

FRONTIER COMMUNICATIONS CORP  
Form DEF 14A  
March 27, 2019  
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- |  |  |
|--|--|
| <input type="checkbox"/> Preliminary Proxy Statement           | <input type="radio"/> Confidential, for Use of the Commission Only<br>(as permitted by Rule 14a-6(e)(2)) |
| <input type="checkbox"/> Definitive Proxy Statement            |  |
| <input type="checkbox"/> Definitive Additional Materials       |  |
| <input type="checkbox"/> Soliciting Material Under Rule 14a-12 |  |

**Frontier Communications Corporation**

(Name of Registrant as Specified in Its Charter)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
  
- (2) Aggregate number of securities to which transaction applies:
  
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  
- (4) Proposed maximum aggregate value of transaction:
  
- (5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

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- (1) Amount previously paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

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401 Merritt 7, Norwalk, CT 06851  
(203) 614-5600

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**VIRTUAL MEETING OF STOCKHOLDERS VIA LIVE WEBCAST**

**Time and Date:** 10:00 a.m., Eastern Time, on May 7, 2019

- Items of Business:**
- To elect 9 directors;
  - To consider and vote upon an advisory proposal to approve executive compensation;
  - To ratify the selection of KPMG LLP as our independent registered public accounting firm for 2019;
  - To vote on a stockholder proposal on equity compensation, if properly brought before the meeting; and
  - To transact any other business that may properly be brought before the meeting or any adjournment or postponement of the meeting.

**Record Date:** Stockholders of record at the close of business on March 11, 2019 are entitled to vote at the meeting or any adjournments or postponements thereof.

Your vote is very important. On or about March 27, 2019, we mailed a Notice of Internet Availability of Proxy Materials (the Notice). The Notice includes instructions on how to access our Proxy Statement and 2018 Annual Report and vote online. Stockholders who received a printed copy of our proxy materials may also vote by mail by signing, dating and returning the proxy card in the envelope provided. Voting now will not limit your right to change your vote or participate in the meeting.

This year's Annual Meeting will be a virtual meeting, which means that you will be able to participate in the Annual Meeting via live webcast by visiting [www.virtualshareholdermeeting.com/FTR2019](http://www.virtualshareholdermeeting.com/FTR2019). **The Annual Meeting is virtual and will be conducted via the Internet; stockholders will not be able to attend the Annual Meeting in person.**

By Order of the Board of Directors

Mark D. Nielsen  
Executive Vice President, Chief Legal Officer and Secretary  
March 27, 2019

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on May 7, 2019.**

The Proxy Statement and 2018 Annual Report are available at [www.proxyvote.com](http://www.proxyvote.com). You will need the control number provided on your Notice, proxy card or voting instructions to access these materials electronically.

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## PROXY SUMMARY

**PROXY SUMMARY**

This summary highlights information contained elsewhere in this Proxy Statement about Frontier Communications Corporation. You should read the entire Proxy Statement carefully before voting.

**2019 Annual Meeting**

<b>Date</b>	<b>Time</b>
May 7, 2019	10:00 a.m., Eastern Time
<b>Record Date</b>	<b>Via the internet</b>
March 11, 2019	<a href="http://www.virtualshareholdermeeting.com/FTR2019">www.virtualshareholdermeeting.com/FTR2019</a>

**Meeting Agenda and Voting Matters**

<b>Proposal</b>	<b>Board Vote Recommendation</b>
Item 1 – Election of Directors	FOR each nominee
Item 2 – Advisory Vote to Approve Executive Compensation (Say-on-Pay)	FOR
Item 3 – Ratification of Selection of Independent Registered Public Accounting Firm	FOR
Item 4 – Vote on a Stockholder Proposal on Equity Compensation	AGAINST

**Director Nominees**

<b>Name/Age*</b>	<b>Director</b>		<b>Occupation/Career Highlights</b>	<b>Committee Membership</b>
	<b>Independent</b>	<b>Since</b>		
<b>Peter C.B. Bynoe, 68</b>	Yes	2007	Managing Director, Equity Group Investments	Compensation Nom. and Corp. Gov. (Chair)
<b>Diana S. Ferguson, 55</b>	Yes	2014	Chief Financial Officer, Cleveland Avenue LLC and Principal, Scarlett Investments, LLC	Audit Compensation
<b>Edward Fraioli, 72</b>	Yes	2010	Retired, Partner, Ernst & Young	Audit (Chair) Finance
<b>Daniel J. McCarthy, 54</b>	No	2014	President and CEO, Frontier Communications	
<b>Michael R. McDonnell, 55</b>	Yes	2018	Chief Financial Officer, IQVIA	Finance
<b>Pamela D.A. Reeve (Chairman), 69</b>	Yes	2010	Retired, President and CEO, Lightbridge, Inc.	Nom. and Corp. Gov.
	Yes	2013		

<b>Virginia P. Ruesterholz, 57</b>			Retired, Executive Vice President, Verizon Communications	Compensation (Chair) Finance
<b>Robert A. Schriesheim, 57</b>	Yes	2018	Chairman, Truax Partners LLC	Finance (Chair)
<b>Howard L. Schrott, 64</b>	Yes	2005	Principal, Schrott Consulting	Audit Nom. and Corp. Gov.

\* Age is as of the date of the Annual Meeting.

Mr. Barnes, who has served on the Board since 2005, and Mr. Shapiro, who has served on the Board since 2010, are not standing for re-election at our Annual Meeting.

**All of our directors attended over 75% of the meetings of the Board and committees on which they served in 2018.**

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PROXY SUMMARY

**Board Characteristics**

We believe that diversity in its many forms, and the breadth of perspective that it brings, enhances the effectiveness of the Board. The background and qualifications of our nine director nominees as a group encompass the following characteristics:

**Corporate Governance Highlights**

The Board is committed to exercising good corporate governance practices. This includes:

- All independent directors (except our CEO)
- An independent Chairman of the Board with extensive duties
- Each standing committee composed exclusively of independent directors
- Annual elections of all directors (not a staggered Board)
- Frequent executive sessions of independent directors
- Majority voting for our director elections
- Stock ownership guidelines for executive officers and non-management directors
- Annual Board and committee self-evaluations
- A robust clawback policy

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PROXY SUMMARY

**Executive Compensation**

Our Compensation Committee sets executive compensation each year based upon the following philosophy:

**Establish clear alignment between the interests of our executives and those of our stockholders** by rewarding performance measured by key financial metrics, strategic objectives and relative total stockholder return, and through the use of long-term incentive awards as a significant component of annual compensation.

**Reinforce our performance culture** for our Named Executive Officers (NEOs) by making a majority of their compensation at risk, i.e., contingent upon achievement of specified company and individual performance goals.

**Hire and retain talented executives** by having a compensation program that is competitive in relation to comparable companies based on size, overall complexity and the nature of our business.

**Ensure company goals are fully aligned throughout the organization.** Each year, we establish company-wide goals to achieve Frontier's business plan for the year. Our NEOs are compensated to the extent they are successful in leading Frontier to achieve these goals for each year.

As a result of not paying a bonus for 2016 and 2017 performance, along with the decrease in our share price, the value realized from our executive compensation program over the past three years has been well below the target value, leading to an increase in executive turnover. Three (3) of nine (9) members of our senior leadership team left Frontier during 2018. As such, the Committee has been placing an increased emphasis on retention of our senior leadership team.

Accordingly, we have realigned our compensation structure both to incent strong performance as we work towards our transformation goals and to retain key executives. We introduced a quarterly incentive plan and redesigned our long-term incentive program in other ways, including use of cash-denominated awards in lieu of stock-denominated awards (refer to the *Changes to Our Program in 2019* section). These changes recognize that retention of executives, despite the current stock price, is critical to on-going execution of efficiencies and synergies that will help Frontier Communications regain its momentum.

For additional information about our executive compensation practices, see our *Compensation Discussion and Analysis* in this Proxy Statement.

**Frontier believes that our compensation program is a sound reflection of our compensation philosophy and, as such, our Board recommends that stockholders vote FOR our 2019 Say-On-Pay proposal.**

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### QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

### QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

#### **Why did I receive these proxy materials?**

This Proxy Statement is being furnished to you in connection with the Board's solicitation of proxies to be voted at our 2019 Annual Meeting of Stockholders, which is being held on May 7, 2019, at 10:00 a.m., Eastern Time, via the internet at [www.virtualshareholdermeeting.com/FTR2019](http://www.virtualshareholdermeeting.com/FTR2019), and at any adjournments thereof (the Annual Meeting).

#### **What is included in our proxy materials?**

Our proxy materials include the following:

- Our Notice of Annual Meeting of Stockholders;
- Our Proxy Statement; and
- Our 2018 Annual Report to Stockholders.

The Notice includes instructions on how to access our Proxy Statement and 2018 Annual Report and vote online. In addition, the proxy materials are available on the Investor Relations page of our website, [www.frontier.com](http://www.frontier.com). If you received printed versions of these materials by mail (rather than through electronic delivery), these materials also included a proxy card or voting instruction form.

The information on our website is not incorporated herein by reference.

#### **How is Frontier distributing proxy materials?**

Under rules adopted by the Securities and Exchange Commission (the SEC), we have elected to furnish the proxy materials to many of our stockholders via the Internet. On or about March 27, 2019, we began mailing to holders of our common stock (other than those who previously requested electronic or paper delivery) a Notice of Internet Availability of Proxy Materials. If you received the Notice, you will not receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access and review all of the important information contained in the proxy materials. The Notice also instructs you on how you may submit your proxy via the Internet. Stockholders who do not receive the Notice will continue to receive either a paper or electronic copy of our Proxy Statement and 2018 Annual Report, which will be sent on or about March 27, 2019.

If you received a Notice by mail and would like to receive a copy of our proxy materials, follow the instructions (contained in the Notice) regarding how you may request to receive your materials electronically or in printed form on a one-time or ongoing basis. We encourage you to receive all future proxy materials electronically to help us save printing costs and postage fees, as well as natural resources, in producing and distributing these materials. If you wish to receive these materials electronically next year, please follow the instructions on the proxy card or on the Investor Relations page of our website, [www.frontier.com](http://www.frontier.com).

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### QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

Requests for printed copies of the proxy materials can be made via the Internet at [www.proxyvote.com](http://www.proxyvote.com), by telephone at 1-800-579-1639 (or, for callers without touch-tone phones, 1-866-232-3037) or by email at [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com) by sending a blank email with your control number (the 12 digit identifying number in the box on the Notice) in the subject line.

#### **What matters will be voted on at the Annual Meeting?**

The following matters are scheduled for vote by stockholders at the Annual Meeting:

- Proposal 1 Elect the 9 nominees named in this Proxy Statement to serve as directors
  
- Proposal 2 Approve, on an advisory basis, Frontier's executive compensation (Say-on-Pay)
  
- Proposal 3 Ratify the selection of KPMG LLP as Frontier's independent registered public accounting firm for 2019
  
- Proposal 4 Vote on a stockholder proposal on equity compensation, if properly brought before the meeting

#### **Who can vote at our Annual Meeting?**

You can vote your shares of common stock at our Annual Meeting if you were a stockholder at the close of business on March 11, 2019, the record date for our Annual Meeting. As of March 11, 2019, there were 105,318,646 shares of our common stock outstanding, with each share entitled to one vote.

#### **How can I participate in the Annual Meeting?**

We are pleased to invite stockholders to participate in the Annual Meeting virtually via the internet at [www.virtualshareholdermeeting.com/FTR2019](http://www.virtualshareholdermeeting.com/FTR2019). We believe hosting a virtual meeting will promote greater stockholder attendance, by enabling stockholders that might not otherwise be able to travel to a physical meeting to attend online, while also reducing the costs of the annual meeting.

We are committed to enhancing the stockholder experience at the annual meeting. We have engaged Broadridge Financial Solutions to host the Annual Meeting virtually and our meeting will include the following features:

- On the day of the Annual Meeting, Broadridge Financial Solutions will be available via telephone at 1-855-449-0991 to answer your questions regarding how to participate in the Annual Meeting virtually via the internet.  
On the day of the annual meeting, Broadridge Financial Solutions will open the portal in advance of the meeting so that you may have time prior to the meeting to submit questions you may have for the Company.
- In addition, you may submit questions in advance of the meeting at [www.proxyvote.com](http://www.proxyvote.com). In order to vote or submit a question, you will need to follow the instructions posted at [www.virtualshareholdermeeting.com/FTR2019](http://www.virtualshareholdermeeting.com/FTR2019) and will need the control number provided on your Notice, proxy card or voting instructions.
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Following the Annual Meeting, we will provide a transcript of the questions and answers that were provided during the webcast. In addition, we will provide written responses on topics that we did not have time to address during the Annual Meeting webcast, if any. These will be available on the Investor Relations page of our website, [www.frontier.com](http://www.frontier.com) in the days following our Annual Meeting.

**What is the quorum requirement for our Annual Meeting?**

Holders of a majority of the outstanding shares of common stock entitled to vote must be present or represented by proxy in order for action to be taken at the Annual Meeting. Abstentions and broker non-votes are treated as present for quorum purposes.

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**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING**

**How do I vote my shares?**

	<b>If you are a stockholder of record</b>	<b>If you hold your shares in street name</b>
By Internet*	<a href="http://www.proxyvote.com">www.proxyvote.com</a>	<a href="http://www.proxyvote.com">www.proxyvote.com</a>
By Telephone*	1-800-690-6903	If your shares are held of record in the name of a bank, broker or other nominee, follow the voting instructions on the form you receive from your record holder. The availability of Internet and telephone voting will depend on their voting procedures.
	Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time on May 6, 2019, the day before the meeting date.	
By Mail	Return a properly executed and dated proxy card in the pre-paid envelope we have provided.	If your shares are held of record in the name of a bank, broker or other nominee, follow the voting instructions on the form you receive from your record holder. The availability of Internet and telephone voting will depend on their voting procedures.
During the Annual Meeting	To vote virtually via the internet at the meeting, please follow the instructions posted at <a href="http://www.virtualshareholdermeeting.com/FTR2019">www.virtualshareholdermeeting.com/FTR2019</a> . All proxy cards and ballots must be received by the independent inspector before the polls close at the meeting.	To vote virtually via the internet at the meeting, please follow the instructions posted at <a href="http://www.virtualshareholdermeeting.com/FTR2019">www.virtualshareholdermeeting.com/FTR2019</a> . All proxy cards and ballots must be received by the independent inspector before the polls close at the meeting.

Internet and telephone voting procedures are designed to authenticate stockholder identities, to allow stockholders to give voting instructions and to confirm that stockholders' instructions have been recorded properly. A control number, located on the Notice and proxy card, will identify stockholders and allow them to vote their shares and confirm that their voting instructions have been properly recorded. Stockholders voting via the Internet or telephone should understand that there may be costs associated with voting via the Internet or telephone, such as usage charges from Internet access providers and telephone companies, which must be borne by the stockholder. \*

If a stockholder neither returns a signed proxy card, votes via the Internet or by telephone, nor participates in the Annual Meeting and votes via the internet, his or her shares will not be voted.

**Can I change my mind after I have voted?**

You can revoke your proxy at any time before the Annual Meeting by giving written notice of revocation to our Secretary, at our address stated on the cover page of this Proxy Statement, by executing and delivering a later-dated proxy, either in writing, by telephone or via the Internet, or by participating in the Annual Meeting and voting virtually via the Internet at [www.virtualshareholdermeeting.com/FTR2019](http://www.virtualshareholdermeeting.com/FTR2019). Participation in the Annual Meeting will not alone constitute revocation of a proxy.

**Do I hold my shares as a registered stockholder or in street name?**

If your shares of common stock are owned directly in your name, as shown in the records of our transfer agent, Computershare Investor Services, you are considered a registered holder of those shares.

If your shares of common stock are held by a broker, bank or other nominee, you hold those shares in street name. Your broker, bank or other nominee will vote your shares as you direct.

**If I hold my shares in street name, does my broker need instructions in order to vote my shares?**

If you hold shares of common stock in street name and you do not submit specific voting instructions to your broker, bank or other nominee, how your shares may be voted will depend on the type of proposal. Brokers, banks and other nominees generally will have discretion to vote your shares on routine matters, but will not have discretion to vote your

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## QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

shares on non-routine matters. When the broker, bank or other nominee is unable to vote on a proposal because the proposal is not routine, and you do not provide voting instructions, a broker non-vote occurs and, as a result, your shares will not be voted on these proposals.

- The ratification of the appointment of KPMG LLP as our independent registered public accountant for 2019 (Proposal No. 3) is considered routine under applicable rules. Your broker, bank or other nominee may vote in their discretion without instruction from you.
- All other matters to be voted on at the Annual Meeting are considered non-routine under applicable rules. Your broker, bank or other nominee will not be able to vote without instruction from you.

**If I hold my shares as a registered stockholder but do not give specific voting instructions, how will my shares be voted?**

If you sign, date and return a proxy card but do not give specific voting instructions, then the proxy holders will vote your shares in the manner recommended by our Board on all matters presented in this Proxy Statement, and the proxy holders may determine in their discretion how to vote your shares on any other matters properly presented for a vote at our Annual Meeting. Although our Board does not anticipate that any of the director nominees will be unable to stand for election as a director nominee at our Annual Meeting, if this occurs, proxies will be voted in favor of such other person or persons as may be nominated by our Board.

**What vote is required for adoption or approval of each matter to be voted on, and how does the Board recommend that I vote?**

<b>Proposal</b>	<b>Vote Required</b>	<b>Board Recommendation</b>
<b>Election of Directors</b>	Majority of the shares present in person or represented by proxy (for each director nominee)	FOR all nominees  Unless a contrary choice is specified, proxies received by our Board will be voted FOR the election of our director nominees
<b>Advisory Vote to Approve Executive Compensation (Say-on-Pay)</b>	Majority of the shares present in person or represented by proxy	FOR  Unless a contrary choice is specified, proxies received by our Board will be voted FOR the proposal
<b>Ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2019</b>	Majority of the shares present in person or represented by proxy	FOR  Unless a contrary choice is specified, proxies received by our Board will be voted FOR the ratification of the appointment
<b>Stockholder proposal on equity compensation</b>	Majority of the shares present in person or represented by proxy	AGAINST  Unless a contrary choice is specified,

proxies received by our Board will be  
voted AGAINST the stockholder  
proposal on equity compensation

We have adopted a policy under which, in non-contested elections, if a director fails to win a majority of votes, the director must immediately tender his or her resignation from the Board, and the Board then decides at its next regularly scheduled meeting, through a process managed by the Nominating and Corporate Governance Committee and excluding the nominee in question, whether to accept the resignation.

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## QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

**What are my choices for casting my vote on each matter to be voted on?**

<b>Proposal</b>	<b>Voting Options</b>	<b>Effect of Abstentions</b>	<b>Broker Discretionary Voting Allowed?</b>	<b>Effect of Broker Non-Votes</b>
<b>Election of Directors</b>	FOR, AGAINST OR ABSTAIN (for each director nominee)	Treated as a vote AGAINST the nominee	No	No effect
<b>Advisory Vote to Approve Executive Compensation (Say-on-Pay)</b>	FOR, AGAINST OR ABSTAIN	Treated as a vote AGAINST the proposal	No	No effect
<b>Ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2019</b>	FOR, AGAINST OR ABSTAIN	Treated as a vote AGAINST the proposal	Yes	Not applicable
<b>Stockholder proposal on equity compensation</b>	FOR, AGAINST OR ABSTAIN	Treated as a vote AGAINST the proposal	No	No effect

**What is Householding ?**

We have adopted a procedure approved by the SEC called householding. Under this procedure, stockholders of record who have the same address and last name will receive only one copy of our Proxy Statement and Annual Report unless one or more of these stockholders notifies us that they wish to continue receiving individual copies. This procedure will reduce our printing costs and postage fees. Stockholders who participate in householding will continue to receive separate proxy cards.

If your household received a single set of proxy materials, but you would prefer to receive a separate copy of this Proxy Statement and Annual Report, please contact our transfer agent, Computershare Investor Services (in writing: P.O. Box 505005, Louisville, KY 40233; or by telephone: in the U.S., Puerto Rico and Canada, 1-877-770-0496; outside the U.S., Puerto Rico and Canada, 1-781-575-2382).

Stockholders who hold their shares in street name can request information about householding from their banks, brokers or other nominees.

**Who bears the cost of soliciting votes for the Annual Meeting?**

We will bear the costs of solicitation of proxies for the Annual Meeting. In addition to solicitation by mail, directors, officers and our regular employees may solicit proxies from stockholders by telephone, personal interview or otherwise. These directors, officers and employees will not receive additional compensation, but may be reimbursed for out-of-pocket expenses in connection with this solicitation. In addition to solicitation by our directors, officers and employees, we have engaged Innisfree M&A Incorporated to assist in the solicitation of proxies and provide related

advice and informational support, for a base fee of \$15,000, plus customary disbursements. Banks, brokers, other nominees, fiduciaries and other custodians have been requested, with respect to shares of record held by them, to forward soliciting material to the beneficial owners of common stock, and these custodians will be reimbursed for their reasonable expenses.

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**How do I contact the Transfer Agent?**

Our transfer agent is Computershare Investor Services. You should contact the transfer agent, at the phone number or addresses listed below, if you have questions concerning stock certificates, dividend checks, transfer of ownership or other matters pertaining to your stock account.

*If by First Class Mail:*

Computershare Investor Services  
P.O. Box 505005  
Louisville, KY 40233

*If by Overnight Courier:*

Computershare  
462 South 4<sup>th</sup> Street, Suite 1600  
Louisville, KY 40202

website: [www.computershare.com/investor](http://www.computershare.com/investor)

Telephone: (877) 770-0496 (in the U.S., Puerto Rico and Canada)  
or (781) 575-2382 (outside the U.S., Puerto Rico and Canada)

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## OWNERSHIP OF COMMON STOCK

**OWNERSHIP OF COMMON STOCK**

Set forth below is certain information with respect to the beneficial ownership of our common stock (as determined under the rules of the SEC) by (1) each person who, to our knowledge, is the beneficial owner of more than 5% of our outstanding shares of common stock, which is our only class of voting securities, (2) each director and nominee for director, (3) each of the executive officers named in the Summary Compensation Table under Executive Compensation and (4) all of our directors and executive officers as a group. The information is as of March 11, 2019 unless otherwise indicated, and ownership percentages are based on 105,318,646 shares of common stock outstanding as of March 11, 2019. The business address of each person listed is c/o Frontier Communications Corporation, 401 Merritt 7, Norwalk, Connecticut 06851, unless stated otherwise. Except as otherwise described below, each of the persons named in the table has sole voting and investment power with respect to the common stock beneficially owned and has not pledged such common stock as security for any obligations.

<b>5% Beneficial Owners</b>	<b>Number of Shares and Nature of Beneficial Ownership</b>	<b>Percent of Class</b>
BlackRock, Inc. <sup>(a)</sup>	16,360,108	15.5 %
The Vanguard Group <sup>(b)</sup>	10,678,036	10.1 %

<b>Non-Employee Directors &amp; Director Nominees<sup>(c)</sup></b>	<b>Number of Shares and Nature of Beneficial Ownership</b>	<b>Percent of Class</b>
Leroy T. Barnes Jr.	55,413.71 (d)	*
Peter C.B. Bynoe	54,823.39 (e)	*
Diana S. Ferguson	42,537.63 (f)	*
Edward Fraioli	56,481.82 (g)	*
Michael R. McDonnell	14,906.83 (h)	*
Pamela D.A. Reeve	92,378.52 (i)	*
Virginia P. Ruesterholz	48,433.51 (j)	*
Robert A. Schriesheim	14,906.83 (k)	*
Howard L. Schrott	59,036.53 (l)	*
Mark Shapiro	61,926.78 (m)	*

<b>Named Executive Officers and Directors &amp; Executive Officers as a Group</b>	<b>Number of Shares and Nature of Beneficial Ownership</b>	<b>Percent of Class</b>
Kenneth W. Arndt	120,668 (n)	*
Sheldon L. Bruha	10,771 (o)	*
Steve Gable	147,700 (p)	*

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John Maduri	213,739	(q)	*
R. Perley McBride	250,323	(r)	*
Daniel J. McCarthy	540,465	(s)	*
All directors and executive officers as a group (16 persons)	1,784,512	(t)	1.7 %

\* Less than 1%.

The number of shares is as of December 31, 2018 and based on a Schedule 13G filed on January 28, 2019 by BlackRock, Inc. The business address of this beneficial owner is 55 East 52nd Street, New York, NY 10055.

- (a) Such Schedule 13G discloses that BlackRock, Inc. has sole voting power over 15,857,045 shares and sole dispositive power over 16,360,108 shares and that the shares beneficially owned by BlackRock, Inc. are held by subsidiaries of BlackRock, Inc.

The number of shares is as of December 31, 2018 and based on a Schedule 13G filed on February 11, 2019 by

- (b) The Vanguard Group, Inc. The business address of this beneficial owner is 100 Vanguard Blvd., Malvern, PA 19355. Such Schedule 13G discloses that The Vanguard Group, Inc. has sole voting power over 96,261 shares, shared voting power over 4,966 shares, sole dispositive power over

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OWNERSHIP OF COMMON STOCK

10,581,790 shares and shared dispositive power over 92,246 shares and that, of the shares beneficially owned by The Vanguard Group, Inc., 101,227 shares are held by wholly-owned subsidiaries of The Vanguard Group, Inc.

- (c) Directors may elect to redeem stock units upon termination of service in the form of cash or shares of our common stock. See Director Compensation, below.
- (d) Consists of 54,855.71 shares that may be acquired upon the redemption of stock units and 558 shares held by family trust.
- (e) Consists of 54,567.39 shares that may be acquired upon the redemption of stock units and 256 shares held directly by Mr. Bynoe.
  - (f) Consists of shares that may be acquired upon the redemption of stock units.
- (g) Consists of 54,482.15 shares that may be acquired upon the redemption of stock units and 666.67 shares that may be acquired upon the exercise of currently exercisable stock options.
  - (h) Consists of shares that may be acquired upon the redemption of stock units.
- (i) Consists of 91,712.52 shares that may be acquired upon the redemption of stock units and 666 shares held directly by Ms. Reeve.
  - (j) Consists of shares that may be acquired upon the redemption of stock units.
  - (k) Consists of shares that may be acquired upon the redemption of stock units.
- (l) Consists of 58,703.53 shares that may be acquired upon the redemption of stock units and 333 shares held directly by Mr. Schrott.
- (m) Includes 50,581.11 shares that may be acquired upon the redemption of stock units, 10,679 shares held directly by Mr. Shapiro and 666.67 shares that may be acquired upon the exercise of currently exercisable stock options.
- (n) Includes 75,674 restricted shares over which Mr. Arndt has sole voting power but no dispositive power and 101 shares held in a 401(k) plan.
  - (o) Includes 8,263 restricted shares over which Mr. Bruha has sole voting power but no dispositive power.
  - (p) Includes 92,950 restricted shares over which Mr. Gable has sole voting power but no dispositive power.
  - (q) Includes 189,239 restricted shares over which Mr. Maduri has sole voting power but no dispositive power.
    - (r) Represents holdings as of March 12, 2018. Mr. McBride departed on August 31, 2018.
- (s) Includes 315,663 restricted shares over which Mr. McCarthy has sole voting power but no dispositive power and 1,844 shares held in a 401(k) plan.
  - (t) Includes 681,789 restricted shares over which executive officers have sole voting power but no dispositive power, 1,333.33 shares that may be acquired pursuant to the exercise of currently exercisable stock options by independent directors, and 485,687.21 shares that may be acquired upon the redemption of stock units by independent directors.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and officers, and persons who beneficially own more than 10% of our common stock, to file reports of ownership and changes in ownership with the SEC. Such directors, officers and greater than 10% stockholders are also required to furnish us with copies of all such filed reports.

Based solely upon a review of the copies of such reports furnished to us, or representations that no reports were required, we believe that during the year ended December 31, 2018, all persons subject to the reporting requirements of Section 16(a) filed the required reports on a timely basis, other than Messrs. Nielsen and Shapiro, each of whom

inadvertently missed the original filing deadline to report the mandatory conversion on June 29, 2018, of shares of our Series A Mandatory Convertible Preferred Stock held directly by them into shares of Frontier common stock.

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### PROPOSAL 1: ELECTION OF DIRECTORS

#### **PROPOSAL 1: ELECTION OF DIRECTORS**

##### **Election Process**

Each director is elected at the annual stockholder meeting to hold office until the next annual stockholder meeting or until his or her successor has been elected and qualified. Directors are elected by a majority of the votes of the holders of shares of common stock present in person or represented by proxy and entitled to vote at the Annual Meeting.

If any of the Board's nominees becomes unavailable prior to the Annual Meeting to serve as a director, the Board may select a replacement nominee or reduce the number of directors to be elected. The proxy holders will vote the shares for which they serve as proxy for any replacement candidate nominated by the Board.

##### **Nominations**

Our Nominating and Corporate Governance Committee evaluates and recommends to the Board candidates for nomination to the Board in accordance with our Corporate Governance Guidelines and membership guidelines adopted by our Board, as described under "Director Qualifications," below.

Stockholders may propose director candidates for consideration by the Nominating and Corporate Governance Committee. Any such recommendation should include the nominee's name and qualifications for membership on the Board and should be directed to our Secretary at the address of our principal executive offices. To nominate an individual for election at an annual stockholder meeting, the stockholder must give timely notice to our Secretary in accordance with our bylaws, which, in general, require that notice be received by our Secretary not less than 90 days nor more than 120 days before the anniversary date of the immediately prior annual stockholders meeting, unless the annual meeting is moved by more than 30 days before or after the anniversary of the prior year's annual meeting, in which case the notice must be received not less than a reasonable time, as determined by our Board, prior to the printing and mailing of proxy materials for the applicable annual meeting. The notice should include a description of the qualifications of the suggested nominee and any information that is required by the regulations of the SEC concerning the suggested nominee and his or her direct or indirect securities holdings or other interests in Frontier. See "Proposals by Stockholders" for the deadline for nominating persons for election as directors for the 2020 annual meeting of stockholders.

Decisions regarding the renomination of directors are made by the Board, upon the recommendation of the Nominating and Corporate Governance Committee, which annually evaluates each director's performance and contribution to the Board. Under our Corporate Governance Guidelines, a non-employee director will not ordinarily be renominated if he or she has served on the Board for 15 years, but the Nominating and Corporate Governance Committee may recommend to the Board for renomination a director regardless of the length of his or her service if, in the judgment of the Nominating and Corporate Governance Committee, such renomination is in the best interests of

Frontier and our stockholders.

### **Director Qualifications**

Each candidate for nomination as a director, including each person recommended by stockholders, is evaluated in accordance with our Corporate Governance Guidelines and additional guidelines adopted by our Board. The additional guidelines set forth below include specific characteristics that each nominee must possess.

- A reputation for integrity, honesty, fairness, responsibility, good judgment and high ethical standards.
- Broad experience at a senior, policy-making level in business, government, education, technology or public interest.
- The ability to provide insights and practical wisdom based on the nominee's experience and expertise.
- An understanding of a basic financial statement.
- Comprehension of the role of a public company director, particularly the fiduciary obligation owed to Frontier and our stockholders.
- Commitment to understanding Frontier and its industry and to spending the time necessary to function effectively as a director.
- An absence of a conflict of interest (or appearance of a conflict of interest) that will impair the nominee's ability to fulfill his or her responsibilities as a director.

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### PROPOSAL 1: ELECTION OF DIRECTORS

Under the additional guidelines, the Nominating and Corporate Governance Committee also evaluates whether the background and qualifications of the directors, as a group, is diverse, and whether each individual nominee possesses a depth of experience, knowledge and ability that will enable him or her to assist the other directors in fulfilling the Board's responsibilities to Frontier and our stockholders. Each nominee must also be willing to commit that he or she will comply with our director stock ownership guidelines.

In addition, a nominee should be independent, as defined by the SEC and the Nasdaq Listing Rules. To the extent permitted by applicable law and our bylaws, nominees who do not qualify as independent may be nominated when, in the opinion of the Nominating and Corporate Governance Committee, such action is in the best interests of Frontier and our stockholders.

Although we do not have a formal policy regarding Board diversity, when evaluating candidates for nomination as a director, the Nominating and Corporate Governance Committee does consider diversity in its many forms, including among others, experience, skills, ethnicity, race and gender. We believe a diverse Board, as so defined, provides for different points of view and robust debate and enhances the effectiveness of the Board. Currently, the Board includes one or more current and/or former CEOs, CFOs, investment bankers, experts in communications, marketing and strategy, auditors and individuals of different race, gender, ethnicity and background.

#### **Annual Board Evaluation Process**

The Nominating and Corporate Governance Committee oversees the Board's evaluation process to ensure an ongoing, rigorous assessment of the Board's effectiveness, composition and priorities. The Board includes in its evaluation process individual one-on-one discussions led by outside counsel.

<b>Component</b>	<b>Description</b>
<b>Corporate Governance Review</b>	The Nominating and Corporate Governance Committee performs an annual review of Frontier's corporate governance policies with a focus on best practices, recent developments and trends.
<b>Director Questionnaires</b>	Tailored questionnaires, covering a wide range of topics, are developed for the Board and its standing committees to use to help guide self-assessment. The Chairman leads a Board evaluation discussion in executive session and Committee chairs lead similar committee evaluations. The Board and committees identify areas of effectiveness and areas for improvement.
<b>Director Interviews</b>	Confidential, in-depth and candid interviews are conducted by outside counsel with each director and certain members of management. A report on the results of this interview process is provided to the Nominating and Corporate Governance Committee and shared with the Board to inform priorities and action items. These interviews are conducted annually or as otherwise determined by the Nominating and Corporate Governance Committee.

A key priority identified in the Board evaluation process is Board succession planning. In the interest of promoting diversity and new perspectives on the Board, the Board adopted a policy in 2017 pursuant to which one long-standing director will elect not to stand for re-election at the Annual Meeting. Ms. Lorraine Segil, Mr. Myron Wick and Mr. Barnes, each a Board member since 2005, elected not to stand for re-election to the Board at the 2017, 2018 and 2019 Annual Meetings, respectively. Assuming Mr. Schrott is re-elected at this year's meeting, the Board currently expects Mr. Schrott, a Board member since 2005, not to stand for re-election at the 2020 Annual Meeting. In addition, Mr. Shapiro has elected not to stand for re-election at this year's meeting due to his increased responsibilities as CEO of Endeavor.

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PROPOSAL 1: ELECTION OF DIRECTORS

The Board has engaged an executive search firm to help it identify, evaluate and recruit potential director candidates. As a result of this ongoing search, Messrs. McDonnell and Schriesheim were elected to the Board in December 2018 and stand for re-election at this year's meeting. The Board will continue to seek potential director candidates whose skills and perspectives will augment the Board.

**Director Nominees**

At the Annual Meeting, nine nominees are to be elected and each will hold office until the next Annual Meeting or until his or her successor has been elected and qualified. The Board, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated the nine individuals listed below, each of whom is currently serving as a director. Each nominee has agreed to be named in this Proxy Statement and to serve if elected.

As previously disclosed, Mr. Barnes will not seek re-election at the Annual Meeting. Mr. Barnes has served on the Board since 2005. In addition, Mr. Shapiro, who has served on the board since 2010, will not seek re-election at the Annual Meeting. Frontier thanks Messrs. Barnes and Shapiro for their many years of dedication and service to our stockholders and the Company.

**The Board unanimously recommends that you vote FOR the election of the following director nominees:**

**Peter C.B. Bynoe      Background**

**Age:** 68  
**Independent Director**  
**Director Since:**  
October 2007  
**Board Committees:**  
Compensation  
Nominating and  
Corporate  
Governance (Chair)

Mr. Bynoe is a Managing Director of Equity Group Investments, a private investment fund. Prior to joining Equity Group Investments in October 2014, Mr. Bynoe served as Chief Executive Officer of Rewards Network, Inc., a merchant cash advance and marketing services company (September 2013 to October 2014), and in multiple capacities, including as a partner, with Loop Capital Markets LLP, an investment bank (February 2009 to September 2013). In addition, Mr. Bynoe was associated with the international law firm DLA Piper US LLP from March 1995 to December 2016. He is also Chairman of Telemat Ltd., a business consulting firm he founded in 1982.

**Qualifications**

Mr. Bynoe provides the Board with extensive business, legal and public policy expertise. Mr. Bynoe has experience serving on the boards of other public companies, including as a nominating and governance committee member and chair, and as a compensation committee member and chair.

**Other Directorships**

Covanta Holding Corporation

**Past Directorships**

Real Industry, Inc. (2013 – 2018)

Frontier Communications Corporation

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PROPOSAL 1: ELECTION OF DIRECTORS

**Diana S. Ferguson      Background**

**Age:** 55  
**Independent Director**  
**Director Since:**  
 October 2014  
**Board Committees:**  
 Audit  
 Compensation

Ms. Ferguson has served as Chief Financial Officer of Cleveland Avenue LLC, a privately held venture capital firm which accelerates and strategically invests in innovative restaurant, food and beverage concepts and emerging brands since September 2015. In addition, Ms. Ferguson has been Principal of Scarlett Investments, LLC, a firm that invests in and advises middle market businesses, since August 2013. Ms. Ferguson served as Chief Financial Officer of the Chicago Board of Education (February 2010 to May 2011) and as Senior Vice President and Chief Financial Officer of The Folgers Coffee Company, a maker of coffee products (April 2008 to November 2008), until Folgers was sold in 2008. Prior to joining Folgers, Ms. Ferguson was Executive Vice President and Chief Financial Officer of Merisant Worldwide, Inc., a maker of table-top sweeteners and sweetened food products (April 2007 to March 2008). Ms. Ferguson also served as Chief Financial Officer of Sara Lee Foodservice, a division of Sara Lee Corporation (June 2006 to March 2007), and in a number of leadership positions at Sara Lee Corporation including Senior Vice President of Strategy and Corporate Development and Treasurer.

**Qualifications**

Ms. Ferguson’s broad experience and executive leadership allow her to provide the Board with valuable perspectives on financial, corporate and strategic matters.

**Other Directorships**

Invacare Corp.  
 Sally Beauty Holdings

**Past Directorships**

TreeHouse Foods, Inc. (2008 – 2016)

**Edward Fraioli      Background**

**Age:** 72  
**Independent Director**  
**Director Since:**  
 July 2010  
**Board Committees:**  
 Audit (Chair)  
 Finance

Mr. Fraioli has acted as a business consultant since his retirement in July 2010. Prior to his retirement, Mr. Fraioli was a partner at Ernst & Young, a public accounting firm, since 1983. During his tenure at Ernst & Young, he served as Professional Practice Director for Ernst & Young’s Private Equity practice (2008 to July 2010), Global Vice Chairman for Independence Matters within Global Quality and Risk Management (2005 to 2008) and as lead audit partner on a number of public and global companies.

**Qualifications**

Mr. Fraioli's over 35 years of accounting and business experience at Ernst & Young provide the Board with substantial expertise in the areas of public accounting, risk management and corporate finance.

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PROPOSAL 1: ELECTION OF DIRECTORS

**Daniel J. McCarthy      Background**

**Age:** 54  
**Director Since:**  
May 2014

Mr. McCarthy is the President and Chief Executive Officer of Frontier Communications Corporation and has been with Frontier since December 1990. Prior to becoming President and Chief Executive Officer in April 2015, Mr. McCarthy held other positions of responsibility at Frontier, including President and Chief Operating Officer (April 2012 to April 2015), Executive Vice President and Chief Operating Officer (January 2006 to April 2012) and Senior Vice President, Field Operations (December 2004 to December 2005). Mr. McCarthy serves on the Board of Directors of Sacred Heart University in Fairfield, Connecticut and Stetson University in DeLand, Florida. He is also a member of the Board of Directors of the Western Connecticut Health Network, the Board of Directors of the Business Council of Fairfield County, and a member of the Business Roundtable.

**Qualifications**

Mr. McCarthy has been with Frontier for over 25 years in positions of increasing responsibility and as such he is able to provide the Board with critical insight into our business, operations, history, industry and strategic opportunities.

**Other Directorships**

Constellation Brands, Inc.

**Michael R. McDonnell      Background**

**Age:** 55  
**Independent Director**  
**Director Since:**  
December 2018  
**Board Committees:**  
Finance

Mr. McDonnell is Executive Vice President and Chief Financial Officer of IQVIA Holdings, Inc., a publicly traded leading global provider of advanced analytics, technology solutions and contract research services to the life sciences industry. From 2015, Mr. McDonnell was Executive Vice President and Chief Financial Officer of Quintiles Transnational Corp., a contract research services company that merged with IMS Health in 2016 to form IQVIA. Prior to joining Quintiles, Mr. McDonnell served as Executive Vice President and Chief Financial Officer of Intelstat, S.A., a leading global satellite service provider, from 2008 to 2015. Before that, he was Chief Financial Officer at both MCG Capital Corporation and EchoStar Communications (DishNetwork). Earlier in his career, he was a partner at PricewaterhouseCoopers, LLP.

**Qualifications**

Through his extensive experience as chief financial officer at public companies IQVIA, Quintiles and Intelstat, as well as his public board experience, Mr. McDonnell provides the board with valuable financial and leadership insight as well as understanding of the telecommunications industry.

**Past Directorships**

Catalyst Health Solutions, Inc. (2005 – 2012)

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PROPOSAL 1: ELECTION OF DIRECTORS

<p><b>Pamela D.A. Reeve</b> (Chairman)</p> <p><b>Age:</b> 69 <b>Independent Director</b> <b>Director Since:</b> July 2010 <b>Board Committees:</b> Nominating and Corporate Governance</p>	<p><b>Background</b></p> <p>From November 1989 to August 2004, Ms. Reeve held various executive positions, including President and Chief Executive Officer, and was a director at Lightbridge, Inc., a global provider of mobile business software and technology solutions. Prior to joining Lightbridge, Ms. Reeve spent 11 years as a consultant and in a series of executive positions at the Boston Consulting Group, Inc.</p> <p><b>Qualifications</b></p> <p>Ms. Reeve provides the Board with leadership, operational and financial expertise, particularly in the communications and technologies industries. In addition, her experience on the boards of other public companies provides the Board with important perspectives on corporate governance and risk management.</p> <p><b>Other Directorships</b></p> <p>American Tower Corporation</p> <p><b>Past Directorships</b></p> <p>Sonus Networks, Inc. (2013 – 2018), LiveWire Mobile, Inc. (1997 – 2009)</p>
<p><b>Virginia P. Ruesterholz</b></p> <p><b>Age:</b> 57 <b>Independent Director</b> <b>Director Since:</b> August 2013 <b>Board Committees:</b> Compensation (Chair) Finance</p>	<p><b>Background</b></p> <p>During her 28 year career with Verizon Communications, a broadband and telecommunications company, and its predecessors, Ms. Ruesterholz held various executive positions, including Executive Vice President of Verizon Communications (January to July 2012) and President of Verizon Services Operations (2009 to 2011). Earlier she served as President of Verizon Telecom, President of Verizon Partner Solutions and President of Verizon Wholesale Markets. She also serves as Chairman of the Board of Trustees of Stevens Institute of Technology.</p> <p><b>Qualifications</b></p> <p>Through her substantial experience as a senior executive at Verizon, Ms. Ruesterholz provides the Board with valuable knowledge of the telecommunications industry, large scale operations, risk management and information technology.</p> <p><b>Other Directorships</b></p>

The Hartford Financial Services Group, Inc.  
Bed, Bath & Beyond

Frontier Communications Corporation

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PROPOSAL 1: ELECTION OF DIRECTORS

**Robert A. Schriesheim Background**

**Age:** 57

**Independent Director**

**Director Since:**

December 2018

**Board Committees:**

Finance (Chair)

Mr. Schriesheim is Chairman of Truax Partners LLC, through which he partners with, and advises, boards and institutional investors while serving as a director of public and private companies undergoing strategic and financial transformations, with significant experience in the information services, software and communications sectors. Prior to forming Truax, from August 2011 to October 2016, Mr. Schriesheim served as Executive Vice President and Chief Financial Officer of Sears Holdings Corporation, a publicly traded retail company, and served as a Corporate Advisor until January 2017. From January 2010 to October 2010, Mr. Schriesheim was Senior Vice President and Chief Financial Officer of Hewitt Associates, a global human resources consulting and outsourcing company that was acquired by Aon in October 2010. From 2006 to 2009, he was Executive Vice President and Chief Financial Officer of Lawson Software, a publicly traded global ERP software provider. Prior to joining Lawson, Mr. Schriesheim was a Venture Partner with ARCH Development Partners, LLC, a seed stage venture capital fund, and earlier he held executive positions at Global TeleSystems, Inc., SBC Equity Partners, Inc., Ameritech, AC Nielsen Company, and Brooke Group, Ltd.

**Qualifications**

Mr. Schriesheim brings extensive leadership and financial acumen to our board, through his experience as CFO of several public companies and service on numerous public and private company boards. His in-depth knowledge of capital markets transactions, expertise driving strategic transformations at public companies and broad investor relations experience, including with public shareholders, bond holders and hedge funds, are important assets to our Board.

**Current Directorships**

Skyworks Solutions, Inc.

Houlihan Lokey, Inc.

NII Holdings, Inc.

**Past Directorships**

Forest City Realty Trust, Inc. (April – December 2018); Lawson Software, Inc. (2006 – 2011); Georgia Gulf Corp. (2009 – 2010); MSC Software (2007 – 2009); Dobson Communications Corporation 2004 – 2007); Global TeleSystems, Inc. (2001 – 2002); Golden Telecom (1999 – 2001)

**Howard L. Schrott Background**

**Age:** 64

**Independent Director**

**Director Since:**

July 2005

**Board Committees:**

Audit

Nominating and

Corporate Governance

Mr. Schrott is a Principal in Schrott Consulting, a management consulting firm servicing broadcasting, telecommunications and technology companies, which he founded in February 2006. Prior to founding Schrott Consulting, he was Chief Financial Officer of the Liberty Corporation, a television broadcaster, from 2001 until Liberty's sale in February 2006. Mr. Schrott also serves as a Trustee of Butler University, a Trustee of the Indianapolis Museum of Art and on the Board of Directors of Metropolitan Indianapolis Public Media, Inc.

### **Qualifications**

Mr. Schrott provides the Board with an extensive understanding of the telecommunications industry. In addition, his experience in executive and director roles provides the Board with important knowledge of financial and operational matters.

### **Past Directorships**

Media General, Inc. (November 2013 to December 2014); Time Warner Telecom Holdings Inc. (2004 – 2006)

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## DIRECTOR COMPENSATION

**DIRECTOR COMPENSATION**

Frontier uses cash and stock-based compensation to attract and retain qualified non-employee members of our Board. Mr. McCarthy, the only employee director, receives no remuneration for service as a member of our Board.

**Annual Retainer and Stipend – Paid in Cash or Stock Units**

Each non-employee director is paid an annual \$95,000 retainer. The Chairman of the Board is also paid an annual stipend of \$175,000, 45% in cash and 55% in stock units, and each committee chair is paid a stipend (\$25,000 for the Audit Committee, \$25,000 for the Finance Committee, \$20,000 for the Compensation Committee, \$15,000 for the Nominating and Corporate Governance Committee and \$15,000 for the Retirement Plan Committee). The Retirement Plan Committee was dissolved in December 2018, with the Board taking on its significant oversight responsibilities.

Directors may elect, by December 31 of the prior year, whether to receive the annual retainer and stipend, if any, in cash or stock units. Directors are also entitled to reimbursement for reasonable expenses they incur in connection with Board meetings they attend in person. The annual retainer and stipends are payable in advance in equal quarterly installments on the first business day of each quarter.

**Annual Fee – Paid in Stock Units**

Each non-employee director also receives a \$120,000 fee in the form of stock units. Stock units for fees are earned quarterly and credited to the director's account on the first business day of each quarter.

The number of stock units credited equals the amount of the retainer, stipend or fee (as appropriate) divided by the closing price of our common stock on the credit date of the stock units. We hold all stock units until a director's termination of service, at which time the units are redeemable, at the director's election, in either cash or in shares of our common stock at a conversion rate of 1-for-1.

The following table sets forth compensation information earned for 2018 by each non-employee director.

Name	Director Compensation		Stock Unit Awards (\$ value) <sup>1</sup>	Total (\$)
	Paid in Cash (\$)			
<b>Leroy T. Barnes Jr.</b>	\$	110,000	\$ 120,000	\$ 230,000
<b>Peter C.B. Bynoe</b>	\$	110,000	\$ 120,000	\$ 230,000
<b>Diana S. Ferguson</b>	\$	95,000	\$ 120,000	\$ 215,000
<b>Edward Fraioli</b>	\$	120,000	\$ 120,000	\$ 240,000

<b>Michael R. McDonnell<sup>(2)</sup></b>	\$	5,163	\$	6,522	\$	11,685
<b>Pamela D.A. Reeve</b>	\$	173,750	\$	216,250	\$	390,000
<b>Virginia P. Ruesterholz</b>	\$	115,000	\$	120,000	\$	235,000
<b>Robert A. Schriesheim<sup>(3)</sup></b>	\$	5,163	\$	6,522	\$	11,685
<b>Howard L. Schrott</b>	\$	95,000	\$	120,000	\$	215,000
<b>Mark Shapiro</b>	\$	95,000	\$	120,000	\$	215,000
<b>Myron A. Wick, III<sup>(4)</sup></b>	\$	95,000	\$	120,000	\$	215,000

The amounts shown in this column represent the grant date fair value in accordance with Financial Accounting Standards Board ASC Topic 718 of the stock units granted to directors in 2018. For a discussion of valuation assumptions, see Note 12 to the Consolidated Financial Statements included in our Annual Report on Form 10-K

- (1) for the year ended December 31, 2018. Dividends are paid on stock units held by directors, in the form of additional stock units, at the same rate and at the same time as we pay dividends, if any, on shares of our common stock. No above-market or preferential dividends were paid with respect to any stock units. We suspended the dividend on our common stock in 2018.
- (2) Mr. McDonnell was elected to the Board on December 12, 2018. Represents a pro rata portion of director compensation through December 31, 2018.

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DIRECTOR COMPENSATION

(3) Mr. Schriesheim was elected to the Board on December 12, 2018. Represents a pro rata portion of director compensation through December 31, 2018.

(4) Departed the Board after not standing for reelection at the 2018 Annual Meeting.

At December 31, 2018, Mr. Fraioli and Mr. Shapiro each held 666.67 stock options. Such stock options were granted with an exercise price equal to the closing price of our common stock on the date each director was elected to the Board. The options became exercisable six months after the grant date and expire on the tenth anniversary of the grant date or, if earlier, on the first anniversary of the director's termination of service. Since October 2010, directors are no longer eligible to receive stock option grants upon joining the Board.

In addition, our bylaws require us to indemnify our directors and officers to the fullest extent permitted by law, so that they may be free from undue concern about personal liability in connection with their service to the Company. We have also entered into indemnification agreements with our directors and officers that provide similar indemnification rights.

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### CORPORATE GOVERNANCE

#### **CORPORATE GOVERNANCE**

We maintain corporate governance policies and practices that provide what the Board believes to be appropriate oversight, leadership and independence, including compliance with applicable requirements under the Sarbanes-Oxley Act of 2002 and the rules of the SEC and the Nasdaq Stock Market (Nasdaq), on which our common stock is listed. A copy of our Corporate Governance Guidelines is available upon request to our Secretary, or may be viewed or downloaded from the Investor Relations page of our website, [www.frontier.com](http://www.frontier.com).

#### **Leadership Structure**

Our Board is led by Pamela D.A. Reeve, who was appointed non-executive Chairman of the Board of Directors in April 2016. Ms. Reeve had previously held the position of Lead Director and has been an independent member of our Board since 2010.

Our Board does not have a policy as to whether the roles of Chairman and CEO should be separate or combined. The Board has determined that it is in the best interests of our stockholders at this time to separate the roles of Chairman and CEO. In the event the roles are combined, the Board will appoint a Lead Director. The Board will continue to evaluate our leadership structure based on the best interests of Frontier and our stockholders.

#### **The Role of the Chairman:**

- Call meetings of the Board and non-management directors (including those to be attended only by independent directors) when appropriate and preside at such meetings. Following each executive session, the Chairman will discuss with the CEO any issues arising in such executive session.
- Coordinate the flow of information to and among independent directors and, if any, other non-management directors.
- Collaborate with the CEO to set Board meeting agendas and review and approve Board meeting schedules to ensure that there is sufficient time for discussion of all agenda items. All Board members are encouraged to communicate to the Chairman any additional agenda items that they deem necessary or appropriate in carrying out their duties.
- Periodically solicit from other independent and non-management directors comments or suggestions related to Board operations, including the flow of information to directors, the setting of meeting agendas and the establishment of the schedule of Board meetings, and communicate those suggestions to the CEO. The Chairman shall also seek to ensure that there is: (a) an efficient and adequate flow of information to the independent and non-management directors; (b) adequate time for the independent and non-management directors to consider all matters presented to them for action; and (c) appropriate attention paid to all matters subject to oversight and actions by the independent and non-management directors.

- Attend all committee meetings, as appropriate. The Chairman shall work with each committee chair to ensure that each committee is effectively functioning and providing ongoing reports to the Board.
- Serve as the liaison between the independent and non-management directors, on the one hand, and the CEO, on the other, and as the representative of the independent and non-management directors in communications with the CEO and management outside of regular Board meetings.
- Serve as liaison and provide direction to advisers and consultants retained by the independent directors.

#### **Chief Executive Officer Succession**

The Board is actively engaged in managing executive talent and succession planning. The Compensation Committee reviews and considers succession plans for the CEO and other members of the senior leadership team, and oversees the development of the CEO, senior leadership team candidates and other executive talent. The Board also evaluates the adequacy and effectiveness of Frontier's succession plan for the CEO in connection with its annual assessment of the performance of the CEO.

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#### **Chief Executive Officer Pay Ratio**

We determined that the 2018 median annual total compensation of all our employees who were employed as of December 31, 2018, other than our CEO, Daniel J. McCarthy, was \$77,010; Mr. McCarthy's 2018 annual total compensation was \$7,135,383; and the ratio of these amounts was 93:1. The increase from the 2017 CEO pay ratio of 60:1 is attributable to the increase in CEO compensation due to Mr. McCarthy receiving a bonus in 2018, as well as a decrease in median compensated employee's compensation due to an interest rate-driven decrease in pension accrual as well as a decrease in overtime earnings.

For 2018, we used the same median employee that was identified in 2017 since there has been no change in our employee workforce or employee compensation arrangements that we believe would significantly impact our pay ratio disclosure. As of December 31, 2018, our total population consisted of 21,200 employees. To identify the median employee, we used a Consistently Applied Compensation Measure (CACM) defined as annual base salary as of December 31, 2018. Our disclosed pay ratio is a reasonable estimate calculated in a manner consistent with S-K Item 402(u).

#### **Director Independence**

The Board is required to affirmatively determine that a majority of the directors qualify as independent under Nasdaq listing standards. The Board undertakes an annual review of director independence by reviewing relationships between Frontier and each director as well as Frontier and the organizations with which each director is affiliated.

After considering the relevant facts, the Board has determined that no director, other than Mr. McCarthy, has a material relationship with Frontier (either directly or as a partner, stockholder or officer of an organization that has a relationship with Frontier) that would impair the director's ability to exercise independent judgment in carrying out his or her responsibilities as a director. Therefore, all of our directors, other than Mr. McCarthy, are independent under Nasdaq listing standards.

Mr. Shapiro, who served on our Retirement Plan Committee, is the Co-President of WME/IMG. During 2017, Frontier engaged WME/IMG to assist in the negotiation and entry into certain sponsorship and content arrangements. The Nominating and Corporate Governance Committee and the Board reviewed this ongoing business relationship and determined that the value of the engagement was immaterial to WME/IMG, given the amount and WME/IMG's gross revenues, and that Mr. Shapiro's independence is not impaired.

**The Board has determined that 8 of our 9 director nominees are independent**

#### **Risk Management and Board Oversight**

The Board is responsible for oversight of Frontier's risk management process, and the full Board regularly discusses exposure to various potentially material risks. In accordance with our Corporate Governance Guidelines, the Audit Committee also reviews risk exposures and the guidelines and policies governing management's assessment and management of exposure to risk, including the enterprise risk management (ERM) process.

Management is responsible for Frontier's risk management activities, including the annual ERM process, which is jointly administered by the Chief Financial Officer and the Senior Vice President, Internal Audit. As part of the ERM process, each member of senior management and his or her direct reports participate in an annual identification, assessment and evaluation of risks. The individual risks are aggregated across Frontier to help management determine our enterprise level risks. For each such risk, one or more mitigation strategies are developed and implemented to minimize or manage that risk. During the course of the year, periodic monitoring, self-assessment and reporting to the Audit Committee are performed by senior management to:

- Update the trending of each risk, compared to the latest annual ERM review;
- Identify/consider new and emerging risks;
- Assess the implementation status/effectiveness of each mitigation strategy; and

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- Identify changes to mitigation strategies, if necessary.

**Attendance at Meetings**

In 2018, the Board held 7 meetings. All of our directors attended over 75% of the meetings of the Board and committees on which they served in 2018. In accordance with our policy, all members of the Board serving at that time attended last year's annual meeting of stockholders.

**Committees of the Board**

The Board has four standing committees: Audit, Compensation, Nominating and Corporate Governance and Finance. In December 2018, the Board established a Finance Committee and dissolved the Retirement Plan Committee. Consistent with peers and industry practice, the significant oversight responsibilities for retirement plans previously delegated to the Retirement Plan Committee will be carried out by the Board. Each committee is composed solely of independent directors. Each of the Audit, Compensation, Nominating and Corporate Governance Committees operates under a written charter adopted by the Board (available on the Investor Relations page of our website, [www.frontier.com](http://www.frontier.com).)

**Audit Committee**

**Number of Meetings in 2018: 8**

**Chair:**

Edward Fraioli

**Primary Responsibilities:**

- Selects, determines compensation for, and oversees our independent auditors
- Assists the Board in its oversight of our financial statements, compliance with legal and regulatory requirements, the independence, performance and qualifications of our independent auditors, the qualifications of our internal auditors and internal audit function performance
- Pre-approves all audit and permissible non-audit services, if any, provided by our independent auditors
- Prepares the Audit Committee Report
- Oversees risk assessment and risk management

**Other Committee Members:**

Leroy T. Barnes Jr.\*  
 Diana S. Ferguson \*  
 Howard L. Schrott

*Each Audit Committee member is independent, meets the standard of an audit committee financial expert under SEC rules and meets the financial literacy requirements of the Nasdaq Listing Rules*

Through the date of the Annual Meeting. The Board expects to appoint Messrs. Schriesheim and McDonnell to serve as members of the Audit Committee following Mr. Barnes' departure. The Board expects to appoint Ms. Ferguson to serve as Chair of the Nominating and Corporate Governance Committee and she will step down from the Audit Committee.

**Compensation Committee**

**Number of Meetings in 2018: 9**

**Chair:**

Virginia P. Ruesterholz

**Other Committee Members:**

Peter C.B. Bynoe

Diana S. Ferguson

**Primary Responsibilities:**

- Reviews our general compensation strategies and policy
- Evaluates, at least annually, the performance of the CEO and other senior executives against corporate goals and objectives and determines and approves executive compensation (including any discretionary incentive awards) based on this evaluation
- Engages in CEO succession planning efforts and executive talent development
- Reviews and makes recommendations to the Board regarding director compensation
- Prepares the Compensation Committee Report
- Oversees and approves incentive compensation plans and equity-based compensation plans

*Each Compensation Committee member is independent, an outside director under Section 162(m) of the Internal*  
Frontier Communications Corporation 23 2019 Proxy Statement

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CORPORATE GOVERNANCE

**Compensation Committee**

**Number of Meetings in 2018: 9**

*Revenue Code and a non-employee director for purposes of Rule 16b-3 of the Exchange Act*

**Nominating and Corporate Governance Committee**

**Number of Meetings in 2018: 3**

**Chair:**

Peter C.B. Bynoe

**Primary Responsibilities:**

- Conducts annual evaluation of the Board and its committees

**Other Committee Members:**

Pamela D.A. Reeve\*

Howard L. Schrott

- Recommends candidates for nomination, election or appointment to the Board and its committees

- Takes a leadership role in shaping our corporate governance, including developing and recommending to the Board our Corporate Governance Guidelines

*Each Nominating and Corporate Governance committee member is independent*

\* Through the date of the Annual Meeting. The Board expects to appoint Ms. Ferguson to serve as Chair of the Nominating and Corporate Governance Committee and Ms. Reeve will step down from the committee.

**Finance Committee**

**Number of Meetings in 2018: n/a**

**Chair:**

Robert A. Schriesheim

**Primary Responsibilities:**

- Evaluate the Company's capital structure and consider, evaluate and negotiate capital market and/or financing transactions and/or strategic alternatives for the Company and its stakeholders

**Other Committee Members:**

Edward Fraioli

Michael R. McDonnell

Virginia P. Ruesterholz

*Each Finance Committee member is independent*

**Retirement Plan Committee\***

**Number of Meetings in 2018: 3**

**Chair:**

Leroy T. Barnes Jr.

**Primary Responsibilities:**

- Oversees our retirement plans, which includes review of the investment strategies and asset performance of the plans, compliance with the plans and the overall quality of the asset managers, plan administrators and communications with employees

**Other Committee Members:**

Edward Fraioli

Virginia P. Ruesterholz

Mark Shapiro

*Each Retirement Plan Committee member is independent*

\* The Retirement Plan Committee was dissolved in December 2018, with the Board taking on its significant oversight responsibilities.

**Director Stock Ownership Guideline**

Each non-management director is expected to own shares of our stock having a minimum value of five times the cash portion of the annual non-management director retainer (which currently equates to \$475,000) by the later of February

15, 2017 or five years after joining the Board. Stock unit grants are counted for purposes of fulfilling this guideline. Each non-management director is required to hold 100% of all stock units granted as compensation for Board service until his or her termination of service, and compliance with such 100% retention is an alternative method of complying with the director stock ownership guideline.

### **Executive Sessions of the Board of Directors**

Our independent directors have regularly scheduled executive sessions in which they meet outside the presence of management. Pamela D.A. Reeve, in her role as Chairman, presides at executive sessions of the Board. The applicable Chair presides at executive sessions of the Board's standing committees.

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### CORPORATE GOVERNANCE

#### **Communications with the Board of Directors**

Any stockholder or interested party who wishes to communicate with the Board or any specific director, any non-management director, the non-management directors as a group, any independent director or the independent directors as a group, may do so by writing to such director or directors at: Frontier Communications Corporation, 401 Merritt 7, Norwalk, Connecticut 06851. This communication will be forwarded to the director or directors to whom it is addressed. This information regarding contacting the Board is also posted on the Investor Relations page of our website, [www.frontier.com](http://www.frontier.com).

#### **Code of Business Conduct and Ethics**

We have a Code of Business Conduct and Ethics (the Code of Conduct) to which all employees, executive officers and directors (which for purposes of the Code of Conduct we collectively refer to as employees) are required to adhere in addressing the legal and ethical issues encountered in conducting their work. The Code of Conduct requires that all employees avoid conflicts of interest, comply with all laws and other legal requirements, conduct business in an honest and ethical manner, and otherwise act with integrity. Employees are required to report any conduct that they believe is an actual or apparent violation of the Code of Conduct and may do so anonymously by using our Ethics Hotline. Specific provisions applicable to our principal executive officer and senior financial officers are in the Specific Code of Business Conduct and Ethics Provisions for Certain Officers (the Executive Code). We disclose on our website any amendment to, or waiver of, any provision of our Code of Conduct or Executive Code that is required to be disclosed pursuant to securities laws. Copies of the Code of Conduct and the Executive Code are available upon request to our Secretary, or may be viewed or downloaded from the Investor Relations page of our website, [www.frontier.com](http://www.frontier.com).

#### **Related Person Transactions Policy**

The Board has adopted a written policy addressing our procedures with respect to the review, approval and ratification of related person transactions that are required to be disclosed pursuant to SEC regulations. The policy provides that any transaction, arrangement or relationship, or series of similar transactions, to which we are a party, that exceeds \$120,000 in the aggregate, with a related person (as defined in the SEC regulations) who has or will have a direct or indirect material interest shall be subject to review, approval or ratification by the Nominating and Corporate Governance Committee. In its review of related person transactions, the Nominating and Corporate Governance Committee shall review the material facts and circumstances of the transaction and shall take into account specified factors, where appropriate, based on the particular facts and circumstances, including (i) the nature of the related

person's interest in the transaction, (ii) the significance of the transaction to us and to the related person and (iii) whether the transaction is likely to impair the judgment of the related person to act in the best interest of Frontier.

No member of the Nominating and Corporate Governance Committee may participate in the review, approval or ratification of a transaction with respect to which he or she is a related person, although such director can be counted for purposes of a quorum and shall provide such information with respect to the transaction as may be reasonably requested by other members of the Committee or the Board.

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**EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**

Named Executive Officers

Daniel J. McCarthy	President and Chief Executive Officer
Sheldon L. Bruha*	Interim Chief Financial Officer
R. Perley McBride	Former Executive Vice President, Chief Financial Officer
John Maduri	Executive Vice President, Chief Customer Officer
Steve Gable	Executive Vice President, Chief Technology Officer
Kenneth W. Arndt	Executive Vice President, Chief Operations Officer

\* Mr. Bruha has served as Interim CFO since September 1, 2018 upon Mr. McBride's resignation on August 31, 2018.

Executive Summary

2018 Review

Our discussion of 2018 Executive Compensation must begin with candor: Frontier Communications' share price has fallen considerably. Frontier had a one-year Total Shareholder Return of -65% for 2018 and a three-year Total Shareholder Return of -96%.

While we will not avoid the issue of our underperformance, it is important to note that we have continued to invest in expanding and upgrading our network and product offerings. In addition, each member of the Company's executive group is deeply committed to our transformation program, Journey Forward, that is systematically examining revenue generation, costs and processes to find efficiencies and synergies that will lead to enhanced customer service and in-demand products. We believe that Frontier Communications has strong potential to create significant value for our stakeholders. Meeting our EBITDA goals and exceeding our customer experience goals in 2018 were meaningful signs of progress in this regard. After two years of zero bonuses for 2016 and 2017, bonuses for 2018 were paid equal to about 97% of target. In addition, performance shares for the 2016-2018 performance period vested at 68.8% of target. Given the decline in our stock price, though, the value of the performance shares earned, including dividends on earned shares, was 13% of the grant date target value.

As a result of not paying a bonus for 2016 and 2017 performance, along with the decrease in our share price, the value realized from our executive compensation program over the past three years has been well below the target value, leading to an increase in executive turnover. Three (3) of nine (9) members of our senior leadership team left Frontier during 2018. As such, the Committee has been placing an increased emphasis on retention of our senior leadership team.

Accordingly, we have realigned our compensation structure both to incent strong performance and to retain key executives. We introduced a quarterly incentive plan and redesigned our long-term incentive program in other ways, including use of cash-denominated awards in lieu of stock-denominated awards (refer to the Changes to Our Program in 2019 section). These changes recognize that retention of executives, despite the current stock price, is critical to on-going execution of efficiencies and synergies that will help Frontier Communications regain its momentum.

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## EXECUTIVE COMPENSATION

## CEO Pay at a Glance

Mr. McCarthy's target total direct compensation (TDC) for 2018 is set forth below. In 2018, we redesigned our annual incentive program to provide 15% of the annual target in each quarter along with 40% based on annual results. During 2018, a significant portion of his compensation was in the form of restricted shares and performance shares, the value of which is dependent on our stock price and the achievement of company targets along with an industry comparison. The Compensation Committee considered multiple factors to determine Mr. McCarthy's target TDC, including:

- Financial and stock performance of Frontier
- The implementation of a new Transformational Program designed to improve our financial performance along with management of our debt
- His overall leadership of Frontier

<b>Compensation Element</b>	<b>2018 Target</b>	<b>Note</b>
Base Salary	\$ 1,000,000	
Annual Cash Incentive	\$ 1,500,000	Annual cash incentives in total of \$1,460,175 were paid for 2018 performance
Restricted Share Awards	\$ 3,600,000	This represents the target value of restricted share awards granted in February 2018, which vest ratably over a three-year period.
Performance Share/Cash Awards	\$ 2,400,000	For 2018, this represents the value of the target number of performance shares granted in February 2018. The actual value Mr. McCarthy will earn will be based on Company performance over each of the three-year Measurement Periods, and Company three-year TSR
<b>Total Direct Compensation</b>	<b>\$ 8,500,000</b>	

Survey data indicates the median total direct compensation for our CEO position is around \$10,000,000 annually. Please see the section "Market and Peer Group Reviews" below for an explanation on how the Compensation Committee looks at survey data. As shown in the "2018 Realized Pay" section of this CD&A, Mr. McCarthy realized \$2,942,332 in compensation for his leadership during 2018.

Mr. McCarthy's realized pay for 2016-2018 of \$9,367,845 represents 37% percent of his target pay opportunity over the same period.

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### EXECUTIVE COMPENSATION

### EXECUTIVE COMPENSATION

#### Key Features of our Executive Compensation Program

Key executive compensation practices are summarized below. While the following continue to be our guiding principles, the Compensation Committee has placed a greater emphasis on retention of our leadership team during 2018:

#### **What We Do**

Employ a pay-for-performance executive compensation program whereby over 80% of NEO compensation for 2018 was at risk.

Pay a majority of compensation in the form of long-term incentive awards to defer a portion of pay based on future company performance and tie compensation payout levels to our stock performance along with providing a retention incentive to continue leading our company.

Use multipliers to reward above-target performance and reduce short-term and long-term incentive payouts for below-target performance.

Require our executives to own Frontier stock equal to a multiple of base salary. For our CEO, this multiple is five times base salary.

Use double-trigger change-in-control severance arrangements.

Hold an annual stockholder vote on our executive compensation program.

Have a recoupment, or clawback, policy to recover both cash and equity compensation from executives, including in the case of misconduct that results in a restatement of our financial statements.

Regularly analyze risks related to our compensation program and conduct a broad risk assessment annually.

Engage an independent compensation consultant to provide advice to our Compensation Committee.

#### **What We Don't Do**

Permit our executives to hedge or pledge Frontier stock.

Reward our executives with perquisites or tenure-based benefits, such as retiree medical benefits, in the ordinary course.

Pay dividends on unearned performance shares.

Make tax gross-ups for severance payments.

#### Impact of 2018 Say-on-Pay Vote

The Compensation Committee considers the results of the annual stockholder vote on our executive compensation program, in addition to other input from our stockholders, when evaluating and determining compensation policies and the compensation for our CEO and the other NEOs. The 2018 stockholder vote affirmed the Compensation Committee's decisions for 2017, with an 83% stockholder approval of our executive compensation program. The Compensation Committee continues to review and modify our executive compensation program to align pay with performance while supporting executive retention as we continue to execute on our multi-year Transformation Program.

As part of our ongoing governance initiatives, we reach out to our stockholders on a regular basis. We also have routine discussions with certain shareholder advocates. We reached out to holders and advocates representing about 38% of our shares in 2018. In the 2018 discussions, our stockholders suggested our CEO's long-term incentive grant be issued in shares, without regard to any dilution concerns.

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### EXECUTIVE COMPENSATION

#### Our Pay and Performance Alignment

A key tenet of our compensation philosophy is to link pay to performance. Approximately 88% of our CEO's target compensation for 2018 performance was at risk. For the other active NEOs as a group, approximately 78% of their target compensation for 2018 performance was at risk. This directly links our executives' pay to Frontier's financial performance, execution of strategic initiatives and TSR.

To enhance transparency regarding the compensation received by each of our NEOs, we have included a Realized Pay Table to supplement the information provided in the Summary Compensation Table. See 2018 Realized Pay below.

#### Executive Compensation Program Structure

##### Philosophy

**Maintain clear alignment between the interests of our executives and those of our stockholders** by rewarding performance measured by key financial metrics, strategic objectives and relative TSR and through the use of long-term incentive awards as a significant component of compensation.

**Reinforce our performance culture** for our NEOs by making a majority of their compensation at risk, i.e., contingent upon relative, specified company and individual performance.

**Hire and retain talented executives** by having a compensation program that is competitive in relation to comparable companies based on size, overall complexity and the nature of our business.

**Ensure company goals are fully aligned throughout the organization.** Each year, we establish company-wide goals that align with Frontier's business plan for the year. Our NEOs are compensated to the extent they are successful in leading Frontier to achieve these goals for each year.

##### Compensation Program Design

To achieve the objectives described above, our executive compensation program rewards our executives for both annual and long-term performance. For 2018, the primary components of executive compensation were base salary, bonus, restricted share awards, performance share and performance cash awards under our Equity Incentive Plan. Of these components, only base salary represents fixed compensation. Each of the other components was variable and at risk.

At its January and February 2018 meetings, the Compensation Committee set quarterly and annual performance goals, quarterly and annual incentive targets as a percent of salary for each NEO, and annual targets for the long-term performance award program and Restricted Share Awards.

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## EXECUTIVE COMPENSATION

In order to determine the appropriate amount and mix of compensation components for each NEO, the Compensation Committee considers many factors, including experience, value provided to Frontier, scope of responsibility, company and individual performance, benchmark data based on our peer group and general industry survey data for comparably sized companies.

<b>Component</b>	<b>Purpose</b>	<b>Performance Measures</b>
Base Salary (Fixed)	<ul style="list-style-type: none"> <li>Attract and retain executives</li> </ul>	<ul style="list-style-type: none"> <li>Job scope and experience</li> <li>Market pay (we target the median of market using peer group and survey data)</li> </ul>
Annual Cash Bonus (At Risk)	<ul style="list-style-type: none"> <li>Attract and retain executives</li> <li>Incentivize and reward executives for achievement of pre-established, measurable annual performance goals</li> <li>Align award with business financials and customer surveys</li> </ul>	<ul style="list-style-type: none"> <li>Company Performance Goals: <ul style="list-style-type: none"> <li>Financial targets (revenue, Adjusted EBITDA, Operating Cash Flow)</li> <li>Customer experience targets</li> </ul> </li> <li>Individual targets and performance adjustments</li> </ul>
Restricted Share Awards (At Risk)	<ul style="list-style-type: none"> <li>Attract and retain executives</li> <li>Align value with stock price because vest ratably over three years</li> </ul>	<ul style="list-style-type: none"> <li>Individual targets and performance adjustments</li> </ul>
Performance Share/Cash Awards (At Risk)	<ul style="list-style-type: none"> <li>Attract and retain executives</li> <li>Align executive pay with financial performance and TSR over three-year Measurement Period</li> </ul>	<ul style="list-style-type: none"> <li>Free Cash Flow per share targets set annually</li> <li>Three-year TSR modifier (Frontier TSR as compared to industry peers)</li> <li>Individual must maintain satisfactory performance rating throughout period</li> </ul>

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## EXECUTIVE COMPENSATION

## Market and Peer Group Reviews

The Compensation Committee, with input from its independent compensation consultant, establishes Frontier's peer group for use in benchmarking and market comparison purposes. The peer group reflects our size and scale and includes businesses that are asset intensive, have a technology focus, have subscription-based revenue, deliver content and typically have a bundled package service offering. The peer group set forth below was used to set compensation for 2018. When comparing financial metrics of Frontier to our peers in September 2018, we were at the 39<sup>th</sup> percentile in revenue, 66<sup>th</sup> percentile in EBITDA, 49<sup>th</sup> percentile in total assets and 32<sup>nd</sup> percentile in enterprise value.

**2018 Peer Group**

- Anixter International Inc.
- ADP, LLC
- BCE Inc.
- Booking Holdings Inc. (formerly Priceline Group Inc.)
- CenturyLink, Inc. (acquired Level 3 Communications)
- DISH Network Corporation
- First Data Corporation
- Juniper Networks, Inc.
- News Corp.
- Rogers Communications Inc.
- Sirius XM Holdings Inc.
- Sprint Corporation
- Telephone & Data Systems
- TELUS Corporation
- Thomson Reuters Corporation
- T-Mobile US, Inc.
- United States Cellular Corporation
- Windstream Holdings, Inc.

General industry survey data was also considered in determining the compensation levels of the NEOs and other executives. In the case of executives for whom there was no publicly available data or no comparable position at the peer group companies, the results from general industry executive compensation surveys were analyzed to assess competitiveness.

As an initial step in the consideration of the general industry survey data, the survey is size-adjusted based on our annual revenue. The 2017 survey data used to determine 2018 compensation was size-adjusted to approximate Frontier's 2018 budgeted revenue. The analyses included examining how each executive's target total direct compensation compared to the results in the surveys for base salary, target bonus and target long term incentives. Some of our NEOs have responsibilities that extend beyond the traditional scope indicated by their titles. As a result, directly comparable roles in the survey data were not always available. In these cases, the Compensation Committee considered data from these third-party surveys and the importance of the role to Frontier when determining the commensurate total compensation levels for the NEO. In considering the general industry survey data, the Compensation Committee did not review nor is it aware of the specific companies that are included in the surveys.

## 2018 Realized Pay

The table below supplements the Summary Compensation Table that appears later in this Proxy Statement. The Realized Pay Table shows the compensation actually received by each NEO in 2018, 2017 and 2016. Realized pay for an NEO for any given year may be greater or less than the compensation reported in the Summary Compensation Table for that year depending on fluctuations in stock prices on the grant and vesting dates, differences in equity grant values from year to year and SEC reporting requirements, as described below.

The primary difference between the Realized Pay Table and the Summary Compensation Table is the method used to value restricted share awards and performance share awards. SEC rules require that the grant date fair value of all restricted share awards and performance share awards be reported in the Summary Compensation Table for the year in which they were granted. As a result, a significant portion of the total compensation amounts reported in the Summary Compensation Table relates to restricted share awards and performance shares that have not vested or been earned, for which the value is therefore uncertain, and which may end up having no value at all. In contrast, the Realized Pay Table includes only restricted shares and performance shares that vested during the applicable year and shows the value of those awards as of the applicable vesting date.

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There is no assurance that the NEOs will realize the value attributed to these awards even in this Realized Pay Table, since the ultimate value of the restricted shares and performance shares will depend on the price of Frontier's common stock when the vested and earned shares are sold by the executives. Our executives are subject to periodic stock sale restrictions and our stock ownership guidelines, which also limit their ability to sell Frontier stock received as compensation.

Name	Year	Salary <sup>(1)</sup>	Actual Cash Incentive Bonus <sup>(2)</sup>	Restricted Share Awards Vested <sup>(3)</sup>	Performance Shares Earned <sup>(4)</sup>	All Other Compensation <sup>(5)</sup>	Transaction Bonus <sup>(6)</sup>	Total	% of Summary Compensation Table Reported Pay
<b>Daniel J. McCarthy</b>									
	2018	\$ 1,000,000	\$ 1,460,175	\$ 408,516	\$ 64,100	\$ 9,541	—	\$ 2,942,332	41 %
	2017	\$ 1,000,000	—	\$ 1,679,173	\$ 378,313	\$ 34,181	—	\$ 3,091,667	51 %
	2016	\$ 981,251	—	\$ 1,934,451	\$ 386,314	\$ 31,830	—	\$ 3,333,846	61 %
<b>Sheldon L. Bruha<sup>(7)</sup></b>									
	2018	\$ 341,818	\$ 200,514	—	—	\$ 8,605	—	\$ 550,937	81 %
<b>John Maduri<sup>(8)</sup></b>									
	2018	\$ 610,417	\$ 600,951	—	—	\$ 65,111	—	\$ 1,276,479	38 %
<b>Steve Gable</b>									
	2018	\$ 496,250	\$ 486,725	\$ 64,033	\$ 3,769	\$ 12,055	—	\$ 1,062,832	45 %
	2017	\$ 470,000	—	\$ 125,775	\$ 17,656	\$ 9,717	—	\$ 623,148	39 %
	2016	\$ 458,700	—	\$ 78,324	\$ 18,029	\$ 9,884	\$ 1,000,000	\$ 1,564,987	81 %
<b>Kenneth W. Arndt<sup>(9)</sup></b>									
	2018	\$ 553,125	\$ 561,705	\$ 73,082	\$ 7,069	\$ 5,980	—	\$ 1,200,912	54 %
	2017	\$ 500,000	—	\$ 171,348	\$ 47,416	\$ 10,270	—	\$ 729,034	44 %

(1) Amounts in this column equal the amounts reported in the "Salary" column of the Summary Compensation Table.

(2) Amounts shown in this column equal the amounts reported in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table.

(3) Amounts in this column represent the aggregate value of all restricted shares that vested during the applicable year. The value of restricted shares realized upon vesting is based on the average of the high and low price of our common stock on the vesting dates and does not take into account the NEO's tax liability upon vesting.

(4) Amounts in this column represent the value of performance shares that were earned for the applicable three-year Measurement Period, based on the average of the high and low price of our common stock on the day of the payout in February following the completion of the Measurement Period. For example, the amounts shown for 2018 represent the 2015-2017 performance award payout made in February 2018.

(5) Amounts shown in this column equal the amounts reported in the "All Other Compensation" column of the Summary Compensation Table.

(6) Amounts shown in this column equal the amounts reported in Bonus column of the Summary Compensation Table and reflect bonuses granted in connection with the closing of the California, Texas and Florida Acquisition in April 2016.

- (7) Information for Mr. Bruha is not provided for 2016 and 2017 because he was not an NEO for those years.
- (8) Information for Mr. Maduri is not provided for 2016 and 2017 because he was not an NEO for those years.
- (9) Information for Mr. Arndt is not provided for 2016 because he was not an NEO for that year.

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## EXECUTIVE COMPENSATION

## 2018 Total Target Direct Compensation for NEOs

## Cash Compensation

**Base Salary.** Base salaries for our executives, including our NEOs, are set by the Compensation Committee after consideration of various factors, including individual performance, executive experience and skill set, the ability to attract and retain talented executives and market data.

Executives are eligible for increases to their base salary if there is a change in responsibility or the individual's base salary is not in line with desired market position. We generally target the median of our peers when setting base salary while any increases or decreases are ultimately at the discretion of the Compensation Committee. The salaries for our NEOs were adjusted during 2018 as follows:

NEO	1/1/2018 Salary	12/31/2018 Salary	Notes
Daniel J. McCarthy	\$ 1,000,000	\$ 1,000,000	No Change
Sheldon L. Bruha	\$ 310,000	\$ 490,000	Mr. Bruha was hired on February 5, 2018 as SVP Treasurer and has received a salary stipend of \$15,000 per month since September 1, 2018 as part of his role as Interim CFO
John Maduri	\$ 600,000	\$ 625,000	Mr. Maduri was promoted on August 1, 2018 to EVP, Chief Customer Officer, leading both the Consumer and Commercial lines of business
Steve Gable	\$ 470,000	\$ 500,000	Mr. Gable received a salary increase effective February 13, 2018
Kenneth W. Arndt	\$ 500,000	\$ 600,000	Mr. Arndt was promoted on August 1, 2018 to EVP, Chief Operations Officer, shifting responsibilities from leading Commercial Sales to leading Field Operations

**Bonus.** The Compensation Committee uses the Frontier Bonus Plan to provide cash incentives to executives, including the NEOs, based on the achievement of certain company metrics (Company Performance Goals) that may be adjusted for individual performance. The bonus pool is funded based solely on achievement of Company Performance Goals. An NEO's target bonus opportunity is expressed as a percentage of his or her annual base salary and represents the amount the NEO would receive if performance metrics are achieved at target. For 2018, each of Messrs. Maduri, Arndt, and Gable had a target bonus opportunity equal to 100% of his base salary. Excluding his bonus stipend, Mr. Bruha had a target bonus opportunity of 60% of his base salary. Mr. McCarthy's target bonus opportunity was 150% of his base salary. Potential bonus payouts could be from 0% for below-threshold performance, up to a maximum of 130% for outstanding performance, of each NEO's target bonus opportunity. Achievement of threshold performance would result in a payout of 70% of the target bonus opportunity, subject to the discretion of the Compensation Committee.

For 2018, the Compensation Committee revised the payout schedule to provide for quarterly payments and an annual payment. For each quarter, the NEO's target awards were 15% of the target award stated above and at the conclusion of the year, 40% of the target bonus could be earned as an annual incentive. This redesign was implemented to help retain our executives as well as to emphasize the importance of our short-term results. Because Mr. Bruha was SVP

and Treasurer at the applicable time, he was eligible to receive quarterly incentives, consistent with our bonus plan below the senior leadership team (SLT). As part of his Interim CFO compensation package, Mr. Bruha is entitled to receive a target bonus stipend of \$10,000 per month in addition to his typical annual incentive target of \$186,000.

All payments under the Plan were based on Performance Goals established at the Compensation Committee's December 2017 and January 2018 meetings. The Company Performance Goals were weighted in relation to Frontier's business plan (the Weighted Company Performance Goals). We include Net Experience Score in the Weighted Company Performance Goals because customer experience is a strong driver of our business success. The Net Experience Score provides an incentive to continually improve our customer experience.

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## EXECUTIVE COMPENSATION

<b>2018 Weighted Company Performance Goals</b>	<b>Weighting</b>	
<b>Adjusted EBITDA Target</b>	50.0	%
<b>Operating Cash Flow Target</b>	25.0	%
<b>Revenue Target</b>	12.5	%
<b>Net Experience Score Target (a measure of customer experience)</b>	12.5	%
<b>Total</b>	<b>100</b>	<b>%</b>

The Compensation Committee also set a minimum performance threshold of 93% of the Adjusted EBITDA target and an overall threshold amount of 90% in order to achieve a payout under the 2018 Frontier Bonus Plan. Throughout the year, the Compensation Committee reviewed Frontier's performance against each of the targets, which is shown below. Payout for 2018 performance between levels is determined using an S curve where the further away from target performance the larger the performance adjustment.

Below is a table showing the quarterly and annual goals, performance and payouts for each of the NEOs along with a comparison to 2017 performance. Competition within the communications industry is intense. Technological advances as well as regulatory and legislative changes have enabled a wide range of historically non-traditional communications service providers to compete with traditional providers, including Frontier. More market participants are now competing to meet the telecommunications needs of the same customer base, thus increasing competitive pressures. Many of these service providers are not subject to the same regulations as traditional communications providers and have lower cost structures than we do. The industry has also experienced substantial consolidation in recent years. Many of our competitors are larger, have stronger brand recognition, and have more service offerings and greater financial resources than we currently do. All of these factors create downward pressure on the demand for and pricing of our services. While the annual 2018 revenue target is 2% below our actual 2017 revenue performance, due to the above factors we believe that our 2018 goals were set at a significant stretch level.

(\$ in millions)	<b>2018 Q1 Target</b>	<b>2018 Q2 Target</b>	<b>2018 Q3 Target</b>	<b>2018 Q4 Target</b>	<b>2018 Annual Target</b>	<b>2018 Annual Actual</b>	<b>2017 Actual Perf</b>
<b>Revenue</b>	\$ 2,242.9	\$ 2,235.7	\$ 2,231.7	\$ 2,237.8	\$ 8,948.0	\$ 8,611	\$ 9,128
<b>Adjusted EBITDA</b>	\$ 914.3	\$ 927.5	\$ 931.7	\$ 952.7	\$ 3,726.2	\$ 3,565	\$ 3,684
<b>Operating Cash Flow</b>	\$ 687.3	\$ 678.1	\$ 654.1	\$ 656.7	\$ 2,676.2	\$ 2,378	\$ 2,530
<b>Net Experience Score</b>	5.5	9.8	8.1	10.8	8.6	13.0	7.1
<b>Overall Performance</b>	102.1 %	97.3 %	95.9 %	98.1 %	98.3 %		
<b>Payout Percent</b>	103.2 %	95.6 %	92.7 %	97.2 %	97.6 %		0%
<b>2018 Bonus Payouts</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Annual</b>	<b>Total</b>	<b>2018 Target</b>
Daniel J. McCarthy	\$ 232,200	\$ 215,100	\$ 208,575	\$ 218,700	\$ 585,600	\$ 1,460,175	\$ 1,500,000
	\$ 29,326	\$ 44,454	\$ 52,376	\$ 74,358	n/a	\$ 200,514	\$ 305,000

Sheldon  
Bruha\*

John Maduri	\$ 92,880	\$ 86,040	\$ 86,906	\$ 91,125	\$ 244,000	\$ 600,951	\$ 625,000
Steve Gable	\$ 77,400	\$ 71,700	\$ 69,525	\$ 72,900	\$ 195,200	\$ 486,725	\$ 500,000
Kenneth W. Arndt	\$ 81,270	\$ 75,285	\$ 83,430	\$ 87,480	\$ 234,000	\$ 561,750	\$ 600,000

\* Mr. Bruha's bonus includes an additional target incentive of \$10,000 per month while serving as Interim CFO, beginning September 1, 2018; his 2018 target reflects the additional target incentive.

Long-Term Incentive Compensation

The Compensation Committee typically provides long-term incentives to our leadership, including our NEOs, through a combination of restricted share and performance share awards granted under our 2017 Equity Incentive Plan. Due to share constraints in our Equity Plan, the Compensation Commit