

CENTURYLINK, INC
Form 424B3
February 13, 2017
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-215121

COMBINATION PROPOSED YOUR VOTE IS VERY IMPORTANT

The board of directors of CenturyLink, Inc. and the board of directors of Level 3 Communications, Inc. have agreed to an acquisition of Level 3 by CenturyLink, under the terms of the Agreement and Plan of Merger, dated as of October 31, 2016. The combined company will have the ability to offer CenturyLink's larger enterprise customer base the benefits of Level 3's global footprint with a combined presence in more than 60 countries. In addition, the combined company will be positioned to further enhance the scope and transmission speeds of its broadband infrastructure.

If the transaction is completed, Level 3 stockholders will have the right to receive \$26.50 in cash and 1.4286 shares of CenturyLink common stock for each share of Level 3 common stock they own at closing (which we refer to as the exchange ratio), with cash paid in lieu of fractional shares. The exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to closing of the combination. Based on the closing price of CenturyLink common stock on the New York Stock Exchange of \$28.25 on October 26, 2016, the last trading day before public reports of a possible transaction, the merger consideration represented approximately \$66.86 of aggregate value for each share of Level 3 common stock. Based on the CenturyLink closing price of \$24.43 on February 8, 2017, the latest practicable date before the date of this document, the merger consideration represented approximately \$61.40 of aggregate value for each share of Level 3 common stock. CenturyLink shareholders will continue to own their existing shares of CenturyLink common stock. We urge you to obtain current market quotations of CenturyLink common stock and Level 3 common stock before voting.

Upon completion of the combination, we estimate that current CenturyLink shareholders will own approximately 51% of the combined company and former Level 3 stockholders will own approximately 49% of the combined company. CenturyLink common stock and Level 3 common stock are both traded on the NYSE under the symbols **CTL** and **LVLT**, respectively.

At the special meeting of CenturyLink shareholders scheduled for March 16, 2017, CenturyLink shareholders will be asked to vote on the issuance of shares of CenturyLink common stock to Level 3 stockholders, which is necessary to complete the combination. At the special meeting of Level 3 stockholders scheduled on the same date, Level 3 stockholders will be asked to vote on the adoption of the merger agreement and to approve, on an advisory basis, the compensation that may become payable to Level 3's named executive officers in connection with the combination.

We cannot complete the combination unless the Level 3 stockholders and the CenturyLink shareholders approve the respective proposals related to the combination. **Your vote is very important, regardless of the number of shares**

you own. Whether or not you expect to attend your CenturyLink or Level 3 special meeting, as applicable, in person, please vote your shares as promptly as possible by (1) accessing the Internet website specified on your proxy card, (2) calling the toll-free number specified on your proxy card, or (3) signing and returning all proxy cards that you receive in the postage-paid envelope provided, so that your shares may be represented and voted at the CenturyLink or the Level 3 special meeting, as applicable. If you are a Level 3 stockholder, please note that a failure to vote your shares is the equivalent of a vote against the combination. If you are a CenturyLink shareholder, please note that a failure to vote your shares may result in a failure to establish a quorum for the CenturyLink special meeting.

The CenturyLink board of directors unanimously recommends that the CenturyLink shareholders vote FOR the proposal to issue shares of CenturyLink common stock in the combination. The Level 3 board of directors unanimously recommends that the Level 3 stockholders vote FOR the proposal to adopt the merger agreement.

The obligations of CenturyLink and Level 3 to complete the combination are subject to the satisfaction or waiver of several conditions set forth in the merger agreement. More information about CenturyLink, Level 3 and the combination is contained in this joint proxy statement/prospectus. CenturyLink and Level 3 encourage you to read this entire joint proxy statement/prospectus carefully, including the section entitled *Risk Factors* beginning on page 20.

We look forward to the successful combination of CenturyLink and Level 3.

Sincerely,

Sincerely,

Glen F. Post, III
Chief Executive Officer and President
CenturyLink, Inc.

Jeff K. Storey
President and Chief Executive Officer
Level 3 Communications, Inc.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined that this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated February 13, 2017 and is first being mailed to the shareholders of CenturyLink and stockholders of Level 3 on or about February 13, 2017.

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CenturyLink, Inc.
100 CenturyLink Drive
Monroe, LA 71203
(318) 388-9000

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS To Be Held On March 16, 2017

Dear CenturyLink shareholders:

We are pleased to invite you to attend the special meeting of CenturyLink shareholders, which will be held at 100 CenturyLink Drive, Monroe, Louisiana 71203, on March 16, 2017, at 10:00 a.m., local time, which we refer to as the CenturyLink special meeting, for the following purposes:

to vote on a proposal to approve the issuance of CenturyLink common stock to Level 3 stockholders in connection with the combination, as contemplated by the merger agreement, dated October 31, 2016, among CenturyLink, Inc., Wildcat Merger Sub 1 LLC, WWG Merger Sub LLC and Level 3 Communications, Inc., which we refer to as the merger agreement, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice, as such agreement may be amended from time to time (we refer to this proposal as the CenturyLink stock issuance proposal); and

to vote on an adjournment of the CenturyLink special meeting, if necessary, to solicit additional proxies if there are not sufficient votes for the proposal to issue CenturyLink common stock in connection with the combination (we refer to this proposal as the CenturyLink adjournment proposal).

CenturyLink will transact no other business at the special meeting except such business as may properly be brought before the special meeting or any adjournment or postponement thereof. Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the CenturyLink special meeting.

The CenturyLink board of directors (which we refer to as the CenturyLink Board) unanimously recommends that CenturyLink shareholders vote FOR the CenturyLink stock issuance proposal and FOR the CenturyLink adjournment proposal.

Holders of record of shares of CenturyLink common stock or CenturyLink Series L preferred stock, which we refer to as the CenturyLink voting preferred stock, at the close of business on January 25, 2017, which we refer to as the record date, are entitled to notice of, and may vote at, the special meeting and any adjournment of the special meeting. Beginning two business days after the date of this notice and continuing through the date of the special meeting, a list of these shareholders will be available for inspection at CenturyLink's principal office by any CenturyLink shareholder for any purpose germane to such meeting.

Approval of the CenturyLink stock issuance proposal requires the affirmative vote of a majority of the votes cast on such matter at the CenturyLink special meeting by holders of the CenturyLink common stock and voting preferred

stock, voting as a single class (provided that a quorum is present).

Your vote is important. Whether or not you expect to attend the CenturyLink special meeting in person, we urge you to vote your shares as promptly as possible by (1) accessing the Internet website specified on your proxy card; (2) calling the toll-free number specified on your proxy card; or (3) signing

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and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the CenturyLink special meeting. If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder. In lieu of receiving a proxy card, participants in certain benefit plans of CenturyLink and its subsidiaries have been furnished with voting instruction cards, which are described in greater detail in the accompanying joint proxy statement/prospectus.

By Order of the Board of Directors,

Stacey W. Goff

Secretary

Monroe, Louisiana

February 13, 2017

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Level 3 Communications, Inc.

1025 Eldorado Boulevard

Broomfield, Colorado 80021

(720) 888-1000

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held On March 16, 2017

To the Stockholders of Level 3 Communications, Inc.:

We are pleased to invite you to attend the special meeting of stockholders of Level 3 Communications, Inc. (which we refer to as Level 3), which will be held at Level 3's headquarters, located at 1025 Eldorado Boulevard, Broomfield, Colorado 80021, on March 16, 2017, at 9:00 a.m., local time, to consider and vote on the following:

a proposal to approve and adopt the Agreement and Plan of Merger, dated as of October 31, 2016 (which we refer to as the merger agreement), among CenturyLink, Inc., a Louisiana corporation (which we refer to as CenturyLink), Wildcat Merger Sub 1 LLC, a Delaware limited liability company and indirect wholly owned subsidiary of CenturyLink (which we refer to as merger sub 1), WWG Merger Sub LLC, a Delaware limited liability company and indirect wholly owned subsidiary of CenturyLink (which we refer to as merger sub 2) and Level 3, which we have attached as Annex A to the joint proxy statement/prospectus accompanying this notice. Pursuant to the merger agreement, merger sub 1 will merge with and into Level 3 (which we refer to as the merger), with each outstanding share of common stock of Level 3 (excluding shares as to which appraisal rights have been properly exercised pursuant to Delaware law) being converted into the right to receive (i) \$26.50 in cash and (ii) 1.4286 shares of common stock of CenturyLink (which we refer to as the merger proposal);

a non-binding advisory proposal to approve the compensation that may become payable to Level 3's named executive officers in connection with the completion of the combination (which we refer to as the compensation proposal); and

a proposal to adjourn the Level 3 special meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the merger proposal (which we refer to as the Level 3 adjournment proposal).

Level 3 will transact no other business at the special meeting except such business as may properly be brought before the special meeting or any adjournment or postponement thereof and will not be making any presentation or holding a question and answer session. Please refer to the joint proxy statement/prospectus of which this notice forms a part for further information with respect to the business to be transacted at the special meeting.

The Level 3 board of directors (which we refer to as the Level 3 Board) has unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby are in the best interests of Level 3 and its stockholders. The Level 3 Board unanimously recommends that Level 3 stockholders vote FOR the proposal to approve and adopt the merger agreement, FOR the proposal to approve, on an advisory basis, the compensation payable in connection with the combination and FOR the proposal to adjourn the Level 3 special meeting, if necessary, to solicit additional proxies.

The Level 3 Board has fixed the close of business on January 25, 2017 as the record date for determination of Level 3 stockholders entitled to receive notice of, and to vote at, the Level 3 special meeting or any

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adjournments or postponements thereof. Only Level 3 stockholders of record at the close of business on the record date are entitled to receive notice of, and to vote at, the Level 3 special meeting. Approval of the merger proposal requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock. Approval of the Level 3 adjournment proposal and the compensation proposal each requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock present in person or represented by proxy at the Level 3 special meeting. A list of the names of Level 3 stockholders of record will be available for ten days prior to the Level 3 special meeting for any purpose germane to the special meeting between the hours of 9:00 a.m. and 5:00 p.m., local time, at Level 3's headquarters, 1025 Eldorado Blvd., Broomfield, Colorado 80021. The Level 3 stockholder list will also be available at the Level 3 special meeting for examination by any stockholder present at such meeting.

Your vote is very important. For your convenience, in addition to submitting a proxy to vote your shares by signing and returning the enclosed proxy card in the postage-paid envelope provided, we have also made telephone and internet voting available to you. Simply follow the instructions on the enclosed proxy. If your shares are held in a 401(k) plan or in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the plan trustee or administrator, or record holder, as appropriate.

The enclosed joint proxy statement/prospectus provides a detailed description of the combination and the merger agreement as well as, among other things, a description of the Level 3 common stock and CenturyLink common stock. We urge you to read this joint proxy statement/prospectus, including any documents incorporated by reference and the annexes, carefully and in their entirety. If you have any questions concerning the combination or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of Level 3 common stock, please contact Level 3 Investor Relations:

Level 3 Communications, Inc.

1025 Eldorado Blvd.

Broomfield, Colorado 80021

(720) 888-2518

Attn: Investor Relations

By Order of the Board of Directors of

Level 3 Communications, Inc.

John M. Ryan

Executive Vice President,

Chief Legal Officer and

Secretary
Broomfield, Colorado

February 13, 2017

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about CenturyLink and Level 3 from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

CenturyLink, Inc.	Level 3 Communications, Inc.
100 CenturyLink Drive	1025 Eldorado Boulevard
Monroe, LA 71203	Broomfield, CO 80021
(318) 388-9000	(720) 888-2518
Attn: Investor Relations or Innisfree M&A Incorporated	Attn: Investor Relations or MacKenzie Partners, Inc.
501 Madison Avenue	105 Madison Avenue
New York, NY 10022	New York, NY 10016
(877) 825-8621 for shareholder inquiries	Toll Free: (800) 322-2885
(212) 750-5833 for banks and brokers	Collect: (212) 929-5500

Email: proxy@mackenziepartners.com

Investors may also consult CenturyLink's or Level 3's website for more information concerning the combination described in this joint proxy statement/prospectus. CenturyLink's website is www.CenturyLink.com. Level 3's website is www.Level3.com. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

Between the date of this joint proxy statement/prospectus and the date of the special meetings, CenturyLink and Level 3 each intend to file with the SEC an annual report on Form 10-K which will be incorporated by reference herein.

If you would like to request any documents, please do so by March 9, 2017 in order to receive them before the special meetings.

For more information, see "Where You Can Find More Information" beginning on page 186.

ABOUT THIS DOCUMENT

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission, which we refer to as the SEC, by CenturyLink (File No. 333-215121),

constitutes a prospectus of CenturyLink under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the shares of CenturyLink common stock proposed to be issued to Level 3 stockholders under the merger agreement. This document also constitutes a joint proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. It also includes a notice of meeting with respect to the special meeting of CenturyLink shareholders, at which CenturyLink shareholders will be asked to vote upon the CenturyLink stock issuance proposal, and a notice of meeting with respect to the special meeting of Level 3 stockholders, at which Level 3 stockholders will be asked to vote upon a proposal to adopt the merger agreement.

Before casting your vote, you should carefully review all the information contained or incorporated by reference into this joint proxy statement/prospectus, including SEC reports filed after the date hereof that are incorporated by reference herein. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated February 13, 2017. You should not assume that the information contained in, or incorporated by reference into, this joint proxy statement/prospectus is accurate as of any date other than the date on the front cover of those documents. Neither our mailing of this joint proxy statement/prospectus to CenturyLink shareholders or Level 3 stockholders nor the issuance by CenturyLink of common stock in connection with the combination will create any implication to the contrary.

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In deciding how to vote with respect to any of the proposals discussed herein, you must make your own independent examination of the merits and risks of the proposal. You should not construe anything included in this joint proxy statement/prospectus as investment, legal, business or tax advice, and should consult with your own advisors if you have questions concerning any of the matters described herein.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this joint proxy statement/prospectus regarding CenturyLink has been provided by CenturyLink and information contained in this joint proxy statement/prospectus regarding Level 3 has been provided by Level 3.

All references in this joint proxy statement/prospectus to *Level 3* refer to Level 3 Communications, Inc. a Delaware corporation (except that in connection with the description of its operations or business under the headings *Cautionary Statement Regarding Forward-Looking Statements* and *Risk Factors*, such term refers to the consolidated operations of Level 3 Communications, Inc. and its subsidiaries); all references in this joint proxy statement/prospectus to *CenturyLink* refer to CenturyLink, Inc., a Louisiana corporation (except that in connection with the description of its operations or business under the headings *Cautionary Statement Regarding Forward-Looking Statements* and *Risk Factors*, such term refers to the consolidated operations of CenturyLink, Inc. and its subsidiaries); all references to *merger sub 1* refer to Wildcat Merger Sub 1 LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of CenturyLink, formed for the purpose of effecting the combination; and all references to *merger sub 2* refer to WWG Merger Sub LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of CenturyLink formed for the purpose of effecting the combination. Unless otherwise indicated or as the context requires, all references to the *merger agreement* refer to the Agreement and Plan of Merger, dated as of October 31, 2016, among Level 3, CenturyLink, merger sub 1 and merger sub 2, a copy of which is included as Annex A to this joint proxy statement/prospectus, all references to the *initial merger* refer to the merger of merger sub 1 into Level 3, with Level 3 continuing as the surviving corporation, and all references to the *subsequent merger* refer to the merger of the surviving corporation into merger sub 2, with merger sub 2 continuing as the surviving company, and all references to the *combination* or the *mergers* refer collectively to the initial merger and the subsequent merger.

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QUESTIONS AND ANSWERS

The following are answers to some questions that you, as a shareholder of CenturyLink or stockholder of Level 3, may have regarding the combination and the other matters being considered at the CenturyLink special meeting and at the Level 3 special meeting. CenturyLink and Level 3 urge you to read carefully the remainder of this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the combination and the other matters being considered at the special meetings. Additional important information is also contained in the annexes to and the documents incorporated by reference into this joint proxy statement/prospectus.

Q: Why am I receiving this joint proxy statement/prospectus?

A: CenturyLink, Inc., which we refer to as CenturyLink, and Level 3 Communications, Inc., which we refer to as Level 3, have agreed to an acquisition of Level 3 by CenturyLink under the terms of a merger agreement that is described in this joint proxy statement/prospectus. A copy of the merger agreement is attached to this joint proxy statement/prospectus as Annex A.

In order to complete the combination, among other things:

CenturyLink shareholders must vote to approve the issuance of shares of CenturyLink common stock to holders of shares of Level 3 common stock (which holders we refer to as Level 3 stockholders) in connection with the combination, and

Level 3 stockholders must vote to adopt the merger agreement.

CenturyLink and Level 3 will hold separate special meetings to obtain these approvals. In addition, Level 3 will solicit stockholder approval, on an advisory (non-binding) basis, of the existing compensatory arrangements between Level 3 and its named executive officers for compensation in connection with the combination (which we refer to as the compensation proposal). The separate vote, on an advisory (non-binding) basis, of the compensation proposal, is not a condition to the completion of the combination. This joint proxy statement/prospectus contains important information about the combination, the CenturyLink special meeting and the Level 3 special meeting, and you should read it carefully. The enclosed voting materials allow you to vote your shares without attending your respective meeting.

Your vote is important. We encourage you to vote as soon as possible.

Q: When and where will the meetings be held?

A: The CenturyLink special meeting will be held at 100 CenturyLink Drive, Monroe, Louisiana 71203 on March 16, 2017, at 10:00 a.m., local time. The Level 3 special meeting will be held at 1025 Eldorado Boulevard, Broomfield, Colorado 80021, on March 16, 2017, at 9:00 a.m., local time.

Q: What will happen at the closing of the transaction?

A: Pursuant to the merger agreement, Wildcat Merger Sub 1 LLC, an indirect wholly owned subsidiary of CenturyLink, which we refer to as merger sub 1, will be merged with and into Level 3, and Level 3 will become an indirect wholly owned subsidiary of CenturyLink. Immediately thereafter, Level 3 will be merged with and into WWG Merger Sub LLC, an indirect wholly owned subsidiary of CenturyLink, which we refer to as merger sub 2, with merger sub 2 surviving the merger. We refer to these mergers as the initial merger and the subsequent merger, and collectively as the mergers or the combination.

If the combination is completed, Level 3 stockholders (excluding shares as to which appraisal rights have been properly exercised pursuant to Delaware law) will have the right to receive \$26.50 in cash and 1.4286 shares of CenturyLink common stock for each share of Level 3 common stock they own at closing, which

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we refer to as the exchange ratio, with cash paid in lieu of fractional shares. We refer to the components of the merger consideration as the cash consideration and the share consideration. The exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to closing of the combination.

CenturyLink shareholders will not receive any merger consideration and will continue to hold their shares of CenturyLink common stock.

Q: What is the value of the merger consideration?

A: Because CenturyLink has agreed to issue 1.4286 shares of CenturyLink common stock and deliver \$26.50 in cash in exchange for each share of Level 3 common stock, the value of the merger consideration that Level 3 stockholders receive will depend on the price per share of CenturyLink common stock at the effective time of the initial merger. That price will not be known at the time of the special meetings and may be more or less than the current price or the price at the time of the special meetings. This exchange ratio will not be adjusted for changes in the market price of either CenturyLink common stock or Level 3 common stock between the date of signing the merger agreement and completion of the combination.

Based on the closing price of CenturyLink common stock on the New York Stock Exchange (which we refer to as the NYSE) of \$28.25 on October 26, 2016, the last trading day before public reports of a possible transaction, the merger consideration represented approximately \$66.86 of aggregate value for each share of Level 3 common stock. Based on the CenturyLink closing price of \$24.43 on February 8, 2017, the latest practicable date before the date of this joint proxy statement/prospectus, the merger consideration represented approximately \$61.40 of aggregate value for each share of Level 3 common stock.

CenturyLink stockholders will continue to own their existing CenturyLink shares. CenturyLink common stock is currently traded on the NYSE under the symbol CTL, and Level 3 common stock is currently traded on the NYSE under the symbol LVLT.

We urge you to obtain current market quotations of CenturyLink common stock and Level 3 common stock before voting.

Q: How do I vote?

A: If you are a shareholder of record of CenturyLink as of the record date for the CenturyLink special meeting or a stockholder of record of Level 3 as of the record date for the Level 3 special meeting, you may vote in person by attending your special meeting or, to ensure your shares are represented at the meeting, you may vote by:

accessing the Internet website specified on your proxy card;

calling the toll-free number specified on your proxy card; or

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signing and returning the enclosed proxy card in the postage-paid envelope provided.

If you hold shares of CenturyLink common stock or voting preferred stock or shares of Level 3 common stock in the name of a broker or nominee, please follow the voting instructions provided by your broker or nominee to ensure that your shares are represented at your special meeting. If you received voting instruction cards from a trustee of any retirement plan of CenturyLink, Level 3 or their subsidiaries in which you are a participant, please follow the instructions on those cards to ensure that shares of stock allocated to your plan account are represented at your special meeting.

If you are an employee who participates in the Level 3 Communications, Inc. 401(k) Plan (the Plan), by signing your proxy card you will direct the trustee for the Plan to vote all shares of Level 3 common stock allocated to your account in the Plan. You must mail the proxy card, or vote by phone or by using the internet as described on the proxy card. If you do not vote your proxy (or submit it with an unclear voting designation or with no voting designation at all), then the Plan trustee will vote the shares in your account in accordance with the terms of the Plan document.

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Q: What vote is required to approve each proposal?

A: *CenturyLink*. Approval of the CenturyLink stock issuance proposal requires the affirmative vote of a majority of the votes cast on such matter at the CenturyLink special meeting by holders of the CenturyLink common stock and voting preferred stock, voting as a single class (provided that a quorum is present).

Approval of the CenturyLink adjournment proposal, if necessary, requires the affirmative vote of a majority of the votes cast on such matter at such meeting by holders of the CenturyLink common stock and voting preferred stock, voting as a single class (provided that a quorum is present).

Level 3. The proposal at the Level 3 special meeting to adopt the merger agreement requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock.

The Level 3 adjournment proposal requires the affirmative vote of holders of a majority of the shares of Level 3 common stock present or represented by proxy at the Level 3 special meeting. The Level 3 compensation proposal requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock present in person or represented by proxy at the Level 3 special meeting.

One of Level 3's stockholders, STT Crossing Ltd. (which we refer to as STT Crossing), which owns approximately 18.1% of the outstanding Level 3 shares as of the record date, has entered into a voting agreement with CenturyLink and, solely with respect to certain covenants contained therein, Level 3 (which we refer to as the voting agreement) under which STT Crossing has agreed, among other things, to vote its Level 3 common stock in favor of the merger proposal. STT Crossing is expected to own approximately 8.8% of the CenturyLink common stock outstanding after the completion of the combination. See the section below entitled *STT Crossing Voting Agreement and Shareholder Rights Agreement*.

Q: How does the Level 3 Board recommend that Level 3 stockholders vote?

A: The Level 3 Board has unanimously determined that the merger agreement and the transactions contemplated by the merger agreement are in the best interests of Level 3 and its stockholders. The Level 3 Board unanimously recommends that Level 3 stockholders vote **FOR** the proposal to approve and adopt the merger agreement and the mergers, **FOR** the Level 3 compensation proposal, and **FOR** the proposal to adjourn the Level 3 special meeting, if necessary, to solicit additional proxies.

Q: How does the CenturyLink Board recommend that CenturyLink shareholders vote?

A: The CenturyLink Board has unanimously determined that the merger agreement and the transactions contemplated by the merger agreement, including the issuance of CenturyLink common stock to the Level 3 stockholders in connection with the combination, are in the best interests of CenturyLink and its shareholders. The CenturyLink Board unanimously recommends that CenturyLink shareholders vote **FOR** the proposal to issue shares of CenturyLink common stock to Level 3 stockholders in connection with the combination and **FOR** the proposal to adjourn the CenturyLink special meeting, if necessary, to solicit additional proxies.

Q: Will Level 3 be required to submit the merger agreement to its stockholders even if the Level 3 Board has withdrawn (or amended or modified in a manner adverse to CenturyLink) its recommendation?

A: Yes, unless the merger agreement has been terminated by either party pursuant to the terms of the merger agreement. For more information regarding the ability of CenturyLink or Level 3 to terminate the merger agreement, see the sections entitled *The Merger Agreement Termination of the Merger Agreement* and *The Merger Agreement Termination Fees and Expenses; Liability for Breach*.

Q: Will CenturyLink be required to submit the CenturyLink stock issuance to its shareholders even if the CenturyLink Board has withdrawn (or amended or modified in a manner adverse to Level 3) its recommendation?

A: Yes, unless the merger agreement has been terminated by either party pursuant to the terms of the merger agreement. For more information regarding the ability of Level 3 or CenturyLink to terminate the merger

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agreement see the sections entitled *The Merger Agreement Termination of the Merger Agreement* and *The Merger Agreement Termination Fees and Expenses; Liability for Breach*.

Q: How many votes do I have?

A: *CenturyLink*. You are entitled to one vote for each CenturyLink common share and one vote for each CenturyLink voting preferred share that you owned as of the record date. As of the close of business on January 25, 2017, there were 546,558,823 outstanding shares of CenturyLink common stock and 7,018 outstanding shares of CenturyLink voting preferred stock. As of that date, less than 1.0% of the outstanding shares of CenturyLink common stock and none of the outstanding shares of CenturyLink voting preferred stock were beneficially owned by the directors and executive officers of CenturyLink.

Level 3. You are entitled to one vote for each share of Level 3 common stock that you owned as of the record date. As of the close of business on January 25, 2017, there were 360,078,836 outstanding shares of Level 3 common stock. As of that date, less than 1.0% of the outstanding shares of Level 3 common stock were beneficially owned by the directors and executive officers of Level 3.

Q: What will happen if I fail to vote or I abstain from voting?

A: *CenturyLink*. If you are a CenturyLink shareholder and fail to vote, fail to instruct your broker or nominee to vote, or abstain from voting, it will have no effect on the CenturyLink stock issuance proposal or, if necessary, the CenturyLink adjournment proposal, assuming a quorum is present. However, your failure to cast a vote will make it more difficult to meet the quorum requirement with respect to organizing the meeting and your failure to cast a vote or your abstention from voting will make it more difficult to meet the quorum requirement with respect to the CenturyLink stock issuance proposal.

Level 3. If you are a Level 3 stockholder and fail to vote, fail to instruct your broker or nominee to vote, or abstain from voting, it will have the same effect as a vote against the proposal to adopt the merger agreement.

For purposes of the Level 3 compensation proposal and the Level 3 adjournment proposal, a failure to vote will have no effect on the approval of the proposal (assuming a quorum is present) and an abstention will have the same effect as a vote against each of the compensation proposal and the adjournment proposal.

Q: What constitutes a quorum?

A: *CenturyLink*. Shareholders who hold a majority of the total number shares of CenturyLink common stock and voting preferred stock issued and outstanding on the record date must be present or represented by proxy to constitute a quorum to organize the CenturyLink special meeting, and shareholders holding a majority of the votes entitled to be cast with respect to the proposal to issue CenturyLink common stock in connection with the initial merger must be present or represented by proxy to constitute a quorum with respect to such proposal. All shares of CenturyLink common stock or voting preferred stock represented at the CenturyLink special meeting, including abstentions and broker non-votes (shares held by a broker or nominee that are represented at the

meeting, but with respect to which the broker or nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal), will be treated as present for purposes of determining the presence or absence of a quorum to organize the CenturyLink special meeting, but abstentions and broker non-votes will be treated as not present for purposes of determining the presence or absence of a quorum with respect to the proposal to issue CenturyLink common stock in connection with the initial merger.

Level 3. Stockholders who hold at least a majority of the issued and outstanding Level 3 common stock as of the close of business on the record date must be present or represented by proxy to constitute a quorum to conduct the Level 3 special meeting.

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Q: What is the difference between a stockholder of record and a street name holder?

A: If your shares are registered directly in your name, you are considered the stockholder of record with respect to those shares. If your shares are held in a stock brokerage account or by a bank, trust company or other nominee, then the broker, bank, trust company or other nominee is considered to be the stockholder of record with respect to those shares, while you are considered the beneficial owner of those shares. In the latter case, your shares are said to be held in street name.

Q: If I am a beneficial owner of shares held in street name, how do I vote?

A: If you hold your shares in a stock brokerage account or if your shares are held by a bank, trust company or other nominee (that is, in street name), you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your broker or nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to CenturyLink or Level 3 or by voting in person at your special meeting. Further, brokers who hold shares of CenturyLink common stock or voting preferred stock or Level 3 common stock on behalf of their customers may not give a proxy to CenturyLink or Level 3 to vote those shares without specific instructions from their customers.

If you are a CenturyLink shareholder and you do not instruct your broker on how to vote your shares, your broker may not vote your shares on the CenturyLink stock issuance proposal, which will have no effect on the vote on this proposal, assuming a quorum is present.

If you are a Level 3 stockholder and you do not instruct your broker on how to vote your shares, your broker may not vote your shares, which will have the same effect as a vote against the proposal to adopt the merger agreement and, assuming a quorum is present, will have no effect on the compensation proposal or the Level 3 adjournment proposal.

Q: What will happen if I return my proxy card without indicating how to vote?

A: If you are a stockholder of record and you sign and return your proxy card without indicating how to vote on any particular proposal, the CenturyLink common stock or voting preferred stock or Level 3 common stock represented by your proxy will be voted in favor of that proposal.

Q: Can I change my vote after I have returned a proxy or voting instruction card?

A: Yes. You can change your vote at any time before your proxy is voted at your special meeting. You can do this in one of three ways:

you can send a signed notice of revocation;

you can grant a new, valid proxy bearing a later date; or

if you are a holder of record, you can attend your special meeting and vote in person, which will automatically cancel any proxy previously given, or you may revoke your proxy in person, but your attendance alone will not revoke any proxy that you have previously given.

If you choose either of the first two methods, you must submit your notice of revocation or your new proxy to the Secretary of CenturyLink or Secretary of Level 3, as appropriate, no later than the beginning of the applicable special meeting. If your shares are held in street name by your broker or nominee, you should contact them to change your vote. If your shares are held through a CenturyLink or Level 3 retirement plan, you should contact the trustee for the plan to change your vote.

Q: What happens if I am a Level 3 stockholder who sells my shares of Level 3 common stock before the Level 3 special meeting?

A: The record date for the Level 3 special meeting is earlier than the Level 3 special meeting. If you transfer your shares of Level 3 common stock after the Level 3 record date but before the Level 3 special meeting,

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you will retain your right to vote at the Level 3 special meeting, but will have transferred the right to receive the merger consideration in the combination. In order to receive the merger consideration, you must hold your shares through the effective time of the combination.

Q: What will happen to my Level 3 restricted stock unit awards at the time of the combination?

A: Upon the completion of the initial merger, each outstanding Level 3 restricted stock unit award, including any performance restricted stock unit award (a Level 3 RSU award), granted prior to April 1, 2014 and each Level 3 RSU award granted to a non-employee member of the Level 3 Board will be cancelled in exchange for \$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock covered by the award, less applicable withholding taxes.

Upon the completion of the initial merger, each outstanding Level 3 RSU award granted on or after April 1, 2014 (other than those granted to non-employee members of the Level 3 Board), will be converted into a restricted stock unit award relating to a number of shares of CenturyLink common stock equal to the product of (a) the equity award exchange ratio (described below) multiplied by (b) the number of shares of Level 3 common stock subject to the award immediately prior to the effective time of the initial merger. Following the effective time of the initial merger, the converted RSU awards will remain subject to the same terms and conditions (including vesting terms) applicable to such awards immediately prior to the effective time, except that any performance-based vesting conditions will be deemed satisfied based on the actual performance of Level 3 through the latest practicable date prior to the closing date of the combination (as determined by the compensation committee of the Level 3 Board) and the award will continue to vest based on continued service to CenturyLink. The equity award exchange ratio is equal to the sum of (1) 1.4286 plus (2) the quotient (rounded to four decimal places) of (a) \$26.50 divided by (b) the volume weighted average price of a share of CenturyLink common stock on the NYSE for the 30 trading days ending with the trading day immediately prior to the closing date of the combination.

Q: What are the material U.S. federal income tax consequences of the combination to U.S. holders of Level 3 common stock?

A: CenturyLink and Level 3 intend for the combination to be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (which we refer to as the Code). It is a condition to CenturyLink's obligation to complete the combination that CenturyLink receive an opinion from Wachtell, Lipton, Rosen & Katz, counsel to CenturyLink (or such other reputable tax counsel reasonably satisfactory to CenturyLink), to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to Level 3's obligation to complete the combination that Level 3 receive an opinion from Willkie Farr & Gallagher LLP, counsel to Level 3 (or such other reputable tax counsel reasonably satisfactory to Level 3), to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code. Assuming the receipt and accuracy of these opinions, a holder of shares of Level 3 common stock will generally recognize gain (but not loss) for U.S. federal income tax purposes in an amount equal to the lesser of (i) the amount of gain realized (consisting of the excess, if any, of the sum of the amount of cash and the fair market value, as of the effective time of the merger, of the CenturyLink shares received in the combination over that stockholder's adjusted tax basis in its Level 3 common stock surrendered) and (ii) the aggregate amount of cash received in the combination.

You should read the section entitled *Material U.S. Federal Income Tax Consequences* beginning on page 149 for a more complete discussion of the U.S. federal income tax consequences of the combination. Tax matters can be complicated, and the tax consequences of the combination to you will depend on your particular situation. **You should consult your tax advisor to determine the tax consequences of the combination to you.**

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Q: When do you expect the combination to be completed?

A: Level 3 and CenturyLink intend to complete the combination as soon as reasonably practicable and currently anticipate the closing of the combination to occur by the end of the third quarter of 2017, following the satisfaction of all the conditions to closing. However, the combination is subject to various regulatory clearances and the satisfaction or waiver of other conditions and it is possible that factors outside the control of Level 3 and CenturyLink could result in the combination being completed at a later time or not at all. There can be no assurances as to when or if the combination will close. See *The Merger Agreement Conditions to Completion of the Combination*.

Q: What do I need to do now?

A: You should carefully read and consider the information contained in and incorporated by reference into this joint proxy statement/prospectus, including its annexes.

In order for your shares to be represented at your special meeting:

you can attend your special meeting in person;

you can vote through the Internet or by telephone by following the instructions included on your proxy or voting instruction card; or

you can indicate on the enclosed proxy or voting instruction card how you would like to vote and return the card in the accompanying pre-addressed postage paid envelope.

Q: Do I need to do anything with my Level 3 common stock certificates now?

A: No. After the combination is completed, if you held certificates representing shares of Level 3 common stock prior to the combination, CenturyLink's exchange agent will send you a letter of transmittal and instructions for exchanging your shares of Level 3 common stock for the merger consideration. Upon surrender of the certificates for cancellation along with the executed letter of transmittal and other required documents described in the instructions, a Level 3 stockholder will receive the merger consideration. The shares of CenturyLink common stock you receive in the combination will be issued in book-entry form.

If you are a CenturyLink shareholder, you are not required to take any action with respect to your CenturyLink stock certificates.

Q: Do I need identification to attend the CenturyLink or Level 3 meeting in person?

A: Yes. Please bring proper identification, together with proof that you are a record owner of CenturyLink or Level 3 stock. If your shares are held in street name or through a CenturyLink or Level 3 retirement plan, please bring acceptable proof of ownership, such as a letter from your broker or an account statement stating or showing that you beneficially owned shares of CenturyLink or Level 3 stock, as applicable, on the record date.

Q: Why are Level 3 stockholders being asked to cast an advisory (non-binding) vote to approve the compensation proposal?

A: The Exchange Act and applicable SEC rules thereunder require Level 3 to seek an advisory (non-binding) vote with respect to certain payments that could become payable to its named executive officers in connection with the combination.

Q: What will happen if the Level 3 stockholders do not approve the compensation proposal at the Level 3 special meeting?

A: Approval of the compensation proposal is not a condition to the completion of the combination. The vote with respect to the compensation proposal is an advisory vote and will not be binding on either CenturyLink

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or Level 3. Therefore, if the other requisite stockholder approvals are obtained and the combination is completed, the amounts payable under the compensation proposal will continue to be payable to Level 3's named executive officers in accordance with the terms and conditions of the applicable agreements.

Q: Are stockholders entitled to appraisal rights?

A: Under the General Corporation Law of the State of Delaware (which we refer to as the Delaware law), holders of Level 3 common stock who deliver to Level 3 a written demand for appraisal before the vote on the adoption of the merger agreement at the Level 3 special meeting and who do not vote for the merger proposal have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery if the combination is completed, but only if they comply with all requirements of Delaware law, as described under *Appraisal Rights* below, beginning on page 180. This appraisal amount could be more than, the same as, or less than the amount a Level 3 stockholder would be entitled to receive under the merger agreement. Any holder of Level 3 common stock intending to exercise appraisal rights must, among other things, submit a written demand for appraisal to Level 3 prior to the vote on the adoption and approval of the merger agreement and the transactions contemplated thereunder, not vote or otherwise submit a proxy in favor of adoption and approval of the merger agreement and the transactions contemplated thereunder and not submit a letter of transmittal. Failure to follow exactly the procedures specified under Delaware law will result in the loss of appraisal rights.

The CenturyLink shareholders are not entitled to appraisal rights in connection with the combination under Louisiana law.

Q: Who can help answer my questions?

A: CenturyLink shareholders or Level 3 stockholders who have questions about the combination or the other matters to be voted on at the special meetings or desire additional copies of this joint proxy statement/prospectus or additional proxy or voting instruction cards should contact:

if you are a CenturyLink shareholder:

Innisfree M&A Incorporated

501 Madison Avenue

New York, NY 10022

(877) 825-8621 for shareholder inquiries

(212) 750-5833 for banks and brokers

if you are a Level 3 stockholder:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, NY 10016

Toll Free: (800) 322-2885

Collect: (212) 929-5500

Email: proxy@mackenziepartners.com

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SUMMARY

*This summary highlights information contained elsewhere in this joint proxy statement/prospectus and may not contain all the information that is important to you. CenturyLink and Level 3 urge you to read carefully the remainder of this joint proxy statement/prospectus, including the attached annexes, and the other documents to which we have referred you because this section does not provide all the information that might be important to you with respect to the combination and the related matters being considered at the applicable special meeting. See also the section entitled *Where You Can Find More Information* on page 186. We have included page references to direct you to a more complete description of the topics presented in this summary.*

The Companies

CenturyLink (See page 38)

CenturyLink, Inc.

100 CenturyLink Drive

Monroe, LA 71203

Telephone: (318) 388-9000

CenturyLink, a Louisiana corporation, together with its subsidiaries, is an integrated communications company engaged primarily in providing an array of communications services, including local and long-distance voice, broadband, Multi-Protocol Label Switching, private line (including special access), Ethernet, hosting (including cloud hosting and managed hosting), data integration, video, network, public access, Voice over Internet Protocol, information technology and other ancillary services. CenturyLink strives to maintain its customer relationships by, among other things, bundling its service offerings to provide a complete offering of integrated communications services.

Based on its approximately 11.2 million total access lines at September 30, 2016, CenturyLink believes that it is the third largest wireline telecommunications company in the United States. CenturyLink operates 74% of its total access lines in portions of Colorado, Arizona, Washington, Minnesota, Florida, North Carolina, Oregon, Iowa, Utah, New Mexico, Missouri, and Nevada. CenturyLink also provides local service in portions of Idaho, Ohio, Wisconsin, Virginia, Texas, Nebraska, Pennsylvania, Montana, Alabama, Indiana, Arkansas, Wyoming, Tennessee, New Jersey, South Dakota, North Dakota, Kansas, Louisiana, South Carolina, Michigan, Illinois, Georgia, Mississippi, Oklahoma, and California. In the portion of these 37 states where CenturyLink has access lines, CenturyLink is the incumbent local telephone company.

At September 30, 2016, CenturyLink served approximately 6.0 million broadband subscribers and approximately 318,000 Prism TV subscribers. CenturyLink's methodology for counting access lines, broadband subscribers and Prism TV subscribers may not be comparable to those of other companies.

Additional information about CenturyLink and its subsidiaries is included in documents incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 186.

Level 3 (See page 38)

Level 3 Communications, Inc.

1025 Eldorado Boulevard

Broomfield, Colorado 80021

(720) 888-1000

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Level 3, a Delaware corporation, through its subsidiaries, is a facilities-based provider (that is, a provider that owns or leases a substantial portion of the plant, property and equipment necessary to provide its services) of a broad range of integrated communications services. Level 3 created its communications network by constructing its own assets and through a combination of purchasing other companies and purchasing or leasing facilities from others. Level 3's network is an international, facilities-based communications network. Level 3 designed its network to provide communications services that employ and take advantage of rapidly improving underlying optical, Internet Protocol, computing and storage technologies. Level 3's comprehensive portfolio of secure, managed solutions includes fiber and infrastructure solutions, IP-based voice and data communications, wide-area Ethernet services, video and content distribution, and data center and cloud-based solutions. Level 3 serves customers in more than 500 markets in over 60 countries. Additional information about Level 3 and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* on page 186.

Wildcat Merger Sub 1 LLC (See page 39)

Wildcat Merger Sub 1 LLC, an indirect wholly owned subsidiary of CenturyLink, is a Delaware limited liability company formed on October 28, 2016 for the purpose of effecting the combination. Upon completion of the initial merger, Wildcat Merger Sub 1 LLC will be merged with and into Level 3 with Level 3 surviving as an indirect wholly owned subsidiary of CenturyLink.

Wildcat Merger Sub 1 LLC has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with the combination.

WWG Merger Sub LLC (See page 39)

WWG Merger Sub LLC, an indirect wholly owned subsidiary of CenturyLink, is a Delaware limited liability company formed on October 28, 2016 for the purpose of effecting the combination. Upon completion of the subsequent merger, Level 3 will be merged with and into WWG Merger Sub LLC with WWG Merger Sub LLC surviving as a direct wholly owned subsidiary of a newly-created holding company, which in turn is a direct wholly owned subsidiary of CenturyLink.

WWG Merger Sub LLC has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with the combination.

Risk Factors

Before voting at the CenturyLink special meeting or the Level 3 special meeting, you should carefully consider all of the information contained in or as incorporated by reference into this joint proxy statement/prospectus, as well as the specific factors under the heading *Risk Factors* beginning on page 20. Some of the most important risks are summarized below:

Risks Related to the Combination (See page 20)

The exchange ratio and the amount of cash consideration are fixed and will not be adjusted in the event of any change in either CenturyLink's or Level 3's stock price.

The completion of the combination is subject to receipt of consents and approvals, which may impose conditions that could have an adverse effect on CenturyLink or Level 3 and could cause the combination to be abandoned.

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The failure to complete the combination could negatively affect the stock prices and the future business and financial results of Level 3 and CenturyLink.

Risks Related to CenturyLink Following the Combination (See page 24)

Although CenturyLink and Level 3 expect that CenturyLink's acquisition of Level 3 will benefit CenturyLink, CenturyLink may not realize the anticipated benefits because the combined company may be unable to integrate successfully the businesses of CenturyLink and Level 3.

The Level 3 and CenturyLink prospective financial information is inherently subject to uncertainties and the unaudited pro forma financial data for CenturyLink included in this joint proxy statement/prospectus is preliminary, and CenturyLink's actual financial position and operations after the combination may differ materially from these estimates and the unaudited pro forma financial data included in this joint proxy statement/prospectus.

The Combination and the Merger Agreement

A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. CenturyLink and Level 3 encourage you to read the entire merger agreement carefully because it is the principal document governing the merger. For more information on the merger agreement, see the section entitled *The Merger Agreement* beginning on page 124.

Effect of the Mergers (See page 124)

Subject to the terms and conditions of the merger agreement, at the effective time of the initial merger, merger sub 1 will be merged with and into Level 3, with Level 3 continuing as the surviving company and an indirect wholly owned subsidiary of CenturyLink. Immediately after the effective time of the initial merger, Level 3 will merge with and into merger sub 2, with merger sub 2 continuing as the surviving company and an indirect wholly owned subsidiary of CenturyLink.

Merger Consideration; Treatment of Level 3 Equity Awards (See page 137)

Upon completion of the combination, Level 3 stockholders (excluding shares as to which appraisal rights have been properly exercised pursuant to Delaware law) will have the right to receive \$26.50 in cash and 1.4286 shares of CenturyLink common stock for each share of Level 3 common stock they own at closing, with cash paid in lieu of fractional shares. The exchange ratio is fixed and will not be adjusted for changes in the market value of the common stock of Level 3 or CenturyLink. Because of this, the implied value of the consideration to Level 3 stockholders will fluctuate until the completion of the combination. Based on the closing price of CenturyLink common stock on the NYSE of \$28.25 on October 26, 2016, the last trading day before public reports of a possible transaction, the merger consideration represented approximately \$66.86 of aggregate value for each share of Level 3 common stock. Based on the CenturyLink closing price of \$24.43 on February 8, 2017, the latest practicable date before the date of this document, the merger consideration represented approximately \$61.40 of aggregate value for each share of Level 3 common stock. See *Comparative Stock Price Data and Dividends* on page 168.

Upon the completion of the initial merger, each outstanding Level 3 RSU award granted prior to April 1, 2014 and each Level 3 RSU award granted to a non-employee member of the Level 3 Board will be cancelled in exchange for \$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock covered by the

award, less applicable withholding taxes.

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Upon the completion of the initial merger, each outstanding Level 3 RSU award granted on or after April 1, 2014 (other than those granted to non-employee members of the Level 3 Board), will be converted into a restricted stock unit award relating to a number of shares of CenturyLink common stock equal to the product of (a) the equity award exchange ratio (described below) multiplied by (b) the number of shares of Level 3 common stock subject to the award immediately prior to the effective time of the initial merger. Following the effective time of the initial merger, the converted RSU awards will remain subject to the same terms and conditions (including vesting terms) applicable to such awards immediately prior to the effective time, except that any performance-based vesting conditions will be deemed satisfied based on the actual performance of Level 3 through the latest practicable date prior to the closing date of the combination (as determined by the compensation committee of the Level 3 Board) and the award will continue to vest based on continued service to CenturyLink. The equity award exchange ratio is equal to the sum of (1) 1.4286 plus (2) the quotient (rounded to four decimal places) of (a) \$26.50 divided by (b) the volume weighted average price of a share of CenturyLink common stock on the NYSE for the 30 trading days ending with the trading day immediately prior to the closing date of the combination.

Material U.S. Federal Income Tax Consequences of the Merger (See page 149)

CenturyLink and Level 3 intend for the combination to be treated as a reorganization within the meaning of Section 368(a). It is a condition to CenturyLink's obligation to complete the combination that CenturyLink receive an opinion from Wachtell, Lipton, Rosen & Katz, counsel to CenturyLink (or such other reputable tax counsel reasonably satisfactory to CenturyLink), to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to Level 3's obligation to complete the combination that Level 3 receive an opinion from Willkie Farr & Gallagher LLP, counsel to Level 3, (or such other reputable tax counsel reasonably satisfactory to Level 3), to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code. Assuming the receipt and accuracy of these opinions, a holder of shares of Level 3 common stock will generally recognize gain (but not loss) for U.S. federal income tax purposes in an amount equal to the lesser of (i) the amount of gain realized (consisting of the excess, if any, of the sum of the amount of cash and the fair market value, as of the effective time of the merger, of the CenturyLink shares received in the combination over that stockholder's adjusted tax basis in its Level 3 common stock surrendered) and (ii) the aggregate amount of cash received in the combination.

You should read the section entitled *Material U.S. Federal Income Tax Consequences* beginning on page 149 for a more complete discussion of the U.S. federal income tax consequences of the combination. Tax matters can be complicated, and the tax consequences of the combination to you will depend on your particular situation. **You should consult your tax advisor to determine the tax consequences of the combination to you.**

Recommendation of the CenturyLink Board (See page 40)

After careful consideration, the CenturyLink Board, on October 30, 2016, unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the CenturyLink stock issuance, are in the best interests of CenturyLink and its shareholders. For the factors considered by the CenturyLink Board in reaching its decision to approve the merger agreement, see the section entitled *The Combination and the Stock Issuance CenturyLink's Reasons for the Combination; Recommendation of the Stock Issuance by the CenturyLink Board* beginning on page 59. **The CenturyLink Board unanimously recommends that the CenturyLink shareholders vote FOR the proposal to issue shares of CenturyLink common stock in connection with the combination.**

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Recommendation of the Level 3 Board (See page 46)

After careful consideration, the Level 3 Board, on October 30, 2016, unanimously approved and adopted the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the combination, are advisable and in the best interests of Level 3 and its stockholders. For the factors considered by the Level 3 Board in reaching its decision to approve and adopt the merger agreement, see the section entitled *The Combination and the Stock Issuance Level 3's Reasons for the Combination; Recommendation of the Combination by the Level 3 Board* beginning on page 62. **The Level 3 Board unanimously recommends that the Level 3 stockholders vote FOR the proposal to adopt the merger agreement.**

Opinions of CenturyLink's Financial Advisors

Opinion of BofA Merrill Lynch (See page 66)

In connection with the combination, Merrill Lynch, Pierce, Fenner & Smith Incorporated, which we refer to as BofA Merrill Lynch, financial advisor to CenturyLink, delivered to the CenturyLink Board an oral opinion, which was confirmed by delivery of a written opinion, dated October 30, 2016, to the effect that, as of the date of the opinion and based on and subject to various assumptions and limitations described in its opinion, the merger consideration to be paid by CenturyLink was fair, from a financial point of view, to CenturyLink.

The full text of the written opinion, dated October 30, 2016, of BofA Merrill Lynch, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex E to this document. The summary of BofA Merrill Lynch's opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. **BofA Merrill Lynch provided its opinion to the CenturyLink Board (in its capacity as such) for the benefit and use of the CenturyLink Board in connection with and for purposes of its evaluation of the merger consideration from a financial point of view. BofA Merrill Lynch's opinion does not address any other aspect of the combination and no opinion or view was expressed as to the relative merits of the combination in comparison to other strategies or transactions that might be available to CenturyLink or in which CenturyLink might engage or as to the underlying business decision of CenturyLink to proceed with or effect the combination. BofA Merrill Lynch's opinion does not address any other aspect of the combination and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed combination or any related matter.**

Opinion of Morgan Stanley (See page 69)

Morgan Stanley & Co. LLC, which we refer to as Morgan Stanley, was retained by the CenturyLink Board to act as financial advisor in connection with the combination. On October 30, 2016, Morgan Stanley rendered its oral opinion, which was subsequently confirmed in writing, to the CenturyLink Board to the effect that, as of that date and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by Morgan Stanley as set forth in its written opinion, the merger consideration to be paid by CenturyLink pursuant to the merger agreement was fair from a financial point of view to CenturyLink.

The full text of the written opinion, dated October 30, 2016, of Morgan Stanley, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex F to this document. The summary of Morgan Stanley's opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. **Morgan Stanley provided its opinion to the CenturyLink Board (in its capacity as such) for the benefit and use of the CenturyLink Board in connection with and for purposes of its evaluation of the merger**

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consideration from a financial point of view. Morgan Stanley's opinion does not address any other aspect of the combination and no opinion or view was expressed as to the relative merits of the combination in comparison to other strategies or transactions that might be available to CenturyLink or in which CenturyLink might engage or as to the underlying business decision of CenturyLink to proceed with or effect the combination. Morgan Stanley's opinion does not address any other aspect of the combination and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed combination or any related matter.

Opinion of Evercore (See page 78)

In connection with the combination, CenturyLink retained Evercore Group L.L.C., which we refer to as Evercore, to act as a financial advisor to CenturyLink and the CenturyLink Board. On October 30, 2016, at a meeting of the CenturyLink Board, Evercore rendered its oral opinion, subsequently confirmed by delivery of a written opinion that, based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in its opinion, as of such date, the merger consideration was fair, from a financial point of view, to CenturyLink.

The full text of the written opinion, dated October 30, 2016, of Evercore, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex G to this document. The summary of Evercore's opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. **Evercore provided its opinion to the CenturyLink Board (in its capacity as such) for the benefit and use of the CenturyLink Board in connection with and for purposes of its evaluation of the merger consideration from a financial point of view. Evercore's opinion does not address any other aspect of the combination and no opinion or view was expressed as to the relative merits of the combination in comparison to other strategies or transactions that might be available to CenturyLink or in which CenturyLink might engage or as to the underlying business decision of CenturyLink to proceed with or effect the combination. Evercore's opinion does not address any other aspect of the combination and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed combination or any related matter.**

Opinions of Level 3's Financial Advisors***Opinion of Citi (See page 88)***

On October 30, 2016, Citigroup Global Markets Inc., which we refer to as Citi, financial advisor to Level 3, rendered its oral opinion to the Level 3 Board, which was confirmed by delivery of a written opinion dated October 31, 2016, to the effect that, as of such date and based on and subject to factors, procedures, assumptions, qualifications and limitations contained therein, Citi's experience as investment bankers, the work described in Citi's opinion and other factors deemed relevant by Citi, each as described in greater detail in the section entitled *The Combination and the Stock Issuance Opinions of Level 3's Financial Advisors Opinion of Citigroup Global Markets Inc.*, the merger consideration to be received by the Level 3 stockholders, other than with respect to shares of Level 3 common stock held by stockholders that have properly perfected their rights of appraisal within the meaning of Section 262 of the Delaware law (such shares, the "excluded shares"), in the initial merger was fair, from a financial point of view, to such holders. Citi's opinion, the issuance of which was authorized by Citi's fairness opinion committee, was provided to the Level 3 Board in connection with its evaluation of the combination and was limited to the fairness, from a financial point of view, as of the date of Citi's opinion, to the Level 3 stockholders (other than with respect to excluded shares) of the merger consideration to be received by such holders in connection with the combination.

Citi's opinion does not address any other aspects or implications of the combination and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act on any

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matters relating to the transactions contemplated by the merger agreement, including the initial merger. The summary of Citi's opinion contained in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. We encourage you to read the full text of Citi's written opinion, which is attached to this joint proxy statement/prospectus as Annex C and sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the scope of review undertaken.

For a description of the opinion that the Level 3 Board received from Citi, see the section entitled *The Combination and the Stock Issuance Opinions of Level 3's Financial Advisors Opinion of Citigroup Global Markets Inc.* beginning on page 88.

Opinion of Lazard (See page 96)

On October 30, 2016, Lazard Frères & Co. LLC, which we refer to as Lazard, financial advisor to Level 3, rendered its oral opinion, subsequently confirmed in writing by delivery of a written opinion, dated October 30, 2016, to the Level 3 Board, that, as of such date, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth therein, the per share merger consideration of \$26.50 in cash and 1.4286 shares of CenturyLink common stock to be paid to Level 3 stockholders, other than the holders of shares of Level 3 common stock that have properly perfected their rights of appraisal within the meaning of Section 262 of the Delaware law, in the combination was fair, from a financial point of view, to such holders of Level 3 common stock.

The full text of Lazard's written opinion, dated October 30, 2016, which sets forth the assumptions made, procedures followed, factors considered and qualifications and limitations on the scope of review undertaken by Lazard in connection with its opinion, is attached to this joint proxy statement/prospectus as Annex D and is incorporated into this joint proxy statement/prospectus by reference. The description of Lazard's opinion set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of Lazard's written opinion attached as Annex D. You are encouraged to read Lazard's opinion carefully and in its entirety.

Lazard's opinion was for the benefit of the Level 3 Board (in its capacity as such) and Lazard's opinion was rendered to the Level 3 Board in connection with its evaluation of the transactions. Lazard's opinion was not intended to and does not constitute a recommendation to any shareholder as to how such shareholder should vote or act with respect to the transactions or any matter relating thereto. For a description of the opinion that the Level 3 Board received from Lazard, see the section entitled *The Combination and the Stock Issuance Opinions of Level 3's Financial Advisors Opinion of Lazard Frères & Co. LLC* beginning on page 96.

CenturyLink's Executive Officers and Directors Have Financial Interests in the Combination That Differ from the Interests of CenturyLink Shareholders (See page 106)

Some of CenturyLink's executive officers and directors have financial interests in the combination that are different from, or in addition to, the interests of CenturyLink shareholders generally. The CenturyLink Board was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the combination, in approving the merger agreement, and in recommending that the shareholders approve the issuance of CenturyLink common stock to Level 3 stockholders in connection with the combination.

Following the consummation of the combination, all members of the CenturyLink Board are expected to continue as directors of the combined company. Except as otherwise described in this joint proxy statement/prospectus, the executive officers of CenturyLink are currently expected to continue as executive officers of the combined company. Decisions on executive officers are subject to change as the parties complete integration

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planning and as decisions are made concerning the management structure of the combined company. In addition, in connection with the combination, CenturyLink plans to establish and grant awards under a retention program in which executive officers of CenturyLink may be eligible to participate.

Please see *The Combination and the Stock Issuance Financial Interests of CenturyLink Directors and Executive Officers in the Combination* beginning on page 105 for additional information about these financial interests.

Level 3 s Executive Officers and Directors Have Financial Interests in the Combination That Differ from the Interests of Level 3 Stockholders (See page 107)

Certain members of the Level 3 Board and certain executive officers of Level 3 may be deemed to have financial interests in the combination that are in addition to, or different from, the interests of other Level 3 stockholders generally. The Level 3 Board was aware of these interests and considered them, among other matters, in approving the combination and the merger agreement and in making the recommendations that Level 3 stockholders approve and adopt the merger agreement and approve the combination and the other transactions contemplated by the merger agreement. These interests include:

outstanding Level 3 RSU awards held by the members of the Level 3 Board and Level 3 s executive officers, which will either be cancelled in exchange for the per share merger consideration or assumed by CenturyLink;

the terms of outstanding Level 3 RSU awards that will be assumed provide for the accelerated vesting of all or a portion of the awards upon certain qualifying terminations of employment following the effective time of the combination;

each Level 3 executive officer participates in the Key Executive Severance Plan, which provides the executive officer with cash severance and other benefits in the case of a qualifying termination of employment following the completion of the combination;

in connection with the execution of the merger agreement, Level 3 may adopt a retention program in which Level 3 s executive officers are eligible to participate; and

Level 3 directors and executive officers are entitled to continued indemnification and insurance coverage under the merger agreement.

Governance Matters After the Combination (See page 134)

CenturyLink has agreed to appoint to the CenturyLink Board on or prior to the effective time of the initial merger, (i) three members of Level 3 s Board, to be selected by CenturyLink and who are not affiliated with STT Crossing, and (ii) in accordance with the terms of the shareholder rights agreement, one member of Level 3 s Board to be designated by STT Crossing. If any of the Level 3 directors selected by CenturyLink to serve on the CenturyLink Board are unwilling or unable to serve on CenturyLink s Board, then CenturyLink shall select another candidate from Level 3 s Board not affiliated with or designated by STT Crossing. CenturyLink has further agreed to cause all such appointed

directors to be nominated for election to the CenturyLink Board at the first annual meeting following the closing of the combination. In addition, in accordance with the terms of the shareholder rights agreement, CenturyLink has also agreed to nominate the STT Crossing designee to the CenturyLink Board for the first three annual meetings of CenturyLink following the completion of the combination, unless STT Crossing and its affiliates do not beneficially own at least 85% of the CenturyLink common stock to be received by them at the completion of the combination. STT Crossing is expected to own approximately 8.8% of the CenturyLink common stock outstanding after the completion of the combination.

CenturyLink expects Jeff K. Storey, Level 3's president and chief executive officer, and Steven T. Clontz, senior executive vice president of Singapore Technologies Telemedia Pte. Ltd., to join the CenturyLink Board

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upon completion of the combination, with Mr. Clontz serving as the designee of STT Crossing. Prior to the CenturyLink special meeting, CenturyLink intends to publicly announce the names of the other two Level 3 directors to be appointed to the CenturyLink Board upon completion of the combination.

Regulatory Approvals Required for the Combination (See page 117)

As more fully described in this joint proxy statement/prospectus, the completion of the combination is subject to the receipt of the following regulatory approvals, among others:

the expiration or earlier termination of the waiting period (and any extension thereof) applicable to the combination under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the HSR Act;

the receipt of the authorizations required to be obtained from the Federal Communications Commission, which we refer to as the FCC, and certain state regulatory agencies; and

completion of the Committee on Foreign Investment in the United States, which we refer to as CFIUS, process, if a notice of merger is provided to CFIUS.

Conditions to Completion of the Combination (See page 140)

As more fully described in this joint proxy statement/prospectus and in the merger agreement, the completion of the combination depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include, among others, receipt of the requisite approvals of CenturyLink shareholders and Level 3 stockholders, the expiration or early termination of the waiting period under the HSR Act, the receipt of all required regulatory approvals by the FCC and certain state regulators, approval by CFIUS if a notice of the combination is provided to CFIUS, the absence of any law or order prohibiting the merger and the receipt of required regulatory approvals from certain state regulators and other governmental entities so long as failure to receive such approvals does not have certain material effects on one or more of the parties to the merger, the shares of CenturyLink common stock to be issued in connection with the combination having been approved for listing on the NYSE, the effectiveness of the registration statement of which this joint proxy statement/prospectus forms a part, the correctness of all representations and warranties made by the parties in the merger agreement and performance by the parties of their obligations under the merger agreement (subject in each case to certain materiality standards) and the receipt of legal opinions from their respective tax counsel regarding the qualification of the combination as a reorganization for U.S. federal income tax purposes.

We cannot be certain when, or if, the conditions to the combination will be satisfied or waived, or that the combination will be completed.

Termination of the Merger Agreement (See page 142)

CenturyLink and Level 3 may mutually agree to terminate the merger agreement before completing the combination, even after approval of the CenturyLink shareholders or approval of the Level 3 stockholders.

In addition, either CenturyLink or Level 3 may decide to terminate the merger agreement if:

the combination is not consummated by October 31, 2017, subject to extension by either party to not later than January 31, 2018 if all of the conditions to the completion of the combination other than the receipt of the required regulatory approvals have been satisfied or are capable of being satisfied;

a court or other governmental entity issues a final and nonappealable order prohibiting or making illegal the transactions contemplated by the merger agreement;

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CenturyLink shareholders fail to approve the issuance of shares of CenturyLink common stock in connection with the combination;

Level 3 stockholders fail to approve and adopt the merger agreement; or

the other party breaches the merger agreement in a way that would entitle the party seeking to terminate the agreement not to consummate the combination, subject to the right of the breaching party to cure the breach.

Either party may also terminate the merger agreement:

prior to the shareholder approval of the other party being obtained, if the board of directors of the other party (i) withdraws, modifies or amends its approval or recommendation of the merger agreement or the combination in any manner adverse to the terminating party or (ii) approves or recommends a competing takeover proposal with a third party; or

concurrently with entering into a definitive acquisition agreement with respect to a competing takeover proposal that (i) the board of directors of such party has determined to be superior to the combination and (ii) as to which the board of directors of such party has concluded that the failure to take such action is inconsistent with the fiduciary duties of such party's board of directors, subject to a matching period for the benefit of the other party and other procedural requirements.

Either party may also terminate the merger agreement if the other party fails to call or hold the meeting of its shareholders in connection with the combination or commits an intentional breach of its non-solicitation obligations under the merger agreement.

The merger agreement also prohibits CenturyLink and Level 3 from soliciting, or participating in discussions or negotiations or providing information with respect to, competing takeover proposals, subject to certain exceptions.

Termination Fees and Expenses; Liability for Breach (See page 143)

Generally, all fees and expenses incurred in connection with the merger and the transactions contemplated by the merger agreement will be paid by the party incurring those expenses, subject to specific exceptions provided in the merger agreement. Each of CenturyLink and Level 3 is also required to reimburse the other party for 50% of such other party's reasonably documented fees and expenses in the event of the termination of the merger agreement as a result of the failure to obtain the requisite approval of such party's shareholders, subject to a maximum reimbursement of up to (i) \$20 million, in the case of CenturyLink's obligation to reimburse Level 3, and (ii) \$75 million, in the case of Level 3's obligation to reimburse CenturyLink. The merger agreement further provides that, under certain circumstances involving a termination of the merger agreement, Level 3 may be obligated to pay CenturyLink a termination fee of \$737.5 million and CenturyLink may be obligated to pay Level 3 a termination fee of \$471.5 million, less, in each case, a credit for any previously paid reimbursement of expenses.

See the section entitled *The Merger Agreement Termination Fees and Expenses; Liability for Breach* beginning on page 143 for a complete discussion of the circumstances under which termination fees will be required to be paid.

Accounting Treatment (See page 152)

CenturyLink prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States, which we refer to as GAAP. The combination will be accounted for by applying the acquisition method with CenturyLink treated as the acquiror. Please see the section entitled *Accounting Treatment* on page 152.

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Appraisal Rights (See page 180)

Level 3 stockholders who do not vote in favor of the proposal to adopt the merger agreement will have the right to demand appraisal of their shares of Level 3 common stock and obtain payment in cash for the fair value of their shares, but only if they perfect their appraisal rights and comply with the applicable provisions of Delaware law. A copy of the Delaware statutory provisions related to appraisal rights is attached as Annex H to this joint proxy statement/prospectus, and a summary of these provisions can be found under *Appraisal Rights*. Failure to strictly comply with the applicable provisions of Delaware law will result in the loss of the right of appraisal.

Under Louisiana law, the holders of CenturyLink common stock and preferred stock are not entitled to appraisal rights in connection with the CenturyLink stock issuance proposal.

The CenturyLink Special Meeting

The CenturyLink special meeting will be held at 100 CenturyLink Drive, Monroe, Louisiana 71203 at 10:00 a.m., local time, on March 16, 2017. At the CenturyLink special meeting, CenturyLink shareholders will be asked to approve:

the CenturyLink stock issuance proposal; and

if necessary, the CenturyLink adjournment proposal.

You may vote at the CenturyLink special meeting if you owned shares of CenturyLink common stock or voting preferred stock at the close of business on January 25, 2017. You may cast one vote for each share of common stock or voting preferred stock of CenturyLink that you owned on the record date. On that date, there were 546,558,823 shares of common stock and 7,018 shares of voting preferred stock of CenturyLink outstanding and entitled to vote.

Approval of the CenturyLink stock issuance proposal requires the affirmative vote of a majority of the votes cast on such matter at the CenturyLink special meeting by holders of the CenturyLink common stock and voting preferred stock, voting as a single class (provided that a quorum is present). Approval of the CenturyLink adjournment proposal requires approval by the affirmative vote of a majority of the votes cast on such matter at such meeting by holders of the CenturyLink common stock and voting preferred stock, voting as a single class (provided that a quorum exists).

On the record date, less than 1.0% of the outstanding shares of CenturyLink common stock and none of the outstanding shares of CenturyLink voting preferred stock were held by CenturyLink directors and executive officers and their affiliates. CenturyLink currently expects that CenturyLink's directors and executive officers will vote their shares in favor of the issuance of CenturyLink common stock in the combination.

The Level 3 Special Meeting

The Level 3 special meeting will be held at Level 3's headquarters at 1025 Eldorado Boulevard, Broomfield, Colorado 80021, at 9:00 a.m., local time, on March 16, 2017. At the Level 3 special meeting, Level 3 stockholders will be asked:

to consider and vote on the merger proposal;

to consider and vote on the compensation proposal; and

to consider and vote on the Level 3 adjournment proposal.

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You may vote at the Level 3 special meeting if you owned shares of Level 3 common stock at the close of business on January 25, 2017, the record date. As of the close of business on the record date, there were 360,078,836 shares of common stock of Level 3 outstanding and entitled to vote. You may cast one vote for each share of Level 3 common stock that you owned on the record date.

Completion of the combination is conditioned on the approval of the merger proposal. Approval of the merger proposal requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock to approve and adopt the proposal. Approval of the Level 3 adjournment proposal and the compensation proposal each requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock present in person or represented by proxy at the Level 3 special meeting.

On the record date for the Level 3 special meeting, the directors and executive officers of Level 3 and their affiliates owned and were entitled to vote approximately 66,731,667 shares of Level 3 s common stock, representing approximately 19% of the outstanding Level 3 common stock (including 65,031,667 shares of Level 3 common stock held by STT Crossing and its affiliates, representing 18.1% of the outstanding Level 3 common stock). Level 3 currently expects that Level 3 s directors and executive officers will vote their shares in favor of the merger proposal and the compensation proposal. STT Crossing is expected to own approximately 8.8% of the CenturyLink common stock outstanding after the completion of the combination.

Table of Contents**Selected Historical Financial Data of CenturyLink**

The following tables set forth selected consolidated financial information for CenturyLink. The selected statement of operations data for the nine months ended September 30, 2016 and 2015 and the selected balance sheet data as of September 30, 2016 and 2015 have been derived from CenturyLink's unaudited consolidated financial statements. In the opinion of CenturyLink's management, all adjustments considered necessary for a fair presentation of the interim September 30 financial information have been included. The selected statement of operations data for each of the years in the five-year period ended December 31, 2015 and the selected balance sheet data as of December 31 for each of the years in the five-year period ended December 31, 2015 have been derived from CenturyLink's consolidated financial statements that were audited by KPMG LLP. The following information should be read together with CenturyLink's consolidated financial statements, the notes related thereto and management's related reports on CenturyLink's financial condition and performance, all of which are contained in CenturyLink's reports filed with the SEC and incorporated herein by reference. See *Where You Can Find More Information*. The operating results for the nine months ended September 30, 2016 are not necessarily indicative of the results to be expected for the entire year ended December 31, 2016.

<i>(In millions, except per share amounts)</i>	Nine Months Ended		Year Ended December 31,				
	September 30, 2016	2015	2015	2014	2013	2012	2011
Selected Statement of Operations Data							
Operating revenues	\$ 13,181	13,424	17,900	18,031	18,095	18,376	15,351
Operating income	\$ 1,939	1,854	2,605	2,410	1,453	2,713	2,025
Net income (loss)	\$ 584	540	878	772	(239)	777	573
Earnings (loss) per common share							
Basic	\$ 1.08	0.97	1.58	1.36	(0.40)	1.25	1.07
Diluted	\$ 1.08	0.97	1.58	1.36	(0.40)	1.25	1.07
Dividends declared per common share	\$ 1.62	1.62	2.16	2.16	2.16	2.90	2.90
Weighted average basic shares outstanding							
	539.4	558.5	554.3	568.4	600.9	620.2	532.8
Weighted average diluted shares outstanding							
	540.5	559.3	555.1	569.7	600.9	622.3	534.1

<i>(In millions)</i>	September 30,		December 31,				
	2016	2015	2015	2014	2013	2012	2011
Selected Balance Sheet Data							
Net property, plant and equipment	\$ 17,840	18,068	18,069	18,433	18,646	18,909	19,361
Goodwill	\$ 20,766	20,757	20,742	20,755	20,674	21,627	21,627
Total assets	\$ 46,796	48,754	47,604	49,103 ⁽¹⁾	50,471 ⁽¹⁾	52,901 ⁽¹⁾	54,842 ⁽¹⁾
Long-term debt, including current portion	\$ 19,718	20,414	20,225	20,503 ⁽¹⁾	20,809 ⁽¹⁾	20,481 ⁽¹⁾	21,758 ⁽¹⁾
Shareholders' equity	\$ 13,892	14,250	14,060	15,023	17,191	19,289	20,827

(In thousands)

Selected Operating Data

(unaudited):

Total access lines	11,231	11,915	11,748	12,394	13,002	13,751	14,587
Total broadband subscribers	5,950	6,071	6,048	6,082	5,991	5,851	5,655

- (1) Reflects retrospective application of the requirements of Accounting Standard Update, or ASU, 2015-03 Simplifying the Presentation of Debt Issuance Costs and ASU 2015-17 Balance Sheet Classification of Deferred Taxes as described on CenturyLink's Form 10-K for the year ended December 31, 2015.

Table of Contents**Selected Historical Financial Data of Level 3**

The following tables set forth selected consolidated financial information for Level 3. The selected statement of operations data for the nine months ended September 30, 2016 and 2015 and the selected balance sheet data as of September 30, 2016 and 2015 have been derived from Level 3's unaudited consolidated financial statements. In the opinion of Level 3's management, all adjustments considered necessary for a fair presentation of the interim September 30 financial information have been included. The selected statement of operations data for each of the years in the five year period ended December 31, 2015 and the selected balance sheet data as of December 31 for each of the years in the five year period ended December 31, 2015 have been derived from Level 3's consolidated financial statements that were audited by KPMG LLP, except as noted below. The following information should be read together with Level 3's consolidated financial statements, the notes related thereto and management's related reports on Level 3's financial condition and performance, all of which are contained in Level 3's reports filed with the SEC and incorporated herein by reference. See *Where You Can Find More Information*. The operating results for the nine months ended September 30, 2016 are not necessarily indicative of the results to be expected for the entire year ended December 31, 2016.

<i>(In millions, except per share amounts)</i>	Nine Months Ended		Year Ended December 31,				
	September 30, 2016	2015	2015	2014	2013	2012	2011
Selected Statement of Operations Data⁽¹⁾							
Revenue	\$ 6,140	6,176	8,229	6,777	6,313	6,376	4,333
Income (loss) from continuing operations	\$ 427	110	3,433	314	(109)	(422)	(827)
Income (loss) from continuing operations per share							
Basic	\$ 1.19	0.31	9.71	1.23	(0.49)	(1.96)	(6.03)
Diluted	\$ 1.18	0.31	9.58	1.21	(0.49)	(1.96)	(6.03)
Net income (loss)	\$ 427	110	3,433	314	(109)	(422)	(756)
Net income (loss) per common share							
Basic ⁽²⁾	\$ 1.19	0.31	9.71	1.23	(0.49)	(1.96)	(5.51)
Diluted ⁽²⁾	\$ 1.18	0.31	9.58	1.21	(0.49)	(1.96)	(5.51)
Dividends declared per common share							
Weighted average basic shares outstanding	358.1	352.4	353.4	254.4	222.4	215.4	137.2
Weighted average diluted shares outstanding	361.1	355.5	358.6	258.5	222.4	215.4	137.2

<i>(In millions)</i>	September 30,		December 31,				
	2016	2015	2015	2014	2013	2012	2011
Selected Balance Sheet Data							
Total assets	\$ 24,746	20,756 ⁽³⁾	24,017 ⁽³⁾	20,802 ⁽³⁾	12,754 ⁽³⁾	13,174 ⁽³⁾	13,072 ⁽³⁾
Current portion of long-term debt	\$ 7	16	15	349	31	216	65
Long-term debt, less current portion	\$ 10,875	10,870 ⁽³⁾	10,866 ⁽³⁾	10,839 ⁽³⁾	8,211 ⁽³⁾	8,383 ⁽³⁾	8,269 ⁽³⁾
Stockholders' equity	\$ 10,724	6,780	10,126	6,363	1,411	1,171	1,193

- (1) The selected historical financial data of Level 3 set forth above should be read together with the notes to the selected historical financial data of Level 3 included in Item 6 of Level 3's Annual Report on Form 10-K for the year ended December 31, 2015, filed with the SEC on February 26, 2016, which notes are incorporated herein by reference in their entirety.
- (2) In the fourth quarter of 2015, with the continued expectation of generating income before taxes in the United States, Level 3 released a significant portion of its valuation allowance against its net U.S. federal and state deferred tax asset position. The release of the valuation allowance benefited income tax expense and net income by approximately \$3.3 billion.
- (3) Reflects retrospective application of the requirements of ASU 2015-03 Simplifying the Presentation of Debt Issuance Costs as described on Level 3's Form 10-Q for the quarter ended March 31, 2016.

Table of Contents**Summary Unaudited Pro Forma Condensed Combined Financial Information**

The following table shows summary unaudited pro forma condensed combined financial information about the combined financial condition and operating results of CenturyLink and Level 3 after giving effect to the combination. The unaudited pro forma financial information assumes that the combination is accounted for by applying the acquisition method with CenturyLink treated as the acquirer. The unaudited pro forma condensed combined balance sheet data gives effect to the combination as if it had occurred on September 30, 2016. The unaudited pro forma condensed combined statements of operations data gives effect to the combination as if it had become effective at January 1, 2015. The summary unaudited selected pro forma condensed combined financial information listed below has been derived from and should be read in conjunction with (i) the more detailed unaudited pro forma condensed combined financial information, including the notes thereto, appearing elsewhere in this joint proxy statement/prospectus and (ii) the consolidated financial statements and the related notes of both CenturyLink and Level 3, each incorporated herein by reference. See *Unaudited Pro Forma Condensed Combined Financial Information* on page 153 and *Where You Can Find More Information* on page 186.

The unaudited pro forma condensed combined financial information is presented for illustrative purposes only and is not necessarily indicative of the combined operating results or financial position that would have occurred if such transactions had been consummated on the dates and in accordance with the assumptions described herein, nor is it necessarily indicative of the combined company's future operating results or financial position. The unaudited pro forma condensed combined financial information does not give effect to (i) any potential revenue enhancements or cost synergies that could result from the combination or (ii) any transaction or integration costs relating to the combination. In addition, as explained in more detail in the accompanying notes to the unaudited pro forma condensed combined financial information, the preliminary allocation of the pro forma aggregate consideration reflected in the unaudited pro forma condensed combined financial information is subject to adjustment and may vary materially from the definitive allocation of the final aggregate consideration that will be recorded subsequent to completion of the combination. The determination of the final aggregate consideration will be based on the number of shares of Level 3 common stock outstanding and CenturyLink's stock price at closing. For additional information on the limitations of this information, see *Risk Factors Risk Factors Relating to CenturyLink Following the Combination Other Risks The historical and unaudited pro forma condensed combined financial information included elsewhere in this joint proxy statement/prospectus may not be representative of CenturyLink's results after the combination, and accordingly, you have limited financial information on which to evaluate the combined company.*

	Year Ended December 31, 2015	Nine Months Ended September 30, 2016
	(Unaudited)	
	(In millions, except per share amounts)	
<u>Statement of Operations Data</u>		
Net Operating revenues	\$ 25,729	\$ 19,031
Operating income	\$ 2,566	\$ 2,088
Net income	\$ 3,231	\$ 232
Basic earnings per share	\$ 3.05	\$ 0.22
Diluted earnings per share	\$ 3.03	\$ 0.22

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	September 30, 2016 (Unaudited) (In millions)
<u>Summary Balance Sheet</u>	
Net property, plant and equipment	\$ 28,007
Goodwill	\$ 35,885
Total assets	\$ 81,029
Long-term debt, including current portion	\$ 39,273
Shareholders' equity	\$ 26,926

Table of Contents**Unaudited Equivalent and Comparative Per Share Data**

The following table sets forth, for the nine months ended September 30, 2016 and the year ended December 31, 2015, selected per share information for CenturyLink common stock on a historical and unaudited pro forma combined basis and for Level 3 common stock on a historical and pro forma equivalent basis. Except for the historical information as of and for the year ended December 31, 2015, the information in the table is unaudited. You should read the table below together with the historical consolidated financial statements and related notes of CenturyLink and Level 3 contained in their respective Annual Reports on Form 10-K for the year ended December 31, 2015 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, June 30, 2016 and September 30, 2016, all of which are incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* on page 186.

The CenturyLink pro forma combined earnings per share were calculated using the methodology described below under the heading *Unaudited Pro Forma Condensed Combined Financial Information*, and is subject to all the assumptions, adjustments and limitations described thereunder. The CenturyLink pro forma combined cash dividends per common share represent CenturyLink's historical cash dividends per common share. The CenturyLink pro forma combined book value per share was calculated by dividing total combined CenturyLink and Level 3 common shareholders' equity by pro forma equivalent common shares. The Level 3 pro forma equivalent per common share amounts were calculated by multiplying the CenturyLink pro forma combined per share information by the exchange ratio of 1.4286.

	CenturyLink		Level 3	
	Historical	Pro Forma Combined	Historical	Pro Forma Equivalent
Basic earnings per common share				
Nine months ended September 30, 2016	\$ 1.08	\$ 0.22	\$ 1.19	\$ 0.31
Year ended December 31, 2015	\$ 1.58	\$ 3.05	\$ 9.71	\$ 4.35
Diluted earnings per common share before extraordinary items and discontinued operations				
Nine months ended September 30, 2016	\$ 1.08	\$ 0.22	\$ 1.18	\$ 0.31
Year ended December 31, 2015	\$ 1.58	\$ 3.03	\$ 9.58	\$ 4.32
Cash dividends declared per common share				
Nine months ended September 30, 2016	\$ 1.62	\$ 1.62		\$ 2.31
Year ended December 31, 2015	\$ 2.16	\$ 2.16		\$ 3.09
Book value per common share				
As of September 30, 2016	\$ 25.41	\$ 24.90	\$ 29.81	\$ 35.57

Table of Contents**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus contain certain forecasts and other forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, business strategies, operating efficiencies or synergies, revenue enhancements, competitive positions, growth opportunities, plans and objectives of the management of each of CenturyLink, Level 3 and, following the combination, the combined company, the combination and the markets for CenturyLink and Level 3 common stock and various other matters. Statements in this joint proxy statement/prospectus and the documents incorporated by reference herein that are not historical facts are hereby identified as forward-looking statements for the purpose of the safe harbor provided by Section 21E of the Exchange Act, and Section 27A of the Securities Act. These forward-looking statements, including, without limitation, those regarding the expected timing and benefits of the proposed transaction, such as efficiencies, cost savings, enhanced revenues, growth potential, market profile and financial strength, and the competitive ability and position of the combined company, and other statements identified by words such as will, estimates, anticipates, believes, expects, projects, plans, intends, may, should, could, seeks and are subject to a number of risks, uncertainties and assumptions, many of which are beyond our control. These forward-looking statements are based upon the judgment and assumptions of CenturyLink and Level 3 or, following the combination, the combined company as of the date of such statements concerning future developments and events, many of which are beyond their control. These forward-looking statements, and the assumptions upon which they are based, (i) are not guarantees of future results, (ii) are inherently speculative and (iii) are subject to a number of risks and uncertainties. Actual events and results may differ materially from those anticipated, estimated, projected or implied in those statements if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect.

Forward-looking statements are found at various places throughout this joint proxy statement/prospectus, including in the sections entitled *The Combination and the Stock Issuance Certain Forecasts Prepared by CenturyLink* and *The Combination and the Stock Issuance Certain Forecasts Prepared by Level 3* and *Risk Factors*. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include those set forth in CenturyLink's and Level 3's filings with the SEC, including their respective Annual Reports on Form 10-K for the year ended December 31, 2015, as updated by subsequent Quarterly Reports on Form 10-Q. These important factors also include those set forth under *Risk Factors* in this joint proxy statement/prospectus as well as, among others, risks and uncertainties relating to:

the ability of the parties to timely and successfully receive the required approvals for the combination from (i) regulatory agencies free of conditions materially adverse to the parties and (ii) their respective shareholders;

the possibility that the anticipated benefits from the proposed transaction cannot be fully realized or may take longer to realize than expected;

the possibility that costs, difficulties or disruptions related to the integration of Level 3's operations with those of CenturyLink will be greater than expected;

the ability of the combined company to retain and hire key personnel;

the effects of competition from a wide variety of competitive providers, including lower demand for CenturyLink's legacy offerings;

the effects of new, emerging or competing technologies, including those that could make the combined company's products less desirable or obsolete;

the effects of ongoing changes in the regulation of the communications industry, including the outcome of regulatory or judicial proceedings relating to intercarrier compensation, interconnection obligations, access charges, universal service, broadband deployment, data protection and net neutrality;

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adverse changes in CenturyLink's or the combined company's access to credit markets on favorable terms, whether caused by changes in its financial position, lower debt credit ratings, unstable markets or otherwise;

the combined company's ability to effectively adjust to changes in the communications industry, and changes in the composition of its markets and product mix;

possible changes in the demand for, or pricing of, the combined company's products and services, including the combined company's ability to effectively respond to increased demand for high-speed broadband service;

changes in the operating plans, capital allocation plans or corporate strategies of the combined company, whether based on changes in market conditions, changes in the cash flows or financial position of the combined company, or otherwise;

the combined company's ability to successfully maintain the quality and profitability of its existing product and service offerings and to introduce new offerings on a timely and cost-effective basis;

the adverse impact on the combined company's business and network from possible equipment failures, service outages, security breaches or similar events impacting its network;

the combined company's ability to maintain favorable relations with key business partners, suppliers, vendors, landlords and financial institutions;

the ability of the combined company to utilize net operating losses in amounts projected; and

changes in the future cash requirements of the combined company.

Due to these risks and uncertainties, there can be no assurance that the proposed combination or any other transaction described herein will in fact be completed in the manner described or at all. You should be aware that new factors may emerge from time to time and it is not possible for CenturyLink or Level 3 to identify all such factors nor can CenturyLink or Level 3 predict the impact of each such factor on the proposed combination or the combined company. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this document. Unless legally required, CenturyLink and Level 3 undertake no obligation and each expressly disclaim any such obligation, to update publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or otherwise. Furthermore, any information about the intentions of CenturyLink, Level 3 or, following the combination, the combined company contained in any of their respective forward-looking statements reflect their intentions as of the date of such forward-looking statements, and are based upon, among other things, existing regulatory, technological, industry, competitive, economic and market conditions, and their assumptions as of such date. CenturyLink, Level 3 or, following the combination, the combined company may change their intentions, strategies or plans at any time and without notice, based upon any changes in such factors or assumptions or otherwise.

Prospective Financial Information

The prospective financial information included in this document was not prepared with a view toward public dissemination or compliance with published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation or presentation of prospective financial information. The prospective financial information included in this document has been prepared by Level 3 s and CenturyLink s management, as applicable. KPMG LLP has not examined, compiled or performed any procedures with respect to the accompanying prospective financial information and, accordingly, KPMG LLP does not express an opinion or any other form of assurance with respect thereto. The KPMG LLP reports incorporated by reference in this joint proxy statement/prospectus relate only to Level 3 s and CenturyLink s historical financial information, respectively. They do not extend to the prospective financial information and should not be read to do so.

Neither CenturyLink nor Level 3 assumes any responsibility for the accuracy of the accompanying prospective financial information or expresses any assurance with respect thereto.

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RISK FACTORS

*In addition to the other information included and incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section entitled **Cautionary Statement Regarding Forward-Looking Statements**, you should carefully consider the following risks before deciding whether to vote for the adoption of the merger agreement, in the case of Level 3 stockholders, or for the issuance of shares of CenturyLink common stock in connection with the combination, in the case of CenturyLink shareholders. In addition, you should read and consider the risks associated with each of the businesses of CenturyLink and Level 3 because these risks will also affect the combined company. These risks can be found in CenturyLink's and Level 3's respective Annual Reports on Form 10-K for fiscal year 2015, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. You should also read and consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference into this joint proxy statement/prospectus. See the section entitled **Where You Can Find More Information**.*

Risk Factors Relating to the Combination

The exchange ratio and the amount of the cash consideration are fixed and will not be adjusted in the event of any change in either CenturyLink's or Level 3's stock price.

Upon the closing of the initial merger, each share of Level 3 common stock (excluding shares as to which appraisal rights have been properly exercised pursuant to Delaware law) will be converted into the right to receive \$26.50 in cash and 1.4286 shares of CenturyLink common stock, with cash paid in lieu of fractional shares. The amount of the cash consideration and the exchange ratio were fixed in the merger agreement and will not be adjusted for changes in the market price of either CenturyLink common stock or Level 3 common stock. Changes in the price of CenturyLink common stock prior to the combination will affect the market value of the merger consideration that Level 3 stockholders will receive on the date of the combination. Stock price changes may result from a variety of factors (many of which are beyond our control), including the following factors:

changes in our respective businesses, operations, financial position or prospects;

changes in market assessments of the business, operations, financial position or prospects of either company or the combined company;

market assessments of the likelihood that the combination will be completed, including related considerations regarding regulatory approvals of the combination;

interest rates, general market, political and economic conditions and other factors generally affecting the price of CenturyLink's and Level 3's common stock; and

federal, state and local legislation, governmental regulation and legal developments affecting the businesses of Level 3 or CenturyLink.

The price of CenturyLink common stock at the closing of the combination may vary from its price on the date the merger agreement was executed, on the date of this joint proxy statement/prospectus and on the date of the special meetings of CenturyLink and Level 3. As a result, the market value of the portion of the merger consideration consisting of CenturyLink common stock will also vary. Under the merger agreement, there will be no adjustment to the per share merger consideration for changes in the market price of either shares of CenturyLink common stock or shares of Level 3 common stock, and neither company is permitted to terminate the merger agreement or resolicit the vote of CenturyLink shareholders or Level 3 stockholders solely because of changes in the market prices of either company's stock. You should obtain current market quotations for shares of CenturyLink common stock and for shares of Level 3 common stock.

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Because the combination will be completed after the date of the special meetings, at the time of your special meeting, you will not know the exact market value of the CenturyLink common stock that Level 3 stockholders will receive upon completion of the combination. You should consider the following two risks:

If the price of CenturyLink common stock increases between the date the merger agreement was signed or the date of the CenturyLink special meeting and the effective time of the combination, Level 3 stockholders will receive shares of CenturyLink common stock that have a market value upon completion of the combination that is greater than the market value of such shares calculated pursuant to the exchange ratio when the merger agreement was signed or the date of the CenturyLink special meeting, respectively. Therefore, while the number of CenturyLink common shares to be issued per Level 3 common share is fixed, CenturyLink shareholders cannot be sure that the market value of the consideration that will be paid to Level 3 stockholders upon completion of the combination will not increase.

If the price of CenturyLink common stock declines between the date the merger agreement was signed or the date of the Level 3 special meeting and the effective time of the combination, Level 3 stockholders will receive shares of CenturyLink common stock that have a market value upon completion of the combination that is less than the market value of such shares calculated pursuant to the exchange ratio on the date the merger agreement was signed or the date of the Level 3 special meeting, respectively. Therefore, while the number of CenturyLink shares to be issued per Level 3 common share is fixed, Level 3 stockholders cannot be sure that the market value of the CenturyLink common stock they will receive upon completion of the combination.

The completion of the combination is subject to several conditions, including the receipt of consents and approvals from government entities, which may impose conditions that could have an adverse effect on the combined company or could cause the proposed combination to be abandoned.

The completion of the combination is subject to a number of conditions, including, among others, the expiration or termination of the applicable waiting period under the HSR Act and the receipt of approvals from the FCC and certain other governmental entities. In deciding whether to grant some of these approvals, the relevant governmental entity will make a determination of whether, among other things, the combination is in the public interest. Neither CenturyLink nor Level 3 can provide any assurance that they will obtain the necessary approvals.

In addition, regulatory entities may impose certain requirements or obligations as conditions for their approval or in connection with their review. The merger agreement may require CenturyLink or Level 3 to accept conditions from these regulators that could adversely affect the combined company without either of CenturyLink or Level 3 having the right to refuse to close the combination on the basis of those regulatory conditions. While CenturyLink is not required to accept conditions that would or would reasonably be likely to have a material adverse effect on the combined company (assuming for these purposes that the combined company is the size of CenturyLink), this assessment will be made at or prior to the closing and neither CenturyLink nor Level 3 can provide any assurance that any required conditions will not have a material adverse effect on the combined company following the proposed combination. In addition, neither CenturyLink nor Level 3 can provide any assurance that these conditions will not result in the abandonment of the combination. See *The Combination and the Stock Issuance Regulatory Approvals* and *The Merger Agreement Conditions to Completion of the Combination*.

It could take longer to receive the requisite governmental consents and approvals than currently anticipated. Any delay in completing the combination, whether caused by regulatory delays or otherwise, could cause the combined company

to incur extra transaction expenses or to delay or fail to realize fully the benefits that CenturyLink and Level 3 currently expect to receive if the combination is successfully completed within the expected time frame.

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Failure to complete the combination could negatively affect the stock prices and the future business and financial results of CenturyLink and Level 3.

If the combination is not completed, the ongoing businesses of Level 3 or CenturyLink may be adversely affected and CenturyLink and Level 3 will be subject to several risks, including the following:

the possibility that Level 3 could be required to pay CenturyLink a termination fee of \$737.5 million and, in some cases, expenses of CenturyLink up to \$75 million (which would be credited against any termination fee) if the combination is terminated under qualifying circumstances, as described under *The Merger Agreement Termination Fees and Expenses; Liability for Breach* ;

the possibility that CenturyLink could be required to pay Level 3 a termination fee of \$471.5 million and, in some cases, expenses of Level 3 up to \$20 million (which would be credited against any termination fee) if the combination is terminated under qualifying circumstances, as described under *The Merger Agreement Termination Fees and Expenses; Liability for Breach* ;

the incurrence of costs and expenses relating to the proposed combination, such as financing, legal, accounting, financial advisor, filing, printing and mailing fees and expenses, including the potential expense reimbursement obligations described above.

the possibility of a change in the trading price of CenturyLink common stock or Level 3 common stock to the extent current trading prices reflect a market assumption that the combination will be completed;

the possibility that CenturyLink or Level 3 could suffer potential negative reactions from their respective employees, customers and vendors; and

the possibility that CenturyLink or Level 3 could suffer adverse consequences associated with their respective management's focus on the combination instead of on pursuing other opportunities that could have been beneficial to the companies, in each case, without realizing any of the benefits contemplated by the combination.

In addition, if the combination is not completed, CenturyLink or Level 3 could be subject to litigation related to any failure to complete the combination or to perform their respective obligations under the merger agreement.

If the combination is not completed, CenturyLink and Level 3 cannot assure their shareholders that these risks will not materialize and will not materially affect the business, financial results and stock prices of CenturyLink or Level 3.

The merger agreement contains provisions that could discourage a potential competing acquirer of either Level 3 or CenturyLink or could result in any competing proposal being at a lower price than it might otherwise be.

The merger agreement contains no-shop provisions that, subject to limited exceptions, restrict Level 3's and CenturyLink's ability to solicit, encourage, facilitate or discuss competing third-party proposals to acquire all or a

significant part of Level 3 or CenturyLink. In addition, the other party generally has an opportunity to offer to modify the terms of the proposed combination in response to any competing acquisition proposals that may be made before such board of directors may withdraw or qualify its recommendation regarding the proposals described herein. In some circumstances on termination of the merger agreement, one of the parties may be required to pay a termination fee or expenses to the other party. See *The Merger Agreement No Solicitation of Alternative Proposals*, *The Merger Agreement Termination of the Merger Agreement* and *The Merger Agreement Termination Fees and Expenses; Liability for Breach*.

These provisions could discourage a potential competing acquirer that might have an interest in acquiring all or a significant part of Level 3 or CenturyLink from considering or proposing that acquisition, even if it were

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prepared to pay consideration with a higher value than that market value proposed to be received or realized in the combination, or might result in a potential competing acquirer proposing to pay a lower price than it might otherwise have proposed to pay because of the added expense of the termination fee or expenses that may become payable in certain circumstances.

If the merger agreement is terminated and either CenturyLink or Level 3 attempts to seek another business combination, CenturyLink or Level 3, as applicable, may not be able to negotiate a transaction with another party on terms comparable or better than the terms of the combination.

The pendency of the combination could adversely affect the business and operations of CenturyLink and Level 3.

In connection with the pending combination, some customers or vendors of each of CenturyLink and Level 3 may delay or defer decisions or reduce their level of business with either or both of the companies, any of which could negatively affect the revenues, earnings, cash flows and expenses of CenturyLink and Level 3, regardless of whether the combination is completed. Similarly, current and prospective employees of CenturyLink and Level 3 may experience uncertainty about their future roles with the combined company following the combination, which may materially adversely affect the ability of each of CenturyLink and Level 3 to attract and retain key management, sales, marketing, operational and technical personnel during the pendency of the combination. In addition, due to operating covenants in the merger agreement, each of CenturyLink and Level 3 may be unable, during the pendency of the combination, to pursue strategic transactions, undertake significant capital projects, undertake certain significant financing transactions and otherwise pursue other actions that are not in the ordinary course of business, even if such actions would prove beneficial. Any of these effects could have an adverse effect on the ability to generate revenue at anticipated levels prior to the completion of the combination. Moreover, the pursuit of the combination and the preparation for the integration of the companies may place a significant burden on the management and personnel of both companies. The diversion of management's attention away from operating the companies in the ordinary course could adversely affect CenturyLink's and Level 3's financial results.

Current CenturyLink shareholders and Level 3 stockholders may have a reduced ownership and voting interest in the combined company after the combination.

CenturyLink expects to issue or reserve for issuance approximately 538 million shares of CenturyLink common stock to Level 3 stockholders in connection with the combination (including shares of CenturyLink common stock to be issued in connection with outstanding Level 3 equity awards). Based on the number of shares of common stock of CenturyLink and Level 3 outstanding on January 25, 2017, the record date for the two companies' special meetings of shareholders, upon the completion of the initial merger, current CenturyLink shareholders and former Level 3 stockholders are expected to own approximately 51% and 49% of the common stock of CenturyLink, respectively.

CenturyLink shareholders and Level 3 stockholders currently have the right to vote for their respective directors and on other matters affecting their company. If and when the initial merger occurs, each Level 3 stockholder who receives shares of CenturyLink common stock will become a shareholder of CenturyLink with a percentage ownership of the combined company that may be smaller than the shareholder's percentage ownership of Level 3, depending upon such stockholder's current ownership of CenturyLink shares. Correspondingly, each CenturyLink shareholder will remain a shareholder of CenturyLink with a percentage ownership of the combined company that may be smaller than the shareholder's percentage of CenturyLink prior to the initial merger, depending upon such shareholder's current ownership of Level 3 shares. As a result of these potentially reduced ownership percentages, CenturyLink shareholders may have less voting power in the combined company than they now have with respect to CenturyLink, and former Level 3 shareholders may have less voting power in the combined company than they now have with respect to Level 3.

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Directors and executive officers of CenturyLink and Level 3 have financial interests in the combination that may be different from, or in addition to, those of other CenturyLink shareholders and Level 3 stockholders, which could have influenced their decisions to support or approve the combination.

In considering whether to approve the proposals at the special meetings, CenturyLink and Level 3 shareholders should recognize that directors and executive officers of CenturyLink and Level 3 have interests in the combination that may differ from, or that are in addition to, their interests as shareholders of CenturyLink and stockholders of Level 3. The CenturyLink Board and the Level 3 Board were aware of these interests at the time each approved the merger agreement. These interests may cause CenturyLink's and Level 3's directors and executive officers to view the combination differently than you may view it as a shareholder. See *The Combination and the Stock Issuance Financial Interests of CenturyLink Directors and Executive Officers in the Combination* and *The Combination and the Stock Issuance Financial Interests of Level 3 Directors and Executive Officers in the Combination*.

Financing of the combination is not assured.

Although CenturyLink has received commitments from lenders to fund various facilities financing the combination, the definitive documentation governing the facilities has not been finalized. The obligation of the lenders to provide the debt financing contemplated under their debt commitment letter is subject to a number of conditions, and it is anticipated that the definitive debt financing documentation will also include certain funding conditions. Accordingly, financing of the combination is not assured. CenturyLink's obligation to complete the combination is not conditioned upon obtaining financing. Failure to obtain financing pursuant to the financing commitments could require CenturyLink to seek to obtain alternative financing that may be on more adverse terms than the financing commitments. See *The Combination and the Stock Issuance Financing Related to the Combination*.

The opinions obtained by the boards of CenturyLink and Level 3 from their respective financial advisors do not and will not reflect changes in circumstances after the date of such opinions.

The CenturyLink Board received written opinions dated October 30, 2016 from its financial advisors that the merger consideration to be paid by CenturyLink was fair, from a financial point of view, to CenturyLink, and, in addition, the Level 3 Board received written opinions from its financial advisors that the merger consideration to be paid to Level 3's stockholders was fair, from a financial point of view, to such stockholders, in each case as of such date, and based on and subject to the qualifications, limitations and assumptions set forth in the respective opinions. Changes in the operations or prospects of CenturyLink or Level 3, general market and economic conditions and other factors that may be beyond the control of CenturyLink and Level 3, and on which the above-described opinions were based, may alter the value of CenturyLink or Level 3 or the prices of shares of CenturyLink common stock or Level 3 common stock by the time the combination is completed. CenturyLink and Level 3 have not obtained, and do not expect to request, updated opinions from their respective financial advisors. None of the above-listed opinions speak to any date other than the date of such opinion. For a more complete description of the above-described opinions, please refer to *The Combination and the Stock Issuance Opinions of CenturyLink's Financial Advisors* and *The Combination and the Stock Issuance Opinions of Level 3's Financial Advisors*.

Risk Factors Relating to CenturyLink Following the Combination

Operational Risks

CenturyLink expects to incur substantial expenses related to the combination.

CenturyLink expects to incur substantial expenses in connection with completing the combination and integrating the business, operations, networks, systems, technologies, policies and procedures of Level 3 with those of CenturyLink. There are a large number of systems that will likely be integrated, including management information, purchasing, accounting and finance, sales, payroll and benefits, fixed asset, lease administration and regulatory compliance systems. While CenturyLink has assumed that a certain level of transaction and

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integration expenses would be incurred, there are a number of factors beyond its control that could affect the total amount or the timing of its integration expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. Due to these factors, the transaction and integration expenses associated with the combination are likely in the near term to exceed the savings that CenturyLink expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the integration of the businesses following the completion of the combination. As a result of these expenses, CenturyLink expects to take charges against its earnings before and after the completion of the combination. The charges taken after the combination are expected to be significant, although the aggregate amount and timing of such charges are uncertain at present.

Following the combination, the combined company may be unable to integrate successfully the businesses of CenturyLink and Level 3 and realize the anticipated benefits of the combination.

The proposed transaction involves the combination of two companies which currently operate as independent public companies. The combined company will be required to devote significant management attention and resources to integrating the business practices and operations of CenturyLink and Level 3. Potential difficulties the combined company may encounter in the integration process include the following:

the inability to successfully combine the businesses of CenturyLink and Level 3 in a manner that permits the combined company to achieve the cost savings and operating synergies anticipated to result from the combination, which would result in the anticipated benefits of the combination not being realized in the time frame currently anticipated or at all;

lost sales and customers as a result of certain customers of either of the two companies deciding to terminate or reduce their business with the combined company;

the complexities associated with managing the combined businesses out of several different locations and integrating personnel from the two companies, while at the same time attempting to (i) provide consistent, high quality products and services under a unified culture and (ii) focus on other on-going transactions, including CenturyLink's previously-announced agreement to divest its data centers and colocation business;

the additional complexities of combining two companies with different histories, regulatory restrictions, operating structures and markets;

the failure to retain key employees of either of the two companies;

potential unknown liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the combination; and

performance shortfalls at one or both of the two companies as a result of the diversion of management's attention caused by completing the combination and integrating the companies' operations.

For all these reasons, you should be aware that it is possible that the integration process could result in the distraction of the combined company's management, the disruption of the combined company's ongoing business or inconsistencies in the combined company's products, services, standards, controls, procedures and policies, any of which could adversely affect the ability of the combined company to maintain relationships with customers, vendors and employees or to achieve the anticipated benefits of the combination, or could otherwise adversely affect the business and financial results of the combined company.

Following the combination, the combined company may be unable to retain key employees.

The success of CenturyLink after the combination will depend in part upon its ability to retain key Level 3 and CenturyLink employees. Key employees may depart either before or after the combination because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company following the combination. Accordingly, no assurance can be given that CenturyLink, Level 3 and, following the combination, the combined company will be able to retain key employees to the same extent as in the past.

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CenturyLink and Level 3 face competition, which is expected to intensify and place further pressure on the business of the combined company.

Each of the product and service offerings of CenturyLink and Level 3 face increasingly intense competition from a variety of sources under evolving market conditions, and these trends are expected to continue.

Following the combination, the combined company will have current and potential competitors that (i) offer a more comprehensive range of communications products and services, (ii) offer products or services with features that CenturyLink and Level 3 cannot readily match in some or all of their markets, including in some cases faster broadband transmission speeds and, where applicable, greater content, (iii) have greater marketing, engineering, research, development, technical, financial and other resources, (iv) have larger or more diverse networks with greater transmission capacity, (v) conduct operations or raise capital at a lower cost, (vi) are subject to less regulation, which CenturyLink and Level 3 believe will enable such competitors to operate more flexibly than the combined company with respect to certain offerings, (vii) offer services nationally or internationally to a larger geographic area or larger base of customers, (viii) have substantially stronger brand names, which may provide them with greater competitive advantages, or (ix) have larger operations, which may enable them to compete more successfully in recruiting top talent, entering into operational or strategic partnerships or acquiring companies. Consequently, these competitors may be better equipped to provide more attractive offerings, to charge lower prices for their products and services, to develop and expand their communications and network infrastructure more quickly, to adapt more swiftly to new or emerging technologies and changes in customer requirements, to devote greater resources to the marketing and sale of their products and services, to provide more comprehensive customer service, to provide greater resources to research and development initiatives and to take advantage of acquisition or other opportunities more readily. In the past, several of our competitors and their operations have grown through acquisitions and aggressive product development. The continued growth of our competitors could further enhance their competitive positions. CenturyLink and Level 3 expect that competition will further intensify in these markets.

While CenturyLink expects to achieve benefits from the combination, the combined company's competitive position could be weakened in the future by strategic alliances or consolidation within the communications industry or the development of new technologies. CenturyLink's ability to compete successfully will depend on how well the combined company markets its products and services and on its ability to anticipate and respond to various competitive and technological factors affecting the industry, including changes in regulation (which may affect the combined company differently from its competitors), changes in customer preferences or demographics, and changes in the product offerings or pricing strategies of the combined company's competitors.

Competition could adversely affect CenturyLink following the combination in several ways, including (i) the loss of customers and market share, (ii) the possibility of customers terminating or reducing their usage of the combined company's services or shifting to less profitable services, (iii) reduced traffic on the combined company's networks, (iv) the combined company's need to expend substantial time or money on new capital improvement projects, (v) the combined company's need to lower prices or increase marketing expenses to remain competitive, and (vi) the combined company's inability to diversify by successfully offering new products or services.

CenturyLink is continually taking steps to respond to these competitive pressures, but these efforts may not be successful. The combined company's operating results and financial condition would be adversely affected if these initiatives are unsuccessful or insufficient and if CenturyLink is otherwise unable to sufficiently stem its continuing legacy revenue declines with offsetting growth from other operations. If this occurred, CenturyLink's ability to pay its debt and other obligations, to re-invest in the business and to return capital to shareholders would also be adversely affected.

CenturyLink could be harmed by rapid changes in technology.

The communications industry has been and continues to be affected by significant technological changes, which in general are enabling a broader array of companies to offer services competitive with ours. Many of

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those technological changes are (i) displacing or reducing demand for CenturyLink's copper-based services, (ii) enabling the development of competitive products or services, including those that depend on fiber optic cable, or (iii) enabling CenturyLink's current customers to reduce or bypass use of its networks. Rapid changes in technology are increasing the competitiveness of the cloud, hosting and other IT services industries. Continuous improvements in wireless data technologies have enabled wireless carriers to offer competing products, and CenturyLink expects this trend to continue as technological advances enable these carriers to carry greater amounts of data faster and with less latency. Technological advancements have also permitted cable companies and other of CenturyLink's competitors to deliver faster average broadband transmission speeds than CenturyLink's. Rapid changes in technology have also placed competitive pressures on CenturyLink's video, cloud and hosting businesses, and enabled new competitors to enter its markets. To enhance the competitiveness of certain of CenturyLink's services, CenturyLink may be required to expend additional capital to augment the capabilities of its copper-based services or to install more fiber optic cable.

CenturyLink may not be able to accurately predict or respond to changes in technology or industry standards, or to the introduction of newly offered services. Any of these developments could make some or all of CenturyLink's offerings less desirable or even obsolete, which would place downward pressure on CenturyLink's market share and revenues. These developments could also require CenturyLink to (i) expend capital or other resources in excess of currently contemplated levels, (ii) forego the development or provision of products or services that others can provide more efficiently, or (iii) make other changes to operating plans, corporate strategies or capital allocation plans, any of which could adversely affect its operations. Any inability to effectively respond to technological changes could also adversely affect CenturyLink's operating results and financial condition, as well as its ability to service debt and fund other commitments or initiatives.

Even if CenturyLink succeeds in adapting to changes in technology or industry standards by developing new products or services, there is no assurance that the new products or services would have a positive effect on profit margins or financial performance.

In addition to introducing new technologies and offerings, CenturyLink may need, from time to time, to phase out outdated and unprofitable technologies and services. If CenturyLink is unable to do so, on a cost-effective basis, CenturyLink could experience reduced profits.

CenturyLink may not be able to successfully adjust to changes in its industry, markets and product mix.

Ongoing changes in the communications industry have fundamentally changed customers' communications expectations and requirements. In response to these changes, CenturyLink has substantially altered its product and service offerings through internal product development and acquisitions, including the combination. Many of these changes in the past have placed a higher premium on sales, marketing and product development functions, and necessitated ongoing changes in CenturyLink's processes and operating protocols, as well as periodic reorganizations of CenturyLink's sales and leadership teams. CenturyLink expects that the combination will have similar effects on the combined company. In addition, CenturyLink now offers a more complex range of products and services, operates larger and more complex networks and serves a much larger and more diverse set of customers. Consequently, CenturyLink now faces greater challenges in effectively managing and administering its operations and allocating capital and other resources to its various offerings. For all these reasons, CenturyLink cannot assure you that its efforts to adjust to these changes will be timely or successful.

Following the combination, CenturyLink plans to conduct rebranding initiatives that are likely to involve substantial costs and may not be favorably received by customers.

Prior to the combination, CenturyLink and Level 3 will each continue to market their respective products and services using the CenturyLink and Level 3 brand names and logos. Following the combination, CenturyLink will be the brand name of the combined company. As a result, we expect to incur substantial costs in rebranding the combined company's products and services in those markets that previously used the Level 3

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name, and may incur write-offs associated with the discontinued use of Level 3's brand names. We cannot assure you that customers will be receptive to our proposed rebranding efforts. The failure of any of these initiatives could adversely affect CenturyLink's ability to attract and retain customers after the combination, resulting in reduced revenues.

Following the combination, CenturyLink's relationships with other communications companies will continue to be material to its operations and will expose it to a number of risks.

To offer voice or data services in certain of their markets, both CenturyLink and Level 3 must either lease network capacity from, or interconnect their networks with the infrastructure of, other communications companies who typically compete against them in those markets. CenturyLink's and Level 3's reliance on these lease or interconnection arrangements limits their control over the quality of their services and exposes them to the risk that their ability to market their services could be adversely affected by changes in the plans or properties of the carriers upon which they are reliant. In addition, both companies are exposed to the risk that the other carriers may be unwilling to continue or renew these arrangements in the future on terms favorable to them, or at all. This risk is heightened when the other carrier is a competitor and may benefit from terminating the agreement. If either company loses these arrangements and cannot timely replace them, their ability to provide services to their customers and conduct their business could be materially adversely affected.

In addition, certain of CenturyLink's operations will continue to carry a significant amount of voice and data traffic for larger communications companies. If these larger communications companies consolidate or expand their networks, it is possible that they could transfer a significant portion of this traffic from the combined company's fiber network to their networks, which could have a negative effect on CenturyLink's business and results of operations.

Following completion of the combination, the combined company will continue to rely on certain interconnection, wholesale, reseller or sales agency arrangements with other companies to provide some of the services that it will sell to its customers. These arrangements will limit the combined company's ability to control several features of its service offerings to its customers, including the pricing, provisioning timeframes, quality, reliability and customer support associated therewith. In addition, if the combined company fails to extend or renegotiate these arrangements as they expire from time to time or if these other companies fail to fulfill their contractual obligations, the combined company may have difficulty finding alternative arrangements.

Network disruptions or system failures could adversely affect CenturyLink's operating results and financial condition.

To be successful following the combination, CenturyLink will need to continue providing the combined company's customers with high capacity, reliable and secure networks. Disruptions or system failures may cause interruptions in service or reduced capacity for customers. If service is not restored in a timely manner, agreements with the combined company's customers or service standards set by state regulatory commissions could obligate it to provide credits or other remedies. If network security is breached, confidential information of the combined company's customers or others could be lost or misappropriated, and CenturyLink may be required to expend additional resources modifying network security to remediate vulnerabilities. Similar to other large communications companies, both CenturyLink and Level 3 are constant targets of cyber-attacks of varying degrees, and CenturyLink expects that the combined company will continue to be the target of similar attacks following the combination. The occurrence of any disruption or system failure may result in a loss of business, increase expenses, damage CenturyLink's reputation, subject CenturyLink to additional regulatory scrutiny or expose it to civil litigation and possible financial losses that may not be fully covered through insurance, any of which could have a material adverse effect on CenturyLink's results of operations and financial condition.

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Following the combination, the combined company's international operations and investments expose it to risks that could materially adversely affect the combined business.

Level 3 and, to a lesser extent, CenturyLink, have operations and investments outside of the United States that will expose the combined company following the combination to risks inherent in international operations. These include:

general economic, social and political conditions;

the difficulty of enforcing agreements and collecting receivables through certain foreign legal systems;

tax rates in some countries may exceed those in the United States;

United States and other country tax laws may limit the combined company's ability to repatriate cash from non-U.S. affiliates without adverse tax consequences;

foreign currency exchange rates may fluctuate, which could adversely affect the combined company's results of operations and the value of its international assets and investments;

non-U.S. earnings may be subject to withholding requirements or the imposition of tariffs, exchange controls or other restrictions;

difficulties and costs of compliance with non-U.S. laws and regulations that impose restrictions on overseas investments and operations, with penalties for noncompliance, including loss of licenses and monetary fines;

difficulties in obtaining licenses or interconnection arrangements on acceptable terms, if at all; and

changes in laws and regulations relating to non-U.S. trade and investment.

Level 3 is exposed to significant currency exchange rate risks and currency transfer restrictions and the combined company's results may suffer due to currency translations and remeasurements.

Certain of Level 3's current and prospective customers derive their revenue in currencies other than U.S. dollars, but Level 3 currently invoices these current and prospective customers, and the combined company is expected to continue to invoice these current and prospective customers, in U.S. dollars. The obligations of customers with substantial revenue in foreign currencies may be subject to unpredictable and indeterminate increases in the event that such currencies depreciate in value relative to the U.S. dollar. Furthermore, these customers may become subject to exchange control regulations restricting the conversion of their revenue currencies into U.S. dollars. In either event, the affected customers may not be able to pay the combined company in U.S. dollars. Similarly, declines in the value of foreign currencies (such as the devaluation of the Brazilian real and the Argentine peso discussed below) relative to

the U.S. dollar could adversely affect the combined company's ability to market the services of the combined company to customers whose revenue is denominated in those currencies. In addition, where the combined company expects to issue invoices for its services in currencies other than U.S. dollars, the results of operations of the combined company may suffer due to currency translations in the event that such currencies depreciate relative to the U.S. dollar and the combined company cannot or does not elect to enter into currency hedging arrangements in respect of those payment obligations.

Level 3 conducts a significant portion of its business using the British pound, the euro and the Brazilian real. Appreciation of the U.S. dollar adversely affects Level 3's consolidated revenue and, following the completion of the combination, is expected to adversely affect the consolidated revenue of the combined company. Since Level 3 tends to, and the combined company expects to, incur costs in the same currency in which those operations realize revenue, the effect on operating income and operating cash flow is largely mitigated. However, if the U.S. dollar appreciates significantly, future revenue, operating income and operating cash flows could be materially affected. In addition, the appreciation of the U.S. dollar relative to foreign currencies reduces the U.S. dollar value of cash balances held in those currencies. Certain Latin American economies have experienced shortages in

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foreign currency reserves and have adopted restrictions on the use of certain mechanisms to expatriate local earnings and convert local currencies into U.S. dollars. Any of these shortages or restrictions may limit or impede the ability of the combined company to transfer or to convert those currencies into U.S. dollars and to expatriate those funds. In addition, currency devaluations in one country may have adverse effects in another country.

Economic and political conditions in Latin America pose numerous risks to the combined company's operations following the combination.

Level 3's business operations in the Latin American region constitute a significant portion of its business. As events in the Latin American region have demonstrated, negative economic or political developments in one country in the region can lead to or exacerbate economic or political instability elsewhere in the region. Furthermore, events in recent years in other developing markets have placed pressures on the stability of the currencies of a number of countries in Latin America in which Level 3 operates, including Argentina, Brazil and Colombia. While certain areas in the Latin American region have experienced economic growth, this recovery remains fragile. Pressures on local currencies are likely to have an adverse effect on Level 3's and, following the completion of the combination, the combined company's, customers in this region.

Several Latin American countries have historically experienced high rates of inflation. Governmental actions taken in an effort to curb inflation, coupled with speculation about possible future actions, have contributed to economic uncertainty at times in most Latin American countries. These countries may experience high levels of inflation in the future that could lead to further government intervention in the economy, including the introduction of government policies that could adversely affect the combined company's results of operations in those locations. A high inflation environment would likely have negative effects on the combined company's ability to appropriately set price and wage levels and on the level of economic activity in the region.

In addition, any changes to the political and economic conditions in certain Latin American countries could materially and adversely affect the combined company's business.

Market prices for many of the services of CenturyLink and Level 3 have decreased in the past, and any similar price decreases following the combination will adversely affect the combined company's revenues and margins.

Over the past several years, a range of competitive and technological factors, including robust network construction and intense competition, have lowered market prices for many of the products and services offered by CenturyLink and Level 3. If these market conditions persist, the combined company may need to continue to reduce prices to retain customers and revenue. If price reductions are necessary after the combination, the combined company will suffer unless it is able to either reduce its operating expenses or increase sales volumes or network usage.

The future growth potential of the combined company will depend in part on the continued development and expansion of the Internet.

The combined company's future growth potential will depend in part upon the continued development and expansion of the Internet as a communication medium and marketplace for the distribution of data, video and other products by businesses, consumers and governments. The use of the Internet for these purposes may not grow and expand at the rate anticipated by the combined company or others, or may be restricted by factors outside of the control of the combined company, including (i) actions by other carriers or governmental authorities that restrict the combined company from delivering traffic over other parties' networks, (ii) changes in regulation, (iii) technological stagnation or (iv) changes in consumers' preferences or data usage.

Level 3 has only recently generated net income, and has generated substantial net losses in the past.

As indicated in Level 3's consolidated financial statements included in SEC reports that are incorporated by reference herein, Level 3 has only generated net income for its two most recently completed full fiscal years, and

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generated substantial losses prior to then. See *Where You Can Find More Information* and *Summary Selected Historical Financial Data of Level 3*.

Regulatory and Legal Risks

CenturyLink's and Level 3's revenues could be materially reduced or their expenses materially increased by the failure to comply with existing laws or regulations or by changes in laws or regulations.

CenturyLink and Level 3 currently are, and the combined company following the combination will be, subject to significant regulation by, among others, (i) the FCC, which regulates interstate and international communications, (ii) state utility commissions, which regulate intrastate communications, and (iii) various foreign governments and international bodies, which regulate both companies' international operations. Generally, both companies must obtain and maintain certificates of authority or licenses from these bodies in most territories where they offer regulated services. Neither company can assure you that they will be successful in obtaining or retaining all licenses necessary to carry out their business plans, and, even if they are, the prescribed service standards and conditions imposed on them in connection with obtaining or acquiring control of these licenses may impose on them substantial costs and limitations. Both companies are also subject to numerous requirements and interpretations under various international, federal, state and local laws, rules and regulations, which are quite detailed and occasionally in conflict with each other. Accordingly, neither company can ensure that it is always considered to be in compliance with all these requirements at any single point in time. The agencies responsible for the enforcement of these laws, rules and regulations may initiate inquiries or actions based on complaints filed by third parties or on their own initiative. Even if both companies are ultimately found to have complied with applicable regulations, such actions or inquiries could create adverse publicity that negatively affects their business.

Regulation of the telecommunications industry continues to change, and the regulatory environment varies substantially from jurisdiction to jurisdiction. A substantial portion of CenturyLink's voice services revenue remains subject to FCC or state utility commission pricing regulation, which periodically exposes it to pricing or earnings disputes and could expose them to unanticipated price declines. Other carriers frequently dispute their obligation to make payments to CenturyLink or Level 3, and these disputes are expected to continue to affect the combined company following the combination. There can be no assurance that future regulatory, judicial or legislative activities will not have a material adverse effect on the operations of the combined company, or that regulators or third parties will not raise material issues with regard to its compliance or noncompliance with applicable regulations.

Regulations continue to create significant compliance costs for CenturyLink and Level 3. Following the combination, challenges to CenturyLink's tariffs by regulators or third parties or delays in obtaining certifications and regulatory approvals could cause it to incur substantial legal and administrative expenses, and, if successful, such challenges could adversely affect the rates, terms and conditions of CenturyLink's service offerings. CenturyLink's and Level 3's businesses also may be affected by legislation and regulation imposing new or greater obligations related to assisting law enforcement, bolstering homeland security, increasing disaster recovery requirements, minimizing environmental effects, enhancing privacy or addressing other issues that affect CenturyLink's or Level 3's businesses. CenturyLink expects its compliance costs to increase if future laws or regulations continue to increase its obligations to assist other governmental agencies.

Regulations also help to ensure that CenturyLink and Level 3 obtain access on reasonable rates, terms, and conditions to important inputs to their service offerings, including access to other service providers' networks, poles, ducts, and local transmission facilities. Changes to or new interpretations of the regulations governing the rates, terms, and conditions on which CenturyLink and Level 3 obtain such access could increase the combined company's cost of providing certain services and have a material adverse effect on the combined company's operations.

Changes in the composition and leadership of the FCC, state commissions and other agencies that regulate the telecommunications industry could have significant impacts on the combined company's revenues, expenses, competitive position and prospects. Changes in the composition and leadership of these agencies are often difficult to predict, and make future planning more difficult.

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Changes in tax laws, regulations or policies, including those currently under consideration by the U.S. federal government, could have a material effect on the combined company's consolidated financial position, results of operations, or cash flows.

The combined company may be liable for the material that content providers distribute over its network.

Although CenturyLink and Level 3 believe that their liability for third party information stored on or transmitted through their networks is limited, the liability of private network operators is affected both by changing technology and evolving legal principles that remain unsettled in many jurisdictions. As private network providers, CenturyLink and Level 3 could be exposed to legal claims relating to third party content stored or transmitted on their networks. Such claims could involve, among others, allegations of defamation, invasion of privacy, copyright infringement, or aiding and abetting restricted activities such as online gambling or pornography. If the combined company decides to implement additional measures to reduce its exposure to these risks, or if the combined company is required to defend itself against these kinds of claims, its operations and financial results could be negatively affected.

Counterparties to certain significant agreements with Level 3 may exercise contractual rights to terminate such agreements following the combination.

Level 3 is a party to certain agreements that give the counterparty a right under certain conditions to terminate the agreement following a change in control of Level 3. Under most such agreements, the combination will constitute a change in control and therefore the counterparty may terminate the agreement upon the closing of the combination, subject to the terms and conditions specified in such agreements. Level 3 has agreements subject to such termination provisions with significant customers, major suppliers and providers of services where Level 3 has acted as reseller or sales agent. In addition, certain Level 3 customer contracts, including those with state or federal government agencies, allow the customer to terminate the contract at any time for convenience, which would allow the customer to terminate its contract before, at or after the closing of the combination. Any such counterparty may request modifications of their respective agreements as a condition to foregoing exercise of their termination rights. There is no assurance that such agreements will not be terminated, that any such terminations will not result in a material adverse effect, or that any modifications of such agreements to avoid termination will not result in a material adverse effect.

CenturyLink may be unable to obtain security clearances necessary to perform certain Level 3 government contracts.

Certain Level 3 legal entities and officers have security clearances required for Level 3's performance of customer contracts with various government entities. Following the combination, it may be necessary for CenturyLink to obtain comparable security clearances. If CenturyLink or its officers are unable to qualify for such security clearances, CenturyLink may not be able to continue to perform such contracts.

The combined company will be subject to various legal proceedings and other contingencies that could materially adversely impact its financial condition and operating results.

Following the completion of the combination, the combined company is expected to be subject to (i) several material proceedings pending against it, including various right-of-way, tax, regulatory, patent and other proceedings, (ii) potential environmental liabilities with respect to various legacy operations or properties and (iii) certain other contingent liabilities. These proceedings and other contingent liabilities are described in the SEC reports of CenturyLink and Level 3 that are incorporated by reference herein. See *Where You Can Find More Information*.

Table of Contents***Other Risks******In connection with the combination CenturyLink will incur and assume a substantial amount of indebtedness and may need to incur more in the future.***

As a result of incurring the debt financing for the combination and assuming Level 3's existing consolidated indebtedness in connection with the combination, CenturyLink will become more leveraged. This could have material adverse consequences for CenturyLink, including (i) reducing CenturyLink's credit ratings and thereby raising its borrowing costs, (ii) hindering CenturyLink's ability to plan for or react to changing market, industry, competitive or economic conditions, (iii) limiting CenturyLink's ability to access the capital markets to refinance maturing debt or to fund acquisitions, capital expenditures or other general expenditures, (iv) limiting the amount of free cash flow available for future operations, acquisitions, strategic initiatives, capital expenditures, dividends, stock repurchases, debt payments or other uses, (v) making CenturyLink more vulnerable to economic or industry downturns, including interest rate increases, (vi) placing CenturyLink at a competitive disadvantage compared to less leveraged competitors (vii) increasing the risk that third parties will be unwilling or unable to engage in hedging or other financial or commercial arrangements with CenturyLink, (viii) increasing the risk that CenturyLink will need to sell securities or assets, possibly on unfavorable terms, or take other unfavorable actions to meet payment obligations, or (ix) increasing the risk that CenturyLink may not meet the financial covenants in its debt agreements or timely make all required debt payments, either of which could result in the acceleration of some or all of CenturyLink's outstanding indebtedness.

CenturyLink has a significant amount of consolidated indebtedness that it intends to refinance over the next several years, and may also need to obtain additional financing under a variety of other circumstances. CenturyLink's ability to arrange additional financing will depend on, among other factors, its financial position, performance, and credit ratings, as well as prevailing market conditions and other factors beyond its control. Global financial markets continue to be volatile. Prevailing market conditions could be adversely affected by (i) general market conditions, such as disruptions in domestic or overseas sovereign or corporate debt markets, geo-political instabilities, contractions or limited growth in the economy or other similar adverse economic developments in the U.S. or abroad and (ii) specific conditions in the communications industry. Volatility in the global markets could limit CenturyLink's access to the credit markets, leading to higher borrowing costs or, in some cases, the inability to obtain financing on terms that are as favorable as those from which CenturyLink previously benefited. CenturyLink cannot assure you that it will be able to obtain additional financing on terms acceptable to CenturyLink or at all. Any such failure to obtain additional financing could jeopardize CenturyLink's ability to attain its business objectives or strategies, to repay, refinance or reduce its debt obligations or to meet its other commitments.

The agreements that will govern the indebtedness to be incurred or assumed in connection with the combination are expected to contain various covenants and other provisions that impose restrictions on the ability of CenturyLink and certain of its subsidiaries to operate their businesses.

The agreements that will govern the indebtedness to be incurred or assumed by CenturyLink in connection with the combination are expected to contain certain affiliate guarantees and stock pledges and various affirmative and negative covenants that may, subject to certain significant exceptions, restrict the ability of CenturyLink and certain of its subsidiaries to, among other things, have liens on their property, incur additional indebtedness, enter into sale and lease-back transactions, make loans, advances or other investments, make non-ordinary course asset sales, declare or pay dividends or make other distributions with respect to equity interests, merge or consolidate with any other person or sell or convey certain of its assets to any one person, among various other things. In particular, certain covenants contained in Level 3's indebtedness to be assumed by CenturyLink may restrict the combined company's ability to distribute cash from Level 3 to other entities within the combined company, or enter into other transactions among

wholly owned subsidiaries of the combined company. In addition, some of the agreements that govern the debt financing are expected to contain financial covenants that will require CenturyLink to maintain certain financial ratios. The ability of CenturyLink and its subsidiaries to comply with these provisions may be affected by events beyond their control. Failure to comply with these covenants could result in an event of default, which, if not cured or waived, could accelerate

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CenturyLink's debt repayment obligations. Certain of CenturyLink's debt instruments have cross-default or cross-acceleration provisions. When present, these provisions could have a wider impact on liquidity than might otherwise arise from a default or acceleration of a single debt instrument.

Any downgrade in the credit ratings of CenturyLink or its subsidiaries could limit their ability to obtain future financing, increase its borrowing costs or otherwise impair its business, financial condition and results of operations.

Nationally recognized credit rating organizations have issued credit ratings relating to CenturyLink, Inc.'s long-term debt and the long-term debt of several of its subsidiaries. Most of these ratings are below investment grade, which results in higher borrowing costs than investment grade debt, as well as reduced marketability of CenturyLink's debt securities. There can be no assurance that any rating assigned to any of these debt securities will remain in effect for any given period of time or that any such ratings will not be lowered, suspended or withdrawn entirely by a rating agency if, in that rating agency's judgment, circumstances so warrant.

A downgrade of any of these credit ratings could:

adversely affect the market price of some or all of CenturyLink's outstanding debt or equity securities;

limit CenturyLink's access to the capital markets or otherwise adversely affect the availability of other new financing on favorable terms, if at all;

trigger the application of restrictive covenants in certain of CenturyLink's debt agreements or result in new or more restrictive covenants in agreements governing the terms of any future indebtedness that CenturyLink may incur;

increase CenturyLink's cost of borrowing; and

impair CenturyLink's business, financial condition and results of operations.

CenturyLink cannot assure you whether, when or in what amounts it will be able to use Level 3's net operating loss carryforwards following the combination.

As of December 31, 2015, Level 3 had approximately \$9.7 billion of net operating loss carryforwards, which we refer to as NOLs, which for U.S. federal income tax purposes can be used to offset future taxable income, subject to certain limitations under Section 382 of the Code and related Treasury regulations. CenturyLink's ability to use these NOLs following the combination may be further limited by Section 382 if Level 3 is deemed to undergo an ownership change as a result of the combination or CenturyLink is deemed to undergo an ownership change following the combination, either of which could restrict use of a material portion of the NOLs. Determining the limitations under Section 382 is technical and highly complex. Although the parties, based on their review to date, currently believe that Level 3 will undergo an ownership change as a result of the combination, neither company has definitively completed the analysis necessary to confirm this. Moreover, issuances or sales of CenturyLink stock following the combination (including certain transactions outside of CenturyLink's control) could result in CenturyLink undergoing an ownership

change under Section 382, which may further limit its use of the NOLs. For these and other reasons, we cannot assure you that CenturyLink will be able to use the NOLs after the combination in the amounts it projects.

The business of CenturyLink and Level 3 is capital intensive.

The business of CenturyLink and Level 3 is capital intensive, and both anticipate that the combined company's capital requirements will continue to be substantial in the coming years. If CenturyLink determines that its networks must be expanded to handle the increased demands or to meet regulatory commitments or requirements, CenturyLink may determine that substantial additional capital expenditures are required, even though there is no assurance that the return on its investment will be satisfactory. In addition, many of

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CenturyLink's growth and modernization initiatives are capital intensive and changes in technology could require further spending. In addition to investing in expanded networks, new products or new technologies, CenturyLink must from time to time invest capital to (i) replace some of its aging equipment that supports many of its legacy services that are experiencing revenue declines or (ii) convert older systems to simplify and modernize its network. Increased spending could, among other things, adversely affect CenturyLink's operating margins, cash flows, results of operations and financial position.

Increases in costs for pension and healthcare benefits for CenturyLink's active and retired employees may reduce CenturyLink's profitability and increase its funding commitments.

Following the combination, CenturyLink will maintain one or more healthcare plans, qualified pension plans, non-qualified pension plans and post-retirement benefit plans, some of which are currently underfunded and the costs of which have a significant impact on CenturyLink's profitability. CenturyLink's costs of maintaining its pension and healthcare plans, and the future funding requirements for these plans, are affected by several factors, most of which are outside of its control, including:

decreases in investment returns on funds held by CenturyLink's pension and other benefit plan trusts;

changes in prevailing interest rates and discount rates used to calculate the funding status of CenturyLink's pension and other post-retirement plans;

increases in healthcare costs generally or claims submitted under CenturyLink's healthcare plans specifically;

increasing longevity of CenturyLink's employees and retirees;

the impact of the continuing implementation, modification or potential repeal of current federal healthcare legislation and regulations promulgated thereunder;

increases in the number of retirees who elect to receive lump sum benefit payments;

increases in insurance premiums CenturyLink is required to pay to the Pension Benefit Guaranty Corporation, an independent agency of the U.S. government that must cover its own underfunded status by collecting premiums from an ever shrinking population of pension plans that are qualified under the Code;

changes in plan benefits; and

changes in funding laws or regulations.

Following the combination, increased costs under these plans could reduce the combined company's profitability and increase its funding commitments to its pension plans. Any future material cash contributions could have a negative impact on the combined company's liquidity by reducing its cash flows.

The historical and unaudited pro forma condensed combined financial information included elsewhere in this joint proxy statement/prospectus may not be representative of CenturyLink's results after the combination, and, accordingly, you have limited financial information on which to evaluate the combined company.

CenturyLink and Level 3 will continue to operate as separate companies prior to the combination. CenturyLink and Level 3 have no prior history as a combined company. The historical financial statements of Level 3 may be different from those that would have resulted had Level 3 been operated as part of CenturyLink. The pro forma condensed combined financial information appearing elsewhere herein has been presented for informational purposes only and is not necessarily indicative of the financial position or results of operations that actually would have occurred had the combination been completed as of the dates indicated, nor is it indicative of the future operating results or financial position of the combined company. The unaudited pro forma condensed

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combined financial information reflects adjustments, which are based upon preliminary estimates, to allocate the aggregate consideration to Level 3's assets and liabilities. The aggregate consideration allocation reflected in the pro forma condensed combined financial information included in this joint proxy statement/prospectus is preliminary, and the final allocation of the aggregate consideration will be based upon the actual aggregate consideration and the fair value of the assets and liabilities of Level 3 as of the date of the completion of the combination. The unaudited pro forma condensed combined financial information does not (i) reflect future events that may occur after the combination, including the incurrence of costs related to the planned integration of Level 3, any future non-recurring charges resulting from the combination and any termination of contracts by customers as a direct result of the combination, and (ii) consider potential effects of future market conditions on revenues or expense efficiencies. The unaudited pro forma financial information presented in this joint proxy statement/prospectus is based in part on certain assumptions regarding the combination that CenturyLink believes are reasonable under the circumstances. CenturyLink cannot assure you that the assumptions will prove to be accurate over time.

CenturyLink cannot assure you that it will be able to continue paying dividends at the current rate, or at all.

CenturyLink currently pays an annual dividend of \$2.16 per share. Following the closing of the combination, CenturyLink expects to continue its current dividend for shareholders of the combined company, subject to any factors that its board of directors in its discretion deems relevant. However, you should be aware that CenturyLink shareholders may not receive the same dividends following the combination for reasons that may include any of the following factors:

CenturyLink may not have enough cash to pay such dividends due to changes in CenturyLink's cash requirements, capital spending plans, strategies, debt payment plans (including a desire to maintain or improve credit ratings on its debt securities), pension funding payments, liquidity, cash flow or financial position;

decisions on whether, when and in which amounts to make any future distributions will remain at all times entirely at the discretion of the CenturyLink Board, which reserves the right to change CenturyLink's dividend practices at any time and for any reason without prior notice;

the amount of dividends that CenturyLink may distribute to its shareholders is subject to restrictions under Louisiana law and is limited by restricted payment and leverage covenants in CenturyLink's credit facilities and, potentially, the terms of any future indebtedness that CenturyLink may incur;

the amount of dividends that CenturyLink's subsidiaries may distribute to CenturyLink is subject to restrictions imposed by state law, restrictions that may be imposed by state regulators in connection with obtaining necessary approvals for the combination, and restrictions imposed by the terms of credit facilities and other outstanding indebtedness of certain subsidiaries (including, following the combination, Level 3 and its subsidiaries) and, potentially, the terms of any future indebtedness that these subsidiaries may incur; and

CenturyLink's ability to service and refinance its current, assumed and future indebtedness and its ability to borrow or raise additional capital to satisfy its capital needs.

CenturyLink's common shareholders should be aware that they have no contractual or other legal right to dividends that have not been declared.

If CenturyLink's goodwill or other intangible assets become impaired, it may be required to record a significant charge to earnings and reduce its shareholders' equity.

As of September 30, 2016, over half of CenturyLink's total consolidated assets reflected on the consolidated balance sheet incorporated by reference into this joint proxy/prospectus consisted of goodwill, customer relationships and other intangible assets. Consummation of the combination is expected to result in CenturyLink

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recognizing additional goodwill, customer relationships and other intangible assets on its consolidated balance sheet. See *Accounting Treatment*. Under U.S. generally accepted accounting principles, most of these intangible assets must be tested for impairment on an annual basis or more frequently whenever events or circumstances indicate that their carrying value may not be recoverable. From time to time (most recently for the third quarter of 2013), CenturyLink has recorded large non-cash charges to earnings in connection with required reductions of the value of its intangible assets. If CenturyLink's intangible assets are determined to be impaired in the future, it may be required to record additional significant, non-cash charges to earnings during the period in which the impairment is determined to have occurred.

The CenturyLink and Level 3 prospective financial information is inherently subject to uncertainties.

While presented with numeric specificity, the CenturyLink and Level 3 prospective financial information provided in this document was prepared based on numerous variables and assumptions (including, but not limited to, those related to industry performance and competition and general business, economic, market and financial conditions and additional matters specific to CenturyLink or Level 3's business, as applicable) that are inherently subjective and uncertain and are largely beyond the control of the respective management of each. As a result, actual results may differ materially from the prospective financial information. Important factors that may affect actual results and cause these projected financial forecasts to not be achieved include, but are not limited to, risks and uncertainties relating to CenturyLink's or Level 3's business, as applicable (including each company's ability to achieve strategic goals, objectives and targets over applicable periods) and general industry, business, competitive, technological and economic conditions. For more information see the sections entitled *The Combination and the Stock Issuance Certain Forecasts Prepared by CenturyLink* beginning on page 113 and *The Combination and the Stock Issuance Certain Forecasts Prepared by Level 3* beginning on page 116.

Other Risk Factors of CenturyLink and Level 3

CenturyLink's and Level 3's businesses are, and will continue to be, subject to the risks described above. In addition, CenturyLink and Level 3 are, and will continue to be, subject to the risks described in Level 3's and CenturyLink's Annual Reports on Form 10-K for the fiscal year ended December 31, 2015, as amended and as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 186 for the location of information incorporated by reference in this joint proxy statement/prospectus.

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THE COMPANIES

CenturyLink

CenturyLink, Inc.

100 CenturyLink Drive

Monroe, LA 71203

Telephone: (318) 388-9000

CenturyLink, a Louisiana corporation, together with its subsidiaries, is an integrated communications company engaged primarily in providing an array of communications services, including local and long-distance voice, broadband, Multi-Protocol Label Switching, private line (including special access), Ethernet, hosting (including cloud hosting and managed hosting), data integration, video, network, public access, Voice over Internet Protocol, information technology and other ancillary services. CenturyLink strives to maintain its customer relationships by, among other things, bundling its service offerings to provide a complete offering of integrated communications services.

Based on approximately 11.2 million total access lines at September 30, 2016, CenturyLink believes that it is the third largest wireline telecommunications company in the United States. CenturyLink operates 74% of its total access lines in portions of Colorado, Arizona, Washington, Minnesota, Florida, North Carolina, Oregon, Iowa, Utah, New Mexico, Missouri, and Nevada. CenturyLink also provides local service in portions of Idaho, Ohio, Wisconsin, Virginia, Texas, Nebraska, Pennsylvania, Montana, Alabama, Indiana, Arkansas, Wyoming, Tennessee, New Jersey, South Dakota, North Dakota, Kansas, Louisiana, South Carolina, Michigan, Illinois, Georgia, Mississippi, Oklahoma, and California. In the portion of these 37 states where CenturyLink has access lines, CenturyLink is the incumbent local telephone company.

At September 30, 2016, CenturyLink served approximately 6.0 million broadband subscribers and approximately 318,000 Prism TV subscribers. CenturyLink's methodology for counting access lines, broadband subscribers and Prism TV subscribers may not be comparable to those of other companies.

Additional information about CenturyLink and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information*.

Level 3

Level 3 Communications, Inc.

1025 Eldorado Boulevard

Broomfield, CO 80021

Telephone: (720) 888-1000

Level 3, a Delaware corporation, through its subsidiaries, is a facilities-based provider (that is, a provider that owns or leases a substantial portion of the plant, property and equipment necessary to provide its services) of a broad range of

integrated communications services. Level 3 created its communications network by constructing its own assets and through a combination of purchasing other companies and purchasing or leasing facilities from others. Level 3's network is an international, facilities-based communications network. Level 3 designed its network to provide communications services that employ and take advantage of rapidly improving underlying optical, Internet Protocol, computing and storage technologies. Level 3 provides local, national and global communications services to enterprise, government and carrier customers. Level 3's comprehensive portfolio of secure, managed solutions includes fiber and infrastructure solutions, IP-based voice and data communications, wide-area Ethernet services, video and content distribution, and data center and cloud-based solutions. Level 3 serves customers in more than 500 markets in over 60 countries across a global services platform anchored by owned fiber networks on three continents and connected by extensive undersea facilities. Additional information about Level 3 and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information*.

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Wildcat Merger Sub 1 LLC

Wildcat Merger Sub 1 LLC, an indirect wholly owned subsidiary of CenturyLink, is a Delaware limited liability company formed on October 28, 2016 for the purpose of effecting the combination. Upon completion of the initial merger, Wildcat Merger Sub 1 LLC will be merged with and into Level 3 with Level 3 surviving as an indirect wholly owned subsidiary of CenturyLink.

Wildcat Merger Sub 1 LLC has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with the combination.

WWG Merger Sub LLC

WWG Merger Sub LLC, an indirect wholly owned subsidiary of CenturyLink, is a Delaware limited liability company formed on October 28, 2016 for the purpose of effecting the combination. Upon completion of the subsequent merger, Level 3 will be merged with and into WWG Merger Sub LLC with WWG Merger Sub LLC surviving as a direct wholly owned subsidiary of a newly-created holding company, which in turn is a direct wholly owned subsidiary of CenturyLink.

WWG Merger Sub LLC has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with the combination.

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THE CENTURYLINK SPECIAL MEETING

Date, Time and Place

The special meeting of CenturyLink shareholders will be held at 100 CenturyLink Drive, Monroe, Louisiana 71203, on March 16, 2017, at 10:00 a.m., local time.

Matters to be Considered

At the CenturyLink special meeting, CenturyLink shareholders will be asked to vote on:

the CenturyLink stock issuance proposal; and

if necessary, the CenturyLink adjournment proposal.

Recommendation of the CenturyLink Board

The CenturyLink Board unanimously has determined that the combination, the merger agreement and the other transactions contemplated by the merger agreement, including the issuance of CenturyLink common stock to Level 3 stockholders in connection with the combination, are in the best interests of CenturyLink and the CenturyLink shareholders and has unanimously approved and adopted the merger agreement.

*The CenturyLink Board unanimously recommends that the CenturyLink shareholders vote **FOR** the proposal to issue shares of CenturyLink common stock to Level 3 stockholders in connection with the combination.*

Record Date; Stock Entitled to Vote

Only holders of record of shares of CenturyLink common stock or voting preferred stock at the close of business on January 25, 2017, the record date for the CenturyLink special meeting, will be entitled to notice of, and to vote at, the CenturyLink special meeting or any adjournments thereof. You may cast one vote for each share of common stock or voting preferred stock of CenturyLink that you owned on the record date.

On the record date, there were outstanding a total of 546,558,823 shares of CenturyLink common stock entitled to vote at the CenturyLink special meeting and 7,018 shares of CenturyLink voting preferred stock entitled to vote at the CenturyLink special meeting.

Solicitation of Proxies; Revocability of Proxies

In accordance with the merger agreement, the cost of proxy solicitation for the CenturyLink special meeting will be borne by CenturyLink, other than the expenses incurred by CenturyLink and Level 3 in connection with the filing, printing and mailing of this joint proxy statement/prospectus, half of which expenses will be borne by each of CenturyLink and Level 3. In addition to the use of the mail, proxies may be solicited by officers and directors and regular employees of CenturyLink, without additional remuneration, by personal interview, telephone, facsimile or otherwise. CenturyLink will also request brokerage firms, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of shares held of record on the record date and will provide customary reimbursement to such firms for the cost of forwarding these materials. CenturyLink has retained Innisfree M&A

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Incorporated to assist in its solicitation of proxies and has agreed to pay them a fee of \$50,000, plus an additional \$25,000 contingent upon the approval of the proposal to issue shares of CenturyLink common stock in connection with the combination, plus reasonable expenses, for these services.

If you are a holder of record on the record date for the CenturyLink special meeting, you have the power to revoke your proxy at any time before your proxy is voted at the CenturyLink special meeting. You can revoke your proxy in one of three ways:

sending a signed notice of revocation;

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granting a new, valid proxy bearing a later date; or

attending the CenturyLink special meeting and vote in person, which will automatically cancel any proxy previously given, or you can revoke your proxy in person, but your attendance alone will not revoke any proxy that you have previously given.

If you choose either of the first two methods, your notice of revocation or your new proxy must be received by CenturyLink's Secretary at 100 CenturyLink Drive, Monroe, Louisiana 71203, no later than the beginning of the CenturyLink special meeting. If you have voted your shares by telephone or through the Internet, you may revoke your prior telephone or Internet vote by recording a different vote using the telephone or Internet, or by signing and returning a proxy card dated as of a date that is later than your last telephone or Internet vote.

If your shares are held in street name by your broker or nominee, you should contact them to change your vote. Plan participants who wish to revoke their voting instructions must contact the applicable plan trustee and follow its procedures.

Quorum

Shareholders who hold a majority of the total voting power of CenturyLink common stock and voting preferred stock issued and outstanding at the close of business on the record date must be present or represented by proxy to constitute a quorum to organize the CenturyLink special meeting, and shareholders holding a majority of the votes entitled to be cast with respect to the proposal to issue CenturyLink common stock in connection with the initial merger must be present or represented by proxy to constitute a quorum with respect to such proposal. All shares of CenturyLink common stock or voting preferred stock represented at the CenturyLink special meeting, including abstentions and broker non-votes (shares held by a broker or nominee that are represented at the meeting, but with respect to which the broker or nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal), will be treated as present for purposes of determining the presence or absence of a quorum to organize the CenturyLink special meeting, but abstentions and broker non-votes will be treated as not present for purposes of determining the presence or absence of a quorum with respect to the proposal to issue CenturyLink common stock in connection with the initial merger.

Vote Required

Under the rules of the NYSE, the issuance of CenturyLink common stock to Level 3 stockholders in connection with the initial merger requires approval by the affirmative vote of a majority of the votes cast on such matter at the CenturyLink special meeting by holders of the CenturyLink common stock and voting preferred stock, voting as a single class (provided that a quorum exists).

The vote with respect to the CenturyLink stock issuance proposal will also constitute a vote of the CenturyLink shareholders under the applicable provisions of the Louisiana Business Corporation Act, which we refer to as the LBCA. Pursuant to the LBCA, the issuance of CenturyLink common stock to Level 3 stockholders in the initial merger requires the affirmative vote of holders of CenturyLink common stock and voting preferred stock, voting together as a single class, at a meeting at which a quorum consisting of at least a majority of the votes entitled to be cast on the proposal exists, in which the votes cast favoring the proposal exceed the votes cast opposing the proposal. If the proposal is approved under the rules of the NYSE, it will also be approved for purposes of the LBCA.

Approval of any proposal to adjourn the CenturyLink special meeting, if necessary, for the purpose of soliciting additional proxies requires approval by the affirmative vote of a majority of the votes cast on such matter at such

meeting by holders of the CenturyLink common stock and voting preferred stock, voting as a single class (provided that a quorum exists).

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Abstentions and Broker Non-Votes

If you are a CenturyLink shareholder and fail to vote, fail to instruct your broker or nominee to vote, or abstain from voting, it will have no effect on the CenturyLink stock issuance proposal or, if necessary, the CenturyLink adjournment proposal, assuming a quorum is present. Although abstentions and broker non-votes will be counted as present for purposes of determining whether a quorum is present to organize the CenturyLink special meeting, they will not be considered to be cast for purposes of determining whether the requisite vote to approve any such proposal has been obtained and will not be treated as present for purposes of determining the existence of a quorum with respect to the proposal to issue CenturyLink common stock to the Level 3 stockholders in connection with the initial merger. Accordingly, your failure to cast a vote will make it more difficult to meet the quorum requirement with respect to organizing the CenturyLink special meeting and your failure to cast a vote or your abstention from voting will make it more difficult to meet the quorum requirements with respect to the proposal to issue CenturyLink common stock to the Level 3 stockholders in connection with the initial merger.

Voting Power of CenturyLink's Directors and Executive Officers

On the record date, less than 1.0% of the outstanding CenturyLink common shares and none of the outstanding shares of CenturyLink voting preferred stock were held by CenturyLink directors and executive officers and their respective affiliates. CenturyLink currently expects that CenturyLink's directors and executive officers will vote their shares in favor of the issuance of CenturyLink common stock to Level 3 stockholders in connection with the combination.

Attending the CenturyLink Special Meeting

All holders of CenturyLink common stock, including shareholders of record and shareholders who hold shares through banks, brokers or other nominees, are invited to attend the CenturyLink special meeting. Shareholders of record can vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter or an account statement issued by the record holder of your shares confirming your ownership, and you must bring a form of personal photo identification with you to be admitted. CenturyLink reserves the right to refuse admittance to anyone without proper proof of share ownership and without proper photo identification.

Voting of Proxies by Record Shareholders

A proxy card is enclosed for use by CenturyLink shareholders of record. CenturyLink requests that its record shareholders sign the accompanying proxy and return it promptly in the enclosed postage-paid envelope. You may also vote your shares by telephone or through the internet. Information and applicable deadlines for voting by telephone or through the internet are set forth on the enclosed proxy card. When the accompanying proxy is returned properly executed, the shares of CenturyLink common stock or voting preferred stock represented by it will be voted at the CenturyLink special meeting or any adjournment thereof in accordance with the instructions contained in the proxy.

If a proxy is signed and returned without an indication as to how the shares of CenturyLink common stock or voting preferred stock represented by the proxy are to be voted with regard to a particular proposal, the CenturyLink common stock or voting preferred stock represented by the proxy will be voted in favor of each such proposal. At the date hereof, CenturyLink management has no knowledge of any business that will be presented for consideration at the special meeting and which would be required to be set forth in this joint proxy statement/prospectus other than the matters set forth in CenturyLink's accompanying Notice of Special Meeting of Shareholders. In accordance with CenturyLink's bylaws and Louisiana law, business transacted at the CenturyLink special meeting will be limited to

those matters set forth in such notice. Nonetheless, if any other matter is properly presented at the CenturyLink special meeting for consideration, it is intended that the persons named in the enclosed proxy and acting thereunder will vote in accordance with their best judgment on such matter.

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Your vote is important. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the CenturyLink special meeting in person.

Participants in Benefit Plans

If you beneficially own any CenturyLink common stock by virtue of participating in any retirement plan of CenturyLink, then you have received separate voting instruction cards in lieu of a proxy card. These voting instruction cards entitle you, on a confidential basis, to instruct the plan trustees how to vote the shares of CenturyLink common stock allocated to your plan account. The cards for some of the plans will similarly entitle you to direct the voting of a proportionate number of plan shares of CenturyLink common stock for which properly executed instructions are not timely received and some will require you to act in your capacity as a named fiduciary, which requires you to exercise your voting rights prudently and in the interest of all plan participants. Plan participants who wish to vote should complete and return voting instruction cards in the manner provided by such cards. If you elect not to vote plan shares of CenturyLink common stock allocated to your accounts, your plan shares will be voted in the manner specified in the voting instruction cards.

Shares Held in Street Name

If you hold your shares of CenturyLink stock in a stock brokerage account or if your shares are held by a bank or nominee (that is, in street name), you must provide the record holder of your shares with instructions on how to vote your shares if you wish them to be counted. Please follow the voting instructions provided by your broker, bank or nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to CenturyLink or by voting in person at the CenturyLink special meeting. Further, brokers who hold shares of CenturyLink stock on behalf of their customers may not vote those shares without specific instructions from their customers.

If you hold your CenturyLink stock in street name and you do not instruct your broker on how to vote any of your shares, your broker may not vote those shares. For a discussion of the consequences of such broker non-votes, see *Abstentions and Broker Non-Votes*.

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THE LEVEL 3 SPECIAL MEETING

This section contains information about the special meeting of Level 3 stockholders that has been called to consider and approve the merger proposal and the compensation proposal.

A notice of the special meeting and a form of proxy that is solicited by the Level 3 Board are included with this document. The Level 3 special meeting will be held on March 16, 2017, at 9:00 a.m., local time, at Level 3's headquarters at 1025 Eldorado Boulevard, Broomfield, Colorado 80021.

Matters to Be Considered

The purpose of the Level 3 special meeting is to vote on:

the merger proposal;

the compensation proposal; and

the Level 3 adjournment proposal.

Proxies

Each copy of this document mailed to holders of Level 3 common stock as of the record date is accompanied by a form of proxy with instructions for voting by mail, by telephone or through the internet. If you hold stock in your name as a stockholder of record and are voting by mail, you should complete and return the proxy card accompanying this document to ensure that your vote is counted at the Level 3 special meeting, or at any adjournment or postponement of the special meeting, regardless of whether or not you plan to attend the Level 3 special meeting. You may also vote your shares by telephone or through the internet. Information and applicable deadlines for voting by telephone or through the internet are set forth in the enclosed proxy card instructions.

If you hold your stock in street name through a bank, broker, trust company or other nominee, you must direct your bank, broker, trust company or other nominee to vote in accordance with the instructions you have received from your bank, broker, trust company or other nominee.

If you hold stock in your name as a stockholder of record, you may revoke any proxy at any time before it is voted at the special meeting by signing and returning a proxy card with a later date by internet or telephone before the deadline stated on the proxy card, by delivering a proxy card with a later date or a written notice of revocation to Level 3's secretary, which must be received by us before the time of the special meeting, or by voting in person at the special meeting.

Any stockholder entitled to vote in person at the Level 3 special meeting may vote in person regardless of whether or not a proxy has been previously given, but simply attending the Level 3 special meeting will not constitute revocation of a previously given proxy.

Written notices of revocation and other communications about revoking your proxy should be addressed to:

Level 3 Communications, Inc.

1025 Eldorado Blvd.

Broomfield, Colorado 80021

Attention: John M. Ryan, Executive Vice President, Chief Legal Officer and Secretary

If your shares are held in street name by a bank or broker, you should follow the instructions of your bank or broker regarding the revocation of proxies.

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All shares represented by valid proxies that are received through this solicitation, and that are not revoked, will be voted in accordance with your instructions on the proxy card or as instructed via the internet or telephone. **If you make no specification on your proxy card as to how you want your shares voted, your proxy will be voted FOR the approval of the merger proposal, FOR the approval of the compensation proposal and FOR the approval of the Level 3 adjournment proposal.** According to the Level 3 amended and restated by-laws, only such business that is specified in Level 3's notice of the meeting may be conducted at a special meeting of stockholders.

Solicitation of Proxies

In accordance with the merger agreement, Level 3 will bear the entire cost of proxy solicitation for the Level 3 special meeting, except that CenturyLink and Level 3 will share equally all expenses incurred in connection with the filing of the registration statement of which this joint proxy statement/prospectus forms a part with the SEC and the printing and mailing of this joint proxy statement/prospectus. If necessary, Level 3 may use several of its regular employees, who will not be specially compensated, to solicit proxies from Level 3 stockholders, either personally or by telephone, facsimile, letter or other electronic means. Level 3 will also request that banks, brokers, and other record holders forward proxies and proxy material to the beneficial owners of Level 3 common stock and secure their voting instructions, and Level 3 will provide customary reimbursement to such firms for the cost of forwarding these materials.

Record Date

The close of business on January 25, 2017 has been fixed as the record date for determining the Level 3 stockholders entitled to receive notice of and to vote at the Level 3 special meeting. At that time, _____ shares of Level 3 common stock were outstanding, held by approximately 5,383 holders of record.

Quorum

Stockholders who hold shares representing at least a majority of the issued and outstanding shares entitled to vote at the Level 3 special meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business at the Level 3 special meeting. The holders of a majority of the shares entitled to vote and present in person or represented by proxy at the Level 3 special meeting, whether or not a quorum is present, may adjourn the Level 3 special meeting to another time and place. At any adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. Notice of any adjourned meeting need not be given except by announcement at the meeting.

Abstentions and broker non-votes will be included in the calculation of the number of shares of Level 3 common stock represented at the special meeting for purposes of determining whether a quorum has been achieved.

Vote Required

Each share of Level 3 common stock outstanding on the record date for the Level 3 special meeting entitles the holder to one vote on each matter to be voted upon at the Level 3 special meeting. Each of the proposals has the following vote requirement in order to be approved:

approval of the merger proposal requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock entitled to vote on the proposal;

approval of the compensation proposal requires the affirmative vote of the holders of a majority of the issued and outstanding shares of Level 3 common stock present in person or represented by proxy at the Level 3 special meeting and entitled to vote at the meeting; and

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approval of the proposal to adjourn the Level 3 special meeting, if necessary, to solicit additional proxies requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock present in person or represented by proxy at the Level 3 special meeting and entitled to vote at the meeting.

Abstentions, failures to submit a proxy card or vote in person, by telephone, or through the internet and broker non-votes will be treated in the following manner with respect to determining the votes received for each of the proposals:

an abstention will have the same effect as a vote **AGAINST** the merger proposal, the compensation proposal and the Level 3 adjournment proposal;

a failure to submit a proxy card or vote in person, by telephone or through the internet or a failure to instruct your broker or nominee to vote will, assuming a quorum is present, have no effect on the compensation proposal and the Level 3 adjournment proposal, but will have the same effect as a vote **AGAINST** the merger proposal.

The Level 3 Board urges Level 3 stockholders to promptly vote by completing, dating and signing the accompanying proxy card and returning it promptly in the enclosed postage-paid envelope; calling the toll-free number listed in the proxy card instructions if voting by telephone; or accessing the internet site listed in the proxy card instructions if voting through the internet. If you hold your stock in street name through a bank or broker, please vote by following the voting instructions of your bank or broker.

Stockholders may also vote at the Level 3 special meeting by ballot.

One of Level 3's stockholders, STT Crossing, which owns approximately 18.1% of the outstanding Level 3 shares as of the record date, has entered into a voting agreement with CenturyLink and, solely with respect to certain covenants contained therein, Level 3, under which STT Crossing has agreed, among other things and subject to certain exceptions as set forth in the voting agreement, to vote its Level 3 common stock in favor of the adoption of the merger proposal. STT Crossing is expected to own approximately 8.8% of the CenturyLink common stock outstanding after the completion of the combination. See the section below entitled *STT Crossing Voting Agreement and Shareholder Rights Agreement* beginning on page 146.

Voting Power of Level 3's Directors and Executive Officers

On the record date for the Level 3 special meeting, the directors and executive officers of Level 3 and their affiliates owned and were entitled to vote 66,731,667 shares of Level 3's common stock, representing approximately 19% of the outstanding Level 3 common stock (including 65,031,667 shares of Level 3 common stock held by STT Crossing and its affiliates, representing 18.1% of the outstanding Level 3 common stock). Level 3 currently expects that Level 3's directors and executive officers will vote their shares in favor of the merger proposal and the compensation proposal.

Recommendation of the Level 3 Board

The Level 3 Board has unanimously approved the merger agreement and the transactions contemplated by it, including the combination. The Level 3 Board has determined that the merger agreement and the transactions contemplated by it are advisable and in the best interests of Level 3 and its stockholders and unanimously recommends that you vote **FOR** the approval of the merger proposal, **FOR** the approval of the compensation proposal

and FOR the Level 3 adjournment proposal. See the section entitled *The Combination and the Stock Issuance Level 3 s Reasons for the Combination; Recommendation of the Combination by the Level 3 Board* beginning on page 62 for a more detailed discussion of the Level 3 Board s recommendation.

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Attending the Level 3 Special Meeting

All holders of Level 3 common stock, including stockholders of record and stockholders who hold their shares through banks, brokers or other nominees, are invited to attend the Level 3 special meeting. Stockholders of record can vote in person at the special meeting. If you are not a stockholder of record, you must obtain a proxy executed in your favor from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership and you must bring a form of personal photo identification with you to be admitted. Level 3 reserves the right to refuse admittance to anyone without proper proof of share ownership and without proper photo identification.

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THE COMBINATION AND THE STOCK ISSUANCE

Effects of the Combination

Under the merger agreement, merger sub 1 will merge with and into Level 3. Level 3 will be the surviving corporation in the initial merger and will thereby become an indirect wholly owned subsidiary of CenturyLink. Immediately following the initial merger, Level 3 will merge with and into merger sub 2. Merger sub 2 will be the surviving company in the subsequent merger.

In the initial merger, each outstanding share of Level 3 common stock (excluding shares as to which appraisal rights have been properly exercised pursuant to Delaware law) will be converted at the effective time of the initial merger into the right to receive 1.4286 shares of CenturyLink common stock and \$26.50 in cash, without interest, for each share of Level 3 common stock owned at the effective time, with cash paid in lieu of fractional shares. The exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to closing of the initial merger. CenturyLink shareholders will continue to hold their existing CenturyLink shares.

Background of the Combination

CenturyLink and Level 3 periodically review and assess their respective performance, prospects and strategies in light of the current business and economic environment, as well as developments in the telecommunications industry and opportunities and challenges facing participants in that industry. As leading companies in the telecommunications industry that periodically transact business with each other, each of CenturyLink and Level 3 is generally familiar with the other's business.

From time to time, Jeff K. Storey, Level 3's president and chief executive officer, and Glen F. Post, III, CenturyLink's chief executive officer and president, would see one another at various industry events and discuss the telecommunications industry and recent developments. During the period between May 2015 and May 2016, Mr. Storey and Mr. Post met on a few occasions to discuss industry developments and their respective businesses.

During the first half of 2016, CenturyLink undertook an ordinary course review of its strategic alternatives. This review included as a possibility a potential transaction with Level 3. On April 5, 2016, BofA Merrill Lynch presented Mr. Post and other members of CenturyLink's senior management with an overview, based on publicly available information, of such a possible transaction with Level 3 and its strategic rationale, including Level 3's global scale and deep local access network, the possibility for significant synergies and Level 3's accumulated NOLs which could be valuable to CenturyLink. During a regularly scheduled meeting of the CenturyLink Board on May 19, 2016, Mr. Post mentioned the possibility of a transaction between CenturyLink and Level 3 as one possibility among many others under review by CenturyLink and its management in the course of its review of strategic alternatives.

On May 25, 2016, Mr. Post called Mr. Storey by telephone and invited Mr. Storey to meet to discuss the strategic options available to both Level 3 and CenturyLink. In response to that call, on June 6, 2016, Mr. Post and Mr. Storey met at CenturyLink's offices to discuss the state of the telecommunications industry generally, ongoing regulatory developments and other issues. The possibility of a transaction between CenturyLink and Level 3 was also discussed. Several possible transaction structures were discussed at a preliminary level, including the possibility of a transaction in which Level 3 would combine with CenturyLink and the combined company would issue two tracking stocks. One tracking stock would relate to a combination of Level 3's business and the portion of CenturyLink's business similar to Level 3's business, as well as all of CenturyLink's consumer and enterprise business in its seven largest states. We refer to this combination of businesses as the combined operations. The other tracking stock would relate to CenturyLink's remaining operations, which we refer to as the CenturyLink remaining operations. In this possible structure,

CenturyLink shareholders would receive a minority economic interest in the combined operations and a 100% economic interest in the CenturyLink remaining operations, and Level 3 shareholders would receive a majority economic interest in the

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combined operations. The proposed tracking stock structure also contemplated a cash payment to CenturyLink's shareholders in an undetermined amount, depending on the agreed allocation of the overall economics in the proposed structure. We refer to this possible structure as the potential tracking stock transaction. Neither party made any specific proposal, but Mr. Post and Mr. Storey agreed that the possibility of a transaction between the two companies merited further review. In reviewing the potential tracking stock transaction, Level 3 senior management viewed this structure as an acquisition of CenturyLink by Level 3 that would result in the Level 3 stockholders holding a majority of the overall equity of the combined company. The parties, however, did not discuss which party would be the acquirer in the potential tracking stock transaction and, depending on the financial structure of the potential tracking stock transaction and the size of the cash payment to the CenturyLink shareholders, it could have been structured as an acquisition of either party.

On June 15, 2016, CenturyLink held its regularly scheduled annual planning meeting of its board of directors. Mr. Post reported on his conversation with Mr. Storey, and members of CenturyLink management discussed structural, valuation and other preliminary issues related to a possible transaction between the parties. Representatives of BofA Merrill Lynch presented to the CenturyLink Board preliminary illustrative valuations of CenturyLink and Level 3 and various transaction structures to combine the companies, including the potential tracking stock transaction as well as a potential cash and stock acquisition of Level 3 at a premium, in each case based on publicly available information. The CenturyLink Board discussed with CenturyLink's management and representatives of BofA Merrill Lynch the risks and advantages of the potential transactions, as well as CenturyLink's long-term plan, the value implications of Level 3's NOLs and potential synergies that could reasonably be expected to result from a transaction with Level 3. The CenturyLink Board also discussed the possibility of a stock-for-stock merger between CenturyLink and Level 3, including the fact that such a transaction would be less favorable for CenturyLink's shareholders than the potential tracking stock transaction or a cash and stock acquisition, because of the high trading multiple of Level 3's common stock price relative to its earnings, which would make an all-stock transaction dilutive to CenturyLink's shareholders.

On June 15, 2016, Sunit S. Patel, Level 3's chief financial officer, and R. Stewart Ewing Jr., CenturyLink's chief financial officer, agreed to meet in person in New York, New York on July 6th and July 7th to discuss potential synergies and structures of a business combination. Later on June 15, 2016, CenturyLink delivered a draft mutual nondisclosure agreement to Level 3. During the following week, representatives of CenturyLink and Level 3 negotiated the terms of a mutual nondisclosure agreement between the parties and, on June 23, 2016, in anticipation of further discussions and due diligence, the parties entered into a mutual nondisclosure agreement with respect to a potential negotiated business combination.

Between July 5, 2016 and early September 2016, CenturyLink and Level 3 intermittently exchanged preliminary due diligence information concerning their respective operations and businesses.

On July 6, 2016, R. Stewart Ewing, executive vice president and chief financial officer of CenturyLink, Derek Koecher, senior vice president, corporate strategy and business development of CenturyLink, and Stacey W. Goff, executive vice president, chief administrative officer, general counsel and secretary of CenturyLink, met in New York, New York with Mr. Patel and Robert McCarthy, senior vice president, corporate development of Level 3. Representatives of BofA Merrill Lynch were also in attendance for portions of the meeting. During this meeting, the participants discussed the strategic rationale for a potential negotiated business combination transaction or a strategic relationship transaction between CenturyLink and Level 3. Representatives of BofA Merrill Lynch presented illustrative preliminary valuations of CenturyLink and Level 3, in each case based on publicly available information, as well as various transaction structures that could permit a transaction between the companies, including the potential tracking stock transaction. The representatives of CenturyLink and Level 3 discussed the benefits of the potential tracking stock transaction as well as the challenges that such a structure would present, including increased transactional and administrative complexity and other related governance issues. The representatives of Level 3

expressed their view that a possible stock-for-stock or other merger structure, in which tracking stock would not be issued, should also be under consideration between the parties.

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The representatives of CenturyLink and Level 3 reaffirmed their mutual interest in the continued evaluation of a possible combination if a suitable structure could be mutually agreed upon. They also agreed to work over the coming months to advance the companies' review of the potential synergies and other due diligence.

Throughout July 2016, the Level 3 and CenturyLink management teams held a number of telephonic meetings to discuss certain due diligence matters related to the potential transaction, including synergies.

On July 26, 2016, at a regularly scheduled intra-quarter meeting of the CenturyLink Board, Mr. Post updated the directors with respect to several recent corporate developments and opportunities, including the meetings that had taken place between representatives of CenturyLink and Level 3 since the prior meeting of the CenturyLink Board and the results of preliminary due diligence. Mr. Post provided an update regarding the status of management's review of potential transaction synergies and various other issues. Mr. Post indicated that management was unwilling to recommend an all-stock transaction at that time due to its dilutive impact on CenturyLink's shareholders. The CenturyLink Board again discussed the challenges and advantages of the potential tracking stock structure and the potential cash and stock acquisition of Level 3. The CenturyLink Board authorized CenturyLink's management to continue its review and evaluation of a potential combination, with a particular focus on continuing its review of the synergies that could be achieved.

During the week of August 1, 2016, representatives of CenturyLink and representatives of Level 3 met to continue their evaluation of the potential synergies that could result from a transaction between the companies.

On August 10, 2016, Mr. Post and Mr. Storey met in Denver, Colorado to discuss the possible transaction, including potential synergies and the advantages and disadvantages of the potential tracking stock transaction and other potential combination structures. Mr. Storey noted his belief that the complexities of the potential tracking stock transaction would make such a structure difficult to implement. Setting aside the various potential structures, Mr. Post and Mr. Storey expressed their continued interest in discussing a possible transaction. Following such meeting, CenturyLink's management worked with representatives of BofA Merrill Lynch to further explore potential transaction structures that did not involve tracking stock.

On August 17, 2016, at a regularly scheduled meeting of the Level 3 Board held at Level 3's headquarters in Broomfield, Colorado, the possibility of a potential transaction with CenturyLink was discussed. At that meeting, members of senior management of Level 3 reported to the Level 3 Board on the status of the industry, the strategic rationale for pursuing a potential transaction with CenturyLink, the anticipated benefits of a potential transaction with CenturyLink to Level 3 stockholders and discussions with CenturyLink to date. After discussion, the consensus of the Level 3 Board was that Mr. Storey and Level 3 senior management should continue discussions with CenturyLink.

On August 24, 2016, at a regularly scheduled meeting of the CenturyLink Board, members of management provided a general update on pending acquisition and divestiture discussions, including a discussion of a potential transaction with Level 3. In addition, the CenturyLink Board and members of management discussed the potential divestiture of CenturyLink's data centers and colocation business, including the status of the ongoing negotiations, likelihood of ultimately reaching agreement, and degree to which the terms under discussion were consistent with the terms previously discussed with the CenturyLink Board. In connection with these updates, members of management and representatives of BofA Merrill Lynch presented the CenturyLink Board with the possibility of a cash and stock transaction with Level 3 in which CenturyLink would finance the cash portion of a yet-to-be-determined purchase price with new indebtedness. The representatives of management and BofA Merrill Lynch indicated that such a transaction structure would allow CenturyLink to acquire Level 3, with CenturyLink's shareholders retaining a majority of the equity interest in the combined company following completion of the transaction. The CenturyLink Board discussed the implications of such a transaction for the combined company, including its resulting

indebtedness.

On September 1, 2016, Mr. Storey informed Mr. Post that Level 3 did not wish to pursue the potential tracking stock transaction, due to the complexities involved, or any transaction in which Level 3 would be the

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acquiror. However, Mr. Storey told Mr. Post that he still saw significant potential benefits in combining the companies businesses, and that the parties should continue to work to see what options were available to combine the companies.

On or about September 1, 2016, CenturyLink advised BofA Merrill Lynch that it intended to engage BofA Merrill Lynch as financial advisor in connection with a potential transaction with Level 3.

On September 14, 2016, after an investor conference in Beverly Hills, California, Mr. Patel and Mr. Ewing met for dinner to review the status of the discussions between the companies. A representative of BofA Merrill Lynch also attended. Topics discussed included the structures under review for a possible transaction and the potential synergies that could be achieved in such a transaction.

On September 20, 2016, Mr. Post and Mr. Storey met in New York, New York to discuss the possibility of a transaction between CenturyLink and Level 3. During this meeting, Mr. Post proposed for the first time that the potential transaction would involve an acquisition of Level 3 by CenturyLink. Also, during this meeting, Mr. Post and Mr. Storey discussed the feasibility of various transaction structures, and Mr. Storey indicated that if the transaction was to be structured as an acquisition of Level 3 by CenturyLink, Level 3's strong preference was for a mix of cash and stock consideration. During this meeting, Mr. Post indicated that CenturyLink might consider consideration per share of Level 3 common stock of approximately \$58.00 to \$60.00, with a cash component of \$23.00 per share and the remainder of the consideration in shares of CenturyLink common stock. Mr. Storey indicated that such indicative price range was inadequate but suggested that the parties continue to discuss their views on the synergies and other potential benefits of a combination of the companies.

Also on September 20, 2016, representatives of Level 3 management reached out to Citigroup Global Markets, Inc., which we refer to as Citi, in connection with acting as a financial advisor to Level 3 with respect to a proposed transaction with CenturyLink. On September 22, 2016, members of Level 3 senior management and CenturyLink senior management discussed telephonically scheduling additional meetings between the management teams to continue their evaluation of a potential transaction. Between September 22 and October 5, 2016, additional telephonic meetings occurred between members of senior management to further evaluate the potential synergies and other benefits and challenges of a possible combination.

On or about September 26, 2016, CenturyLink advised Morgan Stanley that it intended to engage Morgan Stanley as financial advisor in connection with a potential transaction with Level 3.

On October 5, 2016, Mr. Post and Mr. Storey met in Dallas, Texas to discuss a possible combination. Mr. Post stated CenturyLink's view that a potential combination involving consideration of approximately \$64.00 to \$65.00 per share of Level 3 common stock would offer an attractive valuation for Level 3 stockholders, and Mr. Storey indicated that this price range was inadequate and that Level 3 would be likely to consider a price of approximately \$68.00 to \$70.00 per share of Level 3 common stock. Mr. Post and Mr. Storey confirmed their continued interest in seeking to bridge the valuation gap and agreed to continue their evaluation of a possible combination.

On October 6, 2016, financial advisors of CenturyLink and Level 3 discussed the inputs to the financial analyses furnished by the respective managements of CenturyLink and Level 3, including synergies, interest costs, cash taxes and other items affecting whether the possible combination would be accretive to CenturyLink's shareholders. CenturyLink also reviewed the actions that Level 3 was implementing on a stand-alone basis to improve its financial and operating performance.

After the meetings of October 5 and 6, 2016, Mr. Storey and Mr. Post discussed telephonically the outcome of the meetings. During this discussion, Mr. Post proposed an indicative value of Level 3 common stock below \$65.00 per

share, but indicated he could consider raising the per share price if, for purposes of valuing the consideration, the CenturyLink common stock was valued at the then 90-day volume weighted average price, and

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the consideration included \$26.50 per share in cash. Mr. Storey indicated that he did not believe this price would be sufficient but he would be willing to discuss an indicative price per share of Level 3 common stock higher than \$65.00 per share with the Level 3 Board.

On October 7 and 8, 2016, Mr. Post and Mr. Storey had numerous telephonic conversations. During such discussions, Mr. Storey indicated that the Level 3 Board might be receptive to an indicative price of \$66.50 per share, consisting of \$26.50 in cash and the remaining portion in CenturyLink common stock, with a value of CenturyLink common stock at \$27.76 per share, which was the closing stock price of CenturyLink common stock on October 7, 2016.

On October 8, 2016, Mr. Post proposed to Mr. Storey an acquisition of Level 3 by CenturyLink at an indicative price of \$66.50 per share, consisting of \$26.50 per share in cash and 1.4286 shares of CenturyLink common stock (based on a reference price of \$28.00 per share of CenturyLink common stock) for each share of Level 3 common stock. Mr. Post and Mr. Storey agreed to discuss these terms with their respective boards of directors.

From October 8 to October 12, 2016, Mr. Storey reached out to all of the members of the Level 3 Board and had telephonic discussions with individual members of the Level 3 Board in order to provide them with an update on the recent discussions with Mr. Post. During these conversations, Mr. Storey received feedback from the Level 3 Board members regarding their view on the appropriate next steps.

On October 11, 2016, Mr. Goff delivered a draft preliminary term sheet with respect to the proposed combination to Mr. McCarthy. The draft term sheet outlined the key terms of the proposed combination, including that the proposed merger consideration per share of the Level 3 common stock would consist of \$26.50 in cash and a fixed number of shares of CenturyLink common stock valued at \$40.00 based on CenturyLink's trading prices prior to signing, subject to a cap of 1.429 shares. CenturyLink's draft term sheet also contemplated, among other things, that the combination would not be subject to any financing condition and that CenturyLink would obtain fully committed financing in support of the proposed combination, but that CenturyLink would be liable for a financing termination fee, without further liability, if Level 3 terminated the transaction due to the failure of CenturyLink's financing sources to fund the debt financing at the closing of the proposed combination, that neither party would be permitted to terminate the merger agreement to accept a competing proposal prior to a shareholder vote on a CenturyLink/Level 3 transaction (sometimes referred to as a "force the vote" provision), and that CenturyLink would expand the CenturyLink Board upon completion of the proposed combination to include an unspecified number of Level 3 directors.

Also on October 11, 2016, CenturyLink received an initial draft term sheet with respect to the financing of the cash portion of proposed merger consideration from BofA Merrill Lynch and Morgan Stanley.

Between October 11 to 13, 2016, in anticipation of financial due diligence sessions scheduled for October 14, 2016, CenturyLink and Level 3 exchanged third quarter 2016 financial information and strategic plans for 2017 through 2021, including internal financial forecasts for CenturyLink and Level 3, respectively, for that period. See *Certain Forecasts Prepared by CenturyLink* and *Certain Forecasts Prepared by Level 3*.

On the morning of October 12, 2016, John M. Ryan, executive vice president, chief legal officer and secretary of Level 3, Mr. Goff, representatives of Wachtell Lipton, Rosen & Katz, counsel to CenturyLink, which we refer to as Wachtell Lipton, and representatives of Willkie Farr Gallagher LLP, counsel to Level 3, which we refer to as Willkie Farr, discussed the draft term sheet. The Level 3 representatives indicated a preference for fixing the number of CenturyLink shares that would be issued to each Level 3 shareholder at \$40.00 per share of Level 3 common stock based upon a reference price of \$28.00 per share of CenturyLink common stock. The representatives of Level 3 and their legal advisors indicated that Level 3 would not accept the "force the vote" provision or the financing termination fee structure, instead proposing that CenturyLink should be required to

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specifically perform its obligations to complete the combination regardless of a financing failure. The Level 3 representatives also expressed their interest in obtaining a reverse break-up fee if CenturyLink were unable to obtain regulatory approvals, and that Level 3 desired the ability to nominate a number of directors from the Level 3 Board to the CenturyLink Board in connection with the closing of the proposed combination that was proportionate to the ownership of the combined company by Level 3 shareholders. Following this discussion, CenturyLink sent a revised draft of the term sheet to Level 3 that proposed consideration of \$26.50 in cash and 1.429 CenturyLink shares subject to confirmation prior to signing, eliminated the force the vote and financing termination fee provisions and proposed adding three Level 3 directors to the combined company board, but not including any reverse break-up fee for failure to obtain regulatory approvals. The revised term sheet also contemplated that Level 3's largest shareholder would enter into a voting agreement to support the transaction.

Later on October 12, 2016, the CenturyLink Board, together with representatives of BofA Merrill Lynch, Morgan Stanley and Wachtell Lipton, met to discuss the potential combination. Mr. Post updated the CenturyLink Board with respect to the conversations he had had with Mr. Storey, including with respect to the proposed aggregate consideration of \$26.50 in cash and 1.429 CenturyLink shares, valued at \$66.50 based on a reference price of \$28.00 per share of CenturyLink shares per share of Level 3 common stock. Mr. Post reviewed the rationales for pursuing a combination with Level 3 at this time, including, among others, the opportunity to attain synergy savings, growth potential and substantial NOLs. Representatives of BofA Merrill Lynch and Morgan Stanley reviewed with the CenturyLink Board preliminary financial analyses with respect to the proposed transaction, and Mr. Ewing reviewed CenturyLink's financing plan. After discussing the presentations by BofA Merrill Lynch, Morgan Stanley and management, the CenturyLink Board authorized management and CenturyLink's advisors to continue negotiations with respect to a possible combination, with the goal of announcing the transaction in early November if an agreement could be reached. The CenturyLink Board also indicated its desire to engage a third financial advisor in connection with CenturyLink's evaluation of the potential combination, in light of the potential financing for the transaction being provided by BofA Merrill Lynch and Morgan Stanley. Following this meeting, several outside CenturyLink directors participated in calls with CenturyLink's management designed to identify suitable candidates to act as the third financial advisor.

On October 13, 2016, the Level 3 Board and Level 3 senior management held a telephonic meeting to discuss their views on a possible transaction with CenturyLink. Representatives of Willkie Farr attended the meeting. Members of Level 3 senior management reviewed the strategic rationale of a combination with CenturyLink and the benefits to combining the companies. The Level 3 Board discussed the draft preliminary term sheet received from CenturyLink on October 11, 2016 and the possible transaction, including the exchange ratio and whether it was fixed and the required efforts in connection with obtaining regulatory approval. Level 3 management also explained that the initial draft of the term sheet included the proposed reverse termination fee in the event that CenturyLink failed to obtain its financing for the proposed transaction and provided that the merger agreement would include a force the vote provision which would prohibit Level 3 from terminating the merger agreement in order to accept a superior proposal, both of which CenturyLink removed from the subsequently circulated term sheet. During the meeting, representatives of Willkie Farr discussed the fiduciary duties applicable to the Level 3 Board. The Level 3 Board discussed the ability of CenturyLink to maintain its annual cash dividend, the debt financing that would be needed to finance the cash portion of the merger consideration and the timing of the potential transaction. The Level 3 Board discussed with management and Willkie Farr the advisability of approaching other parties that could be interested in a potential business combination with Level 3 before entering into a transaction with CenturyLink. In light of the premium being proposed by CenturyLink, Level 3 management's view of the relatively low likelihood of any potential alternate bidder being willing to make a superior proposal within a short time frame and the risk of potential leaks raised by pursuing such a pre-signing market check, coupled with the ability of any potential interested bidder to submit a competing offer following the signing of a definitive agreement with CenturyLink and the ability of Level 3 to terminate any definitive agreement with CenturyLink post-signing to accept a superior proposal from another bidder, the Level 3

Board determined at that time to continue pursuing the transaction proposed by CenturyLink without approaching other parties. After such discussions, the Level 3 Board authorized Level 3 senior

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management to continue discussions with CenturyLink, including negotiation of a potential merger agreement, subject to further review by the Level 3 Board.

On October 14, 2016, representatives of the management teams of CenturyLink and Level 3 and representatives of BofA Merrill Lynch, Morgan Stanley and Citi met in Monroe, Louisiana to conduct mutual financial due diligence of their respective businesses, including with respect to the internal financial forecasts that were previously exchanged between CenturyLink and Level 3.

On October 15, 2016, representatives of CenturyLink, BofA Merrill Lynch, Morgan Stanley, Wachtell Lipton, and CenturyLink's regular corporate and securities counsel held a conference call with representatives of Level 3, Willkie Farr and Citi to review Level 3's existing debt financing, which would remain in place following the completion of the proposed combination, including the restrictive covenants and Level 3's intercompany debt structure.

Also, on October 15, 2016, representatives of Level 3 management informally reached out to Lazard Frères & Co. LLC, which we refer to as Lazard, in connection with Lazard acting as a financial advisor to Level 3 with respect to a proposed transaction with CenturyLink.

On October 16, 2016, Mr. Goff provided a draft voting agreement to Mr. Ryan, pursuant to which STT Crossing Ltd, an indirect subsidiary of Singapore Technologies Telemedia Pte Ltd, Level 3's largest stockholder, which we refer to as STT Crossing, would agree to vote its shares of Level 3 common stock in favor of the transaction.

On October 17, 2016, the CenturyLink Board met to receive an update on the transaction process from CenturyLink's management team and financial and legal advisors. During this meeting, after a thorough discussion of the premium to Level 3 stockholders implied by consideration of \$66.50 per share of Level 3 common stock, Mr. Post informed the CenturyLink Board that, based on his conversations with Mr. Storey, he believed that Level 3 would be unlikely to agree to aggregate consideration valued at less than \$66.50 per share. The CenturyLink Board discussed this potential valuation, as well as trends in Level 3's recent financial performance. The CenturyLink Board also discussed the compelling strategic rationale for the potential combination, including the favorable outlook for Level 3's enterprise business and latent network capacity, which could be a significant source of long-term value. Mr. Post also updated the CenturyLink Board with respect to CenturyLink's due diligence efforts. Finally, the CenturyLink Board discussed potential financial advisors that would not be involved in CenturyLink's acquisition financing. After discussing several alternatives, the CenturyLink Board determined to engage Evercore as an additional financial advisor in connection with CenturyLink's review of the potential combination, based in part on Evercore's familiarity with CenturyLink, its deep knowledge of the telecommunications industry and the fact that Evercore would not be involved with CenturyLink's acquisition financing in connection with the proposed combination.

On October 19, 2016, Mr. Ryan advised Mr. Goff that he had provided the draft of the proposed voting agreement to STT Crossing and its counsel, Latham & Watkins LLP, which we refer to as Latham & Watkins, earlier that day, and that CenturyLink should work directly with them on the voting agreement and related matters as a potential shareholder in the combined company.

On October 19, 2016, BofA Merrill Lynch and Morgan Stanley provided CenturyLink with a revised draft of the draft term sheet in connection with CenturyLink's acquisition financing. Representatives of CenturyLink and Wachtell Lipton negotiated the terms of the proposed financing arrangements with BofA Merrill Lynch, Morgan Stanley and their legal advisors, including the terms of the definitive debt commitment letter, over the course of the subsequent twelve days.

On October 20, 2016, Wachtell Lipton and Latham & Watkins discussed the terms of the proposed voting agreement pursuant to which STT Crossing would agree to support the potential combination. During this call,

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Wachtell Lipton and Latham & Watkins discussed whether the rights of STT Crossing under its stockholder rights agreement with Level 3 would be preserved following the completion of the combination. Latham & Watkins expressed the expectation of STT Crossing that its registration rights and its right to representation on the Level 3 Board would be preserved in a new shareholder rights agreement to be entered into between STT Crossing and CenturyLink in connection with the execution of the merger agreement.

On October 21, 2016, the Level 3 Board held a telephonic meeting to further discuss the potential transaction. Members of Level 3 senior management and representatives of Citi and Willkie Farr also attended the meeting. The Level 3 Board and Level 3 senior management discussed the status of the due diligence review, the upcoming meeting with the rating agencies, and CenturyLink's proposed debt financing. Citi presented to the Level 3 Board its preliminary financial analyses of the proposed transaction. Representatives of Citi reviewed in detail for the Level 3 Board Citi's relationships with each of Level 3 and CenturyLink and then reviewed the proposed transaction terms and an assessment of the benefits and considerations of the proposed transaction. During this meeting, the Level 3 Board extensively discussed the qualifications of Citi to act as financial advisor, including Citi's experience in evaluating companies in the telecommunications industry, its reputation as a leading investment bank and the Level 3 Board's assessment of Citi's independence from CenturyLink. The Level 3 Board then authorized Level 3 senior management to formally engage Citi as financial advisor. The Level 3 Board also discussed its desire to engage a second financial advisor to deliver a fairness opinion in connection with Level 3's evaluation of the potential transaction. The Board discussed the possibility of engaging Lazard and authorized Level 3 management to reach out to representatives of Lazard to discuss a potential engagement. Following additional discussions, the Level 3 Board authorized Level 3 senior management and its advisors to continue to discuss the potential transaction with members of CenturyLink management and its advisors.

On October 22, 2016, the CenturyLink Board met to discuss the potential acquisition of Level 3 with CenturyLink's management and legal and financial advisors. Members of CenturyLink's management provided an update on the transaction process, including the strategic rationale and financial attractiveness of the proposed acquisition, potential transaction risks, the status of CenturyLink's due diligence review and the status of negotiations with Level 3 and STT Crossing with respect to the terms of the proposed transaction agreements. Representatives of BofA Merrill Lynch and Morgan Stanley updated the CenturyLink Board with respect to the financial analysis of the potential transaction, including the value of synergies and a preliminary view of the financial impact of the proposed acquisition for CenturyLink and its shareholders. Mr. Ewing provided an update with respect to the proposed acquisition financing, and reviewed the impact of the proposed financing on the combined company. Representatives of Evercore made a detailed presentation to the CenturyLink Board regarding its views of the proposed transaction, as well as the advantages and disadvantages of pursuing other potential strategic transactions. Representatives of BofA Merrill Lynch and Morgan Stanley provided an updated financial analysis of the proposed transaction that reflected data received from Level 3 since CenturyLink's board meeting on October 12, 2016. Following this meeting, Wachtell Lipton provided a draft of a proposed merger agreement to Willkie Farr, reflecting the terms previously discussed between the parties in connection with the preliminary term sheet.

After several weeks of exchanging data directly between the parties, on October 23, 2016, CenturyLink and Level 3 each gave the other access to a virtual data room set up by each company containing additional due diligence information with respect to each company. Also on October 23, 2016, and again on October 25, 2016 and October 27, 2016, Mr. Ewing, Mr. Koecher and other representatives of CenturyLink's management met with Mr. Patel, Mr. McCarthy and other representatives of Level 3's management to discuss the companies' respective business plans and potential risks facing each company, including pending legal matters regarding Level 3 and execution risk around business plans, long-term projections and business due diligence.

On October 24, 2016, the Level 3 Board held a telephonic meeting with members of Level 3 senior management and representatives of Willkie Farr to further discuss the proposed transaction including a review of the terms of the draft merger agreement, the status of the due diligence review and a discussion of the

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qualifications and retention of Lazard to act as a financial advisor of Level 3 and to deliver a fairness opinion. Representatives of Lazard were also present by telephone for portions of this meeting. Representatives of Willkie Farr discussed the terms contained in the draft merger agreement, including the proposed termination fee, the required efforts to obtain regulatory approval and the composition of the continuing company's board of directors. Members of Level 3 senior management discussed the status of their due diligence review. The Level 3 Board then discussed Lazard's experience in evaluating companies in the telecommunications industry, its reputation as a leading investment bank and the Level 3 Board's assessment of Lazard's independence from CenturyLink. Thereafter, the Level 3 Board authorized Level 3 senior management to formally engage Lazard as a financial advisor.

On October 24, 2016, members of CenturyLink's management and members of Level 3's management met to review information technology functional diligence areas and on October 25, 2016, members of the companies' management teams met to review network functional diligence areas. Also on that day, representatives of Wachtell Lipton and Latham & Watkins discussed the voting agreement and terms of a potential shareholder rights agreement for STT Crossing. Latham & Watkins expressed STT Crossing's interest in obtaining a right to nominate a director of the combined company for as long as STT Crossing owned at least five percent of the combined company, as well as certain of the information rights and registration rights that it currently had under its stockholder rights agreement with Level 3.

On October 26, 2016, Willkie Farr provided a revised draft of the proposed merger agreement to Wachtell Lipton. Later on October 26, 2016, the CenturyLink Board met to receive an update on the proposed transaction. Mr. Post and other members of CenturyLink's management provided an update on the transaction process, including possible financial terms, the outcome of CenturyLink's diligence efforts to date, the status of CenturyLink's negotiations with respect to debt financing for the cash portion of the consideration, and the recent diligence meetings with representatives of Level 3's management. Representatives of BofA Merrill Lynch, Morgan Stanley and Evercore reviewed with the CenturyLink Board the contemplated financial terms of the proposed combination. A representative of Wachtell Lipton reviewed various legal issues, including required regulatory approvals and the steps necessary to successfully complete the transaction. At the conclusion of this meeting, the CenturyLink Board authorized Mr. Post to make a formal offer to acquire Level 3 in a cash-and-stock transaction with aggregate consideration valued at \$66.50 per share, assuming a reference price of \$28.00 per CenturyLink share.

On the afternoon of October 27, 2016, the financial media reported speculation regarding a possible transaction between CenturyLink and Level 3, though the speculation did not provide any information regarding transaction structure or price. As a result of these media reports, the trading prices of CenturyLink's common stock and Level 3's common stock on the NYSE increased by \$2.37 to \$30.39, and \$7.23 to \$54.05, respectively, representing approximately a 8.5% and 15.4% increase, respectively, through the close of trading on October 28, 2016. Following these media reports, CenturyLink and Level 3 determined to work towards announcing the potential combination on October 31, 2016, prior to the opening of trading on the NYSE, subject to reaching agreement with respect to the remaining points under discussion between the parties.

On October 27, 2016, Mr. Post provided Mr. Storey with a written offer authorized by the CenturyLink Board. The proposed consideration was valued at \$66.50 per share of Level 3 common stock, consisting of \$26.50 in cash and \$40.00 per share in newly issued CenturyLink common stock, valued at the five-day weighted average price per share of the CenturyLink common stock on the NYSE of \$28.20 as of the close of business on October 26, 2016, which resulted in a proposed exchange ratio of 1.4184. The written offer also confirmed that such proposed combination would not be subject to any financing condition and that CenturyLink expected to have fully committed financing for the proposed combination. In addition, the written offer proposed that CenturyLink would expand the size of the CenturyLink Board to include three directors of Level 3, one of whom would be designated by STT Crossing. Later on October 27, 2016, after further discussions between Mr. Post and Mr. Storey, Mr. Post delivered an updated written

offer to Mr. Storey reflecting an agreed upon exchange ratio of 1.4286 and an expansion of the size of the CenturyLink Board upon the completion of the combination to include four directors of Level 3, one of whom would be designated by STT Crossing.

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On October 27, 2016, Latham & Watkins furnished Wachtell Lipton a draft of a proposed stockholder rights agreement to be entered into between STT Crossing and CenturyLink. Over the next several days, Latham & Watkins and Wachtell Lipton negotiated the terms of the voting agreement and the stockholder rights agreement. During the course of these negotiations, CenturyLink agreed that STT Crossing would have a right to nominate one director to its board for the first three annual meetings of CenturyLink following the completion of the combination, unless and until STT Crossing and its affiliates no longer beneficially own at least 85% of the CenturyLink common stock to be received by them at the completion of the combination, as more fully described under the heading *STT Crossing Voting Agreement and Shareholder Rights Agreement Shareholder Rights Agreement*.

Also on October 27, 2016, Mr. Goff, Mr. Ryan, Wachtell Lipton and Willkie Farr met to negotiate the terms of the proposed merger agreement. In particular, the parties discussed the termination fees provided by the draft merger agreement, the circumstances in which and the extent to which each of CenturyLink and Level 3 would agree to pay the expenses of the other party and the maximum amount of this expense reimbursement, the level of efforts that each party would be required to take in connection with obtaining the required regulatory approvals for completion of the proposed combination, certain provisions related to the assumption of Level 3's outstanding indebtedness and maintenance of CenturyLink's dividend policy. The parties also discussed certain representations, warranties and covenants of each of the parties.

Early on October 28, 2016, Wachtell Lipton provided a revised draft of the proposed merger agreement to Willkie Farr, reflecting the conversations between the parties on the prior day. Wachtell Lipton and Willkie Farr continued to negotiate the remaining terms of the merger agreement throughout October 29 and 30, 2016. The companies' legal advisors also negotiated drafts of the disclosure schedules to the merger agreement.

On October 29, 2016, the Level 3 Board met in person in New York, New York to review the financial analyses prepared respectively by Citi and Lazard, a detailed summary of the merger agreement and other matters related to the proposed transaction. Members of Level 3 senior management and representatives of Willkie Farr were in attendance for the entire meeting, and representatives of each of Citi and Lazard were in attendance for portions of the meeting. The Level 3 Board discussed the current status of the negotiations, including the proposed merger consideration of \$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock. Level 3 senior management provided a detailed review of the anticipated synergies from the proposed transaction. Mr. Patel provided an overview of CenturyLink's draft debt commitment letter in connection with its financing for the transaction and the discussions with the rating agencies related to the proposed transaction and the potential effect of the proposed transaction on the ratings of the indebtedness of Level 3. At this meeting, Level 3 senior management reviewed again the strategic rationale and benefits of a transaction with CenturyLink. Representatives of Citi presented Citi's financial analysis of Level 3, CenturyLink and the proposed transaction, based on the proposed merger consideration of \$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock, responded to questions of the Level 3 Board and indicated that Citi would be prepared to deliver a fairness opinion with respect to the transaction assuming the merger agreement was finalized on such proposed terms. Representatives of Lazard presented Lazard's financial analysis of Level 3, CenturyLink and the proposed transaction, based on the proposed merger consideration of \$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock, responded to questions from the Level 3 Board and indicated that they expected that Lazard would be able to deliver a fairness opinion with respect to the transaction assuming the merger agreement was finalized on such proposed terms. Representatives of Willkie Farr discussed the fiduciary duties applicable to the Level 3 Board, reviewed in detail a summary of the proposed terms and conditions of the merger agreement and responded to questions from the Level 3 Board.

After the Level 3 Board meeting on October 29, 2016, Mr. Post invited Mr. Patel to discuss for the first time Mr. Patel's potential role in the combined company. At the meeting, Mr. Post shared the substance of his conversations

with Mr. Storey regarding Mr. Patel's qualifications to serve as Chief Financial Officer after the closing of the combination. In a subsequent meeting between Mr. Patel and Mr. Post on October 30, Mr. Post

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asked Mr. Patel if he would be interested in serving in that role and Mr. Patel indicated that he would. Prior to signing the merger agreement, Mr. Patel did not discuss with senior CenturyLink management his compensation or any other employment arrangements for him that would be in place after the closing of the combination.

The CenturyLink Board met again on October 30, 2016, to consider the negotiated terms of the proposed transaction. Mr. Post and representatives of CenturyLink management updated the CenturyLink Board with respect to the proposed transaction, including an overview of the financial terms of the combination, the expected financial profile of the combined company and expected synergies, and the status of CenturyLink's debt financing. Representatives of Wachtell Lipton reviewed the material terms of the merger agreement with Level 3, the transaction documents with STT Crossing, and the financing commitment being provided by BofA Merrill Lynch and Morgan Stanley. BofA Merrill Lynch and Morgan Stanley reviewed with the CenturyLink Board their joint financial analyses of the merger consideration provided for in the proposed combination, which is summarized below in *Summary of BofA Merrill Lynch and Morgan Stanley Financial Analyses*. Evercore also reviewed its financial analysis of the merger consideration provided for in the proposed combination, which is summarized below in *Summary of Evercore Financial Analysis*. Representatives of each of CenturyLink's financial advisors, BofA Merrill Lynch, Morgan Stanley and Evercore, delivered to the CenturyLink Board an oral opinion of such firm as to the fairness, from a financial point of view, to CenturyLink of the consideration proposed to be paid to Level 3 shareholders. These opinions were confirmed by delivery of written opinions, each dated October 30, 2016, which opinions are attached hereto as Annexes E, F and G, respectively, to the effect that, as of that date and based on and subject to various assumptions and limitations described in their respective opinions, the merger consideration to be paid by CenturyLink was fair, from a financial point of view, to CenturyLink, as more fully described below under the caption *Opinions of CenturyLink's Financial Advisors*. Following discussion, the CenturyLink Board (i) unanimously determined that the proposed merger agreement, the proposed voting agreement, the proposed shareholder rights agreement and the transactions contemplated thereby, including the proposed combination and the issuance of CenturyLink shares in connection with the initial merger, was in the best interests of CenturyLink and its shareholders, (ii) adopted resolutions approving the proposed merger agreement, voting agreement, shareholder rights agreement and financing commitment, and the transactions contemplated thereby, and (iii) recommended, subject to the terms and conditions in the proposed merger agreement, that CenturyLink's shareholders approve the issuance of shares in connection with the initial merger.

Later on October 30, 2016, the Level 3 Board met telephonically, with members of the Level 3 senior management and representatives of Citi, Lazard and Willkie Farr, to consider approval of the proposed transaction. Members of Level 3 senior management and the advisors reported on the proposed resolution of the items that had been discussed the previous day. Representatives of Citi provided an update since their presentation the previous day, responded to further questions from the Level 3 Board, and Citi rendered its oral opinion to the Level 3 Board, confirmed later by delivery of a separate written opinion, which opinion is attached hereto as Annex C, that, as of such date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations and other matters set forth therein, Citi's experience as investment bankers, the work described in Citi's opinion and other factors deemed relevant by Citi, the merger consideration to be received by the holders of Level 3 common stock, consisting of the right to receive, for each share of Level 3 common stock, \$26.50 in cash and 1.4286 shares of CenturyLink common stock (other than with respect to shares of Level 3 common stock held by holders of Level 3 common stock that have properly perfected their rights of appraisal within the meaning of Section 262), in the initial merger was fair, from a financial point of view, to the holders of Level 3 common stock, as more fully described below under the caption *Opinions of Level 3's Financial Advisors Opinion of Citigroup Global Markets Inc.* Representatives of Lazard provided an update since their presentation the previous day responded to further questions from the Level 3 Board, and Lazard rendered its oral opinion, subsequently confirmed in writing by delivery of a written opinion, dated October 30, 2016, to the Level 3 Board, that, as of such date, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth therein, the per share merger consideration of \$26.50 in

cash and 1,4286 shares of CenturyLink common stock to be paid to Level 3 stockholders, other than holders of Level 3 common stock that have properly perfected their rights of appraisal within the meaning of Section 262 of

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the Delaware law, was fair, from a financial point of view, to the holders of Level 3 common stock, as more fully described below under the caption *Opinions of Level 3's Financial Advisors Opinion of Lazard Frères & Co. LLC*. Representatives of Willkie Farr reviewed again the fiduciary duties applicable to the Level 3 Board and reviewed any of the terms of the merger agreement that had changed since the meeting on October 29, 2016. After further discussion, including as to matters discussed in the section entitled *Level 3's Reasons for the Combination; Recommendation of the Level 3 Board*, the Level 3 Board unanimously determined that the merger agreement and the transactions contemplated thereby, including the combination, are fair to, advisable and in the best interests of Level 3 and its stockholders, approved the execution of the merger agreement and the voting agreement and resolved to recommend that the Level 3 stockholders approve the adoption of the merger agreement.

Following the conclusion of the Level 3 board meeting, Level 3, CenturyLink and their respective counsel finalized the transaction documentation. On October 31, 2016, Level 3 and Wells Fargo entered into the rights agreement amendment; CenturyLink executed the debt commitment letter with BofA Merrill Lynch and Morgan Stanley; CenturyLink and Level 3 executed the merger agreement; Level 3, STT Crossing and CenturyLink executed the voting agreement; and CenturyLink and STT Crossing executed the shareholder rights agreement.

Prior to the opening of the U.S. financial markets on October 31, 2016, CenturyLink and Level 3 issued a joint press release announcing the execution of the merger agreement and the related agreements and shortly thereafter the parties held a call with investors to announce the combination.

During October 2016, Mr. Storey and Mr. Post discussed what roles, if any, the senior management of Level 3 would have in the combined company, including with respect to Messrs. Storey and Patel. During those discussions, Mr. Storey indicated his belief that Mr. Patel possessed the qualifications and experience to be considered as a candidate for the chief financial officer of the combined company. While Messrs. Post and Storey did not make any decisions at that time, they agreed to continue discussing Mr. Patel's role and to defer any further discussion regarding Mr. Storey's role until after the execution of the merger agreement. On or about December 15, 2016, Messrs. Post and Storey agreed that Mr. Storey would be one of the Level 3 director designees to the CenturyLink Board.

CenturyLink's Reasons for the Combination; Recommendation of the Stock Issuance by the CenturyLink Board

In evaluating the merger agreement and the proposal to issue shares of CenturyLink common stock in connection with the combination, the CenturyLink Board consulted with CenturyLink's management and legal and financial advisors. In connection therewith, the CenturyLink Board considered a number of factors, including the following factors which the CenturyLink Board viewed as generally supporting its decision to approve and enter into the proposed merger agreement and recommend that CenturyLink shareholders vote FOR approval of the CenturyLink stock issuance proposal.

Strategic Considerations. The CenturyLink Board believes the combination will provide a number of significant strategic benefits to the combined company, including the following:

the expansion of CenturyLink's network by 200,000 route miles of fiber, including 64,000 route miles in 350 metropolitan areas and 33,000 subsea route miles connecting multiple continents, the substantial latent capacity that is available in Level 3's networks, and the creation of a combined company with approximately 75,000 on-net buildings, including 10,000 buildings and the related complementary cost efficiencies resulting from the increased capacity and extended reach of the high-band fiber network of the combined

company;

the combined company having approximately \$19 billion in pro forma business revenue and \$13 billion in business strategic revenue (in each case based on the trailing twelve months ended June 30,

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2016), with over 75% of the revenue of the combined company expected to be derived from business customers together with a corresponding reduction in CenturyLink's exposure to its regulated legacy consumer business;

the expectation that the combined company will offer a broader range of services and solutions to meet customers' demand for more bandwidth and new applications in an increasingly complex operating environment better than either CenturyLink or Level 3 could achieve on a stand-alone basis;

the expectation that the combined company will have an increased opportunity to invest in broadband infrastructure and to enhance broadband transmission speed for small businesses and consumers;

the expectation that the transaction will be accretive to CenturyLink's free cash flow in the first full year following its completion and significantly accretive on an annual run-rate basis thereafter, and that the transaction will provide additional upside growth opportunities, including the ability to deploy CenturyLink's and Level 3's product portfolio across the combined customer base and expand further internationally building upon Level 3's existing international footprint; and

the proven ability of both CenturyLink and Level 3 to integrate and meet or exceed synergy targets and the expectation that the increased scale of the combined company will ultimately generate approximately \$975 million of annual run-rate cash synergies, primarily from the elimination of duplicative functions, systems consolidation, and increased operational and capital efficiencies.

Other Factors Considered by the CenturyLink Board. In addition to considering the strategic factors described above, the CenturyLink Board considered the following additional factors, all of which it viewed as supporting its decision to approve the proposed combination:

its knowledge of CenturyLink's business, operations, financial condition, earnings and prospects on a standalone basis and of Level 3's business, operations, financial condition, earnings and prospects, taking into account the results of CenturyLink's due diligence review of Level 3;

the current and prospective competitive climate in the industry in which CenturyLink and Level 3 operate, including the potential for further consolidation and competition, and the alternatives reasonably available to CenturyLink if it did not pursue the proposed combination and the opportunities that may be available following the proposed combination;

the significant improvement to CenturyLink's dividend payout ratio that is expected to result from the combination, which strengthens CenturyLink's ability to continue to maintain its current dividend policy;

the fact that the combined company is expected to benefit from Level 3's approximately \$9.7 billion of NOLs (as of December 31, 2015), which are expected to substantially reduce the combined company's net cash tax

expense over the next several years, positioning it to generate substantial free cash flow;

the opinions of BofA Merrill Lynch, Morgan Stanley and Evercore, each dated October 30, 2016, to the CenturyLink Board, which opinions are attached hereto as Annexes E, F and G, respectively, to the effect that, as of that date and based on and subject to various assumptions and limitations described in their respective opinions, the merger consideration to be paid by CenturyLink was fair, from a financial point of view, to CenturyLink, as more fully described below under the caption *Opinions of CenturyLink's Financial Advisors* ;

Evercore would not be involved in CenturyLink's acquisition financing;

the terms and conditions of the merger agreement and the voting agreement and the likelihood of completing the proposed combination on the anticipated schedule;

the provisions of the merger agreement permitting CenturyLink to terminate the merger agreement to accept a superior proposal, subject to compliance with certain procedures and payment of a termination fee;

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the fact that, in the event of a termination of the merger agreement due to a change in the Level 3 Board recommendation or Level 3 accepting a superior proposal, Level 3 will pay CenturyLink a termination fee of \$737.5 million, as described under *The Merger Agreement Termination Fees and Expenses; Liability for Breach*.

the fact that the exchange ratio is fixed and will not fluctuate based upon changes in the market price of the CenturyLink common stock between the date of the merger agreement and the date of the consummation of the proposed combination, providing greater certainty to CenturyLink regarding the anticipated financial benefits of the combination; and

the expectation that the combined company will have improved adjusted EBITDA margins and revenue growth, with pro forma net leverage of less than 3.7x following the completion of the combination, including run-rate synergies.

The CenturyLink Board weighed the advantages and opportunities listed above against a number of other factors identified in its deliberations as weighing negatively against the proposed combination, including:

the challenges inherent in the combination of two businesses of the size and scope of CenturyLink and Level 3 and the cultures of each business, including the risks that integration costs may be greater than anticipated, that it may be difficult to retain key employees and that management's attention might be diverted for an extended period of time, particularly in light of other on-going transactions, including CenturyLink's previously announced plan to divest of its data centers and colocation business;

the substantial cost of integrating the two companies, which CenturyLink projects will be approximately \$690 million (excluding transaction expenses) over the first few years after the closing;

the risk of not achieving all of the anticipated cost savings and the risk that strategic benefits and other anticipated benefits might not be realized or may take longer than expected to achieve, including the risk that a greater than anticipated number of customers of the combined company might elect to terminate or reduce their level of services with the combined company;

the amount of the consideration to be paid by CenturyLink in the proposed combination, which, based on the closing price of CenturyLink common stock on the NYSE on October 26, 2016 represented aggregate value of approximately \$66.86 per share of Level 3 common stock, or a premium of 42.5% to the closing price of Level 3 common stock October 26, 2016, the last trading day before media reports of the possibility of a transaction;

the risk that regulatory agencies may not approve the proposed combination or may impose terms and conditions on their approvals that adversely affect the financial results of the combined company (as described in *Risk Factors Risk Factors Relating to the Combination*);

the increased leverage and commitments of the combined company, its pledge of certain collateral and its increased exposure to changes in interest rates, which, while believed to be appropriate for a company with the expected earnings profile of the combined company, could reduce CenturyLink's credit ratings, limit its access to credit markets or make such access more expensive, and reduce its operational and strategic flexibility;

the risk that the restrictive covenants contained in CenturyLink's acquisition financing and Level 3's existing indebtedness, which will remain in place following the consummation of the combination, may restrict the operational flexibility of the combined company in several respects, including its ability to (i) distribute cash from Level 3 to other entities within the combined company, (ii) enter into other transactions among wholly owned subsidiaries of the combined company, or (iii) engage in additional strategic transactions or incur additional debt;

the risk that changes in the regulatory, competitive or technological landscape may adversely affect the business benefits anticipated to result from the proposed combination; and

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the risks of the type and nature described under *Risk Factors*, and the matters described under *Cautionary Statement Regarding Forward-Looking Statements*.

In view of the wide variety of factors considered in connection with its evaluation of the proposed combination and the complexity of these matters, the CenturyLink Board did not find it useful and did not attempt to quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the proposed combination and the merger agreement and to make its recommendation to CenturyLink shareholders. In addition, individual members of the CenturyLink Board may have given differing weights to different factors. In reaching its determination to approve the proposed combination and the merger agreement, the CenturyLink Board conducted an overall review of the factors described above, including thorough discussions with CenturyLink's management and outside legal and financial advisors.

In considering the recommendation of the CenturyLink Board, you should be aware that certain members of the CenturyLink Board and certain executive officers of CenturyLink may be deemed to have financial interests in the combination that are in addition to, or different from, the interests of CenturyLink shareholders generally. The CenturyLink Board was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the combination, in approving the merger agreement, and in recommending that the shareholders approve the issuance of CenturyLink common stock to the Level 3 stockholders in connection with the combination.

The CenturyLink Board unanimously determined that the proposed combination, the merger agreement and the transactions contemplated by the merger agreement, including the issuance of CenturyLink common stock to Level 3 stockholders in connection with the combination, are in the best interests of CenturyLink and its shareholders and unanimously approved the merger agreement and the transactions contemplated by the merger agreement.

The CenturyLink Board unanimously recommends that CenturyLink shareholders vote FOR the CenturyLink stock issuance proposal and FOR the CenturyLink adjournment proposal.

Level 3's Reasons for the Combination; Recommendation of the Combination by the Level 3 Board

At a meeting held on October 30, 2016, the Level 3 Board, by a unanimous vote, determined that the combination is in the best interests of Level 3 and its stockholders, resolved that the merger agreement be submitted for consideration by the stockholders of Level 3 at a special meeting of stockholders and recommended that Level 3's stockholders vote to approve and adopt the merger agreement. In making its recommendation, the Level 3 Board consulted with its legal and financial advisors and its senior management team at various times, and considered a number of factors, including the following principal factors that the Level 3 Board believes support such determinations, approvals, resolutions and recommendations:

the expectation that the combination will combine CenturyLink's larger enterprise customer base with the benefits of Level 3's global footprint resulting in improved network capabilities and solidifying the position of the combined company as a world-class enterprise player with a combined presence in more than 60 countries;

the expectation that the combined company will provide substantial benefits and a broader range of services and solutions to meet the demands of both companies' customers for more bandwidth and new applications in an increasingly complex operating environment;

the fact that the implied value of the merger consideration of \$66.86, based on a per share price of CenturyLink common stock of \$28.25 (the closing price on the last trading day before media reports of the possibility of a transaction appeared), represented: (i) a premium of approximately 42.5% to the undisturbed \$46.92 price per Level 3 common stock as of the close of trading on October 26, 2016 (the

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last trading day before media reports of the possibility of a transaction appeared); (ii) a premium of 44.1% to the one-month average closing price per share of Level 3 common stock of \$46.38; and (iii) a premium of 39.2% to the three-month average closing price per share of Level 3 common stock of \$48.03;

CenturyLink management's estimate, which was consistent with Level 3 management's view, that the combination (i) is expected to create approximately \$975 million of annual run-rate cash synergies, and (ii) is expected to be accretive to free cash flow the first full year following closing of the combination, primarily from the elimination of duplicative functions, systems consolidation and increased operational and capital efficiencies;

the combined company is expected to benefit from Level 3's approximately \$9.7 billion of NOLs (as of December 31, 2015), which will substantially reduce the combined company's net cash expense over the next several years, positioning it to generate substantial free cash flow;

the certainty of value and liquidity to Level 3's stockholders from the fact that approximately 40% of the consideration is in cash;

the expectation that CenturyLink will maintain its annual cash dividend to holders of CenturyLink common stock;

the fact that, because Level 3 stockholders will own approximately 49% of the outstanding shares of CenturyLink common stock immediately following completion of the combination, and that such Level 3 stockholders would have the opportunity to participate in the future performance of the combined company and the potential for further appreciation in value of CenturyLink common stock following the completion of the combination due to synergies or otherwise;

the belief, based on the analyses presented to and discussed by the Level 3 Board, that the CenturyLink common stock was reasonably valued at current trading prices;

the fact that, based on the fixed exchange ratio of 1.4286 shares of CenturyLink common stock for each Level 3 common share, the Level 3 stockholders would benefit from any increase in the trading price of CenturyLink common shares prior to completion of the combination;

the oral opinion, subsequently confirmed in writing, of Citi delivered to the Level 3 Board that, as of October 31, 2016, and based upon and subject to the factors, procedures, assumptions, qualifications and limitations contained therein, Citi's experience as investment bankers, the work described in Citi's opinion and other factors deemed relevant by Citi, the merger consideration to be received by the holders of Level 3 common stock (other than with respect to excluded shares) in the initial merger, was fair, from a financial point of view, to the holders of Level 3 common stock, as well as the related financial analyses presented by Citi to the Level 3 Board, as more fully described below in *Opinions of Level 3's Financial*

Advisors Opinion of Citigroup Global Markets, Inc. ;

the oral opinion, subsequently confirmed by a written opinion dated October 30, 2016, of Lazard delivered to the Level 3 Board that, as of October 30, 2016, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations and other matters set forth in its written opinion, the per share merger consideration of \$26.50 in cash and 1.4286 shares of CenturyLink common stock to be paid to Level 3 stockholders, other than holders of Level 3 common stock that have perfected their rights of appraisal within the meaning of Section 262 of the Delaware law, was fair, from a financial point of view, to the holders of the outstanding shares of Level 3 common stock, as well as the related financial analyses presented by Lazard to the Level 3 Board, as more fully described below in *Opinions of Level 3 s Financial Advisors Opinion of Lazard Frères & Co. LLC ;*

the potential strategic alternatives available to Level 3, including the possibility of remaining a stand-alone company in a consolidating industry, and the projected financial results of Level 3 as a stand-alone company;

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the fact that the combination is expected to be treated as a reorganization within the meaning of Section 368(a) of the Code; and

the ability of Level 3 to implement employee retention and benefit arrangements to address employee retention pending completion of the combination.

The Level 3 Board also considered the likelihood that the combination would be completed, based on, among other things:

the conditions in the merger agreement to the obligations to close the combination, as well as Level 3's ability to seek specific performance to prevent breaches or threatened breaches of the merger agreement, including the ability to cause the combination to be consummated if all of the conditions to CenturyLink's obligations to effect the combination have been satisfied or waived, as described under *The Merger Agreement Specific Performance* beginning on page 145;

the absence of a financing condition in the merger agreement and the fact that CenturyLink had obtained committed debt financing for the transaction and the reputation of the financing sources;

the likelihood of obtaining regulatory approvals that are required to close the combination;

the fact that CenturyLink had agreed to use its reasonable best efforts to resolve objections, if any, as may be asserted with respect to the combination under any applicable laws or regulations;

the fact that STT Crossing, a stockholder of Level 3, had entered into the voting agreement, pursuant to which STT Crossing has agreed to vote, subject to certain exceptions, the Level 3 common stock held by it in favor of the adoption of the merger agreement;

the fact that, in the event of a termination of the merger agreement due to a change in the CenturyLink Board recommendation or CenturyLink accepting a superior proposal, CenturyLink will pay Level 3 a termination fee of \$471.5 million, as described under *The Merger Agreement Termination Fees and Expenses; Liability for Breach*.

The Level 3 Board believed, after reviewing the merger agreement with its legal advisors, that the merger agreement offered reasonable assurances as to the likelihood of consummation of the combination, did not impose unreasonable burdens on Level 3 and would not preclude a superior proposal. In this regard, the Level 3 Board particularly considered the following:

the ability of the Level 3 Board, in certain circumstances, to change its recommendation to Level 3 stockholders in favor of the combination in the event of (i) a superior proposal, where the Level 3 Board may take into account a number of factors in determining whether such offer is superior, or (ii) certain

intervening events not known or reasonably foreseeable to the Level 3 Board at or prior to the time the merger agreement was entered into;

the judgment of the Level 3 Board, that the termination fee of \$737.5 million, as described under *The Merger Agreement Termination Fees and Expenses; Liability for Breach*, payable by Level 3 to CenturyLink in the event of a termination of the merger agreement due to a change in the Level 3 Board recommendation or Level 3 accepting a superior proposal, would not preclude another party from submitting a proposal to acquire Level 3;

the ability of the Level 3 Board in certain circumstances to provide material nonpublic information to, and engage in negotiations with, a third party that makes an unsolicited acquisition proposal that would reasonably be expected to lead to a superior proposal; and

the rights of dissenting stockholders, if any, to demand to be paid the fair value of their shares of Level 3 common stock under Section 262 of the Delaware law (which we refer to as Section 262).

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The Level 3 Board also weighed the factors described above against a number of risks and other factors identified in its deliberations as weighing negatively against the combination, in particular:

the fact that, because a substantial part of the merger consideration is payable in shares of CenturyLink common stock in accordance with a fixed exchange ratio, Level 3 stockholders will be adversely affected by any decrease in the trading price of CenturyLink common stock prior to completion of the combination, and may receive less value for their shares of CenturyLink common stock upon completion of the combination than calculated based on the price of the CenturyLink common stock at the time the Level 3 Board approved the merger agreement, taking into account, however, that a portion of the merger consideration is payable in cash and will not be affected by a decrease in the stock price of shares of CenturyLink common stock;

the risk that the trading price of CenturyLink common stock could be adversely impacted in the event of decreases in CenturyLink's revenue, EBITDA, profit margins or free cash flow or other factors before or after the closing of the combination;

the risk that governmental entities may not approve the combination, or may impose conditions on Level 3 or CenturyLink in order to gain approval for the combination that may adversely impact the ability of the combined business to realize the synergies that are projected to occur in connection with the combination;

risks associated with CenturyLink's and Level 3's substantial indebtedness and the anticipated need to refinance such indebtedness as it comes due;

the risk that certain key members of senior management might choose not to remain employed with the combined business after the combination, notwithstanding the potential retention plans described below;

the challenges generally inherent in combining the businesses, operations and workforces of two communications companies, including the interaction of product and service lines, sales teams, service delivery processes, cash management processes, operating and business support systems and other critical business functions;

the fact that forecasts of future results of operations and synergies are necessarily estimates based on assumptions, and that for these and other reasons there is a risk of not realizing anticipated performance or capturing anticipated operational synergies and cost savings between Level 3 and CenturyLink and the risk that other anticipated benefits, including the utilization of the Level 3 NOLs, might not be fully realized;

the potential negative effect that the pendency of the combination, or a failure to complete the combination, could have on Level 3's business and relationships with its employees, customers and suppliers;

the restrictions on the conduct of Level 3's business prior to the completion of the combination, which may delay or prevent Level 3 from undertaking business opportunities that may arise outside the ordinary course of business or certain other actions it might otherwise take with respect to its operations pending completion of the combination, including financing activities;

that, under the terms of the merger agreement, Level 3 cannot solicit other acquisition proposals;

the possible impact on other potential acquirors of the termination fee of \$737.5 million that would be payable by Level 3 if it terminates the merger agreement to accept a superior proposal; and

other risks of the type and nature described under *Risk Factors* and the matters described under *Cautionary Statement Regarding Forward-Looking Statements*.

In considering the recommendation of the Level 3 Board with respect to the proposal to adopt the merger agreement, you should be aware that Level 3 directors and executive officers may have interests in the merger

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that are different from, or in addition to, yours. The Level 3 Board was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the combination, and in recommending that the merger agreement be adopted by the stockholders of Level 3. See the section entitled *Financial Interests of Level 3 Directors and Executive Officers in the Combination*.

The foregoing discussion of the information and factors considered by the Level 3 Board in reaching its conclusions and recommendations is not intended to be exhaustive, but includes the material factors considered by the directors. In view of the wide variety of factors considered in connection with its evaluation of the combination and the complexity of these matters, the Level 3 Board did not find it practicable, and did not attempt, to quantify, rank or assign any relative or specific weights to the various factors considered in reaching its determination and making its recommendation. In addition, individual directors may have given different weights to different factors. The Level 3 Board considered all of the foregoing factors as a whole and based its recommendation on the totality of the information presented.

The Level 3 Board recommends that you vote FOR the merger proposal, FOR the compensation proposal and FOR the Level 3 adjournment proposal.

Opinions of CenturyLink's Financial Advisors

Opinion of BofA Merrill Lynch

CenturyLink has retained BofA Merrill Lynch to act as CenturyLink's financial advisor in connection with the combination. BofA Merrill Lynch is an internationally recognized investment banking firm which is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. CenturyLink selected BofA Merrill Lynch to act as CenturyLink's financial advisor in connection with the combination on the basis of BofA Merrill Lynch's experience in transactions similar to the combination, its reputation in the investment community and its familiarity with CenturyLink and its business.

On October 30, 2016, at a meeting of CenturyLink's board of directors held to evaluate the combination, BofA Merrill Lynch delivered to CenturyLink's board of directors an oral opinion, which was confirmed by delivery of a written opinion dated October 30, 2016, to the effect that, as of the date of the opinion and based on and subject to various assumptions and limitations described in its opinion, the merger consideration to be paid by CenturyLink was fair, from a financial point of view, to CenturyLink.

The full text of BofA Merrill Lynch's written opinion to CenturyLink's board of directors, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex E to this document. The following summary of BofA Merrill Lynch's opinion is qualified in its entirety by reference to the full text of the opinion, which is incorporated herein by reference. BofA Merrill Lynch delivered its opinion to CenturyLink's board of directors for the benefit and use of CenturyLink's board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the merger consideration from a financial point of view. BofA Merrill Lynch's opinion does not address any other aspect of the combination and no opinion or view was expressed as to the relative merits of the combination in comparison to other strategies or transactions that might be available to CenturyLink or in which CenturyLink might engage or as to the underlying business decision of CenturyLink to proceed with or effect the combination. BofA Merrill Lynch's opinion does not address any other aspect of the combination and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed combination or any related matter.

In connection with rendering its opinion, BofA Merrill Lynch:

reviewed certain publicly available business and financial information relating to Level 3 and CenturyLink;

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reviewed certain financial and operating information with respect to the business, operations and prospects of Level 3 furnished to or discussed with BofA Merrill Lynch by the management of Level 3, including certain financial forecasts relating to Level 3 prepared by the management of Level 3, described below under *Certain Forecasts Prepared by Level 3* , which we refer to as the Level 3 forecasts;

reviewed and discussed with the management of CenturyLink and Level 3 certain estimates of the net operating losses of Level 3 (the NOLs) prepared by the management of Level 3 to be utilized after giving effect to the combination in accordance with pro forma utilization estimates prepared by or at the direction of and approved by CenturyLink management;

reviewed certain internal financial and operating information with respect to the business, operations and prospects of CenturyLink furnished to or discussed with BofA Merrill Lynch by the management of CenturyLink, including certain financial forecasts relating to CenturyLink prepared by the management of CenturyLink, as described below under *Certain Forecasts Prepared by CenturyLink* , which we refer to as the CenturyLink forecasts;

reviewed certain estimates as to the amount and timing of cost savings and operational synergies and the costs of achieving such synergies (collectively, the Synergies) anticipated by the management of CenturyLink to result from the combination;

discussed the past and current business, operations, financial condition and prospects of Level 3 with members of senior managements of Level 3 and CenturyLink, and discussed the past and current business, operations, financial condition and prospects of CenturyLink with members of senior management of CenturyLink;

reviewed the potential pro forma financial impact of the combination on the future financial performance of CenturyLink, including the potential effect on CenturyLink's estimated free cash flow per share;

reviewed the trading histories for Level 3 common stock and CenturyLink common stock and a comparison of such trading histories with the trading histories of other companies BofA Merrill Lynch deemed relevant;

compared certain financial and stock market information of Level 3 and CenturyLink with similar information of other companies BofA Merrill Lynch deemed relevant;

compared certain financial terms of the combination to financial terms, to the extent publicly available, of other transactions BofA Merrill Lynch deemed relevant;

reviewed a draft, dated October 30, 2016, of the merger agreement (the Draft Agreement); and

performed such other analyses and studies and considered such other information and factors as BofA Merrill Lynch deemed appropriate.

In arriving at its opinion, BofA Merrill Lynch assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with it and relied upon the assurances of the managements of CenturyLink and Level 3 that they were not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the Level 3 forecasts and the NOLs, BofA Merrill Lynch was advised by Level 3, and assumed, with the consent of CenturyLink, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Level 3 as to the future financial performance of Level 3, the utilization of NOLs by Level 3 and the other matters covered thereby. With respect to the CenturyLink forecasts and the Synergies, BofA Merrill Lynch assumed, at the direction of CenturyLink, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of CenturyLink as to the future financial performance of CenturyLink and the other matters covered thereby. BofA Merrill Lynch relied, at the

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direction of CenturyLink, on the assessments of the management of CenturyLink as to CenturyLink's ability to achieve the Synergies and to utilize the NOLs and was advised by CenturyLink, and assumed, that the Synergies and the NOLs would be realized or utilized in the amounts and at the times projected. BofA Merrill Lynch did not make or was not provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Level 3 or CenturyLink, nor did it make any physical inspection of the properties or assets of Level 3 or CenturyLink. BofA Merrill Lynch did not evaluate the solvency or fair value of Level 3 or CenturyLink under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. BofA Merrill Lynch assumed, at the direction of CenturyLink, that the combination would be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the combination, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, would be imposed that would have an adverse effect on Level 3, CenturyLink or the contemplated benefits of the combination in any respect material to BofA Merrill Lynch's opinion. BofA Merrill Lynch also has assumed, at the direction of CenturyLink, that the final executed merger agreement would not differ in any material respect from the Draft Agreement reviewed by BofA Merrill Lynch.

BofA Merrill Lynch expressed no view or opinion as to any terms or other aspects of the combination (other than the merger consideration to the extent expressly specified in its opinion), including, without limitation, the form or structure of the combination. BofA Merrill Lynch's opinion was limited to the fairness, from a financial point of view, to CenturyLink of the merger consideration to be paid in the combination and no opinion or view was expressed with respect to any consideration received in connection with the combination by, or the impact of the combination on, the holders of any class of securities, creditors or other constituencies of any party. In addition, no opinion or view was expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the combination, or class of such persons, relative to the merger consideration. Furthermore, no opinion or view was expressed as to the relative merits of the combination in comparison to other strategies or transactions that might be available to CenturyLink or in which CenturyLink might engage or as to the underlying business decision of CenturyLink to proceed with or effect the combination. BofA Merrill Lynch did not express any opinion as to what the value of CenturyLink common stock actually would be when issued or the prices at which Level 3 common stock or CenturyLink common stock would trade at any time, including following announcement or consummation of the combination. In addition, BofA Merrill Lynch expressed no opinion or recommendation as to how any shareholder should vote or act in connection with the combination or any related matter. Except as described above, CenturyLink imposed no other limitations on the investigations made or procedures followed by BofA Merrill Lynch in rendering its opinion.

BofA Merrill Lynch's opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to BofA Merrill Lynch as of, the date of its opinion. It should be understood that subsequent developments may affect its opinion, and BofA Merrill Lynch does not have any obligation to update, revise or reaffirm its opinion. The issuance of BofA Merrill Lynch's opinion was approved by a fairness opinion review committee of BofA Merrill Lynch.

CenturyLink has agreed to pay BofA Merrill Lynch for its services in connection with the combination an aggregate fee of \$35.0 million, \$3.0 million of which was payable in connection with its opinion and \$32.0 million of which is contingent upon the completion of the combination. CenturyLink also has agreed to reimburse BofA Merrill Lynch for its expenses incurred in connection with BofA Merrill Lynch's engagement and to indemnify BofA Merrill Lynch, any controlling person of BofA Merrill Lynch and each of their respective directors, officers, employees, agents and affiliates against specified liabilities, including liabilities under the federal securities laws.

BofA Merrill Lynch and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal

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investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of their businesses, BofA Merrill Lynch and its affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of CenturyLink, Level 3 and certain of their respective affiliates.

BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to CenturyLink and certain of its affiliates and have received or in the future may receive compensation for the rendering of these services, including (i) having acted or acting as financial adviser to CenturyLink in connection with a sale of certain assets, (ii) having acted or acting as co-lead arranger and book runner for, and as a lender under, CenturyLink's revolving credit facility, (iii) having acted or acting as a book runner on multiple debt offerings of CenturyLink and certain of its affiliates, (iv) having provided or providing certain derivatives and foreign exchange trading services to CenturyLink, and (v) having provided or providing certain treasury and trade management services and products to CenturyLink. From October 1, 2014 through September 30, 2016, BofA Merrill Lynch and its affiliates derived aggregate revenues from CenturyLink and its affiliates of approximately \$15 million for investment and corporate banking services.

In addition, BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Level 3 and certain of its affiliates and have received or in the future may receive compensation for the rendering of these services, including (i) having acted as financial advisor to Level 3 in connection with an acquisition, (ii) having acted or acting as administrative agent, co-lead arranger and book runner for, and as a lender under, a credit facility of an affiliate of Level 3, (iii) having acted or acting as a book runner on multiple debt offerings of Level 3 and certain of its affiliates, (iv) having provided or providing certain foreign exchange trading services to Level 3, and (v) having provided or providing certain treasury and trade management services and products to Level 3. From October 1, 2014 through September 30, 2016, BofA Merrill Lynch and its affiliates derived aggregate revenues from Level 3 and its affiliates of approximately \$45 million for investment and corporate banking services. In addition, following the date of the opinion, an affiliate of BofA Merrill Lynch is acting as lead left arranger and book-runner for Level 3 Financing, Inc., a wholly owned subsidiary of Level 3, in a refinancing transaction with respect to certain outstanding term loans of Level 3 Financing that was publicly announced by Level 3 on February 9, 2017, and expects to receive customary fees for such services.

Opinion of Morgan Stanley

CenturyLink retained Morgan Stanley to provide it with financial advisory services and a financial opinion in connection with a possible acquisition of Level 3. CenturyLink selected Morgan Stanley to act as its financial advisor based on Morgan Stanley's qualifications, expertise and reputation. At the meeting of the CenturyLink Board on October 30, 2016, Morgan Stanley rendered its oral opinion, subsequently confirmed in writing, that, as of October 30, 2016, based upon and subject to the various considerations set forth in the opinion, the consideration to be paid by CenturyLink pursuant to the merger agreement was fair from a financial point of view to CenturyLink.

The full text of the written opinion, dated October 30, 2016, of Morgan Stanley, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex F to this document. The following summary of Morgan Stanley's opinion is qualified in its entirety by reference to the full text of the opinion, which is incorporated herein by reference. **Morgan Stanley provided its opinion to CenturyLink's board of directors (in its capacity as such) for the benefit and use of CenturyLink's**

board of directors in connection with and for purposes of its evaluation of the merger consideration from a financial point of view. Morgan Stanley's opinion does not address any other aspect of the combination and no opinion or view was expressed as to the relative merits of the

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combination in comparison to other strategies or transactions that might be available to CenturyLink or in which CenturyLink might engage or as to the underlying business decision of CenturyLink to proceed with or effect the combination. Morgan Stanley's opinion does not address any other aspect of the combination and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed combination or any related matter.

In connection with rendering its opinion, Morgan Stanley, among other things:

reviewed certain publicly available financial statements and other business and financial information of Level 3 and CenturyLink, respectively;

reviewed certain internal financial statements and other financial and operating data concerning Level 3 and the CenturyLink, respectively;

reviewed certain financial projections prepared by the managements of Level 3 and CenturyLink, respectively;

reviewed information relating to certain strategic, financial and operational benefits anticipated from the combination, prepared by the managements of Level 3 and CenturyLink, respectively;

discussed the past and current operations and financial condition and the prospects of Level 3, including information relating to certain strategic, financial and operational benefits anticipated from the combination, with senior executives of Level 3;

discussed the past and current operations and financial condition and the prospects of CenturyLink, including information relating to certain strategic, financial and operational benefits anticipated from the combination, with senior executives CenturyLink;

reviewed the pro forma impact of the combination on CenturyLink's cash flow, consolidated capitalization and certain financial ratios;

reviewed the reported prices and trading activity for the Level 3 common stock and the CenturyLink common stock;

compared the financial performance of Level 3 and CenturyLink and the prices and trading activity of the Level 3 common stock and the CenturyLink common stock with that of certain other publicly-traded companies that we deemed to be comparable with Level 3 and CenturyLink, respectively, and their securities;

reviewed the financial terms, to the extent publicly available, of certain comparable acquisition transactions;

participated in certain discussions and negotiations among representatives of Level 3 and CenturyLink and their financial and legal advisors;

reviewed the merger agreement, the draft commitment letter from certain lenders substantially in the form of the draft dated October 31, 2016, which we refer to as the commitment letter, and certain related documents; and

performed such other analyses, reviewed such other information and considered such other factors as Morgan Stanley deemed appropriate.

In arriving at its opinion, Morgan Stanley assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or supplied or otherwise made available to it by Level 3 and CenturyLink, and that formed a substantial basis for its opinion. With respect to the financial forecasts, including information relating to certain strategic, financial and operational benefits anticipated from the merger, Morgan Stanley assumed that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the respective managements of Level 3 and CenturyLink of the future financial performance of Level 3 and CenturyLink. Morgan Stanley relied upon, without independent verification, the assessment by the managements of Level 3 and CenturyLink of: (i) the strategic,

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financial and other benefits expected to result from the combination; (ii) the timing and risks associated with the integration of CenturyLink and Level 3; (iii) the ability to retain key employees of CenturyLink and Level 3, respectively; and (iv) the validity of, and risks associated with, CenturyLink's and Level 3's existing and future technologies, intellectual property, products, services and business models. In addition, Morgan Stanley assumed that the combination will be consummated in accordance with the terms set forth in the merger agreement without any material waiver, amendment or delay of any terms or conditions, including, among other things, that the merger will be treated as a tax-free reorganization and/or exchange, each pursuant to the Code, and that CenturyLink will obtain financing in accordance with the terms set forth in the commitment letter, and that the merger agreement would not differ in any material respect from the draft furnished to Morgan Stanley on October 30, 2016. Morgan Stanley assumed that in connection with the receipt of all the necessary governmental, regulatory or other approvals and consents required for the combination, no delays, limitations, conditions or restrictions will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived in the proposed combination. Morgan Stanley is not a legal, tax, or regulatory advisor. Morgan Stanley is a financial advisor only and relied upon, without independent verification, the assessments of Level 3 and CenturyLink and their legal, tax, or regulatory advisors with respect to legal, tax or regulatory matters. Morgan Stanley expressed no opinion with respect to the fairness of the amount or nature of the compensation to any of Level 3's officers, directors or employees, or any class of such persons, relative to the consideration to be paid to the holders of shares of Level 3 common stock in the combination. Morgan Stanley did not make any independent valuation or appraisal of the assets or liabilities of Level 3 or CenturyLink, nor was it furnished with any such valuations or appraisals. Morgan Stanley's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of, the date of its opinion. Events occurring after the date of Morgan Stanley's opinion may affect the opinion and the assumptions used in preparing it, and Morgan Stanley did not assume any obligation to update, revise or reaffirm its opinion.

In connection with the review of the combination by the CenturyLink Board, Morgan Stanley performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a financial opinion is a complex process and is not necessarily susceptible to a partial analysis or summary description. In arriving at its opinion, Morgan Stanley considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor it considered. Morgan Stanley believes that selecting any portion of its analyses, without considering all analyses as a whole, would create an incomplete view of the process underlying its analyses and opinion. In addition, Morgan Stanley may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis described below should not be taken to be Morgan Stanley's view of the actual value of CenturyLink or Level 3. In performing its analyses, Morgan Stanley made assumptions with respect to industry performance, general business and economic conditions and other matters. Many of these assumptions relate to factors that are beyond the control of CenturyLink. Any estimates contained in Morgan Stanley's analyses are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by such estimates.

Morgan Stanley conducted the analyses described in the section below captioned *Summary of BofA Merrill Lynch and Morgan Stanley Financial Analyses* solely as part of its analysis of the fairness of the merger consideration pursuant to the merger agreement from a financial point of view to CenturyLink and in connection with the delivery of its opinion to the CenturyLink Board. These analyses do not purport to be appraisals or to reflect the prices at which CenturyLink common stock might actually trade.

The merger consideration was determined through arm's-length negotiations between CenturyLink and Level 3 and was approved by the CenturyLink Board. Morgan Stanley provided advice to CenturyLink during these negotiations. Morgan Stanley did not, however, recommend any specific merger consideration to CenturyLink or that any specific

merger consideration constituted the only appropriate merger consideration for the combination.

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Morgan Stanley's opinion and its presentation to the CenturyLink Board was one of many factors taken into consideration by the CenturyLink Board in deciding to approve, adopt and authorize the merger agreement. Consequently, the analyses as described below should not be viewed as determinative of the view of the CenturyLink Board with respect to the merger consideration or of whether the CenturyLink Board would have been willing to agree to a different merger consideration. Morgan Stanley's opinion was approved by a committee of Morgan Stanley investment banking and other professionals in accordance with its customary practice.

Morgan Stanley is a global financial services firm engaged in the securities, investment management and individual wealth management businesses. Morgan Stanley's securities business is engaged in securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trading, prime brokerage, as well as providing investment banking, financing and financial advisory services. Morgan Stanley, its affiliates, directors and officers may at any time invest on a principal basis or manage funds that invest, hold long or short positions, finance positions, and may trade or otherwise structure and effect transactions, for their own account or the accounts of its customers, in debt or equity securities or loans of CenturyLink, Level 3, or any other company, or any currency or commodity, that may be involved in the combination, or any related derivative instrument.

As compensation for its services, CenturyLink has agreed to pay Morgan Stanley a fee of \$15 million in the aggregate, \$3 million of which was payable upon execution of the merger agreement and \$12 million of which is contingent upon the consummation of the combination. CenturyLink has also agreed to reimburse Morgan Stanley for its expenses incurred in performing its services. In addition, one or more of Morgan Stanley's affiliates are providing financing services related to the combination to CenturyLink and will receive compensation related to those services. In the two years prior to the date hereof, Morgan Stanley has provided financial advisory and financing services for Level 3 and for CenturyLink, for which it has received aggregate fees of approximately \$9 million and \$7 million, respectively. Morgan Stanley may also seek to provide financial advisory and financing services to CenturyLink and Level 3 and their respective affiliates in the future and expects to receive fees for the rendering of these services. In addition, CenturyLink has agreed to indemnify Morgan Stanley and its affiliates, their respective directors, officers, agents and employees and each person, if any, controlling Morgan Stanley or any of its affiliates against certain liabilities and expenses, including certain liabilities under the federal securities laws, related to or arising out of Morgan Stanley's engagement.

Summary of BofA Merrill Lynch and Morgan Stanley Financial Analyses

The discussion set forth below in the sections entitled *Level 3 Financial Analyses* and *CenturyLink Financial Analyses* represents a brief summary of the material financial analyses presented by BofA Merrill Lynch and Morgan Stanley to CenturyLink's board of directors in connection with their respective opinions. The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses performed by BofA Merrill Lynch and Morgan Stanley, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses performed by BofA Merrill Lynch or Morgan Stanley. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by BofA Merrill Lynch or Morgan Stanley.

Level 3 Financial Analyses

Selected Publicly Traded Companies Analysis. BofA Merrill Lynch and Morgan Stanley reviewed publicly available financial and stock market information for Level 3 and the following two publicly traded companies in the telecommunications industry:

Zayo Group Holdings, Inc.

Cogent Communications Holdings, Inc.

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BofA Merrill Lynch and Morgan Stanley reviewed, among other things, enterprise values of the selected publicly traded companies, calculated as equity values based on closing stock prices on October 26, 2016, plus debt, less cash, as a multiple of calendar year 2017 forecasted earnings before interest, taxes, depreciations and amortization, commonly referred to as EBITDA. The EBITDA multiples (excluding stock based compensation) observed for the selected publicly traded companies for calendar years 2016 and 2017 ranged from 11.2x to 12.7x (with a median of 12.0x) and 10.5x to 11.2x (with a median of 10.8x), respectively. BofA Merrill Lynch and Morgan Stanley then applied selected ranges of calendar year 2017 EBITDA multiples of 8.5x to 10.5x derived from the selected publicly traded companies to Level 3's calendar year 2017 estimated EBITDA excluding stock based compensation. Estimated financial data of the selected publicly traded companies were based on publicly available research analysts' estimates, and estimated financial data of Level 3 were based on the Level 3 forecasts as directed for use by CenturyLink management. This analysis indicated the following approximate implied per share equity value reference ranges for Level 3, rounded to the nearest \$0.25, as compared to the merger consideration:

Implied 2017E EBITDA Per Share		Unaffected Share Price	
Equity Value Reference Range for Level 3		Merger Consideration	at October 26, 2016
\$45.00	\$61.50	\$66.50	\$46.92

The merger consideration of \$66.50 per share of CenturyLink common stock was calculated based on \$26.50 cash consideration and an implied share consideration value of \$40.00 per share of Level 3 common stock, obtained by multiplying the exchange ratio in the merger agreement of 1.4286 of a share of CenturyLink common stock for each share of Level 3 common stock by a reference share price of \$28.00.

No company used in this analysis is identical or directly comparable to Level 3. In evaluating comparable companies, BofA Merrill Lynch and Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Level 3, such as the impact of competition on the businesses of Level 3 and the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of Level 3 or the industry or in the financial markets in general. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which Level 3 was compared.

Selected Precedent Transactions Analysis. BofA Merrill Lynch and Morgan Stanley reviewed, to the extent publicly available, financial information relating to the following four selected transactions involving companies in the telecommunications industry:

Acquiror	Target
Lightower Fiber Networks LLC	Fibertech Networks LLC
Level 3 Communications, Inc.	tw telecom inc.
Berkshire Partners LLC	Lightower Fiber Networks LLC
Zayo Group Holdings, Inc.	AboveNet, Inc.

BofA Merrill Lynch and Morgan Stanley reviewed transaction values, calculated as the enterprise value implied for the target company based on the consideration payable in the selected transaction, as a multiple of the target company's last twelve months EBITDA, commonly referred to as LTM EBITDA. The LTM EBITDA multiples observed for the

selected transactions ranged from 10.5x to 13.2x (with a mean of 12.1x and a median of 12.5x), in each case excluding synergies. BofA Merrill Lynch and Morgan Stanley then applied LTM EBITDA multiples of 11.0x to 13.0x derived from the selected transactions to Level 3's September 30, 2016 estimated LTM EBITDA excluding stock based compensation. Estimated financial data of the selected transactions were based on publicly available information at the time of announcement of the relevant transaction. Estimated financial data of Level 3 were based on publicly available information at October 26, 2016

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and information provided by Level 3 management as directed for use by CenturyLink management. This analysis indicated the following approximate implied per share equity value reference ranges for Level 3, as compared to the merger consideration:

Implied 2016E LTM EBITDA Per Share Equity Value Reference Range for Level 3	Merger Consideration	Unaffected Share Price at
		October 26, 2016
\$59.00 \$74.50	\$66.50	\$46.92

No company, business or transaction used in this analysis is identical or directly comparable to Level 3 or the combination. In evaluating the precedent transactions, BofA Merrill Lynch and Morgan Stanley made judgments and assumptions with regard to general business, market and financial conditions and other matters, which are beyond the control of CenturyLink and Level 3, such as the impact of competition on the business of CenturyLink, Level 3 or the industry generally, industry growth and the absence of any adverse material change in the financial condition of CenturyLink, Level 3 or the industry or in the financial markets in general, which could affect the public trading value of the companies and the aggregate value of the transactions to which they are being compared. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the acquisition or other values of the companies, business segments or transactions to which Level 3 and the combination were compared.

Discounted Cash Flow Analysis. BofA Merrill Lynch and Morgan Stanley performed a discounted cash flow analysis excluding synergies of Level 3 to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that Level 3 was forecasted to generate during Level 3's fourth fiscal quarter of 2016 and fiscal years 2017 through 2021 based on the Level 3 forecasts, as reflected below.

	Q4 2016E	2017E	2018E	2019E	2020E	2021E
Unlevered Free Cash Flow	\$222 million	\$960 million	\$1,166 million	\$1,336 million	\$1,497 million	\$1,650 million

BofA Merrill Lynch and Morgan Stanley calculated terminal values for Level 3 by applying terminal multiples ranging from 8.0x to 10.0x to Level 3's 2021 estimated EBITDA. The cash flows and terminal values were then discounted to present value as of September 30, 2016 using discount rates ranging from 6.25% to 8.00%, which were based on estimates of Level 3's weighted average cost of capital by BofA Merrill Lynch and Morgan Stanley. BofA Merrill Lynch and Morgan Stanley also performed a discounted cash flow analysis of the Synergies to calculate the present value of the after-tax Synergies that CenturyLink forecasted would be generated during the five years following closing of the combination and of the terminal value of the Synergies by applying perpetuity growth rates ranging from -0.50% to 0.50% to the after-tax free cash flows for the fifth year following closing of the combination. The cash flows and terminal values were discounted to present value as of September 30, 2016 using discount rates ranging from 5.88% to 7.50%, which were based on an average of discount rate ranges for Level 3 and CenturyLink. BofA Merrill Lynch and Morgan Stanley also calculated the estimated present value of the NOLs that Level 3 forecasted would be utilized during calendar years 2017 through 2032 based on a projected NOL balance of \$9.6 billion as of December 31, 2016, as directed for use by CenturyLink management. The NOLs were then discounted to present value as of December 31, 2016 using discount rates ranging from 6.25% to 8.00%. This analysis indicated the following approximate implied per share equity value reference ranges for Level 3, rounded to the nearest \$0.25, as compared to the merger consideration:

Implied Per Share Equity Value Reference Range for Level 3 (Stand-alone basis including the present value of NOLs)	Implied Per Share Equity Value Reference Range for Level 3 (Including mid-point value of Synergies and the present value of NOLs)	Merger Consideration	Unaffected Share Price at October 26, 2016
\$54.00 \$76.25	\$76.25 \$100.75	\$66.50	\$46.92

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Table of Contents***CenturyLink Financial Analyses***

Selected Publicly Traded Companies Analysis. BofA Merrill Lynch and Morgan Stanley reviewed publicly available financial and stock market information for CenturyLink and the following three publicly traded companies in the telecommunications industry:

Frontier Communications Corporation

Cincinnati Bell Inc.

FairPoint Communications, Inc.

BofA Merrill Lynch and Morgan Stanley reviewed, among other things, enterprise values of the selected publicly traded companies, calculated as equity values based on closing stock prices on October 26, 2016, plus debt, less cash, as a multiple of EBITDA. The EBITDA multiples (including stock based compensation) observed for the selected publicly traded companies for calendar years 2016 and 2017 ranged from 5.2x to 6.2x (with a median of 5.8x) and 5.2x to 6.2x (with a median of 6.0x), respectively. BofA Merrill Lynch and Morgan Stanley then applied selected ranges of calendar year 2017 EBITDA multiples of 5.0x to 6.0x derived from the selected publicly traded companies to CenturyLink's calendar year 2017 estimated EBITDA including stock based compensation. Estimated financial data of the selected publicly traded companies were based on publicly available research analysts' estimates, and estimated financial data of CenturyLink were based on the CenturyLink forecasts. This analysis indicated the following approximate implied per share equity value reference range for CenturyLink, rounded to the nearest \$0.25, as compared to the closing price of CenturyLink on October 26, 2016:

Implied 2017E EBITDA Per Share Equity	Closing Trading Price of CenturyLink
Value Reference Range for CenturyLink	Common Stock on October 26, 2016
\$24.00 \$35.25	\$28.25

No company used in this analysis is identical or directly comparable to CenturyLink. In evaluating comparable companies, BofA Merrill Lynch and Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of CenturyLink, such as the impact of competition on the businesses of CenturyLink and the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of CenturyLink or the industry or in the financial markets in general. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which CenturyLink was compared.

Discounted Cash Flow Analysis. BofA Merrill Lynch and Morgan Stanley performed a discounted cash flow analysis of CenturyLink to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that CenturyLink was forecasted to generate during CenturyLink's fourth fiscal quarter 2016 and fiscal years 2017 through 2021 based on the CenturyLink forecasts, as reflected below.

	Q4 2016PF	2017E	2018E	2019E	2020E	2021E
<u>Unlevered</u>						
<u>Free Cash</u>						
<u>Flow</u>	\$ 130 million	\$ 1,518 million	\$ 1,614 million	\$ 1,619 million	\$ 1,788 million	\$ 1,954 million

BofA Merrill Lynch and Morgan Stanley calculated terminal values for CenturyLink by applying terminal multiples ranging from 5.0x to 6.0x to CenturyLink's 2021 estimated EBITDA. The cash flows and terminal values were then discounted to present value as of September 30, 2016 using discount rates ranging from 5.50% to 7.00%, which were based on estimates of CenturyLink's weighted average cost of capital by BofA Merrill Lynch and Morgan Stanley. This analysis indicated the following approximate implied per share equity value

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reference ranges for CenturyLink, rounded to the nearest \$0.25, as compared to the closing price of CenturyLink common stock on October 26, 2016:

Implied Per Share Equity Value	Closing Trading Price of CenturyLink
Reference Range for CenturyLink	Common Stock on October 26, 2016
\$22.50 \$35.50	\$28.25

Has/Gets Analysis. BofA Merrill Lynch and Morgan Stanley also performed a has/gets analysis to calculate the theoretical change in value for CenturyLink shareholders resulting from the combination based on their pro forma ownership of CenturyLink common stock resulting from the combination as compared to their ownership of CenturyLink common stock on a standalone basis, based on the discounted cash flow analyses for each of Level 3 and CenturyLink described above under *Discounted Cash Flow Analysis*.

BofA Merrill Lynch and Morgan Stanley calculated the implied per share equity values for CenturyLink on a standalone basis using (a) the high end of the implied equity value reference range (being a terminal multiple of 6.0x and a discount rate of 5.50%), (b) the midpoint of the implied equity value reference range (being a terminal multiple of 5.5x and a discount rate of 6.25%) and (c) the low end of the implied equity value reference range (being a terminal multiple of 5.0x and a discount rate of 7.00%).

BofA Merrill Lynch and Morgan Stanley then calculated the implied pro forma per share equity values for CenturyLink resulting from the combination using (a) the high end of the implied enterprise value reference range for CenturyLink on a standalone basis (being a terminal multiple of 6.0x and a discount rate of 5.50%) plus the low end of the implied enterprise value reference range for Level 3 on a standalone basis (being a terminal multiple of 8.0x and a discount rate of 8.00%), (b) the midpoint of the implied enterprise value reference ranges for CenturyLink (being a terminal multiple of 5.5x and a discount rate of 6.25%) plus the midpoint of the implied enterprise value reference ranges for Level 3 (being a terminal multiple of 9.0x and a discount rate of 7.13%) and (c) the low end of the implied enterprise value reference range for CenturyLink (being a terminal multiple of 5.0x and a discount rate of 7.00%) plus the high end of the implied enterprise value reference range for Level 3 (being a terminal multiple of 10.0x and a discount rate of 6.25%), in each case inclusive of NOLs, the present value of the after-tax Synergies that CenturyLink management forecasted would be generated during the five year period from consummation of the combination (in the case of years one through five adjusted for incremental integration costs, being the total transaction integration costs less existing CenturyLink integration costs as directed by CenturyLink management) and applying the low, medium and high perpetuity growth rates of -0.50%, 0.00% and 0.50% and the high, medium and low discount rates of 7.50%, 6.69% and 5.88%, respectively to the terminal year after-tax free cash flows, and adjusted for incremental net debt used to fund the combination (being the net debt of each of CenturyLink and Level 3 plus incremental debt as of September 30, 2016).

This analysis indicated the following approximate implied per share equity value reference range for CenturyLink on a standalone basis as compared to the implied per equity value reference range on a pro forma basis:

High CenturyLink/ Low Level 3	Mid	Low CenturyLink/ High Level 3
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Implied Per Share Equity Value (Stand-alone basis)	\$	35.50	\$ 28.75	\$	22.50
Implied Pro Forma Per Share Equity Value (including Synergies and present value of NOLs)	\$	33.00	\$ 34.75	\$	37.25
% Premium to Implied Per Share Equity Value for CenturyLink on Stand-alone basis		(7.0%)	20.9%		65.6%

Other Factors

In rendering its opinion, BofA Merrill Lynch and Morgan Stanley also noted certain additional factors that were not considered part of BofA Merrill Lynch's and Morgan Stanley's material financial analyses with respect

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to their respective opinions but were referenced for informational purposes, including, among other things, the following:

historical trading prices and trading volumes of Level 3 common stock during the one-year period ended October 26, 2016, which reflected low and high closing prices for Level 3 common stock during such period of \$42.74 and \$57.18;

historical trading prices and trading volumes of CenturyLink common stock during the one-year period ended October 26, 2016, which reflected low and high closing prices for CenturyLink common stock during such period of \$22.24 and \$32.80;

a range of publicly available research analysts' one year forward price targets \$54.00 to \$63.00 for Level 3 discounted to October 26, 2016, 2016 at a 9.25% cost of equity that showed per share equity values of \$49.50 to \$57.75 per share for Level 3 common stock; and

a range of publicly available research analysts' one year forward price targets \$24.00 to \$42.00 for CenturyLink discounted to October 26, 2016, 2016 at a 7.75% cost of equity that showed per share equity values of \$22.25 to \$39.00 per share for CenturyLink common stock.

BofA Merrill Lynch and Morgan Stanley also reviewed the potential pro forma financial effect of the combination on CenturyLink's calendar years 2018 through 2021 estimated FCF per share of CenturyLink common stock (FCFPS). Estimated financial data of CenturyLink were based on the CenturyLink forecasts and estimated financial data of Level 3 were based on the Level 3 forecasts as directed for use by CenturyLink management. Based on the merger consideration, this analysis indicated that the combination could be accretive to CenturyLink's estimated FCFPS for calendar years 2018 through 2021. The actual results achieved by the combined company may vary from projected results and the variations may be material.

Miscellaneous

As noted above, the discussion set forth above in the sections entitled *Level 3 Financial Analyses* and *CenturyLink Financial Analyses* is a summary of the material financial analyses presented by BofA Merrill Lynch and Morgan Stanley to CenturyLink's board of directors in connection with their respective opinions and is not a comprehensive description of all analyses undertaken by BofA Merrill Lynch or Morgan Stanley in connection with their respective opinions. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. BofA Merrill Lynch and Morgan Stanley believe that their analyses summarized above must be considered as a whole. BofA Merrill Lynch and Morgan Stanley further believe that selecting portions of their analyses and the factors considered or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying BofA Merrill Lynch's or Morgan Stanley's respective analyses and opinions. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary.

In performing their respective analyses, BofA Merrill Lynch and Morgan Stanley considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of CenturyLink and Level 3. The estimates of the future performance of CenturyLink and Level 3 in or underlying BofA Merrill Lynch's and Morgan Stanley's respective analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by BofA Merrill Lynch's and Morgan Stanley's respective analyses. These analyses were prepared solely as part of BofA Merrill Lynch's and Morgan Stanley's respective analyses of the fairness, from a financial point of view, of the merger consideration and were provided to CenturyLink's board of directors in connection with the delivery of BofA Merrill Lynch's and Morgan Stanley's respective opinions. The analyses

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do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be BofA Merrill Lynch's or Morgan Stanley's view of the actual values of CenturyLink or Level 3.

The type and amount of consideration payable in the combination was determined through negotiations between CenturyLink and Level 3, rather than by any financial advisor, and was approved by CenturyLink's board of directors. The decision to enter into the merger agreement was solely that of CenturyLink's board of directors. As described above, BofA Merrill Lynch's and Morgan Stanley's respective opinions and analyses were only one of many factors considered by CenturyLink's board of directors in its evaluation of the proposed combination and should not be viewed as determinative of the views of CenturyLink's board of directors or management with respect to the combination or the merger consideration.

Opinion of Evercore Group L.L.C.

In connection with the combination, CenturyLink retained Evercore to act as a financial advisor to CenturyLink and the CenturyLink Board. As part of this engagement, CenturyLink requested that Evercore evaluate the fairness of the merger consideration, from a financial point of view, to CenturyLink. On October 30, 2016, at a meeting of the CenturyLink Board, Evercore rendered its oral opinion, subsequently confirmed by delivery of a written opinion that, based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in its opinion, as of such date, the merger consideration was fair, from a financial point of view, to CenturyLink.

The full text of the written opinion of Evercore, dated as of October 30, 2016, which sets forth, among other things, the procedures followed, assumptions made, matters considered and qualifications and limitations on the scope of review undertaken in rendering its opinion, is attached as Annex G to this joint proxy statement/prospectus. The following summary of Evercore's opinion is qualified in its entirety by reference to the full text of the opinion, which is incorporated herein by reference. **You are urged to read Evercore's opinion carefully and in its entirety. Evercore's opinion was addressed to, and provided for the information and benefit of, the CenturyLink Board (in its capacity as such) in connection with its evaluation of the merger consideration from a financial point of view and did not address any other aspects or implications of the combination. The opinion does not constitute a recommendation to the CenturyLink Board or to any other persons in respect of the combination, including as to how any holder of shares of CenturyLink common stock or Level 3 common stock should vote or act in respect of the combination. Evercore's opinion did not address the relative merits of the combination as compared to other business or financial strategies that might be available to CenturyLink, nor did it address the underlying business decision of CenturyLink to engage in the combination.**

In connection with rendering its opinion and performing its related financial analysis, Evercore, among other things:

reviewed certain publicly available business and financial information relating to CenturyLink and Level 3 that Evercore deemed to be relevant, including publicly available research analysts' estimates;

reviewed certain non-public historical financial statements and other non-public historical financial and operating data relating to each of CenturyLink and Level 3 prepared and furnished to Evercore by the management of CenturyLink and Level 3, respectively;

reviewed certain non-public projected financial and operating data relating to CenturyLink prepared and furnished to Evercore by the management of CenturyLink;

reviewed certain non-public project financial and operating data relating to Level 3 prepared and furnished to Evercore by the management of Level 3;

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reviewed the amount and timing of the cost savings and capital expenditure reductions estimated by the management of CenturyLink and the management of Level 3 to result from the combination (collectively, the Synergies);

discussed the past and current operations, financial projections and current financial condition of each of CenturyLink and Level 3 with the management of CenturyLink (including their views on the risks and uncertainties of achieving such projections);

reviewed the reported prices and the historical trading activity of each of the CenturyLink common stock and the Level 3 common stock;

compared the financial performance of each of CenturyLink and Level 3 and their respective stock market trading multiples with those of certain other publicly traded companies that Evercore deemed relevant;

compared the financial performance of CenturyLink and Level 3 and the valuation multiples relating to the combination with those of certain other transactions that Evercore deemed relevant;

reviewed the potential pro forma financial impact of the combination on the future financial performance of the combined company based on the projected financial data relating to each of CenturyLink and Level 3 referred to above, including the projected Synergies and other strategic benefits and the amount and timing of realization thereof, anticipated by management of CenturyLink and management of Level 3 to be realized from the combination;

reviewed a draft of the merger agreement dated October 29, 2016; and

performed such other analyses and examinations and considered such other factors that Evercore deemed appropriate.

For purposes of its analysis and opinion, Evercore assumed and relied upon, without undertaking any independent verification, the accuracy and completeness of all of the information publicly available, and all of the information supplied or otherwise made available to, discussed with, or reviewed by Evercore, and Evercore has not assumed any liability therefor. With respect to the projected financial data relating to CenturyLink and Level 3 referred to above (including the Synergies), Evercore assumed that they had been reasonably prepared on bases reflecting the best currently available estimates and good-faith judgments of the respective managements of CenturyLink and Level 3 as to (i) the future financial performance of the companies under the assumptions reflected therein and (ii) the Synergies, including the amount and timing of realization of such Synergies.

Evercore expressed no view as to any projected financial data relating to CenturyLink or Level 3 or the assumptions on which they were based. Evercore relied, at CenturyLink's direction, without independent verification, upon the assessments of the management of CenturyLink and the management of Level 3 as to the Synergies, including the amount and timing of the realization of such Synergies.

For purposes of rendering its opinion, Evercore assumed, in all respects material to its analysis, that the representations and warranties of each party contained in the merger agreement were true and correct, that the combination will qualify as a tax free reorganization for United States federal income tax purposes, that each party will perform all of the covenants and agreements required to be performed by it under the merger agreement in all material respects and that all conditions to the consummation of the combination will be satisfied without material waiver or modification thereof. Evercore further assumed that all governmental, regulatory or other consents, approvals or releases necessary for the consummation of the combination will be obtained without any material delay, limitation, restriction or condition that would have an adverse effect on CenturyLink, Level 3 or the consummation of the combination or materially reduce the benefits to CenturyLink of the combination. Evercore also assumed that the executed merger agreement would not differ in any material respect from the draft merger agreement dated October 29, 2016 reviewed by Evercore.

Evercore did not make nor assume any responsibility for making any physical inspection, independent valuation or appraisal of the assets or liabilities of CenturyLink or Level 3, nor was Evercore furnished with any

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such inspection, valuation or appraisal, nor did Evercore evaluate the solvency or fair value of CenturyLink or Level 3 under any state, federal or foreign laws relating to bankruptcy, insolvency or similar matters. Evercore's opinion was necessarily based upon information made available to it as of the date of the opinion and financial, economic, market and other conditions as they existed and as could be evaluated on the date of the opinion. Subsequent developments may affect Evercore's opinion and Evercore did not undertake any obligation to update, revise or reaffirm its opinion.

Evercore was not asked to pass upon, and expressed no opinion with respect to, any matter other than the fairness, from a financial point of view, of the merger consideration to CenturyLink. Evercore did not express any view on, and its opinion did not address, the fairness of the combination to, or any consideration received in connection therewith by, the holders of any securities, creditors or other constituencies of CenturyLink, nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of CenturyLink, or any class of such persons, whether relative to the merger consideration or otherwise.

Evercore assumed that any modification to the structure of the transaction would not vary its analysis in any material respect. Evercore's opinion did not constitute a recommendation to the CenturyLink Board or to any other persons in respect of the combination, including as to how any holder of shares of CenturyLink common Stock or Level 3 common stock should vote or act in respect of the combination. Evercore expressed no opinion as to the price at which shares of CenturyLink common stock or Level 3 common stock will trade at any time. Evercore is not a legal, regulatory, accounting or tax expert and assumed the accuracy and completeness of assessments by CenturyLink and its advisors with respect to legal, regulatory, accounting and tax matters.

Summary of Material Financial Analysis

Set forth below is a summary of the material financial and other analyses performed by Evercore and reviewed with the CenturyLink Board on October 30, 2016, in connection with rendering its opinion. The following summary, however, does not purport to be a complete description of the analyses performed by Evercore. The order of the analyses described and the results of these analyses do not represent relative importance or weight given to these analyses by Evercore. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data that existed on or before October 26, 2016, the last trading date prior to news of a possible transaction between CenturyLink and Level 3 became public, and is not necessarily indicative of then-current market conditions.

The following summary of financial analyses includes information presented in tabular format. These tables must be read together with the text of each summary in order to understand fully the financial analyses. The tables alone do not constitute a complete description of the financial analyses. Considering the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Evercore's financial analyses.

Selected Peer Trading Analysis

In performing a selected peer trading analysis of CenturyLink and Level 3, Evercore reviewed and compared certain financial, operating and market information relating to CenturyLink and Level 3 to corresponding information of the publicly traded companies listed in the tables below, which Evercore deemed most relevant to consider in relation to CenturyLink and Level 3, respectively, based on its professional judgment and experience, because they are public companies with operations that for purposes of this analysis Evercore considered similar to the operations of one or more of the business lines of CenturyLink and Level 3, respectively.

Evercore reviewed, among other things, total enterprise value (TEV) of the selected companies as a multiple of estimated earnings before interest, taxes, depreciation and amortization (EBITDA), as well as

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equity value (EV) of the selected companies as a multiple of free cash flow (FCF) for calendar years 2016 and 2017. EBITDA of CenturyLink and its selected peer companies was calculated on a post-stock based compensation (SBC) basis, whereas EBITDA of Level 3 and its selected peer companies was calculated on a pre-SBC basis, in each case in accordance with industry practice. Enterprise values were calculated for the purpose of this analysis as equity value (based on the per share closing price of each selected company on October 26, 2016, multiplied by the fully diluted number of such company's outstanding equity securities on such date), plus debt, plus minority interest, less cash and cash equivalents (in the case of debt, minority interest, cash and cash equivalents, as set forth on the most recently publicly available balance sheet of such company, and in the case of minority interest, where applicable). In the case of CenturyLink, debt, cash and cash equivalents were adjusted to be pro forma for the expected sale of CenturyLink's data center assets as announced on November 4, 2016. Free cash flow was calculated as cash from operations less capital expenditures. The financial data of the selected peer companies used by Evercore for this analysis were based on publicly available research analysts' estimates. The financial data of Level 3 and CenturyLink were based on the projections provided by the management of Level 3 and CenturyLink, respectively.

The EBITDA multiple and FCF multiple for Level 3 and each of its selected peer companies are set forth in the table below:

Sector	Selected Public Company	TEV / 2016E EBITDA	TEV / 2017E EBITDA	EV / 2016E FCF	EV / 2017E FCF
Enterprise / Fiber Communications Provider	Zayo Group Holdings, Inc.	11.4x	10.6x	NM	NM
Enterprise / Fiber Communications Provider	Cogent Communications Holdings, Inc.	13.0x	11.7x	27.4x	20.4x
Enterprise / Fiber Communications Provider	Lumos Networks Corp.	7.9x	7.5x	NM	NM
	<u>Reference:</u>				
	Level 3	9.4x	8.8x	16.3x	14.8x

The EBITDA multiple and FCF multiple for CenturyLink and each of its selected peer companies are set forth in the table below:

Sector	Selected Public Company	TEV / 2016E EBITDA	TEV / 2017E EBITDA	EV / 2016E FCF	EV / 2017E FCF
Rural Local Exchange Carrier	Consolidated Communications Holdings, Inc.	8.2x	8.4x	11.1x	11.1x
Rural Local Exchange Carrier	Frontier Communications Corporation	5.6x	6.0x	8.9x	7.4x
Rural Local Exchange Carrier	Windstream Holdings, Inc.	4.5x	4.6x	NM	12.6x
Rural Local Exchange Carrier	Cincinnati Bell Inc.	6.4x	6.4x	NM	NM
Rural Local Exchange Carrier	FairPoint Communications, Inc.	5.2x	5.2x	NM	NM

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Regional Bell Operating Company	AT&T Inc.	6.4x	6.2x	13.3x	11.7x
Regional Bell Operating Company	Verizon Communications Inc.	6.4x	6.3x	12.9x	12.2x

Reference:

CenturyLink	5.4x	5.4x	10.0x	14.2x
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Evercore applied a reference range of EBITDA multiples of 8.5x to 10.5x and 5.25x to 6.25x to Level 3 and CenturyLink, respectively, as well as a reference range of FCF multiples of 13.0x to 16.0x and 11.25x to 13.75x to Level 3 and CenturyLink, respectively, in each case derived by Evercore based on its review of the respective peer companies selected and its experience and professional judgment, to the estimated EBITDA and the estimated FCF for each of Level 3 and CenturyLink for the year ending December 31, 2017. In the case of Level

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3, estimated EBITDA and FCF were based on the projections provided by the management of Level 3. In the case of CenturyLink, estimated EBITDA and FCF were based on the projections provided by the management of CenturyLink and were calculated on a pro forma basis, accounting for the sale of CenturyLink's data center assets. Using the 2017 EBITDA multiples, this analysis indicated an implied equity value per-share reference range for Level 3 and CenturyLink of approximately \$44.91 to \$61.55 and \$26.89 to \$38.31, respectively. Using the 2017 FCF multiples, this analysis indicated an implied equity value per-share reference range for Level 3 and CenturyLink of approximately \$41.16 to \$50.65 and \$22.47 to \$27.46, respectively.

Implied Exchange Ratio

Evercore used the resulting per-share equity value reference ranges to calculate the implied exchange ratios for the EBITDA multiple and FCF multiple cases by dividing the lowest respective per-share equity value for Level 3, less the \$26.50 per-share cash consideration to be paid to Level 3 stockholders in the combination (the cash consideration), by the highest respective per-share equity value for CenturyLink for the low end of the exchange ratio range in each case and dividing the highest respective per share equity value for Level 3, less the cash consideration, by the lowest respective per-share equity value for CenturyLink for the high end of the exchange ratio range in each case. This analysis indicated implied exchange ratio reference ranges of 0.481x to 1.303x and 0.534x to 1.075x, in the EBITDA multiple and FCF multiple cases, respectively, of a new CenturyLink share for each share of Level 3 common stock. Evercore compared these implied exchange ratios to the transaction exchange ratio of 1.4286x of a new CenturyLink share per share of Level 3 common stock in the combination.

	Level 3		CenturyLink		Implied Exchange Ratio	
	Multiples	\$ / Share	Multiples	\$ / Share		
TEV / EBITDA 2017E	8.5x 10.5x	\$44.91 \$61.55	5.25x 6.25x	\$26.89 \$38.31	0.481x	1.303x
EV / FCF 2017E	13.0x 16.0x	\$41.16 \$50.65	11.25x 13.75x	\$22.47 \$27.46	0.534x	1.075x

No company utilized in the peer company trading analysis is identical to Level 3 or CenturyLink. Accordingly, an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning differences in financial, operating and market characteristics of Level 3 and CenturyLink and other factors that could affect the public trading value of the companies to which they are being compared. In evaluating the peer companies selected, Evercore made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Level 3 and CenturyLink, such as the impact of competition on Level 3 or CenturyLink and the industry generally, industry growth and the absence of any adverse material change in the financial conditions and prospects of CenturyLink, Level 3, the industry or the financial markets in general. Mathematical analysis, such as determining the mean, median or average, is not in itself a meaningful method of using peer company trading data.

Selected Precedent Transaction Analysis

Evercore performed an analysis of selected precedent transactions to compare multiples paid in other transactions to the multiples implied in the combination. Evercore analyzed 10 merger and acquisition transactions that were announced between 2011 and 2016 involving acquisitions of companies in the enterprise / fiber communications provider sectors of the telecommunications industry.

While none of the companies that participated in the selected precedent transactions is directly comparable to Level 3 and none of the transactions in the selected precedent transactions analysis is directly comparable to the combination,

Evercore selected these transactions because each of the target companies was involved in the enterprise / fiber communications provider sectors of the telecommunications industry and had operating characteristics and products that for purposes of analysis may be considered similar to certain of Level 3's operating characteristics and products.

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For each of the selected transactions, Evercore reviewed transaction values and calculated the TEV implied for each target company based on the consideration paid in the selected transaction, as a multiple of the target company's current year EBITDA (in each case, primarily calculated for the 12-month period prior to the latest available data on the quarter preceding the date of announcement of such transaction). In circumstances where such multiples were unavailable, last quarter or future quarter annualized EBITDA or Wall Street research estimates for current year EBITDA were utilized.

Evercore's analysis indicated average and median TEV to current year EBITDA multiples of 11.6x and 12.6x, respectively. The selected precedent transactions and the TEV, current year EBITDA and TEV to current year EBITDA multiples related thereto are set forth in the table below:

Date Announced	Acquiror	Target	TEV (in millions)	TEV / Current Year EBITDA
June 20, 2016	Communications Sales & Leasing, Inc.	Tower Cloud, Inc.	\$ 230	12.4x
January 7, 2016	Communications Sales & Leasing, Inc.	PEG Bandwidth, LLC	\$ 450	12.9x
April 30, 2015	Crown Castle International Corp.	Sunesys, LLC	\$ 1,000	15.0x
April 27, 2015	Lightower Fiber Networks LLC	Fibertech Networks LLC	\$ 1,900	12.8x
June 30, 2014	Consolidated Communications	Enventis Telecom, Inc.	\$ 350	7.3x
June 16, 2014	Level 3 Communications, Inc.	tw telecom	\$ 7,300	13.2x
October 7, 2013	Time Warner Cable Inc.	DukeNet Communications, LLC	\$ 600	13.0x
March 19, 2012	Zayo Group Holdings, Inc.	AboveNet, Inc.	\$ 2,278	10.5x
October 7, 2011	Zayo Group Holdings, Inc.	360networks holdings (USA) inc.	\$ 332	12.2x
April 11, 2011	Level 3 Communications, Inc.	Global Crossing Ltd.	\$ 3,001	7.1x

Evercore then applied a reference range of estimated EBITDA multiples of 10.0x to 13.0x, derived by Evercore based on its review of the selected precedent transactions and its experience and professional judgment, to the estimated EBITDA of Level 3, calculated on a pre-SBC basis, for the year ending December 31, 2016. This analysis indicated an implied per-share equity value range for Level 3 of \$52.58 to \$76.10.

Implied Exchange Ratio

Evercore used the resulting per-share equity value reference range to calculate the implied exchange ratio by dividing the lowest per-share equity value for Level 3, less the cash consideration, by CenturyLink's share price of \$28.25 per share, as of October 26, 2016, for the low end of the exchange ratio range and dividing the highest per-share equity value for Level 3, less the cash consideration, by CenturyLink's share price of \$28.25 per share, as of October 26, 2016, for the high end of the exchange ratio range. This analysis indicated an implied exchange ratio reference range of 0.923x to 1.756x of a new CenturyLink share for each share of Level 3 common stock. Evercore compared this

resulting implied exchange ratio to the transaction exchange ratio of 1.4286x of a new CenturyLink share per share of Level 3 common stock in the combination.

Discounted Cash Flow Analyses

Level 3

Evercore performed a discounted cash flow analysis of Level 3 to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that Level 3 was projected to generate from September 30, 2016 through calendar year 2021, based on financial projections for Level 3 that were provided by Level 3 management.

Evercore also calculated a terminal value for Level 3 by applying (i) a terminal EBITDA multiple and (ii) a perpetuity growth rate, in each case based on its professional judgment given the nature of Level 3 and its

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business and industry, of 8.5x to 9.5x and 2.5% to 3.0%, respectively, to each of (x) the projected standalone EBITDA, calculated on a pre-SBC basis, and (y) the unlevered, after-tax free cash flows, in each case in the terminal year. The cash flows and respective terminal values (as calculated using both the terminal EBITDA multiple and the perpetuity growth rate methodologies) for Level 3 were then discounted to present value using a discount rate of 6.75% to 7.75%, based on an estimate of Level 3's weighted average cost of capital, and net operating losses (based on assumptions provided by Level 3 management) were discounted to present value using a discount rate of 7.25%, to derive respective ranges of implied enterprise values for Level 3. Ranges of implied equity values for Level 3 were then calculated by reducing the respective ranges of implied enterprise values by the amount of Level 3's projected net debt (calculated as debt less cash and cash equivalents) as of September 30, 2016. Evercore performed this analysis for Level 3 (a) on a standalone basis and (b) with the inclusion of Synergies estimated by Level 3 management and CenturyLink management to be realized from the combination, attributing 100% of the value of such Synergies to Level 3. Evercore's analysis indicated an implied per-share equity value reference range for Level 3 on a standalone basis of approximately \$58.69 to \$69.92 in the terminal multiple case and \$50.19 to \$75.93 in the perpetuity growth rate case. Evercore's analysis with the inclusion of Synergies, attributing 100% of the value of such Synergies to Level 3, indicated an implied per-share equity value reference range for Level 3 of approximately \$79.86 to \$91.09 in the terminal multiple case and \$71.36 to \$97.10 in the perpetuity growth rate case.

CenturyLink

Evercore performed a discounted cash flow analysis of CenturyLink to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that CenturyLink was projected to generate from September 30, 2016 through calendar year 2021, based on financial projections for CenturyLink that were provided by CenturyLink management. Under the terminal EBITDA multiple methodology, certain additional payments relating to pension and post-retirement expenses were included in the calculation of the after-tax free cash flows. Under the perpetuity growth rate case, such pension and post-retirement payments were excluded from the calculation of after-tax free cash flows, but reflected in a one-time adjustment as described herein.

Evercore also calculated a terminal value for CenturyLink by applying (i) a terminal EBITDA multiple and (ii) a perpetuity growth rate, in each case based on its professional judgment given the nature of CenturyLink and its business and industry, of 5.0x to 6.0x and (0.25)% to 0.25%, respectively, to each of (a) the projected standalone EBITDA and (b) the unlevered, after-tax free cash flows, in each case in the terminal year and calculated on a pro forma basis accounting for the sale of CenturyLink's data center assets. The cash flows and the respective terminal values (as calculated using both the terminal EBITDA multiple and the perpetuity growth rate) for CenturyLink were then discounted to present value using a discount rate of 5.75% to 6.75%, based on an estimate of CenturyLink's weighted average cost of capital, to derive respective ranges of implied enterprise values for CenturyLink. Ranges of implied equity values for CenturyLink were then calculated (x) in the terminal multiple case, by reducing the respective ranges of implied enterprise values by the amount of CenturyLink's projected net debt (calculated as debt less cash and cash equivalents) as of September 30, 2016, and (y) in the perpetuity growth case, by reducing the respective ranges of implied enterprise values by the amount of CenturyLink's projected net debt (calculated as debt less cash and cash equivalents) as of September 30, 2016 and the amount, on an after-tax basis, by which CenturyLink's pension and other post-retirement benefit liabilities were underfunded, in each case as provided by CenturyLink management and calculated on a pro forma basis accounting for the sale of CenturyLink's data center assets. Evercore's analysis indicated an implied per-share equity value reference range for CenturyLink on a standalone basis of approximately \$23.21 to \$34.79 in the terminal multiple case and \$23.75 to \$40.33 in the perpetuity growth rate case.

Implied Exchange Ratio

Based on the implied per-share equity value reference ranges, Evercore also calculated implied exchange ratios for the terminal multiple and perpetuity growth rate cases by dividing the lowest respective per-share equity value for Level 3, less the cash consideration, by the midpoint of the respective implied per-share

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reference range for CenturyLink for the low end of the exchange ratio range and dividing the highest respective per-share equity value for Level 3, less the cash consideration, by the midpoint of the respective implied per-share reference range for CenturyLink for the high end of the exchange ratio range. This analysis indicated, on a standalone basis, implied exchange ratio reference ranges of 1.115x to 1.504x and 0.763x to 1.592x, in the terminal multiple case and the perpetuity growth rate case, respectively, of a new CenturyLink share for each share of Level 3 common stock. With the inclusion of Synergies, and attributing 100% of the value of such Synergies to Level 3, the analysis indicated implied exchange ratio reference ranges of 1.848x to 2.237x and 1.445x to 2.273x, in the terminal multiple case and the perpetuity growth rate case, respectively, of a new CenturyLink share for each share of Level 3 common stock. With the inclusion of only CenturyLink's 50.9% share of the Synergies, the analysis indicated an implied exchange ratio reference range of 1.488x to 1.877x and 1.110x to 1.939x, in the terminal multiple case and the perpetuity growth rate case, respectively, of a new CenturyLink share for each share of Level 3 common stock. Evercore compared each of these exchange ratios to the exchange ratio of 1.4286x of a new CenturyLink share for each share of Level 3 common stock in the combination.

Net Present Value of Future Stock Price Analysis***Level 3***

Evercore performed an illustrative analysis of the net present value of the future stock price of Level 3, which is designed to provide an indication of the present value of a theoretical future value of a company as a function of such company's estimated future EBITDA and its assumed TEV to next twelve months (NTM) EBITDA multiple. Evercore used financial projections for Level 3 derived from assumptions provided by the management of Level 3 through calendar year 2020. Evercore first multiplied the EBITDA estimate, calculated on a pre-SBC basis, by a range of TEV to NTM EBITDA multiples of 8.5x to 9.5x to calculate the implied future enterprise values. Evercore then calculated the implied future equity values for Level 3 as of December 31 of each year through calendar year 2020 by reducing the implied future enterprise values by the amount of Level 3's projected future net debt (calculated as debt less cash and cash equivalents) as of each such date. Evercore then discounted the projected per-share equity value as of a particular future date, December 31, 2019, to September 30, 2016 using a discount rate of 10.0%. The discount rate was based on Evercore's analysis of the cost of equity for Level 3. This analysis resulted in an implied per-share equity value reference range of approximately \$53.73 to \$61.23. Evercore's analysis with the inclusion of Synergies, attributing 100% of the value of such Synergies to Level 3, indicated an implied per-share equity value reference range for Level 3 of approximately \$74.90 to \$82.40.

CenturyLink

Evercore performed an illustrative analysis of the net present value of the future stock price of CenturyLink, which is designed to provide an indication of the present value of a theoretical future value of a company as a function of such company's estimated future EBITDA and its assumed TEV to NTM EBITDA multiple. Evercore used financial projections for CenturyLink derived from assumptions provided by CenturyLink management through calendar year 2020 and calculated on a pro forma basis to account for the sale of CenturyLink's data center assets. Evercore first multiplied the EBITDA estimate by a range of TEV to NTM EBITDA multiples of 5.25x to 5.75x to calculate the implied future enterprise values. Evercore then calculated the implied future equity values for CenturyLink as of December 31 of each year through calendar year 2020 by reducing the implied future enterprise values by the amount of CenturyLink's projected future net debt (calculated as debt less cash and cash equivalents) as of each such date, and adding the cumulative value of any dividends projected to be paid by CenturyLink as of such date. Evercore then discounted the projected per-share equity value as of a particular future date, December 31, 2019, to September 30, 2016 using a discount rate of 9.0%. The discount rate was based on Evercore's analysis of the cost of equity for CenturyLink. This analysis resulted in an implied per-share equity value reference range of approximately \$26.91 to

\$31.31.

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Table of Contents***Implied Exchange Ratio***

Based on the implied per-share equity value reference ranges, Evercore calculated an implied exchange ratio reference range by dividing the lowest implied per-share value for Level 3, less the cash consideration, by the average of the highest and lowest implied per-share equity values for CenturyLink for the low end of the exchange ratio range and dividing the highest per-share equity value for Level 3, less the cash consideration, by the average of the highest and lowest implied per-share equity values for CenturyLink for the high end of the exchange ratio range. This analysis indicated, on a standalone basis, an implied exchange ratio reference range of 0.935x to 1.193x of a new CenturyLink share for each share of Level 3 common stock. With the inclusion of Synergies, and attributing 100% of the value of such Synergies to Level 3, the analysis indicated an implied exchange ratio reference range of 1.663x to 1.920x of a new CenturyLink share for each share of Level 3 common stock. With the inclusion of only CenturyLink's 50.9% share of the Synergies, the analysis indicated an implied exchange ratio reference range of 1.305x to 1.563x of a new CenturyLink share for each share of Level 3 common stock. Evercore compared each of these exchange ratios to the exchange ratio of 1.4286x of a new CenturyLink share for each share of Level 3 common stock in the combination.

Other Factors

Evercore also reviewed and considered other factors, which were not considered part of its financial analyses in connection with rendering its advice, but were referenced for informational purposes, including, among other things, the 52-week trading range, the analysts' price targets and precedent premia analyses described below.

52-Week Trading Range

Evercore reviewed historical trading prices of Level 3 and CenturyLink shares during the 52-week period ended October 26, 2016, noting that the low and high intraday prices during such period ranged from \$41.73 to \$57.59 for Level 3 and \$21.94 to \$32.94 for CenturyLink.

Analyst Price Targets

Evercore reviewed publicly available share price targets of research analysts' estimates known to Evercore as of October 26, 2016, noting that the low and high share price targets ranged from \$54.00 to 63.00 for Level 3 (with an average price target of \$58.33) and that the low and high share price targets ranged from \$24.00 to \$42.00 for CenturyLink (with an average price target of \$29.89).

Precedent Premia Paid

Evercore reviewed and analyzed premia paid in (i) global cash and stock transactions involving greater than 50% stock consideration since 2010 involving target companies with an enterprise value greater than \$10 billion (Global Precedent Transactions) and (ii) selected U.S. telecommunications transactions valued above \$1 billion since 2010 (U.S. Telecom Precedent Transactions). Based on its professional judgment and premia in the Global Precedent Transactions and U.S. Telecom Precedent Transactions, Evercore applied reference ranges of premia of 25.0% to 35.0% and 20.0% to 50.0%, respectively, to the Level 3 unaffected share price as of October 26, 2016 of \$46.92. This analysis indicated per-share equity value reference ranges of approximately \$58.65 to \$63.34 and \$56.30 to \$70.38 for Level 3 in the Global Precedent Transaction case and the U.S. Telecom Precedent Transaction case, respectively.

Miscellaneous

The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by Evercore. In connection with the review of the combination by the

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CenturyLink Board, Evercore performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary described above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Evercore's opinion. In arriving at its fairness determination, Evercore considered the results of all the analyses and did not draw, in isolation, conclusions from or with regard to any one analysis or factor considered by it for purposes of its opinion. Rather, Evercore made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all the analyses. In addition, Evercore may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above should not be taken to be the view of Evercore with respect to the actual value of CenturyLink common stock or Level 3 common stock. No company used in the above analyses as a comparison is directly comparable to CenturyLink or Level 3, and no transaction used is directly comparable to the combination. Further, Evercore's analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies or transactions used, including judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of CenturyLink, Level 3 and their respective advisors. Rounding may result in total sums set forth in this section not equaling 100%.

Evercore prepared these analyses for the purpose of providing an opinion to the CenturyLink Board as to the fairness of the merger consideration, from a financial point of view, to CenturyLink. These analyses do not purport to be appraisals or to necessarily reflect the prices at which the business or securities actually may be sold. Any estimates contained in these analyses are not necessarily indicative of actual future results, which may be significantly more or less favorable than those suggested by such estimates. Accordingly, estimates used in, and the results derived from, Evercore's analyses are inherently subject to substantial uncertainty, and Evercore assumes no responsibility if future results are materially different from those forecasted in such estimates.

Pursuant to the terms of Evercore's engagement letter with CenturyLink, a fee of \$7.5 million was payable to Evercore upon the delivery of Evercore's fairness opinion to the CenturyLink Board. An additional discretionary fee may be paid to Evercore by CenturyLink, the amount of which, if any, will be determined by the CenturyLink Board in its sole and absolute discretion and may or may not be contingent upon consummation of the combination. The CenturyLink Board has full discretion regarding the amount of such fee (if any) and the circumstances under which such a fee might be paid. In the event the CenturyLink Board determines to pay an additional discretionary fee to Evercore, the CenturyLink Board may consider any factors it deems relevant in determining the amount of such fee. At this time, the CenturyLink Board has not made any determinations regarding the payment of a discretionary fee or the criteria that it may use to assess whether a discretionary fee should be paid. In addition, CenturyLink has agreed to reimburse Evercore for its expenses and to indemnify Evercore for certain liabilities arising out of its engagement.

Prior to Evercore's engagement in connection with the combination, Evercore and its affiliates have provided financial advisory services to CenturyLink and received fees for the rendering of such services, including the reimbursement of expenses. However, no fees were received from CenturyLink during the two-year period prior to the delivery of Evercore's opinion for such services. During the two-year period prior to the delivery of its opinion, no material relationship existed between Evercore and its affiliates and Level 3 pursuant to which compensation was received by Evercore or its affiliates as a result of such a relationship. Evercore may provide financial or other services to Level 3 in the future and in connection with any such services Evercore may receive compensation.

In the ordinary course of business, Evercore or its affiliates may actively trade the securities, or related derivative securities, or financial instruments of CenturyLink, Level 3 and their respective affiliates, for its own account and for

the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities or instruments.

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The issuance of the fairness opinion was approved by an Opinion Committee of Evercore.

CenturyLink engaged Evercore to act as a financial advisor to CenturyLink and the CenturyLink Board based on its qualifications, experience and reputation, as well as familiarity with the business of CenturyLink. In reaching its decision to engage Evercore, the CenturyLink Board also considered that Evercore would not be providing debt financing to CenturyLink in connection with the combination. Evercore is an internationally recognized investment banking firm and is regularly engaged in the valuation of businesses in connection with mergers and acquisitions, leveraged buyouts, competitive biddings, private placements and valuations for corporate and other purposes.

Opinions of Level 3 s Financial Advisors

Opinion of Citigroup Global Markets Inc.

On October 30, 2016, Citi rendered its oral opinion to the Level 3 Board, which was confirmed by delivery of a written opinion dated October 31, 2016, to the effect that, as of such date and based upon and subject to the factors, procedures, assumptions, qualifications and limitations contained therein, Citi s experience as investment bankers, the work described in Citi s opinion and other factors deemed relevant by Citi, the merger consideration to be received by the Level 3 stockholders (other than with respect to excluded shares) in the initial merger was fair, from a financial point of view, to such holders.

The full text of Citi s written opinion, dated October 31, 2016, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by Citi in rendering its opinion, is attached to this joint proxy statement/prospectus as Annex C and is incorporated into this joint proxy statement/prospectus by reference in its entirety. The summary of Citi s opinion set forth below is qualified in its entirety by reference to the full text of the opinion. We urge you to read the opinion carefully and in its entirety. Citi s opinion, the issuance of which was authorized by Citi s fairness opinion committee, was provided to the Level 3 Board (in its capacity as such) in connection with its evaluation of the combination and was limited to the fairness, from a financial point of view, as of the date of the opinion, to the Level 3 stockholders (other than with respect to excluded shares) of the merger consideration to be received by such holders in the initial merger. Citi s opinion does not address any other aspects or implications of the combination and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act on any matters relating to the transactions contemplated by the merger agreement, including the initial merger, or otherwise. Citi s opinion does not address the underlying business decision of Level 3 to effect the combination, the relative merits of the combination as compared to any alternative business strategies that might exist for Level 3 or the effect of any other transaction in which Level 3 might engage. The following is a summary of Citi s opinion.

In arriving at its opinion, Citi, among other things:

reviewed a draft dated October 30, 2016 of the merger agreement;

held discussions with certain senior officers, directors and other representatives and advisors of Level 3 and certain senior officers and other representatives and advisors of CenturyLink concerning the businesses, operations and prospects of Level 3 and CenturyLink;

reviewed certain publicly available and other business and financial information relating to Level 3 provided to or otherwise discussed with Citi by the management of Level 3, including (i) certain internal financial forecasts, estimates and other financial and operating data of Level 3 prepared by the management of Level 3, as described below under *Certain Forecasts Prepared by Level 3* (ii) certain estimates prepared by the management of Level 3 as to the net operating losses (which we refer to as the Level 3 NOLs) and other tax attributes of Level 3 (the information in clauses (i) and (ii), the Level 3 Management Forecasts) and (iii) certain publicly available research analysts' estimates relating to Level 3;

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reviewed certain publicly available and other business and financial information relating to CenturyLink provided to or otherwise discussed with Citi by the management of CenturyLink, including (i) certain internal financial forecasts, estimates and other financial and operating data of CenturyLink prepared by the management of CenturyLink as described below under *Certain Forecasts Prepared by CenturyLink* (collectively, the *CenturyLink Management Forecasts*) and (ii) as directed by and discussed with Level 3's management, certain publicly available research analysts' estimates relating to CenturyLink as described below in *The Combination and the Stock Issuance Opinions of Level 3's Financial Advisors' Analyst Estimates for CenturyLink* (the *Analyst Estimates for CenturyLink*);

reviewed certain information relating to potential strategic implications and operational benefits (including the amount, timing and achievability thereof) anticipated by the managements of Level 3 and CenturyLink to result from the combination (the *Synergies*);

reviewed the financial terms of the combination as set forth in the merger agreement in relation to, among other things:

current and historical market prices and trading volumes of Level 3 common stock and CenturyLink common stock,

the historical and projected earnings and other operating data of Level 3 and CenturyLink,

the capitalization and financial condition of Level 3 and CenturyLink,

to the extent publicly available, the financial terms of certain other transactions which Citi considered relevant in evaluating the combination,

certain financial, stock market and other publicly available information relating to the businesses of other companies whose operations Citi considered relevant in evaluating those of Level 3 and CenturyLink, and

certain potential pro forma financial effects of the combination of Level 3 and CenturyLink; and

conducted such other analyses and examinations and considered such other information and financial, economic and market criteria as Citi deemed appropriate in arriving at its opinion.

In rendering its opinion, Citi assumed and relied, without independent verification, upon the accuracy and completeness of all financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with Citi and upon the assurances of the managements of Level 3 and CenturyLink that they were not aware of any relevant information that was omitted or that remained undisclosed to Citi. With respect to the Level 3 Management Forecasts and the Synergies, Citi was advised by the management of Level 3 that such forecasts and

other information and data were reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of Level 3 as to the future financial performance of Level 3 and, with respect to the Synergies, the potential strategic implications and operational benefits anticipated to result from the combination and the other matters covered thereby. For purposes of its opinion, with the consent of the Level 3 Board, Citi assumed that the financial results reflected in the Level 3 Management Forecasts and other information and data provided by Level 3's management will be realized in the amounts and at the times projected. With respect to CenturyLink's future financial performance, at the direction of the management of Level 3, Citi reviewed and analyzed the CenturyLink Management Forecasts and the Analyst Estimates for CenturyLink, and for purposes of its opinion, at the direction of the management of Level 3 and with the consent of the Level 3 Board, Citi relied on the Analyst Estimates for CenturyLink and assumed that the financial results reflected in the Analyst Estimates for CenturyLink, together with the Synergies, will be realized in the amounts and at the times projected.

Citi also assumed, with the consent of the Level 3 Board, that the combination will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or

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agreement and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the combination, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Level 3, CenturyLink or the contemplated benefits of the combination. Representatives of Level 3 advised Citi, and Citi assumed, that the final terms of the merger agreement would not vary materially from those set forth in the draft merger agreement Citi reviewed. Citi further assumed that the combination will qualify as a reorganization within the meaning of Section 368(a) of the Code. Citi did not express any opinion as to what the value of CenturyLink common stock actually will be when issued pursuant to the combination or the price at which shares of CenturyLink common stock will trade at any time. Citi also did not express any opinion with respect to accounting, tax, regulatory, legal or similar matters and relied, with the consent of the Level 3 Board, upon the assessments of representatives of Level 3 and CenturyLink as to such matters. Citi did not make and it was not provided with an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Level 3 or CenturyLink and Citi did not make any physical inspection of the properties or assets of Level 3 or CenturyLink. Citi was not requested to, and Citi did not, solicit third party indications of interest in the possible acquisition of all or part of Level 3, nor was Citi requested to consider, and Citi's opinion did not address, the underlying business decision of Level 3 to effect the combination, the relative merits of the combination as compared to any alternative business strategies that might exist for Level 3 or the effect of any other transaction in which Level 3 might engage. Citi also expressed no view as to, and Citi's opinion did not address, the fairness (financial or otherwise) of the amount or nature or any other aspect of any compensation or other payments to any officers, directors or employees of any parties to the combination, or any class of such persons, relative to the merger consideration. Citi's opinion was necessarily based upon information available to it, and financial, stock market and other conditions and circumstances existing, as of October 30, 2016, except as otherwise noted. Although subsequent developments may affect Citi's opinion, Citi has no obligation to update, revise or reaffirm its opinion.

For a summary of the material financial analyses presented by Citi to the Level 3 Board in connection with the delivery of Citi's opinion, see the section entitled *Financial Analyses by Citi* beginning on page 91.

In connection with the combination, Citi and Level 3 executed an indemnification letter on October 11, 2016 and an engagement letter on October 30, 2016. Under the terms of Citi's engagement, Level 3 has agreed to pay Citi, for its financial advisory services in connection with the combination, an aggregate fee of approximately \$52 million, \$5 million of which was payable upon delivery by Citi of its opinion and the remainder of which is payable upon completion of the combination. Subject to certain limitations, Level 3 also has agreed to reimburse Citi for reasonable travel and other out-of-pocket expenses incurred by Citi in performing its services, including reasonable fees and expenses of its outside legal counsel, and to indemnify Citi and related persons against certain liabilities, including liabilities under the federal securities laws, arising out of its engagement.

Citi and its affiliates in the past have provided, and currently provide, services to Level 3 unrelated to the combination, for which services Citi and such affiliates have received and expect to receive customary compensation, including, without limitation, since August 1, 2014, having acted or acting (i) as financial advisor to Level 3 in connection with Level 3's acquisition of tw telecom in October 2014, (ii) as lead joint bookrunner for certain note offerings of Level 3, (iii) as joint lead arranger and joint bookrunning manager under a term loan credit facility of Level 3 and (iv) as lender under certain letters of credit and bank guarantees to certain subsidiaries of Level 3. During the period from August 1, 2014 to the date of its opinion, Citi has received compensation for financial advisory and/or underwriting services provided by its Investment Banking Division directly to Level 3 and/or its affiliates of approximately \$46,500,000. Citi and its affiliates in the past have also provided, and currently provide, services to CenturyLink unrelated to the combination, for which services Citi and such affiliates have received and expect to receive customary compensation, including, without limitation, since August 1, 2014, having acted or acting (i) as joint bookrunner and joint lead manager on certain note and debenture offerings of CenturyLink and (ii) as lender in connection with CenturyLink's revolving credit facility, letter of credit facility and certain daylight overdraft clearing

facilities. During the period from August 1, 2014 to the date of its opinion, Citi has received compensation for financial advisory and/or underwriting services

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provided by its Investment Banking Division directly to CenturyLink and/or to its affiliates of approximately \$1,700,000. In addition as disclosed to the Level 3 Board, one of the members of the Citi deal team advising Level 3 in connection with the combination is the lead coverage banker on Citi's coverage team for CenturyLink and in the last two years has participated in presentations to CenturyLink which included publicly available information on Level 3 and other industry participants. One of these presentations, in April 2016, was a discussion of potential activist investor activity with respect to CenturyLink, and included illustrative acquisition transactions (based on publicly available information) of CenturyLink by various companies, including Level 3. In the ordinary course of business, Citi and its affiliates may actively trade or hold the securities of Level 3 and CenturyLink for its own account or for the account of its customers and, accordingly, may at any time hold a long or short position in such securities. In addition, Citi and its affiliates (including Citigroup Inc. and its affiliates) may maintain relationships with Level 3, CenturyLink and their respective affiliates.

The Level 3 Board selected Citi to act as financial advisor in connection with the combination based on Citi's reputation and experience. Citi is an internationally recognized investment banking firm which regularly engages in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes.

Financial Analyses by Citi

The following is a summary of the material financial analyses delivered by Citi to the Level 3 Board in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Citi, nor does the order of analyses described represent relative importance or weight given to those analyses by Citi. As Citi advised the Level 3 Board in rendering its opinion, Citi's analyses excluded the effects of any exercise of appraisal rights by Level 3 stockholders. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Citi's financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before October 30, 2016, and is not necessarily indicative of current market conditions.

The preparation of financial opinions is a complex process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, financial opinions are not readily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth below, without considering the analyses as a whole, could create an incomplete view of the processes underlying Citi's opinion. In arriving at its fairness determination, Citi considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis it considered. Rather, Citi made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the below analyses as a comparison is directly comparable to Level 3 or CenturyLink or the contemplated combination.

Citi prepared these analyses for purposes of providing its opinion to the Level 3 Board as to the fairness, from a financial point of view, to the Level 3 stockholders (other than with respect to excluded shares), as of the date of the opinion, of the merger consideration to be paid to such holders pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Level 3, CenturyLink, Citi or any other person assumes responsibility if future results are materially

different from those forecast.

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The merger consideration was determined through arm's-length negotiations between Level 3 and CenturyLink, rather than by any financial advisor, and was approved by the Level 3 Board. Citi provided advice to Level 3 during these negotiations. Citi did not, however, recommend any specific amount of consideration to Level 3 or its board of directors or that any specific amount of consideration constituted the only appropriate consideration for the transaction.

As described above, Citi's opinion to the Level 3 Board was one of many factors taken into consideration by the Level 3 Board in making its determination to approve the merger agreement. This summary does not purport to be a complete description of the analyses performed by Citi in connection with its fairness opinion and is qualified in its entirety by reference to Citi's written opinion attached as Annex C.

Level 3 Financial Analyses

Selected Precedent Transactions Analyses. Citi analyzed certain publicly available information relating to the following selected precedent transactions, referred to as the selected precedent transactions, that Citi in its professional judgment considered relevant for purposes of its analysis as transactions in the enterprise / fiber telecommunications industry announced in the last 5 years having a transaction value of greater than \$750 million:

Zayo Group, LLC / AboveNet, Inc.

Berkshire Partners LLC / Lightower Fiber Networks

Berkshire Partners LLC / Sidera Networks, LLC

Level 3 Communications, Inc. / tw telecom

Lightower Fiber Networks / Fibertech Networks

For two of the five selected precedent transactions, Zayo Group, LLC / AboveNet, Inc. and Level 3 Communications, Inc. / tw telecom, Citi calculated the transaction value as a multiple of the target's forward estimated EBITDA without reduction for stock-based compensation expenses, referred to as the Pre-SBC EBITDA, with such multiple for Zayo Group, LLC / AboveNet, Inc. being 9.3x and for Level 3 Communications, Inc. / tw telecom being 13.1x. The additional three transactions listed above were disregarded for purposes of Citi's analysis of transaction value / Pre-SBC EBITDA multiples for the selected precedent transactions because they involved private companies for which information with respect to their stock based compensation expenses was not available. Such transactions were reflected in the analysis summarized below utilizing forward estimated EBITDA reduced by stock-based compensation.

For each of the five selected precedent transactions, Citi calculated the transaction value as a multiple of the target's forward estimated EBITDA (or last twelve months (or LTM) EBITDA, if a forward estimate was not available), as applicable, reduced by stock-based compensation expenses, if applicable, referred to as the Post-SBC EBITDA, with such multiples ranging from a low of 8.9x (in the Berkshire Partners LLC / Sidera Networks, LLC transaction) to a high of 14.0x (in the Level 3 Communications, Inc. / tw telecom transaction).

The following table presents the results of this analysis:

Metric	Transaction Value Multiple Range	
	Low	High
Transaction Value / Pre-SBC EBITDA	9.3x	13.1x
Transaction Value / Post-SBC EBITDA	8.9x	14.0x

Citi used the multiples resulting from the selected precedent transactions to derive an implied equity value per share to Level 3. Citi applied the 9.3x to 13.1x range of transaction value / Pre-SBC EBITDA multiples to

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Level 3's estimated Pre-SBC EBITDA for calendar year 2017 (from the Level 3 Management Forecasts), which resulted in implied equity values per share of \$50.58 to \$82.06. Citi applied the 8.9x to 14.0x range of transaction value / Post-SBC EBITDA multiples to Level 3's estimated Post-SBC EBITDA for calendar year 2017 (from the Level 3 Management Forecasts) which resulted in implied equity values per share of \$43.39 to \$83.58. Citi compared the ranges of implied equity values per share to the \$66.86 implied per share merger consideration to Level 3 stockholders, assuming (i) cash consideration of \$26.50 per share and (ii) an implied value of the stock consideration of \$40.36 per share based on the 1.4286 per share exchange ratio and the closing price of CenturyLink common stock of \$28.25 per share on October 26, 2016, the last day prior to market rumors of a transaction between Level 3 and CenturyLink, which we refer to as the Unaffected Date.

For informational purposes only, Citi also reviewed the EBITDA multiples and implied equity values to Level 3 of two additional transactions in the enterprise / fiber telecommunications industry (Crown Castle International Corp. / Sunesys and Level 3 Communications, Inc. / Global Crossing Limited) but in its professional judgment excluded such transactions from its selected precedent transaction analysis because such acquired companies were not, in Citi's professional judgment, sufficiently comparable to Level 3 for such purposes.

Discounted Cash Flow Analysis. Citi performed a discounted cash flow analysis of the Level 3 Management Forecasts to derive implied equity values per share of Level 3 as of June 30, 2016. Citi added the present values (in each case as of June 30, 2016) of (i) the unlevered free cash flow for the six months ended December 31, 2016 and the calendar years 2017 through 2021 (which amounts are set forth in the Level 3 Management Forecasts), (ii) the tax savings, which we refer to as the Level 3 NOL Tax Savings, associated with the use of the Level 3 NOLs, for the six months ended December 31, 2016 and the calendar years 2017 through 2031 (the last year in which Level 3 is estimated to have net operating losses available for use), and (iii) the terminal value of Level 3 at the end of the forecast period. For purposes of this analysis, the terminal value calculation applied perpetuity growth rates ranging from 2.0% to 3.0% to Citi's estimate of normalized unlevered free cash flow. Citi estimated normalized unlevered free cash flow for the terminal year by adjusting Level 3's estimated unlevered free cash flow for calendar year 2021 to assume the depreciation was equal to the amount of capital expenditures in the terminal year and to then re-calculate such unlevered cash flow to account for the resulting tax impact, and to assume (based on discussions with Level 3 management) a normalized level of working capital. Citi's present value calculations assumed discount rates of 7.25% to 8.25%, based upon an analysis of Level 3's weighted average cost of capital, which Citi performed utilizing the capital asset pricing model with inputs that Citi determined were relevant based on publicly available data and Citi's professional judgment. Additionally, Citi treated Level 3's non-cash stock-based compensation expense as a cash expense in calculating Level 3's unlevered free cash flow for all periods. Citi then subtracted net debt (total debt minus cash and cash equivalents, as of June 30, 2016) and divided the range of equity values it derived by the number of fully diluted outstanding shares of Level 3 (as of September 30, 2016) to derive implied equity values per share of \$41.29 to \$66.80, as compared to the implied per share merger consideration of \$66.86. Citi noted that the net present value of the Level 3 NOL Tax Savings contributed \$6.77 to \$7.03 per share to the range noted and that if the net present value of the Level 3 NOL Tax Savings were disregarded, the discounted cash flow analysis would result in a lower range of implied equity values per share.

Has / Gets Analysis. Citi reviewed the following metrics for Level 3 both on a stand-alone and pro forma (for the combination) basis:

Implied equity value per share based on a market value analysis; and

Implied equity value per share based on a discounted cash flow analysis.

With respect to the implied equity value per share based on the market value analysis, to derive a pro forma equity value, Citi added: (i) the market equity values of Level 3 and CenturyLink (in each case based on their respective share prices as of the Unaffected Date) plus (ii) the net present value of the Synergies, plus (iii) the net

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present value of the accelerated use of the Level 3 NOLs as a result of the combination, less (iv) the estimated transaction expenses, less (v) the aggregate cash consideration payable to Level 3 stockholders in the combination. Citi then multiplied the resulting pro forma equity value by 49%, representing the Level 3 stockholders' pro forma ownership of the combined company, and divided by the fully diluted shares outstanding of Level 3 common stock to derive an implied equity value per share of Level 3 and added \$26.50 in cash per share. Citi then compared this number to Level 3's market price (as of the Unaffected Date).

With respect to the implied equity value per share based on the discounted cash flow analysis, to derive a pro forma equity value, Citi added: (i) the equity values implied by the discounted cash flow analyses for each of Level 3 and CenturyLink, plus (ii) the net present value of the Synergies, plus (iii) the net present value of the accelerated use of the Level 3 NOLs as a result of the combination, less (iv) the estimated transaction expenses, less (v) the aggregate cash consideration payable to Level 3 stockholders in the combination. Citi then multiplied the resulting pro forma equity value by 49%, representing the Level 3 stockholders' pro forma ownership of the combined company, and divided by the fully diluted shares outstanding of Level 3 common stock to derive an implied equity value per share of Level 3 and added \$26.50 in cash per share. Citi then compared this number to the midpoint of the implied equity value per share derived in the Level 3 standalone discounted cash flow analysis. Citi performed this analysis using the Level 3 Management Forecasts, the CenturyLink Management Forecasts and the Analyst Estimates for CenturyLink.

The results of these analyses are provided in the table below:

Methodology	Stand-Alone	Pro Forma
Market Value Analysis	\$ 46.92	\$ 70.32
DCF Analysis (Level 3 Management Forecasts / CenturyLink Management Forecasts)	\$ 51.66	\$ 83.67
DCF Analysis (Level 3 Management Forecasts / Analyst Estimates for CenturyLink)	\$ 51.66	\$ 75.45

Other Factors. Citi observed certain additional factors that were not part of its financial analyses with respect to its opinion but were referenced for informational purposes, including, among other things, the following:

Trading Range Analysis trading prices for the 52-week period prior to the Unaffected Date for Level 3 common stock, which ranged from \$42.74 to \$57.18 per share;

Research Price Target Analysis publicly available research analyst estimates of Level 3's one-year forward stock price targets which ranged from \$54.00 to \$66.00 per share;

Precedent Premiums Analysis premiums paid in precedent transactions announced since 2001 (with transaction values greater than \$500 million) involving public companies where the target company received consideration that was in both cash and stock. Citi observed a range of the average implied 4-week premiums paid in such transactions of 19.3% to 41.5% (with a median of 29.9%), and applied a selected range of 25% to 35% to the closing price of Level 3 common stock of \$47.66 per share on September 28, 2016 (4 weeks prior to the Unaffected Date), which indicated implied equity values per share of \$59.57 to \$64.34; and

Selected Public Comparables Analysis trading multiples of other publicly traded companies in the enterprise / fiber telecommunications industry, Zayo Group Holdings, Inc. and Cogent Communications Holdings, Inc., based on publicly available information and publicly available Wall Street research analysts estimates. Citi determined in its professional judgment that neither of the two companies could be considered sufficiently comparable to Level 3 in light of the fact that Level 3's historic Firm Value / Pre-SBC EBITDA multiple was consistently lower than the same multiples of Zayo Group Holdings, Inc. and Cogent Communications Holdings, Inc. Because the two companies could be considered relevant for comparative purposes as publicly traded companies in the enterprise / fiber telecommunications industry, Citi did consider: (a) the implied equity value per share of Level 3 using Zayo Group Holdings, Inc.'s and Cogent Communication Holdings, Inc.'s Firm Value / calendar

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year 2017 Pre-SBC EBITDA multiples of 10.6x and 12.2x, respectively, of \$61.54 to \$75.10, and (b) the implied equity value per share of Level 3 using the implied calendar year 2017 Firm Value / Pre-SBC EBITDA multiples of the two companies adjusted to account for the historic multiple gap (as measured over a 2-year period) between Level 3 and the two companies Firm Value / Pre-SBC EBITDA multiples (0.9x and 3.0x for Zayo Group Holdings, Inc. and Cogent Communications Holdings, Inc., respectively), of \$50.18 to \$53.79. In this section of the joint proxy statement/prospectus, with respect to any company, we refer to the market value of the fully diluted common equity plus the book value of any preferred stock, if applicable, and debt less cash and cash equivalents as the Firm Value of such company.

CenturyLink Financial Analyses

Citi also performed the following financial analyses with respect to CenturyLink in order to evaluate the market price of CenturyLink common stock.

Selected Public Comparables Analysis. Citi reviewed and compared certain financial information for CenturyLink to corresponding financial information and public market multiples for the following publicly traded companies that Citi in its professional judgment deemed generally relevant for comparative purposes as publicly traded companies in the wireline telecommunications industry, which we refer to as the CenturyLink selected public companies:

Frontier Communications Corporation

Windstream Holdings, Inc.

Using publicly available information and Wall Street research, Citi calculated the Firm Value / Post-SBC EBITDA multiple based on such companies estimated Post-SBC EBITDA for calendar year 2017, which were 4.8x and 6.0x for Windstream Holdings, Inc. and Frontier Communications Corporation, respectively.

Citi then multiplied CenturyLink's 2017 calendar year Post-SBC EBITDA (based on the CenturyLink Management Forecasts) by 4.8x and 6.0x, which resulted in implied equity values per share of \$20.96 to \$34.53, as compared to the closing price of CenturyLink common stock of \$28.25 per share on the Unaffected Date.

For informational purposes only, and not as part of its financial analyses with respect to its opinion, Citi also reviewed the Firm Value / Post-SBC EBITDA multiple (and the implied equity value per share of CenturyLink) of one additional publicly traded company, Cincinnati Bell, but in its professional judgment excluded the company from its selected public comparables analysis as not being sufficiently comparable to CenturyLink for such purpose.

Discounted Cash Flow Analysis. Citi performed a discounted cash flow analysis of the Analyst Estimates for CenturyLink to derive implied equity values per share of CenturyLink as of June 30, 2016. Citi added the present values (in each case as of June 30, 2016) of (i) the unlevered free cash flow for the six months ended December 31, 2016 and the calendar years 2017 through 2020 and (ii) the terminal value of CenturyLink at the end of the forecast period. For purposes of this analysis, the terminal value calculation applied perpetuity growth rates ranging from (0.50)% to 0.50% to Citi's estimate of normalized unlevered free cash flow. Citi estimated normalized unlevered free cash flow for the terminal year by adjusting CenturyLink's estimated unlevered free cash flow for calendar year 2020 to assume the depreciation was equal to the amount of capital expenditures in the terminal year and to then re-calculate such unlevered cash flow to account for the resulting tax impact. Citi's present value calculations assumed discount rates of 5.50% to 6.50%, based upon an analysis of CenturyLink's weighted average cost of capital which Citi performed utilizing the capital asset pricing model with inputs that Citi determined were relevant based on publicly

available data and Citi's professional judgment. Additionally, Citi treated CenturyLink's non-cash stock-based compensation expense as a cash expense in calculating CenturyLink's unlevered free cash flow for all periods. To derive the range of implied equity values, Citi then

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subtracted the amount of net debt of CenturyLink as of June 30, 2016, adjusted for the incurrence of additional debt and receipt of the proceeds thereof by CenturyLink in August 2016, and divided the range of equity values it derived by the number of fully diluted outstanding shares of CenturyLink (as of September 30, 2016), to derive a range of implied equity values per share of \$23.52 to \$43.90, as compared to the closing price of \$28.25 per share on the Unaffected Date.

For informational purposes only, and not as part of its financial analyses with respect to its opinion, Citi also performed a discounted cash flow analysis using the CenturyLink Management Forecasts following the same approach as described above, which resulted in a higher range of equity values per share of CenturyLink common stock. For purposes of its opinion, and with the consent of the Level 3 Board, Citi relied solely on the discounted cash flow analysis using the Analyst Estimates for CenturyLink.

Other Factors. Citi observed certain additional factors that were not considered part of its financial analyses with respect to its opinion but were referenced for informational purposes, including, among other things, the following:

Trading Range Analysis trading prices for the 52-week period prior to the Unaffected Date for CenturyLink common stock, which ranged from \$22.24 to \$32.80 per share; and

Research Price Target Analysis publicly available research analyst estimates of CenturyLink's one-year forward stock price targets, which ranged from \$24.00 to \$42.00 per share.

Opinion of Lazard Frères & Co. LLC

On October 30, 2016, Lazard Frères & Co. LLC ("Lazard"), financial advisor to Level 3, rendered its oral opinion, subsequently confirmed in writing by delivery of a written opinion, dated October 30, 2016, to the board of directors of Level 3, that, as of such date, and based upon and subject to the assumptions, procedures, factors, qualifications and limitations set forth therein, the per share merger consideration of \$26.50 in cash and 1.4286 shares of CenturyLink common stock (referred to in this section as the merger consideration) to be paid to holders of shares of Level 3 common stock, other than the excluded holders, in the merger was fair, from a financial point of view, to such holders. For purposes of this section, excluded holders means holders of shares of Level 3 common stock that have properly perfected their rights of appraisal within the meaning of Section 262 of the Delaware law.

The full text of Lazard's written opinion, dated October 30, 2016, which sets forth the assumptions made, procedures followed, factors considered and qualifications and limitations on the scope of review undertaken by Lazard in connection with its opinion, is attached to this joint proxy statement/prospectus as Annex D and is incorporated into this joint proxy statement/prospectus by reference. The description of Lazard's opinion set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of Lazard's written opinion attached as Annex D. You are encouraged to read Lazard's opinion and this section carefully and in their entirety.

Lazard's opinion was for the benefit of the Level 3 Board (in its capacity as such) in connection with the Level 3 Board's evaluation of the merger and the other transactions contemplated by the merger agreement (which are referred to in this section as the transaction) and only addressed the fairness, from a financial point of view, to holders of Level 3 common stock of the merger consideration. Lazard's opinion was not intended to and does not constitute a recommendation to any stockholder as to how such person should vote or act with respect to the merger or any matter relating thereto. Lazard's opinion was necessarily based on economic, monetary,

market and other conditions as in effect on, and the information made available to Lazard as of, the date of its opinion. Lazard assumed no responsibility for updating or revising its opinion based on circumstances or events occurring after the date thereof. In connection with its engagement, Lazard was not authorized to, and did not, solicit indications of interest from third parties regarding a potential transaction with Level 3. Lazard did not express any opinion as to the prices at

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which shares of the Level 3 common stock or CenturyLink common stock may trade at any time subsequent to the announcement of the merger. In addition, Lazard's opinion did not address the relative merits of the transaction as compared to any other transaction or business strategy in which Level 3 might engage or the merits of the underlying decision by Level 3 to engage in the merger and related transactions contemplated by the merger agreement.

In connection with its opinion, Lazard:

Reviewed the financial terms and conditions of a draft of the merger agreement, dated October, 30, 2016 (6:05 pm);

Reviewed certain publicly available historical business and financial information relating to Level 3 and CenturyLink;

Reviewed various financial forecasts and other data provided to it by Level 3 relating to the business of Level 3, financial forecasts and other data provided to it by CenturyLink relating to the business of CenturyLink, certain publicly available financial forecasts relating to the businesses of Level 3 and CenturyLink, including, in the case of CenturyLink, as adjusted by Level 3 management, and the projected synergies and other benefits, including the amount and timing thereof, anticipated by the managements of CenturyLink and Level 3 to be realized from the transaction;

Held discussions with members of the senior management of Level 3 with respect to the businesses and prospects of Level 3 and CenturyLink, with members of the senior management of CenturyLink with respect to the business and prospects of CenturyLink, and with members of the senior management of Level 3 and CenturyLink with respect to the projected synergies and other benefits anticipated by the managements of CenturyLink and Level 3 to be realized from the transaction;

Reviewed public information with respect to certain other companies in lines of business it believed to be generally relevant in evaluating the businesses of Level 3 and CenturyLink, respectively;

Reviewed the financial terms of certain business combinations involving companies in lines of business it believed to be generally relevant in evaluating the business of Level 3;

Reviewed historical stock prices and trading volumes of the Level 3 common stock and the CenturyLink common stock;

Reviewed the potential pro forma financial impact of the transaction on CenturyLink based on the financial forecasts referred to above relating to Level 3 and CenturyLink; and

Conducted such other financial studies, analyses and investigations as it deemed appropriate. Lazard assumed and relied upon the accuracy and completeness of the foregoing information, without independent verification of such information. Lazard did not conduct any independent valuation or appraisal of any of the assets or liabilities (contingent or otherwise) of Level 3 or CenturyLink or concerning the solvency or fair value of Level 3 or CenturyLink, and Lazard was not furnished with any such valuation or appraisal. With respect to the financial forecasts utilized in Lazard's analyses, including those related to projected synergies and other benefits, as well as costs incurred to realize those synergies, anticipated by the managements of Level 3 or CenturyLink to be realized from the transaction, Lazard assumed, with the consent of Level 3, that they were reasonably prepared on bases reflecting the best currently available estimates and judgments as to the future financial performance of Level 3 and CenturyLink, respectively, and such synergies, costs to achieve synergies, and other benefits. At the direction of Level 3, for purposes of Lazard's analysis and Lazard's review of the business of CenturyLink, Lazard relied upon publicly available financial forecasts, as adjusted by Level 3 management and, with the consent of Level 3, assumed that such forecasts were a reasonable basis upon which to evaluate the future financial performance of CenturyLink. Lazard assumed no responsibility for and expressed no view as to any such forecasts or the assumptions on which they are based.

In rendering its opinion, Lazard assumed, with the consent of Level 3, that the transaction will be consummated on the terms described in the merger agreement, without any waiver or modification of any

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material terms or conditions. Representatives of Level 3 advised Lazard, and Lazard assumed, that the merger agreement, when executed, conformed to the draft reviewed by Lazard in all material respects. Lazard also assumed, with the consent of Level 3, that obtaining the necessary governmental, regulatory or third party approvals and consents for the transaction will not have an adverse effect on Level 3, CenturyLink or the transaction. Lazard further assumed, with the consent of Level 3, that the transaction will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Lazard did not express any opinion as to any tax or other consequences that might result from the transaction, nor does Lazard's opinion address any legal, tax, regulatory or accounting matters, as to which Lazard understood that Level 3 obtained such advice as it deemed necessary from qualified professionals. Lazard expressed no view or opinion as to any terms or other aspects (other than the merger consideration to the extent expressly specified in the opinion) of the transaction, including, without limitation, the form or structure of the transaction or any agreements or arrangements entered into in connection with, or contemplated by, the transaction, or the manner set forth in the merger agreement for providing cash in lieu of fractional shares of CenturyLink common stock to holders of Level 3 common stock. In addition, Lazard expressed no view or opinion as to the fairness of the amount or nature of, or any other aspects relating to, the compensation to any officers, directors or employees of any parties to the transaction, or class of such persons, relative to the merger consideration or otherwise.

The following is a brief summary of the material financial analyses and reviews that Lazard deemed appropriate in connection with rendering its opinion. The brief summary of Lazard's analyses and reviews provided below is not a complete description of the analyses and reviews underlying Lazard's opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of analysis and review and the application of those methods to particular circumstances, and, therefore, is not readily susceptible to summary description. Considering selected portions of the analyses and reviews or the summary set forth below, without considering the analyses and reviews as a whole, could create an incomplete or misleading view of the analyses and reviews underlying Lazard's opinion.

In arriving at its opinion, Lazard considered the results of all of its analyses and reviews and did not attribute any particular weight to any factor, analysis or review considered by it; rather, Lazard made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses and reviews. For purposes of its analyses and reviews, Lazard considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Level 3 and CenturyLink. No company, business or transaction used in Lazard's analyses and reviews as a comparison is identical to Level 3, CenturyLink, or the merger and related transactions contemplated by the merger agreement, and an evaluation of the results of those analyses and reviews is not entirely mathematical. Rather, the analyses and reviews involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the transaction, public trading or other values of the companies, business or transactions used in Lazard's analyses and reviews. The estimates contained in Lazard's analyses and reviews and the ranges of valuations resulting from any particular analysis or review are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by Lazard's analyses and reviews. In addition, analyses and reviews relating to the value of companies, businesses or securities do not purport to be appraisals or to reflect the prices at which companies, business or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, Lazard's analyses and reviews are inherently subject to substantial uncertainty.

Summary of Lazard Financial Analyses

The summary of the analyses and reviews provided below includes information presented in tabular format. In order to fully understand Lazard's analyses and reviews, the tables must be read together with the full text of each summary. The tables alone do not constitute a complete description of Lazard's analyses and reviews. Considering the date in the

tables below without considering the full description of the analyses and reviews,

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including the methodologies and assumptions underlying the analyses and reviews, could create a misleading or incomplete view of Lazard's analyses and reviews.

Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before October 26, 2016, the last trading day before a press report about the transaction appeared, and is not necessarily indicative of current market conditions.

Selected Comparable Company Multiples Analysis

Lazard reviewed and analyzed certain financial information, valuation multiples and market trading data related to selected comparable publicly traded network infrastructure companies whose operations Lazard believed, based on its experience with companies in the network infrastructure industry and professional judgment, to be generally relevant in analyzing Level 3's and CenturyLink's operations for purposes of its analysis. Lazard compared such information of the selected comparable companies to the corresponding information for Level 3 and CenturyLink.

The selected group of companies used in this analysis with respect to Level 3, or the Level 3 comparable companies, was as follows:

Cogent Communications Holdings, Inc.; and

Zayo Group Holdings, Inc.

In addition, Lazard also considered the multiples and growth rates of the following related businesses: Comcast Corporation, Charter Communications, Inc., AT&T Inc., Verizon Communications, Inc., Digital Realty Trust, Inc., DuPont Fabros Technology, Inc., CoreSite Realty Corporation, QTS Realty Trust, Inc., Equinix, Inc., and CyrusOne Inc.

The selected group of companies used in this analysis with respect to CenturyLink, or the CenturyLink comparable companies, was as follows:

Frontier Communications Corporation;

Cincinnati Bell Inc.;

Consolidated Communications Holdings, Inc.;

FairPoint Communications, Inc.;

AT&T Inc.; and

Verizon Communications, Inc.

In addition, as part of the analysis with respect to CenturyLink, Lazard also analyzed the pro forma metrics resulting from the combination of Communication Sales & Leasing, Inc. and Windstream Services, LLC.

Lazard selected the companies reviewed in this analysis because, among other things, the Level 3 comparable companies and the CenturyLink comparable companies operate businesses similar to the businesses of Level 3 and CenturyLink, respectively. However, no selected company is identical to Level 3 or CenturyLink. Accordingly, Lazard believes that purely quantitative analyses are not, in isolation, determinative in the context of the transaction and that qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of each of Level 3 and CenturyLink and the Level 3 comparable companies and the CenturyLink comparable companies, respectively, that could affect the public trading values of each company are also relevant.

For each of the selected companies, Lazard calculated and compared the ratio of such company's enterprise value, which Lazard calculated as the market capitalization of each company (based on each company's closing

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share price as of October 26, 2016 and fully diluted share count as of June 30, 2016 (or the applicable date specified in its annual report on Form 10-K or quarterly report on Form 10-Q), as applicable, for the calendar year or quarter ended June 30, 2016, respectively), plus debt, non-controlling interest and preferred or preference stock, less cash, cash equivalents and marketable securities and appropriately adjusted for the net present value of net operating losses, if any, in each case, as of June 30, 2016, to its calendar year 2017 estimated earnings before interest, taxes, depreciation and amortization, or EBITDA.

The 2017 EBITDA estimates for each of the Level 3 and the CenturyLink comparable companies used by Lazard in its analysis were based on Wall Street research, which represents publicly available consensus estimates. The 2017 EBITDA estimate used for Level 3 was based on the Level 3 management plan and the 2017 EBITDA estimate for CenturyLink was based on Wall Street estimates as adjusted by Level 3 management.

Lazard observed that the multiples of enterprise value to estimated 2017 EBITDA for the Level 3 comparable companies ranged from 6.1x to 12.8x. Using this information and based on its professional judgment and experience, Lazard derived ranges of multiples of enterprise value to estimated 2017 EBITDA for Level 3 of 8.0x to 10.0x.

Lazard also observed that the multiples of enterprise value to estimated 2017 EBITDA for the CenturyLink comparable companies ranged from 5.2x to 8.7x. Using this information and based on Lazard's professional judgment and experience, Lazard derived ranges of multiples of enterprise value to estimated 2017 EBITDA for CenturyLink of 5.0x to 6.0x.

Lazard applied each such range of multiples for the Level 3 comparable companies and the CenturyLink comparable companies to the relevant financial statistics of Level 3 and CenturyLink, respectively, as reflected in the Level 3 management plan for Level 3, and the CenturyLink Wall Street estimates as adjusted by Level 3 management for CenturyLink.

This analysis resulted in an implied price per share range for shares of Level 3 common stock and CenturyLink common stock and implied exchange ratios, as set forth below:

Implied			
Implied Level 3 Price	CenturyLink		
Per Share Range	Price Per Share Range	Implied Exchange Ratios	
\$44.49 - \$60.21	\$23.12 - \$34.89	<u>Low</u>	<u>High</u>
		LVL/Share	\$44.49
		Less: Cash/Share	(\$26.50)
		Stock/Share	\$17.99
		CTL/Share	\$23.12
		Implied Exchange Ratio	0.52x
			\$60.21
			(\$26.50)
			\$33.71
			\$34.89
			1.46x

Lazard also calculated an implied exchange ratio reference range based on the selected comparable company multiples analysis described above by dividing the low end of the implied Level 3 price per share range resulting from the selected comparable company multiples analysis described above (less \$26.50 per share in cash) by the high end of the implied CenturyLink price per share range resulting from the selected comparable company multiples analysis described above and by dividing the high end of the implied Level 3 price per share range resulting from the selected comparable company multiples analysis described above (less \$26.50 per share in cash) by the low end of the implied

CenturyLink price per share range resulting from the selected comparable company multiples analysis described above. This analysis indicated an implied exchange ratio range of 0.52x to 1.46x and an implied pro forma ownership range for the Level 3 stockholders of 25.6% to 49.3%. The exchange ratio provided for in the merger agreement is 1.4286x resulting in a pro forma ownership by Level 3 stockholders of 49%.

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Table of Contents**Discounted Cash Flow Analysis**

Lazard performed a discounted cash flow analysis of each of Level 3 and CenturyLink, which is a valuation methodology used to derive a valuation of a company by calculating the present value of its estimated future cash flows. Future cash flows refers to projected unlevered free cash flows of a company. Present value refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate. Lazard calculated the discounted cash flow value for each of Level 3 and CenturyLink as the sum of the net present value, as of September 30, 2016, which we refer to as the discount date in this joint proxy statement/prospectus, of each of:

the estimated future cash flows that the applicable company will generate for Q4 2016 and each of the following years through 2021 with respect to Level 3 and 2020 with respect to CenturyLink; and

the estimated terminal value beyond 2021 with respect to Level 3 and beyond 2020 with respect to CenturyLink.

The estimated future cash flow for Level 3 and CenturyLink was calculated by Lazard based on the Level 3 management plan and the CenturyLink Wall Street estimates as adjusted by Level 3 management, respectively, as summarized above. For its discounted cash flow calculations for both companies, Lazard applied discount rates ranging from 6.5% to 8.0% for Level 3 and 6.0% to 7.0% for CenturyLink. Such discount rates were based on Lazard's estimated range of the weighted average cost of capital of each company. Lazard calculated the weighted average cost of capital for both Level 3 and CenturyLink based on the capital asset pricing model. Key inputs included a risk free rate of 1.8%, based on the 10-year treasury rate, a 6.9% equity risk premium, and an estimated cost of debt range of 4.5% to 5.5% for Level 3 and 7.0% to 7.5% for CenturyLink.

The terminal value of the companies was calculated applying terminal year EBITDA multiples ranging from 8.0x to 10.0x to Level 3's projected terminal year EBITDA of \$3.794 billion and 5.0x to 7.0x to CenturyLink's projected terminal year EBITDA of \$6.391 billion. The exit terminal year EBITDA multiples for Level 3 and CenturyLink were selected by Lazard by reference to enterprise value to EBITDA trading multiples calculated for Level 3 and CenturyLink, as well as the enterprise value to EBITDA trading multiples of the Level 3 comparable companies and the CenturyLink comparable companies, respectively. In addition, Lazard considered the implied perpetuity growth rates suggested by the exit multiple ranges for Level 3 (1.5%-3.9%) and CenturyLink (-0.6%-2.2%). As part of the total implied equity value calculated for Level 3 and CenturyLink, Lazard calculated and deducted from enterprise value the sum of the book value of the outstanding financial debt less cash and cash equivalents.

This analysis resulted in an implied price per share range for shares of Level 3 common stock and CenturyLink common stock and implied exchange ratios, as set forth below:

Implied Level 3	Implied	
Price Per Share	CenturyLink Price	
Range	Per Share Range	Implied Exchange Ratios
\$54.64 - \$74.99	\$22.58 - \$43.24	<u>Low</u> <u>High</u>

LVLT/Share	\$54.64	\$74.99
Less: Cash/Share	(\$26.50)	(\$26.50)
Stock/Share	\$28.14	\$48.49
CTL/Share	\$22.58	\$43.24
Implied Exchange Ratio	0.65x	2.15x

Lazard also calculated an implied exchange ratio reference range based on the discounted cash flow analysis described above by dividing the low end of the price per share range of Level 3 resulting from the discounted cash flow analysis described above (less \$26.50 per share in cash) by the high end of the price per share range of CenturyLink resulting from the discounted cash flow analysis described above and the high end of the price per share range of Level 3 resulting from the discounted cash flow analysis described above (less \$26.50 per share in

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cash) by the low end of the price per share range of CenturyLink resulting from the discounted cash flow analyses described above. This analysis resulted in an implied exchange ratio of 0.65x to 2.15x and an implied pro forma ownership range for the Level 3 stockholders of 30.3% to 58.9%. The exchange ratio provided for in the merger agreement is 1.4286x resulting in a pro forma ownership for the Level 3 stockholders of 49%.

For the information of the Level 3 Board, Lazard also presented a Level 3 discounted cash flow analysis based on the Wall Street estimates for Level 3, which resulted in an implied Level 3 price per share range of \$49.80 to \$68.71. In addition, for the information of the Level 3 Board, Lazard presented CenturyLink discounted cash flow analyses based on CenturyLink's management projections for CenturyLink, which resulted in an implied CenturyLink price per share range of \$25.43 to \$47.04 and on the unadjusted Wall Street estimates, which resulted in an implied CenturyLink price per share range of \$26.96 to \$48.39. This information was provided for informational purposes only and did not provide the basis for the rendering of Lazard's opinion.

Additionally, for the information of the Level 3 Board, Lazard also calculated the implied exchange ratio using the discounted cash flow analysis based on the Level 3 management projections for Level 3 and the CenturyLink management projections for CenturyLink, which resulted in an implied exchange ratio range of 0.60x to 1.91x and a pro forma ownership range for the Level 3 stockholders of 28.6% to 56.0%. In addition, also for the information of the Level 3 Board, Lazard calculated the implied exchange ratio using the discounted cash flow analysis based on Level 3 Wall Street estimates for Level 3 and unadjusted CenturyLink Wall Street estimates for CenturyLink, which resulted in an implied exchange ratio range of 0.48x to 1.57x and a pro forma ownership range for the Level 3 stockholders of 24.3% to 51.1%. Finally, for the further information of the Level 3 Board, Lazard calculated a Level 3 and CenturyLink implied exchange ratio, using the discounted cash flow analysis based on the Level 3 management plan for Level 3 and unadjusted CenturyLink Wall Street estimates for CenturyLink, which resulted in an implied exchange ratio range of 0.58x to 1.80x and a pro forma ownership range for the Level 3 stockholders of 28.0% to 54.6%. For purposes of each of these calculations, the implied per share reference ranges for Level 3 were reduced by \$26.50 per share, the amount of the cash component of the merger consideration. This information was provided for informational purposes only and did not provide the basis for the rendering of Lazard's opinion.

Selected Precedent Transactions Multiples Analysis

Lazard reviewed and analyzed selected precedent merger and acquisition transactions involving companies in the network infrastructure industry it viewed as generally relevant in analyzing Level 3. In performing this analysis, Lazard reviewed certain financial information and transaction multiples relating to the companies involved in such selected transactions and compared such information to the corresponding information for Level 3. Specifically, Lazard selected and reviewed eleven merger and acquisition transactions announced since August 2010 involving companies in the network infrastructure industry for which sufficient public information was available.

To the extent publicly available, Lazard reviewed, among other things, the forward and trailing EBITDA multiples of each of the target companies implied by the selected transactions by comparing the relevant target company's total enterprise value (based on the acquisition price) to its forward and trailing EBITDA at the time of the transaction. Estimated EBITDA amounts for the target companies were based on company filings, Wall Street estimates or other publicly available financial information.

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The selected group of transactions reviewed in this analysis and the forward and trailing EBITDA multiples for the target companies were as follows:

Announcement Date	Acquirer	Target	Forward EBITDA	Trailing EBITDA
August 26, 2010	Court Square Capital Partners, L.P	Fibertech Networks, LLC	N/A	11.5x
April 11, 2011	Level 3 Communications, Inc.	Global Crossing Limited	7.2x	7.5x
October 7, 2011	Zayo Group Holdings, Inc.	360networks Holdings (USA), Inc.	N/A	14.0x
March 19, 2012	Zayo Group Holdings, Inc.	AboveNet, Inc.	10.1x	11.0x
December 27, 2012	Berkshire Partners LLC	Lightower Fiber Networks LLC	N/A	12.7x
December 27, 2012	Berkshire Partners LLC	Sidera Networks, Inc.	N/A	8.9x
October 7, 2013	Time Warner Cable Inc.	DukeNet Communications, LLC	10.5x	N/A
June 16, 2014	Level 3 Communications, Inc.	tw telecom inc.	13.1x	13.7x
April 27, 2015	Lightower Fiber Networks LLC	Fibertech Networks, LLC	12.0x	13.1x
April 30, 2015	Crown Castle International Corp.	Quanta Fiber Networks, Inc. (Sunesys)	N/A	15.0x
November 23, 2015	Zayo Group Holdings, Inc.	Allstream, Inc.	N/A	4.7x

Based on an analysis of the relevant metrics for each of the transactions, Level 3 management's forecasted growth, as well as its professional judgment and experience, Lazard applied a range of 10.0x - 12.0x to the last twelve months EBITDA of Level 3.

Based on the applied range described above, Lazard calculated the implied price per share range for shares of Level 3 common stock and the implied exchange ratios based on CenturyLink's closing price on October 26, 2016, as set forth below:

Implied Level 3**Price Per Share****CenturyLink Closing**

Range	Price (10/26/2016)	Implied Exchange Ratios	
		Low	High
\$53.99 - \$68.47	\$28.25		
		LVLT/Share	\$53.99 \$68.47
		Less: Cash/Share	(\$26.50) (\$26.50)
		Stock/Share	\$27.49 \$41.97
		CTL/Share	\$28.25 \$28.25
		Implied Exchange Ratio	0.97x 1.49x

Lazard also calculated an implied exchange ratio reference range based on the selected precedent transaction analysis described above by dividing the low end of the implied Level 3 price per share range resulting from the precedent transaction analysis described above (less \$26.50 per share in cash) by the closing price of CenturyLink common stock on October 26, 2016 and by dividing the high end of the implied Level 3 price per share range resulting from the precedent transaction analysis described above (less \$26.50 per share in cash) by the closing price of CenturyLink common stock on October 26, 2016. This analysis indicated an implied exchange ratio range of 0.97x to 1.49x and an

implied pro forma ownership range for the Level 3 stockholders of 39.4% to 49.8%. The exchange ratio provided for in the merger agreement is 1.4286x resulting in a pro forma ownership by Level 3 stockholders of 49%.

Other Analyses

The analyses and data described below were presented to the Level 3 Board for informational purposes only and did not provide the basis for, and were not otherwise material to, the rendering of Lazard's opinion.

Table of Contents**52-Week High/Low Trading Prices**

Lazard reviewed the range of trading prices of shares of Level 3 common stock for the 52 weeks ended on October 26, 2016. Lazard observed that, during such period, the daily closing share prices of Level 3 common stock ranged from \$42.74 per share to \$57.18 per share, as compared to the merger consideration of \$66.86, consisting of \$26.50 in cash and 1.4286 shares of CenturyLink common stock (equivalent to \$40.36 per share based upon CenturyLink's closing share price on October 26, 2016). Lazard also observed that, during such period, the daily closing share prices of CenturyLink common stock ranged from \$22.24 per share to \$32.80 per share.

Lazard also calculated an implied exchange ratio reference range based on trading prices by dividing the low end of the 52-week trading price per share range for Level 3 (less \$26.50 per share in cash) by the high end of the 52-week trading price per share range for CenturyLink and by dividing the high end of the 52-week trading price per share range for Level 3 (less \$26.50 per share in cash) by the low end of the 52-week trading price per share range for CenturyLink. This analysis indicated an implied exchange ratio reference range of 0.50x to 1.38x and a pro forma ownership range for the Level 3 stockholders of 24.9% to 48.0%.

Research Analyst Price Targets

Lazard reviewed recently available equity analyst price targets based on published, publicly available Wall Street equity research reports prepared by equity analysts covering Level 3, which indicated 12-month target prices that ranged from \$54.00 to \$63.00, as compared to the merger consideration of \$66.86, consisting of \$26.50 in cash and 1.4286 shares of CenturyLink common stock (equivalent to \$40.36 per share based upon CenturyLink's closing share price on October 26, 2016).

Lazard also reviewed recently available equity analyst price targets based on published, publicly available Wall Street equity research reports prepared by equity analysts covering CenturyLink, which indicated 12-month target prices that ranged from \$24.00 to \$36.00.

Lazard also calculated an implied exchange ratio reference range based on research analyst price targets by dividing the low end of the share price target range for Level 3 (less \$26.50 per share in cash) by the high end of the share price target range for CenturyLink and by dividing the high end of the share price target range for Level 3 (less \$26.50 per share in cash) by the low end of the share price target range for CenturyLink. This analysis indicated an implied exchange ratio reference range of 0.76x to 1.52x and a pro forma ownership range for the Level 3 stockholders of 33.8% to 50.4%.

Premiums Paid Analysis

Lazard reviewed a range of premiums paid in transactions closed during the last five years with target company equity values between \$10 billion and \$30 billion. Using a 26.9% - 31.8% premium range based on the median / mean of premiums paid in the transactions referenced above and the Level 3 closing price per share on October 26, 2016 of \$46.92, resulted in an implied price per share range for shares of Level 3 common stock of \$59.56 to \$61.83, as compared to the merger consideration of \$66.86, consisting of \$26.50 in cash and 1.4286 CenturyLink common shares (equivalent to \$40.36 per share based upon CenturyLink's closing share price on October 26, 2016).

Lazard also calculated an implied exchange ratio reference range based on premiums paid by dividing the low end of the range resulting from the premiums paid analysis described above for Level 3 (less \$26.50 per share in cash) by the closing price of CenturyLink common stock on October 26, 2016 and by dividing the high end of the range resulting from the premiums paid analysis described above for Level 3 (less \$26.50 per share in cash) by the closing price of

CenturyLink common stock on October 26, 2016. This analysis indicated an implied exchange ratio reference range of 1.17x to 1.25x and a pro forma ownership range for Level 3 stockholders of 43.9% to 45.5%.

Table of Contents*Miscellaneous*

The scope of Lazard's engagement by Level 3 was limited to advising the Level 3 Board with respect to the fairness, from a financial point of view, to holders of Level 3 common stock of the merger consideration to be paid to such holders in the mergers. In connection with Lazard's services as financial advisor to the Level 3 Board, Level 3 agreed to pay Lazard a fee for such services in the amount of \$7 million, payable upon the date on which Lazard rendered its opinion (regardless of the conclusion therein). Level 3 has also agreed to reimburse Lazard for certain expenses incurred in connection with Lazard's engagement and to indemnify Lazard and certain related persons under certain circumstances against various liabilities that may arise from or be related to Lazard's engagement, including certain liabilities under U.S. federal securities laws. Other than its engagement as financial advisor to Level 3 in connection with the transaction, no material relationships existed between Lazard's financial advisory business and either CenturyLink or Level 3 pursuant to which any compensation was received by Lazard during the preceding two years. Prior to being engaged by Level 3 to act as financial advisor in connection with the transaction, Lazard disclosed to Level 3 Board that between December 2015 and June 2016, representatives of Lazard's financial advisory business, including certain members of the team that would be providing services to Level 3, had met with representatives of CenturyLink and discussed matters that included, among other things, potential strategic combinations, including with Level 3, among others. Lazard informed the Level 3 Board that these meetings were not pursuant to, and did not result in, an engagement by CenturyLink of Lazard, and that the materials prepared for those meetings were based solely on publicly available information. At these meetings, among other things, Lazard provided illustrative pro forma combination analyses, based solely upon publicly available information, for potential transactions between CenturyLink and several different companies, including an all-stock merger of equals with Level 3. Lazard may in the future provide services to Level 3 or CenturyLink for which it may receive compensation.

Lazard, as part of its investment banking business, is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, leveraged buyouts, and valuations for estate, corporate and other purposes. In addition, in the ordinary course, Lazard and its respective affiliates and employees may trade securities of Level 3, CenturyLink and certain of their respective affiliates for their own accounts and for the accounts of their customers, may at any time hold a long or short position in such securities, and may also trade and hold securities on behalf of Level 3, CenturyLink and certain of their respective affiliates. The issuance of Lazard's opinion was approved by the opinion committee of Lazard.

Lazard is an internationally recognized investment banking firm providing a full range of financial advisory and other services. Lazard was selected to act as investment banker to the Level 3 Board because of its qualifications, expertise and reputation in investment banking and mergers and acquisitions generally and in the telecommunications industry specifically, as well as its familiarity with the business of Level 3.

Level 3 and CenturyLink determined the merger consideration of \$26.50 in cash and 1.4286 of a CenturyLink common share to be paid to holders of Level 3 common stock, in the merger through arm's-length negotiations, and the Level 3 Board approved such merger consideration. Lazard did not recommend any specific consideration to the Level 3 Board or any other person or indicate that any given consideration constituted the only appropriate consideration for the merger. Lazard's opinion was one of many factors considered by the Level 3 Board, as discussed further in *Level 3's Reasons for the Combination; Recommendation of the Combination by the Level 3 Board* beginning on page 66.

Analyst Estimates for CenturyLink

In connection with their evaluation of the fairness of the merger consideration, Level 3's financial advisors reviewed financial projections with respect to CenturyLink referred to as the Analyst Estimates for CenturyLink, which were

based on consensus published equity research analyst estimates of the future financial performance of CenturyLink and which were adjusted by Level 3 management. At the direction of the

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management of Level 3 and with the consent of the Level 3 Board, for purposes of its opinion, Citi relied on the Analyst Estimates for CenturyLink, and assumed that the financial results reflected in the Analyst Estimates for CenturyLink, together with the Synergies, will be realized in the amounts and at the times projected. At the direction of Level 3, for purposes of Lazard's analysis and Lazard's review of the business of CenturyLink, Lazard relied upon the Analyst Estimates for CenturyLink and, with the consent of Level 3, assumed that the Analyst Estimates for CenturyLink were a reasonable basis upon which to evaluate the future financial performance of CenturyLink.

The following table summarizes the Analyst Estimates for CenturyLink, which reflect the average of four research analysts that each published estimates for CenturyLink through 2020. The Analyst Estimates for CenturyLink did not give effect to the pending divestiture by CenturyLink of its data centers and colocation business. For the period through 2018, as to which a larger number of analyst estimates were published, the average estimates of these four research analysts were consistent with consensus equity research analyst estimates.

	2017(E)	2018(E)	2019(E)	2020(E)
	(In millions)			
Revenue	\$ 17,381	\$ 17,358	\$ 17,390	\$ 17,490
EBITDA	\$ 6,450	\$ 6,424	\$ 6,396	\$ 6,391
Capital Expenditures	\$ 2,965	\$ 2,900	\$ 2,874	\$ 2,838

Additionally, the Level 3 financial advisors calculated or assumed other items impacting the projections, such as cash taxes, interest expense, working capital, pension funding and other cash sources and uses, in order to derive Free Cash Flow projections that were consistent with such average equity research analyst estimates for the periods shown above.

CenturyLink's management was not involved in the preparation of the Analyst Estimates for CenturyLink, which were prepared based on published analyst reports. The Analyst Estimates for CenturyLink were not prepared with a view toward public disclosure, nor were they prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial forecasts, or GAAP. In addition, the Analyst Estimates for CenturyLink were not prepared with the assistance of, or reviewed, compiled or examined by, independent accountants. The summary of these Analyst Estimates for CenturyLink is not being included in this joint proxy statement/prospectus to influence your decision whether to vote in favor of any proposal. Instead, the summary is included herein solely to notify you that at the direction of Level 3 management, and with the consent of the Level 3 Board, these Analyst Estimates for CenturyLink were considered by Level 3's financial advisors for purposes of their respective evaluations of the fairness of the merger consideration. You should be aware that no attempts have been made to update the Analyst Estimates for CenturyLink, which may no longer reflect current market conditions.

Financial Interests of CenturyLink Directors and Executive Officers in the Combination

Certain members of the CenturyLink Board and certain executive officers of CenturyLink may be deemed to have financial interests in the combination that are in addition to, or different from, the interests of CenturyLink shareholders generally. The CenturyLink Board was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the combination, in approving the merger agreement, and in recommending that the shareholders approve the issuance of CenturyLink common stock to the Level 3 stockholders in connection with the combination.

Positions with the Combined Company

Upon completion of the combination, R. Stewart Ewing, Jr., CenturyLink's current Executive Vice President, Chief Financial Officer and Assistant Secretary, plans to retire. Following Mr. Ewing's retirement,

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Mr. Sunit Patel, Executive Vice President and Chief Financial Officer of Level 3, will serve as Chief Financial Officer of the combined company. Following the completion of the combination, all but one of the members of the CenturyLink Board are expected to continue as directors of the combined company and the executive officers of CenturyLink, other than Mr. Ewing, are expected to continue to be executive officers of the combined company. Decisions on executive officers are subject to change as the parties complete integration planning and as decisions are made concerning the management structure of the company.

Severance Benefits

In the event that the employment of any executive officer of CenturyLink is terminated in connection with the combination, CenturyLink would be committed to pay certain severance benefits under existing programs described in CenturyLink's prior SEC filings, and, in addition, the compensation committee of the CenturyLink Board could elect, depending on the facts and circumstances associated with the termination, to award additional severance benefits. As of the date of this joint proxy statement/prospectus, the executive officers of CenturyLink, other than Mr. Ewing, are expected to continue to be executive officers of the combined company, and no such awards have been granted.

Retention Programs

In November 2016, the compensation committee of the CenturyLink Board approved a cash retention program in the aggregate amount of up to \$15 million, and discussed establishing in 2017 a separate equity retention program in the aggregate amount of up to \$20 million. CenturyLink does not currently plan to make its executive officers eligible to participate in the cash retention program, but reserves the right to do so. Assuming CenturyLink subsequently establishes an equity retention plan, CenturyLink's executive officers are expected to be eligible to participate in the equity retention program, and the compensation committee of the CenturyLink board may elect to name some or all of them as participants. As of the date hereof, CenturyLink has not granted any cash or equity retention awards to any of its executive officers in connection with the combination.

Financial Interests of Level 3 Directors and Executive Officers in the Combination

Certain members of the Level 3 Board and certain executive officers of Level 3 may be deemed to have interests in the combination that are in addition to, or different from, the interests of other Level 3 stockholders generally. The Level 3 Board was aware of these interests and considered them, among other matters, in approving the combination and the merger agreement and in making the recommendations that Level 3's stockholders approve and adopt the merger agreement and approve the combination and the other transactions contemplated by the merger agreement. For purposes of the plans and agreements described below, to the extent applicable, the completion of the transactions contemplated by the merger agreement will constitute a change of control or term of similar meaning. These interests are described in further detail below, and certain of them are quantified in the narrative and table below. For purposes of this disclosure, Level 3's executive officers are (a) Jeff K. Storey, President and Chief Executive Officer, (b) Sunit S. Patel, Executive Vice President and Chief Financial Officer, (c) John M. Ryan, Executive Vice President, Chief Legal Officer and Secretary, (d) Eric J. Mortensen, Senior Vice President and Controller, (e) Hector R. Alonso, Regional President Latin America, (f) Andrew E. Crouch, Regional President EMEA and GAM Division, and (g) Laurinda Y. Pang, Regional President North America and Asia Pacific. In addition, certain compensation arrangements with John Blount, Level 3's former Regional President North America and Asia, are described below.

Treatment of Level 3 Equity-Based Awards

Upon the completion of the initial merger, each outstanding Level 3 RSU award granted prior to April 1, 2014 and each Level 3 RSU award granted to a non-employee member of the Level 3 Board will be cancelled in exchange for

\$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock covered by the award, less applicable withholding taxes.

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Upon the completion of the initial merger, each outstanding Level 3 RSU award granted on or after April 1, 2014 (other than those granted to non-employee members of the Level 3 Board), will be converted into a restricted stock unit award relating to a number of shares of CenturyLink common stock equal to the product of (a) the equity award exchange ratio (described below) multiplied by (b) the number of shares of Level 3 common stock subject to the award immediately prior to the effective time of the initial merger. Following the effective time of the initial merger, the converted RSU awards will remain subject to the same terms and conditions (including vesting terms) applicable to such awards immediately prior to the effective time, except that any performance-based vesting conditions will be deemed satisfied based on the actual performance of Level 3 through the latest practicable date prior to the closing date of the combination (as determined by the compensation committee of the Level 3 Board) and the award will continue to vest based on continued service to CenturyLink. The equity award exchange ratio is equal to the sum of (1) 1.4286 plus (2) the quotient (rounded to four decimal places) of (a) \$26.50 divided by (b) the volume weighted average price of a share of CenturyLink common stock on the NYSE for the 30 trading days ending with the trading day immediately prior to the closing date of the combination.

Pursuant to the terms applicable to Level 3 RSU awards, upon a termination of a Level 3 RSU award holder's employment by Level 3 without cause or by the award holder for good reason (which we refer to as a qualifying termination) at any time following the effective time of the initial merger, all of the then unvested restricted unit awards held by such award holder will vest. Notwithstanding the foregoing, any Level 3 RSU awards granted to the chief executive officer of Level 3 or his direct reports on or following October 31, 2016 will vest as to 50% of the award upon a qualifying termination.

The treatment described above will apply to all holders of Level 3 RSU awards, including Level 3's executive officers and non-employee directors. Level 3 estimates that the aggregate amount that will be payable to its seven executive officers (including Level 3's named executive officers) in respect of their Level 3 RSU awards is approximately \$51.7 million, which assumes, for these purposes only, (a) that the consummation of the combination occurred on February 6, 2017 and the employment of each executive officer was terminated on such date, under circumstances that would entitle them to receive full accelerated vesting of their outstanding Level 3 RSU awards, (b) that achievement of any performance criteria for performance-based vesting Level 3 RSU awards for which there has not yet been a determination as to whether such performance criteria has been met is achieved at target levels if the consummation of the combination occurred on February 6, 2017, (c) a price per share of CenturyLink common stock of \$23.68 (the average closing price of shares of CenturyLink common stock on the five days following the announcement of the combination), and (d) quantification of each executive officer's equity awards is calculated based on the number of outstanding, unvested equity awards held by each executive officer on February 6, 2017. For an estimate of the amounts that will become payable to each of Level 3's named executive officers on settlement of their unvested Level 3 RSU awards, see *Quantification of Potential Payments to Level 3's Named Executive Officers in Connection with the Combination* below. Level 3 estimates that the aggregate amount that would be payable to Level 3's 10 non-employee directors for their unvested equity-based awards if the consummation of the combination occurred on February 6, 2017, and assuming a price per share of CenturyLink common stock of \$23.68 (the average closing price of shares of CenturyLink common stock on the five days following the announcement of the combination), is approximately \$1.9 million. For purposes of these estimates, with respect to Level 3 RSU awards granted on or following April 1, 2014, the equity award exchange ratio was determined assuming that the volume weighted average price of a share of CenturyLink common stock on the NYSE for the 30 trading days ending with the trading day prior to the closing date of the combination was \$23.68. In addition, for purposes of these estimates, with respect to Level 3 RSU awards granted prior to April 1, 2014, the estimated value of the acceleration of equity awards assumes that the Level 3 RSU awards vest immediately prior to the initial merger and receive the merger consideration (\$26.50 in cash and 1.4826 shares of CenturyLink common stock) in respect of each share underlying the applicable Level 3 RSU award.

Table of Contents***Severance Benefits***

All of Level 3's executive officers (including its named executive officers, other than Mr. Blount, whose employment terminated on December 31, 2015), and Mr. Alonso, are at-will employees and as such do not have employment contracts. However, certain senior members of Level 3's management designated by the compensation committee of the Level 3 Board, including each of its executive officers (including its named executive officers, other than Mr. Blount, but excluding Mr. Alonso), participate in the Level 3 Key Executive Severance Plan, or KESP, which provides for the severance benefits described below upon a qualifying termination. In consideration for the severance benefits under the KESP, the executive officers are required to execute a release of claims and are subject to restrictive covenants concerning noncompetition and nonsolicitation of employees, customers and business partners, in each case, for 24 months following the applicable date of termination with respect to Messrs. Storey and Patel, 12 months following the applicable date of termination for Mr. Crouch, Ms. Pang and Mr. Ryan and nine months following the applicable date of termination for Mr. Mortensen.

If a qualifying termination occurs following the combination, the KESP provides that the Level 3 executive officers severance benefits would be comprised of the following:

Short-Term Incentive Payment. A prorated bonus for the year of termination based on his or her most recent target annual bonus;

Severance Payment. A lump sum cash payment equal to two times the sum of his base salary and most recent target annual bonus for Messrs. Storey and Patel, one times the sum of his or her base salary and most recent target annual bonus for each of Mr. Crouch, Ms. Pang and Mr. Ryan, and three-fourths times the sum of his base salary and most recent target annual bonus for Mr. Mortensen;

Insurance Continuation Payment. A lump sum cash payment equal to Level 3's paid portion of continued medical and dental insurance coverage to cover 24 months for Messrs. Storey and Patel, twelve months for Mr. Crouch, Ms. Pang and Mr. Ryan, and nine months for Mr. Mortensen;

Outplacement Benefits. Reimbursement of up to \$10,000 for the cost of outplacement services; and

Accelerated Vesting of Level 3 RSU Awards. As noted above, each Level 3 RSU award agreement provides that, upon a qualifying termination following the effective time of the initial merger, all of the then unvested Level 3 RSU awards will immediately become vested. As further described above under *Treatment of Level 3 Equity Awards*, this treatment will not apply to awards granted to the chief executive officer of Level 3 and his direct reports on or following October 31, 2016.

Each of the cash payments described above is payable on the 60th day following the participant's qualifying termination of employment.

In addition, if Mr. Alonso experiences a qualifying termination, local law in Argentina provides that he would be entitled to severance benefits equal to a lump sum cash payment equal to (i) the product of (x) one-twelfth times (y) the sum of his (a) base salary plus (b) target annual bonus times (z) the number of years of service he has

completed with Level 3 plus two; (ii) the product of the number of any accrued but unused vacation days as of such termination date times the quotient of (x) his monthly base salary divided by (y) twenty and (iii) a pro-rated bonus for the year of termination. In addition, Mr. Alonso would be entitled to outplacement assistance with a value equal to one month of base salary. As of February 6, 2017, Mr. Alonso will have completed 24 years of service with Level 3 and will have accrued 35 unused vacation days.

We estimate that the aggregate amount of severance that will become payable to Level 3's seven executive officers (including the named executive officers) is approximately \$26.0 million, which includes the retention bonuses described below and assumes that (a) each executive officer experienced a qualifying termination of employment on February 6, 2017 and (b) the value of accelerated equity awards is excluded, as such amount is described above under *Treatment of Level 3 Equity Awards*. For an estimate of the amounts that would

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become payable to each of Level 3 named executive officers under KESP upon a qualifying termination, see *Quantification of Potential Payments to Level 3's Named Executive Officers in Connection with the Combination* below.

Retention Program

In order to promote retention and incentivize employees to consummate the combination, Level 3 retained the right to establish two retention programs under which Level 3's chief executive officer or the compensation committee of the Level 3 Board may make cash awards to employees, including Level 3's executive officers. Pursuant to the first program (the *First Retention Program*), Level 3 has the right to grant retention awards equal to up to \$10 million in the aggregate that will generally vest and settle as to 50% as of the earlier to occur of (x) the closing date of the combination and (y) the merger agreement termination date, and will vest and settle as to the remaining 50% on the 90th day following the first payment date. In addition, Level 3 has retained the right to establish a second retention program (the *Second Retention Program*) to promote retention through and following the closing date of the combination, pursuant to which awards will be subject to an individual cap of one times the participant's base salary. Awards granted pursuant to the *Second Retention Program* will generally vest and settle as follows: (a) 34% as of the earlier to occur of (x) the closing date of the combination and (y) the merger agreement termination date, (b) 33% on the 180th day following the first payment date, and (c) 33% on the first anniversary of the first payment date. Notwithstanding the foregoing, all amounts payable pursuant to each of the retention programs will accelerate and be settled in the event that a participant in either retention program experiences (a) a termination by Level 3 or CenturyLink, as applicable, without cause, (b) solely for participants in the KESP, a resignation for good reason or (c) solely with respect to continuing employees with a title of Vice President and above (who do not participate in the KESP), a resignation due to a forced relocation of more than 50 miles. As of the date of this filing, no retention awards have yet been made with respect to the *First Retention Program*. Awards under the *Second Retention Program* have been made to employees designated by Level 3's management and the compensation committee, including to Level 3's executive officers. Additional awards under the *Second Retention Program* may be made at any time prior to the closing date, provided that the individual and cumulative caps under this program are not exceeded. Level 3's CEO and other executive officers (as well as other employees) are eligible for and may receive allocations of awards pursuant to the *First Retention Program* and from the remaining portion of the *Second Retention Program*.

Annual Restricted Stock Unit Awards

In recent years, Level 3 has typically granted equity awards to executive officers and certain other employees on an annual basis in April and July of each year, in the form of performance-based and time-based vesting Level 3 RSU awards. With respect to the annual equity awards that would have been granted in the ordinary course consistent with past practice in April and July of 2017, Level 3 expects to grant these awards during the first calendar quarter of 2017. The equity awards that will be granted to each executive officer in 2017 will be solely in the form of time-based vesting Level 3 RSU awards and will be subject to a three year vesting schedule, provided, that, if a recipient experiences a qualifying termination following the consummation of the combination, all of the then unvested Level 3 RSU awards held by such recipient will vest, except that upon a qualifying termination of the Level 3 chief executive officer or his direct reports, only 50% of the recipient's then unvested Level 3 RSU award will vest. In addition, in recent years, Level 3 has typically granted equity awards to non-employee directors of the Level 3 Board on an annual basis in July of each year in the form of time-based vesting Level 3 RSU awards. Equity awards of the Level 3 Board will be granted to each non-employee director in 2017 in the ordinary course of business consistent with past practice and will be solely in the form of time-based vesting Level 3 RSU awards that will be subject to a one-year vesting schedule, provided that the Level 3 RSU awards granted to non-employee directors will immediately vest upon the consummation of the combination.

Annual Incentive Plan Payments

Level 3 maintains the Corporate Discretionary Bonus Program, pursuant to which executive officers and other employees are entitled to annual cash bonuses based on corporate and individual performance. Level 3 will

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continue to maintain this plan until the completion of the combination. Target bonus amounts for the 2017 calendar year will be established consistent with past practice and executive officers and other employees who participate in the 2017 Corporate Discretionary Bonus Program will be entitled to receive pro-rated bonuses for the portion of 2017 prior to the consummation of the combination. For participants in the KESP, the pro-rated bonus that participants are eligible to receive under the KESP upon a qualifying termination will be reduced by any pro-rated bonus paid in respect of the fiscal year 2017 prior to the consummation of the combination.

Golden Parachute Excise Taxes

No individual agreements with an executive officer, nor the Key Executive Severance Plan, provide for any payment to any executive officer in connection with an executive's liability for excise taxes pursuant to Section 4999 of the Code. The Key Executive Severance Plan, however, provides that, if a payment to an executive thereunder constitutes a parachute payment within the meaning of Section 280G of the Code or is subject to the excise tax imposed by Section 4999 of the Code, such payment will be reduced to the greater of (a) the amount that would result in no payment to the executive being subject to the excise tax under Section 4999 of the Code and (b) the amount that would result in the executive's receipt, on an after-tax basis (including excise taxes imposed under Section 4999 of the Code), of the greatest amount of the payments.

Under the terms of the merger agreement, for tax planning purposes with respect to Sections 280G and 4999 of the Code, Level 3 has the right to pay executive officers full year annual bonus awards based on the actual performance of Level 3 or the executive officer in respect of the 2016 fiscal year in 2016 rather than at the time such annual bonuses would be ordinarily paid in 2017.

Indemnification and Insurance

Pursuant to the terms of the merger agreement, Level 3's directors and executive officers will be entitled to certain ongoing indemnification and coverage under directors' and officers' liability insurance policies from the surviving corporation following the combination. Such indemnification and insurance coverage is further described in the section entitled *The Merger Agreement Indemnification and Insurance* beginning on page 136.

Quantification of Potential Payments to Level 3's Named Executive Officers in Connection with the Combination

The information set forth in the tables below is intended to comply with Item 402(t) of Regulation S-K, which requires disclosures of information about certain compensation for each of Level 3's named executive officers that is based on or otherwise relates to the combination and assumes, among other things, that the named executive officers will experience a qualifying termination of employment immediately following the consummation of the combination.

Please note that the amounts described below are estimates based on multiple assumptions that may or may not actually occur or be accurate on the relevant date and do not reflect certain compensation actions that may occur before the completion of the combination. For purposes of calculating such amounts, we have assumed:

February 6, 2017 as the closing date of the combination,

a termination of each named executive officer's employment on February 6, 2017 by the combined company that constitutes a qualifying termination, and

quantification of outstanding Level 3 RSU awards is calculated based on the outstanding equity awards held by each named executive officer on February 6, 2017.

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Name	Cash (\$)(1)	Equity (\$)(2)(3)	Pension NQDC (\$)	Perquisites/ Benefit (\$)(4)	Tax Reimburse (\$)	Other (\$)	Total (\$)
<i>Named Executive Officers(5)</i>							
Jeff K. Storey	8,941,192	19,615,238		10,000			28,566,430
Sunit S. Patel	4,483,692	11,780,305		10,000			16,273,997
Andrew E. Crouch	4,532,640	5,505,080		10,000			10,047,720
Laurinda Y. Pang	2,681,920	5,739,088		10,000			8,431,008

- (1) The cash amount payable to each of the named executive officers is a lump sum cash payment consisting of the following components:
- A severance payment equal to the product of (i) 2 for Messrs. Storey and Patel and 1 for the other named executive officers, multiplied by (ii) the sum of the named executive officer's annual base salary as in effect on the date hereof and target bonus for fiscal year 2017;
 - An amount equal to the named executive officer's pro-rated bonus for the year of termination based on his or her target annual bonus for fiscal year 2017 and unpaid bonus for fiscal year 2016 based on his or her target bonus for fiscal year 2016;
 - An amount equal to Level 3's paid portion of continued medical and dental insurance coverage to cover twenty-four months for Messrs. Storey and Patel and twelve months for Mr. Crouch and Ms. Pang; and
 - An amount equal to the named executive officer's retention award under the Second Retention Program, if applicable.

The estimated amount of each component of the cash payment is set forth in the table below.

Name (A)(B)	Severance Payment (\$)	Pro-Rated Annual Bonus (\$)(C)	Retention Bonus Award (\$)(D)	COBRA Payment (\$)	Total (\$)
<i>Named Executive Officers</i>					
Jeff K. Storey	6,600,000	2,310,000		31,192	8,941,192
Sunit S. Patel	2,600,000	1,202,500	650,000	31,192	4,483,692
Andrew E. Crouch	2,176,000	1,746,800	588,000	21,840	4,532,640
Laurinda Y. Pang	1,100,000	1,017,500	550,000	14,420	2,681,920

- (A) In consideration for the severance benefits under the KESP, the executive officers are required to execute a release of claims and are subject to restrictive covenants concerning noncompetition and nonsolicitation of employees, customers and business partners, in each case, for twenty-four months following the applicable date of termination with respect to Messrs. Storey and Patel and twelve months following the applicable date of termination for each of the other participants. All of the cash payments are double-trigger benefits (meaning that they are contingent upon a qualifying termination following the consummation of the combination).

(B)

- As of February 6, 2017, no amount has been awarded to Mr. Storey pursuant to the Second Retention Program. It is anticipated that Mr. Storey will be allocated an award pursuant to such program in the future.
- (C) Amounts include annual target bonuses for fiscal year 2016, which have not yet been paid and with respect to Mr. Patel and Ms. Pang, amounts include a payment of a special one-time cash bonus which each of Mr. Patel and Ms. Pang are eligible to earn for the 2016 fiscal year, equal to \$487,500 and \$412,500, respectively.
 - (D) As of February 6, 2017, no awards had been allocated pursuant to the First Retention Program. Mr. Storey and other senior executives (as well as other employees) are eligible for and may receive allocations of awards pursuant to the First Retention Program.
 - (2) As described in more detail above in *Treatment of Level 3's Equity Awards*, upon the consummation of the combination, Level 3 RSUs granted prior to April 1, 2014 held by the named executive officers would vest (to the extent unvested) and be converted into the right to receive the merger consideration in respect of

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each net shares subject to the Level 3 RSU, after taking into account the applicable required withholding taxes.

The vesting of the Level 3 RSU awards granted prior to April 1, 2014 is single-trigger (meaning that they are payable automatically as a result of the consummation of the combination).

In addition, as described in more detail above in *Treatment of Level 3 s Equity Awards*, upon a qualifying termination following the consummation of the combination, all Level 3 RSU awards granted on or following April 1, 2014 and prior to October 31, 2016 held by the named executive officers will vest (to the extent unvested). The vesting of the Level 3 RSU awards granted on or following April 1, 2014 is double-trigger (meaning that they are contingent upon a qualifying termination following the consummation of the combination).

The amounts above and in the table below assume a price per share of CenturyLink common stock of \$23.68 (the average closing price of shares of CenturyLink common stock on the five days following the announcement of the combination) and achievement of any performance criteria for performance-based vesting Level 3 RSU awards at target levels. For purposes of these estimates, with respect to Level 3 RSU awards granted on or following April 1, 2014, the equity award exchange ratio was determined assuming that the volume weighted average price of a share of CenturyLink common stock on the NYSE for the 30 trading days ending with the trading day prior to the closing date of the merger was \$23.68. In addition, for purposes of these estimates, with respect to Level 3 RSU awards granted prior to April 1, 2014, the estimated value of the acceleration of equity awards assumes that the Level 3 RSU awards vest immediately prior to the merger and receive the merger consideration (\$26.50 in cash and 1.4826 shares of CenturyLink common stock) in respect of each share underlying the applicable Level 3 RSU award.

- (3) As described in more detail above in *Annual Restricted Stock Unit Awards*, with respect to any Level 3 RSU award granted to a named executive officer on or following October 31, 2016, upon a qualifying termination following the consummation of the combination, one-half of the then unvested Level 3 RSU awards granted in 2017 will vest.

Name	Value of Unvested Units Granted prior to April 1, 2014 (\$)	Value of Unvested Stock Units Granted on or Following April 1, 2014 (\$)
<i>Named Executive Officers</i>		
Jeff K. Storey	1,508,231	18,107,007
Sunit S. Patel	754,117	11,026,189
Andrew E. Crouch	377,058	5,128,022
Laurinda Y. Pang	263,941	5,475,148

- (4) Each named executive officer will be entitled to reimbursement of up to \$10,000 for the cost of outplacement services in connection with a qualifying termination following the consummation of the combination (i.e., a double trigger payment).
- (5) John T. Blount, Level 3 s former Regional President, North America and Asia Pacific, is a named executive officer for purposes of item 402 of Regulation S-K; however, he is not entitled to any compensation or benefits in connection with the consummation of the merger, other than any benefits he might be entitled to as a stockholder of Level 3 generally. Mr. Blount retired from Level 3 on December 31, 2015.

Certain Forecasts Prepared by CenturyLink

CenturyLink does not as a matter of course make public forecasts as to future performance, earnings or other results beyond the current fiscal year, and CenturyLink is especially reluctant to disclose forecasts for extended periods due to the unpredictability of the underlying assumptions and estimates. However, in connection with its evaluation of the combination, CenturyLink provided to its board of directors and financial advisors non-public, internal financial forecasts regarding CenturyLink's anticipated future operations for fiscal years 2017 to 2021, which we refer to as the CenturyLink forecasts. The CenturyLink forecasts reflect the anticipated impact of CenturyLink's previously announced plan to divest of its data centers and colocation

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business, based on the assumption that this divestiture would have been completed as of January 1, 2017. CenturyLink has included below a summary of these forecasts to give its shareholders access to certain non-public information that was considered by the CenturyLink Board for purposes of evaluating the combination and was also provided to CenturyLink's financial advisors.

A summary of the CenturyLink forecasts, which were prepared in August 2016 based upon the assumptions and considerations described below, is set forth below.

	2017(E)	2018(E)	2019(E)	2020(E)	2021(E)
	(In millions)				
Revenue	\$ 16,988	\$ 17,267	\$ 17,826	\$ 18,537	\$ 19,369
EBITDA ⁽¹⁾	\$ 6,252	\$ 6,202	\$ 6,302	\$ 6,452	\$ 6,652
Capital Expenditures	\$ 3,100	\$ 2,900	\$ 2,900	\$ 2,601	\$ 2,600

- (1) CenturyLink calculated forecasted EBITDA by taking the forecast of operating income, adjusted for any forecasted special items that impact operating income, and adding back the amount of depreciation and amortization, which was also adjusted for any forecasted special items that impact depreciation and amortization. CenturyLink uses the term EBITDA as a non-GAAP measure. EBITDA does not represent the residual cash flow available for discretionary expenditures, as mandatory debt service requirements and other non-discretionary expenditures are not deducted from the measure. It is also not intended to be used as a replacement for the GAAP measures of operating income or cash flows provided by operating activities. Rather it is intended to provide additional information to enhance the understanding of CenturyLink's GAAP financial information, and it should be considered by investors in addition to, but not in substitution for, the GAAP measures.

CenturyLink's management also provided similar financial forecasts to Level 3 in connection with the due diligence review of CenturyLink conducted by Level 3, and to Level 3's financial advisors, in connection with their evaluation of the fairness of the merger consideration. The financial forecasts that CenturyLink provided to Level 3 and Level 3's financial advisors did not give effect to the divestiture by CenturyLink of its data centers and colocation business in order to provide information on CenturyLink as a whole and because it was uncertain if or when an agreement to divest the colocation business would be reached or consummated. However, in the course of discussions between Level 3 and CenturyLink, CenturyLink noted the potential divestiture and discussed the potential impact on the financial forecasts, consistent with the financial forecasts set forth above that were considered by the CenturyLink Board and provided to CenturyLink's financial advisors. CenturyLink announced that it had reached an agreement to sell its data centers and colocation business on November 4, 2016. A summary of the CenturyLink financial forecasts that were provided to Level 3 and Level 3's financial advisors is set forth below.

	2017(E)	2018(E)	2019(E)	2020(E)	2021(E)
	(In millions)				
Revenue	\$ 17,612	\$ 17,913	\$ 18,494	\$ 19,227	\$ 20,078
EBITDA ⁽¹⁾	\$ 6,500	\$ 6,450	\$ 6,550	\$ 6,700	\$ 6,900
Capital Expenditures	\$ 3,100	\$ 2,900	\$ 2,900	\$ 2,600	\$ 2,600

(1)

CenturyLink calculated forecasted EBITDA by taking the forecast of operating income, adjusted for any forecasted special items that impact operating income, and adding back the amount of depreciation and amortization, which was also adjusted for any forecasted special items that impact depreciation and amortization. CenturyLink uses the term EBITDA as a non-GAAP measure. EBITDA does not represent the residual cash flow available for discretionary expenditures, as mandatory debt service requirements and other non-discretionary expenditures are not deducted from the measure. It is also not intended to be used as a replacement for the GAAP measures of operating income or cash flows provided by operating activities. Rather it is intended to provide additional information to enhance the understanding of CenturyLink's GAAP financial information, and it should be considered by investors in addition to, but not in substitution for, the GAAP measures.

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The table below sets forth the difference between the CenturyLink forecasts and the financial forecasts that were provided to Level 3 which did not give effect to the divestiture of CenturyLink's data centers and colocation business. The amounts set forth below reflect the anticipated amount of revenue and EBITDA attributable to CenturyLink's data centers and colocation business during the periods presented and, therefore, the anticipated reduction in CenturyLink's revenue and EBITDA for such periods that would result from the divestment by CenturyLink of that business, based on the assumption that the divestiture would have been completed as of January 1, 2017.

	2017(E)	2018(E)	2019(E)	2020(E)	2021(E)
	(In millions)				
Revenue	(624)	(646)	(668)	(690)	(709)
EBITDA ⁽¹⁾	(248)	(248)	(248)	(248)	(248)

- (1) CenturyLink calculated forecasted EBITDA by taking the forecast of operating income, adjusted for any forecasted special items that impact operating income, and adding back the amount of depreciation and amortization, which was also adjusted for any forecasted special items that impact depreciation and amortization. CenturyLink uses the term EBITDA as a non-GAAP measure. EBITDA does not represent the residual cash flow available for discretionary expenditures, as mandatory debt service requirements and other non-discretionary expenditures are not deducted from the measure. It is also not intended to be used as a replacement for the GAAP measures of operating income or cash flows provided by operating activities. Rather it is intended to provide additional information to enhance the understanding of CenturyLink's GAAP financial information, and it should be considered by investors in addition to, but not in substitution for, the GAAP measures.

The internal financial forecasts of CenturyLink summarized above were not prepared with a view toward public disclosure, nor were they prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial forecasts, or GAAP. In addition, these projections were not prepared with the assistance of, or reviewed, compiled or examined by, independent accountants. The summary of these internal financial forecasts is not being included in this joint proxy statement/prospectus to influence your decision whether to vote in favor of any proposal, but because these internal financial forecasts were considered by the CenturyLink Board and financial advisors for purposes of evaluating the combination and because they were provided by CenturyLink to Level 3 and its financial advisors. Other than updating its projected 2017 results in connection with developing budgets and publicly issuing guidance in the ordinary course of its business, CenturyLink has made no attempt to update its internal financial forecasts summarized above or reassess their underlying assumptions, all of which reflected information available to management as of August 2016, and which no longer reflects current market conditions or the state of CenturyLink's business, operations or financial condition.

CenturyLink's internal financial forecasts summarized above do not give effect to the combination. While presented with numerical specificity, these internal financial forecasts were based on numerous variables and assumptions known to CenturyLink's management at the time of preparation. These variables and assumptions are inherently uncertain and many are beyond the control of CenturyLink's management. Important factors that may affect actual results and cause these internal financial forecasts to not be achieved include, but are not limited to, risks and uncertainties relating to the business of CenturyLink (including its ability to achieve strategic goals, objectives and targets over applicable periods), industry performance, the regulatory and competitive environment, changes in technology and consumer preferences, general business and economic conditions and other factors described or referenced under *Cautionary Statement Regarding Forward-Looking Statements*. The internal financial forecasts also reflect assumptions as to certain business strategies or plans that are subject to change. For all these reasons, the

internal financial forecasts, and the assumptions upon which they are based, (i) are not guarantees of future results, (ii) are inherently speculative, and (iii) are subject to a number of risks and uncertainties. As a result, actual results may differ materially from those contained in these internal financial forecasts. Accordingly, there can be no assurance that the projections will be realized.

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The inclusion of these internal financial forecasts in this joint proxy statement/prospectus should not be regarded as an indication that any of CenturyLink, Level 3 or their respective affiliates, advisors or representatives considered the internal financial forecasts to be predictive of actual future events, and the internal financial forecasts should not be relied upon as such. None of CenturyLink, Level 3 or their respective affiliates, advisors, officers, directors, partners or representatives can give you any assurance that actual results will not differ from these internal financial forecasts, and none of them undertakes any obligation to update or otherwise revise or reconcile these internal financial forecasts to reflect circumstances existing after the date the internal financial forecasts were generated or to reflect the occurrence of future events even in the event that any or all of the assumptions underlying the projections are shown to be in error. CenturyLink does not intend to make publicly available any update or other revision to these internal financial forecasts. None of CenturyLink or its respective affiliates, advisors, officers, directors, partners or representatives has made, makes or is authorized in the future to make any representation to any shareholder or other person regarding CenturyLink's ultimate performance compared to the information contained in these internal financial forecasts or that forecasted results will be achieved, and any statements to the contrary should be disregarded. CenturyLink has made no representation to Level 3, in the merger agreement or otherwise, concerning these internal financial forecasts.

Certain Forecasts Prepared by Level 3

Level 3 does not as a matter of course make public long-term forecasts as to future performance or other prospective financial information beyond the current fiscal year, and Level 3 is especially wary of making forecasts or projections for extended periods due to the unpredictability of the underlying assumptions and estimates. However, as part of the due diligence review of Level 3 in connection with the combination, Level 3's management prepared and provided to CenturyLink, as well as to Citi and Lazard, in connection with their respective evaluation of the fairness of the merger consideration, non-public, internal financial forecasts regarding Level 3's projected future operations for the 2017 through 2021 fiscal years. Level 3 has included below a summary of these forecasts for the purpose of providing stockholders and investors access to certain non-public information that was furnished to third parties and such information may not be appropriate for other purposes. These forecasts were also considered by the Level 3 Board for purposes of evaluating the combination. The Level 3 Board also considered non-public, financial forecasts prepared by CenturyLink regarding CenturyLink's anticipated future operations for the 2017 through 2021 fiscal years for purposes of evaluating CenturyLink and the combination. See *The Combination and the Stock Issuance - Certain Forecasts Prepared by CenturyLink* beginning on page 113 for more information about the forecasts prepared by CenturyLink.

The Level 3 internal financial forecasts were not prepared with a view toward public disclosure, nor were they prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial forecasts or generally accepted accounting principles in the United States. KPMG LLP has not examined, compiled or performed any procedures with respect to the accompanying prospective financial information and, accordingly, KPMG LLP does not express an opinion or any other form of assurance with respect thereto. The KPMG LLP reports incorporated by reference in this joint proxy statement/prospectus relate only to Level 3's historical financial information. They do not extend to the prospective financial information and should not be read to do so. The summary of these internal financial forecasts included below is not being included to influence your decision whether to vote for the merger proposal, but because these internal financial forecasts were provided by Level 3 to CenturyLink, Citi and Lazard.

While presented with numeric specificity, these internal financial forecasts were based on numerous variables and assumptions (including, but not limited to, those related to industry performance and competition and general business, economic, market and financial conditions and additional matters specific to Level 3's businesses) that are inherently subjective and uncertain and are beyond the control of Level 3's management. Important factors that may

affect actual results and cause these internal financial forecasts to not be achieved include, but are not limited to, risks and uncertainties relating to Level 3 s business (including its ability to achieve strategic goals, objectives and targets over applicable periods), industry performance, general business

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and economic conditions and other factors described in the *Risk Factors* section of Level 3's Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. These internal financial forecasts also reflect numerous variables, expectations and assumptions available at the time they were prepared as to certain business decisions that are subject to change. As a result, actual results may differ materially from those contained in these internal financial forecasts. Accordingly, there can be no assurance that the forecasted results summarized below will be realized.

The inclusion of a summary of these internal financial forecasts in this joint proxy statement/prospectus should not be regarded as an indication that any of Level 3, CenturyLink or their respective affiliates, advisors or representatives considered these internal financial forecasts to be predictive of actual future events, and these internal financial forecasts should not be relied upon as such nor should the information contained in these internal financial forecasts be considered appropriate for other purposes. None of Level 3, CenturyLink or their respective affiliates, advisors, officers, directors or representatives can give you any assurance that actual results will not differ materially from these internal financial forecasts, and none of them undertakes any obligation to update or otherwise revise or reconcile these internal financial forecasts to reflect circumstances existing after the date these internal financial forecasts were generated or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying these forecasts are shown to be in error. Since the forecasts cover multiple years, such information by its nature becomes less meaningful and predictive with each successive year. Level 3 does not intend to make publicly available any update or other revision to these internal financial forecasts. None of Level 3 or its affiliates, advisors, officers, directors or representatives has made or makes any representation to any stockholder or other person regarding Level 3's ultimate performance compared to the information contained in these internal financial forecasts or that the forecasted results will be achieved. Level 3 has made no representation to CenturyLink, in the merger agreement or otherwise, concerning these internal financial forecasts. The below forecasts do not give effect to the combination. Level 3 urges all stockholders to review Level 3's most recent SEC filings for a description of Level 3's reported financial results.

	2017(E)	2018(E)	2019(E)	2020(E)	2021(E)
	(In millions)				
Revenue	\$ 8,437	\$ 8,831	\$ 9,249	\$ 9,683	\$ 10,137
EBITDA ⁽¹⁾	\$ 2,877	\$ 3,092	\$ 3,323	\$ 3,566	\$ 3,794 ⁽²⁾
Capital Expenditures	\$ 1,346	\$ 1,282	\$ 1,321	\$ 1,393	\$ 1,470
Unlevered Free Cash Flow ⁽³⁾	\$ 1,015	\$ 1,222	\$ 1,393	\$ 1,554	\$ 1,709

- (1) EBITDA is defined as net income (loss) before income tax (expense) benefit, total other income (expense), non-cash impairment charges and depreciation and amortization. Level 3 typically discloses Adjusted EBITDA which is defined as net income (loss) before income tax (expense) benefit, total other income (expense), non-cash impairment charges, depreciation and amortization and non-cash stock compensation expense.
- (2) In the financial forecasts provided to CenturyLink and its financial advisors, estimated EBITDA for 2021(E) was also indicated as \$3,792.
- (3) Unlevered Free Cash Flow is defined as net cash provided by (used in) operating activities less capital expenditures, plus cash interest paid and less interest income. See Level 3's consolidated financial statements and the notes related thereto which are contained in Level 3's reports filed with the SEC and incorporated herein by reference. See *Where You Can Find More Information*.

Regulatory Approvals

HSR Act and Antitrust. The combination is subject to the requirements of the HSR Act, which prevents CenturyLink and Level 3 from completing the combination until required information and materials are furnished to the Antitrust Division of the Department of Justice, which we refer to as the DOJ, and the U.S. Federal Trade

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Commission, which we refer to as the FTC, and the statutory waiting period is terminated or expires. CenturyLink and Level 3 filed the requisite notification and report forms under the HSR Act with the DOJ and the FTC on December 12, 2016. On January 11, 2017, following consultation with the DOJ, CenturyLink withdrew its HSR notification. On January 12, 2017, CenturyLink refiled its HSR notification. The DOJ, the FTC or others may challenge the combination on antitrust grounds, either before or after the expiration or termination of the waiting period, including without limitation seeking to enjoin the completion of the combination or permitting completion subject to concessions or conditions. The combination may also be reviewed by competition law authorities outside of the United States. We cannot assure you that a challenge to the combination will not be made or that, if a challenge is made, it will not succeed or will not include conditions that could be detrimental or result in the abandonment of the combination.

FCC Approval. The federal Communications Act of 1934, as amended, and the Cable Landing License Act of 1921 each require the FCC grant prior consent for the transfer of control of certain types of licenses and other authorizations issued by the FCC. On December 12, 2016, CenturyLink and Level 3 filed the required applications for FCC consent to the transfer to CenturyLink of control of Level 3 and the Level 3 subsidiaries that hold such licenses and authorizations. These applications for FCC consent are subject to public comment and possible oppositions of third parties, and require the FCC to affirmatively determine that the combination serves the public interest. We cannot assure you that the requisite FCC approval will be obtained on a timely basis or at all. In addition, we cannot assure you that such approval will not include conditions that could be detrimental or result in the abandonment of the combination.

State Regulatory Approvals. CenturyLink, Level 3 and various of their subsidiaries hold certificates, licenses and service authorizations issued by various state public utility or public service commissions. Certain of the state commissions require formal applications for the transfer of control of these certificates, licenses and authorizations. Applications for state approvals are subject to public comment and possible oppositions of third parties who may file objections. In addition to these applications, CenturyLink and Level 3 may file prior notifications of the combination in certain states where formal applications are not required, and some of these or other state commissions could initiate proceedings investigating the combination. CenturyLink and Level 3 have filed all required state transfer applications and prior notifications pertaining to the transfer of control. CenturyLink and Level 3 believe that the combination complies with applicable state standards for approval, but there can be no assurance that the state commissions will grant the transfer applications on a timely basis or at all. In addition, we expect that certain states will impose conditions upon their approvals of the combination. We cannot assure you that any such conditions will not be detrimental or result in the abandonment of the combination.

CFIUS Clearance. To the extent CenturyLink deems appropriate and applicable, after consultation with Level 3, CenturyLink may seek clearance from the CFIUS for the combination. CFIUS clearance requires that CFIUS (1) has determined that the combination is not a covered transaction and not subject to review under Section 721 of the Defense Production Act of 1950, as amended (Section 721), (2) has determined that there are no unresolved national security concerns with respect to the combination and the other transactions contemplated by the merger agreement, or (3) has sent a report to the President of the United States requesting the President's decision on the CFIUS notice submitted by CenturyLink and Level 3 and either (A) the 15-day period under Section 721, during which the President may announce his decision to take action to suspend, prohibit or place any limitations on the combination or the other transactions contemplated by the merger agreement has expired without any such action being threatened, announced or taken or (B) the President has announced a decision not to take any action to suspend, prohibit or place any limitations on the combination or the other transactions contemplated by the merger agreement.

Team Telecom Approval. A Network Security Agreement, dated September 26, 2011 (which we refer to as the NSA) currently exists by and between Level 3 and the U.S. Departments of Defense, Homeland Security and Justice, which

we refer to as the Team Telecom Agencies. Pursuant to the terms of the NSA, Level 3 must promptly notify the Team Telecom Agencies of the filing of the FCC applications to transfer control of Level 3 s

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applicable licenses and authorizations to CenturyLink. The Team Telecom Agencies will conduct a review of the combination in connection with the NSA that may result in (1) termination of the 2011 NSA; (2) amendment of the 2011 NSA; or (3) negotiation of a new mitigation instrument with the Team Telecom Agencies.

DSS Approval. As both CenturyLink and Level 3 hold facility security clearances, CenturyLink, as the acquirer and the surviving parent company, is required to file an updated certificate pertaining to its foreign interests with the Defense Security Service, which we refer to as DSS, regarding the planned change in foreign ownership, control, and influence (which we refer to as FOCI) of its cleared subsidiaries. DSS may require CenturyLink to submit a FOCI action plan, the measures of which would supersede the Security Control Agreement between Level 3 and the United States Department of Defense dated April 3, 2012, and could result in the execution of a new FOCI mitigation instrument relating to the cleared subsidiaries of Level 3 and CenturyLink.

Other Regulatory Matters. The combination may require the approval of telecommunications regulators outside the United States where CenturyLink or Level 3 hold licenses, or municipalities where CenturyLink or Level 3 holds franchises to provide communications and other services. The combination may also be subject to certain regulatory requirements of other municipal, state, federal or international governmental agencies and authorities.

Exchange of Shares in the Mergers

At or prior to the effective time of the initial merger, CenturyLink will appoint an exchange agent to handle the exchange of shares of Level 3 common stock for shares of CenturyLink common stock and the related cash consideration. At the effective time of the initial merger, each issued and outstanding share of Level 3 common stock (excluding shares as to which appraisal rights have been properly exercised pursuant to Delaware law) will be canceled and will represent only the right to receive 1.4286 shares of CenturyLink common stock, and \$26.50 in cash. As promptly as practicable after the effective time of the initial merger, the exchange agent will send to each holder of record of Level 3 common stock at the effective time of the initial merger, other than holders that have properly perfected their rights of appraisal pursuant to Delaware law, a letter of transmittal and instructions for effecting the exchange of Level 3 common stock for the merger consideration the holder is entitled to receive under the merger agreement.

Upon surrender of stock certificates or uncertificated shares of Level 3 common stock for cancellation along with the executed letter of transmittal and other documents described in the instructions, a Level 3 stockholder will receive the following: (i) the share consideration to which such Level 3 stockholder is entitled, (ii) the cash consideration to which such Level 3 stockholder is entitled and (iii) cash in lieu of fractional shares of CenturyLink common stock, if any. Level 3 stockholders will not receive any fractional shares of CenturyLink common stock pursuant to the initial merger. After the effective time of the initial merger, Level 3 will not register any transfers of the shares of Level 3 common stock. Shares of CenturyLink stock issued in connection with the combination will be issued in uncertificated, book-entry form.

After the effective time of the initial merger, shares of Level 3 common stock (other than such shares the holders of which have properly exercised their statutory rights of appraisal under Delaware law) will no longer be issued and outstanding, will be canceled and will cease to exist, and each certificate, if any, that previously represented Level 3 common stock will represent only the right to receive the merger consideration as described above. With respect to such shares of CenturyLink common stock deliverable upon the surrender of Level 3 share certificates, until holders of such Level 3 share certificates have surrendered such stock certificates to the exchange agent for exchange, those holders will not receive dividends or distributions with respect to such shares of CenturyLink common stock with a record date after the effective time of the initial merger.

CenturyLink shareholders need not take any action with respect to their stock certificates.

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Treatment of Level 3 Equity Awards

Upon the completion of the initial merger, each outstanding Level 3 RSU award granted prior to April 1, 2014 and each Level 3 RSU award granted to a non-employee member of the Level 3 Board will be cancelled in exchange for \$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock covered by the award, less applicable withholding taxes.

Upon the completion of the initial merger, each outstanding Level 3 RSU award granted on or after April 1, 2014 (other than those granted to non-employee members of the Level 3 Board), will be converted into a restricted stock unit award relating to a number of shares of CenturyLink common stock equal to the product of (a) the equity award exchange ratio (described below) multiplied by (b) the number of shares of Level 3 common stock subject to the award immediately prior to the effective time of the initial merger. Following the effective time of the initial merger, the converted RSU awards will remain subject to the same terms and conditions (including vesting terms) applicable to such awards immediately prior to the effective time, except that any performance-based vesting conditions will be deemed satisfied based on the actual performance of Level 3 through the latest practicable date prior to the closing date of the combination (as determined by the compensation committee of the Level 3 Board) and the award will continue to vest based on continued service to CenturyLink. The equity award exchange ratio is equal to the sum of (1) 1.4286 plus (2) the quotient (rounded to four decimal places) of (a) \$26.50 divided by (b) the volume weighted average price of a share of CenturyLink common stock on the NYSE for the 30 trading days ending with the trading day immediately prior to the closing date of the combination.

Dividend Policy

CenturyLink currently pays an annual dividend of \$2.16 per share. Following the closing of the combination, CenturyLink expects to continue its current dividend for shareholders of the combined company, subject to any factors that its board of directors in its discretion deems relevant. See *CenturyLink cannot assure you that it will be able to continue paying dividends at the current rate or at all*, in *Risk Factors Risk Factors Relating to CenturyLink Following the Combination Other Risks*.

Level 3 did not pay any dividends in 2014, 2015 or 2016. Level 3's current dividend policy, in effect since April 1, 1998, is to retain future earnings for use in its business. As a result, Level 3's directors and management do not anticipate paying any cash dividends on shares of Level 3 common stock in the foreseeable future. In addition, Level 3 is effectively restricted under the merger agreement and certain debt covenants from paying cash dividends on shares of Level 3 common stock.

Listing of CenturyLink Common Stock

It is a condition to the completion of the combination that the CenturyLink common stock issuable in connection with the combination be approved for listing on the NYSE, subject to official notice of issuance.

Financing Related to the Combination

CenturyLink anticipates that the funds needed to complete the combination will be derived from (i) available cash on hand of CenturyLink and Level 3 and (ii) third-party debt financing, which we refer to as the debt financing, which may include some combination of the following: a senior secured revolving credit facility, one or more senior secured term loan facilities, a senior secured bridge loan facility and the issuance of senior secured notes or other debt securities. On October 31, 2016, CenturyLink obtained a debt commitment letter, which was amended and restated on November 13, 2016, and further amended on November 15, 2016, which we refer to as the debt commitment letter,

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from Bank of America, N.A., Morgan Stanley Senior Funding, Inc., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Barclays Bank PLC, JPMorgan Chase Bank, N.A., Wells Fargo Bank, National Association, Royal Bank of Canada, Goldman Sachs Bank USA, SunTrust Bank, Mizuho Bank, Ltd.,

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Regions Bank, Fifth Third Bank, Credit Suisse AG, Cayman Islands Branch and U.S. Bank, National Association, which we refer to collectively as the commitment parties, pursuant to which the commitment parties and/or certain of their affiliates have agreed to provide a \$2.0 billion senior secured revolving credit facility, a \$1.5 billion senior secured term loan a credit facility, a \$4.5 billion senior secured term loan b credit facility and a \$2.225 billion senior secured bridge loan facility (which we refer to collectively as the facilities), together with certain backstop commitments designed to provide additional financing in certain limited instances. The bridge loan facility will only be drawn to the extent CenturyLink is unable to raise such amounts by issuing senior secured notes or other debt securities at or prior to the closing of the combination. Bank of America, N.A. and Morgan Stanley Senior Funding, Inc., affiliates of BofA Merrill Lynch and Morgan Stanley, will be entitled to receive financing fees in connection with the debt commitment letter, the amount of which will vary based on, among other things, when the debt financing is incurred, whether the previously announced divestiture by CenturyLink of its data centers and colocation business closes prior to the combination and whether the bridge loan facility is drawn. The financing fees expected to be payable to Bank of America, N.A. and Morgan Stanley Senior Funding, Inc. will be substantially in excess of the aggregate fees payable to BofA Merrill Lynch and Morgan Stanley, respectively, for their financial advisory services in connection with the combination. These financing fees form a portion of the estimate of debt issuance costs in connection with the financing set forth in Note (I) to the unaudited pro forma condensed combined financial information of the combined company. See the section entitled *Unaudited Pro Forma Condensed Combined Financial Information Notes to Unaudited Pro Forma Condensed Combined Financial Information*. For a description of the financial advisory fees payable to BofA Merrill Lynch and Morgan Stanley, see the sections entitled *The Combination and the Stock Issuance Opinions of CenturyLink's Financial Advisors Opinion of BofA Merrill Lynch and Opinion of Morgan Stanley*

Each commitment party's commitments to provide the facilities and each commitment party's agreements to perform the services described in the commitment letter will automatically terminate on the earliest of (i) the date of termination of the merger agreement in accordance with its terms, (ii) the closing of the combination with or without the use of such facilities and (iii) 11:59 p.m. on October 31, 2017 (or, if the Termination Date as defined in the merger agreement is extended in certain circumstances (see *The Merger Agreement Termination Fees and Expenses; Liability for Breach*), the date to which it is extended that is not later than 11:59 p.m. on January 31, 2018).

The definitive documentation governing the debt financing has not been finalized and, accordingly, the actual terms of the debt financing may differ from those described in this joint proxy statement/prospectus. Although the debt financing described in this joint proxy statement/prospectus is not subject to due diligence or a market out, such financing may not be considered assured. The obligation of the commitment parties to provide debt financing under the debt commitment letter is subject to a number of conditions, and it is anticipated that the definitive debt financing documentation will also include certain funding conditions. There is a risk that these conditions will not be satisfied and the debt financing may not be available when required. In addition, CenturyLink has the right under the merger agreement to substitute the proceeds of other debt financing, or commitments for other debt financing, for all or any portion of the facilities committed under the commitment letter. As of the date of this joint proxy statement/prospectus, no such other debt financing has been arranged. CenturyLink's obligation to complete the combination is not conditioned upon the receipt of any financing.

Level 3 Consent Solicitation. Approximately \$5.9 billion of senior notes issued by Level 3 and its subsidiaries and approximately \$4.6 billion of Level 3's outstanding term loans require Level 3 to offer to repurchase such senior notes or to repay such term loans, as applicable, if a change of control triggering event under the applicable definitive documentation occurs, which, in each case, requires both a change of control and a ratings decline to below a specified level. The debt commitment letter previously provided for commitments from the commitment parties for debt financing facilities to replace any senior notes of Level 3 and its subsidiaries and any of Level 3's term loans to the extent required to be repurchased or repaid in connection with a change of control triggering event, which we refer to

as the change of control backstop commitment. On November 10, 2016, Level 3 commenced a consent solicitation of Level 3's current noteholders and term loan

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lenders to amend the indenture and supplemental indentures governing the senior notes and the credit agreement governing its term loans to provide that the combination will not constitute a change of control as defined therein, subject to, with regard to the notes, delivery of an officers' certificate to the Trustee under the indentures providing the certification required by the supplemental indentures. On November 22, 2016, Level 3 obtained the requisite consents with respect to the proposed amendments. As a result of the receipt of the requisite consents with respect to the proposed amendments, the change of control backstop commitment automatically terminated in accordance with the terms of the commitment letter.

Delisting and Deregistration of Level 3 Shares

When the combination is completed, the Level 3 common stock currently listed on the NYSE will cease to be quoted on the NYSE and will be deregistered under the Exchange Act.

Litigation Related to the Combination

CenturyLink and the members of the CenturyLink Board have been named as defendants in a putative shareholder class action lawsuit filed on January 11, 2017 in the 4th Judicial District Court of the State of Louisiana, Ouachita Parish, captioned *Jeffery Tomasulo v. CenturyLink, Inc., et al.*, Docket No. C-20170110. The complaint asserts, among other things, that the members of CenturyLink's Board allegedly breached their fiduciary duties to the CenturyLink shareholders in approving the merger agreement and, more particularly, that: the consideration that CenturyLink agreed to pay to Level 3 stockholders in the combination is allegedly unfairly high; the CenturyLink directors allegedly had conflicts of interest in negotiating and approving the combination; and the disclosures set forth in this joint proxy statement/prospectus are insufficient in that they allegedly fail to contain material information concerning the combination. The complaint seeks, among other things, a declaration that the members of the CenturyLink Board have breached their fiduciary duties, corrective disclosure, rescissory or other damages and equitable relief, including rescission of the combination. CenturyLink and the director defendants believe the lawsuit is without merit and will defend the lawsuit vigorously.

On January 17, 2017, a putative stockholder class action lawsuit captioned *James Amadee v. Level 3 Communications, Inc. et al.*, Case 1:17-cv-00155 was filed in the United States District Court for the District of Colorado against Level 3 and the members of the Level 3 Board, pursuant to Sections 14(a) and 20(a) of the Exchange Act and Rule 14a-9 promulgated thereunder. The complaint asserts, among other things, that the disclosures set forth in this joint proxy statement/prospectus are insufficient, and allegedly fail to disclose material information about the combination. The complaint seeks, among other remedies, injunctive relief prohibiting consummation of the combination, rescissory damages, and an award of attorneys' fees and expenses. On February 8, 2017, the parties entered into a memorandum of understanding providing for the settlement of the lawsuit. The proposed settlement is subject to court approval, among other conditions.

Additionally, on January 26, 2017, a putative stockholder class action lawsuit captioned *Ellena Muresan v. Level 3 Communications, Inc. et al.*, Case No 2017-63- was filed in the Court of Chancery of the State of Delaware against Level 3 and the members of the Level 3 Board, challenging the combination. The class action complaint alleges that the individual members of the Level 3 Board breached their fiduciary duties owed to the Level 3 stockholders because the joint proxy statement/prospectus failed to disclose material information relating to the combination. The complaint generally seeks, among other remedies, declaratory and injunctive relief concerning the alleged fiduciary breaches, rescissory or other damages, and an award of attorneys' fees and expenses. On February 7, 2017, the plaintiff filed a notice seeking voluntary dismissal of the Delaware action, which was granted by the Court on February 8, 2017.

Appraisal Rights

Level 3 stockholders who do not vote in favor of the proposal to adopt the merger agreement will have the right to demand appraisal of their shares of Level 3 common stock and obtain payment in cash for the fair value of

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their shares, but only if they perfect their appraisal rights and comply with the applicable provisions of Delaware law. A copy of the Delaware statutory provisions related to appraisal rights is attached as Annex H to this joint proxy statement/prospectus, and a summary of these provisions can be found under *Appraisal Rights*. Failure to strictly comply with the applicable provisions of Delaware law will result in the loss of the right of appraisal.

Under the LBCA, the holders of CenturyLink common stock and preferred stock are not entitled to appraisal rights in connection with the CenturyLink stock issuance proposal.

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THE MERGER AGREEMENT

The following section summarizes the material provisions of the merger agreement, which is included in this joint proxy statement/prospectus as Annex A and is incorporated herein by reference in its entirety. The rights and obligations of CenturyLink and Level 3 are governed by the express terms and conditions of the merger agreement and not by this summary or any other information contained in this joint proxy statement/prospectus. CenturyLink and Level 3 stockholders are urged to read the merger agreement carefully and in its entirety as well as this joint proxy statement/prospectus before making any decisions regarding the combination, including the approval and adoption of the merger agreement and approval of the combination or the approval of the CenturyLink stock issuance. This summary is qualified in its entirety by reference to the merger agreement.

The merger agreement is described in this joint proxy statement/prospectus to provide you with information regarding its terms and is not intended to provide any factual information about CenturyLink or Level 3. The merger agreement contains representations and warranties that the parties made to each other as of the date of the merger agreement or other specific dates, solely for purposes of the contract between the parties, and those representations and warranties should not be relied upon by any other person. The assertions embodied in those representations and warranties are subject to important qualifications and limitations agreed to by the parties in connection with negotiating the merger agreement. Accordingly, the representations and warranties may not be accurate or complete characterizations of the actual state of facts at any time. In particular, the representations and warranties:

may not be intended to establish matters of fact, but rather to allocate the risk between the parties in the event the statements contained in the representations and warranties prove to be inaccurate;

have been modified in important part by certain underlying disclosures that were made between the parties in connection with the negotiation of the merger agreement, which are not reflected in the merger agreement itself or publicly filed; and

are subject to contractual standards of materiality different from what is generally applicable to you or other investors.

Accordingly, the representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read together with the information provided elsewhere in this joint proxy statement/prospectus and in the documents incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 186.

Terms of the Combination; Merger Consideration

The merger agreement provides that, on the terms and subject to the conditions set forth in the merger agreement, merger sub 1 will merge into Level 3, with Level 3 continuing as the surviving company, an indirect wholly owned subsidiary of CenturyLink. Immediately after the effective time of the initial merger, Level 3 will merge with merger sub 2, with merger sub 2 continuing as the surviving company, an indirect wholly owned subsidiary of CenturyLink. At the effective time of the initial merger, each share of Level 3 common stock issued and outstanding immediately prior thereto (excluding shares held by Level 3, CenturyLink and their respective subsidiaries and shares as to which appraisal rights have been properly exercised pursuant to Delaware law) will be exchanged for 1.4286 shares of CenturyLink common stock plus the right to receive \$26.50 in cash.

CenturyLink will not issue fractional shares of CenturyLink common stock pursuant to the merger agreement. Instead, each Level 3 stockholder who otherwise would have been entitled to receive a fraction of a share of CenturyLink common stock will receive cash in lieu thereof, as provided in the merger agreement.

The exchange ratio will be appropriately and proportionately adjusted to reflect the effect of any stock split, subdivision, consolidation, combination, reclassification, dividend or distribution of shares or other change with respect to the shares of CenturyLink common stock or shares of Level 3 common stock prior to the effective time of the combination.

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Completion of the Combination

Unless the parties agree otherwise, the closing of the combination will take place on the date that is the later of (i) the third business day after the satisfaction or waiver (subject to applicable law) of the conditions to the closing of the combination have been satisfied or waived (other than conditions that, by their nature are to be satisfied at the closing of the combination, but subject to the satisfaction or, to the extent permitted by law, waiver of those conditions as of the closing of the combination) and (ii) the final day of the marketing period or such earlier date as may be specified by CenturyLink upon notice to Level 3. The initial merger and the subsequent merger will be effective on the date shown on the certificates of merger filed with the Secretary of State of the State of Delaware, in accordance with the laws of Delaware.

Representations and Warranties

The merger agreement contains representations and warranties made by each of Level 3 and CenturyLink. Level 3 has made representations and warranties regarding, among other things:

corporate organization and power;

qualification to do business;

absence of conflict or violation;

consents and approvals;

authorization and validity of agreement;

capitalization and related matters;

subsidiaries and equity investments;

SEC reports;

absence of certain changes or events;

tax matters;

absence of undisclosed liabilities;

real property;

intellectual property;

licenses and permits;

compliance with law;

litigation;

contracts;

employee benefit plans;

insurance;

affiliate transactions;

vendors and customers;

labor matters;

environmental matters;

absence of brokers or similar financial intermediaries;

network operations and building access;

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state takeover statutes;

opinion of financial advisor;

board approval;

the rights agreement dated as of April 10, 2011 between Level 3 and Wells Fargo Bank, N.A. as rights agent, as amended, which we refer to as the Level 3 rights agreement;

required stockholder vote;

absence of illegal or unauthorized payments, political contributions and exports; and

absence of material restrictions on Level 3's ability to prepay certain intercompany indebtedness. CenturyLink has made representations and warranties regarding, among other things:

corporate organization and power;

qualification to do business;

absence of conflict or violation;

consents and approvals;

authorization and validity of agreement;

capitalization and related matters;

subsidiaries and equity investments;

SEC filings;

absence of certain changes or events;

tax matters;

absence of undisclosed liabilities;

intellectual property;

licenses and permits;

compliance with law;

litigation;

contracts;

employee benefit plans;

affiliate transactions;

labor matters;

environmental matters;

absence of brokers or similar financial intermediaries;

financing;

network operations;

state takeover statutes;

board approval;

required stockholder vote;

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absence of illegal or unauthorized payments, political contributions and exports;

opinion of financial advisor; and

solvency.

The merger agreement also contains certain representations and warranties of CenturyLink with respect to its indirect wholly owned subsidiaries, merger sub 1 and merger sub 2, including corporate organization, qualification to do business, no conflicts or violation, capitalization and authority with respect to the execution and delivery of the merger agreement.

Many of the representations and warranties in the merger agreement are qualified by a materiality or material adverse effect standard (that is, they will not be deemed to be untrue or incorrect unless their failure to be true or correct, individually or in the aggregate, would, as the case may be, be material or have a material adverse effect). For purposes of the merger agreement, a material adverse effect means, with respect to a party, any event, change, circumstance, effect, development or state of facts that, individually or in the aggregate, (i) is, or is reasonably likely to become, materially adverse to the business, assets, financial condition, properties, liabilities or results of operations of a party and its subsidiaries, taken as a whole, or (ii) would prevent or materially impair or materially delay the ability of a party to perform its obligations under the merger agreement or to consummate the combination or the other transactions contemplated by the merger agreement. With respect to clause (i) above, the definition of material adverse effect excludes any event, change, circumstance, effect, development or state of facts to the extent it results from or arises out of:

general economic or political conditions (including results of elections) or securities, credit, financial or other capital markets conditions, in each case in the United States or any foreign jurisdiction (except to the extent that such event, change, circumstance, effect, development or state of facts affects the applicable party and its subsidiaries in a materially disproportionate manner when compared to the effect of such event, change, circumstance, effect, development or state of facts on other persons in the industries in which the applicable party and its subsidiaries operate);

changes or conditions generally affecting the industries in which such party and its subsidiaries operate (except to the extent that such event, change, circumstance, effect, development or state of facts affects the applicable party and its subsidiaries in a materially disproportionate manner when compared to the effect of such event, change, circumstance, effect, development or state of facts on other persons in the industries in which the applicable party and its subsidiaries operate);

changes in applicable laws, regulations or GAAP (or authoritative interpretations of the foregoing);

the negotiation, execution, announcement, pendency or performance of the merger agreement or the combination, or the consummation of the combination, including the impact on relationships (contractual or otherwise) with employees, customers, suppliers or partners;

acts of war, armed hostilities, sabotage or terrorism, or any escalation or worsening of any such acts threatened or underway as of October 31, 2016 (except to the extent that such event, change, circumstance, effect, development or state of facts affects the applicable party and its subsidiaries in a materially disproportionate manner when compared to the effect of such event, change, circumstance, effect, development or state of facts on other persons in the industries in which the applicable party and its subsidiaries operate);

earthquakes, hurricanes, floods, or other natural disasters (except to the extent that such event, change, circumstance, effect, development or state of facts affects the applicable party and its subsidiaries in a materially disproportionate manner when compared to the effect of such event, change, circumstance, effect, development or state of facts on other persons in the industries in which the applicable party and its subsidiaries operate);

any failure, in and of itself, by a party to meet any internal or published projections, forecasts, estimates or predictions in respect of revenues, earnings or other financial or operating metrics for any

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period (it being understood that the facts or occurrences giving rise to or contributing to such failure may be taken into account in determining whether there has been or will be, a Level 3 material adverse effect to the extent not otherwise included);

any change, in and of itself, in the market price or trading volume of a party's securities (it being understood that the facts or occurrences giving rise to or contributing to such failure may be taken into account in determining whether there has been or will be, a Level 3 material adverse effect to the extent not otherwise included); or

the taking of any specific action required by, or the failure to take any specific action expressly prohibited by, the merger agreement.

Conduct of Business

Each of Level 3 and CenturyLink has agreed to certain covenants in the merger agreement restricting the conduct of its business between the date of the merger agreement and the effective time of the combination. In general, Level 3 has agreed to (i) conduct in all material respects its and its subsidiaries' business in the ordinary course of business and in a manner consistent with past practice and in all material respects in compliance with applicable laws, (ii) use commercially reasonable efforts to maintain in all material respects its and its subsidiaries' assets, properties, rights and operations in accordance with present practice in a condition suitable for their current use and (iii) use commercially reasonable efforts, consistent with the foregoing, to preserve substantially intact the business organization of Level 3 and its subsidiaries, to keep available the services of the then-present executive officers and other key employees of Level 3 at the level of senior vice president or above, and to preserve, in all material respects, the present relationships of Level 3 and its subsidiaries with all persons with whom it has significant business relationships.

In addition, Level 3 has agreed to specific restrictions relating to the conduct of its business between the date of the merger agreement and the effective time of the combination, including not to do any of the following (subject, in each case, to exceptions specified below and in the merger agreement or previously disclosed in writing to the other party as provided in the merger agreement) without CenturyLink's prior written consent, which, subject to specified exceptions, may not be unreasonably delayed, withheld or conditioned:

make any change in any of its organizational documents;

issue any additional shares of capital stock or other equity securities or grant any option, warrant or right to acquire any capital stock or other equity interests, or alter in any way its outstanding securities or its capitalization;

make any sale, assignment or other conveyance of material assets or real property other than in the ordinary course of business in a manner consistent with past practice;

subject any of its assets, properties or rights to any lien, other than certain permitted liens and liens securing obligations not in excess of \$100 million in the aggregate;

(i) redeem, retire, purchase or otherwise acquire any shares of the capital stock, membership interests or partnership interests or other ownership interests of Level 3 or its subsidiaries, (ii) declare, set aside or pay any dividends or other distribution in respect of such shares or interests, (iii) prepay, redeem, repurchase, defease, cancel or otherwise terminate any of Level 3's indebtedness or guarantees thereof, (iv) prepay or otherwise satisfy any obligations outstanding under any capital leases or (v) distribute any rights pursuant to the Level 3 rights agreement;

acquire, lease or sublease any material assets or properties (including any real property), other than in the ordinary course of business (or as permitted as described above) or acquire any equity interest or business;

except as required by the terms of existing Level 3 employee benefit plans, as required by law or as permitted by the merger agreement, (i) increase the compensation or benefits payable or to become payable to any current or former employee, officer, director or consultant of Level 3 or any of its subsidiaries, (ii) establish, adopt, enter into or amend (except certain immaterial amendments) any

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Level 3 employee benefit plan or any such plan, agreement, program, policy commitment or arrangement that would be a Level 3 employee benefit plan if it were in existence on the date of the merger agreement, (iii) increase the compensation or benefits payable under any existing severance, termination, change in control, or retention pay policy or employment or other agreements or add any participants to the Level 3 Key Executive Severance Plan, (iv) accelerate the vesting or time of payment of any stock or stock-based compensation or other compensation, (v) grant any awards under any bonus, incentive, performance or other compensation plan or arrangement, (vi) fund any trust or similar funding vehicle in advance of the payment of compensation or benefits under any existing employee benefit plan, or (vii) make any loan or cash advance to any current or former director, officer, employee or independent contractor (other than advances of business or travel expenses in the ordinary course of business consistent with past practice);

make capital expenditures in the aggregate in excess of Level 3's capital expenditure forecast, other than as may be necessary in connection with any unexpected repair, maintenance or replacement;

pay, lend or advance any amount to, or sell, assign, transfer, license or lease any properties or assets to, or enter into any agreement or arrangement with, any of its affiliates (other than wholly owned subsidiaries);

fail to keep in full force and effect insurance comparable in amount and scope to coverage currently maintained;

make any change in any method of financial accounting or financial accounting principle or practice, except for any such change required by reason of a concurrent change in GAAP;

(i) make, change or revoke any material tax election, (ii) adopt or change any material tax accounting method, (iii) file any amended material tax return, (iv) settle any material tax claim or assessment for an amount materially in excess of the amount reserved or accrued on Level 3's balance sheet or (v) surrender any right to claim a refund of material taxes, for each of (i) through (v), other than as required by law or in the ordinary course of business;

settle, release or forgive any claim, action or proceeding requiring payments to be made by Level 3 or any of its subsidiaries in excess of \$7,500,000 individually, or \$35,000,000 in the aggregate or involving any admissions or other obligations of Level 3 or any of its subsidiaries, other than intercompany claims or customer or vendor disputes in the ordinary course of business, or waive any right with respect to any material claim held by Level 3 or any of its subsidiaries other than in the ordinary course of business and consistent with past practice, or settle or resolve any claim against Level 3 or any of its subsidiaries on terms that require Level 3 or any of its subsidiaries to materially alter its existing business practices;

lend money to any person (other than to Level 3 or its wholly owned subsidiaries or Level 3 or its subsidiaries' employees with respect to business or travel advances) or incur or guarantee any indebtedness for borrowed money (other than from Level 3 or its wholly owned subsidiaries);

materially amend or terminate early any material joint venture, partnership or limited liability company agreement with third parties, certain non-competition agreements restricting Level 3's business activities and any agreement limiting Level 3 or its subsidiaries to make distributions or declare or pay dividends;

enter into or amend any agreement or commitment or take any other action that would reasonably be expected to prevent or materially delay or materially impair the consummation of the combination or adversely affect in a material respect the expected benefits of the combination;

permit the balance owed under the intercompany note to be less than a specified threshold, or permit the amounts available to Level 3 for certain restricted payments (for example, cash dividends) pursuant to the terms of the existing credit agreement and indentures governing the notes, to be less than a specified threshold; or

commit or agree to do or authorize any of the foregoing.

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In general, CenturyLink has agreed to (i) conduct in all material respects its and its subsidiaries' business in the ordinary course of business and in a manner consistent with past practice and in all material respects in compliance with applicable laws and (ii) use commercially reasonable efforts to maintain in all material respects its and its subsidiaries' assets, properties, rights and operations in accordance with then-present practice in a condition suitable for their then-current use.

In addition, CenturyLink has agreed to specific restrictions relating to the conduct of its business between the date of the merger agreement and the effective time of the combination, including not to do any of the following (subject, in each case, to exceptions specified below and in the merger agreement or previously disclosed in writing to the other party as provided in the merger agreement) without Level 3's prior written consent, which, subject to specified exceptions, may not be unreasonably delayed, withheld or conditioned:

make any change in any of its organizational documents;

issue any additional shares of capital stock or other equity securities or grant any option, warrant or right to acquire any capital stock or other equity securities, other than in specified circumstances;

make any sale, assignment, transfer, abandonment, sublease or other conveyance of material assets or real property other than in the ordinary course of business in a manner consistent with past practice;

other than in connection with the financing of the combination, subject any of its assets, properties or rights to any lien in excess of \$100 million in the aggregate, other than certain permitted liens;

redeem, retire, purchase or otherwise acquire any shares of capital stock or other ownership interests of CenturyLink or any of its subsidiaries or declare, set aside or pay any dividends or other distributions in respect of such shares or interests other than regular quarterly cash dividends payable by CenturyLink in respect of its common stock, not exceeding \$0.54 per share of CenturyLink common stock, dividends payable to holders of CenturyLink voting preferred shares and other specified exceptions;

acquire any equity interest or business or any material assets, or properties (including any real property), or enter into any other transaction, other than in the ordinary course of business and consistent with past practice, not to exceed \$40 million individually or \$100 million in the aggregate and in connection with transactions that are not reasonably expected to (i) prevent or materially delay or impair the consummation of the combination, (ii) prevent, materially hinder or materially delay the receipt of the necessary or required waiting period expirations or terminations, consents, approvals and authorizations for the transactions, under the HSR Act, the EUMR, and similar laws of other jurisdictions, the Communications Act, the Cable Land License Act, and certain other regulatory laws; (iii) materially impair CenturyLink's ability to obtain financing; or (iv) result in an ownership change of CenturyLink pursuant to the Internal Revenue Code;

make any change in any method of financial accounting or financial accounting principle or practice, except for any such change required by reason of a concurrent change in GAAP;

(i) make, change or revoke any material tax election, (ii) adopt or change any material tax accounting method, (iii) file any amended material tax return, (iv) settle any material tax claim or assessment for an amount materially in excess of the amount reserved or accrued on CenturyLink's balance sheet or (v) surrender any right to claim a refund of material taxes, for each of (i) through (v), other than as required by law or in the ordinary course of business consistent with past practice;

lend money to any person (other than subsidiaries of CenturyLink) or incur or guarantee any indebtedness for borrowed money other than (i) as permitted under the commitment letter as of the date hereof or in connection with the repayment of Level 3's debt required to be repaid in the combination, (ii) the financing of the combination; (iii) indebtedness incurred to replace existing indebtedness of CenturyLink or its subsidiaries; (iv) indebtedness incurred in the ordinary course of business under any credit facility of CenturyLink or its subsidiaries in existence as of the date of the merger agreement and (v) indebtedness in an aggregate principal amount at any time outstanding not in excess of \$100 million;

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settle, release or forgive any claim, action or proceeding requiring net payments to be made by CenturyLink or its subsidiaries in excess of \$10 million individually or \$50 million in the aggregate or involving any admissions or other obligations of CenturyLink or any of its subsidiaries, other than intercompany claims or disputes with customers or vendors in the ordinary course of business, or waive any right with respect to any material claim held by CenturyLink or any of its subsidiaries other than in the ordinary course of business and consistent with past practice, or settle or resolve any claim against CenturyLink or any of its subsidiaries on terms that require CenturyLink or any of its subsidiaries to materially alter its existing business practices; or

commit or agree to do or authorize any of the foregoing.

No Solicitation of Alternative Proposals

Each of Level 3 and CenturyLink has agreed that, from the time of the execution of the merger agreement until the earlier of the termination of the merger agreement or the completion of the combination, it and its subsidiaries will not and will not authorize or permit its controlled affiliates, directors, officers, employees, representatives, advisors or other intermediaries to, directly or indirectly, (i) solicit, initiate or knowingly encourage the submission of inquiries, proposals or offers relating to an acquisition proposal, (ii) enter into any agreement to consummate any acquisition proposal, or approve or endorse any acquisition proposal or abandon, terminate or fail to consummate the combination, (iii) enter into or participate in any discussions or negotiations in connection with any acquisition proposal, or furnish any non-public information with respect to its business, properties or assets in connection with any acquisition proposal, or (iv) agree or resolve to take, or take, any of the actions prohibited in clauses (i)-(iii). The merger agreement also requires both Level 3 and CenturyLink to immediately cease any and all existing activities, discussions or negotiations with any parties conducted prior to the execution of the merger agreement with respect to any acquisition proposal.

An acquisition proposal with respect to Level 3 means any offer or proposal for a merger, reorganization, recapitalization, consolidation, share exchange, business combination or other similar transaction involving Level 3 or any of its subsidiaries or any proposal or offer to acquire, directly or indirectly, securities representing more than 20% of the voting power of Level 3 or more than 20% of the assets of Level 3 and its subsidiaries taken as a whole, other than the combination described in this joint proxy statement/prospectus.

An acquisition proposal with respect to CenturyLink means any offer or proposal for a merger, reorganization, recapitalization, consolidation, share exchange, business combination or other similar transaction involving CenturyLink or any of its subsidiaries or any proposal or offer to acquire, directly or indirectly, securities representing more than 20% of the voting power of CenturyLink or more than 20% of the assets of CenturyLink and its subsidiaries taken as a whole, other than the combination described in this joint proxy statement/prospectus.

Notwithstanding the restrictions described above, prior to the applicable stockholder meeting, the board of directors of each of Level 3 and CenturyLink is permitted to furnish information with respect to Level 3 or CenturyLink, as applicable, and enter into negotiations or discussions with a person who has made an acquisition proposal if, and only if, prior to taking such actions, the board of directors of such party determines in good faith after consultation with its financial advisors and outside legal counsel that such acquisition proposal constitutes, or would reasonably be expected to result in, a superior proposal.

A superior proposal with respect to Level 3 means any proposal made by a third party to enter into any transaction involving an acquisition proposal with respect to Level 3 that the Level 3 Board determines in its good faith judgment (after consultation with Level 3's financial advisors and outside legal counsel) would be more favorable to Level 3's

stockholders than the merger agreement and the combination, taking into account all terms and conditions of such transaction (including any break-up fees, expense reimbursement provisions and financial terms) and the anticipated timing and prospects for completion of such transaction, including the

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prospects for obtaining regulatory approvals, financing and third party approvals, except that the reference to 20% in the definition of acquisition proposal with respect to Level 3 shall be deemed to be a reference to 50%.

A superior proposal with respect to CenturyLink means any proposal made by a third party to enter into any transaction involving an acquisition proposal with respect to CenturyLink that the CenturyLink Board determines in its good faith judgment (after consultation with CenturyLink's financial advisors and outside legal counsel) would be more favorable to CenturyLink's shareholders than the merger agreement and the combination, taking into account all terms and conditions of such transaction (including any break-up fees, expense reimbursement provisions and financial terms) and the anticipated timing and prospects for completion of such transaction, including the prospects for obtaining regulatory approvals, financing and third party approvals, except that the reference to 20% in the definition of acquisition proposal with respect to CenturyLink shall be deemed to be a reference to 50%.

Level 3 may terminate the merger agreement to enter into a definitive agreement with respect to an acquisition proposal following a good faith determination by the Level 3 Board, after consultation with its financial advisors and outside legal counsel, that the proposal is a superior proposal and concurrently Level 3 pays to CenturyLink a termination fee of \$737.5 million less any CenturyLink expenses previously paid by Level 3. Prior to taking such action, the Level 3 Board must have determined in good faith, in consultation with its financial advisors and outside legal counsel, that the failure to take such action is inconsistent with the fiduciary duties of the Level 3 Board to Level 3's stockholders under applicable law and must have provided CenturyLink with five business days' prior written notice (which period may be extended in certain circumstances) that it intends to do so and, if requested by CenturyLink, has engaged in good faith negotiations with CenturyLink to amend the terms of the merger agreement so that the failure to take such action would no longer be inconsistent with the fiduciary duties of the Level 3 Board to Level 3's stockholders under applicable law.

Similarly, CenturyLink may terminate the merger agreement to enter into a definitive agreement with respect to an acquisition proposal upon a good faith determination by the CenturyLink Board, after consultation with its financial advisors and outside legal counsel, that the proposal is a superior proposal and concurrently CenturyLink pays to Level 3 a termination fee of \$471.5 million less any Level 3 expenses previously paid by CenturyLink. Prior to taking such action, the CenturyLink Board must have determined in good faith, in consultation with its financial advisors and outside legal counsel, that the failure to take such action is inconsistent with the fiduciary duties of the CenturyLink Board to CenturyLink's shareholders under applicable law and has provided Level 3 with five business days' prior written notice (which period may be extended in certain circumstances) that it intends to do so and, if requested by Level 3, has engaged in good faith negotiations with Level 3 to amend the terms of the merger agreement so that the failure to take such action would no longer be inconsistent with the fiduciary duties of the CenturyLink Board to CenturyLink's shareholders under applicable law.

The merger agreement requires each party to notify the other within 24 hours of, among other things, the receipt of or occurrence of any acquisition proposal and the material terms and conditions of any such acquisition proposal and the identity of the person making such proposal. Any such notification shall include the material terms and conditions of any such acquisition proposal, request, inquiry or discussion. In addition, the merger agreement requires each party to continue to inform the other of material changes to any acquisition proposal and provide to each other, within 24 hours of receipt, all written material received from any third party in connection with an acquisition proposal that is material to understanding the material terms and conditions of such acquisition proposal (as determined by the party's board of directors in good faith).

Changes in Board Recommendations

Each of Level 3 and CenturyLink has agreed that its board of directors will not (i) withdraw, modify or amend in any manner adverse to the other party the recommendation by such board with respect to the

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transactions contemplated by the merger agreement, as applicable or (ii) recommend the approval or adoption of any acquisition proposal. We refer to these events as a change in recommendation. Notwithstanding the foregoing, the board of directors of each of Level 3 and CenturyLink may make a change of recommendation in response to (i) a material intervening event or development not related to an acquisition proposal that was not known by such party's board of directors as of the date of the merger agreement or (ii) an acquisition proposal that was unsolicited and did not result from a breach of the restrictions described above, if the board of directors of Level 3 or CenturyLink, as applicable, has determined in good faith, after consultation with its financial advisors and outside legal counsel, that (x) in the case of (ii) above, such acquisition proposal is a superior proposal and (y) in the case of (i) and (ii) above, the failure to take such action would be inconsistent with its fiduciary duties under applicable law to the shareholders of Level 3 or CenturyLink, as applicable. Prior to taking any such action, such board of directors must give five business days' notice to the other party in writing of its decision to change its recommendation, provide the material terms and conditions of any acquisition proposal to the other party if an acquisition proposal has been made prior to such action negotiate in good faith with other party changes to the merger agreement. Upon any amendment to the amount or form of consideration of an acquisition proposal, a new notice and an additional two business days must be provided.

Efforts to Obtain Required Shareholder Votes

Level 3 has also agreed to hold the Level 3 special meeting and, subject to the qualifications described above, to use its reasonable best efforts to obtain stockholder approval and adoption of the merger agreement and approval of the combination. The Level 3 Board has approved the merger agreement and determined the merger agreement and the transactions contemplated thereby, including the combination, advisable, fair to and in the best interests of Level 3 and its stockholders, and has adopted resolutions directing that the merger agreement be submitted to the Level 3 stockholders for their consideration. If, on the date the Level 3 special stockholder meeting is scheduled to be held, Level 3 has not received proxies representing a sufficient number of shares of Level 3 common stock to approve and adopt the merger agreement and the transactions contemplated thereby, Level 3 has the right on one or more occasions to postpone or adjourn the meeting for not more than an aggregate 40 days, solely for the purpose of soliciting shares of Level 3 common stock.

CenturyLink has agreed to hold the CenturyLink special meeting and, subject to the qualifications described above, to use its reasonable best efforts to obtain shareholder approval of the CenturyLink stock issuance. The CenturyLink Board has approved the merger agreement and determined that the merger agreement is advisable and in the best interests of CenturyLink and its shareholders, and has adopted resolutions directing that the CenturyLink stock issuance be submitted to the CenturyLink shareholders for their consideration. If, on the date the CenturyLink special meeting is scheduled to be held, CenturyLink has not received proxies representing a sufficient number of shares of CenturyLink common stock to approve the CenturyLink stock issuance, CenturyLink has the right on one or more occasions to postpone or adjourn the meeting for not more than an aggregate 40 days, solely for the purpose of soliciting shares of CenturyLink common stock.

Efforts to Complete the Combination

Level 3 and CenturyLink have each agreed to use its reasonable best efforts to take all actions and do all things necessary, proper or advisable to consummate the combination and the other transactions contemplated by the merger agreement, including:

preparing and filing, in consultation with the other party and as promptly as practicable after the date of the merger agreement, all documentation to effect all necessary applications, notices, petitions, filings and other documents and to obtain all waiting period expirations or terminations, consents, clearances, waivers, licenses, orders, registrations, approvals, permits and authorizations that are necessary or advisable to consummate the transactions contemplated by the merger agreement, including the combination (and the financing thereof) and the CenturyLink stock issuance, including filings under the HSR Act, with the FCC, with applicable state regulators, with the U.S. Departments of Defense,

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under any foreign antitrust laws including, if applicable Homeland Security and Justice and the Defense Security Service, under Council Regulation (IEC) 139/2004 of the European Community and as required under applicable foreign investment regulations including, if CenturyLink determines appropriate after consultation with Level 3, CFIUS;

promptly inform each other of any communication received from, or given to, any governmental entity or person (in connection with any proceeding by a private party), by promptly providing copies to the other party of such written communications (subject to redaction of information as necessary to comply with contractual arrangements or to address reasonable privilege or confidentiality concerns, or where such information relates to valuation of Level 3, CenturyLink or any of either party's subsidiaries); and

permit the other party, as applicable, to review any communication that it gives to, and consult with each other in advance of any meeting, substantive telephone call or conference with any other governmental entity (subject to redaction of information as necessary to comply with contractual arrangements or to address reasonable privilege or confidentiality concerns, or where such information relates to valuation of Level 3, CenturyLink or any of either party's subsidiaries), or give the other party the opportunity to attend or participate in any such meeting, substantive telephone call or conference.

Notwithstanding the foregoing, the merger agreement does not require CenturyLink to (and without Level 3's consent, CenturyLink has agreed that it will not) agree to any terms, conditions or modifications (including CenturyLink, Level 3 or any of their respective subsidiaries having to cease, sell or otherwise dispose of any assets or business (including the requirement that any such assets or businesses be held separate)) or, with respect to CenturyLink, enter into or modify any network security agreement with the U.S. Departments of Defense, Homeland Security and Justice and any mitigation instrument with Defense Security Service regarding a planned change in foreign ownership, control and influence, in each case with respect to obtaining the expiration or termination of any waiting period or any consents, permits, waiver, approvals, authorizations or orders in connection with the combination or the consummation of the transactions contemplated by the merger agreement that would result in, or would be reasonably expected to result in, either individually or in the aggregate, a material adverse effect on CenturyLink and its subsidiaries, taken as a whole after giving effect to the combination (assuming CenturyLink and its subsidiaries, taken as a whole, after giving effect to the combination, are the size of CenturyLink and its subsidiaries, taken as a whole, prior to giving effect to the combination). We refer to such an adverse effect as a specified material adverse effect.

Additionally, each party has agreed to use its reasonable best efforts to obtain the expiration or termination of all waiting periods and all consents, waivers, authorizations and approvals of all third parties, including any governmental entities, necessary, proper or advisable for the consummation of the combination and to provide any notices to third parties required to be provided prior to the combination. However, without the prior written consent of CenturyLink, Level 3 may not incur any significant expense or liability, enter into any significant new commitment or agreement or agree to any significant modification to any contractual arrangement to obtain such consents or certificates, in each case, that would have a specified material adverse effect.

Governance Matters After the Combination

CenturyLink has agreed to appoint to the CenturyLink Board (i) on or prior to the effective time of the initial merger, three members of Level 3's board of directors, to be selected by CenturyLink and who are not affiliated with or designated by STT Crossing, and (ii) in accordance with the terms of the shareholder rights agreement, one member of Level 3's board of directors to be designated by STT Crossing. If any of the Level 3 directors selected by CenturyLink to serve on the CenturyLink Board are unwilling or unable to serve on CenturyLink's board of directors, then

CenturyLink shall select another candidate from Level 3's board of directors not affiliated with or designated by STT Crossing. CenturyLink will cause all such appointed directors to be nominated for election to the CenturyLink Board at the first annual meeting following the closing of the combination. In addition, in accordance with the terms of the shareholder rights agreement, CenturyLink has also agreed to nominate the STT Crossing designee to the CenturyLink Board for the first three annual meetings of

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CenturyLink following the completion of the combination, unless STT Crossing and its affiliates do not beneficially own at least 85% of the CenturyLink common stock to be received by them at the completion of the combination. STT Crossing is expected to own approximately 8.8% of the CenturyLink common stock outstanding after the completion of the combination. For additional information, see the section entitled *Directors and Officers of CenturyLink Following the Combination*.

CenturyLink expects Jeff K. Storey, Level 3's president and chief executive officer, and Steven T. Clontz, senior executive vice president of Singapore Technologies Telemedia Pte. Ltd., to join the CenturyLink Board upon completion of the combination, with Mr. Clontz serving as the designee of STT Crossing. Prior to the CenturyLink special meeting, CenturyLink intends to publicly announce the names of the other two Level 3 directors to be appointed to the CenturyLink Board upon completion of the combination.

Level 3 Employee Benefits Matters

For a period of one year following the effective time of the initial merger, CenturyLink will provide each employee of Level 3 and its subsidiaries who continues to be employed by the surviving company or CenturyLink or any of its subsidiaries following the effective time (hereinafter referred to as continuing employees): (1) an annual base salary or wage rate and annual cash incentive compensation opportunities that are, in each case, no less favorable than were provided to the continuing employee immediately before the effective time of the initial merger, (2) total incentive compensation opportunities that are no less favorable than the total incentive compensation opportunities (including cash and equity compensation opportunities and excluding any retention awards) provided to the continuing employee immediately prior to the effective time of the initial merger and (3) at CenturyLink's election, either (a) participation in employee benefit plans, programs and policies to the same extent and on the same terms as similarly situated employees of CenturyLink and its subsidiaries or (b) continued participation in employee benefit plans, programs and policies that provide benefits that are no less favorable in the aggregate to the benefits provided to such continuing employee immediately prior to the closing date of the combination.

Any continuing employee who experiences a qualifying termination (described below) during the one-year period following the effective time of the initial merger will be entitled to cash and welfare severance benefits that are no less favorable in the aggregate, in each case, than the cash and welfare severance benefits, respectively, if any, determined in accordance with the terms of (1) the Key Executive Severance Plan as of October 31, 2016, for participants in such plan and (2) the severance plan that Level 3 is adopting in connection with the combination, subject to such continuing employee providing a timely and effective release of claims in favor of Level 3, the surviving company and their affiliates (to the extent not otherwise required). A qualifying termination includes (a) a termination without cause, (b) solely for participants in the Key Executive Severance Plan, a resignation for good reason and (c) solely with respect to continuing employees with a title of Vice President or above (who do not participate in the Key Executive Severance Plan), a resignation due to a forced relocation of more than 50 miles.

To the extent continuing employees become eligible to participate in any employee benefit plan maintained by CenturyLink or its subsidiaries following the effective time of the initial merger, the continuing employees' service with Level 3 or any of its subsidiaries prior to the initial effective time will be treated as service with CenturyLink or its subsidiaries, other than for purposes of benefit accrual under defined benefit pension plans and certain other customary exceptions. CenturyLink will also use commercially reasonable efforts to waive eligibility requirements and pre-existing condition limitations under any CenturyLink benefit plan that is a welfare benefit plan, except to the extent such eligibility requirements or pre-existing conditions would apply under the analogous Level 3 benefit plan in which the continuing employee participated or was eligible to participate prior to the effective time. In addition, CenturyLink will also use commercially reasonable efforts to give effect, in determining any deductibles, co-insurance or maximum out-of-pocket limitations under any CenturyLink benefit plan that is a welfare benefit plan, to amounts

paid by continuing employees prior to the effective time of the initial merger under any Level 3 benefit plan in which the continuing employee (or eligible dependent) was a participant as of immediately prior to the effective time of the initial merger.

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CenturyLink and Level 3 each acknowledged that a change of control (or similar phrase) within the meaning of the Level 3 benefit plans will, only for purposes of the Level 3 benefit plans, occur at or prior to the effective time of the combination.

In order to promote retention and incentivize employees to consummate the combination, Level 3 retained the right to establish two retention programs under which Level 3's chief executive officer or the compensation committee of the Level 3 Board may make cash awards to employees, including Level 3's executive officers. Pursuant to the First Retention Program, Level 3 has the right to grant retention awards equal to up to \$10 million in the aggregate that will generally vest and settle as to 50% as of the earlier to occur of (x) the closing date of the combination and (y) the merger agreement termination date, and will vest and settle as to the remaining 50% on the 90th day following the first payment date. In addition, Level 3 has retained the right to establish the Second Retention Program to promote retention through and following the closing date of the combination, pursuant to which awards will be subject to an aggregate cap of \$75 million and an individual cap of one times the participant's base salary. Awards granted pursuant to the Second Retention Program will generally vest and settle as follows: (a) 34% as of the earlier to occur of (x) the closing date of the combination and (y) the merger agreement termination date, (b) 33% on the 180th day following the first payment date, and (c) 33% on the first anniversary of the first payment date. Notwithstanding the foregoing, all amounts payable pursuant to each of the retention programs will accelerate and be settled in the event that a participant in either retention program experiences (a) a termination by Level 3 or CenturyLink, as applicable, without cause, (b) solely for participants in the KESP, a resignation for good reason or (c) solely with respect to continuing employees with a title of Vice President and above (who do not participate in the KESP), a resignation due to a forced relocation of more than 50 miles. As of the date of this filing, no retention awards have yet been made with respect to the First Retention Program. Awards under the Second Retention Program have been made to employees designated by Level 3's management and the compensation committee, including to Level 3's executive officers. Additional awards under the Second Retention Program may be made at any time prior to the closing date, provided that the individual and cumulative caps under this program are not exceeded. Level 3's CEO and other executive officers (as well as other employees) are eligible for and may receive allocations of awards pursuant to the First Retention Program and from the remaining portion of the Second Retention Program.

Indemnification and Insurance

The merger agreement requires CenturyLink to indemnify, to the fullest extent permitted by law, any person who is now an officer or director of Level 3 or any of its subsidiaries, has been at any time prior to completion of the combination an officer or director of Level 3 or any of its subsidiaries or who was serving at the request of Level 3 as an officer or director of another corporation, joint venture or other enterprise or general partner of any partnership or a trustee of any trust, in connection with any claim, action, suit, proceeding or investigation based directly or indirectly (in whole or in part) on, or arising directly or indirectly (in whole or in part) out of, the fact that such person was an officer or director of Level 3 or any of its subsidiaries, or is or was serving at the request of Level 3 as an officer or director of another corporation, joint venture or other enterprise or general partner of any partnership or a trustee of any trust, whether pertaining to any matter arising before or after the effective time.

CenturyLink shall cause the surviving company to (i) not amend, repeal or otherwise modify the exculpation, indemnification and advancement of expenses provisions of Level 3's and any of its subsidiaries' organizational documents as in effect immediately prior to the effective time in any manner that would adversely affect the rights thereunder of any individuals who at the effective time were directors, officers or employees of Level 3 or any of its subsidiaries and (ii) comply with and not amend without the consent of the other parties thereto, any indemnification contracts of Level 3 or its subsidiaries with any of their respective current or former directors, officers or employees as in effect immediately prior to the date of the merger agreement.

The merger agreement requires CenturyLink to cause the surviving company to maintain for a period of six years after completion of the combination Level 3's current directors' and officers' liability insurance policies. However, the surviving company is not required to incur an annual premium expense greater than 300% of the

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annual premiums currently paid by Level 3. If the surviving company is unable to maintain a policy because the annual premium expense is greater than 300% of Level 3's current annual directors' and officers' liability insurance premiums, the surviving company is obligated to obtain as much insurance as is available for the amount that is 300% of Level 3's current annual premiums. In lieu of the foregoing, Level 3 may purchase a six-year tail prepaid officers and directors' liability insurance policy prior to the effective time of the initial merger for an amount not to exceed 300% of Level 3's current annual premiums. If such a tail policy is purchased, Level 3 will not terminate such policy and will cause all obligations thereunder to be honored by it and the surviving company.

Treatment of Level 3 Equity Awards

Upon the completion of the initial merger, each outstanding Level 3 RSU award granted prior to April 1, 2014 and each Level 3 RSU award granted to a non-employee member of the Level 3 Board will be cancelled in exchange for \$26.50 in cash and 1.4286 shares of CenturyLink common stock per share of Level 3 common stock covered by the award, less applicable withholding taxes.

Upon the completion of the initial merger, each outstanding Level 3 RSU award granted on or after April 1, 2014 (other than those granted to non-employee members of the Level 3 Board), will be converted into a restricted stock unit award relating to a number of shares of CenturyLink common stock equal to the product of (a) the equity award exchange ratio (described below) multiplied by (b) the number of shares of Level 3 common stock subject to the award immediately prior to the effective time of the initial merger. Following the effective time of the initial merger, the converted RSU awards will remain subject to the same terms and conditions (including vesting terms) applicable to such awards immediately prior to the effective time, except that any performance-based vesting conditions will be deemed satisfied based on the actual performance of Level 3 through the latest practicable date prior to the closing date of the combination (as determined by the compensation committee of the Level 3 Board) and the award will continue to vest based on continued service to CenturyLink. The equity award exchange ratio is equal to the sum of (1) 1.4286 plus (2) the quotient (rounded to four decimal places) of (a) \$26.50 divided by (b) the volume weighted average price of a share of CenturyLink common stock on the NYSE for the 30 trading days ending with the trading day immediately prior to the closing date of the combination.

Other Covenants and Agreements

The merger agreement contains certain other covenants and agreements, including covenants relating to:

cooperation between Level 3 and CenturyLink in the preparation of this joint proxy statement/prospectus;

confidentiality and access by each party to certain information about the other party during the period prior to the effective time of the combination;

cooperation between Level 3 and CenturyLink in the defense or settlement of any stockholder litigation relating to the combination, or other transactions contemplated by the merger agreement;

maintenance of adequate insurance by each of Level 3 and CenturyLink;

cooperation between Level 3 and CenturyLink in connection with public announcements;

CenturyLink's agreement to continue to pay regular quarterly cash dividends in respect of CenturyLink common stock of \$0.54 per share of CenturyLink common stock in a manner substantially consistent with dividends paid by CenturyLink during its most recent fiscal year, subject to an exception if CenturyLink determines in good faith after consultation with financial advisors and outside legal counsel that the declaration and payment of such dividends is inconsistent with the CenturyLink Board's fiduciary duties or violates applicable law;

CenturyLink's agreement to effect resolutions by its board of directors causing any dispositions of shares of Level 3 common stock resulting from the combination, and any acquisitions of CenturyLink

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common stock resulting from the combination, by certain officers and directors of Level 3 who are subject to the reporting requirements of Section 16(a) of the Exchange Act, to be exempt from Section 16(b) of the Exchange Act, subject to the receipt of information related thereto from Level 3;

neither party's knowingly taking any action or failing to take any action, which action or failure to act would cause the combination to fail to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code; and

Level 3's and CenturyLink's use of their respective reasonable best efforts to (i) provide the representations of their respective officers required in connection with the issuance of the opinions of, respectively, Willkie Farr & Gallagher, LLP, special counsel to Level 3, and Wachtell, Lipton, Rosen & Katz, counsel to CenturyLink, that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and (ii) obtain the respective opinions referred to in clause (i) of this bullet. Additionally, the merger agreement provides that CenturyLink is obligated to use its reasonable best efforts to obtain the financing on the terms and conditions contemplated by the commitment letter and the related fee letter, including using its reasonable best efforts to:

maintain the effectiveness of the commitment letter;

satisfy, on a timely basis, all conditions to the funding of the financing set forth in the commitment letter, the fee letter and any definitive agreements executed in connection therewith;

negotiate and enter into agreements with respect to the financing on the terms and conditions contemplated by the commitment letter and the fee letter (including after giving effect to any market flex provisions);

in the event that all conditions contained in the commitment letter and the fee letter have been satisfied and CenturyLink, merger sub 1 and merger sub 2 are required to consummate the closing pursuant to the terms of the merger agreement, draw a sufficient amount of the financing or alternative financing to enable CenturyLink, merger sub 1 and merger sub 2 to consummate the combination; and

enforce the counterparties' obligations and its rights under the commitment letter in the event of a breach or repudiation by any party to the commitment letter, that would reasonably be expected to materially delay or impede the completion of the combination.

Under the merger agreement, CenturyLink has the right to enter into any amendment, replacement, supplement or other modification to or waiver of the commitment letter and fee letter that does not (i) reduce the aggregate amount of the financing contemplated thereunder or (ii) add new (or adversely modify any existing) conditions that would reasonably be expected to prevent, materially delay or materially impede the consummation of the financing or the combination. In addition, CenturyLink has the right to substitute the proceeds of consummated offerings or other incurrences of debt for all or any portion of the financing contemplated by the commitment letter by reducing commitments under the commitment letter. In the event any portion of the financing contemplated by the commitment

letter becomes unavailable on the terms and conditions described therein or contemplated thereby for any reason, CenturyLink must consult with Level 3 and use its reasonable best efforts to arrange to obtain, as promptly as practicable following the occurrence of such event, alternative financing from the same or alternative sources in an amount sufficient to fund the cash consideration owing under the merger agreement, certain other cash payments contemplated by the merger agreement, the repayment of Level 3's debt (if any) required to be repaid in the combination, including premiums and fees incurred in connection therewith, and all other fees and expenses incurred by CenturyLink, merger sub 1, merger sub 2 and Level 3 in connection with the combination and the other transactions contemplated by the merger agreement, and which would not contain any provisions that would reasonably be expected to prevent, materially delay or materially impede the consummation of the financing or the transactions contemplated by the merger agreement, including any conditions to the closing of such financing that are materially less favorable to CenturyLink than the conditions to closing in the commitment letter.

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Subject to certain specified exceptions and conditions, Level 3 is obligated to provide, and to cause its subsidiaries to provide, and to use its reasonable best efforts to cause representatives of Level 3 and its subsidiaries to provide, all cooperation reasonably requested by CenturyLink in connection with the debt financing, including:

using reasonable best efforts to make Level 3's, and its subsidiaries', senior management and other representatives available to participate in a reasonable number of meetings and calls, presentations, road shows, due diligence sessions (including accounting due diligence sessions), drafting sessions and sessions with rating agencies, investors and prospective lenders on reasonable advance notice;

assisting with the preparation of (i) appropriate and customary materials for rating agency presentations, offering and syndication documents, bank information memoranda (public and, subject to confidentiality provisions, non-public), business projections, other marketing documentation and similar documents (and executing customary representation letters in connection therewith) and (ii) customary pro forma financial statements reflecting the combination and financing;

executing and delivering definitive financing documents (and assisting in the preparation of applicable schedules and other information necessary in connection therewith), including any pledge and security documents, any loan agreements, guarantees, currency or interest hedging agreements, certificates, and other definitive financing documents;

using reasonable best efforts to facilitate the pledging of collateral;

using reasonable best efforts to furnish to CenturyLink, merger sub 1 and merger sub 2 and the commitment parties, as promptly as reasonably practicable, financial and other pertinent information regarding Level 3 as may be reasonably requested by CenturyLink, including all financial statements and other financial data regarding Level 3 reasonably required by the commitment letter or reasonably requested by CenturyLink, including as is reasonably required to permit CenturyLink to prepare customary pro forma financial statements reflecting the combination and the financing;

executing and delivering (or using reasonable best efforts to obtain from its advisors), and causing its subsidiaries to execute and deliver (or use reasonable best efforts to obtain from its advisors), customary certificates, accounting consent or comfort letters and other similar matters ancillary to any such financing as may be necessary to fulfill conditions or obligations under the commitment letter or otherwise reasonably requested by CenturyLink in connection with any such financing, including obtaining the consent of Level 3's independent accountants for use in their audit reports in any financial statements relating to any such financing and using reasonable best efforts to cause such independent accountants to provide customary comfort letters (including negative assurance comfort) in connection therewith to the applicable underwriters, initial purchasers or placement agents;

furnishing such customary financial statements, schedules or other financial data or information relating to Level 3 and its subsidiaries reasonably requested by CenturyLink or its financing sources as may be necessary, proper or advisable to consummate any such financing, in each case, meeting the respective requirements of the commitment letter or as otherwise necessary, proper or advisable in connection with any such financing or to assist in receiving customary comfort (including negative assurance comfort) from independent accountants in connection with the offering(s) of debt securities, which in any event shall include audited consolidated financial statements of Level 3 covering the three fiscal years ended at least 90 days prior to the closing of the combination, and unaudited financial statements (excluding footnotes) for any regular quarterly interim fiscal period or periods of Level 3 ended after the date of the most recent audited financial statements and at least 45 days prior to the closing of the combination (subject to the agreement that any pro forma financial information required by the commitment letter will be prepared and provided by CenturyLink), which information we refer to as the required financial information;

requesting that its independent accountants cooperate with and assist CenturyLink in preparing customary and appropriate information packages and offering materials as the parties to the

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commitment letter may reasonably request for use in connection with the offering and/or syndication of debt securities;

using reasonable best efforts to assist in obtaining third party consents in connection with the financing, and in extinguishing existing indebtedness of Level 3 and its subsidiaries and releasing liens securing such indebtedness;

furnishing all documentation and other information required by governmental entities under applicable know your customer and anti-money laundering rules and regulations, including the USA Patriot Act of 2001, to the extent reasonably requested by CenturyLink, merger sub 1 or merger sub 2;

assisting CenturyLink in ensuring that the syndication efforts benefit from the existing banking relationships of Level 3 and its subsidiaries; and

taking such other customary actions as are reasonably requested by CenturyLink or the commitment parties to facilitate the satisfaction of all conditions precedent to obtaining the financing set forth in the commitment letter to the extent within the control of Level 3 (including delivery of the stock and other equity certificates of Level 3's subsidiaries to CenturyLink).

Additionally, Level 3 agreed to use its reasonable best efforts to conduct the consent solicitations with respect to Level 3's existing senior notes and term loans described above under the heading *Financing Related to the Combination Level 3 Consent Solicitation* (which consent solicitations have been completed as described above) and, in certain circumstances, to cooperate with respect to certain other consent solicitations and/or offers to purchase or exchange Level 3's and its subsidiaries' existing debt securities to the extent conducted by CenturyLink, merger sub 1, merger sub 2 or any affiliate of the foregoing. Level 3 is also required to provide certain cooperation in connection with the assumption of its existing senior notes and term loans by the surviving entities following consummation of the combination.

CenturyLink is obligated to reimburse Level 3 for reasonable out-of-pocket costs it incurs in connection with providing any such financing cooperation.

Conditions to Completion of the Combination

The obligations of each of Level 3 and CenturyLink to effect the combination are subject to the satisfaction, or waiver, of the following conditions:

the approval and adoption of the merger agreement the transactions contemplated thereby, including the combination, by the affirmative vote of the holders of a majority of the outstanding shares of Level 3 common stock entitled to vote thereon;

the approval of the CenturyLink stock issuance by holders of a majority of the outstanding shares of CenturyLink common stock present in person or represented by proxy and entitled to vote thereon at the

CenturyLink special meeting;

the absence of any order, injunction, statute, rule or regulation by a court or other governmental entity that makes illegal or prohibits the consummation of the combination;

the waiting period (and any extension thereof) applicable to the combination, and other transactions contemplated by the merger agreement, under the HSR Act having expired or been earlier terminated;

the authorizations required to be obtained from the FCC having been obtained, and remaining in full force and effect;

the completion of the CFIUS process, if a notice of the combination is provided to CFIUS in accordance with the terms of the merger agreement;

the consents required to be obtained from certain state regulators or other governmental entities in connection with the consummation of the combination having been obtained, except to the extent the

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failure to obtain such consents would not have a specified material adverse effect or prevent CenturyLink and its subsidiaries from operating in the relevant jurisdiction after the combination;

the shares of CenturyLink common stock to be issued in connection with the combination having been approved for listing on the NYSE; and

the effectiveness of the registration statement of which this joint proxy statement/prospectus forms a part and the absence of a stop order or proceedings threatened or initiated by the SEC for that purpose.

In addition, the obligations of Level 3 to effect the combination are subject to the satisfaction, or waiver, of the following additional conditions:

the representations and warranties of CenturyLink, merger sub 1 and merger sub 2 relating to (i) organization, (ii) authorization and validity of the merger agreement, (iii) certain capitalization and related matters and (iv) no brokers, being true and correct in all material respects as of the date of the merger agreement and as of the date of the closing of the combination (other than those representations and warranties that were made only as of an earlier date, which need only be true and correct as of that date);

the representations and warranties of CenturyLink, merger sub 1 and merger sub 2 relating to (i) certain other capitalization and related matters, (ii) board approval and (iii) the requisite stockholder vote needed by CenturyLink with respect to the approval and adoption of the CenturyLink stock issuance being true and correct in all respects (except for such inaccuracies as are de minimis in the aggregate), as of the date of the merger agreement and as of the date of the closing of the combination (other than those representations and warranties that were made only as of an earlier date, which need only be true and correct as of that date);

the representations and warranties of CenturyLink, merger sub 1 and merger sub 2 relating to the absence of a material adverse effect since December 31, 2015 being true and correct in all respects, as of the date of the merger agreement and as of the date of the closing of the combination;

all other representations and warranties of CenturyLink, merger sub 1 and merger sub 2 being true and correct both as of the date of the merger agreement and as of the date of the closing of the combination (other than those representations and warranties that were made only as of an earlier date, which need only be true and correct as of that date), other than where the failure of these representations and warranties to be true and correct (without giving effect to any materiality qualifications contained in such representations and warranties) does not have, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Level 3 and its subsidiaries, taken as a whole;

CenturyLink's having performed or complied with, in all material respects, all of its agreements and covenants under the merger agreement at or prior to the consummation of the combination;

Level 3's receipt of a certificate executed by an executive officer of Level 3 certifying as to the satisfaction of the conditions described in the preceding five bullets; and

Level 3's receipt of a written opinion from Willkie Farr & Gallagher LLP, or such other reputable tax counsel reasonably satisfactory to Level 3, to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code.

In addition, the obligations of CenturyLink, merger sub 1 and merger sub 2 to effect the combination are subject to the satisfaction, or waiver, of the following additional conditions:

the representations and warranties of Level 3 relating to (i) organization, (ii) authorization and validity of the merger agreement, (iii) certain capitalization and related matters, (iv) no brokers and (v) the intercompany note, being true and correct in all material respects as of the date of the merger agreement and as of the date of the closing of the combination (other than those representations and warranties that were made only as of an earlier date, which need only be true and correct as of that date);

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the representations and warranties of Level 3 relating to (i) certain other capitalization and related matters, (ii) board approval, (iii) the Level 3 rights agreement and (iv) the requisite stockholder vote needed by Level 3 to approve and adopt the merger agreement being true and correct in all respects (except for such inaccuracies as are de minimis in the aggregate), as of the date of the merger agreement and as of the date of the closing of the combination (other than those representations and warranties that were made only as of an earlier date, which need only be true and correct as of that date);

the representations and warranties of Level 3 relating to the absence of a material adverse effect since December 31, 2015 being true and correct in all respects, as of the date of the merger agreement and as of the date of the closing of the combination;

all other representations and warranties of Level 3 being true and correct both as of the date of the merger agreement and as of the date of the closing of the combination (other than those representations and warranties that were made only as of an earlier date, which need only be true and correct as of that date), other than where the failure of these representations and warranties to be true and correct (without giving effect to any materiality qualifications contained in such representations and warranties) does not have, and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Level 3 and its subsidiaries, taken as a whole;

Level 3 s having performed or complied with, in all material respects, all of its agreements and covenants under the merger agreement at or prior to the consummation of the combination;

CenturyLink s receipt of a certificate executed by an executive officer of Level 3 certifying as to the satisfaction of the conditions described in the preceding five bullets; and

CenturyLink s receipt of a written opinion from Wachtell, Lipton, Rosen & Katz, or such other reputable tax counsel reasonably satisfactory to CenturyLink, to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code.

Termination of the Merger Agreement

The merger agreement may be terminated and the combination abandoned at any time prior to the effective time of the merger, and, except as described below, whether before or after the receipt of the required stockholder approvals, under the following circumstances:

by mutual written consent of Level 3 and CenturyLink;

by either Level 3 or CenturyLink:

if the combination is not consummated by October 31, 2017, which we refer to as the termination date, subject to certain extensions, including an extension to no later than January 31, 2018 if all of the conditions to closing other than those pertaining to the receipt of required regulatory approvals have been obtained; provided, however, that this right to terminate the merger agreement will not be available to any party whose failure to fulfill any obligation under the merger agreement has been the primary cause of the failure to close by the termination date;

if any governmental entity issues a final and nonappealable order, decree or ruling or takes any other action permanently restraining, enjoining or otherwise prohibiting or making illegal the consummation of the combination or any other transaction contemplated by the merger agreement, provided, that the party seeking to terminate pursuant to this right used its reasonable best efforts to remove such restraint or prohibition; and that this right to terminate the merger agreement will not be available to any party whose breach of any provision of the merger agreement results in the imposition of such order, decree or ruling or the failure of such order, decree or ruling to be resisted, resolved or lifted;

if the Level 3 stockholders fail to approve and adopt the merger agreement and the transactions contemplated thereby, including the combination at the Level 3 special meeting; or

if the CenturyLink shareholders fail to approve the CenturyLink stock issuance at the CenturyLink special meeting.

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by CenturyLink if (i) prior to the Level 3 special meeting, the Level 3 Board withdraws or adversely changes its recommendation of the merger agreement or the combination or approves or recommends an acquisition proposal, (ii) Level 3 fails to call or hold the Level 3 special meeting, or (iii) Level 3 commits an intentional breach of any of its material obligations under the merger agreement regarding third-party acquisition proposals as described under the section entitled *The Merger Agreement No Solicitation of Alternative Proposals* ;

by Level 3 if (i) prior to the CenturyLink special meeting, the CenturyLink Board withdraws or adversely changes its recommendation of the CenturyLink or approves or recommends an acquisition proposal, (ii) CenturyLink fails to call or hold the CenturyLink special meeting, or (iii) CenturyLink commits an intentional breach of any of its obligations under the merger agreement regarding third-party acquisition proposals as described under the section entitled *The Merger Agreement No Solicitation of Alternative Proposals* ;

by Level 3 if, concurrently, it (i) enters into a definitive agreement with respect to a superior proposal after complying with its applicable obligations under the merger agreement regarding third-party acquisition proposals as described under the section entitled *The Merger Agreement No Solicitation of Alternative Proposals*, and (ii) pays CenturyLink a termination fee of \$737.5 million less any CenturyLink expenses previously paid by Level 3;

by CenturyLink if, concurrently, it (i) enters into a definitive agreement with respect to a superior proposal after complying with its applicable obligations under the merger agreement regarding third-party acquisition proposals as described under the section entitled *The Merger Agreement No Solicitation of Alternative Proposals*, and (ii) pays Level 3 a termination fee of \$471.5 million, less any Level 3 expenses previously paid by CenturyLink;

by Level 3 upon a breach of any representation, warranty, covenant or agreement on the part of CenturyLink, merger sub 1 or merger sub 2 contained in the merger agreement such that the conditions to Level 3's obligations to complete the combination would not be satisfied and that either (i) the breach is not reasonably capable of being cured or (ii) in the case of a breach of a covenant or agreement, if such breach is reasonably capable of being cured, such breach has not been cured prior to the earlier of (a) 40 days following notice of such breach or (b) the termination date. However, Level 3 does not have this right to terminate the merger agreement if it is then in material breach of any of its representations, warranties, covenants or agreements contained in the merger agreement; or

by CenturyLink upon a breach of any representation, warranty, covenant or agreement on the part of Level 3 contained in the merger agreement such that the conditions to CenturyLink's obligations to complete the combination would not be satisfied and that either (i) the breach is not reasonably capable of being cured or (ii) in the case of a breach of a covenant or agreement, if such breach is reasonably capable of being cured, such breach has not been cured prior to the earlier of (a) 40 days following notice of such breach or (b) the termination date. However, CenturyLink does not have this right to terminate the merger agreement if it is then in material breach of any of its representations, warranties, covenants or agreements contained in the merger agreement.

Termination Fees and Expenses; Liability for Breach

Level 3 will be obligated to pay a termination fee of \$737.5 million less any CenturyLink expenses previously paid by Level 3 if:

CenturyLink terminates the merger agreement because, prior to the Level 3 special meeting, the Level 3 Board withdraws, or modifies or amends in an adverse manner, its approval or recommendation of the merger agreement or the combination;

CenturyLink terminates the merger agreement because Level 3 fails to call or hold the Level 3 special meeting in accordance with the terms of the merger agreement;

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CenturyLink terminates the merger agreement because Level 3 intentionally breaches any of its material obligations with respect to the non-solicitation provisions of the merger agreement;

CenturyLink or Level 3 terminates the merger agreement because (i) the combination is not consummated by the termination date or (ii) the Level 3 stockholders fail to approve and adopt the merger agreement and the combination at the Level 3 special meeting, and (x) at or prior to the time of the Level 3 special meeting an acquisition proposal has been publicly disclosed or announced with respect to Level 3 and not publicly withdrawn prior to such meeting and (y) within nine months following the termination of the merger agreement, Level 3 enters into a definitive agreement with respect to, or consummates, an acquisition proposal; or

Level 3 terminates the merger agreement to concurrently enter into a definitive agreement with respect to a superior proposal.

Level 3 will be obligated to reimburse CenturyLink for 50% of CenturyLink's actual out-of-pocket fees and expenses, up to a maximum aggregate reimbursement of \$75 million in expenses, if CenturyLink or Level 3 terminates the merger agreement because the Level 3 stockholders fail to approve and adopt the merger agreement and the combination at the Level 3 special meeting.

CenturyLink will be obligated to pay a termination fee of \$471.5 million less any Level 3 expenses previously paid by CenturyLink if:

Level 3 terminates the merger agreement because, prior to the CenturyLink special meeting, the CenturyLink Board withdraws, or modifies or amends in an adverse manner, its approval or recommendation of the merger agreement or the combination;

Level 3 terminates the merger agreement because CenturyLink fails to call or hold the Level 3 special meeting in accordance with the terms of the merger agreement;

Level 3 terminates the merger agreement because CenturyLink intentionally breaches any of its material obligations with respect to the non-solicitation provisions of the merger agreement;

CenturyLink or Level 3 terminates the merger agreement because (i) the combination is not consummated by the termination date or (ii) the CenturyLink shareholders fail to approve the CenturyLink stock issuance at the CenturyLink special meeting, and (x) at or prior to the time of the CenturyLink special meeting an acquisition proposal has been publicly disclosed or announced with respect to CenturyLink and not publicly withdrawn prior to such meeting and (y) within nine months following the termination of the merger agreement, CenturyLink enters into a definitive agreement with respect to, or consummates, an acquisition proposal; or

CenturyLink terminates the merger agreement to concurrently enter into a definitive agreement with respect to a superior proposal.

CenturyLink will be obligated to reimburse Level 3 for 50% of Level 3's actual out-of-pocket expenses, up to a maximum aggregate reimbursement amount of \$20 million in expenses if CenturyLink or Level 3 terminates the merger agreement because the CenturyLink shareholders fail to approve the CenturyLink stock issuance at the CenturyLink special meeting.

Except as discussed above, each party shall pay all fees and expenses incurred by it in connection with the combination and the other transactions contemplated by the merger agreement; provided, however that Level 3 and CenturyLink will share equally all fees and expenses in relation to the printing, filing and distribution of this joint proxy statement/prospectus.

Following termination, in addition to any termination fee or expense reimbursement, each party will have the right to pursue damages and other relief for the other party's fraud or intentional breach of any covenant or agreement in the merger agreement. Damages may include, to the extent proven and recoverable under applicable

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law, other damages suffered by the party, and the calculation of damages suffered by the party may include, to the extent proven, loss suffered by the party's shareholders (including the benefit of the bargain lost by the party's shareholders).

Amendments, Extensions and Waivers

The merger agreement may be amended by the parties at any time before or after the receipt of the approvals of the Level 3 stockholders or CenturyLink shareholders required to consummate the combination. However, after any such approval, there may not be, without further approval of CenturyLink's shareholders or Level 3's stockholders, as applicable, any amendment of the merger agreement for which applicable law requires further stockholder approval or which reduces the merger consideration or adversely affects the holders of shares of Level 3 common stock.

At any time prior to the effective time of the merger, any party may (i) extend the time for performance of any obligations or other acts of the other party, (ii) waive any inaccuracies in the representations and warranties of the other party contained in the merger agreement and (iii) waive compliance by the other party with any of the agreements or conditions contained in the merger agreement.

Specific Performance

The parties agreed in the merger agreement that irreparable damage would occur in the event that any of the provisions of the merger agreement were not performed in accordance with their specific terms or were otherwise breached, and that no adequate remedy at law would exist for such occurrence. The parties agreed that they shall be entitled to an injunction or injunctions to prevent breaches of the merger agreement and to enforce specifically the performance of terms and provisions of the merger agreement.

IF YOU ARE A CENTURYLINK SHAREHOLDER, THE CENTURYLINK BOARD

RECOMMENDS THAT YOU VOTE FOR THE PROPOSAL TO ISSUE SHARES OF

CENTURYLINK COMMON STOCK IN THE MERGER.

IF YOU ARE A LEVEL 3 STOCKHOLDER, THE LEVEL 3 BOARD

RECOMMENDS THAT YOU VOTE FOR THE PROPOSAL TO ADOPT THE MERGER AGREEMENT.

Table of Contents**STT CROSSING VOTING AGREEMENT AND SHAREHOLDER RIGHTS AGREEMENT**

The following section summarizes the material provisions of the voting agreement and the shareholder rights agreement, which were entered into in connection with the execution of the merger agreement. The voting agreement is included in this joint proxy statement/prospectus as Annex B and is incorporated herein by reference in its entirety. The shareholder rights agreement was filed as an exhibit to CenturyLink's current report on Form 8-K filed with the SEC on November 3, 2016 and is incorporated herein by reference in its entirety. The rights and obligations of the parties to the voting agreement and the shareholder rights agreement are governed by the express terms and conditions of those agreements and not by this summary or any other information contained in this joint proxy statement/prospectus. CenturyLink shareholders and Level 3 stockholders are urged to read the voting agreement and the shareholder rights agreement carefully and in their entirety as well as this joint proxy statement/prospectus before making any decisions regarding the combination, including the approval and adoption of the merger agreement and approval of the combination or the approval of the CenturyLink stock issuance. The summaries below are qualified in their entirety by reference to the voting agreement and the shareholder rights agreement, respectively.

Voting Agreement

In connection with the execution of the merger agreement, CenturyLink, STT Crossing, and, for the limited purposes set forth therein, Level 3, entered into a voting agreement, dated as of October 31, 2016. Pursuant to this agreement, STT Crossing agreed to, among other things, vote all shares of Level 3 common stock owned by STT Crossing and its affiliates (i) in favor of the adoption of the merger agreement, (ii) against any action or agreement that has or would be reasonably likely to result in any conditions to CenturyLink's obligations under the merger agreement not being fulfilled, (iii) against any competing takeover proposal for Level 3, (iv) against any amendments to the governing documents of Level 3, if such amendment would reasonably be expected to prevent or delay the consummation of the combination, and (v) against any other action or agreement that is intended, or could reasonably be expected, to impede, interfere with, delay, or postpone the combination or the other transactions contemplated by the merger agreement. The voting agreement also prohibits STT Crossing from soliciting, or participating in discussions or negotiations or providing information with respect to, competing takeover proposals, subject to certain exceptions. STT Crossing has also agreed to certain restrictions on its ability to sell, transfer or otherwise dispose of, grant any proxy to or permit to exist any pledge or any other encumbrance of any nature with respect to its shares of Level 3 common stock.

The voting agreement will terminate upon the earliest of (i) the mutual agreement of CenturyLink and STT Crossing, (ii) the effective time of the initial merger, and (iii) the termination of the merger agreement in accordance with its terms. STT Crossing also has the right to terminate the voting agreement upon (x) the occurrence of certain specified events that would adversely affect STT Crossing, or (y) if there is a continuing material breach by CenturyLink and Level 3 of certain representations, warranties and covenants of CenturyLink and Level 3 set forth in the voting agreement that remains uncured (a) at least five days prior to the date of the Level 3 stockholders meeting to approve and adopt the merger agreement (as it may be adjourned, delayed or postponed) or (b) for 30 days following CenturyLink's or Level 3's, as applicable, receipt of notice by STT Crossing of such breach.

As of the record date, STT Crossing held approximately 18.1% of the issued and outstanding shares of Level 3 common stock. STT Crossing is expected to own approximately 8.8% of the CenturyLink common stock outstanding after the completion of the combination.

Shareholder Rights Agreement

In connection with the execution of the merger agreement and the voting agreement, CenturyLink and STT Crossing, which is expected to own approximately 8.8% of the CenturyLink common stock after the completion of the combination, entered into a shareholder rights agreement, dated as of October 31, 2016. Pursuant to this agreement, CenturyLink has agreed to appoint one STT Crossing designee to the CenturyLink Board, effective as

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of the later of (i) the completion of the combination and (ii) the date on which the waiting period (and any extension thereof) under the HSR Act applicable to STT Crossing as a result of its receiving shares of CenturyLink common stock in connection with the combination terminates or expires without challenge by the U.S. Department of Justice or the imposition of an injunction or other legal restraint. CenturyLink has also agreed to nominate one STT Crossing designee to its board for the first three annual meetings of CenturyLink following the completion of the combination, unless STT Crossing and its affiliates do not beneficially own at least 85% of the CenturyLink common stock to be received by them at the completion of the combination or if the waiting period (and any extension thereof) under the HSR Act has not expired, as described in the preceding sentence. In addition, STT Crossing has agreed to certain standstill and transfer restrictions and CenturyLink has granted certain registration rights and information rights to STT Crossing, as set forth in the shareholder rights agreement.

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ADVISORY VOTE ON COMBINATION-RELATED COMPENSATION OF THE NAMED EXECUTIVE OFFICERS OF LEVEL 3

Under Section 14A of the Exchange Act and the applicable SEC rules issued thereunder, Level 3 is required to submit a proposal to its stockholders for a non-binding, advisory vote to approve certain compensation that may become payable to Level 3's named executive officers in connection with the completion of the combination. This proposal, which we refer to as the compensation proposal, gives Level 3's stockholders the opportunity to vote, on an advisory (non-binding) basis, on the compensation that may be paid or become payable to Level 3's named executive officers in connection with the merger and the agreements pursuant to which such compensation may be paid or become payable. This compensation is summarized above in the table in the section entitled *The Combination and the Stock Issuance Financial Interests of Level 3 Directors and Executive Officers in the Combination Quantification of Potential Payments to Level 3's Named Executive Officers in Connection with the Combination* beginning on page 111, including the footnotes to the table.

The Level 3 Board unanimously recommends that Level 3's stockholders approve at the Level 3 special meeting the following resolution:

RESOLVED, that the compensation that may be paid or become payable to the named executive officers of Level 3 in connection with the merger, as disclosed pursuant to Item 402(t) of Regulation S-K in the table in the section of the joint proxy statement/prospectus entitled *The Combination and the Stock Issuance Financial Interests of Level 3 Directors and Executive Officers in the Combination Quantification of Potential Payments to Level 3's Named Executive Officers in Connection with the Combination* including the associated narrative discussion, and the agreements and understandings pursuant to which such compensation may be paid or become payable, are hereby APPROVED.

The vote on the compensation proposal is a vote separate and apart from the vote on the merger proposal. Accordingly, you may vote to approve the merger proposal and vote not to approve the compensation proposal and vice versa. Because the vote on the compensation proposal is advisory only, it will not be binding on either Level 3 or CenturyLink. Accordingly, if the merger agreement is approved and adopted and the merger is completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the vote on the compensation proposal.

Approval of the compensation proposal requires the affirmative vote of holders of a majority of the issued and outstanding shares of Level 3 common stock present in person or represented by proxy at the Level 3 special meeting and entitled to vote at the meeting.

Abstentions, failures to submit a proxy card or vote in person, by telephone, or through the internet and broker non-votes will be treated in the following manner with respect to determining the votes received for each of the proposals:

an abstention will have the same effect as a vote AGAINST the compensation proposal;

a failure to submit a proxy card or vote in person, by telephone, or through the internet or a failure to instruct your broker or nominee to vote will, assuming a quorum is present, have no effect on the compensation proposal.

THE LEVEL 3 BOARD RECOMMENDS A VOTE FOR THE COMPENSATION PROPOSAL.

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MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion is a general summary of the material U.S. federal income tax consequences of the exchange by U.S. holders (as defined below) of Level 3 common stock for shares of CenturyLink common stock in the combination. The discussion is based on the Code, the Treasury regulations promulgated thereunder, administrative rulings and court decisions in effect on the date hereof, all of which are subject to change, possibly with retroactive effect, and to differing interpretations. The discussion does not address all aspects of U.S. federal income taxation that may be relevant to particular Level 3 stockholders in light of their personal circumstances or to such stockholders subject to special treatment under the Code, such as, without limitation: banks, thrifts, mutual funds and other financial institutions, traders in securities who elect to apply a mark-to-market method of accounting, tax-exempt organizations and pension funds, insurance companies, dealers or brokers in securities or foreign currency, individual retirement and other deferred accounts, persons whose functional currency is not the U.S. dollar, persons subject to the alternative minimum tax, stockholders who hold their shares as part of a straddle, hedging, conversion or constructive sale transaction, partnerships or other pass-through entities, stockholders holding their shares through partnerships or other pass-through entities, stockholders whose shares are not held as capital assets within the meaning of the Code (generally, property held for investment), and stockholders who received their shares through the exercise of employee stock options or otherwise as compensation. The discussion does not address the tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, and does not address any non-income tax considerations or any foreign, state or local tax consequences.

For purposes of this discussion, a U.S. holder means a beneficial owner of Level 3 common stock who is:

an individual who is a citizen or resident of the United States;

a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust that (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (2) has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person.

If a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Level 3 common stock, the tax treatment of a partner of such partnership will generally depend on the status of the partner and the activities of the partnership. Partners of partnerships holding Level 3 common stock should consult their own tax advisors.

WE URGE YOU TO CONSULT YOUR OWN TAX ADVISOR AS TO THE SPECIFIC TAX CONSEQUENCES TO YOU OF THE COMBINATION, INCLUDING THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX LAWS IN LIGHT OF YOUR PARTICULAR CIRCUMSTANCES.

General

CenturyLink and Level 3 intend for the combination to be treated as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to CenturyLink's obligation to complete the combination that CenturyLink receive an opinion from Wachtell, Lipton, Rosen & Katz, counsel to CenturyLink (or such other reputable tax counsel reasonably satisfactory to CenturyLink), to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to Level 3's obligation to complete the combination that Level 3 receive an opinion from Willkie Farr & Gallagher LLP, counsel to Level 3 (or such other reputable tax counsel reasonably satisfactory to Level 3), to the effect that the combination will be treated as a reorganization within the meaning of Section 368(a) of the Code.

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These opinions will be based on customary assumptions and representations from CenturyLink and Level 3, as well as certain covenants and undertakings by CenturyLink and Level 3. If any of the assumptions, representations, covenants or undertakings is incorrect, incomplete, inaccurate or is violated, the validity of the opinions described above may be affected and the tax consequences of the combination could differ materially from those described in this joint proxy statement/prospectus. Neither CenturyLink nor Level 3 is currently aware of any facts or circumstances that would cause the assumptions, representations, covenants and undertakings to be incorrect, incomplete, inaccurate or violated.

An opinion of counsel represents counsel's legal judgment but is not binding on the Internal Revenue Service or any court, so there can be no certainty that the Internal Revenue Service will not challenge the conclusions reflected in the opinions or that a court would not sustain such a challenge. Neither CenturyLink nor Level 3 intends to obtain a ruling from the Internal Revenue Service on the tax consequences of the combination. If the Internal Revenue Service were to successfully challenge the reorganization status of the combination, the tax consequences would be different from those set forth in this joint proxy statement/prospectus.

U.S. Federal Income Tax Consequences to U.S. Holders

Assuming the receipt and accuracy of these opinions, a U.S. holder of Level 3 common stock will generally recognize gain (but not loss) in an amount equal to the lesser of (1) the amount of gain realized (i.e., the excess, if any, of the sum of the amount of cash (other than cash received in lieu of a fractional share of CenturyLink common stock) and the fair market value, as of the effective time of the combination, of the CenturyLink common stock received in the combination over that stockholder's adjusted tax basis in its Level 3 common stock surrendered) and (2) the amount of cash received in the combination.

Notwithstanding the above, in certain circumstances, if a U.S. holder of Level 3 common stock actually or constructively owns CenturyLink common stock other than CenturyLink common stock received pursuant to the combination, the recognized gain could be treated as having the effect of a distribution of a dividend under the tests set forth in Section 302 of the Code, in which case such gain would be treated as dividend income. Because the possibility of dividend treatment depends upon each holder's particular circumstances, including the application of constructive ownership rules, U.S. holders of Level 3 common stock should consult their tax advisors regarding the application of the foregoing rules to their particular circumstances.

The aggregate tax basis of any CenturyLink common stock received in the combination by a U.S. holder (including any fractional shares deemed received and exchanged for cash) will be equal to the U.S. holder's aggregate adjusted tax basis of the Level 3 common stock surrendered in the combination, reduced by the amount of any cash received by the stockholder in the combination (excluding any cash received in lieu of fractional shares of CenturyLink common stock) and increased by the amount of any gain recognized by the stockholder (excluding any gain recognized with respect to cash received in lieu of fractional shares of CenturyLink common stock) on the exchange (including any portion of the gain that is treated as a dividend as described above). The holding period of any CenturyLink common stock received in the combination by a U.S. holder (including any fractional shares deemed received and exchanged for cash) will include the holding period of the Level 3 common stock surrendered in the merger.

If a U.S. holder of Level 3 common stock acquired different blocks of Level 3 common stock at different times or at different prices, any gain or loss will be determined separately with respect to each block of Level 3 common stock and such holder's basis and holding period in its shares of CenturyLink common stock may be determined by reference to each block of Level 3 common stock. Any such holder should consult its tax advisors regarding the manner in which cash and CenturyLink common stock received in the combination should be allocated among different blocks of Level 3 common stock and with respect to identifying the bases or holding periods of the particular shares of CenturyLink common stock received in the combination.

Any recognized gain will generally be long-term capital gain if the U.S. holder's holding period in the Level 3 common stock surrendered is more than one year at the effective time of the combination. Long term capital

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gain of certain non-corporate U.S. holders of Level 3 common stock, including individuals, is generally taxed at preferential rates.

A U.S. holder that receives cash in lieu of a fractional share of CenturyLink common stock generally will be treated as having received such fractional share in the combination and then as having received cash in exchange for such fractional share. Gain or loss generally will be recognized based on the difference between the amount of cash received in lieu of the fractional share and the tax basis allocated to such fractional share. Such gain or loss generally will be long-term capital gain or loss if, at the effective time of the exchange, the holding period for such share is greater than one year.

Information Reporting Backup Withholding

Payments of cash to a U.S. holder of Level 3 common stock may, under certain circumstances, be subject to information reporting and backup withholding, unless the holder provides proof of an applicable exemption or furnishes its taxpayer identification number, and otherwise complies with all applicable requirements of the backup withholding rules. Any amount withheld from payments to a holder under the backup withholding rules is not additional tax and will be allowed as a refund or credit against the holder's U.S. federal income tax liability, provided the required information is timely furnished to the Internal Revenue Service.

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ACCOUNTING TREATMENT

CenturyLink prepares its financial statements in accordance with GAAP. The combination will be accounted for by applying the acquisition method, which requires the determination of the acquirer, the acquisition date, the fair value of assets and liabilities of the acquiree and the measurement of goodwill. The accounting guidance for business combinations, referred to as ASC 805, provides that in identifying the acquiring entity in a combination effected through an exchange of equity interests, all pertinent facts and circumstances must be considered, including: the relative voting rights of the shareholders of the constituent companies in the combined entity, the composition of the board of directors and senior management of the combined company, the relative size of each company and the terms of the exchange of equity securities in the business combination, including payment of any premium.

Based on the current expectation that CenturyLink shareholders will retain 51% of the voting rights in the combined company, that CenturyLink board members and senior management will represent a majority of the board and senior management of the combined company, and that under the terms of the merger agreement, the Level 3 stockholders will receive a premium (as of the date preceding the merger announcement) over the fair market value of their shares on such date, CenturyLink has determined that it should be viewed as the acquirer of Level 3 for accounting purposes. This means that CenturyLink will allocate the aggregate consideration to the fair value of Level 3's assets and liabilities at the closing date, with any excess aggregate consideration being recorded as goodwill.

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Introduction

The following unaudited pro forma condensed combined financial information, which includes the unaudited pro forma condensed combined financial statements and related notes, presents the historical condensed combined financial information of CenturyLink and Level 3 as if the combination had been completed on the dates specified below.

Under the terms of the merger agreement, if the combination is completed, Level 3 stockholders (other than dissenting stockholders) will have the right to receive \$26.50 in cash and 1.4286 shares of CenturyLink common stock for each share of Level 3 common stock owned at closing, with cash paid in lieu of fractional shares. As of September 30, 2016, Level 3 had approximately 359.7 million shares of common stock outstanding. Subject to the satisfaction of the closing conditions described in this joint proxy statement/prospectus, the combination is expected to be consummated in the third quarter of 2017.

CenturyLink prepares its financial statements in accordance with GAAP. The combination will be accounted for by applying the acquisition method of accounting for business combinations, which requires the determination of the acquirer, the acquisition date, the fair value of assets and liabilities of the acquiree and the measurement of goodwill. The accounting guidance for business combinations, Financial Accounting Standards Board Accounting Standards Codification Topic 805 Business Combinations (which we refer to as ASC 805), provides that in identifying the acquiring entity in a combination effected through an exchange of equity interests, all pertinent facts and circumstances must be considered, including: the relative voting rights of the shareholders of the constituent companies in the combined entity, the composition of the board of directors and senior management of the combined company, the relative size of each constituent company and the terms of the exchange of equity securities in the business combination, including payment of any premium.

Based on the current expectation that CenturyLink shareholders will own approximately 51% of the voting rights in the combined company, that members of the current CenturyLink Board and current CenturyLink senior management will represent a majority of the board and senior management of the combined company, and that the merger agreement provides for Level 3 stockholders to receive a premium over the fair market value of their shares on the date prior to the emergence of public reports of a possible transaction, CenturyLink has determined that it should be considered to be the acquirer of Level 3 for accounting purposes. This means that CenturyLink will allocate the purchase price to the fair value of Level 3's assets and liabilities at the acquisition date, with any excess purchase price being recorded as goodwill.

Pro Forma Information

The following unaudited pro forma condensed combined balance sheet as of September 30, 2016 is presented as if the combination had been completed on September 30, 2016. The unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2016 and for the year ended December 31, 2015 are presented as if the combination had been completed on January 1, 2015. The historical financial information is adjusted in the unaudited pro forma condensed combined financial information to give effect to pro forma events and is based on (i) the historical consolidated results of operations and financial condition of CenturyLink and its subsidiaries; (ii) the historical consolidated results of operations and financial condition of Level 3 and its subsidiaries; and (iii) pro forma events directly attributable to the proposed combination and, with respect to the unaudited condensed combined statements of operations, those such events that are expected to have a continuing impact on the combined results, as further described below. The pro forma adjustments, and the assumptions on which they are based, are described in

the accompanying Notes to Unaudited Pro Forma Condensed Combined Financial Information, which are referred to in this section as the Notes.

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The unaudited pro forma condensed combined financial information reflects estimated aggregate consideration of \$22.801 billion for the Level 3 acquisition, as calculated below (in millions, except per share information):

Cash consideration:	
Number of Level 3 common shares issued and outstanding as of September 30, 2016*	359.7
Multiplied by cash consideration per Level 3 share per merger agreement	\$ 26.50
Estimated cash portion of aggregate consideration	\$ 9,532
Equity consideration:	
Number of Level 3 common shares issued and outstanding as of September 30, 2016*	359.7
Multiplied by exchange ratio per merger agreement	1.4286
Number of CenturyLink shares to be issued*	513.9
Multiplied by price of CenturyLink common stock on February 3, 2017*	\$ 25.42
Estimated equity portion of aggregate consideration*	\$ 13,063
Estimated equity consideration related to pre-combination share-based compensation awards*	\$ 206
Total equity consideration	\$ 13,269
Estimated aggregate consideration	\$ 22,801

* The estimated aggregate consideration has been determined based on the Level 3 shares outstanding as of September 30, 2016 and the closing price of CenturyLink's common stock on February 3, 2017, the last practicable date prior to the date of this joint proxy statement/prospectus. Pursuant to business combination accounting rules, the final aggregate consideration will be based on the number of Level 3 shares outstanding and the price of CenturyLink's common stock as of the closing date. The estimated equity consideration related to pre-combination share-based compensation awards includes both a fixed component and a variable component. Please see the common stock price sensitivity analysis below for the potential impact of variations to the estimated equity consideration and estimated goodwill.

As noted above, in preparing the pro forma financial information, we have estimated the aggregate consideration based on the closing price of CenturyLink's common stock on February 3, 2017. The estimated equity consideration and resulting estimated goodwill will vary based on the market price of CenturyLink's common stock upon consummation of the combination. We believe that a 10-30% fluctuation in the market price of CenturyLink's common stock is reasonably possible based on its average historical volatility. The table below summarizes the impact of the changes in CenturyLink's common stock price on the estimated equity consideration and estimated goodwill:

Common Stock Price	Estimated Equity Consideration⁽¹⁾	Estimated Goodwill
(In millions, except stock price)		

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As presented in the pro forma combined results	\$ 25.42	\$	13,269	\$ 15,119
A 10% increase in common stock price	27.96		14,588	16,438
A 30% increase in common stock price	33.05		17,224	19,074
A 10% decrease in common stock price	22.88		11,951	13,801
A 30% decrease in common stock price	17.79		9,314	11,164

- (1) As noted above, the estimated equity consideration related to pre-combination share-based compensation awards includes both a fixed component and a variable component. Therefore an increase or a decrease in CenturyLink's common stock price will not result in a proportional change in the total equity consideration and corresponding goodwill.

In accordance with the acquisition method of accounting, the actual consolidated financial statements of CenturyLink will reflect the combination only from and after the date on which the combination is actually

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completed. CenturyLink has not yet undertaken any detailed analysis of the fair value of Level 3's assets and liabilities and will not finalize the purchase price allocation related to the combination until after the combination has been consummated. See the Notes below for additional information.

For purposes of the pro forma information, adjustments for estimated transaction and integration costs for the combination have generally been excluded. These aggregate estimated transaction costs are expected to be approximately \$320 million and include estimated costs associated with investment banker advisory fees, pre-closing financing and consent fees and legal fees. The costs associated with these non-recurring activities do not represent ongoing costs of the combined organization and, therefore, are not included in the unaudited pro forma condensed combined statements of operations, but are included in the unaudited pro forma condensed combined balance sheet as a reduction of cash and stockholders' equity. In addition, the combined company will incur integration costs related to system and customer conversions (including hardware and software costs), employee-related retention and severance costs and certain contract cancellation costs. The specific details of these integration plans will continue to be refined over the next few years. Based on current plans and information, CenturyLink estimates that the integration initiatives associated with the combination will cause the combined company to incur approximately \$530 million of non-recurring operating expenses and \$160 million of non-recurring capital costs.

The unaudited pro forma condensed combined financial information included herein does not give effect to any potential cost reductions or other operating efficiencies that could result from the combination, including, but not limited to, those associated with potential (i) reductions of corporate overhead, (ii) eliminations of duplicate functions, (iii) enhanced revenue opportunities and (iv) increased operational efficiencies through the adoption of best practices and capabilities from each company.

The pro forma information has been prepared in accordance with the rules and regulations of the SEC. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the combined operating results or financial position that would have occurred if the combination had been consummated on the dates and in accordance with the assumptions described herein, nor is it necessarily indicative of future operating results or financial position.

You are urged to read the pro forma information below together with CenturyLink's and Level 3's publicly available historical consolidated financial statements and accompanying notes, which are incorporated by reference elsewhere herein, which are contained in reports each company filed with the SEC. See *Where You Can Find More Information*. For additional information on certain limitations regarding the pro forma information below, see *Risk Factors Other Risks*. *The historical and unaudited pro forma condensed combined financial information included elsewhere in this joint proxy statement/prospectus may not be representative of CenturyLink's results after the combination, and, accordingly, you have limited financial information on which to evaluate the combined company.*

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CENTURYLINK, INC.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

AS OF SEPTEMBER 30, 2016

	CenturyLink	Level 3*	Pro Forma Adjustments (In millions)		Pro Forma Combined
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 140	1,569	(1,559)	(A)	150
Accounts receivable, net	1,957	749	(30)	(B)	2,676
Other current assets	631	139	83	(C)	853
Total current assets	2,728	2,457	(1,506)		3,679
NET PROPERTY, PLANT AND EQUIPMENT					
Property, plant and equipment	40,304	21,237	(11,070)	(D)	50,471
Accumulated depreciation	(22,464)	(11,070)	11,070	(D)	(22,464)
Net property, plant and equipment	17,840	10,167			28,007
GOODWILL AND OTHER ASSETS					
Goodwill	20,766	7,736	7,383	(E)	35,885
Customer relationships, net	3,254	905	6,495	(F)	10,654
Other intangible assets, net	1,518	62	225	(F)	1,805
Deferred income taxes, net		3,339	(3,101)	(G)	238
Other, net	690	80	(9)	(C)	761
Total goodwill and other assets	26,228	12,122	10,993		49,343
TOTAL ASSETS	\$ 46,796	24,746	9,487		81,029
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES					
Current maturities of long-term debt	\$ 1,534	7			1,541
Accounts payable	1,036	728	(30)	(B)	1,734
Accrued expenses and other liabilities	1,453	509			1,962
Advance billings and customer deposits	710	263	(132)	(H)	841
Total current liabilities	4,733	1,507	(162)		6,078
LONG-TERM DEBT	18,184	10,875	8,673	(I)	37,732

DEFERRED CREDITS AND OTHER LIABILITIES					
Deferred income taxes, net	3,653		(84)	(J)	3,569
Benefit plan obligations, net	5,228	30			5,258
Other	1,106	1,610	(1,250)	(H)	1,466
Total deferred credits and other liabilities	9,987	1,640	(1,334)		10,293
STOCKHOLDERS EQUITY					
Preferred Stock					
Common stock	547	4	510	(K)	1,061
Additional paid-in capital	15,121	19,763	(7,008)	(K)	27,876
Accumulated other comprehensive loss	(1,855)	(293)	293	(K)	(1,855)
Retained earnings (accumulated deficit)	79	(8,750)	8,515	(K)	(156)
Total stockholders equity	13,892	10,724	2,310		26,926
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY					
	\$ 46,796	24,746	9,487		81,029

* Reclassifications have been made to the presentation of Level 3's historical financial statements in order to conform to CenturyLink's presentation. See Note 1 Basis of Pro Forma Presentation for additional information. See accompanying notes to unaudited pro forma condensed combined financial information.

Table of Contents**CENTURYLINK, INC.****UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS****NINE MONTHS ENDED SEPTEMBER 30, 2016**

	CenturyLink	Level 3*	Pro Forma Adjustments		Pro Forma Combined
	(In millions, except per share amounts)				
OPERATING REVENUES	\$ 13,181	6,140	(290)	(L)	19,031
OPERATING EXPENSES					
Cost of services and products (exclusive of depreciation and amortization)	5,845	3,007	(203)	(L)	8,649
Selling, general and administrative	2,439	1,138			3,577
Depreciation and amortization	2,958	907	852	(M)	4,717
Total operating expenses	11,242	5,052	649		16,943
OPERATING INCOME	1,939	1,088	(939)		2,088
OTHER (EXPENSE) INCOME					
Interest expense	(998)	(412)	(283)	(N)	(1,693)
Other income (expense), net	5	(51)			(46)
Total other expense, net	(993)	(463)	(283)		(1,739)
INCOME BEFORE INCOME TAX EXPENSE	946	625	(1,222)		349
Income tax expense	(362)	(198)	443	(O)	(117)
NET INCOME	\$ 584	427	(779)		232
BASIC AND DILUTED EARNINGS PER COMMON SHARE					
BASIC	\$ 1.08	1.19			0.22
DILUTED	\$ 1.08	1.18			0.22
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING					
BASIC	539.4	358.1	153.5	(P)	1,051.0
DILUTED	540.5	361.1	154.7	(P)	1,056.3

* Reclassifications have been made to the presentation of Level 3's historical financial statements in order to conform to CenturyLink's presentation. See Note 1 Basis of Pro Forma Presentation for additional information. See accompanying notes to unaudited pro forma condensed combined financial information.

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CENTURYLINK, INC.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2015

	CenturyLink Level 3*		Pro Forma Adjustments		Pro Forma Combined
	(In millions, except per share amounts)				
OPERATING REVENUES	\$ 17,900	8,229	(400)	(L)	25,729
OPERATING EXPENSES					
Cost of services and products (exclusive of depreciation and amortization)	7,778	4,196	(281)	(L)	11,693
Selling, general and administrative	3,328	1,574			4,902
Depreciation and amortization	4,189	1,130	1,249	(M)	6,568
Total operating expenses	15,295	6,900	968		23,163
OPERATING INCOME	2,605	1,329	(1,368)		2,566
OTHER (EXPENSE) INCOME					
Interest expense	(1,312)	(640)	(374)	(N)	(2,326)
Other income (expense), net	23	(406)			(383)
Total other expense, net	(1,289)	(1,046)	(374)		(2,709)
INCOME (LOSS) BEFORE INCOME TAX (EXPENSE)					
BENEFIT	1,316	283	(1,742)		(143)
Income tax (expense) benefit	(438)	3,150	662	(O)	3,374
NET INCOME	\$ 878	3,433	(1,080)		3,231
BASIC AND DILUTED EARNINGS PER COMMON SHARE					
BASIC	\$ 1.58	9.71			3.05
DILUTED	\$ 1.58	9.58			3.03
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING					
BASIC	554.3	353.4	151.4	(P)	1,059.1
DILUTED	555.1	358.6	153.7	(P)	1,067.4

* Reclassifications have been made to the presentation of Level 3's historical financial statements in order to conform to CenturyLink's presentation. See Note 1 Basis of Pro Forma Presentation for additional information. See accompanying notes to unaudited pro forma condensed combined financial information.

Table of Contents**NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION****(1) Basis of Pro Forma Presentation**

The unaudited pro forma condensed combined balance sheet as of September 30, 2016 is presented as if the combination had been completed on September 30, 2016. The unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2016 and for the year ended December 31, 2015 are presented as if the combination had been completed on January 1, 2015. The historical financial information is adjusted in the unaudited pro forma condensed combined financial information to give effect to pro forma events and is based on (i) the historical consolidated results of operations and financial condition of CenturyLink and its subsidiaries; (ii) the historical consolidated results of operations and financial condition of Level 3 and its subsidiaries; and (iii) pro forma events directly attributable to the proposed combination and, with respect to the unaudited condensed combined statements of operations, those such events that are expected to have a continuing impact on the combined results, as further described below.

The following reclassifications have been made to the presentation of Level 3's historical financial statements in order to conform to CenturyLink's presentation:

Level 3's defined benefit obligation of \$30 million included in deferred credits and other liabilities other was reclassified as benefit plan obligations, net on the balance sheet as of September 30, 2016;

Level 3's property and transaction taxes and other costs of \$75 million and \$105 million for the nine months ended September 30, 2016 and for the year ended December 31, 2015, respectively, were reclassified from cost of services and products (exclusive of depreciation and amortization) to selling, general and administrative expenses;

Level 3's amortization expense of customer installations of \$23 million and \$36 million for the nine months ended September 30, 2016 and for the year ended December 31, 2015, respectively, was reclassified from depreciation and amortization to cost of services and products (exclusive of depreciation and amortization); and

Level 3's bank charges of \$2 million for the nine months ended September 30, 2016 and \$2 million for the year ended December 31, 2015, were reclassified from interest expense to selling, general and administrative expenses.

(2) Basis of Preliminary Purchase Price Allocation

The following preliminary allocation of the aggregate consideration payable by CenturyLink in the combination is based on CenturyLink's preliminary estimates of the fair value of the tangible and intangible assets and liabilities of Level 3 as of September 30, 2016, with any excess aggregate consideration being recorded as goodwill. The final determination of the allocation of the aggregate consideration payable by CenturyLink in the combination will be based on the fair value of such assets and liabilities as of the actual date on which the combination is consummated, with any excess aggregate consideration being recorded as goodwill, and will be finalized after the combination is consummated. The final determination of the allocation of the aggregate consideration payable by CenturyLink in the

combination may be materially different than the preliminary estimates used in these pro forma financial statements.

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The estimated aggregate consideration payable by CenturyLink in the combination (as calculated in the manner described above) is allocated to the assets to be acquired and liabilities to be assumed based on the following preliminary basis as of September 30, 2016 (in millions):

Total estimated aggregate consideration	\$ 22,801
Cash, accounts receivable and other current assets	2,455
Net property, plant and equipment	10,167
Identifiable intangible assets	
Customer relationships	7,400
Other	287
Other non-current assets	288
Current liabilities, excluding the current portion of long-term debt	(1,368)
Current portion of long-term debt	(7)
Long-term debt	(11,255)
Deferred credits and other liabilities	(285)
Goodwill	15,119
Total estimated aggregate consideration	\$ 22,801

Level 3 had approximately \$9.7 billion of unutilized federal NOLs as of December 31, 2015. The tax impact of the federal NOLs, net of estimated 2016 activity through September 30, 2016, is included in the noncurrent deferred tax asset balance, which is reflected on the Deferred income taxes, net line of the Unaudited Pro Forma Condensed Combined Balance Sheet as of September 30, 2016. As discussed further below in pro forma adjustments (G) and (J), after certain reclassifications and adjustments, the value of the federal NOLs is reflected as a reduction in deferred credits and other liabilities in the preliminary purchase price allocation.

(3) Pro Forma Adjustments

The following pro forma adjustments have been reflected in the unaudited pro forma condensed combined financial information. These adjustments give effect to pro forma events that are (i) directly attributable to the Level 3 combination, (ii) factually supportable and (iii) with respect to the condensed combined statements of operations, expected to have a continuing impact on the combined company. All adjustments are based on current assumptions and are subject to change upon, among other things, completion of the final purchase price allocation based on the tangible and intangible assets and liabilities of Level 3 on the closing date of the combination.

Balance Sheet Pro Forma Adjustments

The unaudited pro forma condensed combined balance sheet as of September 30, 2016 is presented as if the combination of Level 3 had been completed on September 30, 2016. The historical financial information is adjusted in the unaudited pro forma condensed combined financial information in the manner described in items (A) through (K) below to give effect to pro forma events and is based on (i) the historical consolidated financial condition of CenturyLink and its subsidiaries; (ii) the historical consolidated financial condition of Level 3 and its subsidiaries; and (iii) pro forma events directly attributable to the proposed combination.

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(A) A portion of cash and cash equivalents of \$1.559 billion was assumed to be used first for the payment of the combination-related transaction costs and the balance toward the payment of the cash consideration to the Level 3 shareholders. See pro forma adjustment (I) for more information.

(B) To reflect the elimination of the accounts receivable and accounts payable balances directly related to existing commercial transactions between CenturyLink and Level 3.

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(C) To eliminate existing deferred costs of Level 3 associated with installation activities that will likely be assigned little or no value in the purchase price allocation process. As of September 30, 2016, Level 3 had certain deferred costs and deferred revenues on its balance sheet associated with installation activities and capacity agreements where Level 3 incurred costs and received payments up front but is recognizing the related expenses and revenues over the estimated life of the customer or life of the contract. Based on the accounting guidance for business combinations, these existing deferred costs and deferred revenues are expected to be assigned little or no value in the purchase price allocation process and have thus been eliminated in preparation of these pro forma financial statements. Also, this pro forma adjustment (i) reclassifies CenturyLink's existing noncurrent deferred tax asset as reflected in pro forma adjustment (G) and (ii) reflects an income tax receivable of \$85 million associated with the income tax deductible portion of the transaction costs.

(D) Due to the size, complexity and asset mix of Level 3's network assets, CenturyLink management has not yet completed a detailed valuation of Level 3's property, plant and equipment. However, based on analysis of other telecommunication company valuations, we do not expect the aggregate fair value to differ by more than 10% of these assets' carrying value. A 10% increase or decrease in fair value would increase or decrease property, plant and equipment by \$1.017 billion with a corresponding offset to goodwill. This pro forma adjustment is to eliminate the accumulated depreciation and record Level 3's property, plant and equipment at its preliminary estimated fair value. See pro forma adjustment (M) for the impact to depreciation and amortization expense.

(E) To reflect the adjustment to remove Level 3's historical goodwill of \$7.736 billion and record goodwill associated with the combination of \$15.119 billion estimated as a result of the preliminary purchase price allocation described in Note (2).

(F) To reflect the adjustment to remove Level 3's historical customer relationships and other intangible assets of \$905 million and \$62 million, respectively, and to reflect the preliminary estimated fair value of the identifiable intangible assets of Level 3, certain of which were estimated by CenturyLink's management using the income approach, which requires a forecast of all of the expected future cash flows, and certain of which were estimated at current carrying value. Specifically, the fair value of the customer relationships and a portion of the other intangible assets were estimated using the excess earnings method and relief from royalty method, respectively. Additionally, CenturyLink management believes that the carrying value of a portion of the other intangible assets, primarily patents and developed technology, is a reasonable preliminary representation of the fair value of these assets. Therefore, these assets are recorded in the unaudited pro forma condensed combined balance sheet at Level 3's carrying value. Based on preliminary analysis of other telecommunication company valuations, we do not expect the aggregate fair value of the patents and developed technology to differ by more than 10% of the carrying value. A 10% increase or decrease in fair value of the patents and developed technology would increase or decrease the intangible assets by \$5 million with a corresponding offset to goodwill. The estimated useful life of the customer relationship asset is assumed to be 10 years. The estimated weighted-average remaining useful life of the other intangible assets is assumed to be three to four years. The net pro forma adjustment is composed of the following:

	Increase (Decrease) to Assets (In millions)
Establish customer relationships assets	\$ 7,400
Establish other intangible assets	287

Elimination of historical balances	(967)
Net pro forma adjustment	\$ 6,720

(G) To reclassify a portion of Level 3's existing noncurrent deferred tax asset of \$3.037 billion, primarily made up of U.S. Federal Net Operating Loss (NOL) carryforwards, to partially offset CenturyLink's existing

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noncurrent deferred tax liability related to the same jurisdictions and conform to the presentation appropriate for the combined financial information. In addition, this pro forma adjustment (i) decreases Level 3's net deferred tax asset of \$67 million related to the loss of Level 3's NOL tax benefit in Germany upon the change in control of Level 3 and (ii) includes a reclassification of CenturyLink's existing noncurrent deferred tax asset of \$3 million to conform to the presentation appropriate for the combined financial statements. See pro forma adjustment (J) for additional information on the deferred income taxes, net.

(H) To eliminate existing deferred revenues of Level 3 associated with installation activities and capacity agreements that will likely be assigned little or no value in the purchase price allocation process. See pro forma adjustment (C) for additional information on deferred revenues and deferred costs. Also, this pro forma adjustment reclassifies Level 3's noncurrent deferred tax liability to conform to the presentation for the combined financial statements. See pro forma adjustment (J) for additional information on deferred income taxes, net.

(I) To reflect the issuance of new debt necessary to finance the combination and to adjust the carrying value of Level 3's long-term debt to its estimated fair value as of September 30, 2016. Fair value was estimated based on quoted market prices where available or, if not available, based on discounted future cash flows using current market interest rates. The pro forma adjustment to debt was computed as follows (in millions):

Long-term debt to be assumed by CenturyLink (including current portion) as of September 30, 2016	\$ 10,882
Elimination of unamortized discounts and unamortized debt issuance costs	131
Adjustment to reflect preliminary estimated fair value of Level 3's long-term debt	249
Adjusted long-term debt assumed by CenturyLink (including current portion)	11,262
New debt, net of debt issuance costs of \$210 million:	
New debt issuance (term loans and institutional financing)	8,049
Borrowings on the revolving credit facility	244
Total new debt, net of debt issuance costs of \$210 million	8,293
Total assumed and new debt on a pro forma basis as of September 30, 2016	19,555
Less long-term debt to be assumed by CenturyLink (including current portion)	(10,882)
Total pro forma adjustment to long-term debt	\$ 8,673

Source of funds for the cash payment to the Level 3 shareholders and for the payment of transaction costs (in millions):

Cash and cash equivalents	\$ 1,559
Issuance of new debt, net of debt issuance costs of \$210 million	8,293
Cash available for payment to Level 3 shareholders and for payment of transaction costs of approximately \$320 million	\$ 9,852

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For purposes of the unaudited pro forma condensed combined balance sheet, CenturyLink has assumed it would obtain additional financing required to consummate the combination with Level 3. The following table summarizes the additional debt commitments (in millions):

	Estimated Interest Rate at September 30, 2016	Debt Commitments
New debt:		
Term loan A (LIBOR plus an estimated applicable margin of 2.75% per annum)	3.28%	\$ 1,500
Term loan B (LIBOR (floor of 75 basis points) plus an estimated applicable margin of 4.00% per annum)	4.75%	4,500
Institutional debt (estimated fixed rate)	6.00%	2,225
Revolving credit facility (LIBOR plus an estimated applicable margin of 2.75% per annum)	3.28%	278
Total new debt		8,503
Debt issuance costs		(210)
Total new debt, net of debt issuance costs of \$210 million		\$ 8,293

(J) To reclassify a portion of Level 3's existing noncurrent deferred tax asset to partially offset CenturyLink's existing noncurrent deferred tax liability as described in pro forma adjustment (G), to reclassify Level 3's noncurrent deferred tax liability as described in pro forma adjustment (H), to reflect the estimated net deferred tax liability established for the tax effects of recognizing the preliminary purchase price allocation reflected herein (calculated at an estimated combined statutory tax rate of 38.0%) and to adjust the deferred tax liability for (i) a reduction in Level 3's tax deductible goodwill, (ii) Level 3's deferred tax liability in Germany after reduction of the deferred tax asset related to the NOL, (iii) the U. S. federal tax effect of the loss of Level 3's NOL tax benefit in Germany, (iv) the reversal of Level 3's deferred tax asset related to share-based compensation expense and (v) the impact on Level 3's valuation allowance in Colorado due to Level 3 filing a combined return with CenturyLink. The net pro forma adjustment is composed of the following:

	Increase (Decrease) to Liabilities (In millions)
Reclassify Level 3's noncurrent deferred tax asset	\$ (3,037)
Reclassify Level 3's noncurrent deferred tax liability	254
Adjust deferred tax liability associated with:	
Customer relationship and other intangible assets	2,554
Long-term debt	(144)
Elimination of deferred revenue and deferred costs associated with capacity agreements	426
Share-based compensation replacement awards to be issued by CenturyLink	(57)
Level 3 tax deductible goodwill	(45)
	21

Level 3 deferred tax liability in Germany after reduction of the deferred tax asset related to the NOL	
U. S. federal tax effect of loss of Level 3's NOL tax benefit in Germany	(34)
Reversal of Level 3's share-based compensation deferred tax asset	44
Level 3's valuation allowance in Colorado due to combined tax return impact	(66)
Net pro forma adjustment	\$ (84)

(K) To reflect (i) the elimination of Level 3's stockholders' equity balances as of September 30, 2016, (ii) the issuance of 513.9 million shares of CenturyLink common stock (valued at \$13.063 billion for purposes of this pro forma information) as consideration in the combination, (iii) the share-based compensation of Level 3's

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employees included in the estimated aggregate consideration and (iv) the estimated combination-related transactions costs. These pro forma adjustments are composed of the following:

	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)
	(In millions)			
Historical balance as of September 30, 2016:				
CenturyLink at \$1.00 par value per share	\$ 547	15,121	(1,855)	79
Level 3 at \$0.01 par value per share	4	19,763	(293)	(8,750)
Combined historical balances	551	34,884	(2,148)	(8,671)
Elimination of Level 3's historical equity	(4)	(19,763)	293	8,750
Record new issuance of CenturyLink common stock	514	12,549		
Record adjustments to equity for share-based compensation		206		
Estimated combination-related transaction costs, net of tax ⁽¹⁾				(235)
Net pro forma adjustments	510	(7,008)	293	8,515
Pro forma combined	\$ 1,061	27,876	(1,855)	(156)

(1) The estimated combination-related transaction costs are reported at \$320 million, net of an \$85 million income tax benefit. The estimated income tax benefit was computed based on Internal Revenue Service guidelines regarding the deductibility of certain portions of the transaction costs.

Statements of Operations Pro Forma Adjustments

The unaudited pro forma condensed combined statements of operations for the nine months ended September 30, 2016 and for the year ended December 31, 2015 are presented as if the combination had been completed on January 1, 2015. The historical financial information is adjusted in the unaudited pro forma condensed combined financial information to give effect to pro forma events and is based on (i) the historical consolidated results of operations of CenturyLink and its subsidiaries; (ii) the historical consolidated results of operations of Level 3 and its subsidiaries; and (iii) pro forma events directly attributable to the proposed combination that are expected to have a continuing impact on the combined results, as further described below.

The unaudited pro forma condensed combined statements of operations have not been adjusted for special items. Specifically, for the year ended December 31, 2015, CenturyLink recognized a tax benefit of \$34 million related to affiliate debt rationalization and Level 3 recognized an income tax benefit of \$3.3 billion from the reversal of a valuation allowance, a \$218 million loss on modification and extinguishment of debt and a \$171 million charge related to its Venezuelan deconsolidation, and for the nine months ended September 30, 2016, Level 3 recognized a

\$40 million loss on modification and extinguishment of debt and a \$47 million income tax benefit from the reversal of a valuation allowance.

On November 3, 2016, CenturyLink entered into a definitive stock purchase agreement with a consortium led by BC Partners, Inc. and Medina Capital (which we refer to as Purchaser) under which CenturyLink proposes to sell its data centers and colocation business for cash and equity valued at \$2.3 billion, subject to offsets for the capital lease obligations and various working capital and other adjustments. The assets that will be sold and the liabilities to be assumed are currently included in CenturyLink's continuing operations. As part of the transaction, Purchaser will assume CenturyLink's capital lease obligations, which amounted to \$320 million as of September 30, 2016, related to the properties to be sold. The parties anticipate closing the transaction in the first quarter of 2017. The unaudited pro forma condensed combined statements of operations have not been adjusted to exclude the revenues generated from CenturyLink's colocation business of approximately \$626 million and \$469 million for the year ended December 31, 2015 and the nine months ended September 30, 2016, respectively, as the transaction does not meet the GAAP definition of discontinued operations.

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The unaudited pro forma condensed combined statements of operations have not been adjusted for the impact of any potential loss of revenues, specifically from cancellation of customer contracts that may occur as a result of the combination.

(L) To reflect the elimination of (i) operating revenues and operating expenses for existing commercial transactions between CenturyLink and Level 3 and (ii) the operating revenues and operating expenses recognized by Level 3 associated with the existing deferred revenues and deferred costs from installation activities and capacity agreements that will likely be assigned little or no value in the purchase price allocation process.

	Increase (Decrease) to Operating Revenues and Operating Expenses	
	Year Ended December 31, 2015	Nine Months Ended September 30, 2016
	(In millions)	
Operating Revenues:		
Commercial transactions between CenturyLink and Level 3	\$ (245)	(180)
Elimination of Level 3 deferred revenues	(155)	(110)
Total pro forma operating revenues adjustments	\$ (400)	(290)
Operating Expenses Costs of goods and services:		
Commercial transactions between CenturyLink and Level 3	\$ (245)	(180)
Elimination of Level 3 deferred costs	(36)	(23)
Total pro forma operating expenses costs of goods and services adjustments	\$ (281)	(203)

(M) To reflect amortization expense associated with the Level 3 customer relationships and other intangible assets estimated in pro forma adjustment (F). We assumed an estimated useful life of 10 years for the customer relationships assets and an estimated weighted-average useful life of three to four years for the other intangible assets. The amortization expense for the customer relationships was estimated utilizing an accelerated (sum-of-the-years digits) amortization method and amortization expense for the other intangible assets was estimated utilizing the straight-line method. The pro forma adjustment for the Level 3 acquisition for the year ended December 31, 2015 and the nine months ended September 30, 2016 represents the difference between the estimated amortization that would have been recorded during the above noted periods assuming the amounts assigned to the customer relationships and other intangible assets were equivalent to the amounts assigned for these assets based on the preliminary purchase price allocation prepared in connection with CenturyLink's acquisition of Level 3, less Level 3's reported amounts of amortization for the year ended December 31, 2015 and the nine months ended September 30, 2016.

Increase (Decrease) to Amortization Expense

	Year Ended December 31, 2015	Nine Months Ended September 30, 2016
	(In millions)	
Amortization expense on Level 3 identified intangible assets	\$ 1,476	1,011
Less historical amortization expense	(227)	(159)
Net pro forma adjustment	\$ 1,249	852

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We estimate that total amortization expense using estimated values of the customer relationships and other intangible assets for the years ending December 31, 2016 through 2020 will be as follows:

	(In millions)
2016	\$ 1,329
2017	1,182
2018	1,020
2019	813
2020	667

As discussed in pro forma adjustment (D), the current carrying value of property, plant and equipment has been used in the estimated purchase price allocation. If the fair value of property, plant and equipment increased or decreased by 10% of the carrying value at September 30, 2016, depreciation expense would increase or decrease by approximately \$80 million and \$65 million for the year ended December 31, 2015 and the nine months ended September 30, 2016, respectively. If the fair value of property, plant and equipment increased or decreased by 20% of the carrying value at September 30, 2016, depreciation expense would increase or decrease by approximately \$159 million and \$129 million for the year ended December 31, 2015 and the nine months ended September 30, 2016, respectively. These adjustments are not reflected in the unaudited pro forma condensed combined statements of operations for either period noted above.

(N) To reflect the net increase in interest expense resulting from (i) interest on the new debt to finance the combination and the amortization of the related debt issuance costs; (ii) the elimination of Level 3's historical amortization of debt discount and amortization of debt issuance costs; and (iii) a reduction in interest expense from the accretion of the purchase accounting adjustment associated with reflecting Level 3's long-term debt based on its estimated fair value pursuant to the adjustment described in pro forma adjustment (I) above. Such fair value adjustment for the Level 3 acquisition is recognized based on the maturity schedule of the long-term debt which equates to a weighted-average of six years.

	(Increase) Decrease to Interest Expense	
	Year Ended December 31, 2015	Nine Months Ended September 30, 2016
	(In millions)	
Interest expense on new debt issuance	\$ (406)	(304)
Amortization of new debt issuance costs	(33)	(25)
Amortization of premium associated with the preliminary estimated fair value of Level 3 debt reflected in pro forma adjustment ⁽¹⁾	41	31
Elimination of Level 3's amortization of debt discount and amortization of debt issuance costs	24	15
Net pro forma adjustment	\$ (374)	(283)

The new debt issuance assumes both fixed and variable interest rates. The assumed interest rate of 3.28% for the \$1.5 billion senior term loan A is based on LIBOR plus an estimated applicable margin of 2.75% per annum. The assumed

interest rate of 4.75% for the \$4.5 billion senior term loan B is based on LIBOR (floor of 75 basis points) plus an estimated applicable margin of 4.00% per annum. The assumed interest rate of 3.28% for the \$2.0 billion revolving credit facility is based on LIBOR plus an estimated applicable margin of 2.75% per annum. The September 30, 2016 base LIBOR rate was used in the above assumptions. As of September 30, 2016, an increase of 1.00% per annum from the base LIBOR rate assumed for the above variable interest rates on the term loans and revolving credit facility would increase interest expense by approximately \$53 million and \$40 million for the year ended December 31, 2015 and the nine months ended September 30, 2016, respectively.

(O) To reflect the tax effect of Items (L), (M) and (N) using an estimated combined statutory tax rate of 38.0%. Also, to reflect the reversal of a Level 3 income tax benefit of \$21 million resulting from the recognition

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of previously unrecognized excess tax benefits from Level 3's adoption of the Financial Accounting Standards Board's Accounting Standard Update (ASU) 2016-09, Improvements to Employee Share-Based Payment Accounting. CenturyLink has not adopted ASU Update 2016-09 as of September 30, 2016. The statutory rates for CenturyLink and Level 3 are relatively consistent and are not currently expected to change significantly as result of the combination.

(P) To reflect (i) the elimination of Level 3's basic and diluted common shares outstanding, net and (ii) the assumed issuance of basic and diluted common shares as a result of the combination calculated by multiplying Level 3's basic and diluted common shares outstanding by the 1.4286 exchange ratio.

	Basic Common Shares	Diluted Common Shares
	For the Nine Months Ended September 30, 2016 (In millions)	
Weighted-average outstanding		
CenturyLink weighted-average outstanding	539.4	540.5
Level 3 weighted-average outstanding	358.1	361.1
Combined weighted-average outstanding	897.5	901.6
Elimination of Level 3's historical weighted-average outstanding	(358.1)	(361.1)
Record new issuance of CenturyLink common stock at 1.4286 exchange ratio	511.6	515.8
Net pro forma adjustments	153.5	154.7
Pro forma combined weighted-average outstanding	1,051.0	1,056.3

	Basic Common Shares	Diluted Common Shares
	For the Year Ended December 31, 2015 (In millions)	
Weighted-average outstanding		
CenturyLink weighted-average outstanding	554.3	555.1
Level 3 weighted-average outstanding	353.4	358.6
Combined weighted-average outstanding	907.7	913.7
Elimination of Level 3's historical weighted-average outstanding	(353.4)	(358.6)
Record new issuance of CenturyLink common stock at 1.4286 exchange ratio	504.8	512.3

Net pro forma adjustments	151.4	153.7
Pro forma combined weighted-average outstanding	1,059.1	1,067.4

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Table of Contents**COMPARATIVE STOCK PRICE DATA AND DIVIDENDS**

CenturyLink common stock and Level 3 common stock are both traded on the NYSE under the symbols CTL and LVLT, respectively. The following table presents trading information for CenturyLink and Level 3 common shares on October 26, 2016, the last trading day before public reports of a possible transaction, and February 8, 2017, the last practicable trading day before the date of this joint proxy statement/prospectus.

Date	CTL Common Stock			LVLT Common Stock		
	High	Low	Close	High	Low	Close
October 26, 2016	\$ 28.42	\$ 28.06	\$ 28.25	\$ 47.06	\$ 46.35	\$ 46.92
February 8, 2017	\$ 24.86	\$ 24.25	\$ 24.43	\$ 58.26	\$ 57.23	\$ 57.55

For illustrative purposes, the following table provides Level 3 equivalent per share information on each of the specified dates. Level 3 equivalent per share amounts are calculated by multiplying CenturyLink per share amounts by the exchange ratio of 1.4286 and adding the \$26.50 cash consideration per share of Level 3 common stock.

Date	CTL Common Stock			LVLT Equivalent Per Share		
	High	Low	Close	High	Low	Close
October 26, 2016	\$ 28.42	\$ 28.06	\$ 28.25	\$ 67.10	\$ 66.59	\$ 66.86
February 8, 2017	\$ 24.86	\$ 24.25	\$ 24.43	\$ 62.01	\$ 61.14	\$ 61.40

Market Prices and Dividend Data**CenturyLink**

The following table sets forth the high and low sales prices of CenturyLink's common stock as reported in the NYSE's consolidated transaction reporting system, and the quarterly cash dividends declared per share, for the calendar quarters indicated.

	High	Low	Dividend Declared
2014			
First Quarter	\$ 32.98	\$ 27.93	\$ 0.54
Second Quarter	38.21	32.45	0.54
Third Quarter	45.67	35.70	0.54
Fourth Quarter	41.99	37.56	0.54
2015			
First Quarter	40.59	34.04	0.54
Second Quarter	37.00	29.28	0.54
Third Quarter	31.13	24.29	0.54
Fourth Quarter	29.37	24.11	0.54
2016			
First Quarter	32.49	21.94	0.54

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Second Quarter	32.94	26.35	0.54
Third Quarter	31.56	26.51	0.54
Fourth Quarter	33.45	22.86	0.54
2017			
First Quarter (through February 8, 2017)	26.29	24.25	

As discussed in greater detail under *Risk Factors Risk Factors Relating to CenturyLink Following the Combination Other Risks CenturyLink cannot assure you that it will be able to continue paying dividends at the current rate, or at all,* the declaration and payment of future dividends is at the discretion of the CenturyLink Board, and will depend upon its financial results, cash requirements, future prospects and other factors deemed relevant by the CenturyLink Board.

Table of Contents**Level 3**

The following table sets forth the high and low per share closing sales prices of Level 3's common stock as reported by the NYSE Composite Tape for the calendar quarters indicated.

	High	Low
2014		
First Quarter	\$ 39.21	\$ 31.01
Second Quarter	45.60	36.37
Third Quarter	47.50	41.17
Fourth Quarter	50.05	38.05
2015		
First Quarter	55.46	47.02
Second Quarter	56.90	52.11
Third Quarter	54.16	41.57
Fourth Quarter	54.45	43.00
2016		
First Quarter	53.74	42.74
Second Quarter	54.21	47.43
Third Quarter	57.18	46.38
Fourth Quarter	57.20	45.09
2017		
First Quarter (through February 8, 2017)	59.76	57.55

Level 3 did not pay any dividends in 2014, 2015 or 2016. Level 3's current dividend policy, in effect since April 1, 1998, is to retain future earnings for use in its business. As a result, Level 3's directors and management do not anticipate paying any cash dividends on shares of Level 3 common stock in the foreseeable future. In addition, Level 3 is effectively restricted under certain debt covenants and the merger agreement from paying cash dividends on shares of Level 3 common stock.

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DIRECTORS AND OFFICERS OF CENTURYLINK FOLLOWING THE COMBINATION

CenturyLink has agreed to appoint to the CenturyLink Board, on or prior to the effective time of the initial merger, (i) three members of the Level 3 Board who will be selected by CenturyLink from any of the Level 3 directors who are unaffiliated with or not designated by STT Crossing, and (ii) one member of the Level 3 Board designated by STT Crossing in accordance with the terms of the shareholder rights agreement. If any of the directors selected by CenturyLink are unable or unwilling to serve on the CenturyLink Board, then CenturyLink shall select another candidate from the Level 3 Board not affiliated with nor designated by STT. CenturyLink has further agreed to cause all such appointed directors to be nominated for election to the CenturyLink Board at the first annual meeting following the closing of the combination. In addition, in accordance with the terms of the shareholder rights agreement, CenturyLink has also agreed to nominate the STT Crossing designee to the CenturyLink Board for the first three annual meetings of CenturyLink following the completion of the combination, unless STT Crossing and its affiliates do not beneficially own at least 85% of the CenturyLink common stock to be received by them at the completion of the combination.

CenturyLink expects Jeff K. Storey, Level 3's president and chief executive officer and Steven T. Clontz, senior executive vice president of Singapore Technologies Telemedia Pte. Ltd., to join the CenturyLink Board upon completion of the combination, with Mr. Clontz serving as the designee of STT Crossing. Prior to the CenturyLink special meeting, CenturyLink intends to publicly announce the names of the other two Level 3 directors to be appointed to the CenturyLink Board upon completion of the combination. Following the completion of the combination, the current members of the CenturyLink Board are expected to continue to serve as directors of the combined company, other than William A. Owens, who will retire from the CenturyLink Board in May 2017, and CenturyLink's Chairman of the Board on the closing date is expected to continue to serve the combined company in that capacity.

Upon completion of the combination, R. Stewart Ewing, Jr., CenturyLink's current Executive Vice President, Chief Financial Officer and Assistant Secretary, plans to retire. Following Mr. Ewing's retirement, Mr. Sunit Patel, Executive Vice President and Chief Financial Officer of Level 3, will serve as Chief Financial Officer of the combined company. Following the completion of the combination, the executive officers of CenturyLink, other than Mr. Ewing, are currently expected to continue to be executive officers of the combined company. Decisions on executive officers are subject to change as the parties complete integration planning and as decisions are made concerning the management structure of the combined company.

For additional information on the current directors and executive officers of CenturyLink and Level 3, please see CenturyLink's proxy statement dated April 5, 2016, and Level 3's proxy statement dated April 7, 2016, respectively, both of which are incorporated herein by reference. See *Where You Can Find More Information* beginning on page 186.

Table of Contents**COMPARISON OF RIGHTS OF LEVEL 3 STOCKHOLDERS AND CENTURYLINK SHAREHOLDERS**

If the merger is consummated, stockholders of Level 3 will become shareholders of CenturyLink. The rights of CenturyLink shareholders are governed by and subject to the provisions of the LBCA and the articles of incorporation and bylaws of CenturyLink, rather than the provisions of Delaware law and the certificate of incorporation and bylaws of Level 3. Below is a summary of the material differences between the rights of holders of CenturyLink common stock and the rights of holders of Level 3 common stock, which does not purport to be a complete description of those differences or a complete description of the terms of the CenturyLink common stock subject to issuance in connection with the merger. The following summary is qualified in its entirety by reference to the relevant provisions of (i) the Louisiana Business Corporation Act, which we refer to as the LBCA, (ii) Delaware law, (iii) the Amended and Restated Articles of Incorporation of CenturyLink, which we refer to as the CenturyLink charter, (iv) the Amended and Restated Certificate of Incorporation of Level 3, which we refer to as the Level 3 charter, (v) the bylaws of CenturyLink, which we refer to as the CenturyLink bylaws, (vi) the amended and restated by-laws of Level 3, which we refer to as the Level 3 by-laws, and (vii) the description of CenturyLink common stock contained in CenturyLink's Form 8-A/A registration statement filed with the SEC on March 2, 2015 and any amendment or report filed with the SEC for the purpose of updating such description.

This section does not include a complete description of all differences among the rights of CenturyLink shareholders and Level 3 stockholders, nor does it include a complete description of the specific rights of such holders. Furthermore, the identification of some of the differences in the rights of such holders as material is not intended to indicate that there are no other differences that may be equally important. You are urged to read carefully the relevant provisions of Delaware law and the LBCA, as well as the governing corporate instruments of each of CenturyLink and Level 3, copies of which are available, without charge, to any person, including any beneficial owner to whom this joint proxy statement/prospectus is delivered, by following the instructions listed under *Where You Can Find More Information*.

CenturyLink**Level 3*****Authorized Capital***

CenturyLink is currently authorized under its articles of incorporation to issue an aggregate of 1.602 billion shares of capital stock, consisting of 1.6 billion shares of common stock, \$1.00 par value per share, and two million shares of preferred stock, \$25.00 par value per share.

Level 3 is authorized to issue 443,333,333 shares, of which 433,333,333 are shares of common stock, \$0.01 par value per share, and 10,000,000 of which are shares of preferred stock, \$0.01 par value per share.

Outstanding Capital Stock

As of the record date, 546,558,823 shares of CenturyLink's common stock were outstanding. CenturyLink's common stock is listed for trading on the NYSE.

As of the record date, 360,078,836 shares of Level 3's common stock were outstanding. Level 3's common stock is listed for trading on the NYSE.

Holders of CenturyLink common stock are entitled or subject to all of the rights and obligations applicable to common shareholders under the LBCA and the CenturyLink charter and bylaws.

Holders of Level 3 common stock are entitled or subject to all of the rights and obligations applicable to common stockholders under Delaware law and the Level 3 charter and by-laws.

As of the record date, 7,018 shares of CenturyLink's preferred stock were outstanding.

As of the date of this joint proxy statement/prospectus, Level 3 does not have any outstanding shares of preferred stock.

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CenturyLink

Holders of CenturyLink preferred stock are entitled or subject to all the rights and obligations applicable to preferred shareholders under the LBCA and the CenturyLink charter and bylaws.

Level 3

Holders of Level 3 preferred stock are entitled or subject to all the rights and obligations applicable to preferred stockholders under Delaware law and the Level 3 charter and by-laws.

Voting Rights

Each share of CenturyLink common stock entitles the holder thereof to one vote per share on all matters duly submitted to shareholders for their vote or consent.

Each holder of Level 3 common stock is entitled to one vote per share.

Each share of CenturyLink voting preferred stock entitles the holder thereof to one vote per share, voting with holders of shares of CenturyLink common stock, on all matters duly submitted to shareholders for their vote or consent, except with respect to those matters as to which holders of the CenturyLink voting preferred stock are required by law to vote separately.

Dividends

Holders of CenturyLink common stock are entitled to receive dividends when, as and if declared by CenturyLink's board of directors, out of funds legally available therefor, subject to the preferences applicable to any outstanding preferred stock.

Subject to preferences that may be applicable to any preferred stock outstanding at the time, the holders of outstanding shares of Level 3 common stock have a ratable right to receive dividends as may be declared out of assets or funds legally available for the payment of dividends by the Level 3 Board in its sole business judgment.

Holders of CenturyLink voting preferred shares are entitled to receive when, as and if declared by CenturyLink's board of directors, out of funds legally available therefor, an annual cash dividend of \$1.25 per CenturyLink voting preferred share, payable quarterly on each March 31, June 30, September 30 and December 31 on which any CenturyLink voting preferred share shall be outstanding.

Under Delaware law, the directors of a corporation may declare and pay dividends upon the shares of its capital stock either out of its surplus or, if there is no such surplus, out of its net profits for the fiscal year in which the dividend is declared or the preceding fiscal year.

Under the LBCA, CenturyLink may not declare a dividend if, after giving effect to such dividend, it would not be able to pay its debts as they become due in the usual course of business or its total assets would be less than the sum of its total liabilities plus the amount of certain specified preferential distribution rights of the holders of any outstanding preferred stock.

Number of Directors

Under CenturyLink's charter, the number of authorized directors is determined from time to time by the approval of both 80% of the directors then in office and a majority of the continuing directors (as defined therein), voting as a separate group.

Level 3's charter provides that the number of directors will be fixed by the Level 3 Board from time to time, but shall not be less than six and not more than 15.

There are currently 11 directors serving on the Level 3 Board.

There are currently 11 directors serving on the CenturyLink board. At or prior to the effective time of

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the initial merger, the CenturyLink board is expected to be increased to include (i) three members of the Level 3 Board who will be selected by CenturyLink from any of the Level 3 directors who are unaffiliated with or not designated by STT Crossing and (ii) one member of the Level 3 Board designated by STT Crossing in accordance with the terms of the shareholder rights agreement. For additional information, see the section entitled *Directors and Officers of CenturyLink Following the Combination*.

Election of Directors

Pursuant to CenturyLink's charter, each director holds office for a term of one year and until his or her successor is elected and qualified, or until such director's earlier death, resignation or removal.

Currently, holders of CenturyLink common stock and voting preferred stock are entitled to elect all of the authorized number of members of CenturyLink's board of directors. Holders of CenturyLink common stock and voting preferred stock do not have cumulative voting rights. As a result, the holders of a majority of the votes cast in the election of directors are able to elect all of the directors in an uncontested election.

CenturyLink's bylaws provide that in an uncontested election of directors, each director must be elected by the vote of the majority of the votes cast with respect to that director's election. If a nominee for director is not elected and the nominee is an incumbent director, such incumbent director must promptly tender his or her resignation to the board of directors, subject to acceptance by the board of directors. In a contested election, the directors shall be elected by a plurality vote.

Removal of Directors

Under CenturyLink's charter the shareholders may remove any director or the entire board of directors, only for cause, at any meeting of the shareholders called for such purpose, by the affirmative vote of the holders of (i) a majority of the total voting power of all shareholders and (ii) at any time there is a related person (as defined therein), a majority of the total voting power of all shareholders other than the

Level 3

Pursuant to Level 3's by-laws, each director holds office for a term of one year and until his or her successor is elected and qualified, or until such director's earlier death, resignation or removal.

Holders of Level 3 common stock do not have cumulative voting rights.

Level 3's by-laws provide that in uncontested elections of directors, a nominee for director will be elected to the board if the votes cast for that nominee constitute at least a majority of the votes cast with respect to that nominee. In an uncontested election where an incumbent director does not receive a majority of the votes cast, that incumbent director will be required to tender a resignation to the Level 3 Board for its consideration. In a contested election, the directors shall be elected by a plurality vote.

Under Level 3's charter, any director may be removed from office only by the affirmative vote of the holders of a majority of the outstanding stock entitled to vote thereon.

related person, voting as a separate group.

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Table of Contents**CenturyLink****Level 3*****Filling Board Vacancies***

Under the LBCA, unless the articles of incorporation provide otherwise, any vacancy on the board of directors may be filled by the remaining directors, subject to the right of the shareholders to fill the vacancy. Pursuant to CenturyLink's charter, vacancies on CenturyLink's board of directors may be filled only by the board of directors by a vote of both a majority of the directors then in office and a majority of the continuing directors voting as a separate group.

Under Delaware law, unless the certificate of incorporation or bylaws provides otherwise, any vacancy on the board of directors may be filled by a majority of directors then in office, subject to the right of the stockholders to fill the vacancy. Pursuant to Level 3's by-laws, vacancies on Level 3's board of directors may be filled only by the board of directors by a majority vote of the directors then in office.

Action by Written Consent

CenturyLink's charter provides that shareholder action may be taken only at an annual or special meeting of shareholders, and may not be taken by written consent of the shareholders.

Level 3's by-laws provide that any action required or permitted to be taken at a stockholders' meeting may be taken only upon the vote of the stockholders at such meeting, and may not be taken by written consent of the stockholders.

Advance Notice Requirements for Shareholder Nominations and Other Proposals

CenturyLink's bylaws establish an advance notice procedure with regard to the nomination, other than by or at the direction of its board of directors, of candidates for election as directors and with regard to other matters to be brought before a meeting of CenturyLink's shareholders.

CenturyLink's bylaws provide that any shareholder of record entitled to vote thereon may nominate one or more persons for election as directors and properly bring other matters before a meeting of the shareholders only if written notice has been received by the secretary of CenturyLink, (i) in the event of an annual meeting of shareholders, not more than 180 days and not less than 90 days in advance of the first anniversary of the preceding year's annual meeting of shareholders or, in the event of an annual meeting scheduled to be held either more than 30 days earlier or 60 days later than such anniversary date, not more than 180 days and not less than 90 days in advance of the meeting, or if public announcement is less than 100 days prior to the meeting, within 10 days of public disclosure of the meeting date; and (ii) in the event of a special meeting, not more than 120 days and not less than 90 days in advance of the meeting, or if public announcement is less than 100 days prior to the meeting, within 10 days of public disclosure of the meeting date.

In addition, the notice must contain certain specified information concerning, among other things, the person to be nominated or the matter to be brought before the meeting

For business to be properly brought before an annual meeting by a stockholder, including any proposal to be presented at the annual meeting of stockholders or a nomination of an individual for election as a director at the annual meeting of stockholders (other than through the proxy access process), the stockholder must have given timely notice thereof in proper written form to the Secretary of Level 3.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of Level 3 not less than 90 days nor more than 120 days prior to the anniversary date of the immediately preceding annual meeting of the stockholders; provided, however, that in the event that the date of the annual meeting is changed by more than 30 days from such anniversary date, notice by the stockholder to be timely must be delivered to or mailed and received at the principal executive offices of Level 3 no later than the close of business on the tenth day following the earlier of (i) the date on which notice of the date of the meeting was mailed and (ii) the date on which public disclosure of the meeting date was made.

To be in proper written form, a stockholder's notice to the Secretary with respect to business to be brought at an annual meeting shall set forth (i) a brief description

and concerning the shareholder submitting the proposal and of the business desired to be brought before the annual
the beneficial owner, if any, on whose meeting and the reasons for

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behalf the nomination or proposal is made, including but not limited to the following: (i) the name and address of such shareholder; (ii) their beneficial ownership interests in CenturyLink's voting shares, including disclosure of arrangements that might cause such person's voting, investment or economic interests in CenturyLink's voting shares to differ from those of its other shareholders; (iii) certain additional information concerning such parties required under the federal proxy rules; (iv) a description of all agreements with respect to the nomination or the proposal among the nominating or proposing shareholder, any beneficial owner, any person acting in concert with them, each proposed nominee, as applicable, and certain other persons; and (v) a representation whether any such person intends to solicit proxies or votes in support of their proposal or proposed nominee, as applicable.

In the case of nominations for directors, the notice must also, among other things, (i) set forth various biographical, compensation and other data relating to the proposed nominee and (ii) disclose various aspects of the proposed nominee's background, qualifications and certain specified arrangements with other persons. In the case of other proposed business, the shareholder's notice must set forth, among other things, a description of the business and any material interest in the proposed business of such shareholder.

The proposing shareholder must include a representation that such shareholder intends to appear at the meeting in person to make the nomination or propose the specified matter.

Proxy Access

Under the CenturyLink bylaws, a shareholder, or group of up to 10 shareholders, who have collectively owned at least 3% of CenturyLink's outstanding common stock continuously for at least three years, and who fully comply with the terms of the applicable CenturyLink bylaw can nominate directors not to exceed 20% of the number of directors then serving for inclusion in CenturyLink's proxy materials applicable to the election of directors at an annual meeting.

Amendments to the Articles or Certificate of Incorporation

Generally, CenturyLink's charter provides that any provision contained therein may be amended, altered, changed or repealed by the affirmative vote of the holders of a majority

Level 3

conducting such business at the annual meeting, (ii) the name and record address of such stockholder, (iii) the class or series and number of shares of Level 3 capital stock owned, beneficially or of record, by that stockholder, (iv) a description of all arrangements or understandings between such stockholder and any other person or persons (including their names and addresses) in connection with the proposal of such business by such stockholder and any material interest of such stockholder in such business and (v) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

Under the Level 3 by-laws, a stockholder, or group of up to 20 stockholders, who have collectively owned at least 3% of Level 3's outstanding common stock continuously for at least three years, and who fully comply with the terms of the applicable Level 3 by-law can nominate directors not to exceed 20% of the number of directors then serving for inclusion in Level 3's proxy materials applicable to the election of directors at an annual meeting of stockholders.

Level 3's charter provides that any provision contained therein may be amended, altered, changed or repealed by the affirmative vote of the holders of a majority of

of the outstanding stock entitled to vote thereon, provided the outstanding stock entitled to vote thereon.
such action is first approved by the directors in the manner
specified in the CenturyLink charter.

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Various provisions of CenturyLink's charter, including the fair price provisions and those provisions limiting the ability of shareholders to act by written consent, may not be amended except upon the affirmative vote of the holders of both: (i) 80% of the total voting power of all shareholders; and (ii) two-thirds of the total voting power of shareholders, other than a related person, present or represented at a shareholders' meeting, voting as a separate group.

Amendment to Bylaws

CenturyLink's bylaws may be adopted, amended, or repealed and new bylaws may be adopted by either: (i) a majority of CenturyLink's directors and a majority of CenturyLink's continuing directors, voting as a separate group; or (ii) the holders of at least 80% of the total voting power of all shareholders and two-thirds of the total voting power of shareholders, other than any related person, present or duly represented at a shareholders' meeting, voting as a separate group.

Special Meeting of Shareholders

CenturyLink's charter currently provides that special meetings of the shareholders for any purpose or purposes may be called by the chairman of the CenturyLink board, the chief executive officer, the president, or by a majority of the directors.

Under the LBCA, unless the articles of incorporation provide otherwise (subject to certain limitations), shareholders holding at least 10% of the votes entitled to be cast on an issue may call a special meeting. The CenturyLink charter currently provides that shareholders may call a special meeting of shareholders only if they hold at least a majority of CenturyLink's total voting power.

Limitation of Personal Liability of Directors

CenturyLink's charter provides that a director or officer of CenturyLink shall not be personally liable to CenturyLink or its shareholders for monetary damages for breach of fiduciary duties as a director or officer except for:

(a) any breach of the director's duty of loyalty to CenturyLink or its shareholders;

Level 3

Level 3's by-laws provide that the by-laws may be repealed, altered, amended or rescinded, and new by-laws adopted, by the majority vote of the board of directors, or by the affirmative vote of the holders of a majority of the outstanding stock entitled to vote thereon.

Level 3's charter and by-laws provide that special meetings of the stockholders for any purpose or purposes may be called by the chairman of the Level 3 Board, the chief executive officer, the president, or by a majority of the directors.

Level 3 stockholders are not authorized to call special meetings of stockholders.

Level 3's charter provides that a director of Level 3 shall not be personally liable to Level 3 or its stockholders for monetary damages for breach of fiduciary duties as a director except for liability:

(a) for any breach of the director's duty of loyalty to Level 3 or its stockholders;

(b) an intentional infliction of harm on CenturyLink or its shareholders

(b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;

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CenturyLink

(c) liability for certain specified unlawful distributions, redemptions or share repurchases; or

(d) an intentional violation of criminal law.

Under the LBCA, CenturyLink may indemnify each of its current or former directors and officers (each an indemnitee) against liability (including judgments, settlements, penalties, fines, or reasonable expenses) incurred by the indemnitee in a proceeding to which the indemnitee is a party if: (i) the indemnitee acted in good faith and reasonably believed either: (a) in the case of conduct in an official capacity, that such indemnitee s conduct was in the best interests of CenturyLink; or (b) in all other cases, that such indemnitee s conduct was at least not opposed to the best interests of CenturyLink; (ii) with respect to any criminal proceeding, the indemnitee had no reasonable cause to believe such indemnitee s conduct was unlawful.

CenturyLink may also advance expenses to the indemnitee provided that the indemnitee delivers: (i) a written affirmation of such indemnitee s good faith belief that the relevant standard of conduct has been met by such indemnitee or that the proceeding involves conduct for which liability has been eliminated; and (ii) a written undertaking to repay any funds advanced if (a) such indemnitee is not entitled to mandatory indemnification by virtue of being wholly successful, on the merits or otherwise, in the defense of any such proceeding and (b) it is ultimately determined that such indemnitee has not met the relevant standard of conduct.

CenturyLink has the power to obtain and maintain insurance on behalf of any person who is or was acting for CenturyLink, regardless of whether it has the legal authority to indemnify, or advance expenses to, the insured person with respect to such liability.

Level 3

(c) liability for certain specified unlawful distributions, redemptions or share repurchases; or

(d) for any transaction from which the director derived an improper personal benefit.

Indemnification of Directors and Officers

Level 3 s charter requires Level 3 to indemnify each person who is or was a director, officer or employee, or is or was serving at Level 3 s request as a director, officer or employee of any corporation, partnership, joint venture, trust or other enterprise, to the fullest extent permitted under applicable law.

Level 3 s by-laws require Level 3 to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of Level 3), by reason of the fact that he is or was a director, officer or employee or agent of Level 3, or is or was serving at Level 3 s request as a director, officer or employee or agent of any corporation, partnership, joint venture, trust or other enterprise, against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner reasonably believed to be in the best interests of Level 3.

Level 3 s by-laws also require Level 3 to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of Level 3 to procure a judgment in its favor by reason of the fact that he is or was a director, officer or employee or agent of Level 3, or is or was serving at Level 3 s request as a director, officer or employee or agent of any corporation, partnership, joint venture, trust or other enterprise, against expenses actually and reasonably incurred by him in connection with the defense or settlement of such action, suit or proceeding if he acted in good faith

Under CenturyLink's bylaws, CenturyLink is obligated to indemnify its current or former directors and officers, except that if any of its current or former directors or officers are held liable under or settle any derivative suit, CenturyLink is permitted but not obligated to indemnify the indemnified person.

and in a manner reasonably believed to be in the best interests of Level 3, except that no indemnification shall be made in respect of any claim as to which such person has been adjudged liable to Level 3 unless and to the extent that the Court of Chancery determines that such person is reasonably and fairly entitled to such indemnity.

Table of Contents**CenturyLink****Level 3*****Stockholder Rights Agreement***

Currently, CenturyLink is not a party to any rights agreement.

Pursuant to the Level 3 rights agreement dated April 10, 2011, Level 3 distributed certain preferred share purchase rights to its common stockholders. Level 3 amended the Level 3 rights agreement to make it in applicable to the combination.

Forum Selection

Neither the CenturyLink charter nor bylaws contain any provisions regarding the forum for legal actions.

Level 3's bylaws include a forum selection provision, which provides that the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of Level 3, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or employee of Level 3 to Level 3 or its stockholders, (iii) any action asserting a claim against Level 3 or any director or officer or other employee of Level 3 arising pursuant to any provision of Delaware law or Level 3's charter or by-laws, or (iv) any action asserting a claim against Level 3 or any director or officer or other employee of Level 3 governed by the internal affairs doctrine, shall be the Court of Chancery of the State of Delaware (or, under certain circumstances, other courts located in the State of Delaware).

Access to Records

Under the LBCA, upon five day's written notice, any shareholder, may inspect: (1) the corporation's articles and bylaws; (2) board resolutions regarding classification of shares; (3) the minutes of all shareholders' meetings and records of all action taken by shareholders without a meeting, for the past three years; (4) all written communications sent to shareholders within the past three years; (5) a list of names and business addresses of the corporation's current directors and officers; and (6) a copy of the corporation's most recent annual report. A shareholder holding at least 5% of any class of issued shares for at least six months may inspect any and all of the corporation's records for a proper purpose that is described with reasonable particularity and the records sought are directly connected with the shareholder's purpose. If after a reasonable time, the corporation fails to comply with such a request, the shareholder may apply to a court of competent jurisdiction to compel compliance.

Under Delaware law, any stockholder, in person or by attorney or other agent, upon written demand under oath stating the purpose thereof, has the right, subject to certain limited exceptions, to examine for any proper purpose the corporation's relevant books and accounts, and to make copies and extracts from the corporation's stock ledger, a list of its stockholders, its other books and records and a subsidiary's books and records, to the extent that the corporation has actual possession and control of such records or the corporation could obtain such records through the exercise of control over such subsidiary. If after five business days the corporation fails to reply or refuses to comply with such a request, the stockholder may apply to the Court of Chancery to compel compliance.

Antitakeover Provisions

Fair Price Provisions. Pursuant to CenturyLink's charter, no business combination, including mergers,

Business Combinations. Delaware law generally prohibits business combinations, including

Table of Contents**CenturyLink**

sales and leases of assets, issuances of securities and similar transactions, by a corporation or a subsidiary with, or by, a related person, may be effected unless: (1) in addition to the vote required by law or the charter, the business combination is approved by (i) a majority of directors then in office and a majority of the continuing directors and (ii) by affirmative votes of the holders of both (a) 80% of the total voting power, voting as a separate group, and (b) two-thirds of the total voting power entitled to be cast by independent shareholders present or duly represented, voting as a separate voting group, and (2) a proxy or information statement describing the business combination and complying with the Exchange Act is mailed to all shareholders at least 30 days prior to consummation of the business combination.

Evaluation of Tender Offers. The board of directors is required by CenturyLink's charter to consider various factors when evaluating a business combination, tender or exchange offer, or a proposal by another person to make a tender or exchange offer, including the social and economic effects of the transaction on CenturyLink and its subsidiaries, as well as on CenturyLink's respective employees, customers, creditors, and other elements of the communities in which CenturyLink operates or is located.

Other. Certain of the other above-described provisions of the CenturyLink charter or CenturyLink bylaws, including the advance notice and other provisions regulating the manner in which shareholders can meet or take action, could be viewed by some shareholders to be disadvantageous because they could potentially limit or preclude meaningful shareholder participation in certain transactions or discourage takeover attempts, proxy contests or other attempts to influence or replace CenturyLink's current management, all as discussed in greater detail in CenturyLink's Form 8-A/A registration statement described above.

Level 3

mergers, sales and leases of assets, issuances of securities and similar transactions, by a corporation or a subsidiary with an interested stockholder who beneficially owns 15% or more of a corporation's voting stock, within three years after the person or entity becomes an interested stockholder, unless: (i) the transaction that will cause the person or entity to become an interested stockholder is approved by the board of directors of the corporation prior to the transaction; (ii) after the completion of the transaction in which the person or entity becomes an interested stockholder, the interested stockholder holds at least 85% of the voting stock of the corporation not including shares held by officers and directors of interested stockholders or shares held by specified employee benefit plans; or (iii) after the person or entity becomes an interested stockholder, the business combination is approved by the corporation's board of directors and holders of at least two-thirds of the corporation's outstanding voting stock, excluding shares held by the interested stockholder. Although Delaware corporations may elect not to be governed by Section 203, Level 3 has not made such an election.

Other. Certain of the other above-described provisions of the Level 3 charter or Level 3 bylaws, including the advance notice and other provisions regulating the manner in which stockholders can meet or take action, could be viewed by some stockholders to be disadvantageous because they could potentially limit or preclude meaningful stockholder participation in certain transactions or discourage takeover attempts, proxy contests or other attempts to influence or replace Level 3's current management, all as discussed in greater detail in Level 3's Form 8-A/A registration statement filed with the SEC on November 30, 2011.

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APPRAISAL RIGHTS

Level 3 Stockholders

Under Delaware law, holders of Level 3 common stock are entitled to dissenters' rights of appraisal in connection with the combination, provided that such holders meet all of the conditions set forth in Section 262 of the Delaware law (which we refer to as Section 262). Pursuant to Section 262, Level 3 stockholders who do not vote in favor of the proposal to adopt the merger agreement and who comply with the applicable requirements of Section 262 will have the right to seek appraisal of the fair value of such shares as determined by the Delaware Chancery Court if the combination is completed. It is possible that the fair value as determined by the Court may be more or less than, or the same as, the merger consideration. Stockholders should note that investment banking opinions as to the fairness from a financial point of view of the consideration payable in a sale transaction, such as the combination, are not opinions as to, and do not in any manner address, fair value under the Delaware law. Level 3 stockholders electing to exercise appraisal rights must comply with the strict procedures set forth in Section 262 in order to demand and perfect their rights. **Any Level 3 stockholder wishing to preserve their rights to appraisal must make a demand for appraisal as described below.**

The following is intended as a brief summary of the material provisions of Section 262 required to be followed by dissenting Level 3 stockholders wishing to demand and perfect their appraisal rights. This summary, however, is not a complete statement of all applicable requirements and is subject to and qualified in its entirety by reference to Section 262, the full text of which appears in Annex H to this document.

Under Section 262, Level 3 is required to notify stockholders not less than 20 days before the special meeting to vote on the merger proposal that appraisal rights will be available. A copy of Section 262 must be included with that notice. The Level 3 special meeting will be held on March 16, 2017.

This document constitutes Level 3's notice to its stockholders of the availability of appraisal rights in connection with the combination under Section 262 of the General Corporation Law of the State of Delaware.

If you wish to consider exercising your appraisal rights, you should carefully review the text of Section 262 set forth in Annex H to this document and consult your legal advisor. If you fail to timely and properly comply with the requirements of Section 262, your appraisal rights may be lost. To exercise appraisal rights with respect to your shares of Level 3 common stock, you must:

NOT vote your shares of Level 3 common stock in favor of the merger agreement;

deliver to Level 3 a written demand for appraisal of your shares before the date of the special meeting, as described further below under *Written Demand and Notice* ;

continuously hold your shares of Level 3 common stock through the date the combination is consummated;
and

otherwise comply with the procedures set forth in Section 262.

If you sign and return a proxy card, or submit a proxy by telephone or through the internet, that does not contain voting instructions, you will effectively waive your appraisal rights because such shares represented by the proxy, unless the proxy is revoked, will be voted for the adoption of the merger agreement. Therefore, a stockholder who submits a proxy and who wishes to exercise appraisal rights must submit a proxy containing instructions to vote against the adoption of the merger agreement or abstain from voting on the adoption of the merger agreement.

Only a holder of record of shares of Level 3 common stock, or a person duly authorized and explicitly purporting to act on that stockholder's behalf, is entitled to assert appraisal rights for the shares of common stock

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registered in that stockholder's name. To be effective, a demand for appraisal must be executed by or on behalf of the stockholder of record, fully and correctly, as such stockholder's name appears on their stock certificates, and must state that such person intends thereby to demand appraisal of his or her shares of Level 3 common stock in connection with the combination. Beneficial owners who do not also hold the shares of record may not directly make appraisal demands to Level 3. The beneficial owner must, in such cases, have the registered stockholder submit the required demand in respect of those shares.

If the shares of Level 3 common stock are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of the demand must be made in that capacity, and if the shares of Level 3 common stock are owned of record by more than one person, as in a joint tenancy and tenancy in common, the demand must be executed by or on behalf of all joint owners. An authorized agent, including an agent for two or more joint owners, may execute a demand for appraisal on behalf of a holder of record; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, the agent is acting as agent for such owner or owners. Stockholders who hold their shares of Level 3 common stock in brokerage accounts or other nominee forms and who wish to exercise appraisal rights are urged to consult with their brokers to determine the appropriate procedures for the making of a demand for appraisal by such a nominee.

Failure to strictly follow the procedures set forth in Section 262 may result in the loss, termination or waiver of appraisal rights. Stockholders who vote in favor of the adoption and approval of the merger agreement will not have a right to have the fair market value of their shares of Level 3 common stock determined. However, failure to vote in favor of the merger agreement is not sufficient to perfect appraisal rights. If you desire to exercise your appraisal rights, you must also submit to Level 3 a written demand for payment of the fair value of the Level 3 common stock held by you. In order to assist stockholders in determining whether to exercise appraisal rights, copies of Level 3 audited consolidated financial statements as of and for the year ended December 31, 2015 and unaudited condensed consolidated financial statements as of and for the nine months ended September 30, 2016 are incorporated by reference in this document.

Written Demand and Notice

A written demand for appraisal should be filed with Level 3 before the Level 3 special meeting. The demand notice shall be sufficient if it reasonably informs Level 3 of your identity and that you wish to seek appraisal with respect to your shares of Level 3 common stock. All demands should be delivered to: Level 3 Communications, Inc., 1025 Eldorado Blvd., Broomfield, Colorado 80021.

The combined company, within 10 days after the effective time of the initial merger, will notify each stockholder who has complied with Section 262 and who has not voted in favor of the merger proposal of the effective time of the merger.

Judicial Appraisal

Within 120 days after the effective time of the initial merger, the surviving company or any stockholder who is entitled to appraisal rights and has otherwise complied with Section 262 may file a petition with the Delaware Court of Chancery demanding a determination of the value of the common stock of Level 3 held by all such stockholders. The surviving company is under no obligation to and has no present intention to file a petition and holders should not assume that the surviving company will file a petition. Accordingly, it is the obligation of the holders of common stock to initiate all necessary action to perfect their appraisal rights within the time prescribed in Section 262. If a petition for appraisal is duly filed by a stockholder and a copy of the petition is delivered to the surviving company, the surviving company will then be obligated, within 20 days after receiving service of a copy of the petition, to file in

the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares of Level 3 common stock and with whom agreements as to the value of their shares of Level 3 common

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stock have not been reached by the surviving company. After notice to the surviving company and dissenting stockholders who demanded payment of their shares of Level 3 common stock, the Delaware Court of Chancery is empowered to conduct a hearing upon the petition, and to determine those stockholders who have complied with Section 262 of the Delaware law and who have become entitled to the appraisal rights provided thereby. The Delaware Court of Chancery may require the stockholders who have demanded appraisal for their shares of Level 3 common stock to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with that direction, the Delaware Court of Chancery may dismiss the proceedings as to that stockholder.

After the Delaware Court of Chancery determines the holders of common stock entitled to appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Delaware Court of Chancery, including any rules specifically governing appraisal proceedings. Through this proceeding, the Delaware Court of Chancery shall determine the fair value of the shares, exclusive of any element of value arising from the accomplishment or expectation of the combination, together with interest, to be paid, if any, upon the amount determined to be fair value in an appraisal proceeding. In determining the fair value of the shares the Delaware Court of Chancery will take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that proof of value by any techniques or methods that are generally considered acceptable in the financial community and otherwise admissible in court should be considered, and that fair price obviously requires consideration of all relevant factors involving the value of a company. The Delaware Supreme Court stated that, in making this determination of fair value, the court must consider market value, asset value, dividends, earnings prospects, the nature of the enterprise and any other facts that could be ascertained as of the date of the merger that throw any light on future prospects of the corporation. Section 262 provides that fair value is to be exclusive of any element of value arising from the accomplishment or expectation of the merger. In *Cede & Co. v. Technicolor, Inc.*, the Delaware Supreme Court stated that such exclusion is a narrow exclusion [that] does not encompass known elements of value, but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Delaware Supreme Court also stated that elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered. Unless the Delaware Court of Chancery in its discretion determines otherwise for good cause shown, interest from the effective time through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharges) as established from time to time during the period between the effective time and the date of payment of the judgment.

Stockholders who consider seeking appraisal should consider that the fair value of their shares under Section 262 could be more than, the same as, or less than, the value of the consideration provided for in the merger agreement without the exercise of appraisal rights. No representation is made as to the outcome of the appraisal of fair value as determined by the Delaware Court of Chancery. Delaware courts have decided that the statutory appraisal remedy, depending on factual circumstances, may or may not be a dissenter's exclusive remedy. The Court of Chancery may determine the cost of the appraisal proceeding and assess it against the parties as the Court deems equitable. Upon application of a dissenting stockholder, the Court may order that all or a portion of the expenses incurred by any dissenting stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys fees and the fees and expenses of experts, be charged pro rata against the value of all shares of Level 3 common stock entitled to appraisal. In the absence of a court determination or assessment, each party will bear its own expenses.

Any stockholder who has demanded appraisal in compliance with Section 262 will not, after the effective time, be entitled to vote such stock for any purpose or receive payment of dividends or other distributions, if any, on the Level 3 common stock, except for dividends or distributions, if any, payable to stockholders of record at a date before the merger.

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Request for Appraisal Data

If you submit a written demand for appraisal of your shares of Level 3 common stock and otherwise properly perfect your appraisal rights, you may, upon written request mailed to the combined company within 120 days after the effective time of the mergers, receive a written statement identifying (1) the aggregate number of shares of Level 3 common stock which were not voted in favor of the adoption and approval of the merger agreement and with respect to which Level 3 has received written demands for appraisal; and (2) the aggregate number of holders of such shares. The combined company will mail this statement to you within 10 days after receiving your written request. If no petition is filed by either the combined company or any dissenting stockholder within the 120-day period after the effective time of the mergers, the rights of all dissenting stockholders to appraisal will cease. Stockholders seeking to exercise appraisal rights should not assume that the combined company will file a petition with respect to the appraisal of the fair value of their shares or that the combined company will initiate any negotiations with respect to the fair value of those shares. The combined company will be under no obligation to take any action in this regard and CenturyLink and Level 3 have no present intention to do so. Accordingly, it is the obligation of stockholders who wish to seek appraisal of their shares of Level 3 common stock to initiate all necessary action with respect to the perfection of their appraisal rights within the time periods and in the manner prescribed in Section 262. Failure to file the petition on a timely basis will cause the stockholder's right to an appraisal to cease.

Withdrawal

Even if you submit a written demand for appraisal of your shares of Level 3 common stock and otherwise properly perfect your appraisal rights, you may withdraw your demand at any time after the effective time of the initial merger, except that any such attempt to withdraw made more than 60 days after the effective time of the mergers will require the written approval of the combined company and, once a petition for appraisal is filed, the appraisal proceeding may not be dismissed as to any holder absent court approval. The foregoing, however, will not affect the right of any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such stockholder's demand for appraisal and to accept the terms offered under the merger agreement within 60 days after the effective time of the mergers. If you withdraw your demand, you will be deemed to have accepted the terms of the merger agreement, which are summarized in this document and which is attached in its entirety as Annex A.

The foregoing summary is not intended to be a complete statement of the procedures for exercising appraisal rights under Section 262 and is qualified in its entirety by reference to the full text of Section 262, a copy of which is attached as Annex H to this document. Level 3 urges any stockholder wishing to exercise appraisal rights, if any, to read this summary and Section 262 carefully, and to consult legal counsel before attempting to exercise appraisal rights. Failure to comply strictly with all of the procedures set forth in Section 262 may result in the loss of your statutory appraisal rights.

CenturyLink Shareholders

Under Louisiana law, the holders of CenturyLink common stock and preferred stock are not entitled to appraisal rights in connection with the CenturyLink stock issuance proposal.

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LEGAL MATTERS

The validity of the shares of CenturyLink common stock to be issued in the merger will be passed upon by Jones Walker L.L.P. Certain U.S. federal income tax consequences relating to the merger will also be passed upon for CenturyLink by Wachtell, Lipton, Rosen & Katz and for Level 3 by Willkie Farr & Gallagher LLP.

EXPERTS

CenturyLink

The consolidated financial statements of CenturyLink as of December 31, 2015 and 2014, and for each of the years in the three-year period ended December 31, 2015, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2015 have been incorporated by reference into this joint proxy statement/prospectus in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing. The audit report covering the December 31, 2015 financial statements refers to a change in accounting for debt issuance costs and accounting for deferred income taxes.

Level 3

The consolidated financial statements of Level 3 as of December 31, 2015 and 2014, and for each of the years in the three year period ended December 31, 2015, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2015 have been incorporated by reference into this joint proxy statement/prospectus in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

FUTURE SHAREHOLDER PROPOSALS

CenturyLink

CenturyLink will hold an annual meeting in 2017 regardless of whether the combination has been completed. The deadline has passed for submitting proposals eligible to be included in CenturyLink's 2017 proxy materials. CenturyLink's bylaws require CenturyLink shareholders to furnish timely advance written notice of their intent to nominate a director or bring any other matter before a shareholders' meeting, whether or not they wish to include their candidate or proposal in CenturyLink's proxy materials. In general, notice must be received in writing by CenturyLink's Secretary, 100 CenturyLink Drive, Monroe, Louisiana 71203, no later than February 17, 2017 and must contain various information specified in CenturyLink's bylaws. (If the date of CenturyLink's 2017 annual meeting is more than 30 days before or more than 60 days after May 18, 2017, notice must be delivered not earlier than the close of business on the 180th day prior to the date of such annual meeting and not later than the close of business on the later of the 90th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, then 10th day following the day on which such public announcement of the date of such meeting is first made by CenturyLink.) CenturyLink may disregard notices that are not delivered in accordance with its bylaws. Additional information regarding CenturyLink's procedures is located in CenturyLink's Proxy Statement on Schedule 14A filed with the SEC on April 5, 2016, which is incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information*.

Level 3

Level 3 held its last regular annual meeting of stockholders on May 19, 2016, and plans to hold its next annual meeting of stockholders following the Level 3 special meeting.

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A Level 3 stockholder who would like to have a proposal considered for inclusion (other than director nominations pursuant to proxy access) in Level 3's 2017 Proxy Statement must have submitted the proposal so that it was received by Level 3 no later than December 8, 2016. SEC rules set standards for eligibility and specify the types of stockholder proposals that may be excluded from a proxy statement. Stockholder proposals should be addressed to the Secretary, Level 3 Communications, Inc., 1025 Eldorado Boulevard, Broomfield, Colorado 80021.

If a Level 3 stockholder did not submit a proposal for inclusion in Level 3's 2017 Proxy Statement, but instead wishes to present it directly at the 2017 annual meeting, Level 3's by-laws require that such stockholder notify Level 3 in writing on or before February 18, 2017, but no earlier than January 19, 2017, for the proposal to be included in Level 3's proxy material relating to that meeting. Proposals received after February 18, 2017 will not be voted on at the 2017 annual meeting. In addition, such proposal must also include a brief description of the business to be brought before the 2017 annual meeting, the stockholder's name and record address, the number of shares of Level 3 common stock that are owned beneficially or of record by such stockholder, a description of any arrangements or understandings between the stockholder and any other person in connection with such proposal and any material interest of such stockholder in such proposal, a representation that the stockholder intends to appear in person or by proxy at the 2017 annual meeting, certain other information required under Level 3's by-laws and any information relating to the stockholder that would be required to be disclosed in a Proxy Statement filing. If the stockholder wishes to nominate one or more persons for election as a director (and not in reliance on proxy access), such stockholder's notice must comply with additional provisions as set forth in Level 3's by-laws, including certain information with respect to the persons nominated for election as directors. Any such proposals should be directed to the Secretary, Level 3 Communications, Inc., 1025 Eldorado Boulevard, Broomfield, Colorado 80021.

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WHERE YOU CAN FIND MORE INFORMATION

CenturyLink and Level 3 file annual, quarterly and current reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy any of this information at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC also maintains an Internet website that contains reports, proxy and information statements, and other information regarding issuers, including CenturyLink and Level 3, who file electronically with the SEC. The address of that site is www.sec.gov.

Investors may also consult CenturyLink's or Level 3's website for more information concerning the merger described in this joint proxy statement/prospectus. CenturyLink's website is www.CenturyLink.com. Level 3's website is www.Level3.com. Additional information is available at www.connectingtheneweconomy.com. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

CenturyLink has filed with the SEC a registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part. The registration statement registers the shares of CenturyLink common stock to be issued to Level 3 stockholders in connection with the merger. The registration statement, including the attached exhibits and schedules, contains additional relevant information about CenturyLink common stock. The rules and regulations of the SEC allow CenturyLink and Level 3 to omit certain information included in the registration statement from this joint proxy statement/prospectus.

In addition, the SEC allows CenturyLink and Level 3 to disclose important information to you by referring you to other documents filed separately with the SEC, which we refer to as incorporated documents. Information contained in incorporated documents is considered to be a part of this joint proxy statement/prospectus, except as otherwise specified below.

This joint proxy statement/prospectus incorporates by reference the documents listed below that CenturyLink has previously filed with the SEC; provided, however, that we are not incorporating by reference, in each case, any documents, portions of documents or information deemed to have been furnished and not filed in accordance with SEC rules. They contain important information about CenturyLink, its financial condition or other matters.

Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Proxy Statement on Schedule 14A filed April 5, 2016.

Quarterly Report on Form 10-Q for the quarterly periods ended March 31, 2016, June 30, 2016 and September 30, 2016.

Current Reports on Form 8-K, filed on January 25, 2016 (two filings), January 29, 2016, February 29, 2016, March 22, 2016, April 6, 2016, May 23, 2016, August 11, 2016, August 22, 2016, October 31, 2016, November 3, 2016, November 7, 2016, January 12, 2017 and February 8, 2017 (other than documents or portions of those documents not deemed to be filed).

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The description of CenturyLink common stock contained in CenturyLink's Form 8-A/A filed with the SEC on March 2, 2015.

In addition, CenturyLink incorporates by reference herein any future filings it makes with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this joint proxy statement/prospectus and prior to the date of the CenturyLink special meeting. Such documents are considered to be a part of this joint proxy statement/prospectus, effective as of the date such documents are filed. In the event of conflicting information in these documents, the information in the latest filed document should be considered correct.

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You can obtain any of the documents listed above from the SEC, through the SEC's website at the address described above or from CenturyLink by requesting them in writing or by telephone at the following address:

CenturyLink, Inc.

100 CenturyLink Drive

Monroe, LA 71203

Attention: Investor Relations

Telephone: (318) 388-9000

These documents are available from CenturyLink without charge, excluding any exhibits to them unless the exhibit is specifically listed as an exhibit to the registration statement of which this joint proxy statement/prospectus forms a part.

This joint proxy statement/prospectus also incorporates by reference the incorporated documents listed below that Level 3 has previously filed with the SEC; provided, however, that we are not incorporating by reference, in each case, any documents, portion of documents or information deemed to have been furnished and not filed in accordance with SEC rules. They contain important information about Level 3, its financial condition or other matters.

Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Proxy Statement on Schedule 14A filed April 7, 2016.

Quarterly Report on Form 10-Q for the quarterly periods ended March 31, 2016, June 30, 2016 and September 30, 2016.

Current Reports on Form 8-K, filed February 8, 2016, February 23, 2016, February 24, 2016, March 1, 2016, March 9, 2016, March 22, 2016, April 13, 2016, May 20, 2016 (as amended by Form 8-K/A filed on May 24, 2016), September 16, 2016, October 31, 2016, November 3, 2016, November 10, 2016, November 28, 2016 and January 12, 2017 (other than the portions of those documents not deemed to be filed).

In addition, Level 3 incorporates by reference any future filings it makes with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this joint proxy statement/prospectus and prior to the date of the Level 3 special meeting. Such documents are considered to be a part of this joint proxy statement/prospectus, effective as of the date such documents are filed. In the event of conflicting information in these documents, the information in the latest filed document should be considered correct.

You can obtain any of these documents from the SEC, through the SEC's website at the address described above, or Level 3 will provide you with copies of these documents, without charge, upon written or oral request to:

Level 3 Communications, Inc.

1025 Eldorado Boulevard

Broomfield, CO 80021

Attention: Investor Relations

Telephone: (720) 888-2518

If you are a shareholder of CenturyLink or a stockholder of Level 3 and would like to request documents, please do so by March 9, 2017 to receive them before the CenturyLink special meeting and the Level 3 special meeting. If you request any documents from CenturyLink or Level 3, CenturyLink or Level 3 will undertake to mail them to you by first class mail, or another equally prompt means, within one business day after CenturyLink or Level 3 receives your request.

Information appearing in this joint proxy statement/prospectus or any particular incorporated document is not necessarily complete and is qualified in its entirety by the information and financial statements appearing in

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all of the other incorporated documents and should be read together therewith. Any statement contained in any particular incorporated document will be deemed to be modified or superseded to the extent that a statement contained in this joint proxy statement/prospectus or in any incorporated document filed after such particular incorporated document modifies or supersedes such statement.

This document is a prospectus of CenturyLink and is a joint proxy statement of CenturyLink and Level 3 for the CenturyLink special meeting and the Level 3 special meeting. Neither CenturyLink nor Level 3 has authorized anyone to give any information or make any representation about the combination of CenturyLink or Level 3 that is different from, or in addition to, that contained in this joint proxy statement/prospectus or in any of the incorporated documents that CenturyLink or Level 3 has incorporated by reference into this joint proxy statement/prospectus. Therefore, if anyone does give you information of this sort, you should not rely on it. The information contained in this joint proxy statement/prospectus speaks only as of the date of this joint proxy statement/prospectus unless the information specifically indicates that another date applies.

OTHER MATTERS

As of the date of this joint proxy statement/prospectus, neither the CenturyLink Board nor the Level 3 Board knows of any matters that will be presented for consideration at either the CenturyLink special meeting or the Level 3 special meeting other than as described in this joint proxy statement/prospectus. If any other matters properly come before the Level 3 special meeting or any adjournments or postponements of the meeting and are voted upon, the enclosed proxy will confer discretionary authority on the individuals named as proxy to vote the shares represented by the proxy as to any other matters. The individuals named as proxies intend to vote in accordance with their best judgment as to any other matters. In accordance with CenturyLink's bylaws and Louisiana law, business transacted at the CenturyLink special meeting will be limited to those matters set forth in the accompanying notice of the special meeting. Nonetheless, if any other matter is properly presented at the CenturyLink special meeting, or any adjournments or postponements of the meeting, and are voted upon, including matters incident to the conduct of the meeting, the enclosed proxy card will confer discretionary authority on the individuals named therein as proxies to vote the shares represented thereby as to any such other matters. It is intended that the persons named in the enclosed proxy card and acting thereunder will vote in accordance with their best judgment on any such matter.

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Annex A

EXECUTION VERSION

AGREEMENT AND PLAN OF MERGER

among

CENTURYLINK, INC.

WILDCAT MERGER SUB 1 LLC

WWG MERGER SUB LLC

and

LEVEL 3 COMMUNICATIONS, INC.

Dated as of October 31, 2016

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of October 31, 2016 (this Agreement), among CENTURYLINK, INC., a Louisiana corporation (Parent), WILDCAT MERGER SUB 1 LLC, a Delaware limited liability company and an indirect Wholly Owned Subsidiary of Parent (Merger Sub 1), WWG MERGER SUB LLC, a Delaware limited liability company and an indirect Wholly Owned Subsidiary of Parent (Merger Sub 2), and LEVEL 3 COMMUNICATIONS, INC., a Delaware corporation (the Company).

W I T N E S S E T H:

WHEREAS, the respective Boards of Directors of Parent and the Company and the respective boards of managers of Merger Sub 1 and Merger Sub 2 have each approved and declared advisable the merger of Merger Sub 1 with and into the Company (the Merger), upon the terms and subject to the conditions set forth in this Agreement and in accordance with the applicable provisions of the General Corporation Law of the State of Delaware (the DGCL) and the Delaware Limited Liability Company Act (the DLLCA), pursuant to which each share of common stock, par value \$0.01 per share, of the Company (Company Common Stock), issued and outstanding immediately prior to the Effective Time, other than Dissenting Shares, will be converted into the right to receive a combination of cash and shares of common stock, par value \$1.00 per share, of Parent (Parent Common Stock);

WHEREAS, immediately following the Merger, the Surviving Corporation will then merge with and into Merger Sub 2 (the Subsequent Merger and, together with the Merger, the Combination) in accordance with the applicable provisions of the DGCL and the DLLCA and upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the respective Boards of Directors of Parent and the Company, and the respective Boards of Managers of Merger Sub 1 and Merger Sub 2 deem it fair to, advisable to and in the best interests of their respective company to enter into this Agreement and to consummate the Combination and the other transactions contemplated hereby;

WHEREAS, as a condition to Parent entering into this Agreement, and incurring the obligations set forth herein, concurrently with the execution and delivery of this Agreement, Parent is entering into a voting agreement with a certain stockholder (the Stockholder) of the Company pursuant to which, among other things, the Stockholder has agreed, subject to the terms thereof, to vote all shares of Company Common Stock it owns in accordance with the terms of such voting agreement;

WHEREAS, for U.S. federal income Tax purposes, Parent, Merger Sub 1, Merger Sub 2 and the Company intend that the Combination will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code), and the regulations promulgated thereunder (Treasury Regulations), and this Agreement is intended to be and is adopted as a plan of reorganization within the meaning of Sections 354 and 361 of the Code; and

WHEREAS, Parent, Merger Sub 1, Merger Sub 2 and the Company desire to make certain representations, warranties, covenants and agreements in connection with the transactions contemplated hereby and also to prescribe various conditions to the transactions contemplated hereby.

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NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I**THE COMBINATION**

Section 1.1. The Merger and the Subsequent Merger. Upon the terms and subject to the conditions set forth in this Agreement and in accordance with the DGCL and the DLLCA, at the Effective Time, Merger Sub 1 will merge with and into the Company, and the separate existence of Merger Sub 1 shall cease. The Company shall continue as the surviving corporation and as a Wholly Owned Subsidiary of Parent and shall continue to be governed by the laws of the State of Delaware (as such, the Surviving Corporation). Immediately after the Effective Time, upon the terms and subject to the conditions set forth in this Agreement and in accordance with the DGCL and the DLLCA, the Surviving Corporation will merge with and into Merger Sub 2, and the separate existence of the Surviving Corporation shall cease. Merger Sub 2 shall continue as the surviving limited liability company and as a Wholly Owned Subsidiary of Parent and shall continue to be governed by the laws of the State of Delaware (as such, the Surviving Company).

Section 1.2. Closing. Unless this Agreement shall have been terminated pursuant to the provisions of Section 9.1, the closing of the Combination (the Closing) will take place on the date that is the later of (i) the third Business Day after the satisfaction or waiver (subject to applicable law) of the conditions (other than those conditions that, by their nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permitted by law, waiver of those conditions as of the Closing) set forth in Article VIII and (ii) the final day of the Marketing Period or such earlier date as may be specified by Parent on no less than three Business Days prior written notice to the Company, unless another time or date is agreed to in writing by the parties hereto (the date of the Closing, the Closing Date). The Closing shall be held at the offices of Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019, unless another place is agreed to in writing by the parties hereto.

Section 1.3. Effective Time. Subject to the provisions of this Agreement, on the Closing Date, Parent and the Company shall file a certificate of merger relating to the Merger as contemplated by the DGCL and the DLLCA (the Certificate of Merger) with the Secretary of State of the State of Delaware (the Secretary of State), in such form as required by, and executed in accordance with, the DGCL and the DLLCA. The Merger shall become effective at such time as the Certificate of Merger is duly filed with the Secretary of State on the Closing Date, or at such other time as Parent and the Company shall agree to and specify in the Certificate of Merger. As used herein, the Effective Time shall mean the time at which the Merger shall become effective. Immediately following the Effective Time, Parent and the Surviving Corporation shall file a certificate of merger relating to the Subsequent Merger as contemplated by the DGCL and the DLLCA (the Subsequent Certificate of Merger) with the Secretary of State, in such form as required by, and executed in accordance with, the DGCL and the DLLCA. The Subsequent Merger shall become effective at such time as the Subsequent Certificate of Merger is duly filed with the Secretary of State on the Closing Date or at such other time as Parent and the Company shall agree and specify in the Subsequent Certificate of Merger. As used herein, the Subsequent Effective Time shall mean the time at which the Subsequent Merger shall become effective.

Section 1.4. Effects of the Combination. At the Effective Time, the effects of the Merger and, at the Subsequent Effective Time, the effects of the Combination, shall be as provided in this Agreement, the Certificate of Merger, the Subsequent Certificate of Merger, and the applicable provisions of the DGCL and the DLLCA.

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Section 1.5. Surviving Company Constituent Documents.

(a) The certificate of incorporation and bylaws of the Company, as in effect immediately prior to the Effective Time, shall be the certificate of incorporation and bylaws of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law, except as otherwise contemplated by this Agreement.

(b) The certificate of formation and limited liability company agreement of Merger Sub 2, as in effect immediately prior to the Subsequent Effective Time, shall be the certificate of formation and limited liability company agreement, respectively, of the Surviving Company, until thereafter changed or amended as provided therein or by applicable law, except as otherwise contemplated by this Agreement.

Section 1.6. Surviving Company Managers and Officers. From and after the Subsequent Effective Time, the managers of Merger Sub 2 in office immediately prior to the Subsequent Effective Time shall be the initial managers of the Surviving Company and the officers of the Company immediately prior to the Subsequent Effective Time shall be the initial officers of the Surviving Company and, in each case, shall hold office from the Subsequent Effective Time until his or her respective successor is duly elected or appointed and qualified or until his or her earlier death, resignation or removal in accordance with the certificate of formation and limited liability company agreement