

As indicated above, our qualification and taxation as a REIT depend upon our ability to meet, on a continuing basis, various qualification requirements imposed upon REITs by the Code. The material qualification requirements are summarized below under "—Requirements for Qualification—General." While we intend to operate so that we qualify as a REIT, no assurance can be given that the IRS will not challenge our qualification or that we will be able to operate in accordance with the REIT requirements in the future. See "—Failure to Qualify."

Provided that we qualify as a REIT, generally we will be entitled to a deduction for dividends that we pay and therefore will not be subject to U.S. federal corporate income tax on our net REIT taxable income that is currently distributed to our shareholders. This treatment substantially eliminates double taxation at the corporate and shareholder levels that generally results from an investment in a corporation. In general, the income that we generate is taxed only at the shareholder level upon a distribution of dividends to our shareholders.

Most U.S. shareholders that are individuals, trusts or estates are taxed on corporate dividends at a maximum U.S. federal income tax rate of 20% (the same as long-term capital gains). With limited exceptions, however, dividends from us or from other entities that are taxed as REITs are generally not eligible for this rate and are taxed at rates applicable to ordinary income. The highest marginal noncorporate U.S. federal income tax rate applicable to ordinary income is 39.6%. See "—Taxation of Shareholders—Taxation of Taxable U.S. Shareholders—Distributions."

Any net operating losses, foreign tax credits and other tax attributes generally do not pass through to our shareholders, subject to special rules for certain items such as the capital gains that we recognize. See "—Taxation of Shareholders—Taxation of Taxable U.S. Shareholders—Distributions."

If we qualify as a REIT, we will nonetheless be subject to U.S. federal tax in the following circumstances:

- We will be taxed at regular corporate rates on any undistributed net taxable income, including undistributed net capital gains.
- We may be subject to the "alternative minimum tax" on our items of tax preference, including any deductions of net operating losses.
- If we have net income from prohibited transactions, which are, in general, sales or other dispositions of inventory or property held primarily for sale to customers in the ordinary course of business, other than

foreclosure property, such income will be subject to a 100% tax. See "—Prohibited Transactions" and "—Foreclosure Property."

- If we elect to treat property that we acquire in connection with a foreclosure of a mortgage loan or certain leasehold terminations as "foreclosure property," we may thereby avoid the 100% tax on gain from a resale of that property (if the sale would otherwise constitute a prohibited transaction), but the income from the sale or operation of the property may be subject to corporate income tax at the highest applicable rate (currently 35%).
- If we fail to satisfy the 75% gross income test or the 95% gross income test, as discussed below, but nonetheless maintain our qualification to be taxed as a REIT because we satisfy other requirements, we will be subject to a 100% tax on an amount based on the magnitude of the failure, as adjusted to reflect the profit margin associated with our gross income.
- If we violate the asset tests (other than certain *de minimis* violations) or other requirements applicable to REITs, as described below, and yet maintain our qualification to be taxed as a REIT because there is reasonable cause for the failure and other applicable requirements are met, we may be subject to a penalty tax. In that case, the amount of the penalty tax will be at least $50,000 per failure, and, in the case of certain asset test failures, will be determined as the amount of net income generated by the non-qualifying assets in question multiplied by the highest corporate tax rate (currently 35%) if that amount exceeds $50,000 per failure.
- If we fail to distribute during each calendar year at least the sum of (1) 85% of our ordinary income for such year, (2) 95% of our capital gain net income for such year and (3) any undistributed net taxable income from prior periods, we will be subject to a nondeductible 4% excise tax on the excess of the required distribution over the sum of (a) the amounts that we actually distributed and (b) the amounts we retained and upon which we paid income tax at the corporate level.
- We may be required to pay monetary penalties to the IRS in certain circumstances, including if we fail to meet record-keeping requirements intended to monitor our compliance with rules relating to the composition of a REIT's shareholders, as described below in "—Requirements for Qualification —General."
- A 100% tax may be imposed on transactions between us and a TRS that do not reflect arm's-length terms.
- If we recognize gain on the disposition of any asset held by us on the day after the effective date of the Spin-Off (when our REIT election is expected to become effective) during a specified period (generally, ten years) thereafter, then we will owe tax at the highest corporate tax rate on the lesser of (1) the excess of the fair market value of the asset on the effective date of our election to be taxed as a REIT over its basis in the asset at such time, and (2) the gain recognized upon the disposition of such asset.
- If after the effective date of our REIT election, we acquire appreciated assets from a corporation that is not a REIT (*i.e.*, a corporation taxable under subchapter C of the Code) in a transaction in which the adjusted tax basis of the assets in our hands is determined by reference to the adjusted tax basis of the assets in the hands of the subchapter C corporation, we may be subject to tax on such appreciation at the highest corporate income tax rate then applicable if we subsequently recognize gain on a disposition of any such assets during the ten-year period following their acquisition from the subchapter C corporation.
- The earnings of our TRSs will generally be subject to U.S. federal corporate income tax.

In addition, we and our subsidiaries may be subject to a variety of taxes, including payroll taxes and state, local, and foreign income, property, gross receipts and other taxes on our assets and operations. We could also be subject to tax in situations and on transactions not presently contemplated.

Requirements for Qualification—General

The Code defines a REIT as a corporation, trust or association:

(1) that is managed by one or more trustees or directors;

(2) the beneficial ownership of which is evidenced by transferable shares, or by transferable certificates of beneficial interest;

(3) that would be taxable as a domestic corporation but for its election to be taxed as a REIT;

(4) that is neither a financial institution nor an insurance company subject to specific provisions of the Code;

(5) the beneficial ownership of which is held by 100 or more persons;

(6) in which, during the last half of each taxable year, not more than 50% in value of the outstanding stock is owned, directly or indirectly, by five or fewer "individuals" (as defined in the Code to include specified tax-exempt entities); and

(7) that meets other tests described below, including with respect to the nature of its income and assets.

The Code provides that conditions (1) through (4) must be met during the entire taxable year, and that condition (5) must be met during at least 335 days of a taxable year of twelve months, or during a proportionate part of a shorter taxable year. Conditions (5) and (6) need not be met during a corporation's initial tax year as a REIT (which, in our case, is expected to be 2015). Our charter will provide restrictions regarding the ownership and transfers of shares of our stock, which are intended to assist us in satisfying the stock ownership requirements described in conditions (5) and (6) above, among other purposes. These restrictions, however, may not ensure that we will, in all cases, be able to satisfy the share ownership requirements described in conditions (5) and (6) above. If we fail to satisfy these share ownership requirements, except as provided in the next sentence, our status as a REIT will terminate. If, however, we comply with the rules contained in applicable Treasury regulations that require us to ascertain the actual ownership of our shares and we do not know, or would not have known through the exercise of reasonable diligence, that we failed to meet the requirement described in condition (6) above, we will be treated as having met this requirement.

To monitor compliance with the stock ownership requirements, we generally are required to maintain records regarding the actual ownership of our stock. To do so, we must demand written statements each year from the record holders of significant percentages of our stock pursuant to which the record holders must disclose the actual owners of the stock (*i.e.*, the persons required to include our dividends in their gross income). We must maintain a list of those persons failing or refusing to comply with this demand as part of our records. We could be subject to monetary penalties if we fail to comply with these record-keeping requirements. If such record holder fails or refuses to comply with the demands, such record holder will be required by Treasury regulations to submit a statement with such record holder's tax return disclosing such record holder's actual ownership of our stock and other information.

In addition, a corporation generally may not elect to be taxed as a REIT unless its taxable year is the calendar year. We intend to adopt December 31 as our year-end, and thereby satisfy this requirement.

Effect of Subsidiary Entities

Disregarded Subsidiaries

If we own a corporate subsidiary that is a "qualified REIT subsidiary," that subsidiary is generally disregarded as a separate entity for U.S. federal income tax purposes, and all of the subsidiary's assets, liabilities and items of income, deduction and credit are treated as our assets, liabilities and items of income, deduction and credit, including for purposes of the gross income and asset tests applicable to REITs. A qualified REIT subsidiary is any corporation, other than a TRS (as described below), that is directly or indirectly wholly owned by a REIT. Other entities that are wholly owned by us, including single member limited liability companies that

have not elected to be taxed as corporations for U.S. federal income tax purposes, are also generally disregarded as separate entities for U.S. federal income tax purposes, including for purposes of the REIT income and asset tests. Disregarded subsidiaries, along with any partnerships in which we hold an equity interest, are sometimes referred to herein as "pass-through subsidiaries."

In the event that a disregarded subsidiary of ours ceases to be wholly owned—for example, if any equity interest in the subsidiary is acquired by a person other than us or another disregarded subsidiary of ours—the subsidiary's separate existence would no longer be disregarded for U.S. federal income tax purposes. Instead, the subsidiary would have multiple owners and would be treated as either a partnership or a taxable corporation. Such an event could, depending on the circumstances, adversely affect our ability to satisfy the various asset and gross income requirements applicable to REITs, including the requirement that REITs generally may not own, directly or indirectly, more than 10% of the securities of another corporation. See "—Asset Tests" and "—Income Tests."

Taxable REIT Subsidiaries

In general, we may jointly elect with a subsidiary corporation, whether or not wholly owned, to treat such subsidiary corporation as a TRS. We generally may not own more than 10% of the securities of a taxable corporation, as measured by voting power or value, unless we and such corporation elect to treat such corporation as a TRS. The separate existence of a TRS or other taxable corporation is not ignored for U.S. federal income tax purposes. Accordingly, a TRS or other taxable subsidiary corporation generally is subject to corporate income tax on its earnings, which may reduce the cash flow that we and our subsidiaries generate in the aggregate, and may reduce our ability to make distributions to our shareholders.

We are not treated as holding the assets of a TRS or other taxable subsidiary corporation or as receiving any income that the subsidiary earns. Rather, the stock issued by a taxable subsidiary corporation to us is an asset in our hands, and we treat the dividends paid to us from such taxable subsidiary corporation, if any, as income. This treatment can affect our income and asset test calculations, as described below. Because we do not include the assets and income of TRSs or other taxable subsidiary corporations on a look-through basis in determining our compliance with the REIT requirements, we may use such entities to undertake indirectly activities that the REIT rules might otherwise preclude us from doing directly or through pass-through subsidiaries. For example, we may use TRSs or other taxable subsidiary corporations to perform services or conduct activities that give rise to certain categories of income or to conduct activities that, if conducted by us directly, would be treated in our hands as prohibited transactions.

The TRS rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. Further, the rules impose a 100% excise tax on transactions between a TRS and its parent REIT or the REIT's tenants that are not conducted on an arm's-length basis. We intend that all of our transactions with our TRSs, if any, will be conducted on an arm's-length basis.

Ownership of Partnership Interests

If we are a partner in an entity that is treated as a partnership for U.S. federal income tax purposes, Treasury regulations provide that we are deemed to own our proportionate share of the partnership's assets, and to earn our proportionate share of the partnership's income, for purposes of the asset and gross income tests applicable to REITs. Our proportionate share of a partnership's assets and income is based on our capital interest in the partnership (except that for purposes of the 10% value test, described below, our proportionate share of the partnership's assets is based on our proportionate interest in the equity and certain debt securities issued by the partnership). In addition, the assets and gross income of the partnership are deemed to retain the same character in our hands. Thus, our proportionate share of the assets and items of income of any of our subsidiary partnerships will be treated as our assets and items of income for purposes of applying the REIT requirements.

If we become a limited partner or non-managing member in any partnership or limited liability company and such entity takes or expects to take actions that could jeopardize our status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. In addition, it is possible that a partnership or limited liability company could take an action which could cause us to fail a gross income or asset test, and that we would not become aware of such action in time to dispose of our interest in the partnership or limited liability company or take other corrective action on a timely basis. In that case, we could fail to qualify as a REIT unless we were entitled to relief, as described below under "—Income Tests—Failure to Satisfy the Gross Income Tests" and "—Asset Tests."

Income Tests

In order to qualify as a REIT, we must satisfy two gross income requirements on an annual basis. First, at least 75% of our gross income for each taxable year, excluding gross income from sales of inventory or dealer property in "prohibited transactions," discharge of indebtedness and certain hedging transactions, generally must be derived from "rents from real property," gains from the sale of real estate assets, interest income derived from mortgage loans secured by real property (including certain types of mortgage-backed securities), dividends received from other REITs and specified income from temporary investments. Second, at least 95% of our gross income in each taxable year, excluding gross income from prohibited transactions, discharge of indebtedness and certain hedging transactions, must be derived from some combination of income that qualifies under the 75% gross income test described above, as well as other dividends, interest, and gain from the sale or disposition of stock or securities, which need not have any relation to real property. Income and gain from certain hedging transactions will be excluded from both the numerator and the denominator for purposes of both the 75% and 95% gross income tests.

Rents from Real Property

Rents we receive from a tenant will qualify as "rents from real property" for the purpose of satisfying the gross income requirements for a REIT described above only if all of the conditions described below are met.

- The amount of rent is not based in whole or in part on the income or profits of any person. However, an amount we receive or accrue will generally not be excluded from the term "rents from real property" solely because it is based on a fixed-percentage or percentages of gross receipts or sales;
- Neither we nor a beneficial or constructive owner of 10% or more of our stock beneficially or constructively owns 10% or more of the interests in the assets or net profits of a noncorporate tenant, or, if the tenant is a corporation (but excluding any TRS), 10% or more of the total combined voting power of all classes of stock entitled to vote or 10% or more of the total value of all classes of stock of the tenant. Rents we receive from such a tenant that is a TRS of ours, however, will not be excluded from the definition of "rents from real property" as a result of this condition if at least 90% of the space at the property to which the rents relate is leased to third parties, and the rents paid by the TRS are substantially comparable to rents paid by our other tenants for comparable space. Whether rents paid by a TRS are substantially comparable to rents paid by other tenants is determined at the time the lease with the TRS is entered into, extended, and modified, if such modification increases the rents due under such lease. Notwithstanding the foregoing, however, if a lease with a "controlled TRS" is modified and such modification results in an increase in the rents payable by such TRS, any such increase will not qualify as "rents from real property." For purposes of this rule, a "controlled TRS" is a TRS in which the parent REIT owns stock possessing more than 50% of the voting power or more than 50% of the total value of the outstanding stock of such TRS;
- Rent attributable to personal property that is leased in connection with a lease of real property is not greater than 15% of the total rent received under the lease. If this condition is not met, then the portion of the rent attributable to personal property will not qualify as "rents from real property"; and
- We generally do not operate or manage the property or furnish or render services to our tenants, subject to a 1% *de minimis* and except as provided below. We are permitted, however, to perform directly

certain services that are "usually or customarily rendered" in connection with the rental of space for occupancy only and are not otherwise considered "rendered to the occupant" of the property. Examples of these permitted services include the provision of light, heat or other utilities, trash removal and general maintenance of common areas. In addition, we are permitted to employ an independent contractor from whom we derive no revenues, or a TRS, which may be wholly or partially owned by us, to provide non-customary services to our tenants without causing the rent that we receive from those tenants to fail to qualify as "rents from real property."

Interest Income

Interest income constitutes qualifying mortgage interest for purposes of the 75% gross income test (as described above) to the extent that the obligation upon which such interest is paid is secured by a mortgage on real property. If we receive interest income with respect to a mortgage loan that is secured by both real property and other property, and the highest principal amount of the loan outstanding during a taxable year exceeds the fair market value of the real property on the date that we acquired or originated the mortgage loan, the interest income will be apportioned between the real property and the other collateral, and our income from the arrangement will qualify for purposes of the 75% gross income test only to the extent that the interest is allocable to the real property. Even if a loan is not secured by real property, or is undersecured, the income that it generates may nonetheless qualify for purposes of the 95% gross income test. For these purposes, the term "interest" generally does not include any amount received or accrued, directly or indirectly, if the determination of all or some of the amount depends in any way on the income or profits of any person. However, an amount received or accrued will generally not be excluded from the term "interest" solely by reason of being based on a fixed percentage or percentages of gross receipts or sales.

Dividend Income

We may directly or indirectly receive distributions from TRSs or other corporations that are not REITs or qualified REIT subsidiaries. These distributions generally are treated as dividend income to the extent of the earnings and profits of the distributing corporation. Such distributions will generally constitute qualifying income for purposes of the 95% gross income test, but not for purposes of the 75% gross income test. Any dividends that we receive from another REIT, however, will be qualifying income for purposes of both the 95% and 75% gross income tests.

Fee Income

Any fee income that we earn will generally not be qualifying income for purposes of either gross income test. Any fees earned by a TRS, however, will not be included for purposes of our gross income tests.

Hedging Transactions

Any income or gain that we or our pass-through subsidiaries derive from instruments that hedge certain risks, such as the risk of changes in interest rates, will be excluded from gross income for purposes of both the 75% and 95% gross income tests, provided that specified requirements are met, including the requirement that the instrument is entered into during the ordinary course of our business, the instrument hedges risks associated with indebtedness issued by us or our pass-through subsidiary that is incurred or to be incurred to acquire or carry "real estate assets" (as described below under "—Asset Tests"), and the instrument is properly identified as a hedge along with the risk that it hedges within prescribed time periods. Most likely, income and gain from all other hedging transactions will not be qualifying income for either the 95% or 75% gross income test.

Failure to Satisfy the Gross Income Tests

If we fail to satisfy one or both of the 75% or 95% gross income tests for any taxable year, including as a result of rents received by us from Windstream failing to qualify as "rents from real property," we may still qualify as a REIT for such year if we are entitled to relief under applicable provisions of the Code. These relief

provisions will be generally available if (1) our failure to meet these tests was due to reasonable cause and not due to willful neglect and (2) following our identification of the failure to meet the 75% or 95% gross income test for any taxable year, we file a schedule with the IRS setting forth each item of our gross income for purposes of the 75% or 95% gross income test for such taxable year in accordance with Treasury regulations, which have not yet been issued. It is not possible to state whether we would be entitled to the benefit of these relief provisions in all circumstances. If these relief provisions are inapplicable to a particular set of circumstances, we will not qualify as a REIT. Even if these relief provisions apply, and we retain our status as a REIT, the Code imposes a tax based upon the amount by which we fail to satisfy the particular gross income test.

Asset Tests

At the close of each calendar quarter, we must also satisfy four tests relating to the nature of our assets. First, at least 75% of the value of our total assets must be represented by some combination of "real estate assets," cash, cash items, U.S. government securities, and, under some circumstances, stock or debt instruments purchased with new capital. For this purpose, real estate assets include interests in real property and stock of other corporations that qualify as REITs, as well as some kinds of mortgage-backed securities and mortgage loans. Assets that do not qualify for purposes of the 75% asset test are subject to the additional asset tests described below.

Second, the value of any one issuer's securities that we own may not exceed 5% of the value of our total assets.

Third, we may not own more than 10% of any one issuer's outstanding securities, as measured by either voting power or value. The 5% and 10% asset tests do not apply to securities of TRSs and qualified REIT subsidiaries, and the 10% asset test does not apply to "straight debt" having specified characteristics and to certain other securities described below. Solely for purposes of the 10% asset test, the determination of our interest in the assets of a partnership or limited liability company in which we own an interest will be based on our proportionate interest in any securities issued by the partnership or limited liability company, excluding for this purpose certain securities described in the Code.

Fourth, the aggregate value of all securities of TRSs that we hold, together with other non-qualified assets (such as furniture and equipment or other tangible personal property, or non-real estate securities) may not, in the aggregate, exceed 25% of the value of our total assets.

Notwithstanding the general rule, as noted above, that for purposes of the REIT income and asset tests we are treated as owning our proportionate share of the underlying assets of a subsidiary partnership, if we hold indebtedness issued by a partnership, the indebtedness will be subject to, and may cause a violation of, the asset tests unless the indebtedness is a qualifying mortgage asset or other conditions are met. Similarly, although stock of another REIT is a qualifying asset for purposes of the REIT asset tests, any non-mortgage debt that is issued by another REIT may not so qualify (although such debt will not be treated as "securities" for purposes of the 10% asset test, as explained below).

Certain securities will not cause a violation of the 10% asset test described above. Such securities include instruments that constitute "straight debt," which term generally excludes, among other things, securities having contingency features. A security does not qualify as "straight debt" where a REIT (or a controlled TRS of the REIT) owns other securities of the same issuer which do not qualify as straight debt, unless the value of those other securities constitute, in the aggregate, 1% or less of the total value of that issuer's outstanding securities. In addition to straight debt, the Code provides that certain other securities will not violate the 10% asset test. Such securities include (1) any loan made to an individual or an estate, (2) certain rental agreements pursuant to which one or more payments are to be made in subsequent years (other than agreements between a REIT and certain persons related to the REIT under attribution rules), (3) any obligation to pay rents from real property, (4) securities issued by governmental entities that are not dependent in whole or in part on the profits of (or

payments made by) a nongovernmental entity, (5) any security (including debt securities) issued by another REIT and (6) any debt instrument issued by a partnership if the partnership's income is of a nature that it would satisfy the 75% gross income test described above under "—Income Tests." In applying the 10% asset test, a debt security issued by a partnership is not taken into account to the extent, if any, of the REIT's proportionate interest in the equity and certain debt securities issued by that partnership.

No independent appraisals have been obtained to support our conclusions as to the value of our total assets or the value of any particular security or securities. Moreover, the values of some assets may not be susceptible to a precise determination, and values are subject to change in the future. Furthermore, the proper classification of an instrument as debt or equity for U.S. federal income tax purposes may be uncertain in some circumstances, which could affect the application of the REIT asset requirements. Accordingly, there can be no assurance that the IRS will not contend that our interests in our subsidiaries or in the securities of other issuers will not cause a violation of the REIT asset tests.

However, certain relief provisions are available to allow REITs to satisfy the asset requirements or to maintain REIT qualification notwithstanding certain violations of the asset and other requirements. For example, if we should fail to satisfy the asset tests at the end of a calendar quarter such a failure would not cause us to lose our REIT qualification if (a) we satisfied the asset tests at the close of the preceding calendar quarter and (b) the discrepancy between the value of our assets and the asset requirements was not wholly or partly caused by an acquisition of non-qualifying assets, but instead arose from changes in the relative market values of our assets. If the condition described in (b) were not satisfied, we still could avoid disqualification by eliminating any discrepancy within 30 days after the close of the calendar quarter in which it arose or by making use of the relief provisions described above.

In the case of *de minimis* violations of the 10% and 5% asset tests, a REIT may maintain its qualification despite a violation of such requirements if (i) the value of the assets causing the violation does not exceed the lesser of 1% of the REIT's total assets and $10,000,000 and (ii) the REIT either disposes of the assets causing the failure within six months after the last day of the quarter in which it identifies the failure, or the relevant tests are otherwise satisfied within that time frame.

Even if we did not qualify for the foregoing relief provisions, one additional provision allows a REIT that fails one or more of the asset requirements to nevertheless maintain its REIT qualification if (1) the REIT provides the IRS with a description of each asset causing the failure, (2) the failure is due to reasonable cause and not willful neglect, (3) the REIT pays a tax equal to the greater of (a) $50,000 per failure and (b) the product of the net income generated by the assets that caused the failure multiplied by the highest applicable corporate tax rate (currently 35%) and (4) the REIT either disposes of the assets causing the failure within six months after the last day of the quarter in which it identifies the failure, or otherwise satisfies the relevant asset tests within that time frame.

Annual Distribution Requirements

In order to qualify as a REIT, we are required to distribute dividends, other than capital gain dividends, to our shareholders in an amount at least equal to:

(1) the sum of

  (a) 90% of our REIT taxable income, computed without regard to our net capital gains and the deduction for dividends paid; and

  (b) 90% of our after tax net income, if any, from foreclosure property (as described below); minus

(2) the excess of the sum of specified items of noncash income over 5% of our REIT taxable income, computed without regard to our net capital gain and the deduction for dividends paid.

We generally must make these distributions in the taxable year to which they relate, or in the following taxable year if declared before we timely file our tax return for the year and if paid with or before the first regular dividend payment after such declaration. These distributions will be treated as received by our shareholders in the year in which paid. In order for distributions to be counted as satisfying the annual distribution requirements for REITs, and to provide us with a REIT-level tax deduction, the distributions must not be "preferential dividends." A dividend is not a preferential dividend if the distribution is (i) *pro rata* among all outstanding shares of stock within a particular class and (ii) in accordance with any preferences among different classes of stock as set forth in our organizational documents.

To the extent that we distribute at least 90%, but less than 100%, of our REIT taxable income, as adjusted, we will be subject to tax at ordinary corporate tax rates on the retained portion. We may elect to retain, rather than distribute, some or all of our net long-term capital gains and pay tax on such gains. In this case, we could elect for our shareholders to include their proportionate shares of such undistributed long-term capital gains in income, and to receive a corresponding credit for their share of the tax that we paid. Our shareholders would then increase the adjusted basis of their stock by the difference between (1) the amounts of capital gain dividends that we designated and that they include in their taxable income, minus (2) the tax that we paid on their behalf with respect to that income.

To the extent that in the future we may have available net operating losses carried forward from prior tax years, such losses may reduce the amount of distributions that we must make in order to comply with the REIT distribution requirements. Such losses, however, will generally not affect the tax treatment to our shareholders of any distributions that are actually made. See "—Taxation of Shareholders—Taxation of Taxable U.S. Shareholders—Distributions."

If we fail to distribute during each calendar year at least the sum of (1) 85% of our ordinary income for such year, (2) 95% of our capital gain net income for such year and (3) any undistributed net taxable income from prior periods, we will be subject to a nondeductible 4% excise tax on the excess of such required distribution over the sum of (a) the amounts actually distributed, plus (b) the amounts of income we retained and on which we have paid corporate income tax.

We expect that our REIT taxable income will be less than our cash flow because of depreciation and other noncash charges included in computing REIT taxable income. Accordingly, we anticipate that we will generally have sufficient cash or liquid assets to enable us to satisfy the distribution requirements described above. However, from time to time, we may not have sufficient cash or other liquid assets to meet these distribution requirements due to timing differences between the actual receipt of income and actual payment of deductible expenses, and the inclusion of income and deduction of expenses in determining our taxable income. In addition, we may decide to retain our cash, rather than distribute it, in order to repay debt, acquire assets, or for other reasons. If these timing differences occur, we may borrow funds to pay dividends or pay dividends through the distribution of other property (including shares of our stock) in order to meet the distribution requirements, while preserving our cash. Alternatively, we may declare a taxable dividend payable in cash or stock at the election of each shareholder, where the aggregate amount of cash to be distributed in such dividend is subject to limitation. In such case, for U.S. federal income tax purposes, taxable shareholders receiving such dividends will be required to include the full amount of the dividend as ordinary income to the extent of our current and accumulated earnings and profits.

If our taxable income for a particular year is subsequently determined to have been understated, we may be able to rectify a resultant failure to meet the distribution requirements for a year by paying "deficiency dividends" to shareholders in a later year, which may be included in our deduction for dividends paid for the earlier year. In this case, we may be able to avoid losing REIT qualification or being taxed on amounts distributed as deficiency dividends, subject to the 4% excise tax described above. We will be required to pay interest based on the amount of any deduction taken for deficiency dividends.

For purposes of the 90% distribution requirement and excise tax described above, any dividend that we declare in October, November or December of any year and that is payable to a shareholder of record on a

specified date in any such month will be treated as both paid by us and received by the shareholder on December 31 of such year, provided that we actually pay the dividend before January 31 of the following calendar year.

Earnings and Profits Distribution Requirement

In connection with the Spin-Off, Windstream will allocate its earnings and profits (as determined for U.S. federal income tax purposes) for periods prior to the consummation of the Spin-Off between Windstream and us in accordance with provisions of the Code. A REIT is not permitted to have accumulated earnings and profits attributable to non-REIT years. A REIT has until the close of its first taxable year in which it has non-REIT earnings and profits to distribute all such earnings and profits.

CS&L currently does not expect that it will have any such accumulated earnings and profits and, accordingly, does not expect that it will be required to make the Purging Distribution. If, contrary to expectations, we are required to make the Purging Distribution, we would pay the Purging Distribution(s) by declaring a dividend to our shareholders to distribute our accumulated earnings and profits attributable to any non-REIT years, including any earnings and profits allocated to us by Windstream in connection with the Spin-Off. We expect that we would pay the Purging Distribution(s) in a combination of cash (in an amount not to exceed 20% of the Purging Distribution) and our stock. Windstream has received the IRS Ruling, which addresses, in addition to the treatment of the Spin-Off and certain REIT qualification issues, certain tax issues relevant to our payment of the Purging Distribution in a combination of cash and our stock. In general, the IRS Ruling provides, subject to the terms and conditions contained therein, that (1) any and all of the cash and stock distributed by us to our shareholders as part of the Purging Distribution would be treated as a distribution of property with respect to our stock, and as a dividend to the extent of our current and accumulated earnings and profits (as determined for U.S. federal income tax purposes) and (2) the amount of any distribution of stock received by any of our shareholders as part of the Purging Distribution would be considered to equal the amount of the money which could have been received instead. A holder of our common stock would be required to report dividend income as a result of the Purging Distribution even if such shareholder receives no cash or only nominal amounts of cash in the distribution. See “—Taxation of Shareholders—Taxation of Taxable U.S. Shareholders—Distributions.”

Prohibited Transactions

Net income that we derive from a prohibited transaction is subject to a 100% tax. The term “prohibited transaction” generally includes a sale or other disposition of property (other than foreclosure property, as discussed below) that is held as inventory or primarily for sale to customers in the ordinary course of a trade or business. We intend to conduct our operations so that no asset that we own (or are treated as owning) will be treated as, or as having been, held as inventory or for sale to customers, and that a sale of any such asset will not be treated as having been in the ordinary course of our business. Whether property is held as inventory or “primarily for sale to customers in the ordinary course of a trade or business” depends on the particular facts and circumstances. No assurance can be given that any property that we sell will not be treated as inventory or property held for sale to customers, or that we can comply with certain safe-harbor provisions of the Code that would prevent such treatment. The 100% tax does not apply to gains from the sale of property that is held through a TRS or other taxable corporation, although such income will be subject to tax in the hands of the corporation at regular corporate rates. We intend to structure our activities to avoid prohibited transaction characterization.

Like-Kind Exchanges

We may dispose of properties in transactions intended to qualify as like-kind exchanges under the Code. Such like-kind exchanges are intended to result in the deferral of gain for U.S. federal income tax purposes. The failure of any such transaction to qualify as a like-kind exchange could require us to pay federal income tax, possibly including the 100% prohibited transaction tax, depending on the facts and circumstances surrounding the particular transaction.

Derivatives and Hedging Transactions

We may enter into hedging transactions, including with respect to foreign currency exchange rate and interest rate exposure on one or more of our assets or liabilities. Any such hedging transactions could take a variety of forms, including the use of derivative instruments such as swap contracts, cap or floor contracts, futures or forward contracts and options. Except to the extent provided by Treasury regulations, any income from a hedging transaction we enter into (1) in the normal course of our business primarily to manage risk of interest rate changes or currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, to acquire or carry real estate assets, which is clearly identified as specified in Treasury regulations before the close of the day on which it was acquired, originated, or entered into, including gain from the sale or disposition of a position in such a transaction and (2) primarily to manage risk of currency fluctuations with respect to any item of income or gain that would be qualifying income under the 75% or 95% income tests, which is clearly identified as such before the close of the day on which it was acquired, originated, or entered into, will not constitute gross income for purposes of the 75% or 95% gross income test. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as non-qualifying income for purposes of both the 75% and 95% gross income tests. Moreover, to the extent that a position in a hedging transaction has positive value at any particular point in time, it may be treated as an asset that does not qualify for purposes of the REIT asset tests. We intend to structure any hedging transactions in a manner that does not jeopardize our qualification to be taxed as a REIT. We may conduct some or all of our hedging activities (including hedging activities relating to currency risk) through a TRS or other corporate entity, the income from which may be subject to U.S. federal income tax, rather than by participating in the arrangements directly or through pass-through subsidiaries. No assurance can be given, however, that our hedging activities will not give rise to income or assets that do not qualify for purposes of the REIT tests, or that our hedging activities will not adversely affect our ability to satisfy the REIT qualification requirements.

Foreclosure Property

Foreclosure property is real property and any personal property incident to such real property (1) that we acquire as the result of having bid in the property at foreclosure, or having otherwise reduced the property to ownership or possession by agreement or process of law, after a default (or upon imminent default) on a lease of the property or a mortgage loan held by us and secured by the property, (2) for which we acquired the related loan or lease at a time when default was not imminent or anticipated and (3) with respect to which we made a proper election to treat the property as foreclosure property.

We will generally be subject to tax at the maximum corporate rate (currently 35%) on any net income from foreclosure property, including any gain from the disposition of the foreclosure property, other than income that would otherwise be qualifying income for purposes of the 75% gross income test. Any gain from the sale of property for which a foreclosure property election has been made will not be subject to the 100% tax on gains from prohibited transactions described above, even if the property would otherwise constitute inventory or dealer property. We do not anticipate receiving any income from foreclosure property that does not qualify for purposes of the 75% gross income test.

Penalty Tax

Any redetermined rents, redetermined deductions or excess interest we generate will be subject to a 100% penalty tax. In general, redetermined rents are rents from real property that are overstated as a result of any services furnished to any of our tenants by a TRS, and redetermined deductions and excess interest represent any amounts that are deducted by a TRS for amounts paid to us that are in excess of the amounts that would have been deducted based on arm’s-length negotiations or if the interest payments were at a commercially reasonable rate. Rents that we receive will not constitute redetermined rents if they qualify for certain safe harbor provisions contained in the Code.

In the future, a TRS may provide services to our tenants. We would set the fees paid to a TRS for such services at arm’s-length rates, although the fees paid may not satisfy the safe-harbor provisions described above.

These determinations are inherently factual, and the IRS has broad discretion to assert that amounts paid between related parties should be reallocated to clearly reflect their respective incomes. If the IRS successfully made such an assertion, we would be required to pay a 100% penalty tax on the excess of an arm's-length fee for tenant services over the amount actually paid.

Failure to Qualify

If we fail to satisfy one or more requirements for REIT qualification other than the income or asset tests, we could avoid disqualification as a REIT if our failure is due to reasonable cause and not to willful neglect and we pay a penalty of $50,000 for each such failure. Relief provisions are also available for failures of the income tests and asset tests, as described above in "—Income Tests" and "—Asset Tests."

If we fail to qualify for taxation as a REIT in any taxable year, and the relief provisions described above do not apply, we will be subject to tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates. We cannot deduct distributions to shareholders in any year in which we are not a REIT, nor would we be required to make distributions in such a year. In this situation, to the extent of current and accumulated earnings and profits (as determined for U.S. federal income tax purposes), distributions to shareholders will be taxable as regular corporate dividends. Such dividends paid to U.S. shareholders that are individuals, trusts and estates may be taxable at the preferential income tax rates (*i.e.*, the 20% maximum U.S. federal rate) for qualified dividends. In addition, subject to the limitations of the Code, corporate distributees may be eligible for the dividends received deduction. Unless we are entitled to relief under specific statutory provisions, we will also be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year during which we lose our qualification. It is not possible to state whether, in all circumstances, we will be entitled to this statutory relief.

TAXATION OF SHAREHOLDERS

Taxation of Taxable U.S. Shareholders

The following is a summary of certain U.S. federal income tax consequences of the ownership and disposition of our stock applicable to taxable U.S. shareholders. A "U.S. shareholder" is any holder of our common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or entity treated as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States, or of any state thereof, or the District of Columbia;
- an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. fiduciaries have the authority to control all substantial decisions of the trust.

If a partnership, including for this purpose any entity that is treated as a partnership for U.S. federal income tax purposes, holds our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. An investor that is a partnership and the partners in such partnership are urged to consult their tax advisors about the U.S. federal income tax consequences of the acquisition, ownership and disposition of our common stock.

Distributions

For such time as we qualify as a REIT, the distributions that we make to our taxable U.S. shareholders out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) that we do not designate as capital gain dividends will generally be taken into account by such shareholders as ordinary

income and will not be eligible for the dividends received deduction for corporations. With limited exceptions, our dividends are not eligible for taxation at the preferential income tax rates (*i.e.*, the 20% maximum U.S. federal rate) for qualified dividends received by most U.S. shareholders that are individuals, trusts or estates from taxable corporations. Such shareholders, however, are taxed at the preferential rates on dividends designated by and received from REITs to the extent that the dividends are attributable to:

- income retained by the REIT in the prior taxable year on which the REIT was subject to corporate level income tax (less the amount of tax) (*i.e.*, the Purging Distribution(s));
- dividends received by the REIT from TRSs or other taxable corporations; or
- income in the prior taxable year from sales of "built-in gain" property acquired by the REIT from corporations in carryover basis transactions (less the amount of corporate tax on such income).

CS&L currently does not expect that it will be required to make the Purging Distribution. If, contrary to expectations, we are required to make the Purging Distribution, we expect that we would pay the Purging Distribution in a combination of cash (in an amount not to exceed 20% of the Purging Distribution) and our stock. Windstream has received the IRS Ruling, which addresses, in addition to the treatment of the Spin-Off, certain tax issues relevant to our payment of the Purging Distribution in a combination of cash and our stock. In general, the IRS Ruling provides, subject to the terms and conditions contained therein, that (1) a Purging Distribution would be treated as a dividend to the extent of our earnings and profits (as determined for U.S. federal income tax purposes) and (2) the amount of our stock received by any of our shareholders as part of a Purging Distribution would be considered to equal the amount of cash that could have been received instead. A taxable U.S. holder of our common stock would be required to report dividend income as a result of a Purging Distribution even if such shareholder received no cash or only nominal amounts of cash in the distribution. Similarly, if in the future we declare a taxable dividend payable in cash or stock at the election of each shareholder, where the aggregate amount of cash to be distributed in such dividend is subject to limitation, taxable shareholders receiving such dividends will be required to include the full amount of the dividend as ordinary income to the extent of our current and accumulated earnings and profits.

Distributions that we designate as capital gain dividends will generally be taxed to our U.S. shareholders as long-term capital gains, to the extent that such distributions do not exceed our actual net capital gain for the taxable year, without regard to the period for which the shareholder that receives such distribution has held its stock. We may elect to retain and pay taxes on some or all of our net long-term capital gains, in which case we may elect to apply provisions of the Code that treat our U.S. shareholders as having received, solely for tax purposes, our undistributed capital gains, and the shareholders as receiving a corresponding credit for taxes that we paid on such undistributed capital gains. See "—Taxation of REITs in General—Annual Distribution Requirements." Corporate shareholders may be required to treat up to 20% of some capital gain dividends as ordinary income. Long-term capital gains are generally taxable at maximum U.S. federal rates of 20% in the case of U.S. shareholders that are individuals, trusts and estates, and 35% in the case of U.S. shareholders that are corporations. Capital gains attributable to the sale of depreciable real property held for more than twelve months are subject to a 25% maximum U.S. federal income tax rate for taxpayers who are taxed as individuals, to the extent of previously claimed depreciation deductions.

Distributions in excess of our current and accumulated earnings and profits (as determined for U.S. federal income tax purposes) will generally represent a return of capital and will not be taxable to a shareholder to the extent that the amount of such distributions does not exceed the adjusted basis of the shareholder's shares in respect of which the distributions were made. Rather, the distribution will reduce the adjusted basis of the shareholder's shares. To the extent that such distributions exceed the adjusted basis of a shareholder's shares, the shareholder generally must include such distributions in income as long-term capital gain if the shares have been held for more than one year, or short-term capital gain if the shares have been held for one year or less. In addition, any dividend that we declare in October, November or December of any year and that is payable to a shareholder of record on a specified date in any such month will be treated as both paid by us and received by the

shareholder on December 31 of such year, provided that we actually pay the dividend before January 31 of the following calendar year.

To the extent that we have available net operating losses and capital losses carried forward from prior tax years, such losses may reduce the amount of distributions that we must make in order to comply with the REIT distribution requirements. See "—Taxation of REITs in General—Annual Distribution Requirements." Such losses, however, are not passed through to shareholders and do not offset income of shareholders from other sources, nor would such losses affect the character of any distributions that we make, which are generally subject to tax in the hands of shareholders to the extent that we have current or accumulated earnings and profits.

Dispositions of Our Stock

If a U.S. shareholder sells or disposes of shares of our stock, it will generally recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale or other disposition and the shareholder's adjusted tax basis in the shares of stock. In general, capital gains recognized by individuals, trusts or estates upon the sale or disposition of our stock will be subject to a maximum U.S. federal income tax rate of 20% if the stock is held for more than one year, and will be taxed at ordinary income rates (of up to 39.6%) if the stock is held for one year or less. Gains recognized by shareholders that are corporations are subject to U.S. federal income tax at a maximum rate of 35%, whether or not such gains are classified as long-term capital gains. Capital losses recognized by a shareholder upon the disposition of our stock that was held for more than one year at the time of disposition will be considered long-term capital losses, and are generally available only to offset capital gain income of the shareholder but not ordinary income (except in the case of individuals, who may also offset up to $3,000 of ordinary income each year). In addition, any loss upon a sale or exchange of shares of our stock by a shareholder who has held the shares for six months or less, after applying holding period rules, will be treated as a long-term capital loss to the extent of actual or deemed distributions that we make that are required to be treated by the shareholder as long-term capital gain.

If an investor recognizes a loss upon a subsequent disposition of our stock or other securities in an amount that exceeds a prescribed threshold, it is possible that the provisions of Treasury regulations involving "reportable transactions" could apply, with a resulting requirement to separately disclose the loss-generating transaction to the IRS. These regulations, though directed towards "tax shelters," are broadly written and apply to transactions that would not typically be considered tax shelters. The Code imposes significant penalties for failure to comply with these requirements. You are urged to consult with your tax advisor concerning any possible disclosure obligation with respect to the receipt or disposition of our stock or securities or transactions that we might undertake directly or indirectly. Moreover, you should be aware that we and other participants in the transactions in which we are involved (including their advisors) might be subject to disclosure or other requirements pursuant to these regulations.

Passive Activity Losses and Investment Interest Limitations

Distributions that we make and gains arising from the sale or exchange by a U.S. shareholder of our stock will not be treated as passive activity income. As a result, shareholders will not be able to apply any "passive losses" against income or gain relating to our stock. To the extent that distributions we make do not constitute a return of capital, they will be treated as investment income for purposes of computing the investment interest limitation.

TAXATION OF NON-U.S. SHAREHOLDERS

The following is a summary of certain U.S. federal income and estate tax consequences of the ownership and disposition of our stock applicable to non-U.S. shareholders. A "non-U.S. shareholder" is any holder of our common stock other than a partnership or U.S. shareholder.

Ordinary Dividends

The portion of dividends received by non-U.S. shareholders that (1) is payable out of our earnings and profits (including a Purging Distribution, if any), (2) is not attributable to capital gains that we recognize and (3) is not effectively connected with a U.S. trade or business of the non-U.S. shareholder, will be subject to U.S. withholding tax at the rate of 30%, unless reduced or eliminated by treaty.

In general, non-U.S. shareholders will not be considered to be engaged in a U.S. trade or business solely as a result of their ownership of our stock. In cases where the dividend income from a non-U.S. shareholder's investment in our stock is, or is treated as, effectively connected with the non-U.S. shareholder's conduct of a U.S. trade or business, the non-U.S. shareholder will generally be subject to U.S. federal income tax at graduated rates, in the same manner as U.S. shareholders are taxed with respect to such dividends. Such effectively connected income must generally be reported on a U.S. income tax return filed by or on behalf of the non-U.S. shareholder. The income may also be subject to a branch profits tax at the rate of 30% (unless reduced or eliminated by treaty) in the case of a non-U.S. shareholder that is a corporation.

Non-Dividend Distributions

Unless our stock constitutes a U.S. real property interest ("USRPI"), distributions that we make which are not dividends out of our earnings and profits will not be subject to U.S. income tax. If we cannot determine at the time a distribution is made whether or not the distribution will exceed current and accumulated earnings and profits, the distribution will be subject to withholding at the rate applicable to dividends. The non-U.S. shareholder may seek a refund from the IRS of any amounts withheld if it is subsequently determined that the distribution was, in fact, in excess of our current and accumulated earnings and profits. If our stock constitutes a USRPI, as described below, distributions that we make in excess of the sum of (1) the shareholder's proportionate share of our earnings and profits, plus (2) the shareholder's basis in its stock, will be taxed under the Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA"), at the rate of tax, including any applicable capital gains rates, that would apply to a U.S. shareholder of the same type (*i.e.*, an individual or a corporation, as the case may be), and the collection of the tax will be enforced by a withholding at a rate of 10% of the amount by which the distribution exceeds the shareholder's share of our earnings and profits.

Capital Gain Dividends

Under FIRPTA, a distribution that we make to a non-U.S. shareholder, to the extent attributable to gains from dispositions of USRPIs that we held directly or through pass-through subsidiaries, or USRPI capital gains, will, except as described below, be considered effectively connected with a U.S. trade or business of the non-U.S. shareholder and will be subject to U.S. income tax at the rates applicable to U.S. individuals or corporations, without regard to whether we designate the distribution as a capital gain dividend. See "—Ordinary Dividends," for a discussion of the consequences of income that is effectively connected with a U.S. trade or business. In addition, we will be required to withhold tax equal to 35% of the maximum amount that could have been designated as USRPI capital gain dividends. Distributions subject to FIRPTA may also be subject to a branch profits tax at the rate of 30% (unless reduced or eliminated by treaty) in the hands of a non-U.S. shareholder that is a corporation. A distribution is not attributable to USRPI capital gain if we held an interest in the underlying asset solely as a creditor. Capital gain dividends received by a non-U.S. shareholder that are attributable to dispositions of our assets other than USRPIs are not subject to U.S. federal income or withholding tax, unless (1) the gain is effectively connected with the non-U.S. shareholder's U.S. trade or business, in which case the non-U.S. shareholder would be subject to the same treatment as U.S. shareholders with respect to such gain, except that a non-U.S. shareholder that is a corporation may also be subject to a branch profits tax at the rate of 30% (unless reduced or eliminated by treaty) or (2) the non-U.S. shareholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States, in which case the non-U.S. shareholder will incur a 30% tax on his capital gains. We expect that a significant portion of our assets will be USRPIs.

A capital gain dividend that would otherwise have been treated as a USRPI capital gain will not be so treated or be subject to FIRPTA, and will generally not be treated as income that is effectively connected with a U.S. trade or business, but instead will be treated in the same manner as an ordinary dividend (see "— Ordinary Dividends"), if (1) the capital gain dividend is received with respect to a class of stock that is regularly traded on an established securities market located in the United States and (2) the recipient non-U.S. shareholder does not own more than 5% of that class of stock at any time during the year ending on the date on which the capital gain dividend is received. We anticipate that our common stock will be "regularly traded" on an established securities exchange.

Dispositions of Our Stock

Unless our stock constitutes a USRPI, a sale of our stock by a non-U.S. shareholder will generally not be subject to U.S. taxation under FIRPTA. Subject to certain exceptions discussed below, our stock will be treated as a USRPI if 50% or more of our assets throughout a prescribed testing period consist of interests in real property located within the United States, excluding, for this purpose, interests in real property solely in a capacity as a creditor. We expect that 50% or more of our assets will consist of USRPIs.

Even if the foregoing 50% test is met, however, our stock will not constitute a USRPI if we are a domestically controlled REIT. A domestically controlled REIT is a REIT, less than 50% of value of which is held, directly or indirectly, by non-U.S. shareholders at all times during a specified testing period (generally the lesser of the five-year period ending on the date of the disposition of our shares or the period of our existence). As described above, our charter will contain restrictions designed to protect our status as a domestically controlled qualified REIT, and we believe that we will be and will remain, a domestically controlled REIT, and that a sale of our stock should not be subject to taxation under FIRPTA. However, no assurance can be given that we will be or will remain a domestically controlled REIT.

In the event that we are not a domestically controlled REIT, but our stock is "regularly traded," as defined by applicable Treasury regulations, on an established securities market, a non-U.S. shareholder's sale of our common stock nonetheless also would not be subject to tax under FIRPTA as a sale of a USRPI, provided that the selling non-U.S. shareholder held 5% or less of our outstanding common stock at any time during a prescribed testing period. We expect that our common stock will be regularly traded on an established securities market.

If gain on the sale of our stock were subject to taxation under FIRPTA, the non-U.S. shareholder would be required to file a U.S. federal income tax return and would be subject to the same treatment as a U.S. shareholder with respect to such gain, subject to applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals. Moreover, in order to enforce the collection of the tax, the purchaser of the stock could be required to withhold 10% of the purchase price and remit such amount to the IRS.

Gain from the sale of our stock that would not otherwise be subject to FIRPTA will nonetheless be taxable in the United States to a non-U.S. shareholder in two cases: (1) if the non-U.S. shareholder's investment in our stock is effectively connected with a U.S. trade or business conducted by such non-U.S. shareholder, the non-U.S. shareholder will be subject to the same treatment as a U.S. shareholder with respect to such gain, except that a non-U.S. shareholder that is a corporation may also be subject to a branch profits tax at a rate of 30% (unless reduced or eliminated by treaty) or (2) if the non-U.S. shareholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States, the nonresident alien individual will be subject to a 30% tax on the individual's capital gain. In addition, even if we are a domestically controlled REIT, upon disposition of our stock (subject to the 5% exception applicable to "regularly traded" stock described above), a non-U.S. shareholder may be treated as having gain from the sale or exchange of a USRPI if the non-U.S. shareholder (a) disposes of our common stock within a 30-day period preceding the ex-dividend date of a distribution, any portion of which, but for the disposition, would have been treated as gain from the sale or exchange of a USRPI and (b) acquires, or enters into a contract or option to acquire, other shares of our common stock within 30 days after such ex-dividend date.

Non-U.S. shareholders are urged to consult their tax advisors regarding the U.S. federal, state, local and foreign income and other tax consequences of owning our stock.

Taxation of Tax-Exempt Shareholders

Tax-exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, generally are exempt from U.S. federal income taxation. However, they may be subject to taxation on their unrelated business taxable income ("UBTI"). While some investments in real estate may generate UBTI, the IRS has ruled that dividend distributions from a REIT to a tax-exempt entity do not constitute UBTI. Based on that ruling, and provided that (1) a tax-exempt shareholder has not held our stock as "debt financed property" within the meaning of the Code (*i.e.*, where the acquisition or holding of the property is financed through a borrowing by the tax-exempt shareholder) and (2) our stock is not otherwise used in an unrelated trade or business, distributions that we make and income from the sale of our stock generally should not give rise to UBTI to a tax-exempt shareholder.

Tax-exempt shareholders that are social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts, and qualified group legal services plans exempt from U.S. federal income taxation under sections 501(c)(7), (c)(9), (c)(17) and (c)(20) of the Code are subject to different UBTI rules, which generally require such shareholders to characterize distributions that we make as UBTI.

In certain circumstances, a pension trust that owns more than 10% of our stock could be required to treat a percentage of any dividends received from us as UBTI if we are a "pension-held REIT." We will not be a pension-held REIT unless (1) we are required to "look through" one or more of our pension trust shareholders in order to satisfy the REIT "closely held" test and (2) either (a) one pension trust owns more than 25% of the value of our stock or (b) one or more pension trusts, each individually holding more than 10% of the value of our stock, collectively own more than 50% of the value of our stock. Certain restrictions on ownership and transfer of shares of our stock generally should prevent a tax-exempt entity from owning more than 10% of the value of our stock and generally should prevent us from becoming a pension-held REIT.

Tax-exempt shareholders are urged to consult their tax advisors regarding the U.S. federal, state, local and foreign income and other tax consequences of owning our stock.

OTHER TAX CONSIDERATIONS

Legislative or Other Actions Affecting REITs

The present U.S. federal income tax treatment of REITs may be modified, possibly with retroactive effect, by legislative, judicial or administrative action at any time. The REIT rules are constantly under review by persons involved in the legislative process and by the IRS and the Treasury, which review may result in statutory changes as well as revisions to regulations and interpretations. Changes to the U.S. federal tax laws and interpretations thereof could adversely affect an investment in our common stock.

Medicare 3.8% Tax on Investment Income

Certain U.S. shareholders who are individuals, estates or trusts and whose income exceeds certain thresholds will be required to pay a 3.8% Medicare tax on dividends and certain other investment income, including capital gains from the sale or other disposition of our common stock.

Foreign Account Tax Compliance Act

Withholding at a rate of 30% generally will be required in certain circumstances on dividends in respect of, and, after December 31, 2016, gross proceeds from the sale or other disposition of, our common stock held by or through certain foreign financial institutions (including investment funds), unless such institution (i) enters into,

and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (ii) if required under an intergovernmental agreement between the U.S. and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country, or other guidance, may modify these requirements. Accordingly, the entity through which our common stock is held will affect the determination of whether such withholding is required. Similarly, in certain circumstances, dividends in respect of, and, after December 31, 2016, gross proceeds from the sale or other disposition of, our common stock held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exemptions generally will be subject to withholding at a rate of 30%, unless such entity either (i) certifies that such entity does not have any "substantial United States owners" or (ii) provides certain information regarding the entity's "substantial United States owners," which we will in turn provide to the IRS. We will not pay any additional amounts to shareholders in respect of any amounts withheld. Prospective investors should consult their tax advisors regarding the possible implications of these rules on their investment in our common stock.

State, Local and Foreign Taxes

We and our subsidiaries and shareholders may be subject to state, local or foreign taxation in various jurisdictions including those in which we or they transact business, own property or reside. Our state, local or foreign tax treatment and that of our shareholders may not conform to the U.S. federal income tax treatment discussed above. Any foreign taxes that we incur do not pass through to shareholders as a credit against their U.S. federal income tax liability. Prospective investors are urged to consult their tax advisors regarding the application and effect of state, local and foreign income and other tax laws on an investment in our stock.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form 10 with the SEC, of which this information statement forms a part, with respect to the shares of our common stock being distributed as contemplated by this information statement. This information statement is a part of, and does not contain all of the information set forth in, the registration statement and the exhibits and schedules to the registration statement. For further information with respect to us and our common stock, please refer to the registration statement, including its exhibits and schedules. Statements made in this information statement relating to any contract or other document are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contract or document. You may review a copy of the registration statement, including its exhibits and schedules, at the SEC's public reference room, located at 100 F Street, N.E., Washington, D.C. 20549, by calling the SEC at 1-800-SEC-0330 as well as on the Internet website maintained by the SEC at *www.sec.gov.* Information contained on any website referenced in this information statement is not incorporated by reference in this information statement.

As a result of the Spin-Off, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with the Exchange Act, we will file periodic reports, proxy statements and other information with the SEC, which will be available on the Internet website maintained by the SEC at *www.sec.gov.*

We intend to furnish holders of our common stock with annual reports containing combined financial statements prepared in accordance with U.S. generally accepted accounting principles and audited and reported on, with an opinion expressed, by an independent registered public accounting firm.

You should rely only on the information contained in this information statement or to which we have referred you. We have not authorized any person to provide you with different information or to make any representation not contained in this information statement.

Windstream Holdings is subject to the reporting requirements of the SEC and is required to file with the SEC annual, quarterly and special reports, proxy statements and other information. Windstream Holdings' publicly available filings can be found on the SEC's website at *www.sec.gov.*

We incorporate by reference in this information statement the following documents, which Windstream Holdings has filed or will file with the SEC; provided, however, that we are not incorporating by reference, in each case, any documents, portion of documents or information deemed to have been furnished and not filed in accordance with SEC rules:

- Windstream Holdings' annual report on Form 10-K for the year ended December 31, 2014.

The documents incorporated by reference contain important information about Windstream Holdings and its financial condition and results of operations. You may obtain any of the documents incorporated by reference in this information statement from the SEC as provided above. You also may request a copy of any document incorporated by reference in this information statement (excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference in this document), at no cost, by writing or calling Windstream Holdings at the following address: Windstream Holdings, Inc., Investor Relations, 4001 Rodney Parham Road, Little Rock, Arkansas 72212, individual shareholders telephone (501) 748-7216, institutional shareholders telephone (501) 748-7216.

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Report of Independent Registered Public Accounting Firm

To the Management of Windstream Holdings, Inc.

We have audited the accompanying special purpose statements of assets contributed and liabilities assumed of the Competitive Local Exchange Carrier ("CLEC") Business of Windstream Holdings, Inc. as of December 31, 2014 and 2013, and the related special purpose statements of revenues and direct expenses for each of the three years in the period ended December 31, 2014. These special purpose financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall special purpose financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The accompanying special purpose financial statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in the Form 10 of Communications Sales & Leasing, Inc. as described in Note 2 and are not intended to be a complete presentation of CLEC's assets or liabilities or revenues and expenses.

In our opinion, the special purpose financial statements referred to above present fairly, in all material respects, the assets contributed and liabilities assumed of the CLEC Business of Windstream Holdings, Inc. as of December 31, 2014 and 2013, and its revenues and direct expenses for each of the three years in the period ended December 31, 2014 in conformity with accounting principles generally accepted in the United States of America.

/s/PricewaterhouseCoopers LLP
Little Rock, Arkansas
March 12, 2015

WINDSTREAM HOLDINGS, INC.
CLEC BUSINESS
STATEMENTS OF ASSETS CONTRIBUTED AND LIABILITIES ASSUMED
As of December 31,

(Thousands)	2014	2013
Assets:		
Accounts receivable (less allowance for doubtful accounts of $104 and $146)	$ 1,912	$ 2,700
Customer list intangible assets, net	14,452	19,038
Other	301	143
Total Assets	$16,665	$21,881
Liabilities		
Advance payments and customer deposits	$ 1,154	$ 1,336
Accrued payroll and commissions	39	17
Accrued interconnection costs	1,209	1,066
Deferred taxes	5,483	7,240
Total liabilities	7,885	9,659
Net Assets Contributed	$ 8,780	$12,222

See accompanying notes to financial statements.

WINDSTREAM HOLDINGS, INC.
CLEC BUSINESS
STATEMENTS OF REVENUES AND DIRECT EXPENSES
For the Years Ended December 31,

(Thousands)	2014	2013	2012
Revenues	$36,015	$45,126	$63,478
Direct expenses:			
Cost of revenues	19,060	23,239	32,362
Selling, general, and administrative	80	121	682
Amortization	4,586	5,253	5,921
Total direct expenses	23,726	28,613	38,965
Revenues in Excess of Direct Expenses	$12,289	$16,513	$24,513

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

1. Description of Business:

The consumer Competitive Local Exchange Carrier ("CLEC") business historically has been reported as an integrated operation within Windstream Holdings, Inc. ("Windstream") and offers voice, broadband, long-distance, and value-added services to residential customers located primarily in rural locations. Substantially all of the network assets used to provide these services to customers are contracted through interconnection agreements with other telecommunications carriers. Windstream no longer accepts new residential customers in the service areas covered by its consumer CLEC business.

2. Basis of Presentation:

The accompanying Statements of Assets Contributed and Liabilities Assumed as of December 31, 2014 and 2013 and the related Statements of Revenues and Direct Expenses for each of the three years in the period ended December 31, 2014 have been prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (the "SEC"), as permitted by the SEC, and are not intended to be a complete presentation of the financial position or results of operations of the consumer CLEC business. The elements of the financial statements are stated in accordance with accounting principles generally accepted in the United States ("GAAP"). The assets to be contributed and liabilities assumed of the consumer CLEC business presented in the accompanying financial statements reflect Windstream's historical carrying value of the assets and liabilities as of the financial statement date consistent with the accounting for spin-off transactions in accordance with GAAP.

The accompanying Statements of Assets Contributed and Liabilities Assumed include only certain assets and liabilities directly related to the consumer CLEC business that will be transferred pursuant to the Separation and Distribution Agreement, which will be executed between Communication Sales & Leasing, Inc. and Windstream. Windstream will retain certain assets and liabilities of the consumer CLEC business consisting of the following: cash and cash equivalents, intercompany receivables and payables, certain trade accounts payable, liabilities related to employee benefit plans, and income taxes payable. Accordingly, the assets and liabilities to be retained by Windstream have been excluded from the Statements of Assets Acquired and Liabilities Assumed. In addition, the consumer CLEC business primarily uses leased network facilities to provide telecommunications services to its customers and does not hold legal title to any property, plant and equipment.

The accompanying Statements of Revenues and Direct Expenses include all direct costs incurred in connection with the operation of the consumer CLEC business for which specific identification was practical. In addition, direct costs incurred by Windstream to operate the consumer CLEC business for which specific identification was not practical have been allocated based on assumptions that Windstream management believes reasonable under the circumstances as more fully discussed in Note 6. The Statements of Revenues and Direct Expenses exclude costs that are not directly related to the consumer CLEC business including general corporate overhead costs, interest expense and income taxes. These costs will be incurred by the consumer CLEC business in the future when it operates on a standalone basis.

3. Summary of Significant Accounting Policies:

Use of Estimates—The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements, and such differences could be material.

NOTES TO FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies Continued:

Accounts Receivable—Accounts receivable consist of trade receivables from customers and are generally unsecured and due within 30 days. Expected credit losses related to trade accounts receivable are recorded as an allowance for doubtful accounts in the accompanying Statements of Assets Contributed and Liabilities Assumed. In establishing the allowance for doubtful accounts, management considers a number of factors, including historical collection experience, aging of the accounts receivable balances and current economic conditions. When internal collection efforts on accounts have been exhausted, the accounts are written off by reducing the allowance for doubtful accounts. The provision for doubtful accounts, which is included in cost of service, was $487, $610 and $1,166 for the years ended December 31, 2014, 2013 and 2012, respectively. Concentration of credit risk with respect to accounts receivable is limited because a large number of geographically diverse customers make up the consumer CLEC customer base. Due to varying customer billing cycle cut-off, management must estimate service revenues earned but not yet billed at the end of each reporting period. Included in accounts receivable are unbilled receivables related to communications services and product sales of $94, and $111 at December 31, 2014 and 2013, respectively.

Customer List Intangible Assets—Windstream acquired certain consumer CLEC operations and customers through various acquisitions completed prior to 2011. In connection with the purchase price allocation for these acquisitions, Windstream recorded the estimated fair value of consumer CLEC customer list intangible assets at the dates of acquisition. The customer list intangible assets are presented in the financial statements at cost less accumulated amortization and are amortized using the sum-of-the-digits method over their estimated useful lives.

Income Taxes—The operations of the consumer CLEC business have historically been included in Windstream's federal and state income tax returns and all income tax liabilities have been paid by Windstream. Income tax information included in the financial statements is presented on a separate tax return basis. Management believes that the assumptions and estimates used to determine the tax amounts are reasonable. However, the financial statements herein may not necessarily reflect the income tax liabilities or future income tax payments if the consumer CLEC business had been operated as a stand-alone business during the periods presented.

Deferred income taxes are recognized in accordance with guidance on accounting for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax balances are adjusted to reflect tax rates based on currently enacted tax laws, which will be in effect in the years in which the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period of the enactment date. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized.

Revenue Recognition—Service revenues are primarily derived from providing access to or usage of leased networks and facilities. Service revenues are recognized over the period that the corresponding services are rendered to customers. Revenues derived from other telecommunications services, including broadband, long distance and enhanced service revenues are recognized monthly as services are provided. Sales of customer premise equipment and modems are recognized when products are delivered to and accepted by customers.

Recently Issued Accounting Standards—In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"). The standard outlines a single comprehensive revenue recognition model for entities to follow in accounting for revenue from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that an entity should recognize revenue for the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to receive for those goods or services. ASU 2014-09 is effective for annual periods

NOTES TO FINANCIAL STATEMENTS

3. Summary of Significant Accounting Policies Continued:

beginning after December 15, 2016 and interim periods within those annual periods. Early adoption is not permitted. Management is in the process of determining the method of adoption and assessing the impact of the ASU on the consumer CLEC financial statements.

Subsequent Events—The accompanying financial statements of the consumer CLEC business are derived from the consolidated financial statements of Windstream, which issued its annual consolidated financial statements on February 24, 2015. Accordingly, management has evaluated transactions for consideration as recognized subsequent events in these financial statements through the date of February 24, 2015. In addition, management has evaluated transactions that occurred as of the issuance of these financial statements, March 12, 2015, for purposes of disclosure of unrecognized subsequent events. No additional disclosures are required other than those matters that are reflected within these financial statements.

4. Customer List Intangible Assets:

The carrying value of the customer list intangible assets at each reporting period was as follows:

	December 31, 2014			December 31, 2013		
(Thousands)	Gross Cost	Accumulated Amortization	Net Carrying Value	Gross Cost	Accumulated Amortization	Net Carrying Value
Customer lists	$34,501	$ 20,049	$ 14,452	$34,501	$ 15,463	$ 19,038

Amortization expense for the customer list intangible assets was $4,586, $5,253 and $5,921 for the years ended December 31, 2014, 2013 and 2012, respectively. Amortization expense is estimated to be as follows for the years ended December 31:

Year	(Thousands)
2015	$ 3,922
2016	3,258
2017	2,607
2018	1,994
2019	1,384
Thereafter	1,287
Total	$ 14,452

5. Deferred Income Taxes:

The significant components of the net deferred tax liability were as follows at December 31:

(Thousands)	2014	2013
Customer list intangible assets	$(5,523)	$(7,296)
Bad debt reserve	40	56
Deferred income taxes, net	$(5,483)	$(7,240)
Deferred tax assets	$ 40	$ 56
Deferred tax liabilities	(5,523)	(7,296)
Deferred income taxes, net	$(5,483)	$(7,240)

NOTES TO FINANCIAL STATEMENTS

6. Allocations:

As described in Note 1, the accompanying Statements of Revenues and Direct Expenses of the consumer CLEC business include all direct costs incurred in connection with the operation of the consumer CLEC business for which specific identification was practical. In addition, certain costs incurred by Windstream to operate the consumer CLEC business for which specific identification was not practical have been allocated based on revenues and sales. These allocated expenses are included in “Cost of revenues” and “Selling, general and administrative.”

General and administrative costs incurred by Windstream not directly related to the consumer CLEC business have not been allocated to these operations. Costs not allocated include amounts related to executive management, accounting, treasury and cash management, data processing, legal, human resources and certain occupancy costs.

Report of Independent Registered Public Accounting Firm

To the Management of Windstream Holdings, Inc.

In our opinion, the accompanying Windstream Holdings, Inc. Distribution Systems combined balance sheet presents fairly, in all material respects, the financial position of certain telecommunications distribution systems assets of Windstream Holdings, Inc. at December 31, 2014 and 2013 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related combined balance sheet. The balance sheet is the responsibility of the Company's management. Our responsibility is to express an opinion on the balance sheet based on our audit. We conducted our audit of this statement in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheet, assessing the accounting principles used and significant estimates made by management, and evaluating the overall balance sheet presentation. We believe that our audit of the balance sheet provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Little Rock, Arkansas
March 12, 2015

WINDSTREAM HOLDINGS, INC.
DISTRIBUTION SYSTEMS
COMBINED BALANCE SHEETS
As of December 31,

(Millions)	2014	2013
Assets:		
Property, plant and equipment, net	$2,571.8	$2,683.0
Total Assets	$2,571.8	$2,683.0
Equity:		
Invested equity	$2,571.8	$2,683.0
Total Equity	$2,571.8	$2,683.0

See accompanying notes to combined balance sheet.

NOTES TO COMBINED BALANCE SHEETS

1. Separation from Windstream Holdings, Inc. and Description of Transferred Assets:

In connection with a planned separation and spin-off, Windstream Holdings, Inc. ("Windstream") will transfer certain real property, consisting of telecommunications distribution system assets to a newly formed Maryland Corporation, Communications Sales & Leasing, Inc. ("CSL") and, thereafter, distribute no less than 80.1% of the stock of CSL on a pro rata basis to existing shareholders of Windstream. Following the spin-off, CSL will be engaged in leasing activities, principally consisting of leasing back to Windstream the telecommunications distribution system assets through a triple-net master lease agreement (the "Master Lease"). Pursuant to the Master Lease, all environmental liabilities associated with the transferred real property will be retained by Windstream. CSL plans to acquire, develop, and lease telecommunications distribution system assets operated by tenants other than Windstream. CSL also anticipates diversifying its real estate portfolio over time by acquiring properties outside of the telecommunications industry to lease to third parties.

2. Basis of Presentation:

The accompanying balance sheets reflect the telecommunications distribution system assets of Windstream that will be transferred to CSL in the planned separation and spin-off. The balance sheets presented herein are combined on the basis of common control. The accompanying balance sheets have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and have been derived from the accounting records of Windstream. The telecommunications distribution system assets presented in the accompanying balance sheets reflect Windstream's historical carrying value of the assets as of the balance sheet dates consistent with the accounting for spin-off transactions in accordance with GAAP.

3. Summary of Significant Accounting Policies:

Use of Estimates—The preparation of financial statements, in accordance with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statement are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statement. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statement, and such differences could be material.

Property, Plant and Equipment - Property, plant and equipment are stated at original cost, less accumulated depreciation. Property, plant and equipment consists of land and central office buildings, copper and fiber optic cable lines, telephone poles, underground conduits, concrete pads, pedestals, guy wires, anchors, and attachment hardware. The costs of additions, replacements, substantial improvements and extension of the network to the customer premise, including related labor costs, are capitalized, while the costs of maintenance and repairs are expensed as incurred. Interest costs incurred in connection with the acquisition or construction of plant assets are capitalized and included in the cost of the asset.

Certain property, plant and equipment is depreciated using a group composite depreciation method. Under this method, when plant is retired, the original cost, net of salvage value, is charged against accumulated depreciation and no immediate gain or loss is recognized on the disposition of the property. For all other property, depreciation is computed using the straight-line method over the estimated useful life of the respective property, and when the property is retired or otherwise disposed of, the related cost and accumulated depreciation are written-off, with the corresponding gain or loss reflected in operating results.

Impairment of Long-Lived Assets—Management reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable from future, undiscounted net cash flows expected to be generated by the asset group. If the asset group is not fully recoverable, an impairment loss would be recognized for the difference between the carrying value of the asset group and its estimated fair value based on discounted net future cash flows.

NOTES TO COMBINED BALANCE SHEETS

3. Summary of Significant Accounting Policies Continued:

Subsequent Events—The accompanying balance sheets are derived from the consolidated financial statements of Windstream, which issued its annual consolidated financial statements on February 24, 2015. Accordingly, management has evaluated transactions for consideration as recognized subsequent events in the accompanying financial statement through the date of February 24, 2015. In addition, management has evaluated transactions that occurred as of the issuance of the financial statements on March 12, 2015. for purposes of disclosure of unrecognized subsequent events. No additional disclosures are required other than those matters that are reflected within this financial statement.

4. Property, Plant and Equipment:

Net property, plant and equipment consisted of the following as of:

(Millions)	Depreciable Lives	December 31, 2014	December 31, 2013
Land		$ 33.0	$ 29.1
Building and improvements	3-40 years	305.5	298.3
Poles	13-40 years	223.0	217.1
Fiber	7-40 years	1,841.2	1,685.4
Copper	7-40 years	3,430.8	3,373.2
Conduit	13-47 years	89.2	89.0
Construction in progress		34.0	45.0
		5,956.7	5,737.1
Less accumulated depreciation		(3,384.9)	(3,054.1)
Net property, plant and equipment		$ 2,571.8	$ 2,683.0

5. Concentration of Credit Risks

Following the spin-off, all of CSL's real property will be leased to Windstream and all of its rental revenues will be derived from the Master Lease. Windstream is a publicly traded company and is subject to the periodic filing requirements of the Securities and Exchange Act of 1934, as amended. For the year ended December 31, 2014, Windstream had total revenues and sales of approximately $5.8 billion and generated net cash from operations of nearly $1.5 billion. Other than this tenant concentration, management believes the current portfolio of real property is diversified by geographical location and does not contain any other significant concentration of credit risks.

WINDSTREAM HOLDINGS, INC.
SCHEDULE III—Distribution Systems and Accumulated Depreciation
As of December 31, 2014
(dollars in thousands)

Col. A	Col. B	Col. C	Col. D		Col. E	Col. F	Col. G	Col. H	Col. I
		Initial Cost to Company (1)	Cost Subsequent to Acquisition (1)		Gross Amount Carried at Close of Period				
Description	Encumbrances	Distribution Systems	Improvements	Carrying Costs	Distribution Systems Total	Accumulated Depreciation	Date of Construction (2)	Date Acquired (2)	Life on which Depreciation in Latest Income Statement is Computed
Land	$ —	(1)	(1)	(1)	$ 32,992	$ —	(2)	(2)	
Buildings and improvements	—	(1)	(1)	(1)	305,559	(133,121)	(2)	(2)	3 - 40 years
Poles	—	(1)	(1)	(1)	222,933	(171,927)	(2)	(2)	13 - 40 years
Fiber	—	(1)	(1)	(1)	1,841,227	(582,029)	(2)	(2)	7 - 40 years
Copper	—	(1)	(1)	(1)	3,430,810	(2,448,786)	(2)	(2)	7 - 40 years
Conduit	—	(1)	(1)	(1)	89,200	(49,057)	(2)	(2)	13 - 47 years
Construction in progress	—	(1)	(1)	(1)	33,984	—	(2)	(2)	

(1) Given the voluminous nature and variety of the Distribution Systems assets, this schedule omits columns C and D from the Schedule III presentation.
(2) Because additions and improvements to the Distribution Systems are ongoing, construction and acquisition dates are not applicable.

WINDSTREAM HOLDINGS, INC.
SCHEDULE III—Distribution Systems and Accumulated Depreciation
As of December 31, 2014
(dollars in thousands)

Carrying cost:	
Balance at beginning of period	$ 5,737,155
Improvements	219,550
Balance at close of period	$ 5,956,705
Accumulated depreciation:	
Balance at beginning of period	$ (3,054,154)
Depreciation expense	(343,123)
Other activity	12,357
Balance at close of period	$ (3,384,920)