

New Employee Benefits - 2017

www.windstreambenefits.com



This is an overview of your Windstream group benefits, income protection plans, paid absences, retirement/payroll savings and employee services. Complete details are available at windstreambenefits.com. For questions call 877.550.3255. You can also live chat with Care Coordinator through windstreamhealth.com.

Enrollment Deadline

New employee benefits begin the first day of the month following 8 weeks (56 days) of employment. In order to receive benefits, you must enroll within 31 days of your first day of employment (hire date + 30 days). If you do not enroll within 31 calendar days, you will not have benefits and will have to wait until Annual Enrollment to enroll unless you experience a qualifying life event (marriage, birth, etc.).

If you experience a qualifying event, you have 31 days (event date + 30 days) to enroll or adjust your coverage.

Medical Coverage

Medical coverage is available to all employees (and their eligible dependents) regularly scheduled to work at least 30 hours per week. You have many options to choose from. Windstream shares the premium costs with you.

Consumer Medical Plan - The Consumer Medical Plan is a consumer-driven health insurance plan administered by United Medical Resources (UMR), a United Healthcare Company. Our Consumer plans work in conjunction with a tax-advantaged Health Savings Account (HSA). In addition to paying lower premiums each pay period, you may voluntarily contribute pre-tax dollars from your paycheck to a HSA and use those funds to pay for a variety of qualified medical expenses for you and your dependents as allowed by federal tax law. Many preventive care medicines and procedures are fully paid by the company's plan at no charge to you (assuming medically necessary and the charges are reasonable and customary).

Complimentary programs are offered to help manage health concerns and costs.

Wellbeing Program – You are offered a holistic view of well-being – physical, financial, social, purpose in life, and community. New hires and enrolled spouses can access the program within a few weeks of starting.

Coordinated Care by Quantum Health – Care Coordinators are available to help you navigate the healthcare system. All of your benefits questions and concerns can be addressed by a single staff of Care Coordinators.

Care Coordinators will help you:

- Answer questions about your medical and prescription coverage.
- Show you how to save money on out-of-pocket expenses.
- Locate a participating UMR provider and check to see if your current providers are in-network.
- Complete pre-notification required for certain services.
- Guide you to various resources that can help you lead a healthier life.

Weight Management Programs – If you are enrolled in a Windstream medical plan, you (and your spouse) have access to Weight Watchers at a 50% discount. Choose online or meeting options, or both if available in your area. For those who prefer a more clinical and personal approach to weight loss we offer Omada - a weight management program to support anyone who has higher medical risk factors and is ready to commit to a 16-week program. The program is covered 100% by Windstream.

Livongo - Livongo is provided at no cost to you and your dependents if you are living with diabetes. Membership includes a cellular meter and unlimited strips and lancets. There are no hidden costs or co-pays. Supplies are shipped to your door when you need them. You can view your readings, get key trends, daily insights, and send messages directly to coaches on the mobile app to help you make better decisions about your diabetes management.

WinFertility – Windstream offers voluntary comprehensive fertility management services to all employees and covered spouses to help you maximize your benefits through use of infertility treatment options with the strongest likelihood of success.

Magellan EAP - Windstream offers an Employee Assistance Program through Magellan at no cost to you. From online information to confidential consultations with licensed behavioral health professionals, you and your household have access to a wealth of practical, solution-focused resources to help you reduce stress, strengthen relationships, increase productivity and improve your quality of life.

Tobacco Cessation Program – If you (or your spouse) want to become tobacco free, we provide access to free coaching and nicotine replacement therapies through the Wellbeing program. Employees and spouses on a Windstream medical plan who use tobacco products will pay a \$50 per person per month tobacco surcharge.

Critical Illness and Accident insurance – Critical Illness insurance pays benefits that can be used for any expenses (such as un-paid medical bills, rent, food, etc.) as well as illness-related expenses that health insurance might not cover. The cash benefit is in the form of a lump sum payment, which is paid to you after a covered diagnosis. Accident Insurance pays benefits for off-the-job accidents, plus some benefits that correspond with your medical care.

If you have questions about your health, benefits, or medical care, call your Care Coordinators at 1-877-550-3255.

Medical Surcharge For Working Spouses

Windstream has a spousal surcharge of \$100 per month. The spousal surcharge is applied (\$50 per pay period) if your spouse has coverage available through his/her employer but chooses to be on a Windstream medical plan. If your spouse is not offered coverage through his/her employer or is not employed, the surcharge does not apply. If your spouse is employed by Windstream, the surcharge does not apply.

Prescription Drug Coverage

When you enroll in a medical plan, you are automatically enrolled in Windstream's Prescription Drug Plan administered by Express Scripts. The plan provides coverage for many medications that are prescribed by a physician to treat illnesses and injuries. The program offers two convenient and cost-effective ways to purchase prescription drugs. There is a retail drug card that allows you to purchase prescription drugs at a discounted rate through preferred pharmacies and a convenient mail order option required for maintenance medication.

Dental Coverage

You have two options for dental coverage: 1) Low Coverage and 2) High Coverage. Both plans, which are administered by Delta Dental, include preventive, basic, and major care each with its own rules and limitations. The High Coverage Option also includes limited orthodontic coverage.

Vision Benefits

You have two vision plan options. 1) Spectera, which specializes in optometrists and big box retailers and 2) VSP, which specializes in ophthalmologist offices. Plans and networks differ between the two providers, but both VSP and Spectera, offer cost-savings, a broad provider network and freedom regarding choice of eyewear.

Pretax Flexible Spending Accounts

Flexible Spending Accounts allow you to pay for certain medical and dependent care expenses with pretax dollars, thereby reducing your taxable income and saving you money. As an eligible employee, you may benefit any of these programs:

- **Health Savings Account (HAS)** – Offers an opportunity to save tax-free. You can use your HSA to pay for ongoing qualified medical expenses, such as eyeglasses, prescriptions and dental, vision and doctor office visits. Once your plan reaches a certain balance, you can invest your funds how you choose. Once you reach age 65, you will also be able to use your HSA to pay for Medicare premiums or for whatever you choose. For a full list of allowable expenses, visit IRS.gov.
- **Medical Flexible Spending Account** – Reimburses you for most expenses not reimbursable under another plan, such as plan deductible, co-payments, vision examinations and eyeglasses. If you do not use all of your funds in one year, you may roll over up to \$500 to the next year.
- **Day Care Account** – Reimburses you for dependent care expenses, including out-of-home services and in-home care.
- **Commuter Reimbursement Accounts** – Reimburses you for qualified parking or transit costs related to getting to and from work. You may also pay for mass transit passes, tokens, fare cards and parking.

Life, Accident & Optional Insurance

Basic Group Life and AD&D – Windstream provides a group term plan to all eligible employees to offer financial protection for your dependents if you die or suffer serious injuries while covered under the plan. The benefit is equal to one-half of your salary, and is provided at no cost to you. The type of life insurance offered under this plan is called term life insurance because it provides benefits during the term or period for which premiums are paid. If you die while covered under the plan, a benefit equal to 100% of your annual eligible compensation up to a maximum of \$1 million will be paid to your beneficiary. If you die or suffer serious injuries as a result of a covered accident, the plan will pay an additional benefit up to 100% of your annual eligible compensation, up to a maximum of \$1 million (or a percentage based on the type of loss that you experience). This benefit is called Accidental Death and Dismemberment Insurance. AD&D Insurance is automatically included in the plan.

- **Supplemental Group Life Insurance** - An optional coverage available to all employees regularly scheduled to work at least 30 hours per week. Coverage can be purchased in multiples of annual pay from one times pay up to eight times pay, up to a maximum of \$1.5 million. If employee coverage is purchased, spouse coverage can be purchased at the \$10,000 minimum level, or in multiples of \$25,000, up to a \$200,000 maximum, but cannot equal more than 100% of the amount of employee coverage. If employee coverage is purchased, child coverage for eligible dependents can be purchased in multiples of \$5,000 to \$25,000. Child life may not exceed 100% of the amount of employee coverage. Evidence of insurability may be required, and employee contributions are required. With the exception of Child life, contributions are determined based on the age of the employee or spouse (as of the end of the plan year).
- **Supplemental Group AD&D Insurance** - All employees regularly scheduled to work at least 30 hours per week are eligible for accidental death and dismemberment insurance for themselves and their families. Enrollment may occur at any time. Eligible employees may select an amount of insurance up to eight times annual pay, up to a maximum of \$1.5 million. For dismemberment claims,

the amount of benefit is based on the type of loss. Employee contributions are required.

MetLife Home, Auto and Legal Insurance – You can get special Windstream discounts on auto and home insurance. Met Law also gives you convenient access to participating plan attorneys. All premiums may be deducted from convenient payroll deduction. Watch your mailbox at home for enrollment materials.

MetLife VPI Pet Insurance - From wellness care to significant medical incidents, veterinary pet insurance is the smart way to protect your pet's health. You can enroll in VPI Pet at any time during the year.

Income Protection Plans

Sick Pay Program - Regular full-time and part-time employees are eligible for up to 7 days (56 hours maximum) per calendar year for absences from work due to your own injury or illness and routine doctors' appointments, unless state law requires otherwise. New employees are eligible for Sick Pay the day of their three-month anniversary, and available time is prorated per number of months left in the calendar year. Windstream may request a doctor's note for any absence; absences of more than three consecutive work days automatically require medical documentation to certify eligibility for benefits.

Short-term Disability (STD) – Provides up to 26 weeks pay for certain qualifying conditions for regular full-time and part-time employees (scheduled to work at least 30 hours per week) in the event of your own injury or illness. For employees with 1 or more years of service, the payment is 6 weeks of full pay and 20 weeks at 66% of pay. New employees are eligible for STD the first day of the month in which your 12-month anniversary occurs. Applications for STD must be approved by Cigna, and medical certification is required. Windstream pays all costs for coverage.

Long-Term Disability - Coordinates with other Windstream and government-sponsored benefits to provide a benefit of 60% of your basic monthly earnings should you become disabled. An elimination period applies and benefits for certain disabling conditions are limited to two years. Enrollment is automatic for all employees regularly scheduled to work at least 30 hours per week. Windstream pays all costs for coverage.

Workers' Compensation - Immediate protection is provided to employees in the event of a work-related injury in accordance with current state workers' compensation laws and regulations. This benefit coordinates with Windstream's disability payment plans. Windstream pays all costs for coverage.

Paid Time Away From Work

Vacation - Regular full-time employees are entitled to paid vacation time of various duration depending on length of service. Regular part-time employees receive prorated paid vacation time based on the number of regularly scheduled work hours. Occasional and temporary employees are not eligible for paid vacation time. Commissioned sales employees receive vacation pay that includes their base pay. There is no proration for sales quota during this period.

Initial Vacation for New Hires - If hired during the first six months of the calendar year, new hires are eligible for a one-week vacation (five days or 40 hours) on the date their six-month service anniversary occurs and a second week of vacation in January following their hire date. For example, an employee who is hired in June may take one week of vacation in December.

If hired during the last six months of the calendar year, new hires will receive one week of vacation on the date their six-month service anniversary occurs and a second week of vacation on the date their 12-month service anniversary occurs.

- *Two Weeks:* Available for use at the beginning of the calendar year following initial vacation eligibility.

- *Three Weeks:* Available for use at the beginning of the calendar year of your 3-year service anniversary.
- *Four Weeks:* Available for use at the beginning of the calendar year of your 10-year service anniversary.
- *Five Weeks:* Available for use at the beginning of the calendar year of your 25-year service anniversary.

Holidays and Optional Holidays - Windstream observes the following as paid holidays: New Year's Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and Five (5) Optional Days.

Holiday pay is paid on the day Windstream designates as the holiday. Holidays that fall on a Saturday are observed on the preceding Friday. Holidays that fall on a Sunday are observed on the following Monday.

Regular full-time employees will be paid eight hours of base pay for the observance of the holiday. Non-exempt employees who are required to work on the holiday or who are not regularly scheduled to work on the holiday will receive the choice of holiday pay or they may defer the company holiday to a later date in lieu of holiday pay. Exempt employees who are required to work on the holiday will defer the company holiday in lieu of holiday pay.

Regular part-time employees receive prorated holiday pay based on their average daily hours for the weekly schedule. For example, if an employee is scheduled to work three days at eight hours per day (equal to a 24 hour-week), he or she is eligible for 4.8 hours of holiday pay.

Commissioned sales employees receive holiday pay that includes their base pay. There is no proration for sales quota during this period.

- **Optional Holidays** - Windstream also gives employees time off for days that are most important to them. An employee must be classified as regular full-time or regular part-time and have completed 90 days of continuous employment before taking optional holidays. After meeting initial eligibility requirements, each regular employee may take five optional holidays during a calendar year.
- **Optional Holidays for New Hires** - New hires receive three optional holidays in the first year of employment if hired before August 1, or two optional holidays if hired on or after August 1 but before September 1. New hires are not eligible for optional days if hired after September 1. Employees receive five optional days after the initial calendar year of employment.

Optional holidays are voluntary and must be taken prior to the end of each calendar year or are forfeited, unless state law requires otherwise. Likewise, if an employee is leaving Windstream and has not taken his or her optional holiday time prior to the termination notice date, this unused time will not be included in the calculation of termination pay benefits, unless state law requires otherwise.

Jury Duty/Trial Witness Leave - No deduction will be made for any pay received from the court if an employee is called for jury or witness duty by court order or subpoena. Jury and Witness Duty pay does not apply if an employee is a party to, or has a personal interest in, legal or court proceedings (i.e., appearing as, or on behalf of, a plaintiff or defendant). Generally, commissioned sales employees receive pay that includes base pay plus target commissions pay. There is no proration for sales quota during this period.

Bereavement - Regular full-time and part-time employees are paid for hours missed on the basis of their regular scheduled work day for up to three consecutive work days for the death of a family member. This is in addition to any other paid time off the employee may be allowed, such as unused vacation time or optional holiday time. The employee's immediate family is limited to the employee's and spouse's parents/stepparents, children/stepchildren, siblings, grandparents/great grandparents, grandchildren/great

grandchildren, and the employee's spouse. A person living in the household of the employee or spouse as a legal dependent of either is also included.

Military - Employees who are on a leave of absence in order to fulfill obligations for military service will receive supplemental pay so that the combined income from Windstream and the military-related sources will equal the employee's regular pay from the Company for a maximum of 25 calendar days per year. Commissioned sales employees receive pay that includes base pay plus target commissions pay. If the military assignment is greater than 25 calendar days, the employee will be placed on an unpaid leave as of the 26th calendar day of the leave. In certain circumstances, an enhanced military leave policy may be in effect for up to one year.

Retirement/Savings Plans

401(k) - Provides a tax-advantaged way to save for retirement using pretax and/or Roth dollars. Pretax contributions reduce your current taxable income and any earnings are tax-deferred until you take a distribution. Roth contributions are made after taxes are withheld and any earnings are tax free when you take a qualified distribution.

In addition to your contributions, Windstream will make a matching contribution for you equal to 100% of the pretax contributions you made on the first 3% of your Plan compensation, plus 50% of the pretax contributions you made on the next 2% of your Plan compensation for the Plan year.

The company matching contribution will be made following the end of the calendar year. *(Note: Employee contributions are deposited immediately upon being withheld from pay.)* You may direct the investment of your money and the Company contributions among the plan's investment options. Enrollment is voluntary and may occur at any time during the year. You may also increase or decrease your contributions at any time.

In addition to its primary purpose as a retirement savings plan, the 401(k) Plan may also be used as a source for a personal loan or hardship withdrawal to help pay for certain expenses in limited circumstances.

Next Gen College Investing Plan - A Section 529 account provides a tax-advantaged way to save for a child's or grandchild's future qualified higher education expenses. You can change the designated beneficiary to another member of the family of the designated beneficiary, so if the planned beneficiary decides not to attend college, you control the use of the account. To inquire about the Next Gen College Investing Plan, contact a Merrill Lynch representative at 877.463.9843.

Additional Savings Vehicles

Employee Stock Purchase Plan (ESPP) - The ESPP offers an easy, planned and consistent method to purchase shares of Windstream stock through payroll deduction. You can purchase small amounts at a time - including fractional shares. You pay no brokerage fees or transaction costs on purchases, and there are no account maintenance fees.

Social Security - Offers retirement, disability, survivor, and Medicare benefits for eligible participants and their eligible family members. The Company and the employee contribute equally to the cost of this benefit.

General Employee Programs

Educational Assistance Program - All regular full-time and regular part-time employees are eligible for educational assistance. Employees may receive a maximum of \$5,000 per calendar year for tuition and fees associated with job-related courses or non-job-related courses that are part of a degree program utilized by Windstream. Vocational, undergraduate, and graduate courses are eligible. Employees must receive a grade of "C" or better to qualify for reimbursement.

Direct Deposit Program - Allows employees to have their net pay automatically deposited in up to nine financial institutions of their choice each payday, free of charge. Because deposits are made automatically, participating employees are ensured of receiving their pay every payday without concern for post office delays, weather, illness, vacation, or business trips.

Adoption Assistance Program - Provides assistance to all employees who are building families through adoption. The Windstream Adoption Assistance Plan will assist eligible employees with eligible adoption-related expenses; reimbursement may not exceed a maximum of \$1,500 per adoption.

Dress Policy – Windstream has a casual dress policy; this dress policy is designed to provide each employee with guidelines for appropriate dress in the workplace. Each business group establishes dress policies appropriate for the business environment in that location. Certain meetings and particular interactions with guests, customers, or community representatives may require employees to wear traditional business attire.

Employee Referral Program - If you know someone who you think would be a brilliant addition to the Windstream team, invest in them and refer them to us. If they are hired into a referral eligible job, you will receive a referral bonus, so take a moment to see how it works (it's easy). *Invest in a Friend* and see how friendship really does pay.

****This brochure provides an informal overview of the benefits programs effective as of January 1, 2017, for eligible and non-bargaining employees of Windstream hired in 2017. Program details are provided in the applicable Windstream practices, plans, or document summaries. Windstream reserves the right to amend, modify, terminate, or partially terminate any portion of its benefits programs at any time by action of its officers.***