

CONSOLIDATED COMMUNICATIONS HOLDINGS, INC.

FORM 8-K (Current report filing)

Filed 11/27/17 for the Period Ending 11/27/17

Address	121 SOUTH 17TH STREET MATTOON, IL, 61938
Telephone	(217) 235-3311
CIK	0001304421
Symbol	CNSL
SIC Code	4813 - Telephone Communications (No Radiotelephone)
Industry	Integrated Telecommunications Services
Sector	Telecommunication Services
Fiscal Year	12/31

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): November 27, 2017

Consolidated Communications Holdings, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

000-51446
(Commission File Number)

02-0636095
(I.R.S. Employer Identification Number)

121 South 17th Street, Mattoon, Illinois 61938-3987

(Address of Principal Executive Offices) (Zip Code)

(217) 235-3311

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

On November 27, 2017, Consolidated Communications Holdings, Inc. (the “Company”) issued a press release announcing that it has entered into an agreement to sell its Virginia properties, Peoples Mutual Telephone Company and Peoples Mutual Long Distance Company, to RiverStreet Management Services, LLC, dba RiverStreet Networks, a subsidiary of Wilkes Communications. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933 or the Exchange Act, except as otherwise stated in such filing.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits****No. Description**

[99.1](#) Press Release dated November 27, 2017

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Consolidated Communications Holdings, Inc.

Date: November 27, 2017

By: /s/ Steven L. Childers
Steven L. Childers
Chief Financial Officer

EXHIBIT INDEX

No.	Description
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99.1	Press Release dated November 27, 2017
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Consolidated Communications Announces Definitive Agreement to Sell its Virginia Properties

MATTOON, Ill., Nov. 27, 2017 (GLOBE NEWSWIRE) -- Consolidated Communications Holdings, Inc. (NASDAQ:CNSL) (“Company”) has entered into an agreement to sell its Virginia properties, Peoples Mutual Telephone Company and Peoples Mutual Long Distance Company, to RiverStreet Management Services, LLC, dba RiverStreet Networks, a subsidiary of Wilkes Communications. The divestiture allows the Company to continue to focus on its core regions and its integration of FairPoint Communications.

Peoples operates as a local exchange carrier in Virginia to the communities of Gretna, Hurt, Renan and Sandy Level providing telecommunications services to residents and businesses.

The Company’s Virginia operations contributed approximately \$6.5 million of revenue in fiscal 2016. The agreement is an all cash transaction valued at approximately \$21 million, subject to certain contractual adjustments. The closing is subject to customary regulatory approvals, which are expected to be completed in the first quarter of 2018.

“We are very excited to enter into this agreement and expand our service area into Virginia strengthening our position as a technology partner in the region,” said Eric Cramer, president and chief executive officer of Wilkes Communications and RiverStreet Networks. “We look forward to serving the customers of Virginia and expect a seamless transition upon closing.”

Charlesmead Advisors, LLC, served as exclusive financial advisor to Consolidated Communications on the transaction.

About Consolidated Communications

Consolidated Communications Holdings, Inc. (NASDAQ:CNSL) is a leading broadband and business communications provider serving consumers, businesses of all sizes, and wireless companies and carriers, across a 24-state service area. Leveraging its advanced fiber optic network spanning more than 36,000 fiber route miles, Consolidated Communications offers a wide range of communications solutions, including: data, voice, video, managed services, cloud computing and wireless backhaul. Headquartered in Mattoon, Ill., Consolidated Communications has been providing services in many of its markets for more than a century.

About RiverStreet Networks

Headquartered in Wilkesboro, NC, Wilkes Communications started in 1951 as a local cooperative to serve rural Wilkes County, NC. After completing an award-winning Fiber-to-The-Home network to all of its members, RiverStreet Networks, a tradename of Wilkes Communications, was developed to offer the latest in technologies to areas outside of the traditional Cooperative market. Wilkes Communications and RiverStreet Networks now serve residential and commercial subscribers in parts of 26 counties in North Carolina with offerings including: high speed Internet, digital television, voice, security, VoIP and business systems.

Safe Harbor

The Securities and Exchange Commission (“SEC”) encourages companies to disclose forward-looking information so that investors can better understand a company’s future prospects and make informed investment decisions. Certain statements in this communication are forward-looking statements and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. These forward-looking statements reflect, among other things, our current expectations, plans, strategies, and anticipated financial results. There are a number of risks, uncertainties, and conditions that may cause our actual results to differ materially from those expressed or implied by these forward-looking statements. These risks and uncertainties include our ability to successfully integrate FairPoint Communications, Inc.’s operations and realize the synergies from the integration, as well as a number of factors related to our business, including economic and financial market conditions generally and economic conditions in our service areas; various risks to stockholders of not receiving dividends and risks to our ability to pursue growth opportunities if we continue to pay dividends according to the current dividend policy; various risks to the price and volatility of our common stock; changes in the valuation of pension plan assets; the substantial amount of debt and our ability to repay or refinance it or incur additional debt in the future; our need for a significant amount of cash to service and repay the debt and to pay dividends on our common stock; restrictions contained in our debt agreements that limit the discretion of management in operating the business; regulatory changes, including changes to subsidies, rapid development and introduction of new technologies and intense competition in the telecommunications industry; risks associated with our possible pursuit of acquisitions; system failures; cyber-attacks, information or security breaches or technology failure of ours or of a third party; losses of large customers or government contracts; risks associated with the rights-of-way for the network; disruptions in the relationship with third party vendors; losses of key management personnel and the inability to attract and retain highly qualified management and personnel in the future; changes in the extensive governmental legislation and regulations governing telecommunications providers and the provision of telecommunications services; new or changing tax laws or regulations; telecommunications carriers disputing and/or avoiding their obligations to pay network access charges for use of our network; high costs of regulatory compliance; the competitive impact of legislation and regulatory changes in the telecommunications industry; and liability and compliance costs regarding environmental regulations. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements are discussed in more detail in our filings with the SEC, including our reports on Form 10-K and Form 10-Q. Many of these circumstances are beyond our ability to control or predict. Moreover, forward-looking statements necessarily involve assumptions on our part. These forward-looking statements generally are identified by the words “believe,” “expect,” “anticipate,” “estimate,” “project,” “intend,” “plan,” “should,” “may,” “will,” “would,” “will be,” “will continue” or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of Consolidated Communications Holdings, Inc. and its subsidiaries to be different from those expressed or implied in the forward-looking statements. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements that appear throughout this communication. Furthermore, forward-looking statements speak only as of the date they are made. Except as required under the federal securities laws or the rules and regulations of the SEC, we disclaim any intention or obligation to update or revise publicly any forward-looking statements. You should not place undue reliance on forward-looking statements.

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