

VALOR COMMUNICATIONS GROUP INC

Form 424B3

May 26, 2006

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May 26, 2006

To the Stockholders of Valor Communications Group, Inc.:

As previously announced, the Board of Directors of Valor Communications Group, Inc. has unanimously approved a strategic merger that will combine Valor and the wireline telecommunications business of Alltel Corporation. Pursuant to the Agreement and Plan of Merger Valor entered into on December 8, 2005, as amended on May 18, 2006, with Alltel Corporation and Alltel Holding Corp. (which we refer to as Spinco), Spinco will merge with and into Valor and Valor will survive as a stand-alone company and will hold and conduct the combined business operations of Valor and Spinco. Following completion of the merger, the separate existence of Spinco will cease. The merger will take place immediately after Alltel contributes the assets making up its wireline telecommunications business to Spinco and distributes the common stock of Spinco to a third-party exchange agent for the benefit of its stockholders. As a result of the transactions, Alltel will receive approximately \$4.2 billion of combined cash proceeds and debt reduction (on a consolidated basis). Immediately following the merger, Valor will change its name to

Windstream Corporation and its common stock will be quoted on the New York Stock Exchange and will be traded under the ticker symbol WIN.

Valor will issue an aggregate number of shares of common stock to Alltel stockholders pursuant to the merger such that when the merger is completed, Alltel stockholders will collectively own approximately 85%, and Valor's stockholders will collectively own approximately 15%, of the shares of common stock of Windstream Corporation on a fully diluted basis. To achieve this result, the aggregate number of shares of Valor common stock that will be issued in the merger will be equal to 5.667 multiplied by the aggregate number of shares of Valor common stock outstanding on a fully diluted basis immediately prior to the effective time. **Therefore, this number and the value of the per share merger consideration Alltel Stockholders will receive will not be known until the effective time of the merger.** Although, based on its current shares outstanding, Valor expects to issue approximately 405,000,000 shares of common stock to Alltel stockholders in the aggregate, or approximately 1.04 shares of common stock per each share of Alltel common stock held by Alltel stockholders, pursuant to the merger, any increase or decrease in the number of shares of Valor common stock outstanding that occurs for any reason prior to the effective time of the merger would cause these numbers to change. Therefore, we cannot provide a minimum or maximum number of shares that will be issued in the merger, however, we expect that the number of shares of Valor common stock will not change significantly as Valor currently has no plans to issue any shares of its common stock prior to the effective time of the merger other than pursuant to grants of equity incentive awards in the ordinary course of business. In all cases, however, the amount of shares to be issued will yield the 85/15 relative post-merger ownership percentage described above. Based on the closing price of Valor common stock on May 24, 2006 of \$12.66, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.17 per each share of Alltel common stock they own on the record date for the spin-off. However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive to also change. The number of shares of Valor common stock to be issued to Alltel stockholders in the merger will not be adjusted as a result of fluctuations in the market price of Valor common stock. For a more complete discussion of the calculation of the number of shares of Valor common stock to be issued pursuant to the merger, see the section titled "The Transactions - Calculation of Merger Consideration" on page 35 of the accompanying proxy statement/prospectus-information statement. Before Valor may issue these shares the Valor certificate of incorporation must be amended to increase the authorized shares of Valor common stock from 200,000,000 to 1,000,000,000. Existing shares of Valor common stock will remain outstanding.

We cordially invite you to attend the annual meeting of Valor stockholders to be held on Tuesday, June 27, 2006 at the Sheraton New York Hotel & Towers, 811 Seventh Avenue, New York, New York 10019, at 2:00 p.m., local time. At the annual meeting, we will ask you to consider and vote on proposals to adopt and approve the merger agreement

and the transactions contemplated thereby. You will also be asked to elect directors and act on other matters normally considered at Valor's annual meeting. **The Board of Directors of Valor has unanimously approved the merger agreement and unanimously recommends that the Valor stockholders vote FOR the proposals to (i) adopt the merger agreement, (ii) approve the increase of the authorized number of shares of Valor common stock pursuant to the merger, and (iii) approve the issuance of Valor common stock pursuant to the merger, each of which is necessary to effect the merger, as well as FOR the adoption of the 2006 Equity Incentive Plan (which is conditioned upon stockholder approval of the merger proposals), the Board's nominees for director and the ratification of Valor's independent auditors.**

Your vote is very important. We cannot complete the merger unless the proposals relating to the adoption of the merger agreement, the increase of the authorized number of shares of Valor common stock and the issuance of Valor stock pursuant to the merger are adopted by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of Valor common stock entitled to vote at the annual meeting. Only stockholders who owned shares of Valor common stock at the close of business on May 5, 2006 will be entitled to vote at the annual meeting. **Whether or not you plan to be present at the annual meeting, please complete, sign, date and return your proxy card in the enclosed envelope, or authorize the individuals named on your proxy card to vote shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card.** If you hold your shares in street name, you should instruct your broker how to vote in accordance with your voting instruction form. If you do not submit your proxy, instruct your broker how to vote your shares, or vote in person at the annual meeting, it will have the same effect as a vote against adoption of the merger agreement.

You should be aware that certain stockholders have already agreed with Alltel to vote or cause to be voted all of the Valor shares they own in favor of the adoption of the merger agreement, the increase of the authorized number of shares of Valor common stock and the issuance of Valor common stock pursuant to the merger. Further, you should also be aware that our directors and executive officers have either entered into this agreement with Alltel or otherwise indicated that they intend to vote their Valor common shares FOR the merger proposals. These stockholders and our executive officers and directors together hold an aggregate of approximately 42% of the aggregate number of votes entitled to be cast.

The accompanying proxy statement/prospectus-information statement explains the merger, the merger agreement and the transactions contemplated thereby and provides specific information concerning the annual meeting. **Please review this document carefully. You should consider the matters discussed under the heading Risk Factors Risks Relating to the Spin-Off and the Merger on page 23 of the accompanying proxy statement/prospectus-information statement before voting.**

On behalf of our Board of Directors, I thank you for your support and appreciate your consideration of this matter.

Sincerely,

John J. Mueller
President and Chief Executive Officer
Member of the Board of Directors

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the merger described in this proxy statement/prospectus-information statement or the Valor Communications Group, Inc. common stock to be issued in connection with the spin-off and merger, or determined if this proxy statement/prospectus-information statement is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus-information statement is dated May 26, 2006,
and is first being mailed to stockholders on or about May 26, 2006.

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ALLTEL CORPORATION
One Allied Drive Little Rock, Arkansas 72202
Telephone (501) 905-8000
www.alltel.com

May 26, 2006

To the Stockholders of Alltel Corporation:

On December 9, 2005, we announced that we would spin-off for the benefit of our stockholders shares of Alltel Holding Corp. (which we refer to as Spinco), a subsidiary of Alltel Corporation into which we will contribute our wireline telecommunications business, and that Spinco would then merge with Valor Communications Group, Inc. After the spin-off and merger, Valor, which will be renamed Windstream Corporation, will be a separately traded public company that will own and operate the combined businesses of Spinco and Valor. The new company's common stock will be listed on the New York Stock Exchange under the trading symbol WIN.

It is presently estimated that approximately 1.04 shares of Valor common stock will be issued to Alltel stockholders for each share of Spinco common stock they are entitled to receive on the distribution date. However, this amount will be calculated based on the fully diluted number of shares of Valor common stock outstanding immediately prior to the effective time of the merger and Alltel common stock outstanding on the record date for the spin-off, which Alltel will publicly announce prior to the expected completion of the spin-off and merger, and therefore will not be finally determined until the effective time. As a result, the estimated ratio of 1.04 shares of Valor common stock for each share of Alltel common stock would change to the extent the number of shares of Alltel common stock or Valor common stock outstanding changes for any reason prior to these times, however, we expect that the number of shares of Valor common stock will not change significantly as Valor currently has no plans to issue any shares of its common stock prior to the effective time of the merger other than pursuant to grants of equity incentive awards in the ordinary course of business. In all cases, however, when the merger is completed, Alltel's stockholders will collectively own approximately 85%, and Valor's stockholders will collectively own approximately 15%, of the shares of common stock of Windstream Corporation on a diluted basis. Based on the closing price of Valor common stock on May 24, 2006 of \$12.66, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.17 per each share of Alltel common stock they own on the record date for the spin-off. However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive in the merger to also change. A more complete discussion of the calculation of the number of shares of Valor common stock to be issued pursuant to the merger is contained in the accompanying proxy statement/prospectus-information statement. You and all other holders of Alltel common stock will not be required to pay for the shares of Valor common stock you receive and you will also retain all of your shares of Alltel common stock.

This transaction represents a significant strategic step that will sharpen Alltel's focus on its higher growth wireless telecommunications business. The spin-off will also allow Alltel stockholders to benefit from the success and upside potential of the new company.

Alltel Corporation's Board of Directors has determined that the spin-off of the wireline business and the combination with Valor is advisable and in the best interests of Alltel and its stockholders, and has approved the proposed transaction. You need not take any action to participate in the spin-off or the merger. **No vote of Alltel Corporation stockholders is required in connection with this transaction.**

The following document contains important information describing the terms of the spin-off and the merger. We encourage you to read it carefully.

We look forward to completing the spin-off and merger and to the exciting opportunities it presents for our stockholders.

Sincerely,

Scott T. Ford

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Valor Communications Group, Inc.
201 E. John Carpenter Freeway, Suite 200, Irving, Texas 75062
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JUNE 27, 2006

To the Stockholders of Valor Communications Group, Inc.:

The annual meeting of stockholders of Valor Communications Group, Inc. will be held on Tuesday, June 27, 2006 at the Sheraton New York Hotel & Towers, 811 Seventh Avenue, New York, New York 10019, at 2:00 p.m., local time. The annual meeting is being held for the following purposes:

1. to adopt the Agreement and Plan of Merger, dated as of December 8, 2005 and amended on May 18, 2006, as such may be further amended from time to time (the Merger Agreement), by and among Alltel Corporation, Alltel Holding Corp. (Spinco) and Valor Communications Group, Inc., pursuant to which (i) Spinco will merge with and into Valor, after which Valor will survive as a stand-alone company and will hold and conduct the combined business operations of Valor and Spinco and (ii) Valor will issue an aggregate number of shares in the merger equal to 5.667 multiplied by Valor 's total number of shares of common stock outstanding on a fully diluted basis immediately prior to the merger, which we expect to equal approximately 403,000,000 shares;
2. to approve the amendment of the certificate of incorporation of Valor pursuant to the merger to increase the authorized number of shares of Valor common stock from 200,000,000 to 1,000,000,000;
3. to approve the issuance of up to 405,000,000 shares of Valor common stock to Alltel stockholders in accordance with the terms of the Merger Agreement;
4. to adopt and approve the 2006 Equity Incentive Plan, a copy of which is attached as Annex G to this proxy statement/ prospectus-information statement;
5. to elect eleven (11) directors to serve until the 2007 Annual Meeting of Stockholders or until their successors are duly elected and qualified or until their earlier removal, resignation or death;
6. to ratify the appointment of Deloitte & Touche LLP as Valor 's independent registered public accounting firm for the fiscal year ending December 31, 2006 or until their earlier removal or termination;
7. to adjourn the annual meeting, if necessary, to solicit additional proxies for the adoption of the merger agreement, approval of the amendment to the Certificate of Incorporation and Bylaws of Valor pursuant to the merger or approval of the issuance of shares of Valor common stock pursuant to the merger; and
8. to transact any and all other business that may properly come before the annual meeting or any adjourned session of the annual meeting.

THE PROPOSALS SET FORTH IN ITEMS ONE THROUGH THREE ABOVE ARE CONDITIONED ON THE OTHER TWO AND APPROVAL OF EACH IS REQUIRED FOR COMPLETION OF THE MERGER. The proposal set forth in item four is conditioned upon the approval of the first three items. Furthermore, you should be aware that if the merger is completed, then by virtue of the merger the persons elected at the annual meeting to serve as directors shall be replaced by the persons who serve as directors of Spinco immediately prior to the merger. It is currently anticipated that Valor 's post-merger Board of Directors will consist of the following nine persons: Jeffery R. Gardner (who most recently served as Alltel 's Executive Vice President Chief Financial Officer), Francis X. Frantz (who most recently served as Alltel 's Executive Vice President External Affairs, General Counsel and Secretary), Anthony J. de Nicola (the current Chairman of Valor 's Board of Directors) and six directors designated by Alltel. You should also be aware that if the merger is completed, PricewaterhouseCoopers LLP will become Valor 's post-merger independent registered public accounting firm for the fiscal year ending December 31, 2006.

Only stockholders who owned shares of Valor common stock at the close of business on May 5, 2006, the record date for the annual meeting, are entitled to notice of, and to vote at, the annual meeting and any adjournment or postponement of it. A stockholders list will be available for inspection by any stockholder entitled to vote at the annual meeting during ordinary business hours at Valor's principal offices for ten days prior to the annual meeting as well as at the location of the annual meeting for the entire time of the annual meeting.

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The merger agreement and the merger, along with the other transactions which would be effected in connection with the merger, are described more fully in the attached proxy statement/ prospectus-information statement, and we urge you to read it carefully. Valor stockholders have no appraisal rights under Delaware law in connection with the merger.

THE VALOR COMMUNICATIONS GROUP, INC. BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND THE MERGER AND UNANIMOUSLY RECOMMENDS THAT VALOR STOCKHOLDERS VOTE FOR THE PROPOSALS TO ADOPT THE MERGER AGREEMENT, TO APPROVE THE INCREASE OF THE NUMBER OF AUTHORIZED SHARES OF VALOR COMMON STOCK PURSUANT TO THE MERGER, AND TO APPROVE THE ISSUANCE OF VALOR COMMON STOCK PURSUANT TO THE MERGER, EACH OF WHICH IS NECESSARY TO EFFECT THE MERGER, AS WELL AS FOR THE ADOPTION OF THE 2006 EQUITY INCENTIVE PLAN (WHICH IS CONDITIONED UPON STOCKHOLDER APPROVAL OF THE MERGER PROPOSALS), THE BOARD'S NOMINEES FOR DIRECTOR AND FOR THE RATIFICATION OF VALOR'S INDEPENDENT AUDITORS AND, IF NECESSARY, THE ADJOURNMENT OF THE ANNUAL MEETING TO SOLICIT ADDITIONAL PROXIES FOR THE MERGER PROPOSALS.

To ensure that your shares of Valor common stock are represented at the annual meeting, please complete, date and sign the enclosed proxy card and mail it promptly in the envelope provided. Any executed but unmarked proxy cards will be voted in accordance with the recommendations of the Valor Board of Directors, including FOR adoption of the merger agreement and FOR the election of Board of Director's nominees for director. Valor stockholders may revoke their proxy in the manner described in the accompanying proxy statement/ prospectus-information statement before it has been voted at the annual meeting.

By Order of the Board of Directors,

William M. Ojile, Jr.
Secretary

Irving, Texas
May 26, 2006

YOUR VOTE IS VERY IMPORTANT

Whether or not you plan to be present at the annual meeting, please promptly complete, sign, date and return your proxy card in the enclosed envelope, or authorize the individuals named on your proxy card to vote shares by calling the toll-free telephone number or by submitting a proxy via the Internet as described in the instructions included with your proxy card or voting information form.

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/ prospectus-information statement incorporates important business and financial information about Valor Communications Group, Inc. from documents previously filed with the Securities and Exchange Commission that are not included in or delivered with this proxy statement/ prospectus-information statement. This information is available to you without charge upon your written or oral request. You can obtain documents incorporated by reference in this proxy statement/ prospectus-information statement by requesting them in writing, by telephone or by e-mail from Valor with the following contact information or on Valor's website at www.valortelecom.com:

Valor Communications Group, Inc.
201 E. John Carpenter Freeway, Suite 200
Irving, Texas 75062
Attn: Investor Relations
Tel: (866) 779-1296
Email: investorrelations@valortelecom.com

If you would like to request any documents, please do so by June 16, 2006 in order to receive them before the annual meeting.

See [Where You Can Find Additional Information](#) for more information about the documents referred to in this proxy statement/ prospectus-information statement.

In addition, if you have questions about the merger you may contact:

17 State Street, 10th Floor
New York, NY 10004
Call toll free: (888) 206-1124

ALL INFORMATION CONTAINED IN THIS PROXY STATEMENT/ PROSPECTUS-INFORMATION STATEMENT WITH RESPECT TO ALLTEL OR SPINCO AND THEIR SUBSIDIARIES HAS BEEN PROVIDED BY ALLTEL. ALL INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROXY STATEMENT/ PROSPECTUS-INFORMATION STATEMENT WITH RESPECT TO VALOR (INCLUDING THE FINANCIAL ADVISORS TO VALOR) AND ITS SUBSIDIARIES HAS BEEN PROVIDED BY VALOR.

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QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS

Q: What are Valor Communications Group, Inc. stockholders being asked to vote on at the annual meeting?

A: Valor Communications Group, Inc. (also referred to herein as Valor) stockholders are being asked to consider and vote upon proposals to adopt the merger agreement entered into among Valor, Alltel Corporation (also referred to herein as Alltel) and Alltel Holding Corp. (also referred to herein as Spinco), to approve the increase of the authorized number of shares of Valor common stock pursuant to the merger, to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger and to adopt the 2006 Equity Incentive Plan. Other matters to be considered and voted upon at the annual meeting are the election of directors, ratification of Valor's independent auditors and such other matters as may properly come before the meeting.

Q: What will happen in the spin-off?

A: First, Alltel will contribute its wireline telecommunications business to Spinco in exchange for, among other things, a special dividend in the aggregate amount of approximately \$2.275 billion and the distribution by Spinco to Alltel of certain Spinco debt securities, which Alltel intends to exchange for outstanding Alltel debt securities or otherwise transfer to Alltel's creditors representing approximately \$1.673 billion in debt reduction to Alltel. As the sole stockholder of Spinco, Alltel will receive 100% of the special dividend. After the contribution and immediately prior to the merger, Alltel will spin-off Spinco by distributing all of the shares of Spinco common stock to a third-party exchange agent to be held for the benefit of Alltel stockholders on a pro rata basis. Such shares will be immediately converted into that number of shares of Valor common stock Alltel stockholders will be entitled to receive in the merger. As a result, Alltel stockholders will never hold Spinco securities.

Q: What will happen in the merger?

A: In the merger, Spinco will merge with and into Valor in accordance with the terms of the merger agreement. Valor will survive the merger as a stand-alone company holding and conducting the combined business operations of Valor and Spinco. Immediately following the merger, Valor will change its name to Windstream Corporation and its common stock will be quoted on the New York Stock Exchange under the symbol WIN. For ease of reference, throughout this proxy statement/prospectus-information statement we will refer to Windstream Corporation, the new company formed by the merger of Valor and Spinco as Windstream.

Q: What will Alltel Corporation stockholders be entitled to receive pursuant to the transactions?

A: As a result of the merger, it is currently estimated that Alltel stockholders will be entitled to receive approximately 1.04 shares of Valor common stock for each share of Alltel common stock that they own as of the record date for the spin-off. However, this amount will be finally determined at the effective time of the merger based on Valor shares outstanding immediately prior to the effective time and Alltel shares outstanding on the record date for the spin-off. Therefore the number of shares of Valor common stock received by Alltel stockholders will change to the extent that Valor or Alltel's shares outstanding at such times are not the same as our estimates due to increases or decreases in share amounts for any reason, however, we expect that the number of shares of Valor common stock will not change significantly as Valor currently has no plans to issue any shares of its common stock prior to the effective time of the merger other than pursuant to grants of equity incentive awards in the ordinary course of business. Based on the closing price of Valor common stock on May 24, 2006 of \$12.66, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.17 per each share of Alltel common stock they own on the record date for the spin-off. However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive in the merger to also change. No fractional

shares of Valor common stock will be issued to Alltel stockholders in the merger. Alltel stockholders that otherwise would be entitled to a fraction of a Valor common share will be entitled to receive a cash payment in lieu of issuance of that fractional share. See The Merger Agreement Merger Consideration on page 80. Following the merger, approximately 85% of the outstanding common shares of Windstream will be held by Alltel stockholders collectively.

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Q: Has Alltel set a record date for the distribution of Spinco shares in the spin-off?

A: No. Alltel will publicly announce the record date when it has been determined. This announcement will be made prior to the completion of the spin-off and the merger.

Q: What should Alltel stockholders do now?

A: Alltel common stockholders should carefully read this proxy statement/ prospectus-information statement, which contains important information about the spin-off, the merger, Spinco and Valor. Alltel stockholders are not required to take any action to approve the spin-off, the merger or any of the transactions contemplated thereby. After the merger, Windstream will mail to holders of Alltel common stock who are entitled to receive shares of Valor common stock book-entry statements evidencing their ownership of Valor common stock and other information regarding their receipt of Valor common stock.

ALLTEL STOCKHOLDERS WILL NOT BE REQUIRED TO SURRENDER THEIR EXISTING ALLTEL CORPORATION COMMON SHARES IN THE SPIN-OFF TRANSACTION OR THE MERGER AND THEY SHOULD NOT RETURN THEIR ALLTEL STOCK CERTIFICATES.

Q: How will the market price of Alltel common stock be affected by the merger?

A: The market value of Alltel common stock following the merger will decrease in order to give effect to the distribution. Some or all of this decrease in value realized by Alltel stockholders will be offset by the value of the Windstream common stock they will receive in the merger. However, there can be no assurances that the combined trading prices of shares of Alltel common stock and Windstream common stock after the merger will be equal to or greater than the trading price of shares of Alltel common stock prior to the merger. Until the market has fully evaluated the business of Alltel without the business of Windstream, the price at which shares of Alltel common stock trade may fluctuate significantly. Similarly, until the market has fully evaluated the combined businesses of Valor and Spinco on a stand-alone basis, the price at which shares of Windstream common stock trade may fluctuate significantly.

Q: What will be the indebtedness of Windstream following completion of the spin-off and merger?

A: By virtue of the merger, Windstream will assume \$267.0 million in Alltel debt, of which \$81.0 million (plus related make-whole premiums) will be refinanced with borrowings from its new credit facilities and/or a portion of the net proceeds from the issuance of senior unsecured debt securities in an offering under Rule 144A, promulgated under the Securities Act of 1933, as amended. Windstream will also assume \$400.0 million in outstanding Valor notes, which will be equally and ratably secured with debt under the new credit facilities. Windstream will be required to offer to repurchase any of the outstanding Valor notes that may be tendered as a result of the merger, which constitutes a change of control under the indenture governing the Valor notes, and will borrow additional amounts under its new credit facilities to the extent necessary to fund the purchase of any Valor notes that are tendered. However, no Valor bonds are expected to be tendered as a result of the merger as their current trading price exceeds the put price. The trading price of the bonds was \$102.75 as of May 18, 2006 versus a put price of \$101. In addition, Windstream will refinance approximately \$781.0 million (plus related premiums) outstanding under Valor's existing credit facility with borrowings from its new credit facilities and/or a portion of the net proceeds from the issuance of senior unsecured debt securities in a Rule 144A offering. The amounts assumed by Windstream, together with the issuance of the debt securities, the borrowings under the new credit facilities and certain expenses related to the spin-off, merger and financing transactions, will result in Windstream having approximately \$5.5 billion in total debt immediately following completion of the merger.

Q: Does Valor's Board support the merger?

A: Yes. The Valor Board of Directors has unanimously approved the merger agreement and the merger and unanimously recommends that Valor stockholders vote FOR the proposals to adopt the merger agreement, to approve the increase of the authorized number of shares of Valor common stock pursuant to the merger, to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger and to adopt the 2006 Equity Incentive Plan.

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