

VALOR COMMUNICATIONS GROUP INC

Form S-4/A

May 02, 2006

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Subject to completion, as filed with the Securities and Exchange Commission on May 2, 2006

Registration No. 333-132073

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2

to

Form S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

VALOR COMMUNICATIONS GROUP, INC.

(To be renamed Windstream Corporation)

(Exact Name of Registrant as Specified in Its Charter)

Delaware

*(State or Other Jurisdiction of
Incorporation or Organization)*

4813

*(Primary Standard Industrial
Classification Code Number)*

20-0792300

*(I.R.S. Employer
Identification Number)*

201 E. John Carpenter Freeway, Suite 200

Irving, Texas 75062

*(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive
Offices)*

William M. Ojile, Jr., Esq.

Senior Vice President,

Chief Legal Officer and Secretary

Valor Communications Group, Inc.

201 E. John Carpenter Freeway, Suite 200

Irving, Texas 75062

(972) 373-1000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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Approximate date of commencement of proposed sale to public: As soon as practicable following the effective date of this Registration Statement and the date on which all other conditions to the merger of Alltel Holding Corp. with and into Valor Communications Group, Inc. pursuant to the merger agreement described in the enclosed

document have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, par value \$0.0001 per share	404,651,478	N/A	\$3,738,979,656.72	\$400,070.83

(1) This Registration Statement relates to shares of common stock, par value \$0.0001 per share, of Valor Communications Group, Inc. issuable to holders of common stock, par value \$0.01, of Alltel Holding Corp. (Spinco) pursuant to the proposed merger of Spinco with and into Valor. The amount of Valor common stock to be registered represents the maximum number of shares of common stock that Valor will issue to holders of common stock of Spinco upon consummation of the merger based on a formula set forth in the merger agreement, which requires that Valor issue a number of shares of its common stock equal to the aggregate number of shares of Valor common stock issued and outstanding, on a fully diluted basis, as of the effective time of the merger, multiplied by 5.667. Because it is not possible to accurately state the number of shares of Valor common stock that will be outstanding as of the effective time of the merger, this calculation is based on 71,096,887 shares of Valor common stock outstanding as of April 1, 2006, plus 307,997 shares of common stock that remain available for issuance under Valor's 2005 Long-Term Incentive Plan (which represents all the shares that may be issued under any Valor equity incentive plan).

(2) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(f)(2) of the Securities Act, based on the book value (computed as of April 1, 2006, the most recent date for which such information is available) of the common stock of Spinco to be exchanged in the merger.

(3) Computed in accordance with Rule 457(f) and Section 6(b) under the Securities Act of 1933 by multiplying (A) the proposed maximum aggregate offering price for all securities to be registered by (B) 0.000107. \$398,157.78 was previously paid by the registrant in connection with the original filing of the Registration Statement on Form S-4 on February 28, 2006.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/ prospectus-information statement is not complete and may be changed. Valor Communications Group, Inc. may not distribute or issue the shares of Valor common stock being registered pursuant to this registration statement until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/ prospectus-information statement is not an offer to distribute these securities and Valor Communications Group, Inc. is not soliciting offers to receive these securities in any state where such offer or distribution is not permitted.

SUBJECT TO COMPLETION DATED MAY 2, 2006

**201 E. John Carpenter Freeway, Suite 200
Irving, Texas 75062**

[], 2006

To the Stockholders of Valor Communications Group, Inc.:

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

Valor will issue an aggregate number of shares of common stock to Alltel stockholders pursuant to the merger such that when the merger is completed, Alltel stockholders will collectively own approximately 85%, and Valor s stockholders will collectively own approximately 15%, of the shares of common stock of Windstream Corporation on a fully diluted basis. To achieve this result, the aggregate number of shares of Valor common stock that will be issued in the merger will be equal to 5.667 multiplied by the aggregate number of shares of Valor common stock outstanding on a fully diluted basis immediately prior to the effective time. **Therefore, this number and the value of the per share merger consideration Alltel Stockholders will receive will not be known until the effective time of the merger.** Although, based on its current shares outstanding, Valor expects to issue approximately 405,000,000 shares of common stock to Alltel stockholders in the aggregate, or approximately 1.04 shares of common stock per each share of Alltel common stock held by Alltel stockholders, pursuant to the merger, any increase or decrease in the number of shares of Valor common stock outstanding that occurs for any reason prior to the effective time of the merger would cause these numbers to change. Therefore, we cannot provide a minimum or maximum number of shares that will be issued in the merger. In all cases, however, the amount of shares to be issued will yield the 85/15 relative post-merger ownership percentage described above. Based on the closing price of Valor common stock on April 28, 2006 of \$13.05, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.57 per each share of Alltel common stock they own on [], 2006 (the record date for the spin-off). However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive to also change. The number of shares of Valor common stock to be issued to Alltel stockholders in the merger will not be adjusted as a result of fluctuations in the market price of Valor common stock. For a more complete discussion of the calculation of the number of shares of Valor common stock to be issued pursuant to the merger, see the section titled The Transactions Calculation of Merger Consideration on page [] of the accompanying proxy statement/ prospectus-information statement. Before Valor may issue these shares the Valor certificate of incorporation must be amended to increase the authorized shares of Valor common stock from 200,000,000 to 2,000,000,000. Existing shares of Valor common stock will remain outstanding.

We cordially invite you to attend the annual meeting of Valor stockholders to be held on [], 2006 at [], at [], local time. At the annual meeting, we will ask you to consider and vote on proposals to adopt and approve the merger agreement and the transactions contemplated thereby. You will also be asked to elect directors and act on other matters normally considered at Valor's annual meeting. **The Board of Directors of Valor has unanimously approved the merger agreement and unanimously recommends that the Valor stockholders vote FOR the proposals to (i) adopt the merger agreement, (ii) approve the amendment of the organizational documents of Valor Communications Group, Inc. in their entirety pursuant to the merger, and (iii) approve the issuance of Valor common stock pursuant to the merger, each of which is necessary to effect the merger, as well as FOR the adoption of the 2006 Equity Incentive Plan (which is conditioned upon stockholder approval of the merger proposals), the Board's nominees for director and the ratification of Valor's independent auditors.**

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

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

The accompanying proxy statement/ prospectus-information statement explains the merger, the merger agreement and the transactions contemplated thereby and provides specific information concerning the annual meeting. **Please review this document carefully. You should consider the matters discussed under the heading **Risk Factors Risks Relating to the Spin-Off and the Merger** on page 21 of the accompanying proxy statement/ prospectus-information statement before voting.**

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

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

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

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

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

[], 2006

To the Stockholders of Alltel Corporation:

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

It is presently estimated that approximately 1.04 shares of Valor common stock will be issued to Alltel stockholders for each share of Spinco common stock they are entitled to receive on the distribution date. However, this amount will be calculated based on the fully diluted number of shares of Valor common stock. Stock outstanding immediately prior to the effective time of the merger and Alltel common stock outstanding on [], 2006, the record date for the spin-off, and therefore will not be finally determined until the effective time. As a result, the estimated ratio of 1.04 shares of Valor common stock for each share of Alltel common stock would change to the extent the number of shares of Alltel common stock or Valor common stock outstanding changes for any reason prior to these times. In all cases, however, when the merger is completed, Alltel's stockholders will collectively own approximately 85%, and Valor's stockholders will collectively own approximately 15%, of the shares of common stock of Windstream Corporation on a diluted basis. Based on the closing price of Valor common stock on April 28, 2006 of \$13.05, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.57 per each share of Alltel common stock they own on the record date for the spin-off. However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive in the merger to also change. A more complete discussion of the calculation of the number of shares of Valor common stock to be issued pursuant to the merger is contained in the accompanying proxy statement/prospectus-information statement. You and all other holders of Alltel common stock will not be required to pay for the shares of Valor common stock you receive and you will also retain all of your shares of Alltel common stock.

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

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

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

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

Sincerely,

Scott T. Ford
President and Chief Executive Officer

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

To the Stockholders of Valor Communications Group, Inc.:

The annual meeting of stockholders of Valor Communications Group, Inc. will be held on [], 2006 at [], at [], local time. The annual meeting is being held for the following purposes:

1. to adopt the Agreement and Plan of Merger, dated as of December 8, 2005, as such may be amended from time to time (the Merger Agreement), by and among Alltel Corporation, Alltel Holding Corp. (Spinco) and Valor Communications Group, Inc., pursuant to which (i) Spinco will merge with and into Valor, after which Valor will survive as a stand-alone company and will hold and conduct the combined business operations of Valor and Spinco and (ii) Valor will issue an aggregate number of shares in the merger equal to 5.667 multiplied by Valor 's total number of shares of common stock outstanding on a fully diluted basis immediately prior to the merger, which we expect to equal approximately 405,000,000 shares;

2. To approve the amendment of the certificate of incorporation and bylaws of Valor, to read in their entirety in the forms attached to this document as Annex E and Annex F, respectively, with the following sub-proposals:

2A a proposal to approve the increase of the authorized number of shares of Valor common stock from 200,000,000 to 2,000,000,000; and

2B a proposal to divide the board of directors into three classes with each class consisting, as nearly as possible, of one-third of the total number of directors constituting the entire board of directors.

3. to approve the issuance of up to 405,000,000 shares of Valor common stock to Alltel stockholders in accordance with the terms of the Merger Agreement;

4. to adopt and approve the 2006 Equity Incentive Plan, a copy of which is attached as Annex G to this proxy statement/ prospectus-information statement;

5. to elect eleven (11) directors to serve until the 2007 Annual Meeting of Stockholders or until their successors are duly elected and qualified or until their earlier removal, resignation or death;

6. to ratify the appointment of Deloitte & Touche LLP as Valor 's independent registered public accounting firm for the fiscal year ending December 31, 2006 or until their earlier removal or termination;

7. to adjourn the annual meeting, if necessary, to solicit additional proxies for the adoption of the merger agreement, approval of the amendment to the Certificate of Incorporation and Bylaws of Valor pursuant to the merger or approval of the issuance of shares of Valor common stock pursuant to the merger; and

8. to transact any and all other business that may properly come before the annual meeting or any adjourned session of the annual meeting.

THE PROPOSALS SET FORTH IN ITEMS ONE THROUGH THREE ABOVE (INCLUDING EACH SUB-PROPOSAL) ARE CONDITIONED ON THE OTHER TWO AND APPROVAL OF EACH IS REQUIRED FOR COMPLETION OF THE MERGER. The proposal set forth in item four is conditioned upon the approval of the first three items. Furthermore, you should be aware that if the merger is completed, then by virtue of the merger the persons elected at the annual meeting to serve as directors shall be replaced by the persons who serve as directors of Spinco immediately prior to the merger. It is currently anticipated that Valor 's post-merger Board of Directors will consist of the following nine persons: Jeffery R. Gardner (who most recently served as Alltel 's Executive Vice President Chief Financial Officer), Francis X. Frantz (who most recently served as Alltel 's Executive

Vice President External Affairs, General Counsel and Secretary), six directors designated by Alltel (one of whom will be Dennis E. Foster, a current director of Alltel) and Anthony J. de Nicola (the current Chairman of Valor's Board of Directors). You should also be aware that if the merger is completed, PricewaterhouseCoopers LLP will

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become Valor's post-merger independent registered public accounting firm for the fiscal year ending December 31, 2006.

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

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

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

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

By Order of the Board of Directors,

Irving, Texas

[], 2006

YOUR VOTE IS VERY IMPORTANT

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

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REFERENCES TO ADDITIONAL INFORMATION

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

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

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

See "Where You Can Find Additional Information" for more information about the documents referred to in this proxy statement/ prospectus-information statement.

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

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

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

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QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS

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

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

Q: What will happen in the spin-off?

A: First, Alltel will contribute its wireline telecommunications business to Spinco in exchange for, among other things, a special dividend in the aggregate amount of approximately \$2.4 billion and the distribution by Spinco to Alltel of certain Spinco debt securities, which Alltel intends to exchange for outstanding Alltel debt securities or otherwise transfer to Alltel's creditors representing approximately \$1.538 billion in debt reduction to Alltel. As the sole stockholder of Spinco, Alltel will receive 100% of the special dividend. After the contribution and immediately prior to the merger, Alltel will spin-off Spinco by distributing all of the shares of Spinco common stock to a third-party exchange agent to be held for the benefit of Alltel stockholders on a pro rata basis. Such shares will be immediately converted into that number of shares of Valor common stock Alltel stockholders will be entitled to receive in the merger. As a result, Alltel stockholders will never hold Spinco securities.

Q: What will happen in the merger?

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

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

A: As a result of the merger, it is currently estimated that Alltel stockholders will be entitled to receive approximately 1.04 shares of Valor common stock for each share of Alltel common stock that they own as of [], 2006, the record date for the spin-off. However, this amount will be finally determined at the effective time of the merger based on Valor shares outstanding immediately prior to the effective time and Alltel shares outstanding on the record date for the spin-off, and therefore will change to the extent that Valor or Alltel's shares outstanding at such times are not the same as our estimates due to increases or decreases in share amounts for any reason. Based on the closing price of Valor common stock on April 28, 2006 of \$13.05, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.57 per each share of Alltel common stock they own on the record date for the spin-off. However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive in the merger to also change. No fractional shares of Valor common stock will be issued to Alltel stockholders in the merger. Alltel stockholders that otherwise would be entitled to a fraction of a

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

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Q: What should Alltel stockholders do now?

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

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

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

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

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

A: By virtue of the merger, Windstream will assume \$261.0 million in Alltel debt on a consolidated basis and \$400.0 million in outstanding Valor debt securities. Windstream will also borrow approximately \$781.0 million under its new senior secured credit facility in order to prepay the amounts outstanding under Valor's existing credit facility. These amounts, together with the \$3.965 billion in financings consummated by Spinco prior to the merger and certain expenses related to the transaction, will result in Windstream having approximately \$5.5 billion in total debt immediately following completion of the merger. It is expected that Windstream will use proceeds from its new senior secured credit facilities to refinance approximately \$81.0 million of Alltel's outstanding bonds (plus an additional approximately \$9.5 million in related make-whole premiums) and to purchase any of Valor's outstanding bonds that may be tendered pursuant to the terms thereof as a result of the merger. However, no Valor bonds are expected to be tendered as a result of the merger as their current trading price exceeds the put price. The trading price of the bonds was \$106.05 as of April 3, 2006 versus a put price of \$101.

Q: Does Valor's Board support the merger?

A: Yes. The Valor Board of Directors has unanimously approved the merger agreement and the merger and unanimously recommends that Valor stockholders vote FOR the proposals to adopt the merger agreement, to approve the amendment of Valor's organizational documents in their entirety pursuant to the merger, including the sub-proposals to increase the authorized shares of Valor common stock and to implement a classified board of directors, to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger and to adopt the 2006 Equity Incentive Plan.

Q: How will my rights as a Windstream stockholder after the merger differ from my current rights as a Valor stockholder?

A: After the merger, your rights as a stockholder will be governed by the amended and restated certificate of incorporation and the restated bylaws, attached to this document as Annex E and Annex F, respectively, rather than the current certificate of incorporation and bylaws of Valor. A comparison of the differences of your rights as a stockholder under these two governing documents is discussed in the section titled "Comparison of the Rights of Valor Stockholders Before and After the Spin-Off and Merger" starting on page [] of this proxy statement/prospectus-information statement.

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Q: What will happen to Valor's dividend policy as a result of the merger?

A: The merger agreement provides that the initial dividend policy of Windstream (which may be changed at any time by Windstream's Board of Directors) will provide for the payment, subject to applicable law, of regular quarterly dividends on each issued and outstanding share of common stock of \$0.25 per share. See "The Transactions" Dividend Policy.

Q: What are the material tax consequences to Valor stockholders and Alltel stockholders resulting from the spin-off and the merger?

A: The merger will be tax-free to Valor stockholders. Alltel stockholders will not recognize any gain or loss for U.S. federal income tax purposes as a result of the spin-off or the merger, except for any gain or loss attributable to the receipt of cash in lieu of a fractional share of Valor common stock. The material U.S. federal income tax consequences of the spin-off and the merger are described in more detail under "Certain United States Federal Income Tax Consequences of the Spin-Off and the Merger" on page [].

Q: Are there risks associated with the merger?

A: Yes. We may not achieve the expected benefits of the merger because of the risks and uncertainties discussed in the section titled "Risk Factors" starting on page [] and the section titled "Special Note Concerning Forward-Looking Statements" starting on page []. Those risks include, among other things, risks relating to the uncertainty that we will be able to integrate the existing Valor business with the Spinco business successfully and uncertainties relating to the performance of the businesses following the completion of the merger.

Q: What should Valor stockholders do now?

A: After carefully reading and considering the information contained in this proxy statement/ prospectus-information statement, Valor stockholders should vote their shares as soon as possible so that their shares will be represented and voted at the Valor annual meeting. Please follow the instructions set forth on the enclosed proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker or other nominee.

Q: Have any stockholders already agreed to vote for the merger?

A: Yes. Holders of approximately 41% of Valor common stock have agreed to vote for the adoption of the merger agreement and have signed a Voting Agreement with Spinco to that effect.

Q: How do Valor stockholders vote?

A: Valor stockholders may vote before the annual meeting in one of the following ways:

use the toll-free number, if any, shown on your proxy card;

visit the website, if any, shown on your proxy card to submit a proxy via the Internet; or

complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope.

Q: What if a Valor stockholder does not vote on the matters relating to the merger?

- A: If you are a Valor stockholder and you fail to respond with a vote or fail to instruct your broker or other nominee how to vote on the proposals to adopt the merger agreement, to approve the amendment of Valor's organizational documents in their entirety pursuant to the merger, including the sub-proposals to increase the authorized shares of Valor common stock and to implement a classified board of directors, and to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger, it will have the same effect as a vote against these proposals, each of which (including the sub-proposals) must be approved for the merger to occur. If you respond and abstain from voting, your proxy will have the same effect as a vote against these proposals. If you respond but do not indicate how you want to vote on the proposals, your proxy will be counted as a vote in favor of these proposals.

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Q: What stockholder approvals are needed in connection with the merger?

A: The merger cannot be completed unless the merger agreement is adopted, the amendment of Valor's organizational documents in their entirety pursuant to the merger, including the sub-proposals to increase the authorized shares of Valor common stock and to implement a classified board of directors, is approved and the issuance of Valor common stock to Alltel stockholders pursuant to the merger is approved by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of Valor common stock entitled to vote at the annual meeting. No vote of Alltel stockholders is required or being sought in connection with the spin-off transaction or the merger.

Q: Why are Valor stockholders being asked to approve the 2006 Equity Incentive Plan?

A: Valor stockholders are being asked to approve the 2006 Equity Incentive Plan to ensure that upon completion of the merger, Windstream has in place an equity incentive plan that will enable it to address equity incentives for the management of Windstream in a timely manner.

As of April 1, 2006, a total of 307,997 shares of our common stock remain available for awards under our 2005 Long-Term Equity Incentive Plan (the 2005 Plan), adopted in February 2005. Windstream will be a considerably larger company than Valor was at the time of the adoption of the 2005 Plan and will correspondingly have more key employees. As a result, to ensure that Windstream has adequate means to provide equity incentive compensation for its employees thereafter, the Board of Directors deems it to be in the best interests of Valor for its stockholders to approve the adoption of the 2006 Equity Incentive Plan.

Q: Who can vote at the Valor annual meeting?

A: Holders of Valor common stock can vote their shares at the annual meeting if they are holders of record of those shares at the close of business on [], 2006, the record date for the annual meeting.

Q: When and where is the annual meeting of Valor stockholders?

A: The annual meeting of Valor stockholders will be held at [] on [], 2006 at [], at [], local time.

Q: If I am not going to attend the annual meeting, should I return my proxy card(s)?

A: Yes. Returning your proxy card(s) ensures that your shares will be represented at the annual meeting, even if you are unable to or do not attend.

Q: Can Valor stockholders change their vote after they mail their proxy card?

A: Yes. If you are a holder of record of Valor common stock and have properly completed and submitted your proxy card, you can change your vote in any of the following ways:

by sending a written notice to the corporate secretary of Valor that is received prior to the annual meeting stating that you revoke your proxy;

by properly completing a new proxy card bearing a later date and properly submitting it so that it is received prior to the annual meeting;

by logging onto the Internet website specified on your proxy card in the same manner you would to submit your proxy electronically or by calling the telephone number specified on your proxy card prior to the annual meeting, in each case if you are eligible to do so and following the instructions on the proxy card; or

by attending the annual meeting and voting in person.

Simply attending the annual meeting will not revoke a proxy.

If you are a Valor stockholder whose shares are held in street name by your broker and you have directed such person to vote your shares, you should instruct such person to change your vote.

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Q: If my Valor shares are held in street name by my broker, will my broker vote my shares for me?

A: Your broker will vote your Valor shares only if you provide instructions on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Without instructions, your shares will not be voted, which will have the effect of a vote against the adoption of the merger agreement, the approval of the amendment and restatement of Valor's organizational documents pursuant to the merger, including the sub-proposals to increase the authorized shares of Valor common stock and to implement a classified board of directors and the approval of the issuance of Valor common stock to Alltel stockholders pursuant to the merger.

Q: Can Alltel or Valor stockholders demand appraisal of their shares?

A: No. Neither Alltel nor Valor stockholders have appraisal rights under Delaware law in connection with the spin-off, the merger or the transactions contemplated thereby.

Q: When will the merger be completed?

A: We are working to complete the merger as quickly as possible. If approved by the Valor stockholders, we hope to complete the merger as early as the third quarter of 2006. However, it is possible that factors outside our control could require us to complete the merger at a later time or not complete it at all. For a discussion of the conditions to the merger see Merger Agreement Conditions to Merger beginning on page [].

Q: Who can answer my questions?

A: If you are a Valor stockholder and you have any questions about the merger, the annual meeting, or if you need assistance in voting your shares, please contact:

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

If you are an Alltel stockholder and you have any questions regarding the distribution of Spinco shares, the merger or any matter described in this proxy statement/ prospectus-information statement, please direct your questions to:

Investor Relations Department
Alltel Corporation
One Allied Drive
Little Rock, Arkansas 72202
Tel: (877) 446-3682
Email address: alltel.investor.relations@alltel.com

In addition, if you have questions about the merger or if you need additional copies of this proxy statement/ prospectus-information statement you may also contact:

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

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SUMMARY

This summary highlights selected information from this proxy statement/ prospectus-information statement and may not contain all of the information that is important to you. To understand the transactions fully and for a more complete description of the legal terms of the spin-off and the merger, you should carefully read this entire proxy statement/ prospectus-information statement and the other documents to which we refer you, including in particular the copies of the merger agreement, the distribution agreement and the voting agreement, and the opinions of Wachovia Securities and Bear, Stearns & Co. Inc. that are attached to this proxy statement/ prospectus-information statement as Annexes A, B, C, D-1 and D-2, respectively. See also Where You Can Find Additional Information on page []. We have included page references parenthetically to direct you to a more complete description of the topics presented in this summary.

This proxy statement/ prospectus-information statement is:

a prospectus of Valor Communications Group, Inc. relating to the issuance of shares of Valor Communications Group, Inc. common stock in connection with the merger;

a prospectus of Alltel Holding Corp. relating to the distribution of shares of its common stock to a third-party exchange agent for the benefit of Alltel stockholders in the spin-off;

a proxy statement of Valor Communications Group, Inc. for use in the solicitation of proxies for Valor's annual meeting; and

an information statement of Alltel Corporation relating to the spin-off of the shares of Spinco common stock to Alltel stockholders.

The Companies (page [])

Valor Communications Group, Inc.

Valor Communications Group, Inc.

201 E. John Carpenter Freeway, Suite 200

Irving, Texas 75062

Valor Communications Group, Inc. (also referred to herein as Valor) is one of the largest providers of telecommunications services in rural communities in the southwestern United States and, based on the number of telephone lines it has in service, the seventh largest independent telephone company in the country. As of December 31, 2005, Valor operated 518,456 telephone access lines in primarily rural areas of Texas, Oklahoma, New Mexico and Arkansas. Valor believes that in many of its markets it is the only service provider that offers customers an integrated package of local and long distance voice, high-speed data and Internet access as well as a variety of enhanced services such as voicemail and caller identification. Valor generated revenues of \$505.9 million and net income of \$35.3 million in the year ended December 31, 2005.

Valor was formed in connection with the acquisition in 2000 of select telephone assets from GTE Southwest Corporation, which is now part of Verizon. Valor's formation was orchestrated by its equity sponsors Welsh, Carson, Anderson & Stowe, or WCAS, Vestar Capital Partners, Citicorp Venture Capital and a group of founding individuals. Valor completed its initial public offering of shares of common stock on February 9, 2005 and its shares began trading on the NYSE under the symbol VCG.

Alltel Holding Corp.

Alltel Holding Corp.

One Allied Drive

Little Rock, AR 72202

Alltel Holding Corp. (also referred to herein as Spinco) is currently a wholly-owned subsidiary of Alltel Corporation (also referred to herein as Alltel) and was incorporated in its current form as a Delaware corporation on November 2, 2005 to hold Alltel's wireline telecommunications business. Alltel's wireline telecommunications business is currently operated by certain of its subsidiaries, each of which will be

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transferred to Spinco prior to the closing of the spin-off and the merger. These subsidiaries provide wireline local, long-distance, network access and Internet services. These subsidiaries also sell and warehouse telecommunications products, publish telephone directories for affiliates and other independent telephone companies. This proxy statement/ prospectus-information statement describes Spinco as if it held the subsidiaries and other assets that will be transferred to it prior to closing for all historical periods presented.

Spinco generated revenues and sales of \$2,923.5 million and net income of \$374.3 million in the year ended December 31, 2005.

The Annual Meeting (page [])

The annual meeting of Valor stockholders will take place on [], 2006 at [], at [], local time. At the annual meeting, Valor stockholders will be asked to consider and vote on proposals to adopt the merger agreement, to approve the amendment of Valor's organizational documents in their entirety pursuant to the merger, including sub-proposals to increase the authorized shares of Valor common stock and to implement a classified board of directors, to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger and to adopt the 2006 Equity Incentive Plan. Other matters to be acted on at the annual meeting are the election of directors, ratification of Valor's independent auditors and such other matters as may properly come before the meeting.

Annual Meeting Record Date; Voting Information (page [])

Valor stockholders are entitled to vote at the annual meeting if they owned shares of Valor common stock at the close of business on [], 2006, the annual meeting record date.

As of the annual meeting record date, approximately [] shares of Valor common stock were issued and outstanding and entitled to vote at the annual meeting and there were [] holders of record of Valor common stock. Each share of Valor common stock entitles the holder to one vote at the annual meeting.

Required Vote (page [])

The affirmative vote of a majority of the voting power of the outstanding shares of Valor common stock entitled to vote on the proposals voting together as a single class is required to adopt the merger agreement, to approve the amendment of Valor's organizational documents in their entirety pursuant to the merger, including the sub-proposals to increase the authorized shares of Valor common stock and to implement a classified board of directors, and to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger. The adoption of the 2006 Equity Incentive Plan and the ratification of the appointment of Valor's independent auditors requires the affirmative vote of a majority of the votes represented and entitled to vote on each such matter, and directors shall be elected by a plurality of the votes represented and entitled to vote on the matter.

Voting by Valor Management (page [])

Certain stockholders of Valor have entered into a Voting Agreement with Alltel whereby they have agreed to vote or cause to be voted all of the Valor shares they own in favor of the adoption of the merger agreement. For more information regarding the Voting Agreement see "The Voting Agreement" beginning herein at page []. In addition, Valor's directors and executive officers have either entered into this agreement with Alltel in their capacity as a stockholder of Valor or have otherwise indicated they intend to vote their Valor common shares in favor of the merger proposals. These stockholders and Valor's executive officers and directors together hold an aggregate of approximately 42% of the aggregate number of votes entitled to be cast at the annual meeting.

The Transactions (page [I])

On December 9, 2005, Alltel and Valor announced they entered into a transaction providing for the spin-off of Alltel's wireline telecommunications business and the merger of such business with and into Valor.

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Below is a step-by-step list illustrating the sequence of material events relating to the spin-off of Spinco and merger of Spinco and Valor. Each of these events are discussed in more detail throughout this proxy statement/prospectus-information statement. Each of following events will occur contemporaneously on the closing date of the merger except for Step 1, which will occur approximately four to six weeks prior to closing of the merger, and Steps 9 and 10, which will occur promptly following the closing of the merger.

Step 1 Alltel will engage in a series of restructuring transactions to effect the transfer to Spinco's subsidiaries of all of the assets relating to Alltel's wireline telecommunications business and the transfer to Alltel of all assets not relating to such business.

Step 2 Alltel will contribute all of the capital stock of the Spinco subsidiaries to Spinco in exchange for (i) that number of shares of Spinco common stock to be distributed to a third party exchange agent for the benefit of Alltel shareholders in the spin-off, and (ii) the issuance of the exchange notes by Spinco to Alltel.

Step 3 Spinco will enter into a new senior secured credit facility providing commitments for borrowings in an amount up to \$4.2 billion.

Step 4 Spinco will pay a special dividend to Alltel in an amount not to exceed Alltel's tax basis in Spinco (which equals approximately \$2.4 billion as of June 30, 2005).

Step 5 Alltel will spin-off Spinco by distributing all of the shares of Spinco common stock to a third-party exchange agent to be held for the benefit of Alltel stockholders on a pro rata basis.

Step 6 Alltel exchanges the exchange notes received from Spinco for outstanding Alltel debt securities or otherwise transfers such exchange notes to Alltel's creditors representing approximately \$1.538 billion in debt reduction to Alltel.

Step 7 Shares of Spinco common stock held by the exchange agent will be converted into that number of shares of Valor common stock that Alltel stockholders will be entitled to receive in the merger.

Step 8 Spinco will merge with and into Valor and the exchange agent will issue shares of Valor common stock to Alltel stockholders in accordance with the terms of the merger agreement.

Step 9 Valor will change its name to Windstream Corporation and its common stock will be quoted on the New York Stock Exchange under the symbol "WIN".

Step 10 Windstream may issue up to an additional \$800 million in debt securities in a private placement pursuant to Rule 144A of the Securities Act of 1933, which will reduce dollar-for-dollar the commitments under its senior secured credit facility.

The Spin-Off (page []))

In the spin-off, Alltel will contribute its wireline telecommunications business to Spinco in exchange for: the issuance to Alltel of Spinco common stock to be distributed in the spin-off,

the payment of a special dividend to Alltel in an amount not to exceed Alltel's tax basis in Spinco (which equals approximately \$2.4 billion as of June 30, 2005), which Alltel will use to repurchase stock pursuant to a special stock buyback program authorized by the Alltel Board of Directors in connection with the spin-off, to repay outstanding indebtedness, or both, within one year following the spin-off, and

the distribution by Spinco to Alltel of certain Spinco debt securities (which we will refer to as the exchange notes), which Alltel intends to exchange for outstanding Alltel debt securities or otherwise transfer to Alltel's creditors, representing approximately \$1.538 billion in debt reduction to Alltel.

As a result of the transactions, Alltel will receive approximately \$4.2 billion of combined cash proceeds and debt reduction through the special dividend, the distribution of the exchange notes and the assumption by Windstream on a consolidated basis of approximately \$261 million in existing Spinco debt securities.

After the contribution and immediately prior to the merger, Alltel will spin-off Spinco by distributing all of the shares of Spinco common stock to a third-party exchange agent to be held for the benefit of Alltel

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stockholders on a pro rata basis. Such shares will be immediately converted into that number of shares of Valor common stock. Alltel stockholders will be entitled to receive in the merger. As a result, Alltel stockholders will never hold shares of Spinco common stock.

The Merger (page []))

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

It is presently estimated that Alltel stockholders will receive approximately 1.04 shares of Windstream common stock for each share of Alltel common stock they own on [], 2006, the record date for the spin-off. However, this amount is subject to change based on the number of shares of Alltel common stock outstanding on such date and Valor common stock outstanding immediately prior to the effective time of the merger. In any event, upon consummation of the merger, on a diluted basis, 85% of Windstream will collectively be held by Alltel common stockholders and 15% will collectively be held by the stockholders of Valor. Based on the closing price of Valor common stock on April 28, 2006 of \$13.05, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.57 per each share of Alltel common stock they own on the record date for the spin-off. However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive in the merger to also change. For a more complete discussion of the calculation of the number of shares of Valor common stock to be issued in the merger, see the section titled The Transactions Calculation of Merger Consideration on page [] of this proxy statement/ prospectus-information statement. Holders of Alltel common stock will not be required to pay for the shares of Valor common stock they receive and will also retain all of their shares of Alltel Corporation. Existing shares of Valor common stock will remain outstanding.

Valor Board of Directors Recommendation to Valor Stockholders (page []))

The Valor Board of Directors has unanimously determined that the merger is advisable and fair to, and in the best interests of, Valor and its stockholders and unanimously recommends that Valor stockholders vote **FOR** the proposals to adopt the merger agreement, to approve the amendment of Valor's organizational documents in their entirety pursuant to the merger, including the sub-proposals to increase the authorized shares of Valor common stock and to implement a classified board of directors, to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger and to adopt the 2006 Equity Incentive Plan and, if necessary, to adjourn the annual meeting to solicit additional proxies for the merger proposals.

Valor's Reasons for the Merger (page []))

In recommending the merger to Valor stockholders, the Valor Board of Directors considered Valor's current and historical financial condition and results of operations as well as its future prospects and strategic objectives. The Board of Directors examined the potential impact of industry trends and risks facing Valor and the industry as a whole on such prospects and objectives. The Board of Directors reviewed the strategic options available to Valor, both potential transaction opportunities and remaining as a separate public company and the risk associated with each option. The Board of Directors authorized management to explore potential transactions and Valor's senior management subsequently began discussions with Alltel.

In the course of their discussions, both Valor and Alltel recognized that a merger of Alltel's wireline business with Valor could potentially have substantial strategic and financial benefits. The Board considered issues such as the amount of debt that the merged company would assume and the agreements between Spinco and Alltel. The pro forma capital structure of Windstream will produce lower debt leverage, lower cost of capital and a lower dividend payout ratio than Valor, all of which should reduce the overall financial risk of the combined company. With respect to the agreements between Alltel and Spinco, the Valor Board examined

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those arrangements in total, and determined that the overall financial impact of those arrangements was not disadvantageous to Spinco. Upon completion of the merger, we expect that Windstream stock will trade at a modest premium over Valor's current share price. Furthermore, Valor's current stockholders may have an opportunity to improve their long-term returns by holding shares of Windstream which we expect will be a leading rural wireline telephone company and one of the largest local telecommunications carriers in the United States.

Opinion of Financial Advisors (page [])

In deciding to approve the merger, the Valor Board of Directors considered separate opinions delivered to it by its financial advisors Wachovia Securities and Bear, Stearns & Co. Inc.

Each of Wachovia Securities and Bear Stearns delivered its opinion to the Valor Board of Directors, which opinions were subsequently confirmed in writing, that as of December 8, 2005, and based upon and subject to the factors, qualifications, judgments and assumptions set forth therein, the aggregate consideration to be issued by Valor in the merger is fair, from a financial point of view, to Valor and its stockholders.

The full text of the written opinions of each of Wachovia Securities and Bear Stearns, which set forth assumptions made, procedures followed, matters considered and qualifications and limitations on the review undertaken in connection with its opinion, is attached to this proxy statement/ prospectus-information statement as Annexes D-1 and D-2, respectively. Each of Wachovia Securities and Bear Stearns provided its opinion for the information and assistance of the Valor Board of Directors in connection with their consideration of the transactions contemplated by the merger agreement and the distribution agreement. Neither opinion is a recommendation as to how any holder of Valor common stock should vote with respect to the transactions contemplated by the merger agreement. As is customary, both Wachovia Securities and Bear Stearns will receive a fee for their services. Wachovia Securities will receive a fee of \$6,000,000 for its services, \$750,000 of which was payable upon delivery of its fairness opinion and \$5,250,000 of which is payable upon consummation of the merger. For investment banking and other financial advisory services rendered to Valor over the past two years (other than fees in connection with the merger), Valor has paid Wachovia Securities \$4.75 million. For investment banking and other financial advisory services rendered to Alltel over the past two years, Alltel has paid Wachovia Securities \$6.4 million. Bear Stearns received a fee of \$1 million for its services, none of which was contingent upon the successful completion of the merger. Bear Stearns had been previously engaged by Valor to provide certain investment banking and other services. In connection with such services Bear Stearns has received compensation of approximately \$1.1 million during the past two years. Valor encourages its stockholders to read these opinions in their entirety. Alltel has not engaged Bear Stearns for investment banking or other financial advisory services over the past two years.

Alltel's Reasons for the Spin-Off and the Merger (page [])

In reaching its decision to approve the spin-off and merger, the Alltel board of directors consulted with its financial and legal advisors and considered a wide variety of factors, including the following:

the creation of skilled management teams at both Alltel and Windstream having proven track records of delivering financial results, a great breadth of experience in the communications industry, and a deep commitment to providing quality communications services to customers;

the expectation that Alltel will receive cash proceeds and debt reduction totaling about \$4.2 billion resulting from the spin-off, which will result in Alltel having net debt of about \$1.2 billion and having leverage of about 0.5 times net debt (or consolidated indebtedness less cash and cash equivalents) to operating income before depreciation and amortization;

the potential value, as determined by evaluating pre and post transaction discounted cash flows, EBITDA, yield, and other measures of the pre and post transaction wireline businesses, created for Alltel stockholders who collectively, in the aggregate, will hold approximately 85% of the outstanding shares of Windstream immediately following the merger and the perceived strong investor demand for both a pure-play wireless company and a pure-play rural wireline company;

Alltel's and Valor's wireline businesses have complementary geographic footprints with favorable rural characteristics, and their integration will benefit from Alltel's existing billing system outsourcing

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relationship with Valor providing the potential to create a market leader in the rural wireline telecommunications industry;

the potential positive financial impact resulting from such a combination (including, without limitation, an expected gain of \$40 million in net annual synergies from the combination) the benefit of which would be passed on to Alltel stockholders through the spin-off and merger;

the tax-efficient structure for Alltel and Alltel's stockholders of the proposed spin-off and immediate merger of Spinco with and into Valor; and

the expectation that Windstream will pay an annual dividend of \$1 per share of common stock, which equals \$1.04 per equivalent Alltel share.

The Alltel board of directors also considered certain countervailing factors in its deliberations concerning the spin-off and merger, including the possibility that the anticipated benefits expected to result for Windstream from the merger would fail to materialize and the potential impact that would have on Alltel stockholders receiving Windstream common shares in the transaction.

As a result of the consideration of the foregoing and other relevant considerations, the Alltel board of directors determined that the spin-off and merger, including the terms of the merger agreement, distribution agreement and the other agreements relating to the merger, are fair to, and in the best interests of, Alltel and Alltel stockholders.

Interests of Certain Persons in the Merger (page [])

In considering the Valor Board of Directors' determination to approve the merger agreement and to recommend that Valor stockholders vote to adopt the merger agreement, to approve the amendment of the Valor organizational documents in their entirety pursuant to the merger increasing the authorized shares of Valor common stock and implementing a classified board of directors to approve the issuance of Valor common stock to Alltel stockholders pursuant to the merger and to adopt the 2006 Equity Incentive Plan, Valor stockholders should be aware of potential conflicts of interest of, and the benefits available to, certain Valor stockholders, directors and officers. These stockholders, directors and officers may have interests in the merger that may be different from, or in addition to, the interests of Valor stockholders as a result of, among other things:

the appointment of Valor's current Chairman of the Board of Directors to the board of Windstream;

the acceptance of employment offers or consulting agreements with Windstream by certain of Valor's executive officers;

the acceleration of vesting of a portion of each executive officer's cash awards, if any, resulting in accelerated payments of \$760,000 in the aggregate;

amendments to Mr. Mueller's and Mr. Ojile's employment agreements that will increase severance payable thereunder from 18 months of base salary to 24 months resulting in aggregate severance payments of \$1,500,000;

amendments to Mr. Mueller's and Mr. Ojile's employment agreements that will increase bonus payments upon termination of employment to two times annual target bonus resulting in aggregate bonus payments of \$1,250,000;

severance payable to Mr. Vaughn of 18 months salary and one-year's bonus resulting in an aggregate severance payment of \$812,500;

the acceleration of vesting of restricted stock grants made to Valor's executive officers and directors scheduled to vest in 2007 and for those executive officers who will not remain employed by Windstream, the acceleration of vesting of restricted stock grants scheduled to vest in 2008 and beyond, resulting in the accelerated vesting of

973,696 shares of Valor common stock in the aggregate; and

the filing of a shelf registration statement for the benefit of persons affiliated with WCAS, and Vestar Capital Partners, who currently hold in the aggregate approximately 41% of Valor's outstanding common stock, and the grant of certain other registration rights to WCAS and Vestar.

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In addition, under the terms of the merger agreement, Alltel and Valor agreed that all rights to indemnification as provided in Valor's Certificate of Incorporation or Bylaws in favor of persons who are or were directors, officers or employees of Valor will survive for a period of six years following the merger. The parties also agreed that for a period of six years following the merger, Windstream will indemnify the current and former directors, officers or employees of Valor to the fullest extent permitted by applicable law. The merger agreement further requires that, for six years following the effective time of the merger and subject to certain limitations, Windstream will maintain coverage under a director and officer liability insurance policy, with respect to claims arising from facts or events that occurred on or before the effective time of the merger, at a level at least equal to that which Alltel is maintaining prior to the merger, except that Windstream will not be required to pay an annual premium for such insurance in excess of \$2,000,000.

Regulatory Approval (page [])

The transactions contemplated by the merger agreement will require the approval of the public service or public utilities commissions of the following states in their capacities as regulators of competitive local exchange carriers (CLEC) and incumbent local exchange carriers (ILEC) operations of Alltel and Valor: Florida, Georgia, Kentucky, Mississippi, Missouri, New York, Ohio, Pennsylvania, South Carolina and Texas. On April 12, 2006, Alltel obtained an amendment to the commitment letter for the senior secured credit facilities to remove certain guaranties and liens, and such amendment eliminated the need for approval of the transaction by certain state regulatory agencies. The parties must also obtain state commission approval of the transfer to Spinco of the long distance customers and certificates of authority of Alltel, or the issuance to Spinco of new certificates of authority, in all states except Alaska.

Valor and Spinco completed the filing of all of the foregoing applications that were required to be filed prior to completion of the merger for the authority and approval with respect to the ILEC operation in January 2006 and will complete the remaining filings in May 2006. The public service or public utilities commission in each of the states of Georgia, Missouri, Mississippi and South Carolina has granted its approval. The parties expect that the remaining applicable state commissions will make a determination on these applications no later than the second quarter of 2006.

In addition, under the Communications Act of 1934, before the completion of the merger, the FCC must approve the transfer to Valor of control of Spinco and those subsidiaries of Spinco that hold FCC licenses and authorizations. Valor and Spinco filed transfer of control applications with the FCC on December 21, 2005 and received the FCC's approval of the merger on February 1, 2006.

Each party's obligations to complete the merger are subject to receipt of the consents of the above referenced state regulators (other than Texas, which is a post-closing procedural approval) and FCC authorization that, if not obtained, would reasonably be expected to have a material adverse effect on Valor, Alltel or Spinco.

In addition, completion of the spin-off and the merger requires that we submit filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 to the Department of Justice and the Federal Trade Commission and satisfy certain waiting period requirements. Valor and Spinco submitted the required filings under the Hart-Scott-Rodino Act on December 21, 2005 and early termination of the waiting period requirements was granted on January 3, 2006.

The merger agreement provides that each of Valor, Alltel and Spinco, subject to customary limitations, will use their respective reasonable best efforts to take promptly all actions and to assist and cooperate with the other parties in doing all things necessary, proper or advisable under applicable laws and regulations to consummate the merger and the transactions contemplated by the merger agreement. Alltel, Spinco and Valor also agreed to use all reasonable efforts to resolve any objections or challenges from a regulatory authority.

For a more complete discussion of regulatory matters relating to the merger, see The Transactions Regulatory Approvals beginning on page [].

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Merger Consideration (page [])

The merger agreement provides that Valor will issue in the aggregate to holders of Alltel common stock a number of shares of Valor common stock equal to (a) the number of shares of Valor common stock outstanding on a fully-diluted basis as the effective time of the merger multiplied by (b) 5.667, we refer to the product of this formula as the aggregate merger consideration. Each share of Spinco common stock distributed for the benefit of Alltel stockholders in the spin-off will be converted into the right to receive a number of shares of Valor common stock equal to the aggregate merger consideration, divided by the number of Alltel shares outstanding as of [], 2006, the record date for the spin-off.

It is presently estimated that Valor will issue in the aggregate approximately 405 million shares of common stock to Alltel stockholders pursuant to the merger, or approximately 1.04 shares of Valor common stock (subject to variation as a result of compensatory equity grants and other issuances) for each share of Alltel common stock outstanding as of the record date for the spin-off. Given that these amounts are calculated based on the number of shares of Alltel common stock outstanding as of the record date for the spin-off and Valor common stock outstanding at the effective time of the merger, the actual number of shares of Valor common stock to be issued will not be determined until the effective time, and there is no maximum or minimum number of shares that will be issued. However, the calculation of the merger consideration set forth in the merger agreement is structured so that, regardless of the number of Valor shares and Spinco shares outstanding immediately prior to the effective time of the merger, when the merger is completed, Alltel stockholders will collectively own approximately 85%, and Valor's stockholders will collectively own approximately 15%, of the shares of common stock of Windstream on a fully diluted basis. Based on the closing price of Valor common stock on April 28, 2006 of \$13.05, as reported by the New York Stock Exchange, the approximate value Alltel stockholders will receive in the merger will equal \$13.57 per each share of Alltel common stock they own on the record date for the spin-off. However, any change in the market value of Valor common stock prior to the effective time of the merger would cause the estimated per share value Alltel stockholders will receive to also change.

Alltel stockholders that otherwise would be entitled to a fraction of a Valor common share will be entitled to receive a cash payment in lieu of issuance of that fractional share.

Conditions to the Completion of the Merger (page [])

Consummation of the merger is subject to the satisfaction of certain conditions, including, among others:
the obtaining of the requisite approval by the stockholders of Valor;

the receipt of required regulatory approvals, including the approval of the Federal Communications Commission (which Valor received on February 1, 2006), the relevant state public service or public utilities commissions and the expiration of the applicable waiting period under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended (which Valor received on January 3, 2006);

the SEC declaring effective the registration statement, of which this proxy statement/ prospectus-information statement is a part;

consummation of the contribution transaction, the distribution transaction and the debt exchange transaction, each of which are described elsewhere in this proxy statement/ prospectus-information statement;

consummation of the financing of Spinco;

receipt of surplus, solvency and certain other opinions;

each party's compliance in all material respects with its obligations under the merger agreement;

that no event or circumstance shall have occurred that has or would have a Material Adverse Effect on Valor or Spinco; and

receipt of certain rulings from the Internal Revenue Service and certain tax opinions.

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To the extent that either the board of directors of Valor or Alltel waives the satisfaction of a condition to closing that the board of directors of Valor deems material, Valor's board of directors shall resolicit stockholder approval of the merger.

Termination (page [])

The merger agreement may be terminated:

by mutual consent of the parties,

by any of the parties if the merger has not been completed by December 8, 2006, the so-called termination date,

by any of the parties if the merger is enjoined,

by Alltel and Spinco, on the one hand, or Valor, on the other hand, upon an incurable material breach of the merger agreement by the other party or parties,

by any party if the requisite approval of Valor's stockholders is not obtained,

by Alltel or Spinco if Valor withdraws its recommendation of the merger or fails to hold its stockholder meeting within 60 days after effectiveness of the registration statement to which this proxy statement/prospectus-information statement is attached, or

by Valor to accept a superior acquisition proposal, provided that Valor gives Alltel prior notice and attempts to renegotiate the transaction, and upon termination Valor enters into a competing transaction.

Termination Fee Payable in Certain Circumstances (page [])

In the event that (i) Valor terminates the merger agreement to accept a superior acquisition proposal, (ii) Alltel and Spinco terminate the merger agreement because Valor has withdrawn its recommendation of the merger, (iii) any of the parties terminates the merger agreement because the termination date has passed or Alltel and Spinco terminate the merger agreement because Valor fails to hold its stockholder meeting, or (iv) any of the parties terminates the merger agreement because the requisite approval of Valor's stockholders is not obtained, and in the case of clauses (iii) and (iv) prior to such termination, a third party makes a company acquisition proposal, and Valor agrees to or consummates a business combination transaction within one year after termination with a third party, then Valor must pay Alltel a \$35 million termination fee.

If any party terminates the merger agreement because the termination date has passed or Valor terminates the merger agreement because of a material breach by Alltel or Spinco and, in either case, at the time of termination substantially all other conditions to the merger have been satisfied but the required IRS rulings or tax opinions for the transaction have not been received, then Alltel must pay Valor a \$20 million termination fee and, if Spinco's financing condition has not been satisfied at the time of termination, then Alltel must pay Valor an increased termination fee of \$35 million.

Name Change; Listing (page [])

Immediately following completion of the merger, the Board of Directors will merge a wholly-owned subsidiary of the surviving company into the company and, in connection with such merger, change the name of the company from Valor Communications Group, Inc. to Windstream Corporation. Promptly thereafter, the company will file a restated certificate of incorporation with the Delaware Secretary of State reflecting the name change. Shares of Windstream Corporation will be traded on the NYSE under the new trading symbol WIN.

Distribution Agreement (page [])

The distribution agreement between Alltel and Spinco provides for, among other things, the principal corporate transactions required to effect the proposed distribution of Spinco common stock for the benefit of

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Alltel stockholders in the spin-off. The distribution agreement also contains certain other terms governing the relationship between Alltel and Spinco with respect to or in consequence of the spin-off transaction.

Pursuant to the distribution agreement, Alltel will transfer to Spinco's subsidiaries all of the assets relating to Alltel's wireline telecommunications business, including Alltel's ILEC, CLEC and internet access operations, related marketing and sales operations, and other operations comprising Alltel's wireline telecommunications business, as well as all of Alltel's directory publishing operations, telecommunication information services operations, product distribution operations (other than any such operations supporting Alltel's wireless telecommunications business), network management services operations, and wireline long-distance services operations (other than the fiber backbone supporting those operations and the revenues attributable to Alltel's wireless telecommunications business as a result of its use of the fiber backbone). The distribution agreement also provides for the transfer to Alltel's subsidiaries of all assets not relating to such businesses.

Following these transactions, and immediately prior to the effective time of the merger, Alltel will contribute all of the stock of the Spinco subsidiaries to Spinco in exchange for the issuance to Alltel of Spinco common stock to be distributed to the exchange agent for the benefit of Alltel's stockholders pro rata in the spin-off, the special dividend (which Alltel will use to repurchase stock pursuant to a special stock buyback program authorized by the Alltel Board of Directors in connection with the spin-off, to repay outstanding indebtedness, or both, within one year following the spin-off) and the Spinco debt securities to be transferred to Alltel's creditors.

Certain United States Federal Income Tax Consequences of the Spin-Off and the Merger (page [])

The spin-off is conditioned upon Alltel's receipt of a private letter ruling from the Internal Revenue Service (the IRS) (which Alltel received on April 7, 2006) to the effect that the spin-off will qualify as tax-free to Alltel, Spinco and the Alltel stockholders for United States federal income tax purposes under Sections 355, 368 and related provisions of the Internal Revenue Code of 1986, as amended (the Code). The spin-off is also conditioned upon the receipt by Alltel of an opinion of Skadden, Arps, Slate, Meagher & Flom LLP, counsel to Alltel, to the effect that the spin-off will be tax-free to Alltel, Spinco and the stockholders of Alltel under Section 355 and related provisions of the Code. As set forth in the IRS letter ruling and the tax opinion:

no gain or loss will be recognized by (and no amount will be included in the income of) Alltel common stockholders upon the receipt by the exchange agent on their behalf of shares of Spinco common stock in the spin-off;

the aggregate tax basis of the Alltel common stock and the Spinco common stock in the hands of each Alltel common stockholder after the spin-off will equal the aggregate tax basis of the Alltel common stock held by the stockholder immediately before the spin-off, allocated between the Alltel common stock and the Spinco common stock in proportion to the relative fair market value of each on the date of the spin-off; and

the holding period of the Spinco common stock received by an Alltel common stockholder will include the holding period at the time of the spin-off of the Alltel common stock on which the distribution is made.

It is a condition to the obligations of Alltel, Spinco and Valor to consummate the merger that Alltel and Spinco receive the opinion of Skadden, Arps, Slate, Meagher & Flom LLP, and that Valor receives the opinion of Kirkland & Ellis LLP, both to the effect that the merger will be treated as a tax-free reorganization within the meaning of Section 368(a) of the Code. As set forth in the tax opinions:

Alltel common stockholders will not recognize gain or loss on the exchange of their Spinco common stock (received by the exchange agent on their behalf in the spin-off) for shares of Valor common stock in the merger, except to the extent of any cash received in lieu of a fractional share of Valor common stock;

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an Alltel stockholder's tax basis in the Valor common stock received in the merger (including any fractional share interest deemed to be received and exchanged for cash) will equal the stockholder's tax basis in the Spinco common stock surrendered in exchange therefor;

an Alltel stockholder's holding period for the Valor common stock received pursuant to the merger will include the holding period for the shares of Spinco common stock surrendered in exchange therefor;

neither Spinco nor Valor will recognize any gain or loss in the merger; and

Valor stockholders will not recognize any gain or loss in the merger.

Please see "Certain United States Federal Income Tax Consequences of the Spin-Off and the Merger" on page [] for more information.

The Voting Agreement (page [])

In connection with the execution of the distribution agreement and the merger agreement, Spinco entered in a voting agreement with persons affiliated with Welsh, Carson, Anderson & Stowe and Vestar Capital Partners who collectively owned approximately 41% of Valor's outstanding common shares as of December 8, 2005. Pursuant to the voting agreement, these stockholders have agreed to vote all of their shares of Valor common stock (i) in favor of the approval of the merger and the approval and adoption of the merger agreement and (ii) except with the written consent of Spinco, against certain alternative proposals that may be submitted to a vote of the stockholders of Valor regarding an acquisition of Valor. In the event that the merger agreement terminates for any reason, the voting agreement will automatically terminate.

Financing of Windstream (page [])

On December 8, 2005, Alltel and J.P. Morgan Securities Inc., JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Capital Corporation entered into a commitment letter and a related engagement and fee letter (which we collectively refer to as the "financing letters") with respect to the financing of Windstream following the spin-off and the merger. The commitment letter is subject to customary conditions to consummation, including the absence of any event or circumstance that, individually or in the aggregate, is materially adverse to the business, assets, properties, liabilities or condition (financial or otherwise), of Spinco and its subsidiaries or Valor and its subsidiaries since September 30, 2005. Alltel has agreed to pay JPMorgan and Merrill Lynch certain fees in connection with the commitment letter and has agreed to indemnify JPMorgan and Merrill Lynch against certain liabilities. On April 12, 2006, Alltel obtained an amendment to the commitment letter to remove certain guaranties and related liens. No other changes to the terms of the commitment letter, including the interest rates and fees, were made by such amendment.

These financing letters provide for a commitment of an aggregate amount of up to \$4.2 billion in financing, consisting of a senior secured five-year revolving credit facility in the principal amount of \$500.0 million and senior secured term loan facilities in an aggregate amount of up to \$3.7 billion. A portion of the financing of Windstream may also be financed with the proceeds from a Rule 144A offering of up to \$800.0 million of senior unsecured notes, in which case the term loan facilities, or a portion thereof, will be reduced dollar for dollar.

The proceeds of the term loan facilities will be used (i) to finance the approximately \$2.4 billion special dividend payment to Alltel, which Alltel will use to repurchase stock pursuant to a special stock buyback program authorized by the Alltel Board of Directors in connection with the spin-off, to repay outstanding indebtedness, or both, within one year following the spin-off, (ii) to refinance Valor's existing bank facility in the amount of approximately \$781.0 million and approximately \$81.0 million of Alltel's outstanding bonds (plus an additional approximately \$9.5 million in related make-whole premiums), and (iii) to purchase any of Valor's outstanding bonds that are tendered pursuant to the terms thereof as a result of the merger. The \$3.3 billion of the \$3.7 billion term loan facilities will be available in a single draw down on the date of closing to consummate the spin-off and merger transactions. The revolving credit facility may be used by Windstream for general corporate purposes, and a portion will be available for letters of credit. The actual amount initially

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drawn under the revolving credit facility on the date of closing is not expected to exceed \$90.0 million. The term loan facilities and the revolving credit facility are referred to herein as the Senior Secured Credit Facilities.

Windstream's direct and indirect domestic subsidiaries will serve as guarantors of the Senior Secured Credit Facilities and hedge agreements entered into in connection therewith, except that no guarantee is required of a subsidiary to the extent that the transactions require, or the granting of such guarantee would require, the approval of any state regulatory agency. The Senior Secured Credit Facilities, guarant