

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN</u>	1b Three-digit plan number (PN) ▶ <u>021</u> 1c Effective date of plan <u>03/01/1994</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>LEVEL 3 GC LIMITED</u> <u>1025 ELDORADO BLVD</u> <u>BROOMFIELD, CO 80021</u>	2b Employer Identification Number (EIN) <u>98-0407042</u> 2c Sponsor's telephone number <u>720-888-8286</u> 2d Business code (see instructions) <u>517000</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>09/26/2012</u>	<u>MARGARET MCENROE</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>09/26/2012</u>	<u>ERIC MORTENSEN</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
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3a Plan administrator's name and address (if same as plan sponsor, enter "Same") GLOBAL CROSSING EMPLOYEE BENEFITS COMMITTEE 1025 ELDORADO BLVD BROOMFIELD, CO 80021	3b Administrator's EIN 98-0189783 3c Administrator's telephone number 720-888-8286
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name GLOBAL CROSSING LIMITED	4b EIN 98-0407042 4c PN 021	
5 Total number of participants at the beginning of the plan year	5	3927
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	1993
b Retired or separated participants receiving benefits.....	6b	116
c Other retired or separated participants entitled to future benefits.....	6c	1982
d Subtotal. Add lines 6a , 6b , and 6c	6d	4091
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	80
f Total. Add lines 6d and 6e	6f	4171
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	4142
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2G 2J 2K 2S 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶ 021
C Plan sponsor's name as shown on line 2a of Form 5500 LEVEL 3 GC LIMITED	D Employer Identification Number (EIN) 98-0407042

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INST. OPS. CO.

04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65 37 60	RECORDKEEPER	38832	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL		60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
GE SM CAP EQ INVT - BNY MELLON ASSE 101 SABIN STREET PAWTUCKET, RI 02860		0.05%	
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL		60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HARTFORD MIDCAP R5 - HARTFORD ADMIN 41-0679409		0.20%	
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL		60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP EQUITY INC ADV - T. ROWE PRICE 52-2269240		0.40%	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ►	021
C Plan sponsor's name as shown on line 2a of Form 5500 LEVEL 3 GC LIMITED	D Employer Identification Number (EIN) 98-0407042	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	139073
(2) Participant contributions	1b(2)	312914	339631
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1367599	2180892
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	6516806	6441617
(9) Value of interest in common/collective trusts.....	1c(9)	26850485	25448648
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	174432506	174862976
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	209480310	209412837

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	209480310	209412837
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	5120071	
(B) Participants	2a(1)(B)	13665791	
(C) Others (including rollovers)	2a(1)(C)	674146	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		19460008

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	175	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	313642	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		313817

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	6177347	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		6177347

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		588585
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-10304600
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		16235157

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	16703227	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		16703227
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	39090	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		39090
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		16742317

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		-507160
l Transfers of assets:			
(1) To this plan.....	2l(1)		439687
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: INSERO & COMPANY CPA'S P.C. (2) EIN: 16-1016457

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>021</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LEVEL 3 GC LIMITED</u>	D Employer Identification Number (EIN) <u>98-0407042</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2011
v.012611

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

FINANCIAL REPORT

DECEMBER 31, 2011



***GLOBAL CROSSING LIMITED EMPLOYEES'
RETIREMENT SAVINGS PLAN***

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of the
Global Crossing Limited Employees' Retirement Savings Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Global Crossing Limited Employees' Retirement Savings Plan as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule of assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing this information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the trustee regarding the completeness and accuracy of the information summarized in Note 7 that was provided to the Plan Administrator by the trustee as of and for the year ended December 31, 2011 and as of December 31, 2010.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for the purposes of additional analysis and is not a required part of the financial statements but is required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As discussed in Note 10 to the financial statements, the Plan merged into the Level 3 Communications, Inc. 401(k) Plan effective March 29, 2012.

Respectfully Submitted,

Insero & Company CPAs, P.C.

Insero & Company CPAs, P.C.
Certified Public Accountants

Rochester, New York
September 21, 2012

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2011 AND 2010

ASSETS	<u>2011</u>	<u>2010</u>
Mutual Funds at Fair Value	\$ 174,862,976	\$ 174,432,506
Common/Collective Trust at Fair Value	25,448,648	26,850,485
Money Market Funds at Fair Value	<u>2,180,892</u>	<u>1,367,599</u>
Total Investments	<u>202,492,516</u>	<u>202,650,590</u>
Receivables:		
Participant Contributions	339,631	312,914
Employer Contributions	139,073	-
Notes Receivable from Participants	<u>6,441,617</u>	<u>6,516,806</u>
Total Receivables	<u>6,920,321</u>	<u>6,829,720</u>
Net Assets Available for Benefits at Fair Value	209,412,837	209,480,310
Adjustment from Fair Value to Contract Value for Interest in Common/Collective Trust Relating to Fully Benefit-Responsive Investment Contracts	<u>(618,317)</u>	<u>(265,129)</u>
Net Assets Available for Benefits	<u><u>\$ 208,794,520</u></u>	<u><u>\$ 209,215,181</u></u>

See Notes to Financial Statements.

***GLOBAL CROSSING LIMITED EMPLOYEES'
RETIREMENT SAVINGS PLAN***

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Additions to Net Assets Attributed to:

Interest and Dividends \$ 6,412,919

Interest on Notes Receivable from Participants 313,642

Contributions:

Participant 14,339,938

Employer 5,120,070

Total Contributions 19,460,008

Transfer of Assets from Plan Merger 439,687

Total Additions 26,626,256

Deductions from Net Assets Attributed to:

Benefits Paid to Participants 16,703,227

Loan Fees and Other Expenses 39,090

Net Depreciation in Fair Value of Investments 10,304,600

Total Deductions 27,046,917

Net Decrease (420,661)

Net Assets Available for Benefits:

Beginning of Year 209,215,181

End of Year **\$ 208,794,520**

See Notes to Financial Statements.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 1 Description of the Plan

The following brief description of the Global Crossing Limited Employees' Retirement Savings Plan ("Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information. The Plan is a defined contribution plan sponsored by Global Crossing Limited ("GCL"). On October 4, 2011, GCL was acquired by Level 3 Communications, Inc. (the "Company"). The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective December 31, 2011, no further contributions are allowed to be made to the Plan. In addition, no new employees shall become eligible to participate.

During 2010, GCL acquired Genesis Networks, Inc. ("Genesis"). Genesis was merged into a subsidiary of GCL effective January 1, 2011, at which time the employees became eligible to participate in the Plan. In August, 2011, the plan assets from the ADP Total Source Retirement Savings Plan, the former plan of Genesis, merged into the Plan.

Administration

The Plan is administered by the Company's Employee Benefits Committee whose members are appointed by the Company's Board of Directors. The Plan trustee is Fidelity Management Trust Company ("Trustee").

Eligibility

All nonbargaining U.S. employees, except for summer and leased employees, that are scheduled to work 1,000 hours or more, are eligible to participate in the Plan upon the first day of the month after 30 days of employment. An eligible employee who is not scheduled to work at least 1,000 hours of service on an annualized basis may elect to commence participation on or after the first day of the month which is 30 days after the date the employee actually completes 1,000 hours of service during the preceding 12 month period.

Participant Contributions

The Plan provides that each participant may voluntarily make contributions through a salary reduction agreement for whatever whole percentage a participant chooses, up to a maximum of 25 percent, subject to maximum contributions imposed by the Internal Revenue Code ("IRC").

An employee who has not either entered into a salary reduction agreement or affirmatively elected to forego making salary reduction contributions to the Plan, shall have his or her compensation reduced by three percent which will be contributed to the participant's account. After the first year of participation, the salary reduction percentage will increase as follows: four percent in the second year, five percent in the third year and six percent in all subsequent years.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

***Note 1* Description of the Plan - Continued**

Company Matching Contributions

Effective January 1, 2011, GCL reinstated its matching contribution. The matching contribution is equal to 100 percent of the first one percent of each participants' compensation, then 50 percent of the next five percent of each participants' compensation that the participant contributed to the Plan.

Participant Accounts

Individual accounts, which record the participant's contributions, the earnings on all contributions, and the amount of the participant's interest in each fund, are maintained for each participant. The participant's contributions are allocated directly to his or her individual account when the Trustee receives contributions. Participants have the option to invest their contributions in any of the funds and may change their allocation between funds at any time. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately 100 percent vested in their individual accounts, whether derived from participant contributions, employer matching contributions or earnings thereon.

Payment of Benefits

Payment of benefits generally begins upon termination of service and attaining normal retirement age (65). A participant may elect to receive either a lump-sum amount equal to the value of his or her vested account balance, or a participant may elect to receive installments over a period not to exceed 20 years. However, a participant who has reached age 59 ½, but who has not yet terminated employment, may withdraw all or a portion of his or her accumulated account balance in accordance with the terms of the Plan. In-service withdrawals are also permitted under other limited circumstances such as financial hardship.

If upon termination of service, a participant does not attain normal retirement age and the participant's vested account balance is greater than \$5,000, the participant may elect to leave their vested account in the Plan, receive a lump-sum amount, a direct rollover to a qualified plan under Section 401 of the IRC, or a direct rollover to a qualified Individual Retirement Account ("IRA") equal to the value of his or her vested account balance. If the vested account balance is more than \$1,000 but less than \$5,000, the participant may elect to have the balance paid in a lump-sum cash payment or transferred to an IRA or other eligible retirement plan. If the participant fails to make an election, the balance shall be transferred to an IRA of the plan administrator's choice. If the vested account balance is \$1,000 or less, the balance must be distributed to the participant as soon as administratively feasible.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

***Note 1* Description of the Plan - Continued**

Notes Receivable from Participants

Loans are available to participants in the Plan on a nondiscriminatory basis. Loans cannot exceed the lesser of 50 percent of the vested amounts in the participant's account or \$50,000. A participant may only have two loans outstanding and they are treated as directed investments by the borrower with respect to his or her account. Loans from participants shall bear interest at a rate fixed by the Employee Benefits Committee, currently at one percent above Prime Rate (effective rate as of December 31, 2011 was 3.25%). Loans have a term of no more than 5 years except that a loan may be granted for a period not to exceed 25 years if the proceeds are used to purchase the participant's principal residence. Principal and interest is paid ratably through payroll deductions.

Administrative Expenses

Significant expenses associated with the Plan are paid for by the Plan and by the Company.

***Note 2* Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting.

Investment Contracts

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a common/collective trust. The statements of net assets available for benefits present the fair value of the investment in the common/collective trust as well as the adjustment of the investment in the common/collective trust from fair value to contract value relating to the investment contracts. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Subsequent Events

In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 21, 2012, the date that the financial statements were available to be issued.

Use of Estimates

The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 2 Summary of Significant Accounting Policies - Continued

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Risks and Uncertainties

The Plan invests in investment securities, which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these securities, it is at least reasonably possible that changes in their values will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Contributions and Benefits Paid

Participant contributions are recorded by the Plan when withheld from employees. Employer contributions are recorded in the period earned by the employee. Benefits are recorded when paid.

Note 3 Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance presented by accounting principles generally accepted in the United States of America for financial and nonfinancial assets and liabilities. This guidance defines fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 3 Investment Valuation and Income Recognition - Continued

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value.

Mutual Funds: These investments are valued using the Net Asset Value ("NAV") provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at estimated fair value based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions on this investment.

Money Market Funds: Valued at the NAV of shares held by the Plan at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

	<u>Investments at Fair Value as of December 31, 2011</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds			
Small-Cap	\$ 5,395,561	\$ -	\$ 5,395,561
Mid-Cap	12,191,497	-	12,191,497
Large-Cap	85,277,196	-	85,277,196
International	23,076,764	-	23,076,764
Target Date	27,839,756	-	27,839,756
Fixed Income	18,238,273	-	18,238,273
Inflation - Protected Bond	<u>2,843,929</u>	<u>-</u>	<u>2,843,929</u>
Total Mutual Funds	174,862,976	-	174,862,976
Common/Collective Trust ^(a)	-	25,448,648	25,448,648
Money Market Funds ^(b)	<u>-</u>	<u>2,180,892</u>	<u>2,180,892</u>
	<u>\$ 174,862,976</u>	<u>\$ 27,629,540</u>	<u>\$ 202,492,516</u>

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 3 Investment Valuation and Income Recognition - Continued

	<u>Investments at Fair Value as of December 31, 2010</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds			
Small-Cap	\$ 4,921,518	\$ -	\$ 4,921,518
Mid-Cap	13,338,270	-	13,338,270
Large-Cap	86,461,227	-	86,461,227
International	27,899,970	-	27,899,970
Target Date	23,539,964	-	23,539,964
Fixed Income	17,608,046	-	17,608,046
Inflation - Protected Bond	<u>663,511</u>	<u>-</u>	<u>663,511</u>
Total Mutual Funds	174,432,506	-	174,432,506
Common/Collective Trust ^(a)	-	26,850,485	26,850,485
Money Market Funds ^(b)	<u>-</u>	<u>1,367,599</u>	<u>1,367,599</u>
	<u>\$ 174,432,506</u>	<u>\$ 28,218,084</u>	<u>\$ 202,650,590</u>

(a) The objective of this investment is to preserve principal while earning interest income. While the yield will fluctuate, the investment seeks to maintain a stable net asset value of \$1 per share.

(b) The fund's investment objective is to seek current income with the preservation of capital through investing primarily in U.S. money market instruments.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Note 4 Tax Status

The Plan obtained its latest determination letter dated November 2, 2009, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2008.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 5 Investments

The fair market value of the individual investments that represent 5 percent or more of the net assets available for benefits at December 31 is as follows:

	<u>2011</u>	<u>2010</u>
Fidelity Growth Company Fund	\$ 42,690,096	\$ 42,475,032
Fidelity Managed Income Portfolio II	25,448,648	26,850,485
Fidelity Diversified International Fund	23,076,764	27,899,970
Spartan 500 Index Fund	21,871,906	22,254,845
Spartan U.S. Bond Index Fund	17,271,053	16,679,156
T. Rowe Price Equity Income Adv	12,817,918	13,028,971
Hartford Mid-Cap R5 Fund	12,191,497	13,338,270

During 2011, the Plan's investments in mutual funds (including unrealized and realized gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$10,304,600.

Note 6 Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to the provisions of ERISA. In the event of termination, participants will remain 100 percent vested in their accounts.

Note 7 Financial Information Certified by the Trustee

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee of the Plan has certified to the completeness and accuracy of the following information:

- Investments and notes receivable from participants on the statements of net assets available for benefits as of December 31, 2011 and 2010. The common/collective trust was certified at contract value.
- Net depreciation in fair value of investments, interest and dividends, and interest on notes receivable from participants on the statement of changes in net assets available for benefits for the years ended December 31, 2011.
- The schedule of assets (held at end of year) as of December 31, 2011.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 8 Party-in-Interest

Certain Plan investments are funds managed by the Trustee. Transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants are also party-in-interest transactions.

Note 9 Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the financial statements to the Form 5500 at December 31:

	<u>2011</u>	<u>2010</u>
Net Assets Available for Benefits Per the Financial Statements	\$ 208,794,520	\$ 209,215,181
Adjustment from Contract Value to Fair Value for Interest in Common/Collective Trust Relating to Fully Benefit-Responsive Investment Contracts	<u>618,317</u>	<u>265,129</u>
Net Assets Available for Benefits Per the Form 5500	<u>\$ 209,412,837</u>	<u>\$ 209,480,310</u>
Net Decrease in Net Assets Available for Benefits Per the Financial Statements	\$ (420,661)	
Change in Adjustment from Contract Value to Fair Value for Interest in Common/Collective Trust Relating to Fully Benefit-Responsive Investment Contracts	<u>353,188</u>	
Net Loss Per the Form 5500, Including Transfer of Assets into the Plan	<u>\$ (67,473)</u>	

Note 10 Subsequent Events

Effective March 29, 2012, the Plan merged into the Level 3 Communications, Inc. 401(k) Plan. All participants accounts in the Plan were transferred into the Level 3 Communications, Inc. 401(k) Plan.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2011

<u>Identity of Issue/Description of Investment</u>	<u>Current Value</u>
Interest in Mutual Funds:	
*Fidelity Growth Company Fund	\$ 42,690,096
*Fidelity Diversified International Fund	23,076,764
*Spartan 500 Index Fund	21,871,906
*Spartan U.S. Bond Index Fund	17,271,053
T. Rowe Price Equity Income Adv	12,817,918
Hartford Mid-Cap R5 Fund	12,191,497
*Fidelity Dividend Growth Fund	7,897,276
*Fidelity Freedom 2030 Fund	5,609,120
General Electric Small-Cap Equity Investment	5,395,561
*Fidelity Freedom 2020 Fund	4,817,968
*Fidelity Freedom 2040 Fund	3,809,243
*Fidelity Freedom 2010 Fund	3,227,726
*Fidelity Freedom 2035 Fund	3,144,676
Vanguard Inflation - Protected Secs Investment	2,843,929
*Fidelity Freedom 2025 Fund	2,746,195
*Fidelity Freedom 2050 Fund	1,079,048
*Fidelity Freedom 2015 Fund	1,591,276
*Fidelity Freedom 2045 Fund	1,023,571
*Fidelity Freedom Income Fund	967,220
*Fidelity Freedom 2000 Fund	562,159
*Fidelity Freedom 2005 Fund	<u>228,774</u>
Total Interest in Mutual Funds	<u>174,862,976</u>
Money Market Funds:	
*Fidelity U.S. Treasury Money Market Fund	1,194,028
*Fidelity U.S. Government Reserves	<u>986,864</u>
Total Money Market Funds	<u>2,180,892</u>
Common/Collective Trust:	
*Fidelity Managed Income Portfolio II	<u>25,448,648</u>
* Participant Loans (Interest rates range from 4.25% to 10.25% and maturity dates from January, 2012 to November, 2036)	<u>6,441,617</u>
	<u>\$ 208,934,133</u>

*Denotes Party-In-Interest.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

FINANCIAL REPORT

DECEMBER 31, 2011



***GLOBAL CROSSING LIMITED EMPLOYEES’
RETIREMENT SAVINGS PLAN***

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of the
Global Crossing Limited Employees' Retirement Savings Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Global Crossing Limited Employees' Retirement Savings Plan as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule of assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing this information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the trustee regarding the completeness and accuracy of the information summarized in Note 7 that was provided to the Plan Administrator by the trustee as of and for the year ended December 31, 2011 and as of December 31, 2010.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for the purposes of additional analysis and is not a required part of the financial statements but is required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As discussed in Note 10 to the financial statements, the Plan merged into the Level 3 Communications, Inc. 401(k) Plan effective March 29, 2012.

Respectfully Submitted,

A handwritten signature in dark ink that reads 'Insero & Company CPAs, P.C.'.

Insero & Company CPAs, P.C.
Certified Public Accountants

Rochester, New York
September 21, 2012

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2011 AND 2010

ASSETS	<u>2011</u>	<u>2010</u>
Mutual Funds at Fair Value	\$ 174,862,976	\$ 174,432,506
Common/Collective Trust at Fair Value	25,448,648	26,850,485
Money Market Funds at Fair Value	<u>2,180,892</u>	<u>1,367,599</u>
Total Investments	<u>202,492,516</u>	<u>202,650,590</u>
Receivables:		
Participant Contributions	339,631	312,914
Employer Contributions	139,073	-
Notes Receivable from Participants	<u>6,441,617</u>	<u>6,516,806</u>
Total Receivables	<u>6,920,321</u>	<u>6,829,720</u>
Net Assets Available for Benefits at Fair Value	209,412,837	209,480,310
Adjustment from Fair Value to Contract Value for Interest in Common/Collective Trust Relating to Fully Benefit-Responsive Investment Contracts	<u>(618,317)</u>	<u>(265,129)</u>
Net Assets Available for Benefits	<u><u>\$ 208,794,520</u></u>	<u><u>\$ 209,215,181</u></u>

See Notes to Financial Statements.

***GLOBAL CROSSING LIMITED EMPLOYEES’
RETIREMENT SAVINGS PLAN***

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Additions to Net Assets Attributed to:

Interest and Dividends \$ 6,412,919

Interest on Notes Receivable from Participants 313,642

Contributions:

Participant 14,339,938

Employer 5,120,070

Total Contributions 19,460,008

Transfer of Assets from Plan Merger 439,687

Total Additions 26,626,256

Deductions from Net Assets Attributed to:

Benefits Paid to Participants 16,703,227

Loan Fees and Other Expenses 39,090

Net Depreciation in Fair Value of Investments 10,304,600

Total Deductions 27,046,917

Net Decrease (420,661)

Net Assets Available for Benefits:

Beginning of Year 209,215,181

End of Year \$ 208,794,520

See Notes to Financial Statements.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 1 Description of the Plan

The following brief description of the Global Crossing Limited Employees' Retirement Savings Plan ("Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information. The Plan is a defined contribution plan sponsored by Global Crossing Limited ("GCL"). On October 4, 2011, GCL was acquired by Level 3 Communications, Inc. (the "Company"). The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective December 31, 2011, no further contributions are allowed to be made to the Plan. In addition, no new employees shall become eligible to participate.

During 2010, GCL acquired Genesis Networks, Inc. ("Genesis"). Genesis was merged into a subsidiary of GCL effective January 1, 2011, at which time the employees became eligible to participate in the Plan. In August, 2011, the plan assets from the ADP Total Source Retirement Savings Plan, the former plan of Genesis, merged into the Plan.

Administration

The Plan is administered by the Company's Employee Benefits Committee whose members are appointed by the Company's Board of Directors. The Plan trustee is Fidelity Management Trust Company ("Trustee").

Eligibility

All nonbargaining U.S. employees, except for summer and leased employees, that are scheduled to work 1,000 hours or more, are eligible to participate in the Plan upon the first day of the month after 30 days of employment. An eligible employee who is not scheduled to work at least 1,000 hours of service on an annualized basis may elect to commence participation on or after the first day of the month which is 30 days after the date the employee actually completes 1,000 hours of service during the preceding 12 month period.

Participant Contributions

The Plan provides that each participant may voluntarily make contributions through a salary reduction agreement for whatever whole percentage a participant chooses, up to a maximum of 25 percent, subject to maximum contributions imposed by the Internal Revenue Code ("IRC").

An employee who has not either entered into a salary reduction agreement or affirmatively elected to forego making salary reduction contributions to the Plan, shall have his or her compensation reduced by three percent which will be contributed to the participant's account. After the first year of participation, the salary reduction percentage will increase as follows: four percent in the second year, five percent in the third year and six percent in all subsequent years.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

***Note 1* Description of the Plan - Continued**

Company Matching Contributions

Effective January 1, 2011, GCL reinstated its matching contribution. The matching contribution is equal to 100 percent of the first one percent of each participants' compensation, then 50 percent of the next five percent of each participants' compensation that the participant contributed to the Plan.

Participant Accounts

Individual accounts, which record the participant's contributions, the earnings on all contributions, and the amount of the participant's interest in each fund, are maintained for each participant. The participant's contributions are allocated directly to his or her individual account when the Trustee receives contributions. Participants have the option to invest their contributions in any of the funds and may change their allocation between funds at any time. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately 100 percent vested in their individual accounts, whether derived from participant contributions, employer matching contributions or earnings thereon.

Payment of Benefits

Payment of benefits generally begins upon termination of service and attaining normal retirement age (65). A participant may elect to receive either a lump-sum amount equal to the value of his or her vested account balance, or a participant may elect to receive installments over a period not to exceed 20 years. However, a participant who has reached age 59 ½, but who has not yet terminated employment, may withdraw all or a portion of his or her accumulated account balance in accordance with the terms of the Plan. In-service withdrawals are also permitted under other limited circumstances such as financial hardship.

If upon termination of service, a participant does not attain normal retirement age and the participant's vested account balance is greater than \$5,000, the participant may elect to leave their vested account in the Plan, receive a lump-sum amount, a direct rollover to a qualified plan under Section 401 of the IRC, or a direct rollover to a qualified Individual Retirement Account ("IRA") equal to the value of his or her vested account balance. If the vested account balance is more than \$1,000 but less than \$5,000, the participant may elect to have the balance paid in a lump-sum cash payment or transferred to an IRA or other eligible retirement plan. If the participant fails to make an election, the balance shall be transferred to an IRA of the plan administrator's choice. If the vested account balance is \$1,000 or less, the balance must be distributed to the participant as soon as administratively feasible.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 1 Description of the Plan - Continued

Notes Receivable from Participants

Loans are available to participants in the Plan on a nondiscriminatory basis. Loans cannot exceed the lesser of 50 percent of the vested amounts in the participant's account or \$50,000. A participant may only have two loans outstanding and they are treated as directed investments by the borrower with respect to his or her account. Loans from participants shall bear interest at a rate fixed by the Employee Benefits Committee, currently at one percent above Prime Rate (effective rate as of December 31, 2011 was 3.25%). Loans have a term of no more than 5 years except that a loan may be granted for a period not to exceed 25 years if the proceeds are used to purchase the participant's principal residence. Principal and interest is paid ratably through payroll deductions.

Administrative Expenses

Significant expenses associated with the Plan are paid for by the Plan and by the Company.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting.

Investment Contracts

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a common/collective trust. The statements of net assets available for benefits present the fair value of the investment in the common/collective trust as well as the adjustment of the investment in the common/collective trust from fair value to contract value relating to the investment contracts. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Subsequent Events

In preparing the financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 21, 2012, the date that the financial statements were available to be issued.

Use of Estimates

The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 2 Summary of Significant Accounting Policies - Continued

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Risks and Uncertainties

The Plan invests in investment securities, which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these securities, it is at least reasonably possible that changes in their values will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Contributions and Benefits Paid

Participant contributions are recorded by the Plan when withheld from employees. Employer contributions are recorded in the period earned by the employee. Benefits are recorded when paid.

Note 3 Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Plan follows the fair value measurement guidance presented by accounting principles generally accepted in the United States of America for financial and nonfinancial assets and liabilities. This guidance defines fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 3 Investment Valuation and Income Recognition - Continued

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value.

Mutual Funds: These investments are valued using the Net Asset Value ("NAV") provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at estimated fair value based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions on this investment.

Money Market Funds: Valued at the NAV of shares held by the Plan at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31:

	<u>Investments at Fair Value as of December 31, 2011</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds			
Small-Cap	\$ 5,395,561	\$ -	\$ 5,395,561
Mid-Cap	12,191,497	-	12,191,497
Large-Cap	85,277,196	-	85,277,196
International	23,076,764	-	23,076,764
Target Date	27,839,756	-	27,839,756
Fixed Income	18,238,273	-	18,238,273
Inflation - Protected Bond	<u>2,843,929</u>	<u>-</u>	<u>2,843,929</u>
Total Mutual Funds	174,862,976	-	174,862,976
Common/Collective Trust ^(a)	-	25,448,648	25,448,648
Money Market Funds ^(b)	<u>-</u>	<u>2,180,892</u>	<u>2,180,892</u>
	<u>\$ 174,862,976</u>	<u>\$ 27,629,540</u>	<u>\$ 202,492,516</u>

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 3 Investment Valuation and Income Recognition - Continued

	<u>Investments at Fair Value as of December 31, 2010</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual Funds			
Small-Cap	\$ 4,921,518	\$ -	\$ 4,921,518
Mid-Cap	13,338,270	-	13,338,270
Large-Cap	86,461,227	-	86,461,227
International	27,899,970	-	27,899,970
Target Date	23,539,964	-	23,539,964
Fixed Income	17,608,046	-	17,608,046
Inflation - Protected Bond	<u>663,511</u>	<u>-</u>	<u>663,511</u>
Total Mutual Funds	174,432,506	-	174,432,506
Common/Collective Trust ^(a)	-	26,850,485	26,850,485
Money Market Funds ^(b)	<u>-</u>	<u>1,367,599</u>	<u>1,367,599</u>
	<u>\$ 174,432,506</u>	<u>\$ 28,218,084</u>	<u>\$ 202,650,590</u>

(a) The objective of this investment is to preserve principal while earning interest income. While the yield will fluctuate, the investment seeks to maintain a stable net asset value of \$1 per share.

(b) The fund's investment objective is to seek current income with the preservation of capital through investing primarily in U.S. money market instruments.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is recorded on the accrual basis. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Note 4 Tax Status

The Plan obtained its latest determination letter dated November 2, 2009, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2008.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 5 Investments

The fair market value of the individual investments that represent 5 percent or more of the net assets available for benefits at December 31 is as follows:

	<u>2011</u>	<u>2010</u>
Fidelity Growth Company Fund	\$ 42,690,096	\$ 42,475,032
Fidelity Managed Income Portfolio II	25,448,648	26,850,485
Fidelity Diversified International Fund	23,076,764	27,899,970
Spartan 500 Index Fund	21,871,906	22,254,845
Spartan U.S. Bond Index Fund	17,271,053	16,679,156
T. Rowe Price Equity Income Adv	12,817,918	13,028,971
Hartford Mid-Cap R5 Fund	12,191,497	13,338,270

During 2011, the Plan's investments in mutual funds (including unrealized and realized gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$10,304,600.

Note 6 Plan Termination

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to the provisions of ERISA. In the event of termination, participants will remain 100 percent vested in their accounts.

Note 7 Financial Information Certified by the Trustee

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee of the Plan has certified to the completeness and accuracy of the following information:

- Investments and notes receivable from participants on the statements of net assets available for benefits as of December 31, 2011 and 2010. The common/collective trust was certified at contract value.
- Net depreciation in fair value of investments, interest and dividends, and interest on notes receivable from participants on the statement of changes in net assets available for benefits for the years ended December 31, 2011.
- The schedule of assets (held at end of year) as of December 31, 2011.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011 AND 2010

Note 8 Party-in-Interest

Certain Plan investments are funds managed by the Trustee. Transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants are also party-in-interest transactions.

Note 9 Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the financial statements to the Form 5500 at December 31:

	<u>2011</u>	<u>2010</u>
Net Assets Available for Benefits Per the Financial Statements	\$ 208,794,520	\$ 209,215,181
Adjustment from Contract Value to Fair Value for Interest in Common/Collective Trust Relating to Fully Benefit-Responsive Investment Contracts	<u>618,317</u>	<u>265,129</u>
Net Assets Available for Benefits Per the Form 5500	<u>\$ 209,412,837</u>	<u>\$ 209,480,310</u>
Net Decrease in Net Assets Available for Benefits Per the Financial Statements	\$ (420,661)	
Change in Adjustment from Contract Value to Fair Value for Interest in Common/Collective Trust Relating to Fully Benefit-Responsive Investment Contracts	<u>353,188</u>	
Net Loss Per the Form 5500, Including Transfer of Assets into the Plan	<u>\$ (67,473)</u>	

Note 10 Subsequent Events

Effective March 29, 2012, the Plan merged into the Level 3 Communications, Inc. 401(k) Plan. All participants accounts in the Plan were transferred into the Level 3 Communications, Inc. 401(k) Plan.

GLOBAL CROSSING LIMITED EMPLOYEES' RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2011

<u>Identity of Issue/Description of Investment</u>	<u>Current Value</u>
Interest in Mutual Funds:	
*Fidelity Growth Company Fund	\$ 42,690,096
*Fidelity Diversified International Fund	23,076,764
*Spartan 500 Index Fund	21,871,906
*Spartan U.S. Bond Index Fund	17,271,053
T. Rowe Price Equity Income Adv	12,817,918
Hartford Mid-Cap R5 Fund	12,191,497
*Fidelity Dividend Growth Fund	7,897,276
*Fidelity Freedom 2030 Fund	5,609,120
General Electric Small-Cap Equity Investment	5,395,561
*Fidelity Freedom 2020 Fund	4,817,968
*Fidelity Freedom 2040 Fund	3,809,243
*Fidelity Freedom 2010 Fund	3,227,726
*Fidelity Freedom 2035 Fund	3,144,676
Vanguard Inflation - Protected Secs Investment	2,843,929
*Fidelity Freedom 2025 Fund	2,746,195
*Fidelity Freedom 2050 Fund	1,079,048
*Fidelity Freedom 2015 Fund	1,591,276
*Fidelity Freedom 2045 Fund	1,023,571
*Fidelity Freedom Income Fund	967,220
*Fidelity Freedom 2000 Fund	562,159
*Fidelity Freedom 2005 Fund	<u>228,774</u>
Total Interest in Mutual Funds	<u>174,862,976</u>
Money Market Funds:	
*Fidelity U.S. Treasury Money Market Fund	1,194,028
*Fidelity U.S. Government Reserves	<u>986,864</u>
Total Money Market Funds	<u>2,180,892</u>
Common/Collective Trust:	
*Fidelity Managed Income Portfolio II	<u>25,448,648</u>
* Participant Loans (Interest rates range from 4.25% to 10.25% and maturity dates from January, 2012 to November, 2036)	<u>6,441,617</u>
	<u>\$ 208,934,133</u>

*Denotes Party-In-Interest.