

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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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>CENTURYLINK UNION 401(K) PLAN AND TRUST</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>003</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>06/20/1983</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>003</u>	1c Effective date of plan <u>06/20/1983</u>	
1b Three-digit plan number (PN) ▶	<u>003</u>				
1c Effective date of plan <u>06/20/1983</u>					
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>CENTURYLINK, INC.</u> <u>100 CENTURYLINK DRIVE</u> <u>MONROE, LA 71203</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>72-0651161</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>360-905-7972</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>517000</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>72-0651161</u>	2c Sponsor's telephone number <u>360-905-7972</u>	2d Business code (see instructions) <u>517000</u>	
2b Employer Identification Number (EIN) <u>72-0651161</u>					
2c Sponsor's telephone number <u>360-905-7972</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	Filed with authorized/valid electronic signature.	10/16/2012	MARINA A PEARSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2012	MARINA A PEARSON
	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)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") RETIREMENT COMMITTEE 805 BROADWAY 8TH FLOOR VANCOUVER, WA 98660	3b Administrator's EIN 72-0651161 3c Administrator's telephone number 360-905-7972
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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	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	1754
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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	1629
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	136
d Subtotal. Add lines 6a , 6b , and 6c	6d	1765
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	15
f Total. Add lines 6d and 6e	6f	1780
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	1437
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	3

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2F 2G 2J 2K 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) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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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 CENTURLINK UNION 401(K) PLAN AND TRUST	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 CENTURLINK, INC.	D Employer Identification Number (EIN) 72-0651161

Part I	Service Provider Information (see instructions)
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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

T. ROWE PRICE

52-2264646

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

PIMCO

95-2632339

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

OAKMARK

04-3276558

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

AMERICAN FUNDS

95-1411037

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

FIDELITY INVESTMENTS

06-1194217

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

ALLIANZ FUNDS

33-0457728

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

MORGAN STANLEY

36-3145972

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

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

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

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

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

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)

WELLS FARGO BANK, N.A.

94-1347393

(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?
15 21 37 49 50 52 60 62 63 64	SERVICE PROVIDER	44033	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

QWEST ASSET MANAGEMENT

84-1339282

(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?
50 99	SERVICE PROVIDER	6961	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 ☐

Part I Service Provider Information (continued)

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
(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.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(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.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(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.	

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

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

a Name: KPMG, LLP	b EIN: 13-5565207
c Position: ACCOUNTANT	
d Address: 909 POYDRAS ST. NEW ORLEANS, LA 70012	e Telephone: 504-523-5000

Explanation: CENTURYLINK, INC. INDEPENDENT AUDITORS OVER OUR BENEFIT PLANS TO STREAMLINE AUDIT ENGAGEMENTS IN AN EFFORT TO GAIN EFFICIENCIES.

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:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <div style="font-size: 24pt; font-weight: bold;">2011</div> This Form is Open to Public Inspection
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>CENTURYLINK UNION 401(K) PLAN AND TRUST</u>	B Three-digit plan number (PN) ►	<div style="border: 1px solid black; padding: 2px;">003</div>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CENTURYLINK, INC.</u>	D Employer Identification Number (EIN) <u>72-0651161</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		-23
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	95896	
	(2) Participant contributions	1b(2)	195381	
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(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)	153118	77988
	(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)	5430982	5704063
	(9) Value of interest in common/collective trusts.....	1c(9)		
	(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)	90114787	87287752
	(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)	3707940	2731261
(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	99698104	95801041

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	99698104	95801041
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2489309	
(B) Participants	2a(1)(B)	5178936	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		7668245
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(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)	256311	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		256311
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	213829	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	947201	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1161030
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	568219	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	650668	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-82449

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	-605075	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-605075
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(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)		-1833581
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		6564481

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	10538213	
(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)		10538213
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)	62936	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		62936
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		10601149

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-4036668
l Transfers of assets:			
(1) To this plan.....	2l(1)		139605
(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: POSTLETHWAITE & NETTERVILLE

(2) EIN: 72-1202445

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		25000000
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.			
4n			

- 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>CENTURYLINK UNION 401(K) PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CENTURYLINK, INC.</u>	D Employer Identification Number (EIN) <u>72-0651161</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>56-1354495</u> <u>52-1481931</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
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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
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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.
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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

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): _____

**CENTURYLINK UNION 401(k) PLAN AND TRUST
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
DECEMBER 31, 2011 AND 2010
WITH INDEPENDENT AUDITORS' REPORT THEREON**



A Professional Accounting Corporation

www.pncpa.com

**CENTURYLINK UNION 401(k) PLAN AND TRUST
DECEMBER 31, 2011 AND 2010**

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
of CenturyLink Union 401(k) Plan and Trust

We were engaged to audit the financial statements and supplemental schedule of the CenturyLink Union 401(k) Plan and Trust as of December 31, 2011, and for the year then ended, as listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2010, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by T. Rowe Price Trust Company, the trustee of the Plan. Their report, dated October 11, 2011, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the Trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As permitted by 29 CFR 2520.103-8 of the 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 notes receivable, investments, related investment income, and the information summarized in Note 2, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the 2011 financial statements and supplemental schedule. We have been informed by the plan administrator that Wells Fargo Bank, N.A., held the Plan's investment assets and executed investment transactions from January 1, 2011 to December 31, 2011, and that T. Rowe Price Trust Company held the Plan investment assets and executed investment transactions as of January 1, 2010 to December 31, 2010. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information in the Plan's 2011 financial statements that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2011 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 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 2011 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Postlethwaite & Netterville

New Orleans, Louisiana
October 15, 2012

CENTURYLINK UNION 401(k) PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2011 and 2010
(Dollars in thousands)

ASSETS	<u>2011</u>	<u>2010</u>
Investments, at fair value:		
Mutual funds	\$ 62,438	\$ 64,476
Pooled, common and collective funds	24,850	25,639
Common stock	2,809	3,861
	<u>90,097</u>	<u>93,976</u>
Receivables:		
Investment income receivable	60	-
Interest on notes receivable from participants	41	-
Notes receivable from participants	5,608	5,431
Contributions receivable – participants	209	195
Contributions receivable – employer	105	96
	<u>6,023</u>	<u>5,722</u>
LIABILITIES		
Administrative expenses payable	3	-
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 96,117</u>	<u>\$ 99,698</u>

See accompanying notes to financial statements

CENTURYLINK UNION 401(k) PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Years Ended December 31, 2011 and 2010
(Dollars in thousands)

	2011	2010
(REDUCTIONS) ADDITIONS		
Net investment (loss) income:		
Net (depreciation) appreciation in the fair value of investments:		
Mutual funds	\$ (2,231)	\$ 8,420
Pooled, common and collective funds	464	-
Common stocks	(754)	931
Dividend and other income	1,220	2,341
Net investment (loss) income	(1,301)	11,692
Interest income on notes receivable from participants	324	260
Contributions:		
Participants	5,388	5,795
Employer	2,595	2,724
Total contributions	7,983	8,519
TOTAL ADDITIONS	7,006	20,471
DEDUCTIONS		
Benefits paid to participants	10,521	10,943
Administrative fees	66	26
TOTAL DEDUCTIONS	10,587	10,969
NET (DECREASE) INCREASE	(3,581)	9,502
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	99,698	90,196
End of year	\$ 96,117	\$ 99,698

See accompanying notes to financial statements

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(1) DESCRIPTION OF THE PLAN

General

The following is a brief description of the CenturyLink Union 401(k) Plan and Trust and provides only general information. For more complete information participants should refer to the Summary Plan Description, which can be obtained by accessing the parent company's intranet site, the benefits internet site at www.CenturyLinkbenefits.com or by contacting Wells Fargo Retirement Services at 1-877-379-0118 or by accessing their internet site at www.retirement.wellsfargo.com.

The CenturyLink Union 401(k) Plan and Trust (the "Plan") was established on June 1, 1983. The Plan is a defined contribution plan and includes a qualified cash or deferred arrangement as defined in Section 401(k) of the Internal Revenue Code, as amended ("IRC" or "Code"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Significant Plan Amendments

During 2010, the shareholders of CenturyLink, Inc. (the "Company") approved a change of the Company's name from CenturyTel, Inc. to CenturyLink, Inc. The Plan was amended to reflect the new Company name.

In addition, the assets of various other smaller plans have been merged into the Plan in recent years. Effective with these mergers, participants of the merged plans became participants in the Plan.

Effective January 1, 2011, the Trustee of the Plan assets was changed to Wells Fargo Bank, N.A. ("Wells Fargo").

Eligibility

Participation in the Plan is available to each eligible employee of the Company whose compensation and conditions of employment are covered by certain collective bargaining agreements.

Contributions

In order to participate in the Plan, an employee must execute a Salary Deferral Agreement with the Company. In the Salary Deferral Agreement, which is executed either on-line or by telephone, an employee agrees to a deferral, as determined by the participant's collective bargaining agreement, of between one percent and twenty-five percent of his eligible pay or between one percent and ninety-two percent of his eligible pay; however, the total amount contributed to the Plan cannot exceed \$16,500 for 2011 (as adjusted from year to year in accordance with Federal Law).

The percentage of eligible compensation a participant elects to defer applies to the participant's W-2 earnings not in excess of \$245,000 for 2011 (as adjusted in accordance with Federal Law). For certain participants, as determined by their applicable collective bargaining agreement, eligible compensation excludes severance pay, disability pay, reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits. The amount of compensation deferred by each participant is credited to an account (Elective Deferral Account) maintained for each participant by the record keeper.

Participants age 50 years or older are allowed to make an additional contribution to the Plan each year in excess of the otherwise prescribed limits. The amount of the allowable additional contribution for a participant in 2011 was \$5,500 (as adjusted in accordance with Federal Law).

An employee is permitted to rollover to the Plan as a contribution his interest in another plan qualified under Section 401(k) of the Code. Such transaction must qualify as a "rollover" contribution described in Section 402(c) or 408(d)(3) of the Code. Such a rollover will be credited to a rollover account on behalf of the participant (the Rollover/Transfer Account).

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

As of the end of each payroll period, the Company contributes to an account (Employer Match Account) for each participant a contribution equal to a percentage, as determined by the participant's applicable collective bargaining agreement, of each such participant's contribution during such payroll period; however, this matching contribution applies only to the first 6% of such participant's eligible compensation contributed to the Plan by the employee. In addition, the Company makes a non-elective contribution of between \$500 and \$1,800 to the Employer Match Account for certain participants, as determined by their applicable collective bargaining agreement, who complete 500 hours of service in the plan year. The Board of Directors of the Company may, at its discretion, elect at the end of each year to contribute an additional amount to participants' accounts (Additional Match Account). During 2011 and 2010, the Company contributed in cash to the Plan approximately \$2,595,000 and \$2,724,000, respectively, all of which related to contributions made to the Employer Match Account.

Distributions

If the employment of a participant with the employer ceases because of death, retirement, disability, termination of employment or for any other reason, the participant's vested interest in the Plan may be distributed to him or to his beneficiary in a lump sum or in periodic installments. If the participant dies without designating a beneficiary, his beneficiary shall be, in the order listed, (i) his spouse, (ii) his children, or (iii) his estate.

Withdrawals

A participant who is an employee and over age 59 1/2 may make withdrawals from his vested investment accounts prior to normal distribution requirements being met. A participant may make withdrawals from his Rollover/Transfer Account at any time upon request. In addition, a hardship withdrawal may be made from an Elective Deferral Account, the vested interest in an Employer Match Account, or the vested interest in an Additional Match Account only as a result of financial hardship related to un-reimbursable educational expenses, medical expenses which are not reimbursable by insurance, the need to pay for the funeral expenses of a family member, expenses for repair of damage to the employee's principal residence that would qualify for a casualty deduction on the employee's tax return, the prevention of eviction or foreclosure from the participant's principal residence, or for the purchase of the participant's principal residence. The determination of the existence of a financial hardship and the amount required to be distributed to meet the need created by the hardship shall be made uniformly and without discrimination at the sole discretion of the Plan Administrator.

Vesting

The interest of a participant in his Elective Deferral Account and his Rollover/Transfer Account is fully vested and non-forfeitable at all times.

The interest of a participant in his Employer Match Account and Additional Match Account vests based on one of the following schedules as determined by the participant's applicable collective bargaining agreement:

<u>Years of Service</u>	<u>Percentage Vested</u>	<u>or</u>	<u>Years of Service</u>	<u>Percentage Vested</u>
Less than 1	0%		Less than 3	0%
1	20		3+	100
2	40			
3	60			
4	80			
5	100			

In the event of death, disability, or upon reaching age 65, the Employer Match Account and Additional Match Account become fully vested.

The Plan has a change of control provision that requires a participant to be 100% vested in his Employer Match Account upon a change of control of the Company. The Company closed on a transaction in July 2010 that constituted a change of control for the purposes of this provision, and therefore, required 100% vesting for the participants as of that date.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Forfeitures

A participant's non-vested account balances shall be forfeited as of the date upon which the participant's employment has terminated with the Company. Forfeiture amounts may be utilized first to satisfy any restorations for the year. Any remaining forfeitures shall be applied to offset future employer contributions and Plan administrative expenses. There was \$116,764 and \$31,000 in non-vested forfeited accounts as of December 31, 2011, and 2010, respectively.

Notes Receivable from Participants

The Plan has a provision whereby a participant can borrow from his Elective Deferral Account or Rollover/Transfer Account. The maximum loan is \$50,000 reduced by the excess, if any, of the highest outstanding loan balance during the previous year over the outstanding balance on the date of the new loan or 50% of the vested account balance. The loans are repaid through payroll deductions and the interest rate is the prime rate published in *The Wall Street Journal* on the last day of the previous quarter plus 1%. The loan repayment period may not exceed five years except for loans for the purchase of the participant's principal residence which may be for any period not to exceed fifteen years. Certain loans transferred from merged plans have grandfathered maturities greater than fifteen years. As of December 31, 2011 and 2010, participant loans have interest rates ranging from 4.25% to 10.25% and maturity dates through September 10, 2036.

Notes receivable from participants are measured at their unpaid principal balance plus accrued but unpaid interest.

Trustee

The Trustee of the Plan, as of December 31, 2011, was Wells Fargo and T. Rowe Price Trust Company ("T. Rowe Price") for 2010. The Board of Directors of the Company may remove the Trustee and appoint a successor trustee at their discretion. The Company and the Trustee have entered into a trust agreement which provides for the establishment of a trust for the purpose of holding and investing the contributions to the trust pursuant to the provisions of the Plan.

Administration and Plan expenses

Effective January 1, 2011, the CenturyLink Retirement Committee became the named fiduciary of the Plan and has responsibility for the administrative and financial activities of the Plan. Subsequently on November 15, 2011, the Board of Directors established the CenturyLink Employee Benefits Committee as the Plan Administrator and CenturyLink Investment Management Company ("CIM") as the Investment Fiduciary. The responsibilities for corporate functions such as plan amendment and termination were delegated to the CenturyLink Plan Design Committee.

Administrative and investment expenses of the Plan are paid out of the trust. Certain administrative charges for review of domestic relations orders and loan withdrawals are borne by the participant.

Investment Valuation and Income Recognition

Investments in CenturyLink, Inc. Common Stock (CenturyLink Common Stock) and Sprint Common Stock are valued at their respective closing market prices on December 31, 2011 and 2010. Other investments in the funds, which consist primarily of shares of mutual funds, are valued by the Trustee based on the net asset value at year end. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes realized gains and losses on investments sold during the year, as well as unrealized (depreciation) appreciation of investments held at the end of the year.

Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to change, suspend or terminate the Plan at any time, subject to the provisions set forth in ERISA as amended, and subject to collective bargaining, as applicable.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Reports to Participants

Participants are furnished with quarterly statements which set forth the status of their accounts in the Plan. Each participant's account is credited with the participant's and Company's contributions, an allocation of plan earnings or losses, and expenses directly attributable to their account. Allocations are based on participant's earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting and present the net assets available for benefits and changes in net assets available for benefits. The Plan has made estimates in preparing the accompanying financial statements in accordance with U.S. generally accepted accounting principles ("GAAP"). Actual results could differ from those estimates.

Reclassifications

Prior year Plan financial statements and certain disclosures have been reclassified to conform to the current year reporting format for more comprehensive presentation of net investment income by investment type and dollar presentation by thousands of dollars. These reclassifications had no effect on the net assets available for benefits.

Recently Adopted Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2010-06, "Improving Disclosures about Fair Value Measurements." The ASU amended Accounting Standards Codification ("ASC") 820 to add new requirements for disclosures about significant transfers into and out of Levels 1 and 2 of the fair value hierarchy and separate disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements. See Note 7 - Fair Value of Financial Instruments for more information on the three levels of the fair value hierarchy. This ASU also clarifies existing fair value disclosures about the level of disaggregation and requires disclosures about inputs and valuation techniques used to measure fair value. The guidance in the ASU is effective for the Plan beginning on January 1, 2010, except for the requirement to provide the Level 3 activity of purchases, sales, issuances and settlements on a gross basis, which will be effective for the Plan beginning on January 1, 2011. The effect of the adoption of the ASU had no impact on the statements of net assets available for benefits or the statement of changes in net assets available for benefits.

In September 2010, the FASB issued Accounting Standards Update 2010-25, "Reporting Loans to Participants by Defined Contribution Pension Plans," (ASU 2010-25). ASU 2010-25 requires participant loans to be measured at their unpaid principal balance plus any accrued but unpaid interest and classified as notes receivable from participants. Previously, loans were measured at amortized cost. ASU 2010-25 is effective for fiscal years ending after December 15, 2010, and is required to be applied retrospectively. The effect of the adoption of the ASU had no material impact on the statements of net assets available for benefits or the statement of changes in net assets available for benefits.

Recently Issued Accounting Standards

In May 2011, the FASB issued Accounting Standards Update 2011-04, "Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs," (ASU 2011-04). ASU 2011-04 amended ASC 820, Fair Value Measurements, to converge the fair value measurement guidance in GAAP and International Financial Reporting Standards ("IFRSs"). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Trustee Certification

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator has obtained certifications from the Trustee of the Plan that all of the information provided by it is complete and accurate. Information included in the accompanying financial statements, notes to financial statements and supplemental schedule as to investments, notes receivable from participants and cash and investment activities in the trust fund administered by the Trustee, including dividend and other income, interest income on notes receivable from participants and net appreciation (depreciation) in investments, is presented in reliance solely upon those certifications.

(3) INVESTMENT FUNDS (Unaudited)

Participants can direct their contributions into any of 26 actively or passively managed investment funds, which include 12 passively-managed target-date funds, 2 money market funds, 2 U.S. fixed income funds, 1 U.S. small capitalization stock fund, 1 U.S. mid-capitalization stock fund, 5 U.S. large capitalization stock funds, 1 international and emerging market stock fund, and 2 stock funds closed for new participant directed-investment contributions. The CenturyLink Stock Fund is closed to new Participant directed investments including contributions, loan payments or transfers into the Fund. Dividends on shares of company stock held will continue to be reinvested in the Fund or participants can elect to have dividends paid directly to them in cash. Participants have the right to sell out of the CenturyLink Stock Fund at any time, subject to applicable insider trading rules. CIM (CenturyLink Investment Management) has selected State Street Bank and Trust Company as the investment manager and independent fiduciary for the CenturyLink Stock Fund. Additional information regarding CenturyLink, Inc. may be found at CenturyLink's Investor Relations website www.ir.centurylink.com.

Participants have the right to direct the voting of their shares held in the CenturyLink Stock Fund. Before each annual or special meeting of shareholders of CenturyLink, participants are sent a copy of the proxy solicitation materials for the meeting, including a form to instruct the Trustee on how to vote CenturyLink shares represented by units credited to their account. The Trustee will vote the CenturyLink shares as instructed. The Trustee will vote any CenturyLink shares for which it does not receive voting instructions in the same proportion as it votes CenturyLink shares for which it does receive instructions unless it is imprudent to do so.

Participants may, at their discretion, alter the array in which their contributions are invested. Participants may also execute a transfer of funds between Plan investment options on any day the New York Stock Exchange is open. Limitations on transfers between funds apply in certain circumstances.

The Plan's investments are held by Wells Fargo, as trustee during 2011 and T. Rowe Price during 2010. All Plan investments during 2011 and 2010 were participant-directed. The following table presents the Plan investments (at fair value) that represent 5% or more of the Plan's net assets available for benefits as of December 31, 2011 and 2010.

	2011	2010
	(Dollars in thousands)	
PIMCO Total Return Fund	\$ 10,804	\$ 10,985
T. Rowe Price Equity Income Fund	10,429	11,323
T. Rowe Price Equity Index 500 Fund	7,884	8,460
T. Rowe Price Mid-Cap Growth Fund	8,462	8,252
T. Rowe Price Summit Cash Reserves Fund	10,485	11,304
T. Rowe Price Retirement 2020 Fund	5,180	*

* Fund does not represent 5% of the Plan's net assets.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

A participant may instruct that all contributions to his accounts be allocated among the various funds except for CenturyLink common stock and Sprint common stock which are not available as an investment alternative for participant elective contributions. A participant may change his investment allocation instructions and contribution percentage at any time.

(4) INCOME TAXES

The Plan and related trust are designed to meet the necessary requirements of Code Section 401(a) and, accordingly, the trust underlying the Plan is exempt from income taxation pursuant to Code Section 501(a). A favorable determination letter was received on August 20, 2008 related to the Plan. The Plan has been amended since receiving the determination letter and the Plan was submitted in January 2012 for a favorable determination letter from the IRS and still is under review. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the Code.

GAAP require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. 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 prior to 2008.

(5) RELATED PARTY TRANSACTIONS

The Plan accrued investment management fees payable to CenturyLink, the Plan sponsor in 2011. During 2010, certain plan investments were shares of mutual funds managed by an affiliate of the Plan's former trustee, T. Rowe Price Trust Company. A portion of the expense ratio associated with the mutual funds may be used to offset the Plan's general administrative expenses. In 2011 the Plan also paid fees to Wells Fargo for certain record-keeping and other administrative functions. Fees incurred by the plan to CenturyLink for investment management services and to Wells Fargo for trustee, record keeping and other services amounted to \$66,346 in total for the year ended December 31, 2011. Fees paid by the Company to T. Rowe Price for trustee, record keeping and other services amounted to \$54,954 for the year ended December 31, 2010.

(6) CONCENTRATION OF INVESTMENTS

Substantially all of the assets available for benefits were invested in mutual funds managed by T. Rowe Price, Capital, Fidelity, Harris, Morgan Stanley, Allianz, or PIMCO. The remaining assets available for benefits consist of investments in CenturyLink and Sprint Common Stock that are closed to any new investment and appointed to a new fiduciary.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(7) FAIR VALUE OF FINANCIAL INSTRUMENTS

Investments are reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent and knowledgeable participants who are willing and able to transact for an asset or liability at the financial statement date. Plan management uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs when determining fair value and then Plan management ranks the values based on the reliability of the inputs used following the fair value hierarchy set forth by the FASB.

The three levels of the fair value hierarchy are as follows:

Input Level	Description of Input
Level 1	Observable inputs such as quoted market prices in active markets.
Level 2	Inputs other than quoted prices in active markets that are either directly or indirectly observable.
Level 3	Unobservable inputs in which little or no market data exists.

The tables below present the fair value of assets by category and the input levels used to determine these fair values. As of December 31, 2011, the Plan investments measured at fair value on a recurring basis were as follows:

Description	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
U.S. stock growth funds ^(a)	\$ 7,907	\$ -	\$ -	\$ 7,907
Investment-grade bond funds ^(b)	-	12,022	-	12,022
Target-date retirement funds ^(c)	18,323	1,336	-	19,659
Large-cap U.S. stock value funds ^(d)	13,333	-	-	13,333
Short-term funds ^(e)	-	11,492	-	11,492
Small-cap U.S. stock funds ^(f)	2,405	-	-	2,405
Large-cap U.S. stock funds ^(g)	7,884	-	-	7,884
Mid-cap U.S. stock funds ^(h)	8,462	-	-	8,462
Global and international funds ⁽ⁱ⁾	4,124	-	-	4,124
Common stock ^(j)	2,809	-	-	2,809
Total	\$ 65,247	\$ 24,850	\$ -	\$ 90,097

As of December 31, 2010, the Plan investments measured at fair value on a recurring basis were as follows:

Description	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
U.S. stock growth funds ^(a)	\$ 8,596	\$ -	\$ -	\$ 8,596
Investment-grade bond funds ^(b)	-	12,095	-	12,095
Target-date retirement funds ^(c)	18,340	1,508	-	19,848
Large-cap U.S. stock value funds ^(d)	14,004	-	-	14,004
Short-term funds ^(e)	-	12,036	-	12,036
Small-cap U.S. stock funds ^(f)	2,058	-	-	2,058
Large-cap U.S. stock funds ^(g)	8,460	-	-	8,460
Mid-cap U.S. stock funds ^(h)	8,252	-	-	8,252
Global and international funds ⁽ⁱ⁾	4,766	-	-	4,766
Common stock ^(j)	3,861	-	-	3,861
Total	\$ 68,337	\$ 25,639	\$ -	\$ 93,976

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Plan assets are invested in various asset categories utilizing multiple strategies and investment managers. The Plan's trustee utilizes external pricing vendors to value individual securities. The pricing vendors utilize pricing methodologies that are widely accepted in the industry, which primarily includes using observable market information.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. Plan management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2011, there were no significant transfers out of Level 1 into other levels.

The following is a description of the asset categories:

(a) U.S. stock growth funds – This asset category represents investments in mutual funds with characteristics similar to the Russell 1000 Growth Stock Index. This index is comprised of the performance of the large-cap growth segment of the U.S. equity universe focusing on companies with higher price-to-book ratios and higher forecasted growth values. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1.

(b) Investment grade bond funds - This asset category represents investments in two separately managed funds with characteristics similar to the Barclays Capital U.S. Aggregate Bond Index. This index is comprised of U.S. treasury securities, U.S. governmental agencies, corporate bonds, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities. The separately managed funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(c) Target-date retirement funds- This asset category represents investments in mutual funds and one separately managed fund that invest in a broad array of U.S. and international stocks and bonds. The asset mix of each fund is based on the average investment time horizon, average risk and the performance of various asset classes with the aim of building an asset portfolio that may have a better chance of reaching a specific financial target. The funds have characteristics similar to the Morningstar Lifetime Moderate Allocation index. This index series is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1. The separately managed fund can be redeemed at NAV within a year of the financial statement date and is classified as Level 2.

(d) Large-cap U.S. stock value funds – This asset category represents investments in mutual funds. One of the funds has characteristics similar to the Russell 1000 Value Stock Index. This index is comprised the performance of the large-cap value segment of the U.S. equity universe focusing on companies with lower price-to-book ratios and lower expected growth values. The other mutual fund has characteristics similar to a 60/40 blend of U.S. stocks and investment-grade bonds. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1.

(e) Short-term funds - This asset category represents investments in treasury money-market funds and cash reserves funds. Short-term funds seek the preservation of capital, liquidity, and, consistent with these, the highest possible current income. These funds are classified as Level 2 because the inputs used to determine fair value are not quoted prices in an active market.

(f) Small-cap U.S. stock funds - This asset category represents investments in a mutual fund comprised of small capitalization companies. The investment strategy includes investing at least 80% of the fund net assets (plus borrowings made for investment purposes) in common stocks and other equity securities of companies with smaller market capitalizations. It currently considers smaller market capitalization companies to be companies with market capitalizations of between \$100 million and \$3.5 billion. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(g) Large-cap U.S. stock funds - This asset category represents an investment in a mutual fund comprised of 500 stocks included in the S&P 500 Index. The fund seeks to closely reproduce the returns of the U.S. stock market captured by this index. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(h) Mid-cap U.S.-stock funds - This asset category represents investments in a mutual fund with characteristics of companies included in the Lipper Mid-Cap Growth Funds Average. The investment strategy is to provide long-term capital appreciation by investing in mid-cap stocks offering the potential for above-average earnings growth. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(i) Global and international funds - This asset category represents investments in a mutual fund comprised of individual foreign securities. The mutual fund seeks capital growth by normally investing at least 65% of total assets in foreign securities, normally investing primarily in common stocks and allocating investments across countries and regions considering the size of the market and region relative to the size of the international market as a whole. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(j) Common Stock - This asset category represents employee stock ownership plans with investments in CenturyLink and Sprint common stock valued at the last published bid price reported and is classified as Level 1.

(8) RISKS AND UNCERTAINTIES

The Plan's investments are exposed to various risks, such as interest rate, market and credit risks. Unfavorable economic events may have an adverse impact on the overall credit and investment markets that could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits. No assurance can be provided as to the timing or magnitude of future unfavorable economic events or of their impact on participants' account balances.

(9) RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

	<u>2011</u>	<u>2010</u>
	<u>(Dollars in thousands)</u>	
Net assets available for plan benefits per the financial statements	\$ 96,117	\$ 99,698
Investment income due from mutual funds to the Plan	(60)	-
Employer match contribution due to the Plan for 2011 payroll deductions received by the Plan's trustee in 2012	(105)	-
Participant contributions due to the Plan for 2011 payroll deductions received by the Plan's trustee in 2012	(209)	-
Interest on notes receivable from participants due to the Plan	(41)	-
Administrative expenses payable to service providers	3	-
Net assets available for benefits per the Form 5500	<u>\$ 95,705</u>	<u>\$ 99,698</u>

The following is a reconciliation of total additions (reductions) per the financial statements to the Form 5500 during 2011:

	<u>(Dollars in thousands)</u>
Total (reductions) additions per the financial statements at December 31, 2011	\$ 7,006
Less: Investment income due from mutual funds	(60)
Less: Employer match contributions for 2011 payroll deductions received by the Plan's trustee in 2012	(105)
Less: Participant contributions for 2011 payroll deductions received by the Plan's trustee in 2012	(209)
Less: Interest income due on notes receivable from participants	(41)
Total income per the Form 5500 at December 31, 2011	<u>\$ 6,591</u>

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

The following is a reconciliation of total deductions per the financial statements to the Form 5500 during 2011:

	<u>(Dollars in thousands)</u>
Total deductions per the financial statements at December 31, 2011	\$ 10,587
Less: Administrative expenses payable to service providers	(3)
Total expenses per the Form 5500 at December 31, 2011	<u>\$ 10,584</u>

(10) SUBSEQUENT EVENTS

Subsequent events were evaluated from December 31, 2011 until October 15, 2012, the date the financial statements were available to be issued. Based on the events noted through that period, the following disclosure was deemed necessary:

Plan Merger and Trustee Change

Effective April 1, 2012, the Embarq Retirement Savings Plan for Bargaining Unit Employees, the Centel Retirement Savings Plan for Bargaining Unit Employees and the portion of the Qwest Savings and Investment Plan applicable to bargaining or "occupational" employees were merged with the CenturyLink Union 401(k) Plan and Trust. The Plan provisions regarding eligibility, participant and employer contributions, vesting, and benefit payments within the Plan document have not materially changed and protected provisions applicable to those plans remain grandfathered as required by law. All plan assets were transferred to Northern Trust, the trustee for the CenturyLink Union 401(k) Plan and Trust on April 2, 2012.

CENTURYLINK UNION 401(K) PLAN AND TRUST

EIN: 72-0651161

PLAN NO: 003

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2011

(a)	(b)	(d) Cost**	(e) Current Value
	Identity of Issue	(Dollars in thousands)	(Dollars in thousands)
	Mutual funds:		
	American AmCap Fund-R4		\$ 4,414
	Oakmark Equity & Income- CL I		2,904
	T. Rowe Price Equity Income #71		10,429
	T. Rowe Price Equity Index 500 FD #50		7,884
	Fidelity Diversified International Fund, Inc.		4,124
	Morgan Stanley Inst. Small Co. Growth-B		3,493
	Allianz Small-Cap Value-I		2,405
	T. Rowe Price Mid-Cap Growth #64		8,462
	T. Rowe Price Retire 2005 FD #155		318
	T. Rowe Price Retire 2010 FD #140		1,655
	T. Rowe Price Retire 2020 FD #141		5,180
	T. Rowe Price Retire 2025 FD #157		1,737
	T. Rowe Price Retire 2030 FD #142		3,375
	T. Rowe Price Retire 2035 FD #158		927
	T. Rowe Price Retire 2040 FD #143		2,425
	T. Rowe Price Retire 2045 FD #159		381
	T. Rowe Price Retire 2055 FD #164		54
	T. Rowe Price 2050 Retire FD #166		113
	T. Rowe Price Retire 2015 FD #156		2,158
	Total mutual funds		62,438
	Pooled, common and collective funds:		
	PIMCO Low Duration III Institutional Fund		1,218
	PIMCO Total Return Fund CCA		10,804
	T. Rowe Price Summit Cash Reserves Fund		10,485
	T. Rowe Price Treasury Money Market Fund		1,007
	T. Rowe Price Retirement Inc. Fund		1,336
	Total pooled, common and collective funds		24,850
*	Investment in CenturyLink common stock		2,731
	Investment in Sprint common stock		78
	Total investment in common stock		2,809
	Notes receivable from participants- (interest rates ranging from 4.25% to 10.25%) Maturity dates between August 9, 2010 and September 10, 2034		5,608
	Total investments		\$ 95,705

*CenturyLink, Inc., as sponsor of the Plan, is considered a party-in-interest.

**Note: Information on cost of investments is excluded as all investments are participant directed.
This information has been summarized from information provided by Wells Fargo, the trustee of the Plan, which the trustee has certified as being complete and accurate.

See accompanying independent auditors' report.

**CENTURYLINK UNION 401(k) PLAN AND TRUST
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
DECEMBER 31, 2011 AND 2010
WITH INDEPENDENT AUDITORS' REPORT THEREON**



Postlethwaite
& Netterville

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**CENTURYLINK UNION 401(k) PLAN AND TRUST
DECEMBER 31, 2011 AND 2010**

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
of CenturyLink Union 401(k) Plan and Trust

We were engaged to audit the financial statements and supplemental schedule of the CenturyLink Union 401(k) Plan and Trust as of December 31, 2011, and for the year then ended, as listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2010, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by T. Rowe Price Trust Company, the trustee of the Plan. Their report, dated October 11, 2011, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the Trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As permitted by 29 CFR 2520.103-8 of the 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 notes receivable, investments, related investment income, and the information summarized in Note 2, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the 2011 financial statements and supplemental schedule. We have been informed by the plan administrator that Wells Fargo Bank, N.A., held the Plan's investment assets and executed investment transactions from January 1, 2011 to December 31, 2011, and that T. Rowe Price Trust Company held the Plan investment assets and executed investment transactions as of January 1, 2010 to December 31, 2010. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information in the Plan's 2011 financial statements that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2011 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 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 2011 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Postlethwaite & Netterville

New Orleans, Louisiana
October 15, 2012

CENTURYLINK UNION 401(k) PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2011 and 2010
(Dollars in thousands)

ASSETS	<u>2011</u>	<u>2010</u>
Investments, at fair value:		
Mutual funds	\$ 62,438	\$ 64,476
Pooled, common and collective funds	24,850	25,639
Common stock	2,809	3,861
	<u>90,097</u>	<u>93,976</u>
Receivables:		
Investment income receivable	60	-
Interest on notes receivable from participants	41	-
Notes receivable from participants	5,608	5,431
Contributions receivable – participants	209	195
Contributions receivable – employer	105	96
	<u>6,023</u>	<u>5,722</u>
LIABILITIES		
Administrative expenses payable	3	-
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 96,117</u>	<u>\$ 99,698</u>

See accompanying notes to financial statements

CENTURYLINK UNION 401(k) PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Years Ended December 31, 2011 and 2010
(Dollars in thousands)

	2011	2010
(REDUCTIONS) ADDITIONS		
Net investment (loss) income:		
Net (depreciation) appreciation in the fair value of investments:		
Mutual funds	\$ (2,231)	\$ 8,420
Pooled, common and collective funds	464	-
Common stocks	(754)	931
Dividend and other income	1,220	2,341
Net investment (loss) income	(1,301)	11,692
Interest income on notes receivable from participants	324	260
Contributions:		
Participants	5,388	5,795
Employer	2,595	2,724
Total contributions	7,983	8,519
TOTAL ADDITIONS	7,006	20,471
DEDUCTIONS		
Benefits paid to participants	10,521	10,943
Administrative fees	66	26
TOTAL DEDUCTIONS	10,587	10,969
NET (DECREASE) INCREASE	(3,581)	9,502
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	99,698	90,196
End of year	\$ 96,117	\$ 99,698

See accompanying notes to financial statements

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(1) DESCRIPTION OF THE PLAN

General

The following is a brief description of the CenturyLink Union 401(k) Plan and Trust and provides only general information. For more complete information participants should refer to the Summary Plan Description, which can be obtained by accessing the parent company's intranet site, the benefits internet site at www.CenturyLinkbenefits.com or by contacting Wells Fargo Retirement Services at 1-877-379-0118 or by accessing their internet site at www.retirement.wellsfargo.com.

The CenturyLink Union 401(k) Plan and Trust (the "Plan") was established on June 1, 1983. The Plan is a defined contribution plan and includes a qualified cash or deferred arrangement as defined in Section 401(k) of the Internal Revenue Code, as amended ("IRC" or "Code"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Significant Plan Amendments

During 2010, the shareholders of CenturyLink, Inc. (the "Company") approved a change of the Company's name from CenturyTel, Inc. to CenturyLink, Inc. The Plan was amended to reflect the new Company name.

In addition, the assets of various other smaller plans have been merged into the Plan in recent years. Effective with these mergers, participants of the merged plans became participants in the Plan.

Effective January 1, 2011, the Trustee of the Plan assets was changed to Wells Fargo Bank, N.A. ("Wells Fargo").

Eligibility

Participation in the Plan is available to each eligible employee of the Company whose compensation and conditions of employment are covered by certain collective bargaining agreements.

Contributions

In order to participate in the Plan, an employee must execute a Salary Deferral Agreement with the Company. In the Salary Deferral Agreement, which is executed either on-line or by telephone, an employee agrees to a deferral, as determined by the participant's collective bargaining agreement, of between one percent and twenty-five percent of his eligible pay or between one percent and ninety-two percent of his eligible pay; however, the total amount contributed to the Plan cannot exceed \$16,500 for 2011 (as adjusted from year to year in accordance with Federal Law).

The percentage of eligible compensation a participant elects to defer applies to the participant's W-2 earnings not in excess of \$245,000 for 2011 (as adjusted in accordance with Federal Law). For certain participants, as determined by their applicable collective bargaining agreement, eligible compensation excludes severance pay, disability pay, reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits. The amount of compensation deferred by each participant is credited to an account (Elective Deferral Account) maintained for each participant by the record keeper.

Participants age 50 years or older are allowed to make an additional contribution to the Plan each year in excess of the otherwise prescribed limits. The amount of the allowable additional contribution for a participant in 2011 was \$5,500 (as adjusted in accordance with Federal Law).

An employee is permitted to rollover to the Plan as a contribution his interest in another plan qualified under Section 401(k) of the Code. Such transaction must qualify as a "rollover" contribution described in Section 402(c) or 408(d)(3) of the Code. Such a rollover will be credited to a rollover account on behalf of the participant (the Rollover/Transfer Account).

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

As of the end of each payroll period, the Company contributes to an account (Employer Match Account) for each participant a contribution equal to a percentage, as determined by the participant's applicable collective bargaining agreement, of each such participant's contribution during such payroll period; however, this matching contribution applies only to the first 6% of such participant's eligible compensation contributed to the Plan by the employee. In addition, the Company makes a non-elective contribution of between \$500 and \$1,800 to the Employer Match Account for certain participants, as determined by their applicable collective bargaining agreement, who complete 500 hours of service in the plan year. The Board of Directors of the Company may, at its discretion, elect at the end of each year to contribute an additional amount to participants' accounts (Additional Match Account). During 2011 and 2010, the Company contributed in cash to the Plan approximately \$2,595,000 and \$2,724,000, respectively, all of which related to contributions made to the Employer Match Account.

Distributions

If the employment of a participant with the employer ceases because of death, retirement, disability, termination of employment or for any other reason, the participant's vested interest in the Plan may be distributed to him or to his beneficiary in a lump sum or in periodic installments. If the participant dies without designating a beneficiary, his beneficiary shall be, in the order listed, (i) his spouse, (ii) his children, or (iii) his estate.

Withdrawals

A participant who is an employee and over age 59 1/2 may make withdrawals from his vested investment accounts prior to normal distribution requirements being met. A participant may make withdrawals from his Rollover/Transfer Account at any time upon request. In addition, a hardship withdrawal may be made from an Elective Deferral Account, the vested interest in an Employer Match Account, or the vested interest in an Additional Match Account only as a result of financial hardship related to un-reimbursable educational expenses, medical expenses which are not reimbursable by insurance, the need to pay for the funeral expenses of a family member, expenses for repair of damage to the employee's principal residence that would qualify for a casualty deduction on the employee's tax return, the prevention of eviction or foreclosure from the participant's principal residence, or for the purchase of the participant's principal residence. The determination of the existence of a financial hardship and the amount required to be distributed to meet the need created by the hardship shall be made uniformly and without discrimination at the sole discretion of the Plan Administrator.

Vesting

The interest of a participant in his Elective Deferral Account and his Rollover/Transfer Account is fully vested and non-forfeitable at all times.

The interest of a participant in his Employer Match Account and Additional Match Account vests based on one of the following schedules as determined by the participant's applicable collective bargaining agreement:

<u>Years of Service</u>	<u>Percentage Vested</u>	or	<u>Years of Service</u>	<u>Percentage Vested</u>
Less than 1	0%		Less than 3	0%
1	20		3+	100
2	40			
3	60			
4	80			
5	100			

In the event of death, disability, or upon reaching age 65, the Employer Match Account and Additional Match Account become fully vested.

The Plan has a change of control provision that requires a participant to be 100% vested in his Employer Match Account upon a change of control of the Company. The Company closed on a transaction in July 2010 that constituted a change of control for the purposes of this provision, and therefore, required 100% vesting for the participants as of that date.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Forfeitures

A participant's non-vested account balances shall be forfeited as of the date upon which the participant's employment has terminated with the Company. Forfeiture amounts may be utilized first to satisfy any restorations for the year. Any remaining forfeitures shall be applied to offset future employer contributions and Plan administrative expenses. There was \$116,764 and \$31,000 in non-vested forfeited accounts as of December 31, 2011, and 2010, respectively.

Notes Receivable from Participants

The Plan has a provision whereby a participant can borrow from his Elective Deferral Account or Rollover/Transfer Account. The maximum loan is \$50,000 reduced by the excess, if any, of the highest outstanding loan balance during the previous year over the outstanding balance on the date of the new loan or 50% of the vested account balance. The loans are repaid through payroll deductions and the interest rate is the prime rate published in *The Wall Street Journal* on the last day of the previous quarter plus 1%. The loan repayment period may not exceed five years except for loans for the purchase of the participant's principal residence which may be for any period not to exceed fifteen years. Certain loans transferred from merged plans have grandfathered maturities greater than fifteen years. As of December 31, 2011 and 2010, participant loans have interest rates ranging from 4.25% to 10.25% and maturity dates through September 10, 2036.

Notes receivable from participants are measured at their unpaid principal balance plus accrued but unpaid interest.

Trustee

The Trustee of the Plan, as of December 31, 2011, was Wells Fargo and T. Rowe Price Trust Company ("T. Rowe Price") for 2010. The Board of Directors of the Company may remove the Trustee and appoint a successor trustee at their discretion. The Company and the Trustee have entered into a trust agreement which provides for the establishment of a trust for the purpose of holding and investing the contributions to the trust pursuant to the provisions of the Plan.

Administration and Plan expenses

Effective January 1, 2011, the CenturyLink Retirement Committee became the named fiduciary of the Plan and has responsibility for the administrative and financial activities of the Plan. Subsequently on November 15, 2011, the Board of Directors established the CenturyLink Employee Benefits Committee as the Plan Administrator and CenturyLink Investment Management Company ("CIM") as the Investment Fiduciary. The responsibilities for corporate functions such as plan amendment and termination were delegated to the CenturyLink Plan Design Committee.

Administrative and investment expenses of the Plan are paid out of the trust. Certain administrative charges for review of domestic relations orders and loan withdrawals are borne by the participant.

Investment Valuation and Income Recognition

Investments in CenturyLink, Inc. Common Stock (CenturyLink Common Stock) and Sprint Common Stock are valued at their respective closing market prices on December 31, 2011 and 2010. Other investments in the funds, which consist primarily of shares of mutual funds, are valued by the Trustee based on the net asset value at year end. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes realized gains and losses on investments sold during the year, as well as unrealized (depreciation) appreciation of investments held at the end of the year.

Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to change, suspend or terminate the Plan at any time, subject to the provisions set forth in ERISA as amended, and subject to collective bargaining, as applicable.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Reports to Participants

Participants are furnished with quarterly statements which set forth the status of their accounts in the Plan. Each participant's account is credited with the participant's and Company's contributions, an allocation of plan earnings or losses, and expenses directly attributable to their account. Allocations are based on participant's earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting and present the net assets available for benefits and changes in net assets available for benefits. The Plan has made estimates in preparing the accompanying financial statements in accordance with U.S. generally accepted accounting principles ("GAAP"). Actual results could differ from those estimates.

Reclassifications

Prior year Plan financial statements and certain disclosures have been reclassified to conform to the current year reporting format for more comprehensive presentation of net investment income by investment type and dollar presentation by thousands of dollars. These reclassifications had no effect on the net assets available for benefits.

Recently Adopted Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2010-06, "Improving Disclosures about Fair Value Measurements." The ASU amended Accounting Standards Codification ("ASC") 820 to add new requirements for disclosures about significant transfers into and out of Levels 1 and 2 of the fair value hierarchy and separate disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements. See Note 7 - Fair Value of Financial Instruments for more information on the three levels of the fair value hierarchy. This ASU also clarifies existing fair value disclosures about the level of disaggregation and requires disclosures about inputs and valuation techniques used to measure fair value. The guidance in the ASU is effective for the Plan beginning on January 1, 2010, except for the requirement to provide the Level 3 activity of purchases, sales, issuances and settlements on a gross basis, which will be effective for the Plan beginning on January 1, 2011. The effect of the adoption of the ASU had no impact on the statements of net assets available for benefits or the statement of changes in net assets available for benefits.

In September 2010, the FASB issued Accounting Standards Update 2010-25, "Reporting Loans to Participants by Defined Contribution Pension Plans," (ASU 2010-25). ASU 2010-25 requires participant loans to be measured at their unpaid principal balance plus any accrued but unpaid interest and classified as notes receivable from participants. Previously, loans were measured at amortized cost. ASU 2010-25 is effective for fiscal years ending after December 15, 2010, and is required to be applied retrospectively. The effect of the adoption of the ASU had no material impact on the statements of net assets available for benefits or the statement of changes in net assets available for benefits.

Recently Issued Accounting Standards

In May 2011, the FASB issued Accounting Standards Update 2011-04, "Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs," (ASU 2011-04). ASU 2011-04 amended ASC 820, Fair Value Measurements, to converge the fair value measurement guidance in GAAP and International Financial Reporting Standards ("IFRSs"). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Trustee Certification

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator has obtained certifications from the Trustee of the Plan that all of the information provided by it is complete and accurate. Information included in the accompanying financial statements, notes to financial statements and supplemental schedule as to investments, notes receivable from participants and cash and investment activities in the trust fund administered by the Trustee, including dividend and other income, interest income on notes receivable from participants and net appreciation (depreciation) in investments, is presented in reliance solely upon those certifications.

(3) INVESTMENT FUNDS (Unaudited)

Participants can direct their contributions into any of 26 actively or passively managed investment funds, which include 12 passively-managed target-date funds, 2 money market funds, 2 U.S. fixed income funds, 1 U.S. small capitalization stock fund, 1 U.S. mid-capitalization stock fund, 5 U.S. large capitalization stock funds, 1 international and emerging market stock fund, and 2 stock funds closed for new participant directed-investment contributions. The CenturyLink Stock Fund is closed to new Participant directed investments including contributions, loan payments or transfers into the Fund. Dividends on shares of company stock held will continue to be reinvested in the Fund or participants can elect to have dividends paid directly to them in cash. Participants have the right to sell out of the CenturyLink Stock Fund at any time, subject to applicable insider trading rules. CIM (CenturyLink Investment Management) has selected State Street Bank and Trust Company as the investment manager and independent fiduciary for the CenturyLink Stock Fund. Additional information regarding CenturyLink, Inc. may be found at CenturyLink's Investor Relations website www.ir.centurylink.com.

Participants have the right to direct the voting of their shares held in the CenturyLink Stock Fund. Before each annual or special meeting of shareholders of CenturyLink, participants are sent a copy of the proxy solicitation materials for the meeting, including a form to instruct the Trustee on how to vote CenturyLink shares represented by units credited to their account. The Trustee will vote the CenturyLink shares as instructed. The Trustee will vote any CenturyLink shares for which it does not receive voting instructions in the same proportion as it votes CenturyLink shares for which it does receive instructions unless it is imprudent to do so.

Participants may, at their discretion, alter the array in which their contributions are invested. Participants may also execute a transfer of funds between Plan investment options on any day the New York Stock Exchange is open. Limitations on transfers between funds apply in certain circumstances.

The Plan's investments are held by Wells Fargo, as trustee during 2011 and T. Rowe Price during 2010. All Plan investments during 2011 and 2010 were participant-directed. The following table presents the Plan investments (at fair value) that represent 5% or more of the Plan's net assets available for benefits as of December 31, 2011 and 2010.

	2011	2010
	(Dollars in thousands)	
PIMCO Total Return Fund	\$ 10,804	\$ 10,985
T. Rowe Price Equity Income Fund	10,429	11,323
T. Rowe Price Equity Index 500 Fund	7,884	8,460
T. Rowe Price Mid-Cap Growth Fund	8,462	8,252
T. Rowe Price Summit Cash Reserves Fund	10,485	11,304
T. Rowe Price Retirement 2020 Fund	5,180	*

* Fund does not represent 5% of the Plan's net assets.

CENTURYLINK UNION 401(k) PLAN AND TRUST
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A participant may instruct that all contributions to his accounts be allocated among the various funds except for CenturyLink common stock and Sprint common stock which are not available as an investment alternative for participant elective contributions. A participant may change his investment allocation instructions and contribution percentage at any time.

(4) INCOME TAXES

The Plan and related trust are designed to meet the necessary requirements of Code Section 401(a) and, accordingly, the trust underlying the Plan is exempt from income taxation pursuant to Code Section 501(a). A favorable determination letter was received on August 20, 2008 related to the Plan. The Plan has been amended since receiving the determination letter and the Plan was submitted in January 2012 for a favorable determination letter from the IRS and still is under review. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the Code.

GAAP require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. 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 prior to 2008.

(5) RELATED PARTY TRANSACTIONS

The Plan accrued investment management fees payable to CenturyLink, the Plan sponsor in 2011. During 2010, certain plan investments were shares of mutual funds managed by an affiliate of the Plan's former trustee, T. Rowe Price Trust Company. A portion of the expense ratio associated with the mutual funds may be used to offset the Plan's general administrative expenses. In 2011 the Plan also paid fees to Wells Fargo for certain record-keeping and other administrative functions. Fees incurred by the plan to CenturyLink for investment management services and to Wells Fargo for trustee, record keeping and other services amounted to \$66,346 in total for the year ended December 31, 2011. Fees paid by the Company to T. Rowe Price for trustee, record keeping and other services amounted to \$54,954 for the year ended December 31, 2010.

(6) CONCENTRATION OF INVESTMENTS

Substantially all of the assets available for benefits were invested in mutual funds managed by T. Rowe Price, Capital, Fidelity, Harris, Morgan Stanley, Allianz, or PIMCO. The remaining assets available for benefits consist of investments in CenturyLink and Sprint Common Stock that are closed to any new investment and appointed to a new fiduciary.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(7) FAIR VALUE OF FINANCIAL INSTRUMENTS

Investments are reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent and knowledgeable participants who are willing and able to transact for an asset or liability at the financial statement date. Plan management uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs when determining fair value and then Plan management ranks the values based on the reliability of the inputs used following the fair value hierarchy set forth by the FASB.

The three levels of the fair value hierarchy are as follows:

Input Level	Description of Input
Level 1	Observable inputs such as quoted market prices in active markets.
Level 2	Inputs other than quoted prices in active markets that are either directly or indirectly observable.
Level 3	Unobservable inputs in which little or no market data exists.

The tables below present the fair value of assets by category and the input levels used to determine these fair values. As of December 31, 2011, the Plan investments measured at fair value on a recurring basis were as follows:

Description	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
U.S. stock growth funds ^(a)	\$ 7,907	\$ -	\$ -	\$ 7,907
Investment-grade bond funds ^(b)	-	12,022	-	12,022
Target-date retirement funds ^(c)	18,323	1,336	-	19,659
Large-cap U.S. stock value funds ^(d)	13,333	-	-	13,333
Short-term funds ^(e)	-	11,492	-	11,492
Small-cap U.S. stock funds ^(f)	2,405	-	-	2,405
Large-cap U.S. stock funds ^(g)	7,884	-	-	7,884
Mid-cap U.S. stock funds ^(h)	8,462	-	-	8,462
Global and international funds ⁽ⁱ⁾	4,124	-	-	4,124
Common stock ^(j)	2,809	-	-	2,809
Total	\$ 65,247	\$ 24,850	\$ -	\$ 90,097

As of December 31, 2010, the Plan investments measured at fair value on a recurring basis were as follows:

Description	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
U.S. stock growth funds ^(a)	\$ 8,596	\$ -	\$ -	\$ 8,596
Investment-grade bond funds ^(b)	-	12,095	-	12,095
Target-date retirement funds ^(c)	18,340	1,508	-	19,848
Large-cap U.S. stock value funds ^(d)	14,004	-	-	14,004
Short-term funds ^(e)	-	12,036	-	12,036
Small-cap U.S. stock funds ^(f)	2,058	-	-	2,058
Large-cap U.S. stock funds ^(g)	8,460	-	-	8,460
Mid-cap U.S. stock funds ^(h)	8,252	-	-	8,252
Global and international funds ⁽ⁱ⁾	4,766	-	-	4,766
Common stock ^(j)	3,861	-	-	3,861
Total	\$ 68,337	\$ 25,639	\$ -	\$ 93,976

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Plan assets are invested in various asset categories utilizing multiple strategies and investment managers. The Plan's trustee utilizes external pricing vendors to value individual securities. The pricing vendors utilize pricing methodologies that are widely accepted in the industry, which primarily includes using observable market information.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. Plan management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2011, there were no significant transfers out of Level 1 into other levels.

The following is a description of the asset categories:

(a) U.S. stock growth funds – This asset category represents investments in mutual funds with characteristics similar to the Russell 1000 Growth Stock Index. This index is comprised of the performance of the large-cap growth segment of the U.S. equity universe focusing on companies with higher price-to-book ratios and higher forecasted growth values. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1.

(b) Investment grade bond funds - This asset category represents investments in two separately managed funds with characteristics similar to the Barclays Capital U.S. Aggregate Bond Index. This index is comprised of U.S. treasury securities, U.S. governmental agencies, corporate bonds, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities. The separately managed funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(c) Target-date retirement funds- This asset category represents investments in mutual funds and one separately managed fund that invest in a broad array of U.S. and international stocks and bonds. The asset mix of each fund is based on the average investment time horizon, average risk and the performance of various asset classes with the aim of building an asset portfolio that may have a better chance of reaching a specific financial target. The funds have characteristics similar to the Morningstar Lifetime Moderate Allocation index. This index series is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1. The separately managed fund can be redeemed at NAV within a year of the financial statement date and is classified as Level 2.

(d) Large-cap U.S. stock value funds – This asset category represents investments in mutual funds. One of the funds has characteristics similar to the Russell 1000 Value Stock Index. This index is comprised the performance of the large-cap value segment of the U.S. equity universe focusing on companies with lower price-to-book ratios and lower expected growth values. The other mutual fund has characteristics similar to a 60/40 blend of U.S. stocks and investment-grade bonds. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1.

(e) Short-term funds - This asset category represents investments in treasury money-market funds and cash reserves funds. Short-term funds seek the preservation of capital, liquidity, and, consistent with these, the highest possible current income. These funds are classified as Level 2 because the inputs used to determine fair value are not quoted prices in an active market.

(f) Small-cap U.S. stock funds - This asset category represents investments in a mutual fund comprised of small capitalization companies. The investment strategy includes investing at least 80% of the fund net assets (plus borrowings made for investment purposes) in common stocks and other equity securities of companies with smaller market capitalizations. It currently considers smaller market capitalization companies to be companies with market capitalizations of between \$100 million and \$3.5 billion. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(g) Large-cap U.S. stock funds - This asset category represents an investment in a mutual fund comprised of 500 stocks included in the S&P 500 Index. The fund seeks to closely reproduce the returns of the U.S. stock market captured by this index. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(h) *Mid-cap U.S.-stock funds* - This asset category represents investments in a mutual fund with characteristics of companies included in the Lipper Mid-Cap Growth Funds Average. The investment strategy is to provide long-term capital appreciation by investing in mid-cap stocks offering the potential for above-average earnings growth. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(i) *Global and international funds* - This asset category represents investments in a mutual fund comprised of individual foreign securities. The mutual fund seeks capital growth by normally investing at least 65% of total assets in foreign securities, normally investing primarily in common stocks and allocating investments across countries and regions considering the size of the market and region relative to the size of the international market as a whole. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(j) *Common Stock* - This asset category represents employee stock ownership plans with investments in CenturyLink and Sprint common stock valued at the last published bid price reported and is classified as Level 1.

(8) RISKS AND UNCERTAINTIES

The Plan's investments are exposed to various risks, such as interest rate, market and credit risks. Unfavorable economic events may have an adverse impact on the overall credit and investment markets that could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits. No assurance can be provided as to the timing or magnitude of future unfavorable economic events or of their impact on participants' account balances.

(9) RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

	<u>2011</u>	<u>2010</u>
	<u>(Dollars in thousands)</u>	
Net assets available for plan benefits per the financial statements	\$ 96,117	\$ 99,698
Investment income due from mutual funds to the Plan	(60)	-
Employer match contribution due to the Plan for 2011 payroll deductions received by the Plan's trustee in 2012	(105)	-
Participant contributions due to the Plan for 2011 payroll deductions received by the Plan's trustee in 2012	(209)	-
Interest on notes receivable from participants due to the Plan	(41)	-
Administrative expenses payable to service providers	3	-
Net assets available for benefits per the Form 5500	<u>\$ 95,705</u>	<u>\$ 99,698</u>

The following is a reconciliation of total additions (reductions) per the financial statements to the Form 5500 during 2011:

	<u>(Dollars in thousands)</u>
Total (reductions) additions per the financial statements at December 31, 2011	\$ 7,006
Less: Investment income due from mutual funds	(60)
Less: Employer match contributions for 2011 payroll deductions received by the Plan's trustee in 2012	(105)
Less: Participant contributions for 2011 payroll deductions received by the Plan's trustee in 2012	(209)
Less: Interest income due on notes receivable from participants	(41)
Total income per the Form 5500 at December 31, 2011	<u>\$ 6,591</u>

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

The following is a reconciliation of total deductions per the financial statements to the Form 5500 during 2011:

	<u>(Dollars in thousands)</u>
Total deductions per the financial statements at December 31, 2011	\$ 10,587
Less: Administrative expenses payable to service providers	(3)
Total expenses per the Form 5500 at December 31, 2011	<u>\$ 10,584</u>

(10) SUBSEQUENT EVENTS

Subsequent events were evaluated from December 31, 2011 until October 15, 2012, the date the financial statements were available to be issued. Based on the events noted through that period, the following disclosure was deemed necessary:

Plan Merger and Trustee Change

Effective April 1, 2012, the Embarq Retirement Savings Plan for Bargaining Unit Employees, the Centel Retirement Savings Plan for Bargaining Unit Employees and the portion of the Qwest Savings and Investment Plan applicable to bargaining or "occupational" employees were merged with the CenturyLink Union 401(k) Plan and Trust. The Plan provisions regarding eligibility, participant and employer contributions, vesting, and benefit payments within the Plan document have not materially changed and protected provisions applicable to those plans remain grandfathered as required by law. All plan assets were transferred to Northern Trust, the trustee for the CenturyLink Union 401(k) Plan and Trust on April 2, 2012.

CENTURYLINK UNION 401(K) PLAN AND TRUST

EIN: 72-0651161

PLAN NO: 003

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2011

(a)	(b)	(d) Cost**	(e) Current Value
		(Dollars in thousands)	(Dollars in thousands)
	Mutual funds:		
	American AmCap Fund-R4		\$ 4,414
	Oakmark Equity & Income- CL I		2,904
	T. Rowe Price Equity Income #71		10,429
	T. Rowe Price Equity Index 500 FD #50		7,884
	Fidelity Diversified International Fund, Inc.		4,124
	Morgan Stanley Inst. Small Co. Growth-B		3,493
	Allianz Small-Cap Value-I		2,405
	T. Rowe Price Mid-Cap Growth #64		8,462
	T. Rowe Price Retire 2005 FD #155		318
	T. Rowe Price Retire 2010 FD #140		1,655
	T. Rowe Price Retire 2020 FD #141		5,180
	T. Rowe Price Retire 2025 FD #157		1,737
	T. Rowe Price Retire 2030 FD #142		3,375
	T. Rowe Price Retire 2035 FD #158		927
	T. Rowe Price Retire 2040 FD #143		2,425
	T. Rowe Price Retire 2045 FD #159		381
	T. Rowe Price Retire 2055 FD #164		54
	T. Rowe Price 2050 Retire FD #166		113
	T. Rowe Price Retire 2015 FD #156		2,158
	Total mutual funds		62,438
	Pooled, common and collective funds:		
	PIMCO Low Duration III Institutional Fund		1,218
	PIMCO Total Return Fund CCA		10,804
	T. Rowe Price Summit Cash Reserves Fund		10,485
	T. Rowe Price Treasury Money Market Fund		1,007
	T. Rowe Price Retirement Inc. Fund		1,336
	Total pooled, common and collective funds		24,850
*	Investment in CenturyLink common stock		2,731
	Investment in Sprint common stock		78
	Total investment in common stock		2,809
	Notes receivable from participants- (interest rates ranging from 4.25% to 10.25%) Maturity dates between August 9, 2010 and September 10, 2034		5,608
	Total investments		\$ 95,705

*CenturyLink, Inc., as sponsor of the Plan, is considered a party-in-interest.

**Note: Information on cost of investments is excluded as all investments are participant directed.
This information has been summarized from information provided by Wells Fargo, the trustee of the Plan, which the trustee has certified as being complete and accurate.

See accompanying independent auditors' report.

**CENTURYLINK UNION 401(k) PLAN AND TRUST
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
DECEMBER 31, 2011 AND 2010
WITH INDEPENDENT AUDITORS' REPORT THEREON**



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**CENTURYLINK UNION 401(k) PLAN AND TRUST
DECEMBER 31, 2011 AND 2010**

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
of CenturyLink Union 401(k) Plan and Trust

We were engaged to audit the financial statements and supplemental schedule of the CenturyLink Union 401(k) Plan and Trust as of December 31, 2011, and for the year then ended, as listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2010, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed the other auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by T. Rowe Price Trust Company, the trustee of the Plan. Their report, dated October 11, 2011, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the Trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As permitted by 29 CFR 2520.103-8 of the 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 notes receivable, investments, related investment income, and the information summarized in Note 2, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the 2011 financial statements and supplemental schedule. We have been informed by the plan administrator that Wells Fargo Bank, N.A., held the Plan's investment assets and executed investment transactions from January 1, 2011 to December 31, 2011, and that T. Rowe Price Trust Company held the Plan investment assets and executed investment transactions as of January 1, 2010 to December 31, 2010. The plan administrator has obtained certifications from the trustees as of and for the years ended December 31, 2011 and 2010, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information in the Plan's 2011 financial statements that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2011 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 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 2011 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Postlethwaite & Netterville

New Orleans, Louisiana
October 15, 2012

CENTURYLINK UNION 401(k) PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2011 and 2010
(Dollars in thousands)

ASSETS	<u>2011</u>	<u>2010</u>
Investments, at fair value:		
Mutual funds	\$ 62,438	\$ 64,476
Pooled, common and collective funds	24,850	25,639
Common stock	2,809	3,861
	<u>90,097</u>	<u>93,976</u>
Receivables:		
Investment income receivable	60	-
Interest on notes receivable from participants	41	-
Notes receivable from participants	5,608	5,431
Contributions receivable – participants	209	195
Contributions receivable – employer	105	96
	<u>6,023</u>	<u>5,722</u>
LIABILITIES		
Administrative expenses payable	3	-
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 96,117</u>	<u>\$ 99,698</u>

See accompanying notes to financial statements

CENTURYLINK UNION 401(k) PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Years Ended December 31, 2011 and 2010
(Dollars in thousands)

	2011	2010
(REDUCTIONS) ADDITIONS		
Net investment (loss) income:		
Net (depreciation) appreciation in the fair value of investments:		
Mutual funds	\$ (2,231)	\$ 8,420
Pooled, common and collective funds	464	-
Common stocks	(754)	931
Dividend and other income	1,220	2,341
Net investment (loss) income	(1,301)	11,692
Interest income on notes receivable from participants	324	260
Contributions:		
Participants	5,388	5,795
Employer	2,595	2,724
Total contributions	7,983	8,519
TOTAL ADDITIONS	7,006	20,471
DEDUCTIONS		
Benefits paid to participants	10,521	10,943
Administrative fees	66	26
TOTAL DEDUCTIONS	10,587	10,969
NET (DECREASE) INCREASE	(3,581)	9,502
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	99,698	90,196
End of year	\$ 96,117	\$ 99,698

See accompanying notes to financial statements

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(1) DESCRIPTION OF THE PLAN

General

The following is a brief description of the CenturyLink Union 401(k) Plan and Trust and provides only general information. For more complete information participants should refer to the Summary Plan Description, which can be obtained by accessing the parent company's intranet site, the benefits internet site at www.CenturyLinkbenefits.com or by contacting Wells Fargo Retirement Services at 1-877-379-0118 or by accessing their internet site at www.retirement.wellsfargo.com.

The CenturyLink Union 401(k) Plan and Trust (the "Plan") was established on June 1, 1983. The Plan is a defined contribution plan and includes a qualified cash or deferred arrangement as defined in Section 401(k) of the Internal Revenue Code, as amended ("IRC" or "Code"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Significant Plan Amendments

During 2010, the shareholders of CenturyLink, Inc. (the "Company") approved a change of the Company's name from CenturyTel, Inc. to CenturyLink, Inc. The Plan was amended to reflect the new Company name.

In addition, the assets of various other smaller plans have been merged into the Plan in recent years. Effective with these mergers, participants of the merged plans became participants in the Plan.

Effective January 1, 2011, the Trustee of the Plan assets was changed to Wells Fargo Bank, N.A. ("Wells Fargo").

Eligibility

Participation in the Plan is available to each eligible employee of the Company whose compensation and conditions of employment are covered by certain collective bargaining agreements.

Contributions

In order to participate in the Plan, an employee must execute a Salary Deferral Agreement with the Company. In the Salary Deferral Agreement, which is executed either on-line or by telephone, an employee agrees to a deferral, as determined by the participant's collective bargaining agreement, of between one percent and twenty-five percent of his eligible pay or between one percent and ninety-two percent of his eligible pay; however, the total amount contributed to the Plan cannot exceed \$16,500 for 2011 (as adjusted from year to year in accordance with Federal Law).

The percentage of eligible compensation a participant elects to defer applies to the participant's W-2 earnings not in excess of \$245,000 for 2011 (as adjusted in accordance with Federal Law). For certain participants, as determined by their applicable collective bargaining agreement, eligible compensation excludes severance pay, disability pay, reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits. The amount of compensation deferred by each participant is credited to an account (Elective Deferral Account) maintained for each participant by the record keeper.

Participants age 50 years or older are allowed to make an additional contribution to the Plan each year in excess of the otherwise prescribed limits. The amount of the allowable additional contribution for a participant in 2011 was \$5,500 (as adjusted in accordance with Federal Law).

An employee is permitted to rollover to the Plan as a contribution his interest in another plan qualified under Section 401(k) of the Code. Such transaction must qualify as a "rollover" contribution described in Section 402(c) or 408(d)(3) of the Code. Such a rollover will be credited to a rollover account on behalf of the participant (the Rollover/Transfer Account).

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

As of the end of each payroll period, the Company contributes to an account (Employer Match Account) for each participant a contribution equal to a percentage, as determined by the participant's applicable collective bargaining agreement, of each such participant's contribution during such payroll period; however, this matching contribution applies only to the first 6% of such participant's eligible compensation contributed to the Plan by the employee. In addition, the Company makes a non-elective contribution of between \$500 and \$1,800 to the Employer Match Account for certain participants, as determined by their applicable collective bargaining agreement, who complete 500 hours of service in the plan year. The Board of Directors of the Company may, at its discretion, elect at the end of each year to contribute an additional amount to participants' accounts (Additional Match Account). During 2011 and 2010, the Company contributed in cash to the Plan approximately \$2,595,000 and \$2,724,000, respectively, all of which related to contributions made to the Employer Match Account.

Distributions

If the employment of a participant with the employer ceases because of death, retirement, disability, termination of employment or for any other reason, the participant's vested interest in the Plan may be distributed to him or to his beneficiary in a lump sum or in periodic installments. If the participant dies without designating a beneficiary, his beneficiary shall be, in the order listed, (i) his spouse, (ii) his children, or (iii) his estate.

Withdrawals

A participant who is an employee and over age 59 1/2 may make withdrawals from his vested investment accounts prior to normal distribution requirements being met. A participant may make withdrawals from his Rollover/Transfer Account at any time upon request. In addition, a hardship withdrawal may be made from an Elective Deferral Account, the vested interest in an Employer Match Account, or the vested interest in an Additional Match Account only as a result of financial hardship related to un-reimbursable educational expenses, medical expenses which are not reimbursable by insurance, the need to pay for the funeral expenses of a family member, expenses for repair of damage to the employee's principal residence that would qualify for a casualty deduction on the employee's tax return, the prevention of eviction or foreclosure from the participant's principal residence, or for the purchase of the participant's principal residence. The determination of the existence of a financial hardship and the amount required to be distributed to meet the need created by the hardship shall be made uniformly and without discrimination at the sole discretion of the Plan Administrator.

Vesting

The interest of a participant in his Elective Deferral Account and his Rollover/Transfer Account is fully vested and non-forfeitable at all times.

The interest of a participant in his Employer Match Account and Additional Match Account vests based on one of the following schedules as determined by the participant's applicable collective bargaining agreement:

<u>Years of Service</u>	<u>Percentage Vested</u>	<u>or</u>	<u>Years of Service</u>	<u>Percentage Vested</u>
Less than 1	0%		Less than 3	0%
1	20		3+	100
2	40			
3	60			
4	80			
5	100			

In the event of death, disability, or upon reaching age 65, the Employer Match Account and Additional Match Account become fully vested.

The Plan has a change of control provision that requires a participant to be 100% vested in his Employer Match Account upon a change of control of the Company. The Company closed on a transaction in July 2010 that constituted a change of control for the purposes of this provision, and therefore, required 100% vesting for the participants as of that date.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Forfeitures

A participant's non-vested account balances shall be forfeited as of the date upon which the participant's employment has terminated with the Company. Forfeiture amounts may be utilized first to satisfy any restorations for the year. Any remaining forfeitures shall be applied to offset future employer contributions and Plan administrative expenses. There was \$116,764 and \$31,000 in non-vested forfeited accounts as of December 31, 2011, and 2010, respectively.

Notes Receivable from Participants

The Plan has a provision whereby a participant can borrow from his Elective Deferral Account or Rollover/Transfer Account. The maximum loan is \$50,000 reduced by the excess, if any, of the highest outstanding loan balance during the previous year over the outstanding balance on the date of the new loan or 50% of the vested account balance. The loans are repaid through payroll deductions and the interest rate is the prime rate published in *The Wall Street Journal* on the last day of the previous quarter plus 1%. The loan repayment period may not exceed five years except for loans for the purchase of the participant's principal residence which may be for any period not to exceed fifteen years. Certain loans transferred from merged plans have grandfathered maturities greater than fifteen years. As of December 31, 2011 and 2010, participant loans have interest rates ranging from 4.25% to 10.25% and maturity dates through September 10, 2036.

Notes receivable from participants are measured at their unpaid principal balance plus accrued but unpaid interest.

Trustee

The Trustee of the Plan, as of December 31, 2011, was Wells Fargo and T. Rowe Price Trust Company ("T. Rowe Price") for 2010. The Board of Directors of the Company may remove the Trustee and appoint a successor trustee at their discretion. The Company and the Trustee have entered into a trust agreement which provides for the establishment of a trust for the purpose of holding and investing the contributions to the trust pursuant to the provisions of the Plan.

Administration and Plan expenses

Effective January 1, 2011, the CenturyLink Retirement Committee became the named fiduciary of the Plan and has responsibility for the administrative and financial activities of the Plan. Subsequently on November 15, 2011, the Board of Directors established the CenturyLink Employee Benefits Committee as the Plan Administrator and CenturyLink Investment Management Company ("CIM") as the Investment Fiduciary. The responsibilities for corporate functions such as plan amendment and termination were delegated to the CenturyLink Plan Design Committee.

Administrative and investment expenses of the Plan are paid out of the trust. Certain administrative charges for review of domestic relations orders and loan withdrawals are borne by the participant.

Investment Valuation and Income Recognition

Investments in CenturyLink, Inc. Common Stock (CenturyLink Common Stock) and Sprint Common Stock are valued at their respective closing market prices on December 31, 2011 and 2010. Other investments in the funds, which consist primarily of shares of mutual funds, are valued by the Trustee based on the net asset value at year end. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes realized gains and losses on investments sold during the year, as well as unrealized (depreciation) appreciation of investments held at the end of the year.

Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to change, suspend or terminate the Plan at any time, subject to the provisions set forth in ERISA as amended, and subject to collective bargaining, as applicable.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Reports to Participants

Participants are furnished with quarterly statements which set forth the status of their accounts in the Plan. Each participant's account is credited with the participant's and Company's contributions, an allocation of plan earnings or losses, and expenses directly attributable to their account. Allocations are based on participant's earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting and present the net assets available for benefits and changes in net assets available for benefits. The Plan has made estimates in preparing the accompanying financial statements in accordance with U.S. generally accepted accounting principles ("GAAP"). Actual results could differ from those estimates.

Reclassifications

Prior year Plan financial statements and certain disclosures have been reclassified to conform to the current year reporting format for more comprehensive presentation of net investment income by investment type and dollar presentation by thousands of dollars. These reclassifications had no effect on the net assets available for benefits.

Recently Adopted Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2010-06, "Improving Disclosures about Fair Value Measurements." The ASU amended Accounting Standards Codification ("ASC") 820 to add new requirements for disclosures about significant transfers into and out of Levels 1 and 2 of the fair value hierarchy and separate disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements. See Note 7 - Fair Value of Financial Instruments for more information on the three levels of the fair value hierarchy. This ASU also clarifies existing fair value disclosures about the level of disaggregation and requires disclosures about inputs and valuation techniques used to measure fair value. The guidance in the ASU is effective for the Plan beginning on January 1, 2010, except for the requirement to provide the Level 3 activity of purchases, sales, issuances and settlements on a gross basis, which will be effective for the Plan beginning on January 1, 2011. The effect of the adoption of the ASU had no impact on the statements of net assets available for benefits or the statement of changes in net assets available for benefits.

In September 2010, the FASB issued Accounting Standards Update 2010-25, "Reporting Loans to Participants by Defined Contribution Pension Plans," (ASU 2010-25). ASU 2010-25 requires participant loans to be measured at their unpaid principal balance plus any accrued but unpaid interest and classified as notes receivable from participants. Previously, loans were measured at amortized cost. ASU 2010-25 is effective for fiscal years ending after December 15, 2010, and is required to be applied retrospectively. The effect of the adoption of the ASU had no material impact on the statements of net assets available for benefits or the statement of changes in net assets available for benefits.

Recently Issued Accounting Standards

In May 2011, the FASB issued Accounting Standards Update 2011-04, "Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs," (ASU 2011-04). ASU 2011-04 amended ASC 820, Fair Value Measurements, to converge the fair value measurement guidance in GAAP and International Financial Reporting Standards ("IFRSs"). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Trustee Certification

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator has obtained certifications from the Trustee of the Plan that all of the information provided by it is complete and accurate. Information included in the accompanying financial statements, notes to financial statements and supplemental schedule as to investments, notes receivable from participants and cash and investment activities in the trust fund administered by the Trustee, including dividend and other income, interest income on notes receivable from participants and net appreciation (depreciation) in investments, is presented in reliance solely upon those certifications.

(3) INVESTMENT FUNDS (Unaudited)

Participants can direct their contributions into any of 26 actively or passively managed investment funds, which include 12 passively-managed target-date funds, 2 money market funds, 2 U.S. fixed income funds, 1 U.S. small capitalization stock fund, 1 U.S. mid-capitalization stock fund, 5 U.S. large capitalization stock funds, 1 international and emerging market stock fund, and 2 stock funds closed for new participant directed-investment contributions. The CenturyLink Stock Fund is closed to new Participant directed investments including contributions, loan payments or transfers into the Fund. Dividends on shares of company stock held will continue to be reinvested in the Fund or participants can elect to have dividends paid directly to them in cash. Participants have the right to sell out of the CenturyLink Stock Fund at any time, subject to applicable insider trading rules. CIM (CenturyLink Investment Management) has selected State Street Bank and Trust Company as the investment manager and independent fiduciary for the CenturyLink Stock Fund. Additional information regarding CenturyLink, Inc. may be found at CenturyLink's Investor Relations website www.ir.centurylink.com.

Participants have the right to direct the voting of their shares held in the CenturyLink Stock Fund. Before each annual or special meeting of shareholders of CenturyLink, participants are sent a copy of the proxy solicitation materials for the meeting, including a form to instruct the Trustee on how to vote CenturyLink shares represented by units credited to their account. The Trustee will vote the CenturyLink shares as instructed. The Trustee will vote any CenturyLink shares for which it does not receive voting instructions in the same proportion as it votes CenturyLink shares for which it does receive instructions unless it is imprudent to do so.

Participants may, at their discretion, alter the array in which their contributions are invested. Participants may also execute a transfer of funds between Plan investment options on any day the New York Stock Exchange is open. Limitations on transfers between funds apply in certain circumstances.

The Plan's investments are held by Wells Fargo, as trustee during 2011 and T. Rowe Price during 2010. All Plan investments during 2011 and 2010 were participant-directed. The following table presents the Plan investments (at fair value) that represent 5% or more of the Plan's net assets available for benefits as of December 31, 2011 and 2010.

	2011	2010
	(Dollars in thousands)	
PIMCO Total Return Fund	\$ 10,804	\$ 10,985
T. Rowe Price Equity Income Fund	10,429	11,323
T. Rowe Price Equity Index 500 Fund	7,884	8,460
T. Rowe Price Mid-Cap Growth Fund	8,462	8,252
T. Rowe Price Summit Cash Reserves Fund	10,485	11,304
T. Rowe Price Retirement 2020 Fund	5,180	*

* Fund does not represent 5% of the Plan's net assets.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
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A participant may instruct that all contributions to his accounts be allocated among the various funds except for CenturyLink common stock and Sprint common stock which are not available as an investment alternative for participant elective contributions. A participant may change his investment allocation instructions and contribution percentage at any time.

(4) INCOME TAXES

The Plan and related trust are designed to meet the necessary requirements of Code Section 401(a) and, accordingly, the trust underlying the Plan is exempt from income taxation pursuant to Code Section 501(a). A favorable determination letter was received on August 20, 2008 related to the Plan. The Plan has been amended since receiving the determination letter and the Plan was submitted in January 2012 for a favorable determination letter from the IRS and still is under review. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the Code.

GAAP require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. 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 prior to 2008.

(5) RELATED PARTY TRANSACTIONS

The Plan accrued investment management fees payable to CenturyLink, the Plan sponsor in 2011. During 2010, certain plan investments were shares of mutual funds managed by an affiliate of the Plan's former trustee, T. Rowe Price Trust Company. A portion of the expense ratio associated with the mutual funds may be used to offset the Plan's general administrative expenses. In 2011 the Plan also paid fees to Wells Fargo for certain record-keeping and other administrative functions. Fees incurred by the plan to CenturyLink for investment management services and to Wells Fargo for trustee, record keeping and other services amounted to \$66,346 in total for the year ended December 31, 2011. Fees paid by the Company to T. Rowe Price for trustee, record keeping and other services amounted to \$54,954 for the year ended December 31, 2010.

(6) CONCENTRATION OF INVESTMENTS

Substantially all of the assets available for benefits were invested in mutual funds managed by T. Rowe Price, Capital, Fidelity, Harris, Morgan Stanley, Allianz, or PIMCO. The remaining assets available for benefits consist of investments in CenturyLink and Sprint Common Stock that are closed to any new investment and appointed to a new fiduciary.

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(7) FAIR VALUE OF FINANCIAL INSTRUMENTS

Investments are reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent and knowledgeable participants who are willing and able to transact for an asset or liability at the financial statement date. Plan management uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs when determining fair value and then Plan management ranks the values based on the reliability of the inputs used following the fair value hierarchy set forth by the FASB.

The three levels of the fair value hierarchy are as follows:

Input Level	Description of Input
Level 1	Observable inputs such as quoted market prices in active markets.
Level 2	Inputs other than quoted prices in active markets that are either directly or indirectly observable.
Level 3	Unobservable inputs in which little or no market data exists.

The tables below present the fair value of assets by category and the input levels used to determine these fair values. As of December 31, 2011, the Plan investments measured at fair value on a recurring basis were as follows:

Description	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
U.S. stock growth funds ^(a)	\$ 7,907	\$ -	\$ -	\$ 7,907
Investment-grade bond funds ^(b)	-	12,022	-	12,022
Target-date retirement funds ^(c)	18,323	1,336	-	19,659
Large-cap U.S. stock value funds ^(d)	13,333	-	-	13,333
Short-term funds ^(e)	-	11,492	-	11,492
Small-cap U.S. stock funds ^(f)	2,405	-	-	2,405
Large-cap U.S. stock funds ^(g)	7,884	-	-	7,884
Mid-cap U.S. stock funds ^(h)	8,462	-	-	8,462
Global and international funds ⁽ⁱ⁾	4,124	-	-	4,124
Common stock ^(j)	2,809	-	-	2,809
Total	\$ 65,247	\$ 24,850	\$ -	\$ 90,097

As of December 31, 2010, the Plan investments measured at fair value on a recurring basis were as follows:

Description	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
U.S. stock growth funds ^(a)	\$ 8,596	\$ -	\$ -	\$ 8,596
Investment-grade bond funds ^(b)	-	12,095	-	12,095
Target-date retirement funds ^(c)	18,340	1,508	-	19,848
Large-cap U.S. stock value funds ^(d)	14,004	-	-	14,004
Short-term funds ^(e)	-	12,036	-	12,036
Small-cap U.S. stock funds ^(f)	2,058	-	-	2,058
Large-cap U.S. stock funds ^(g)	8,460	-	-	8,460
Mid-cap U.S. stock funds ^(h)	8,252	-	-	8,252
Global and international funds ⁽ⁱ⁾	4,766	-	-	4,766
Common stock ^(j)	3,861	-	-	3,861
Total	\$ 68,337	\$ 25,639	\$ -	\$ 93,976

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

Plan assets are invested in various asset categories utilizing multiple strategies and investment managers. The Plan's trustee utilizes external pricing vendors to value individual securities. The pricing vendors utilize pricing methodologies that are widely accepted in the industry, which primarily includes using observable market information.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. Plan management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2011, there were no significant transfers out of Level 1 into other levels.

The following is a description of the asset categories:

(a) U.S. stock growth funds – This asset category represents investments in mutual funds with characteristics similar to the Russell 1000 Growth Stock Index. This index is comprised of the performance of the large-cap growth segment of the U.S. equity universe focusing on companies with higher price-to-book ratios and higher forecasted growth values. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1.

(b) Investment grade bond funds - This asset category represents investments in two separately managed funds with characteristics similar to the Barclays Capital U.S. Aggregate Bond Index. This index is comprised of U.S. treasury securities, U.S. governmental agencies, corporate bonds, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities. The separately managed funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(c) Target-date retirement funds- This asset category represents investments in mutual funds and one separately managed fund that invest in a broad array of U.S. and international stocks and bonds. The asset mix of each fund is based on the average investment time horizon, average risk and the performance of various asset classes with the aim of building an asset portfolio that may have a better chance of reaching a specific financial target. The funds have characteristics similar to the Morningstar Lifetime Moderate Allocation index. This index series is designed to meet the benchmarking needs of target-date investors by offering an objective yardstick for performance comparison. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1. The separately managed fund can be redeemed at NAV within a year of the financial statement date and is classified as Level 2.

(d) Large-cap U.S. stock value funds – This asset category represents investments in mutual funds. One of the funds has characteristics similar to the Russell 1000 Value Stock Index. This index is comprised the performance of the large-cap value segment of the U.S. equity universe focusing on companies with lower price-to-book ratios and lower expected growth values. The other mutual fund has characteristics similar to a 60/40 blend of U.S. stocks and investment-grade bonds. Mutual funds are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1.

(e) Short-term funds - This asset category represents investments in treasury money-market funds and cash reserves funds. Short-term funds seek the preservation of capital, liquidity, and, consistent with these, the highest possible current income. These funds are classified as Level 2 because the inputs used to determine fair value are not quoted prices in an active market.

(f) Small-cap U.S. stock funds - This asset category represents investments in a mutual fund comprised of small capitalization companies. The investment strategy includes investing at least 80% of the fund net assets (plus borrowings made for investment purposes) in common stocks and other equity securities of companies with smaller market capitalizations. It currently considers smaller market capitalization companies to be companies with market capitalizations of between \$100 million and \$3.5 billion. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(g) Large-cap U.S. stock funds - This asset category represents an investment in a mutual fund comprised of 500 stocks included in the S&P 500 Index. The fund seeks to closely reproduce the returns of the U.S. stock market captured by this index. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

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NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

(h) Mid-cap U.S.-stock funds - This asset category represents investments in a mutual fund with characteristics of companies included in the Lipper Mid-Cap Growth Funds Average. The investment strategy is to provide long-term capital appreciation by investing in mid-cap stocks offering the potential for above-average earnings growth. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(i) Global and international funds - This asset category represents investments in a mutual fund comprised of individual foreign securities. The mutual fund seeks capital growth by normally investing at least 65% of total assets in foreign securities, normally investing primarily in common stocks and allocating investments across countries and regions considering the size of the market and region relative to the size of the international market as a whole. The mutual fund is valued at the bid price reported in the active market in which the security is traded and is classified as Level 1.

(j) Common Stock - This asset category represents employee stock ownership plans with investments in CenturyLink and Sprint common stock valued at the last published bid price reported and is classified as Level 1.

(8) RISKS AND UNCERTAINTIES

The Plan's investments are exposed to various risks, such as interest rate, market and credit risks. Unfavorable economic events may have an adverse impact on the overall credit and investment markets that could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits. No assurance can be provided as to the timing or magnitude of future unfavorable economic events or of their impact on participants' account balances.

(9) RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

	<u>2011</u>	<u>2010</u>
	<u>(Dollars in thousands)</u>	
Net assets available for plan benefits per the financial statements	\$ 96,117	\$ 99,698
Investment income due from mutual funds to the Plan	(60)	-
Employer match contribution due to the Plan for 2011 payroll deductions received by the Plan's trustee in 2012	(105)	-
Participant contributions due to the Plan for 2011 payroll deductions received by the Plan's trustee in 2012	(209)	-
Interest on notes receivable from participants due to the Plan	(41)	-
Administrative expenses payable to service providers	3	-
Net assets available for benefits per the Form 5500	<u>\$ 95,705</u>	<u>\$ 99,698</u>

The following is a reconciliation of total additions (reductions) per the financial statements to the Form 5500 during 2011:

	<u>(Dollars in thousands)</u>
Total (reductions) additions per the financial statements at December 31, 2011	\$ 7,006
Less: Investment income due from mutual funds	(60)
Less: Employer match contributions for 2011 payroll deductions received by the Plan's trustee in 2012	(105)
Less: Participant contributions for 2011 payroll deductions received by the Plan's trustee in 2012	(209)
Less: Interest income due on notes receivable from participants	(41)
Total income per the Form 5500 at December 31, 2011	<u>\$ 6,591</u>

CENTURYLINK UNION 401(k) PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

The following is a reconciliation of total deductions per the financial statements to the Form 5500 during 2011:

	<u>(Dollars in thousands)</u>
Total deductions per the financial statements at December 31, 2011	\$ 10,587
Less: Administrative expenses payable to service providers	(3)
Total expenses per the Form 5500 at December 31, 2011	<u>\$ 10,584</u>

(10) SUBSEQUENT EVENTS

Subsequent events were evaluated from December 31, 2011 until October 15, 2012, the date the financial statements were available to be issued. Based on the events noted through that period, the following disclosure was deemed necessary:

Plan Merger and Trustee Change

Effective April 1, 2012, the Embarq Retirement Savings Plan for Bargaining Unit Employees, the Centel Retirement Savings Plan for Bargaining Unit Employees and the portion of the Qwest Savings and Investment Plan applicable to bargaining or "occupational" employees were merged with the CenturyLink Union 401(k) Plan and Trust. The Plan provisions regarding eligibility, participant and employer contributions, vesting, and benefit payments within the Plan document have not materially changed and protected provisions applicable to those plans remain grandfathered as required by law. All plan assets were transferred to Northern Trust, the trustee for the CenturyLink Union 401(k) Plan and Trust on April 2, 2012.

CENTURYLINK UNION 401(K) PLAN AND TRUST

EIN: 72-0651161

PLAN NO: 003

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2011

(a)	(b)	(d) Cost**	(e) Current Value
		(Dollars in thousands)	(Dollars in thousands)
	Mutual funds:		
	American AmCap Fund-R4		\$ 4,414
	Oakmark Equity & Income- CL I		2,904
	T. Rowe Price Equity Income #71		10,429
	T. Rowe Price Equity Index 500 FD #50		7,884
	Fidelity Diversified International Fund, Inc.		4,124
	Morgan Stanley Inst. Small Co. Growth-B		3,493
	Allianz Small-Cap Value-I		2,405
	T. Rowe Price Mid-Cap Growth #64		8,462
	T. Rowe Price Retire 2005 FD #155		318
	T. Rowe Price Retire 2010 FD #140		1,655
	T. Rowe Price Retire 2020 FD #141		5,180
	T. Rowe Price Retire 2025 FD #157		1,737
	T. Rowe Price Retire 2030 FD #142		3,375
	T. Rowe Price Retire 2035 FD #158		927
	T. Rowe Price Retire 2040 FD #143		2,425
	T. Rowe Price Retire 2045 FD #159		381
	T. Rowe Price Retire 2055 FD #164		54
	T. Rowe Price 2050 Retire FD #166		113
	T. Rowe Price Retire 2015 FD #156		2,158
	Total mutual funds		62,438
	Pooled, common and collective funds:		
	PIMCO Low Duration III Institutional Fund		1,218
	PIMCO Total Return Fund CCA		10,804
	T. Rowe Price Summit Cash Reserves Fund		10,485
	T. Rowe Price Treasury Money Market Fund		1,007
	T. Rowe Price Retirement Inc. Fund		1,336
	Total pooled, common and collective funds		24,850
*	Investment in CenturyLink common stock		2,731
	Investment in Sprint common stock		78
	Total investment in common stock		2,809
	Notes receivable from participants- (interest rates ranging from 4.25% to 10.25%) Maturity dates between August 9, 2010 and September 10, 2034		5,608
	Total investments		\$ 95,705

*CenturyLink, Inc., as sponsor of the Plan, is considered a party-in-interest.

**Note: Information on cost of investments is excluded as all investments are participant directed.
This information has been summarized from information provided by Wells Fargo, the trustee of the Plan, which the trustee has certified as being complete and accurate.

See accompanying independent auditors' report.