

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2014
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); 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>EMBARQ RETIREMENT PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>05/17/2006</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>EMBARQ CORPORATION</u> <u>CENTURYLINK - FINANCE DEPT. 2NE700</u> <u>100 CENTURY LINK DR.</u> <u>P. O. BOX 4065</u> <u>MONROE, LA 71203</u>	2b Employer Identification Number (EIN) <u>20-2923630</u> 2c Plan Sponsor's telephone number <u>318-388-9000</u> 2d Business code (see instructions) <u>517000</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>08/26/2016</u>	<u>LEANNA MCGEE</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor CENTURYLINK EMPLOYEE BENEFITS COMMITTEE C/O CENTURYLINK, INC. 214 E. 24TH ST VANCOUVER, WA 98663	3b Administrator's EIN 72-0651161 3c Administrator's telephone number 360-905-7972
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
5 Total number of participants at the beginning of the plan year	5 47146
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 10296 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics 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
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) ☒ <u>2</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance 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. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2014 This Form is Open to Public Inspection
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan EMBARQ RETIREMENT PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 EMBARQ CORPORATION	D Employer Identification Number (EIN) 20-2923630	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
AXA EQUITABLE LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
13-5570651	62944	1542	0	01/01/2014	12/31/2014

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end	5	
6	Contracts With Allocated Funds:		
a	State the basis of premium rates ▶		
b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	
e	Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity (3) ☐ other (specify) ▶		
f	If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐		
7	Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
a	Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee (3) ☒ guaranteed investment (4) ☐ other ▶		
b	Balance at the end of the previous year	7b	368492
c	Additions: (1) Contributions deposited during the year	7c(1)	34916
	(2) Dividends and credits	7c(2)	
	(3) Interest credited during the year	7c(3)	5865
	(4) Transferred from separate account	7c(4)	
	(5) Other (specify below)	7c(5)	
	(6) Total additions	7c(6)	40781
d	Total of balance and additions (add lines 7b and 7c(6))	7d	409273
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	102838
	(2) Administration charge made by carrier	7e(2)	4893
	(3) Transferred to separate account	7e(3)	305053
	(4) Other (specify below)	7e(4)	-3511
	(5) Total deductions	7e(5)	409273
f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

<div><div><div>SCHEDULE A</div><div>(Form 5500)</div><div>Department of the Treasury</div><div>Internal Revenue Service</div></div><div><div>Department of Labor</div><div>Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan EMBARQ RETIREMENT PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 EMBARQ CORPORATION	D Employer Identification Number (EIN) 20-2923630	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier JOHN HANCOCK LIFE INSURANCE COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
04-1414660	65099	GAC 89 ASSN 0		01/01/2014	12/31/2014

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.
--

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end	5	
6	Contracts With Allocated Funds:		
a	State the basis of premium rates ▶		
b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	
e	Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity (3) ☐ other (specify) ▶		
f	If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐		
7	Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
a	Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee (3) ☐ guaranteed investment (4) ☒ other ▶ GROUP ANNUITY CONTRACT		
b	Balance at the end of the previous year	7b	218774
c	Additions: (1) Contributions deposited during the year	7c(1)	
	(2) Dividends and credits	7c(2)	
	(3) Interest credited during the year	7c(3)	15507
	(4) Transferred from separate account	7c(4)	
	(5) Other (specify below)	7c(5)	1412
	▶ UNREAL APPRECIATE/REALIZED CAP G/L		
	(6) Total additions	7c(6)	16919
d	Total of balance and additions (add lines 7b and 7c(6))	7d	235693
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	7522
	(2) Administration charge made by carrier	7e(2)	11421
	(3) Transferred to separate account	7e(3)	216750
	(4) Other (specify below)	7e(4)	
	(5) Total deductions		7e(5)
f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

▶ Round off amounts to nearest dollar.
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan EMBARQ RETIREMENT PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF EMBARQ CORPORATION	D Employer Identification Number (EIN) 20-2923630

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B **F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014			
2 Assets:			
a Market value	2a	3831916910	
b Actuarial value	2b	3777511114	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	23898	2603550001	2603550001
b For terminated vested participants.....	12952	413344869	413344869
c For active participants.....	10296	742438377	771658252
d Total.....	47146	3759333247	3788553122
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate	5	6.45%	
6 Target normal cost	6	27406986	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		09/24/2015
Signature of actuary		Date
RONALD T. COZZOLINO		14-06794
Type or print name of actuary		Most recent enrollment number
TOWERS WATSON DELAWARE INC.		312-525-2500
Firm name		Telephone number (including area code)
191 NORTH WACKER DRIVE CHICAGO, IL 60606		
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	100000000	81648391
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	80890201
9 Amount remaining (line 7 minus line 8)	100000000	758190
10 Interest on line 9 using prior year's actual return of 6.69%	6690000	50723
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		131550888
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.64%		3363870
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		5411554
c Total available at beginning of current plan year to add to prefunding balance		140326312
d Portion of (c) to be added to prefunding balance		140326312
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	106690000	141135225

Part III Funding Percentages		
14 Funding target attainment percentage	14	95.98 %
15 Adjusted funding target attainment percentage	15	95.98 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	96.40 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/10/2015	100000000	0			
			Totals ►	18(b)	100000000 18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	89966035
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	27406986	
b Excess assets, if applicable, but not greater than line 31a	31b		
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	152177233	69414809	
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	96821795	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....		96821795	96821795
36 Additional cash requirement (line 34 minus line 35).....	36		
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	89966035	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	89966035	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40		

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large;">2014</p> <hr/> <p style="text-align: center; font-size: small;">This Form is Open to Public Inspection.</p>
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan EMBARQ RETIREMENT PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 EMBARQ CORPORATION	D Employer Identification Number (EIN) 20-2923630	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: CENTURYLINK DB MASTER TRUST
--

b Name of sponsor of entity listed in (a): EMBARQ CORPORATION
--

c EIN-PN 84-0290963-014	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
--	--	---

a Name of MTIA, CCT, PSA, or 103-12 IE:
--

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:
--

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:
--

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:
--

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:
--

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:
--

b Name of sponsor of entity listed in (a):

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

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

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

a Plan name CENTURYLINK RETIREMENT PLAN**b** Name of plan sponsor CENTURYLINK INC**c** EIN-PN 72-0651161-001**a** Plan name QWEST PENSION PLAN**b** Name of plan sponsor QWEST COMMUNICATIONS INTERNATIONAL INC**c** EIN-PN 84-1339282-005**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN**a** Plan name**b** Name of plan sponsor**c** EIN-PN

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.	<small>OMB No. 1210-0110</small> 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>EMBARQ RETIREMENT PENSION PLAN</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>EMBARQ CORPORATION</u>		D Employer Identification Number (EIN) <u>20-2923630</u>

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(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)		
(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)		
(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)	3896219514	0
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	3896219514	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	210888471	0
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	210888471	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	3685331043	0
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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)	145000000	
(B) Participants	2a(1)(B)		
(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)		145000000
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)		
(F) Other	2b(1)(F)	110718193	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		110718193
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	6600000	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		6600000

		(a) Amount	(b) Total
(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)		310187680
(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)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		572505873

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	268763295	
(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)		268763295
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)	24280771	
(2) Contract administrator fees.....	2i(2)	95017	
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		24375788
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		293139083

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		279366790
l Transfers of assets:			
(1) To this plan.....	2l(1)		3968906
(2) From this plan.....	2l(2)		3968666739

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

- 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.).....
- 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.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
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		50000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
CENTURYLINK COMBINED PENSION PLAN	72-0651161	001

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>		<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014					
A Name of plan EMBARQ RETIREMENT PENSION PLAN				B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 EMBARQ CORPORATION				D Employer Identification Number (EIN) 20-2923630	
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	
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): 04-3581074					
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	73
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A					
If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____					
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....				6a	
b Enter the amount contributed by the employer to the plan for this plan year.....				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No					
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No					
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.				Schedule R (Form 5500) 2014 v. 140124	

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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (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 line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

EMBARQ RETIREMENT PENSION PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

December 31, 2014 and 2013

(With Independent Auditors' Report Thereon)

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
of Embarq Retirement Pension Plan

We were engaged to audit the accompanying financial statements of the Embarq Retirement Pension Plan, which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matters described in the Basis of Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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 the information summarized in Note 7, which was certified by Northern Trust, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2014 and 2013, and for the years ended December 31, 2014 and 2013, that the information provided to the Plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter – Supplemental Schedule

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2014, is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Postlethwaite & Nettelle

New Orleans, Louisiana
September 30, 2015

EMBARQ RETIREMENT PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	As of December 31,	
	2014	2013
	(Dollars in thousands)	
Assets		
Investments, at fair value (Note 4):		
Plan's interest in CenturyLink, Inc. Defined Benefit Master Trust	\$ —	3,896,219
Total investments, at fair value	—	3,896,219
Total assets.	—	3,896,219
Liabilities		
Securities lending obligation	—	210,888
Total liabilities	—	210,888
Net assets available for benefits.	\$ —	3,685,331

EMBARQ RETIREMENT PENSION PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years Ended December 31,	
	2014	2013
	(Dollars in thousands)	
Additions (reductions) to net assets attributed to:		
Investment income:		
Allocable share of Master Trust investment income (Note 4)	\$ 110,718	83,552
Total investment income	110,718	83,552
Allocable share of Master Trust investment expense (Note 4)	(8,110)	(6,223)
Net investment income	102,608	77,329
Net appreciation in fair value of investments (Note 4):		
Allocable share of Master Trust investment activities	310,188	166,696
Total net appreciation in fair value of investments	310,188	166,696
Company contribution	145,000	145,857
Transfers (to) from other plans	(3,969)	15,922
Total additions, net.	553,827	405,804
Deductions from net assets attributed to:		
Benefits paid to participants	268,763	261,740
Allocable share of Master Trust administrative expenses (Note 4)	95	3,234
Other plan administrative expenses	16,171	12,894
Plan merger with CenturyLink Combined Pension Plan (Note 1)	3,954,129	—
Total deductions	4,239,158	277,868
Net (decrease) increase	(3,685,331)	127,936
Net assets available for benefits:		
Beginning of year	3,685,331	3,557,395
End of year	\$ —	3,685,331

The accompanying notes are an integral part of these financial statements.

EMBARQ RETIREMENT PENSION PLAN

Notes to Financial Statements

Note 1. Plan Description

The following description of the Embarq Retirement Pension Plan (the "Plan") provides general information only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

Effective December 31, 2014, the Plan was merged into the CenturyLink Retirement Plan. The Centurylink Retirement Plan was renamed the CenturyLink Combined Pension Plan ("Combined Plan"). The provisions of the Embarq Retirement Pension Plan were adopted in its entirety and are now referred to as the Embarq Pension Component, which is a component plan under the Combined Plan. This merger had no effect on the participants' pension benefits as the benefit provisions of the merged plan were incorporated into the Combined Plan. CenturyLink, Inc. is the plan sponsor for the new Combined Plan. For the purpose of this report, the "Plan" refers to the Embarq Retirement Pension Plan prior to merger and the Embarq Pension Component post-merger.

General

The Plan is classified as a defined-benefit pension plan under the Internal Revenue Code (the "Code") and covers substantially all of Embarq's subsidiaries and all eligible employees of the Madison River Telephone Company, LLC ("Madison River"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. In the regular course of doing business, the Plan is subject to review by various governmental agencies such as the Department of Labor ("DOL") and the Internal Revenue Service ("IRS").

On July 1, 2009, Embarq Corporation ("Embarq") and CenturyLink, Inc. (the "Company"), a Louisiana corporation, completed a merger transaction whereby a wholly-owned subsidiary of the Company merged with and into Embarq. As a result of the merger, Embarq became a wholly-owned subsidiary of the CenturyLink, Inc. Embarq remained the sponsor of the Plan until the plan merger on December 31, 2014.

Effective January 1, 2013, the Madison River Communications Corp. Employees' Retirement Plan ("Madison River Plan") was merged into the Embarq Retirement Pension Plan and the participants have separate pension formulas and eligibility rules which are noted below under Provisions for the Madison River Employees.

Funding Policy

Contributions to provide benefits under the Plan are made solely by Embarq. The funding policy defines the employer contribution to be the minimum contributions required by ERISA, including the provisions of the Internal Revenue Code and the Pension Protection Act of 2006, as amended (the "PPA"). The Plan's actuary using, the Unit Credit Cost Method, computes annual contributions. Under this cost method, a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. Contributions are paid to the custodians in cash, within 265 days following the close of Embarq's fiscal year. Contributions will not exceed the maximum amount deductible for tax purpose. For the 2014 and 2013 Plan years, Embarq made discretionary contributions of \$145 million and \$146 million, respectively.

Provisions for the Embarq Employees

Eligibility

For the majority of Embarq's employees, subject to the terms of the Plan's freeze on December 31, 2010, full-time active employees become eligible to participate in the Plan when they complete one year of continuous service under the Plan. Part-time active employees become eligible to participate after they have worked at least 1,000 hours during the first 12 months of their employment, or in any calendar year thereafter. For the Centel Corporation bargaining unit employees, all active employees become eligible to participate in the Plan on their first day of work. Non-represented employees hired after December 31, 2010 are not eligible to participate in the Plan. The Plan does not accept any newly hired, rehired or transferred represented participants who are members of unions with frozen benefits and who began their employment in a union after specified dates. Please see "Freezing of Pension Plan" below for additional information.

Vesting

Participants become vested in their retirement benefit when they complete five years of continuous service under the Plan or upon attaining age 65 for Centel Corporation bargaining unit employees.

Pension Benefits

For participants not represented by a collective bargaining agreement, annual benefits under the Plan are determined according to a two-part formula. Part one uses average annual pay for the 60 months ended December 31, 1993, multiplied by credited years of service through December 31, 1993 times 1.5%. For part two, the amount calculated in part one is then added to 1.5% of eligible annual pay for each subsequent year after 1993 through December 31, 2010 when benefit accruals were frozen. The annual compensation of each participant taken into account in determining benefit accruals shall not exceed the compensation limit as established under Code Sec. 401(a)(17).

Pension benefits for participants represented by certain collective bargaining agreements which have bargained for benefits under the Plan are determined based on a schedule of flat dollar amounts as specified in the respective individual bargaining agreements and their credited service.

For participants who have collectively-bargained benefits under the Plan, benefits and increases, if any, are typically negotiated as part of a new collective bargaining agreement. Any changes in negotiated benefit rates are considered plan amendments.

The Plan provides for normal, early retirement, special early retirement, disability retirement, and deferred vested retirement, upon meeting certain conditions. Plan benefits may be paid in the form of a single life annuity or in various forms of a joint and survivor annuity, after an actuarial reduction if benefits commence before the participant's normal retirement date. Certain participants may qualify for a lump sum distribution of all or a portion of their vested accrued benefit.

Multiple amendments have been made to the Plan. Some of these amendments apply only to certain groups of employees whose rights have been preserved according to the provisions of their predecessors' company pension plans. Benefits are calculated under the current Plan formula and compared to the preserved benefit.

Freezing of Pension Plan

Effective December 31, 2010, the Company amended the Plan so that no additional benefits will be earned or accrued for non-represented participants. Service after this date will continue to count toward vesting and benefit eligibility, but not the benefit amount. The Plan does not accept any new non-represented participants who begin their employment with Embarq after December 31, 2010. The Plan does not accept any newly hired, rehired or transferred represented participants who are members of unions with frozen benefits and who began their employment in a union after specified dates. The specified dates are negotiated by each union, which began on July 1, 2013. As of December 31, 2014, there are six unions which agreed to freeze participation in the Plan for newly hired, rehired or transferred employees and twenty-five unions had not yet agreed to this change in Plan participation. As of September 30, 2015, a total of twenty-seven unions have now agreed to freeze participation in the Plan for newly hired, rehired or transferred employees and four unions have not yet agreed to this change in Plan participation. Existing retired or terminated vested participants were not affected.

Provisions for the Madison River Employees

Pension Benefits

The Plan provides for normal retirement upon reaching age 65 and early retirement at age 55 with a minimum of ten years of service. Benefits are fully vested upon the earlier of five years of continuous service, the participants' attainment of normal retirement date, or upon the participant becoming totally and permanently disabled as defined by the Plan. The basic calculation of the retirement benefit depends on when an employee became vested and under which defined benefit agreement the participant first vested. Benefits are payable in the form of a straight-life annuity or alternate benefits selected by the participant which are actuarially equivalent to a straight-life annuity, including a lump sum. The Plan also has provisions for disability and death benefits.

CenturyLink Combined Pension Plan Lump Sum Offer

Effective June 1, 2015, the CenturyLink Combined Pension Plan was amended to provide a lump sum benefit payment option in the CenturyLink Retirement and Embarq Pension Component Plans for active non-bargaining employees and certain bargaining employees as negotiated. In addition, the CenturyLink Combined Pension Plan was amended to provide a lump sum payment option to former terminated vested participants who had not commenced payment of their retirement benefits. Specifically, during 2015, a lump sum payment program has been made available for a limited time to former CenturyLink and Embarq terminated vested participants. The lump sum offer period is effective between September 1, 2015 and October 30, 2015. As of September 18, 2015, election kits were sent to 13,987 eligible CenturyLink and Embarq participants with the value of these benefits of approximately \$608 million under the Combined Plan. Actual election and payment amounts will not be known until after the window closes and benefit payments are processed. Benefit payments are scheduled for December 2015.

Death and Disability Benefits

A benefit is payable to a surviving spouse or other designated beneficiary upon the death of a participant. The disability benefit is the accrued benefit as of the earlier of the date of disability or the date benefit accruals were frozen.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

We reclassified certain prior period amounts to conform to the current period presentation. These changes had no impact to the net assets available for benefits or to the statement of changes in net assets available for benefits for the prior period.

Plan management has evaluated subsequent events through September 30, 2015, the date these financial statements were available to be issued. Based on the events noted through that period, material events occurring after the date of these financial statements are included in the related footnotes. See Note 1 - Plan Description for additional information.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") requires Plan's management to make estimates and assumptions that affect reported amounts of assets, liabilities, and changes therein; disclosure of contingent assets and liabilities; and the actuarial present value of accumulated plan benefits at the date of the financial statements and changes therein. Actual results could differ from those estimates.

Income Recognition

The allocable share of net realized and unrealized gains and losses from the CenturyLink, Inc. Defined Benefit Master Trust ("Master Trust") are reflected in the statements of changes in net assets available for benefits as net appreciation or depreciation in fair value of investments. Net realized and unrealized gains and losses are the difference between the fair value at the beginning of the year or date purchased during the year and the selling price or the fair value at the end of the year.

The allocable share of dividend income from the Master Trust is recorded on the ex-dividend date, the date at which a declared dividend belongs to the seller of the security rather than the buyer. Interest income and other income are accrued when earned. Interest income includes gains and losses on interest rate swaps. Other income primarily represents partnership income and securities lending income. Purchases and sales of securities are recorded on a trade date basis.

Administrative and Plan Expenses

Plan expenses are generally paid by the Plan or paid by the Master Trust and allocated to the Plan with the exception of certain expenses incurred by the Company, such as Plan design and corporate functions, which are paid for by the Company. Direct expenses paid by the Plan or paid by the Master Trust and allocated to the Plan include trustee fees, investment management fees, administration fees and certain other expenses.

Payment of Benefits

Benefit payments to participants are recorded upon distribution to the participant.

Note 3. 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 Financial Accounting Standards Board.

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 Plan's policy is to recognize significant transfers between levels at the actual date of the event or change.

The fair values of the investments held in the Master Trust as of December 31, 2014 and 2013 are presented in Note 4—Investment in CenturyLink, Inc. Defined Benefit Master Trust.

Note 4. Interest in CenturyLink, Inc. Defined Benefit Master Trust

The CenturyLink, Inc. Defined Benefit Master Trust was created at the beginning of 2012 for the purpose of collective investment of the assets of participating defined benefit pension plans sponsored by the Company. The assets are allocated among the participating plans by assigning to each plan those transactions that can be specifically identified, and allocating among all plans the net investment income, gains and losses, and expenses of the Master Trust, in proportion to the market value of the assets assigned to each plan. The assets of the Master Trust are managed by CenturyLink Investment Management ("CIM") in its capacity as investment fiduciary for the participating plans. For further information on fair value of financial instruments, including input levels and descriptions of inputs, see Note 3—Fair Value of Financial Instruments.

Master Trust assets are invested in various asset categories utilizing multiple strategies and investment managers. For several of the investments detailed below, the Master Trust owns units in commingled funds and limited partnerships that invest in various types of assets. Interests in commingled funds are valued using the net asset value (NAV) per unit of each fund. The NAV reported by the fund manager is based on the market value of the underlying investments owned by each fund, minus its liabilities, divided by the number of shares outstanding. All commingled funds held by the Master Trust that can be redeemed at NAV within a year of the financial statement date are classified as Level 2, otherwise the fund is classified as Level 3. Investments in limited partnerships represent long-term commitments with a fixed maturity date, typically ten years. Valuation inputs for these limited partnership interests are generally based on assumptions and other information not observable in the market and are classified as Level 3 investments. The assumptions and valuation methodologies of the pricing vendors, account managers, fund managers, and general partners are monitored and evaluated for reasonableness.

Below is an overview of the asset categories, the underlying strategies, and valuation inputs used to value the assets in the tables below:

(a) *Investment grade bonds* - This asset category represents investments in fixed income securities as well as commingled bond funds with characteristics similar to the Barclays Capital U.S. Aggregate Bond Index. This index is comprised of U.S. Treasury securities, agencies, corporate bonds, mortgage-backed securities, asset-backed securities, and commercial mortgage-backed securities. Treasury securities are valued at the bid price reported in the active market in which the security is traded and are classified as Level 1. The valuation inputs of other investment grade bonds primarily utilize observable market information and are based on a spread to U.S. Treasury securities and consider yields available on comparable securities of issuers with similar credit ratings. The primary observable inputs include references to the new issue market for similar securities, the secondary trading markets, and dealer quotes. Option adjusted spread models are utilized to evaluate securities such as asset backed securities that have early redemption features. These securities are classified as Level 2. The commingled funds are valued at NAV based on the market value of the underlying fixed income securities using the same valuation inputs described above. The commingled funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(b) *High yield bonds* - This asset category represents investments in below investment grade fixed income securities as well as commingled high yield bond funds, and limited partnerships. The valuation inputs for the securities primarily utilize observable market information and are based on a spread to U.S. Treasury securities and consider yields available on comparable securities of issuers with similar credit ratings. These securities are classified as Level 2. Securities whose valuation inputs are not based on observable market information are classified as Level 3. The commingled funds are valued at NAV based on the market value of the underlying high yield instruments using the same valuation inputs described above. Commingled funds that can be redeemed at NAV within a year of the financial statement date are classified as Level 2. Commingled funds and limited partnerships that cannot be redeemed at NAV or that cannot be redeemed at NAV within a year of the financial statement date are classified as Level 3.

(c) *Emerging market bonds* - This asset category represents investments in securities issued by governments and other entities located in developing countries as well as registered mutual funds and commingled emerging market bond funds. The valuation inputs for the securities utilize observable market information and are primarily based on dealer quotes or a spread relative to the local government bonds. These securities are classified as Level 2. The commingled funds are valued at NAV based on the market value of the underlying emerging market bonds using the same valuation inputs described above. The commingled funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2. The registered mutual funds trade at the daily net asset value, as determined by the market value of the underlying investments, and are classified as Level 1.

(d) *Convertible bonds* - This asset category primarily represents investments in corporate debt securities that have features that allow the debt to be converted into equity securities under certain circumstances as well as a commingled convertible bond fund. The valuation inputs for the individual convertible bonds primarily utilize observable market information including a spread to U.S. Treasuries and the value and volatility of the underlying equity security. Convertible bonds are classified as Level 2. The commingled bond fund is valued at NAV based on the market value of the underlying convertible bonds using the same valuation inputs previously described. The commingled funds can be redeemed at NAV within one year from the financial statement date and is classified as Level 2.

(e) *Diversified strategies* - This asset category represents an investment in a commingled fund that primarily has exposures to global government, corporate and inflation linked bonds, global stocks, and commodities. The commingled fund is valued at NAV based on the market value of the underlying investments. The valuation inputs utilize observable market information including published prices for exchange traded securities, bid prices for government bonds, and spreads and yields available for comparable fixed income securities with similar credit ratings. This fund can be redeemed at NAV within a year of the financial statement date and is classified as Level 2.

(f) *U.S. stocks* - This asset category represents investments in stocks of U.S. based companies as well as commingled U.S. stock funds. The valuation inputs for U.S. stocks are based on the last published price reported on the major stock market on which the securities are traded and are classified as Level 1. The commingled funds are valued at NAV based on the market value of the underlying investments using the same valuation inputs described above. These commingled funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(g) *Non-U.S. stocks* - This asset category represents investments in stocks of companies based in developed countries outside the U.S. as well as commingled funds. The valuation inputs for non-U.S. stocks are based on the last published price reported on the major stock market on which the securities are traded and are classified as Level 1. The commingled funds are valued at NAV based on the market value of the underlying investments using the same valuation inputs described above. These commingled funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(h) *Emerging market stocks* - This asset category represents investments in commingled funds comprised of stocks of companies located in developing markets. The commingled funds are valued at NAV based on the market value of the underlying investments using the same valuation inputs described previously for individual stocks. These commingled funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(i) *Private equity* - This asset category represents non-public investments in domestic and foreign buy-out and venture capital funds. Private equity funds are structured as limited partnerships and are valued according to the valuation policy of each partnership, subject to prevailing accounting and other regulatory guidelines. The partnerships use valuation methodologies that give consideration to a range of factors, including but not limited to the price at which investments were acquired, the nature of the investments, market conditions, trading values on comparable public securities, current and projected operating performance, and financing transactions subsequent to the acquisition of the investments. These valuation methodologies involve a significant degree of judgment. Private equity investments are classified as Level 3.

(j) *Private debt* - This asset category represents non-public investments in distressed or mezzanine debt funds, as well as certain group annuity contracts. Mezzanine debt instruments are debt instruments that are subordinated to other debt issues and may include embedded equity instruments such as warrants. Private debt funds are structured as limited partnerships and are valued according to the valuation policy of each partnership, subject to prevailing accounting and other regulatory guidelines. The valuation of underlying fund investments are based on factors including the issuer's current and projected credit worthiness, the security's terms, reference to the securities of comparable companies, and other market factors. These valuation methodologies involve a significant degree of judgment. These private debt investments are classified as Level 3. Group annuity contracts are valued based on the amount the plans would receive if funds are withdrawn from these participating contracts. The cash-out factor is based on the associated underlying pool of the insurance company's general account assets consisting primarily of bond funds. The group annuity contracts are classified as Level 3.

(k) *Hedge funds. Market neutral hedge funds* - This asset category represents investments in a diversified mix of instruments that are intended in combination to exhibit low correlations to market fluctuations. These investments are typically combined with futures to achieve uncorrelated excess returns over various markets. *Directional hedge funds* - This asset category represents investments that may exhibit somewhat higher correlations to market fluctuations than the market neutral hedge funds. Investments in hedge funds include both direct investments and investments in diversified funds of funds. Hedge Funds are valued at NAV based on the market value of the underlying investments which include publicly traded equity and fixed income securities and privately negotiated debt securities. The hedge funds are valued by third party administrators using the same valuation inputs previously described. Hedge funds that can be redeemed at NAV within a year of the financial statement date are classified as Level 2. Hedge fund investments that cannot be redeemed at NAV or that cannot be redeemed at NAV within a year of the financial statement date are classified as Level 3.

(l) *Real estate* - This asset category represents investments in commingled funds and limited partnerships that invest in a diversified portfolio of real estate properties. These investments are valued at NAV according to the valuation policy of each fund or partnership, subject to prevailing accounting and other regulatory guidelines. The valuation inputs of the underlying properties are generally based on third-party appraisals that use comparable sales or a projection of future cash flows to determine fair value. Real estate investments that can be redeemed at NAV within a year of the financial statement date are classified as Level 2. Real estate investments that cannot be redeemed at NAV or that cannot be redeemed at NAV within a year of the financial statement date are classified as Level 3.

(m) *Derivatives* - This asset category includes the market value of exchange-traded futures contracts which are classified as Level 1, as well as privately negotiated over-the-counter swaps that are valued based on the change in interest rates or a specific market index and classified as Level 2. The market values represent gains or losses that occur due to fluctuations in interest rates, foreign currency exchange rates, security prices, or other factors.

(n) *Cash equivalents and short-term investments* - This asset category represents investments that are used in conjunction with derivatives positions or are used to provide liquidity for the payment of benefits or other purposes. The valuation inputs of other securities are based on a spread to U.S. Treasury Bills, the Federal Funds Rate, or London Interbank Offered Rate and consider yields available on comparable securities of issuers with similar credit ratings and are classified as Level 2. The commingled funds are valued at NAV based on the market value of the underlying investments using the same valuation inputs described above. These commingled funds can be redeemed at NAV within a year of the financial statement date and are classified as Level 2.

(o) *Securities lending obligation and collateral* - This asset category represents securities lending transactions whereby the Master Trust's lending agent lends stock and bond investments of the Master Trust to other third-party investment firms in exchange for collateral. The stock and bond securities are generally loaned for a period of less than one month and can be recalled on a day's notice. Under the terms of its securities lending agreement, the Master Trust typically requires collateral of a value in excess of the fair value of the loaned investments. Collateral received is then invested in a segregated account maintained by the lending agent. Upon the maturity of the agreement, the borrower must return the same, or substantially the same, investments that were borrowed, and the Master Trust returns the collateral. The value of the obligation is a fixed amount based on the collateral received and is classified as Level 2. The collateral received is invested in a segregated account where the lending agent purchases short-term investments, primarily over-night repurchase agreements, the valuations of which are described above, and are classified as Level 2.

The Plan's interest in the net assets of the Master Trust was approximately 29.8% as of December 31, 2013. As discussed in Note 1 - Plan Description, the Embarq Retirement Pension Plan merged into the Combined Plan on December 31, 2014.

It is important to note that the asset allocations do not include market exposures that are gained with derivatives. The fair value of Master Trust investments is presented net of selling costs, such as brokerage commissions, of approximately \$21 million as of December 31, 2014 and 2013 in the tables below.

The following table sets forth by category and input level, within the fair value hierarchy, the Master Trust's net assets available for benefits at fair value as of December 31, 2014:

Fair Value of Master Trust Assets at December 31, 2014				
	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
Investment grade bonds (a)	\$ 1,068,031	1,427,355	—	\$ 2,495,386
High yield bonds (b)	—	1,482,067	33,398	1,515,465
Emerging market bonds (c)	208,506	434,405	—	642,911
Convertible bonds (d)	—	13,907	—	13,907
Diversified strategies (e)	—	718,971	—	718,971
U.S. stocks (f)	1,390,463	87,392	—	1,477,855
Non-U.S. stocks (g)	1,170,535	384,577	—	1,555,112
Emerging market stocks (h)	—	101,616	—	101,616
Private equity (i)	—	—	631,842	631,842
Private debt (j)	—	—	388,079	388,079
Market neutral hedge funds (k)	—	928,488	99,900	1,028,388
Directional hedge funds (k)	—	529,561	28,278	557,839
Real estate (l)	—	483,722	216,408	700,130
Derivatives (m)	1,841	14,783	—	16,624
Cash equivalents and short-term investments (n) . . .	—	690,323	—	690,323
Securities lending collateral (o)	—	678,426	—	678,426
Total investments at fair value	3,839,376	7,975,593	1,397,905	13,212,874
Securities lending obligation (o)	—	(678,426)	—	(678,426)
Total investments at fair value, net of securities lending obligation	\$ 3,839,376	7,297,167	1,397,905	12,534,448
Total net assets available for benefits				\$ 12,534,448

Securities loaned by the Master Trust totaled \$659 million at December 31, 2014. They are included in investment grade bonds, high yield bonds, emerging market bonds, U.S. stocks, and non-U.S. stocks in the preceding table in the amounts of \$183 million; \$91 million; \$44 million; \$264 million, and \$77 million, respectively.

The following table sets forth by category and input level, within the fair value hierarchy, the Master Trust's net assets at fair value as of December 31, 2013:

Fair Value of Master Trust Assets at December 31, 2013				
	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
Investment grade bonds (a)	\$ 813,506	1,505,770	—	\$ 2,319,276
High yield bonds (b)	—	1,265,942	25,707	1,291,649
Emerging market bonds (c)	196,459	367,689	—	564,148
Convertible bonds (d)	—	388,951	—	388,951
Diversified strategies (e)	—	724,030	—	724,030
U.S. stocks (f)	1,409,655	92,018	—	1,501,673
Non-U.S. stocks (g)	1,160,238	299,066	—	1,459,304
Emerging market stocks (h)	—	110,409	—	110,409
Private equity (i)	—	—	731,898	731,898
Private debt (j)	—	—	428,366	428,366
Market neutral hedge funds (k)	—	867,961	99,116	967,077
Directional hedge funds (k)	—	581,131	32,282	613,413
Real estate (l)	—	312,416	260,987	573,403
Derivatives (m)	(8,174)	(35,152)	—	(43,326)
Cash equivalents and short-term investments (n) . .	—	731,083	—	731,083
Securities lending collateral (o)	—	707,371	—	707,371
Total investments at fair value	3,571,684	7,918,685	1,578,356	13,068,725
Securities lending obligation (o)	—	(707,371)	—	(707,371)
Total investments, net of securities lending obligation	<u>\$ 3,571,684</u>	<u>7,211,314</u>	<u>1,578,356</u>	12,361,354
Dividends and interest receivable				133
Total net assets available for benefits at fair value .				<u>\$ 12,361,487</u>

Securities loaned by the Master Trust totaled \$692 million at December 31, 2013. They are included in investment grade bonds, high yield bonds, emerging market bonds, convertible bonds, U.S. stocks, and non-U.S. stocks, in the preceding table in the amounts of \$216 million; \$65 million; \$33 million; \$73 million; \$266 million, and \$39 million, respectively.

During 2014 and 2013, the Master Trust's investments (including investments bought and sold, as well as held during the year) appreciated (depreciated) as follows:

	Years Ended December 31,	
	2014	2013
	(Dollars in thousands)	
Net appreciation (depreciation) in fair value of Master Trust investments:		
Investment grade bonds	\$ 395,199	(286,985)
High yield bonds	(12,673)	66,784
Emerging market bonds	(12,511)	(61,368)
Convertible bonds	11,845	66,369
Diversified strategies	64,941	(26,011)
U.S. stocks	119,955	439,112
Non-U.S. stocks	(115,794)	245,021
Emerging market stocks	(1,394)	(7,520)
Private equity	16,651	97,929
Private debt	(38,154)	25,042
Market neutral hedge funds	36,465	63,636
Directional hedge funds	16,287	69,306
Real estate	40,805	49,624
Derivatives	498,751	(183,791)
Cash equivalents and short-term investments	(829)	(204)
Total net appreciation in fair value of Master Trust investments	\$ 1,019,544	556,944

The net appreciation of the Master Trust's investments whose fair value was determined based upon quoted prices for identical instruments traded in active markets was approximately \$657 million and \$293 million for the years ended December 31, 2014 and 2013, respectively. The net appreciation of investments whose fair value was determined using methods other than quoted prices for identical instruments traded in active markets was approximately \$362 million and \$264 million for the years ended December 31, 2014 and 2013, respectively.

The following table reflects the changes in net assets for the Master Trust for the years ended December 31, 2014 and 2013:

	Years Ended December 31,	
	2014	2013
	(Dollars in thousands)	
Changes in Master Trust Net Assets:		
Investment income:		
Dividends	\$ 60,928	62,384
Interest	166,233	146,599
Other	136,022	73,612
Total investment income	363,183	282,595
Investment expense	(25,706)	(20,544)
Net investment income	337,477	262,051
Net appreciation in fair value of investments	1,019,544	556,944
Net transfers from the Master Trust	(1,182,454)	(791,086)
Administrative expenses	(1,606)	(10,735)
Net increase	172,961	17,174
Net assets available for benefits:		
Beginning of year	12,361,487	12,344,313
End of year	\$ 12,534,448	12,361,487

Changes in Fair Value of Level 3 assets and related Gains and Losses

The following table presents a rollforward of the Master Trust assets valued using Level 3 inputs for the years ended December 31, 2014 and 2013:

	Master Trust Assets Valued Using Level 3 Inputs						
	High Yield Bonds	Private Equity	Private Debt	Market Neutral Hedge Funds	Directional Hedge Funds	Real Estate	Total
	(Dollars in thousands)						
Balance at December 31, 2012 .	\$ 58,663	733,687	477,233	—	28,500	334,269	\$ 1,632,352
Net transfers to Master Trust . . .							
Net (dispositions) acquisitions . .	(37,762)	(97,452)	(73,547)	100,000	(868)	(88,781)	(198,410)
Actual return on plan assets:							
Realized gains relating to assets sold during the year . .	12,247	68,008	18,156	—	129	11,038	109,578
Unrealized (losses) gains relating to assets still held at year-end	(7,441)	27,655	6,524	(884)	4,521	4,461	34,836
Balance at December 31, 2013 .	25,707	731,898	428,366	99,116	32,282	260,987	1,578,356
Net (dispositions) acquisitions . .	(1,615)	(120,583)	(2,154)	—	(440)	(56,493)	(181,285)
Net transfers - others	5,686	4,076	—	—	—	(4,076)	5,686
Actual return on plan assets:							
Realized gains relating to assets sold during the year . .	8,624	114,597	25,233	—	(75)	3,885	152,264
Unrealized (losses) gains relating to assets still held at year-end	(5,004)	(98,146)	(63,366)	784	(3,489)	12,105	(157,116)
Balance at December 31, 2014 .	\$ 33,398	631,842	388,079	99,900	28,278	216,408	\$ 1,397,905

Master Trust Investments Valued at NAV

For commingled funds and limited partnerships described above, the Master Trust owns units in funds that invest in various types of assets. Commingled funds give investors the right, subject to predetermined redemption procedures, to redeem their investment at NAV. The tables below present a summary of the fair value, redemption frequency, and redemption notice period of commingled funds as of December 31, 2014 and 2013:

Commingled Funds	Fair Value (Dollars in thousands)	Redemption Frequency	Redemption Notice Period	Redemption Restrictions as of December 31, 2014
Investment grade bonds . . .	\$ 148,284	Daily	Same day or 1 day	None
High yield bonds	834,256	Daily, monthly or quarterly	Same day, 10, or 90 days	None
Emerging market bonds . . .	27,103	Daily	Same day	None
Convertible bonds	9,720	Monthly	10 days	None
Diversified strategies	718,971	Monthly	5 days	None
U.S. stocks	85,903	Daily	Same day	None
Non U.S. stocks	383,909	Daily	Same day, 2 or 10 days	None
Emerging market stocks . . .	101,616	Daily or monthly	Same day or 60 days	None
Market neutral hedge funds	928,488	Monthly, quarterly or semi-annually	5, 60, 90, 95 days	See (a) below
Directional hedge funds . . .	529,561	Quarterly, semi-annually or annually	60, 65, 90, or 95 days	None
Real estate	483,722	Quarterly or semi-annually	45, 60, 90 days	None
Cash equivalents and short-term investments	63,891	Daily	Same day	None
Total commingled funds . . .	<u>\$ 4,315,424</u>			

(a) Approximately \$0.2 million or less than 1% in market neutral hedge funds commingled funds were in liquidation and could not be redeemed as of December 31, 2014.

Commingled Funds	Fair Value (Dollars in thousands)	Redemption Frequency	Redemption Notice Period	Redemption Restrictions as of December 31, 2013
Investment grade bonds . . .	\$ 208,575	Daily	Same day or 1 day	None
High yield bonds	897,353	Daily, monthly or quarterly	Same day, 1, 10, or 90 days	None
Emerging market bonds . . .	9,830	Daily	Same day	None
Convertible Bonds	24,244	Monthly	10 days	None
Diversified strategies	724,030	Monthly	5 days	None
U.S. stocks	92,018	Daily	Same day	None
Non U.S. stocks	299,029	Daily	Same day, 2 or 10 days	None
Emerging market stocks . . .	110,409	Daily or monthly	Same day, 30, or 60 days	None
Market neutral hedge funds.	867,961	Monthly, quarterly or semi-annually	5, 10, 60, 90, or 95 days	See (a) below
Directional hedge funds . . .	581,131	Quarterly, semi-annually or annually	60, 65, 90 or 95 days	None
Real estate	312,416	Quarterly or semi-annually	45, 60, or 90 days	None
Cash equivalents and short-term investments	85,724	Daily	Same day	None
Total commingled funds . . .	<u>\$ 4,212,720</u>			

(a) Approximately \$5.7 million or less than 1% in market neutral hedge funds commingled funds were in liquidation and could not be redeemed as of December 31, 2013.

Unlike commingled funds, limited partnerships do not have redemption features. Investment in limited partnerships represent long term commitments, typically ten years, draw capital for investment in the first several years, and make distributions to investors in the last several years of the life of the partnership (as investments are liquidated). The distributions from the limited partnership portfolios are dependent on market conditions and unpredictable by nature, but some level of distributions can be expected each year. Plan management estimates that the majority of the currently outstanding fair value of the limited partnerships would be distributed over a period of nine to eleven years.

The table below presents a summary of the fair value, redemption frequency, unfunded commitments, and average life of distribution of limited partnerships in the Master Trust as of December 31, 2014:

Limited Partnerships	Fair Value (Dollars in thousands)	Redemption Frequency	Unfunded Commitments (Dollars in thousands)	Average Life of Distribution
High yield bonds	\$ 26,254	No redemption feature	None	Approximately 5 to 7 years
Private equity	631,842	No redemption feature	300,233	Approximately 8 to 10 years
Private debt	388,079	No redemption feature	217,177	Approximately 9 to 11 years
Market neutral hedge funds .	99,900	No redemption feature	None	Approximately 4 to 5 years
Directional hedge funds	28,278	No redemption feature	None	Approximately 2 years
Real estate	216,408	No redemption feature	69,350	Approximately 4 to 6 years
Total limited partnerships . . .	<u>\$ 1,390,761</u>		<u>\$ 586,760</u>	

The table below presents a summary of the fair value, redemption frequency, unfunded commitments, and average life of distribution of limited partnerships in the Master Trust as of December 31, 2013:

Limited Partnerships	Fair Value (Dollars in thousands)	Redemption Frequency	Unfunded Commitments (Dollars in thousands)	Average Life of Distribution
High yield bonds	\$ 25,707	No redemption feature	None	Approximately 5 to 7 years
Private equity	731,898	No redemption feature	\$ 300,656	Approximately 8 to 10 years
Private debt	428,366	No redemption feature	254,491	Approximately 9 to 11 years
Market neutral hedge funds .	99,116	No redemption feature	None	Approximately 4 to 5 years
Directional hedge funds	32,282	No redemption feature	None	Approximately 2 years
Real estate	260,987	No redemption feature	49,576	Approximately 7 to 9 years
Total limited partnerships	<u>\$ 1,578,356</u>		<u>\$ 604,723</u>	

The Master Trust's limited partnerships detailed above, including three major group annuity contracts categorized as private debt of \$15 million, are classified as Level 3. The limited partnerships have been valued using NAV as reported in the audited financial statements of the respective investments (adjusted for estimated selling costs), as of December 31, 2014. The value of the group annuity contracts was determined by the respective insurance company using methodologies not readily available. These investments therefore, meet the exceptions to disclosing the quantitative information about significant unobservable inputs used in Level 3 fair value measurements.

Investments that Represent 5% or more of the Master Trust's Net Assets Available for Benefits

The following table presents investments that represent 5% or more of the Master Trust's net assets available for benefits:

	As of December 31,	
	2014	2013
	(Dollars and shares in thousands)	
Bridgewater All Weather 12% LLC Series I, 477 and 525 shares, respectively . . .	\$ 719,001	724,530

Derivatives

Derivative instruments are used to reduce risk as well as provide return. The Master Trust uses exchange traded futures to gain exposure to equity and debt markets consistent with target asset allocations. Interest rate swaps are used in the Master Trust to reduce risk relative to measurement of the benefit obligation, which is sensitive to interest rate changes. Foreign exchange forward contracts are used primarily to manage currency exposures. Credit default swaps are used to manage credit exposure and to enhance investment returns. Options are used to provide protection or enhance returns associated with changes in interest rates. Some derivative instruments subject the Master Trust to counterparty risk. The external investment managers, along with CIM, closely monitor counterparty exposure and mitigate this risk by diversifying the exposure among multiple high credit quality counterparties, requiring collateral, and limiting exposure by periodically settling contracts.

Swap contracts held in the Master Trust contain credit-risk-related contingent features. For instance, if the net assets of the Master Trust declined by more than 15% per month or 30% per year, the counterparty of certain contracts could choose to terminate the contract. Other counterparties would require the posting of additional collateral equal to 1% of the notional value in order to maintain the existing contracts if net assets of the Master Trust drop by more than 50% in a year. For swap contracts that would require posting of additional collateral, if the feature were triggered on December 31, 2014, the Master Trust would have been required to post additional collateral of approximately \$1 million.

The tables below present derivative instruments held directly by the Master Trust as of December 31, 2014. The tables exclude any derivatives that may be held in the investments in commingled and mutual funds.

Statements of Net Assets Available For Benefits Location		Asset Derivatives as of December 31, 2014	
		Notional Amount	Fair Value
		(Dollars in thousands)	
Exchanged-traded:			
U.S. equity futures	Investments, at fair value	\$ —	—
U.S. treasury futures	Investments, at fair value	1,895,517	3,764
Eurodollar futures	Investments, at fair value	—	—
Interest rate swaps	Investments, at fair value	260,737	4,230
Credit default swaps	Investments, at fair value	328,090	7,736
Options	Investments, at fair value	147,700	597
Foreign exchange forwards	Investments, at fair value	954,312	17,990
Total		\$ 3,586,356	34,317

Statements of Net Assets Available For Benefits Location		Liability Derivatives as of December 31, 2014	
		Notional Amount	Fair Value
(Dollars in thousands)			
Exchanged-traded:			
U.S. equity futures	Investments, at fair value	\$ 134,473	(1,620)
U.S. treasury futures	Investments, at fair value	(421,870)	(301)
Eurodollar futures	Investments, at fair value	(4,527)	(2)
Interest rate swaps	Investments, at fair value	317,924	(8,142)
Credit default swaps	Investments, at fair value	53,791	(2,354)
Options	Investments, at fair value	(393,804)	(1,997)
Foreign exchange forwards	Investments, at fair value	240,819	(3,277)
Total		\$ (73,194)	(17,693)

The tables below present derivative instruments held directly by the Master Trust as of December 31, 2013. The tables exclude any derivatives that may be held in the investments in commingled and mutual funds.

Statements of Net Assets Available For Benefits Location		Asset Derivatives as of December 31, 2013	
		Notional Amount	Fair Value
		(Dollars in thousands)	
Exchanged-traded:			
U.S. equity futures	Investments, at fair value	\$ 95,414	543
U.S. treasury futures	Investments, at fair value	(104,909)	238
Eurodollar futures	Investments, at fair value	959	1
Interest rate swaps	Investments, at fair value	134,772	2,517
Credit default swaps	Investments, at fair value	208,686	4,327
Options	Investments, at fair value	10,700	1,551
Foreign exchange forwards	Investments, at fair value	345,679	7,065
Total		\$ 691,301	16,242

		Liability Derivatives as of December 31, 2013	
		Notional Amount	Fair Value
Statements of Net Assets Available For Benefits Location		(Dollars in thousands)	
Exchanged-traded:			
U.S. treasury futures	Investments, at fair value	\$ 2,120,096	(8,888)
Eurodollar futures	Investments, at fair value	353,455	(68)
Interest rate swaps	Investments, at fair value	421,369	(38,915)
Credit default swaps	Investments, at fair value	44,495	(1,039)
Options	Investments, at fair value	(254,357)	(2,266)
Foreign exchange forwards	Investments, at fair value	592,676	(8,392)
Total		\$ 3,277,734	(59,568)

The following table presents the total net appreciation (depreciation) of derivatives for the years ended December 31, 2014 and 2013:

		Years Ended December 31,	
		2014	2013
Statements of Changes in Net Assets Available for Benefits Location		(Dollars in thousands)	
Exchanged-traded:			
U.S. equity futures	Net appreciation in fair value of investments	\$ 33,420	58,922
Non U.S. equity futures	Net depreciation in fair value of investments	—	(6,919)
U.S. treasury futures	Net depreciation in fair value of investments	(262,494)	(223,321)
Eurodollar futures	Net depreciation in fair value of investments	(209)	(1,734)
Interest rate swaps	Net depreciation in fair value of investments	(2,018)	(36,574)
Credit default swaps and options .	Net appreciation in fair value of investments	25,084	5,082
Options	Net appreciation in fair value of investments	1,049	1,255
Foreign exchange forwards	Net appreciation in fair value of investments	703,919	19,498
Total		<u>\$ 498,751</u>	<u>(183,791)</u>

Master Netting Agreements

The Master Trust is subject to master netting agreements ("MNA"), or netting arrangements, with certain counterparties. These agreements govern the terms of certain transactions and reduce the counterparty risk associated with relevant transactions by specifying offsetting mechanisms and collateral posting arrangements at pre-arranged exposure levels. Since different types of transactions have different mechanics and are sometimes traded out of different legal entities of a particular counterparty organization, each type of transaction may be covered by a different master netting arrangement, possibly resulting in the need for multiple agreements with a single counterparty. Master netting agreements are specific to each different asset type; therefore, they allow the company to close out and net its total exposure to a specified counterparty in the event of a default with respect to any and all the transactions governed under a single agreement with the counterparty.

Our exchange traded derivative instruments are not subject to a master netting arrangement or similar agreement.

The following is a summary by counterparty of the Master Trust's net exposure to derivative assets and liabilities, by financial instrument type, available for offset and net of collateral under Master Agreements at December 31, 2014:

Asset Description	Gross Recognized Assets	Gross Amounts Offset	Net Amounts Presented	Amounts Not Offset: Net Collateral Received	Net Exposure
(Dollars in thousands)					
OTC foreign exchange	\$ 17,990	2,329	15,661	1,420	14,240
OTC interest rate/credit	4,012	2,389	1,623	1,265	358
Total derivatives subject to a MNA . .	22,002	4,718	17,284	2,685	14,598
Exchange cleared interest rate/credit	8,551	—	8,551	—	8,551
Exchange traded interest rate/credit	3,764	—	3,764	—	3,764
Total derivatives not subject to a MNA	12,315	—	12,315	—	12,315
Total derivatives	\$ 34,317	4,718	29,599	2,685	26,913
Securities on loan	\$ 659,369	—	659,369	659,369	—

Liability Description	Gross Recognized Liabilities	Gross Amounts Offset	Net Amounts Presented	Amounts Not Offset: Net Collateral Received	Net Exposure
(Dollars in thousands)					
OTC foreign exchange	\$ 3,702	2,329	1,372	—	1,372
OTC interest rate/credit	6,498	2,389	4,109	4,005	104
Total derivatives subject to a MNA . .	10,200	4,718	5,481	4,005	1,476
Exchange cleared interest rate/credit . .	5,570	—	5,570	—	5,570
Exchange traded equities	1,621	—	1,621	—	1,621
Exchange traded interest rate/credit . . .	302	—	302	—	302
Total derivatives not subject to a MNA	7,493	—	7,493	—	7,493
Total derivatives	\$ 17,693	\$ 4,718	12,974	4,005	8,969

The following is a summary by counterparty of the Master Trust's net exposure to derivative assets and liabilities, by financial instrument type, available for offset and net of collateral under Master Agreements at December 31, 2013:

Asset Description	Gross Recognized Assets	Gross Amounts Offset	Net Amounts Presented	Amounts Not Offset: Net Collateral Received	Net Exposure
(Dollars in thousands)					
OTC foreign exchange	\$ 7,064	3,414	3,650	—	3,650
OTC interest rate/credit	6,764	3,748	3,016	1,339	1,677
Total derivatives subject to a MNA . .	13,828	7,162	6,666	1,339	5,327
Exchange cleared interest rate/credit . .	1,632	—	1,632	—	1,632
Exchange traded equities	543	—	543	—	543
Exchange traded interest rate/credit . . .	239	—	239	—	239
Total derivatives not subject to a MNA	2,414	—	2,414	—	2,414
Total derivatives	\$ 16,242	7,162	9,080	1,339	7,741
Securities on loan	\$ 691,929	—	691,929	—	691,929

Liability Description	Gross Recognized Liabilities	Gross Amounts Offset	Net Amounts Presented	Amounts Not Offset: Net Collateral Received	Net Exposure
(Dollars in thousands)					
OTC foreign exchange	\$ 8,392	3,414	4,978	597	4,381
OTC interest rate/credit	39,605	3,748	35,857	35,858	(1)
Total derivatives subject to a MNA . .	47,997	7,162	40,835	36,455	4,380
Exchange cleared interest rate/credit	2,615	—	2,615	—	2,615
Exchange traded interest rate/credit	8,956	—	8,956	—	8,956
Total derivatives not subject to a MNA	11,571	—	11,571	—	11,571
Total derivatives	\$ 59,568	7,162	52,406	36,455	15,951

Note 5. Securities Lending

The Master Trust participates in securities lending transactions whereby the Master Trust's lending agent lends investments of the Master Trust to other third-party investment companies in exchange for collateral. The securities are generally loaned for a period of less than a month. Under the terms of its securities lending agreement, the Master Trust typically requires collateral of a value equal to 102%, for U.S. securities, or 105%, for foreign securities, of the then fair value of the loaned investments. Collateral is then invested in a segregated account maintained by the lending agent. Upon the maturity of the agreement, the borrower must return the same, or substantially the same, investments that were borrowed, and the Master Trust returns the collateral. The risks to the Master Trust of securities lending transactions are that 1) the borrower may not provide additional collateral when required, 2) the borrower may not return the investments when due, or 3) the earnings on the collateral investments may be negative requiring the Master Trust to assume additional collateral obligations. The Master Trust investments loaned under securities lending transactions totaled \$659 million and \$692 million as of December 31, 2014 and 2013, respectively. The Master Trust recognizes the securities loaned on the statements of net assets available for benefits and records a corresponding asset and liability for the collateral held and for its obligation to return the collateral to the borrower. The Master Trust's financial instruments held as collateral totaled \$678 million and \$707 million as of December 31, 2014 and 2013, respectively. Income from securities lending transactions totaled approximately \$1 million and \$2 million for the years ended December 31, 2014 and 2013, respectively.

As described in Note 4—Interest in CenturyLink, Inc. Defined Benefit Master Trust, in addition to direct investments in stocks and fixed-income securities, the Master Trust invests in commingled funds and mutual funds. Several of these funds may also engage in securities lending.

Note 6. Actuarial Present Value of Accumulated Benefits

Accumulated plan benefits are those future periodic payments including, where applicable, lump-sum distributions, that are attributable under the Plan's provisions to the service participants have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present participants or their beneficiaries. For participants represented by collective bargaining units that have bargained for benefits, the accumulated plan benefits are based upon amounts specified in the respective bargaining agreements. For remaining participants, the accumulated plan benefits are based upon a participant's compensation and the benefit formula described in Note 1—Plan Description, *Pension Benefits*. Accumulated benefits under all circumstances (retirement, death, disability and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary (Towers Watson) and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as death, disability, withdrawal or retirements) between the valuation date and the expected date of payment. For 2013, the actuarial assumptions for the retirement and withdrawal decrements and the lump sum election rate were updated based on the results of the 2013 experience study. The accumulated plan benefits are based on census data and Plan provisions in effect as of January 1, 2014 and 2013. These calculations have been used to disclose accumulated plan benefits as of December 31, 2013 and 2012. The actuarial valuation as of January 1, 2014 and 2013 is not materially different than the valuation would be as of December 31, 2013 and 2012, respectively.

The significant actuarial assumptions underlying the actuarial computations made to determine the present value of accumulated plan benefits as of December 31, 2013 were as follows:

• Discount rate	7.5%
• Retirement age	Later of age 65 and 5 years of service
• Marriage	80% of participants are presumed married
• Cost of living adjustment	None
• Mortality	*

* Prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants

Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining actuarial present value of accumulated plan benefits.

If the assumed discount rate for December 31, 2013 and 2012 was 100 basis points lower, the impact would have been to increase the pension obligation by approximately \$543 million and \$672 million, respectively.

The following table presents the components of the Plan's benefit obligations for the years ended December 31, 2013 and 2012:

	Years Ended December 31,	
	2013	2012
	(Dollars in thousands)	
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 1,020,478	1,050,578
Other participants	2,383,490	2,334,448
Non vested benefits	26,418	28,772
Total actuarial present value of accumulated plan benefits.	<u>\$ 3,430,386</u>	<u>3,413,798</u>

The following table presents the changes in accumulated plan benefit obligations for the year ended December 31, 2013:

	(Dollars in thousands)
Actuarial present value of accumulated plan benefits as of December 31, 2012.	\$ 3,413,798
Increase (decrease) during the year due to:	
Benefits earned	11,471
Decrease in discount period.	247,080
Benefits paid	(261,740)
Actuarial gain and other	13,558
Change in actuarial assumptions	6,219
Plan amendments.	—
Plan merger	—
Actuarial present value of accumulated plan benefits as of December 31, 2013.	<u>\$ 3,430,386</u>

Note 7. Summary of Information Certified by the Trustees

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL's") Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Northern Trust, the Trustee, has certified the following information included in the accompanying financial statements and supplemental schedule. Additionally, the investment categories, and sub categories, and fair value amounts in Note 3—Fair Value of Financial Instruments and Note 4—Interest in CenturyLink, Inc. Defined Benefit Master Trust were derived from information certified by the Trustee. The Plan Administrator has obtained certifications from the Trustee that the following information is complete and accurate:

- **Statements of Net Assets Available for Benefits:**

2013 - Northern Trust - 29.8% interest in Master Trust, all assets, excluding \$6 million of estimated selling costs, and securities lending obligation

As discussed in Note 1 - Plan Description, the plan merged into the Combined Plan on December 31, 2014.

- **Statements of Changes in Net Assets Available for Benefits:**

2013 - Northern Trust - 29.8% interest in Master Trust, investment income and net appreciation (depreciation) in fair value of investments, excluding \$6 million of estimated selling costs, and securities lending obligation

As discussed in Note 1 - Plan Description, the plan merged into the Combined Plan on December 31, 2014.

Accordingly, the Plan Administrator instructed the Plan's independent auditor not to perform any auditing procedures with respect to the investment information certified by the Trustee as complete and accurate, except for comparing such information certified by the Trustee to information included in the Plan's financial statements and supplemental schedule.

Note 8. Tax Status

The Plan received a favorable tax determination letter from the Internal Revenue Service ("IRS") dated May 22, 2013. Furthermore, the Plan's management believes that prior to the plan merger, the Plan was designed and operated in compliance with the applicable requirements of the Internal Revenue Code; therefore, it believes that the Plan was qualified, and the related trust was tax-exempt as of the financial statement date. Accordingly, no provision for income taxes has been provided for in the Plan's financial statements.

U.S. GAAP requires the Plan's management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. As of December 31, 2013 and prior to the plan merger as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosures in the financial statements.

Note 9. Reconciliation of Financial Statement to Form 5500

The following is a reconciliation of the net (decrease) increase as reported on the financial statements for the years ended December 31, 2014 and 2013, to net (loss) income as reported on Form 5500:

	Years Ended December 31,	
	2014	2013
	(Dollars in thousands)	
Net increase as reported on the financial statements, excluding the impact of the merger with the CenturyLink Combined Pension Plan	\$ 268,798	127,936
Adjustment for investment selling costs required by GAAP for 2014 and 2013, respectively	6,600	—
Transfers from (to) from other plans	3,969	(15,922)
Net income (loss) as reported on Form 5500 (unaudited)	<u>279,367</u>	<u>112,014</u>

Note 10. Plan Termination

As discussed in Note 1 - Plan Description, the Plan merged into the Combined Plan on December 31, 2014. Although CenturyLink, Inc. has not expressed any intention to do so, it has the right to terminate the Combined Plan subject to the provisions of ERISA. However, CenturyLink, Inc. is required to comply with all relevant provisions of the applicable labor agreements.

In the event of the Combined Plan's termination, the net assets of the Combined Plan will be allocated, as prescribed by ERISA and its related regulations as defined in the Combined Plan document. All benefits for each group shall be paid or provided for before any benefits are paid for any members of the group having the next lower priority. If the funds are insufficient to pay all of the benefits for any group, the amount available shall be allocated among the members of the group in proportion to their interests.

Certain benefits under the Combined Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Combined Plan terminates. Generally, the PBGC guarantees most vested normal retirement age benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Combined Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Combined Plan are guaranteed at the level in effect on the date of the Combined Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Combined Plan be terminated at some future time will depend on the sufficiency, at that time, of the Combined Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

Note 11. Related Party, Party-In-Interest and Nonexempt Transactions

The Plan and Master Trust invests in certain commingled funds managed by the Plan's Trustee. In addition, the Master Trust reimbursed the Company approximately \$1 million for certain qualifying administrative and investment expenses in 2014. Direct expenses paid in 2014 and 2013 by the Master Trust for the Plan include trustee fees, investment management fees, administration fees, and certain other expenses. These direct expenses paid by the Master Trust for the years ended December 31, 2014 and 2013 totaled \$24 million and \$27 million, respectively. These transactions, which qualify as related party or party-in-interest transactions, are exempt from the prohibited transaction rules.

Note 12. Concentrations, Risks and Uncertainties

As described in Note 3—Fair Value of Financial Instruments and Note 4—Interest in CenturyLink, Inc. Defined Benefit Master Trust, the Plan's assets include various types of investments. Investments, in general, are exposed to various risks, such as significant world events, interest rate, credit, foreign currency, and overall market volatility risk. These risks are managed by broadly diversifying assets across numerous asset classes and strategies with differing expected returns, volatilities, and correlations. Risk is also broadly diversified across numerous market sectors and individual companies. Financial instruments that potentially subject the Plan to concentrations of counterparty risk consist principally of investment contracts with high quality financial institutions. These investment contracts are typically collateralized obligations and/or actively managed, limiting the amount of counterparty exposure to any one financial institution. Although the investments are well diversified, and there are no significant concentrations of risk, the value of Plan assets could change materially depending upon the overall market volatility, which could affect the amounts reported in the statements of net assets available for benefits and the funded status of the Plan.

Required Plan contributions and the actuarial present value of accumulated plan benefits are determined based on certain assumptions including interest rates, inflation rates, and employee demographics, which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

EMBARQ RETIREMENT PENSION PLAN
EIN: 72-0651161 PLAN NO: 001
FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2014

Identity of Issue, Borrower or Similar Party	Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Current Value
		(Dollars in thousands)
CenturyLink Defined Benefit Master Trust *	Investment in Master Trust	\$ —
		<hr/>
Total assets held for investment purposes		<hr/> \$ — <hr/>

* CenturyLink as Plan Sponsor is considered a party in interest.

See accompanying Independent Auditors' Report

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Appendix B - Summary of Plan Provisions

Plan Sponsor

EMBARQ Corporation

Plan

Embarq Retirement Pension Plan

Effective Date and Most Recent Amendment

The plan was amended and restated January 1, 2013.

Plan Year

The twelve-month period ending December 31, 2013.

Participants of the Embarq Retirement Pension Plan excluding Participants of the Former Madison River Communications Corp. Employees' Retirement Plan

Coverage and Participation

All regular employees of participating companies are covered by the Plan upon meeting the membership eligibility requirements below.

Membership continues in this Plan if an employee was a member of the Sprint Retirement Pension Plan on May 17, 2006. The effective date of the Plan is May 18, 2006. Former members of the United System Employee Retirement Plan and US Sprint Communications Company Pension Plan became participants on December 31, 1989. Former Centel employees became participants on December 31, 1993. Otherwise, effective May 18, 2006, an employee becomes a member on the first day of the calendar month coincident with or next following the date he completes one year of continuous service. Part-time employees must work 1,000 hours and 12 consecutive months to become members.

The Plan has been frozen to non-represented employees hired after December 31, 2010.

"Former Centel Union Employees" become participants in the plan on the date on which they become employees.

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EIN / PN:	20-2923630 / 001
Plan Sponsor:	Embarq Corporation
Valuation Date:	January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Definitions

Continuous Service means all service rendered as an employee prior to the later of his normal retirement date or date of termination of employment. Continuous service is measured in nearest full years for non-union employees, and measured in hours of service for union employees.

Credited Service means all service rendered as an employee prior to the later of his normal retirement date or date of termination of employment. Credited service is measured in years and months for non-union employees and measured in hours of service for union employees.

Compensation means regular remuneration plus commissions and, effective December 31, 1993, incentive pay payable under defined incentive pay programs including any pre-tax elective deferrals under the savings plans.

Average pre-1990 Compensation means the average annual compensation of an employee during the last sixty consecutive months before January 1, 1990, with compensation defined as of that date.

Average pre-1994 Compensation means the average annual compensation of an employee during the last sixty consecutive months before January 1, 1994.

Average Final Compensation means the average annual compensation of an employee, during the 60 consecutive months out of the last 120 months in which he was actually working, but no later than December 31, 1999, affording the highest such average.

Commencement Date means the date at which a provision of the Plan becomes effective with respect to a specific group of employees.

New Covered Compensation means the average of the taxable wage bases in effect under Title II of the Federal Social Security Act for each year during the 35-year period ending with the year the employee attains Social Security Retirement Age (or the year before Social Security Retirement Age if before 1995), assuming no increase in the taxable wage base after the calendar year of his termination of employment or retirement date.

Covered Compensation means the average of the taxable wage bases in effect under Title II of the Federal Social Security Act prior to the 1977 amendments for each year with respect to which benefits would be calculated for a male employee attaining age 65 assuming no increase in the taxable wage base after the calendar year of his termination of employment or retirement date.

Social Security Integration Level means, based on the calendar year of retirement or termination, the average of the taxable wage bases under Title II of the Federal Social Security Act for an employee attaining Social Security Retirement Age in that calendar year.

United Transferred Employee means an employee who transferred from United Telecom to US Sprint Communications Company after June 30, 1986 and prior to January 1, 1990.

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SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

GTE Transferred Employee means an employee who transferred from GTE Corporation to US Sprint Communications Company after June 30, 1986 and prior to January 1, 1990.

Former Centel Non-Union Employee means an employee who was a member of the Centel Retirement Pension Plan prior to January 1, 1994 who was not covered by a collective bargaining agreement.

Former Centel Union Employee means an employee who was a member of a collective bargaining unit as described in the Centel Union Plan.

Centel Career Average Compensation means average monthly compensation for the period beginning January 1, 1985 and ending on December 31, 1993.

Centel Average Final Compensation means average monthly compensation during the 60 consecutive months in which the employee received the greatest amount of Compensation during the 180-month period ending December 31, 1989.

Normal Retirement Benefit

Normal Retirement Date: The later of (a) the first of the month coinciding with or following the member attaining age 65, (b) his completion of five years of continuous service or, if earlier, the fifth anniversary of the time he became a member, provided he is employed by the company at that time.

Benefit Formula: Union benefits are applicable under certain collectively bargained agreements to members represented by such agreements; otherwise, non-union benefits are applicable. The Plan specifies procedures to follow in determining the applicable benefit for members who transfer from one status to another.

Amount of Non-Union Benefit: A member's annual normal retirement allowance is equal to the greater of (a) or (b) as follows:

- (a) (i) the sum of 1.5% times compensation for each year of credited service after December 31, 1989, plus
 - (ii) the product of
 - (1) 1.5% of the member's average pre-1990 compensation, and
 - (2) credited service through December 31, 1989.
- (b) (i) the sum of 1.5% times compensation for each year of credited service after December 31, 1993, plus
 - (ii) the product of
 - (1) 1.5% of the member's average pre-1994 compensation, and

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(2) credited service through December 31, 1993.

The accrued Non-Union Benefit is frozen as of December 31, 2010.

Amount of Union Benefit: A member's annual normal retirement allowance is equal to the applicable monthly benefit unit per year of service for a member age 65 multiplied by his credited service multiplied by 12. The monthly benefit unit, specified in the collective bargaining agreement, varies by wage schedule.

Normal Form of Benefit

If the member is not married on his date of retirement, the benefit is payable for life, with no benefit payable upon his death.

If the member is married on his date of retirement, the normal form of benefit is an actuarially reduced benefit payable for his life, with the provision that after his death an allowance at one-half the rate of his reduced allowance will be continued during the life of and paid to his spouse if she survives him. The reduced allowance is determined in such a way that the total benefit is of equivalent value to the annuity described above for an unmarried member.

If the value of the equivalent actuarial benefit is less than \$1,000, the plan will make a single lump sum payment.

Early Retirement Benefit

Eligibility: Any member who has reached age 55 may retire on an early retirement allowance provided he has completed ten years of continuous service.

Benefit: Amount of Non-Union Benefit – A member's annual early retirement allowance is equal to the greater of (a) or (b) as follows:

- (a) (i) the sum of 1.5% times compensation for each year of credited service after December 31, 1989, plus
- (ii) the product of
 - (1) 1.5% of the member's average pre-1990 compensation, and
 - (2) credited service through December 31, 1989.
- (b) (i) the sum of 1.5% times compensation for each year of credited service after December 31, 1993, plus
- (ii) the product of
 - (1) 1.5% of the member's average pre-1994 compensation, and

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(2) credited service through December 31, 1993.

The accrued Non-Union Benefit is frozen as of December 31, 2010.

Such benefit is reduced by 5/12 of 1% for each month by which his retirement date precedes his normal retirement date. For calendar years from 1986 to 2000, a table of enhanced early retirement reduction factors applies to employees retiring at or after age 60.

Amount of Union Benefit: A member's annual early retirement allowance is equal to the applicable monthly benefit per year of service, based on his age at retirement, multiplied by his credited service multiplied by 12. The applicable monthly benefit unit per year of service includes a reduction for early commencement.

Special Early Retirement Benefit

Eligibility: Any member whose age last birthday and credited service total 75 may retire on a special early retirement allowance provided:

- i. his continuous service is broken by reason of a permanent shutdown of a plant, site, installation or department thereof, or
- ii. he is unfit mentally or physically to perform his duties in a satisfactory manner, or
- iii. his job no longer exists due to any cause and he is not offered other employment by the Company.

Benefit: Amount of Non-Union Benefit – The annual special early retirement allowance is equal to the early retirement non-union allowance prior to reduction for early payment reduced by 5/24 of 1% for each month by which the retirement date precedes the normal retirement date. The minimum special early retirement allowance is equal to the minimum early retirement allowance.

Amount of Union Benefit: The annual special early retirement allowance is equal to the applicable monthly benefit unit per year of service for a member age 65 on the date of retirement multiplied by his credited service multiplied by 12, reduced by 5/24 of 1% for each month by which the retirement date precedes his normal retirement date.

Disability Retirement Benefit

Eligibility: A member who has completed ten years of continuous service, who qualifies for a Social Security disability benefit and who is found to be totally and permanently disabled may be retired on a disability retirement allowance.

Benefit: Amount of Non-Union Benefit – The annual disability retirement allowance payable upon retirement at the disability retirement date is equal to the annual early retirement non-union allowance prior to reduction for early payment.

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Amount of Union Benefit: The annual disability retirement allowance payable upon retirement at the disability retirement date is equal to the annual normal retirement union allowance determined as if the member were age 65 on his termination of employment.

Vested Benefits Upon Termination of Service

Vesting: Five years of continuous service.

Termination of Benefit: Amount of Non-Union Benefit – A member's deferred vested retirement allowance equals the greater of (a) or (b) as follows:

- (a) (i) the sum of 1.5% times compensation for each year of credited service after December 31, 1989, plus
- (ii) the product of
 - (1) 1.5% of the member's average pre-1990 compensation as of December 31, 1989, and
 - (2) credited service through December 31, 1989.
- (b) (i) the sum of 1.5% times compensation for each year of credited service after December 31, 1993, plus
- (ii) the product of
 - (1) 1.5% of the member's average pre-1994 compensation, and
 - (2) credited service through December 31, 1993.

The accrued Non-Union Benefit is frozen as of December 31, 2010.

A member who terminates before his 55th birthday with ten years of continuous service may elect to receive a deferred vested retirement allowance upon attaining age 55 of equivalent actuarial value to the benefit described above.

Amount of Union Benefit: The annual deferred vested retirement allowance commencing at age 65 is equal to the applicable monthly benefit unit per year of service for a member age 65 on the date of retirement multiplied by 12. A member who terminates before his 55th birthday with ten years of continuous service may elect to receive a deferred vested retirement allowance upon attaining age 55 of equivalent actuarial value to the benefit described above.

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Death Benefits

Eligibility: The surviving spouse of a member who dies after January 1, 1985 will be entitled to a benefit under the following conditions:

- a. The member and his spouse had been married for at least a year at the date of death; and
- b. The member was an active employee and had at least five years of continuous service at his date of death, or the member was a terminated vested member.

Benefit: Amount of Non-Union Benefit – In the event of an active member's death before retirement, the spouse's allowance is equal to the benefit which the spouse would have been paid had the member retired on an early retirement non-union allowance with the 50% joint and survivor form of benefit on the first day of the month preceding his date of death. If the active member had not yet attained age 55, the reductions for early commencement and joint and survivor form of payment shall be those which would have applied at age 55.

In the event of a terminated vested employee's death before commencement of benefits, the spouse's allowance, payable at the date the employee would have been age 55 or the date of death if later, is equal to 50% of the 50% joint and survivor deferred vested benefit with actuarial reduction for early commencement and the joint and survivor form of payment based on the date payments commence.

Amount of Union Benefit: In the event of the active member's death before commencement of benefits, the spouse's allowance is equal to the benefit which would have been payable had the member retired on an early retirement union allowance with the 50% joint and survivor form of benefit on the first day of the month preceding his date of death. If the active member had not yet attained age 55, the monthly benefit unit per year of service and the joint and survivor factor shall be those which would have applied at age 55.

In the event of a terminated vested employee's death, before commencement of benefits, the spouse's allowance, payable at the date the employee would have been age 55 or the date of death if later, is equal to 50% of the 50% joint and survivor deferred vested benefit with actuarial reduction for early commencement and the joint and survivor form of payment based on the date payments commence.

Minimum Benefits From Predecessor Plans (United, US Sprint, GTE, and Centel) for Certain Active Members

United Plan Member or United Transferred Employee on December 31, 1989: The minimum benefit for a non-union member equals:

- (i) 1.2% of his average final compensation multiplied by his credited service prior to January 1, 2000, plus
- (ii) 35% of his average final compensation in excess of new covered compensation, multiplied by credited service prior to January 1, 2000, or if a member prior to January 1, 1987, and if greater, .25% of his average final compensation in excess of covered compensation multiplied by the lesser of the number of years of credited service he would have had at normal retirement (if he terminated

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prior to normal retirement) or 15, further multiplied by the ratio of his credited service prior to January 1, 2000 to the number of years of credited service he would have had at normal retirement.

Reductions for early commencement and forms of benefits other than life only are the same as indicated above. An additional minimum applies if a member is age 60 or over, and eligible for early or special early retirement. This minimum benefit is equal to 1% of the member's average final compensation multiplied by his credited service prior to January 1, 2000.

This benefit calculation is frozen as of December 31, 1999.

US Sprint Communications Company Pension Plan Member on December 31, 1989

The minimum benefit equals the accrued benefit under the US Sprint Plan as of December 31, 1989. Reductions for early commencement and forms of benefit other than life are based on the factors in the US Sprint Plan and the age at benefit commencement.

GTE Transferred Employee on December 31, 1989

The GTE minimum benefit equals the greater of (i) or (ii) as follows:

- (i) 1.35% times average final compensation prior to July 1, 1996 times credited service prior to July 1, 1996, or
- (ii) credited service prior to July 1, 1996 multiplied by the sum of (1) and (2):
 - (1) 1.15% times average final compensation prior to July 1, 1996 and below the Social Security Integration Level plus,
 - (2) 1.45% times such average final compensation above the Social Security Integration Level.

Reductions for early commencement are based on the following schedule if the member's age and service equal at least 76 (provided the member has at least 15 years of credited service):

Age	Reduction
49 or younger	18%
50 – 54	1/4% per month from age 55
55 or older	0%

Reductions for alternate forms of benefits are based on the factors in the US Sprint Communications Company Pension Plan.

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Former Centel Non-Union Employee

The Centel minimum benefit equals the sum of (i) and (ii) as follows:

- (i) 1.7% times Centel Career Average Compensation times credited service on or after January 1, 1985 and prior to January 1, 1994.
- (ii) the sum of (1) and (2) as follows:
 - (1) 1.125% times the portion of Centel Average Final Compensation that is not in excess of \$750, all multiplied by credited service as of December 31, 1984.
 - (2) 1.5% times the portion of Centel Average Final Compensation that exceeds \$750, all multiplied by credited service as of December 31, 1984.

Certain employees will be eligible for additional minimum benefits due to service as an IBEW Business Manager, service with the Centel Telephone Company of Ohio, or participation in prior Centel plans.

For employees retiring at age 55 or later, these benefits are unreduced for commencement at ages 60 and later and reduced by .3% for each month by which benefit commencement precedes age 60.

Former Centel Union Employee

The Centel minimum benefit equals credited service times the dollar amount for the applicable pension band under the Centel Union Plan.

Certain employees will be eligible for additional minimum benefits due to service as an IBEW Business Manager or participation in prior Centel plans.

Benefits commencing before age 65 will be reduced by 5/12% for each month by which benefit commencement precedes age 65. However, for employees with 30 or more years of service, benefits are unreduced for commencement at ages 60 and later.

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Effective January 1, 2000, certain Centel unions have frozen the benefits, which are payable unreduced upon retirement for employees with 30 or more years of service and age 60 and older. Shown below are the affected unions and the date as of which the benefit level for unreduced retirement is frozen.

Union	Freeze Date
CWA 2277	May 16, 1999
CWA 3672	May 26, 1999
IBEW 1181	March 16, 1997
IBEW 1537	February 11, 2000
CWA 6174	September 30, 1998
CWA 1496 (Commercial)	March 28, 2003
CWA 1496 (Plant)	March 1, 1997 (new employees)

Maximum Benefits

The maximum pension is subject to the conditions of IRC Section 415, payable as a qualified joint and survivor benefit in the case of retirement at the social security retirement age. It is actuarially increased if retirement occurs later and actuarially reduced if retirement occurs earlier. Additional limitations apply if the member has less than ten years of participation and if contributions were made under any defined contribution plan in which the member participates.

Optional Forms

A member may elect to convert his benefit, at least 90 days prior to the due date of the first payment of his retirement allowance, into any one of several benefits of equivalent actuarial value to the benefit payable to an unmarried member.

Appendix Amendments

The benefits of several predecessor plans are provided under appendix amendments. These benefits are restricted to members who were covered under the predecessor plans.

Assets and liabilities associated with the former Wintel Group, Quincy Telephone Company, United Business Communications, Inc., Unitel, Calma Company, Information Systems of America, Uniwatch, Inc., United Computing International, Inc., United Communications Systems, Inc. and United Transmission, Inc. are included with those for United Telecommunications, Inc. In each case, liabilities are limited to the frozen Plan benefits accrued at the time each company ceased to participate in the Plan. Such frozen benefits have been estimated in certain cases.

The valuation reflects minimum benefits for employees of Carolina Telegraph and Telephone Company as of July 1, 1975 as guaranteed under Appendix P and for employees of Florida Telephone Corporation as of March 1, 1974 as guaranteed under Appendix W and minimum benefits for employees who have Winter Park or On-Line account balances under Appendix Z or BB. The accrued Non-Union Benefits under all Appendices are frozen as of December 31, 2010.

Plan Name: Embarq Retirement Pension Plan
EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Cost-of-Living Adjustment on April 1, 1994

Retirement allowances for all members who retired on or before December 31, 1992 were increased effective April 1, 1994, by the greater of (a) or (b):

- (a) The product of
 - (i) 2.1% of monthly benefit, and
 - (ii) the aggregate number of years (or part thereof) from July 1, 1986 through December 31, 1992 during which the member was receiving benefits.
- (b) \$10 per month.

Plan Participant's Contributions

None. All contributions required to support the Plan are made by the Company.

Plan Name: Embarq Retirement Pension Plan
EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Participants of the Former Madison River Communications Corp. Employees' Retirement Plan

Coverage and Participation

Each Employee becomes a Participant on the Plan Entry Date on or next following the later of attainment of age 21 years and completion of a Qualifying Year of Service. On or after the Benefit Accrual Freeze date only those employees covered under a collective bargaining agreement may meet the eligibility requirements for participants. Participation in the plan is frozen as of February 28, 2003.

Benefit Accrual Freeze

Benefit accruals were frozen effective February 28, 2003 for all participants except those covered by a Collective Bargaining agreement. Benefit accruals for the participants covered by Collective Bargaining agreements were frozen December 31, 2005 for the Pekin and Galesburg locations and January 31, 2006 for the Dixon location. No service or compensation after the freeze date is included in the calculation of a participant's benefit.

Benefit Service

Madison River Communications Corp.

Prior to January 1, 1976, benefit service includes all of an Employee's full calendar years of continuous employment on January 1, 1976. On and after January 1, 1976, one Year of Benefit Service is earned upon the completion of one thousand (1,000) or more Hours of Service. For those Employees of the Gallatin River division, Service for both the Collective Bargaining and Non-Bargaining units prior of November 1, 1998 will not be included for benefit accrual purposes, but will be included for eligibility and vesting.

Coastal Utilities, Inc.

All Plan Years with 1,000 or more Hours of Service.

Vesting Service

- All participants shall be vested under the 5-year cliff vesting rules.
- All participants shall be 100% vested upon attainment of their Normal Retirement Date.
- All participants shall be 100% vested upon attainment of their Disability Retirement Date.

Plan Name: Embarq Retirement Pension Plan
EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Career Average Compensation/Salary

Madison River Communications Corp.

Definition: Compensation is the total compensation received by the Participant for the prior calendar year, including any amount deferred under a qualified 401(k), 403(b), 125 plan, or any other qualified cash or deferred arrangement. Excluded are moving expenses, automobile allowances, taxable values of employer paid group term life insurance, and any other special forms of payment.

Averaging: The Career Average Compensation is the average of Participant's Compensation earned for each Year of Credited Service. For Service prior to January 1, 1998, the total Compensation for Plan Year Ending December 31, 1997 will be used. For service after January 1, 1998, the Compensation earned for each Plan Year will be used.

Coastal Utilities, Inc.

Definition: Compensation is the total compensation received by the Participant for the prior calendar year, including bonuses, overtime, commissions, and compensation for services on the basis of a percentage of profits, tips, and any amount deferred under a qualified 401(k), 403(b), 125 plan. Excluded are amounts for other fringe benefits, moving expenses, automobile allowances, taxable values of employer paid group term life insurance, and any other special forms of payment.

Averaging: Career average salary.

Normal Retirement Eligibility

Madison River Communications Corp.

The Normal Retirement Date for each Participant is the first of the month coincident with or next following the earlier of the attainment of age 65, but not earlier than the 5 year anniversary of Plan participation.

Coastal Utilities, Inc.

The Normal Retirement Date for each Participant is the first of the month coincident with or next following the attainment of age 65.

Plan Name: Embarq Retirement Pension Plan
EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Normal Retirement Benefit

Madison River Communications Corp.

The amount of Normal Retirement Benefit payable according to the Normal Annuity Form chosen is calculated as follows:

1.25% of Career Average Compensation multiplied by Years of Benefit Service (max 35 years).

For Gallatin River Employees involved in Collective Bargaining Agreement, the benefit is the Employees applicable Band classification multiplied by their Years of Benefit Service after January 1, 1999.

Effective January 1, 2001 and after:

Location-Dixon

Band 1 \$31.14

Band 2 \$48.23

Location-Pekin

Band 1 \$34.55

Band 2 \$50.16

Location-Galesburg

Band 1 \$36.47

Band 2 \$48.08

For Bargaining Unit Employees who move from a lower Band classification to a higher Band classification, the Employee must be in the higher classification for three (3) years before all of his/her Benefit Service can be counted at the higher level.

For Bargaining Unit Employees who move from a higher Band classification to a lower classification, the benefit will be the greater of (1) the benefit calculated by using all of the Benefit Service, multiplied by the pension band amount as of the Accrual Date or (2) the cumulative total of each separate period of Benefit Service spent in each different band, multiplied by the applicable band amounts. The dollar amount of the higher pension Band will remain frozen unless the Employee is again assigned to a higher pension Band.

Minimum Benefit

For Mebtel Communication Employees who were Participants in the Mebtel Communications Employees' Pension Plan as of December 31, 1997, each Participant is entitled to a minimum benefit under the prior Plan using Average Compensation from 1993 to 1997.

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EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Late Retirement

Eligibility is the first of the month on or next following the actual date the Participant terminates employment after Normal Retirement Date. The Benefit is based on service and final average compensation as of the actual retirement date or actuarial equivalent of Normal Retirement Benefit, if greater.

Coastal Utilities, Inc.

The amount of annual retirement benefit according to the Normal Form is calculated as follows:

1.35% of Final Average Compensation (FAC) multiplied by Years of Benefit Service as of December 31, 2000, plus 0.5 0% of such FAC in excess of the 2000 Covered Compensation multiplied by Years of Benefit Service (maximum 35) as of December 31, 2000, plus

1.25% of Career Average Compensation (CAC) multiplied by Years of Benefit Service as of December 31, 2000.

Final Average Compensation is high 5 consecutive calendar year average from date of employment to December 31, 2000. Career Average Compensation is average of all calendar years of compensation after December 31, 2000.

Covered compensation is the average of Social Security Taxable Wage Base for the 35-year period ending at the Participant's Social Security retirement age.

Accrued Benefits

The Monthly Accrued Benefit, with respect to the formula above, as of any date, is calculated using actual Benefit Service and Compensation as of the date of determination (not later than the freeze date).

Early Retirement Eligibility

Eligibility is contingent upon the attainment of age 55 and the completion of 10 Years of vesting service.

Plan Name: Embarq Retirement Pension Plan
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Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Early Retirement Benefit

A Participant may retire on the first day of any month following attainment of eligibility. The amount of the monthly Early Retirement Benefit is the Participant's Accrued Benefit reduced to reflect the early commencement of payments.

Madison River Communications Corp.

The reduction is one-one hundred eightieth (1/180) for each of the first sixty (60) months and one-three hundred sixtieth (1/360) for each of the next sixty (60) months by which the benefit commences prior to Normal Retirement Date.

Coastal Utilities, Inc.

The amount of the monthly early retirement benefit is the Participant's Accrued Benefit reduced to reflect the early commencement of payments. The reduction is one-one hundred eightieth (1/180) for each of the first sixty (60) months and one-three hundred sixtieth (1/360) for each of the next sixty (60) months by which the benefit commences prior to Normal Retirement Date.

Disability Retirement Eligibility

Madison River Communications Corp.

A Participant may retire on the first day of any month prior to Normal Retirement Date if he or she qualifies for any Employer sponsored disability benefits under an existing LTD Plan.

The Disability Benefit is determined as of the Disability Retirement Date. If the Participant is receiving a long-term disability benefit, Plan benefits will be deferred until the earlier of the Normal Retirement Date or when the long-term disability benefits terminate.

Coastal Utilities, Inc.

A Participant may retire on the first day of any month prior to Normal Retirement Date if he or she becomes unable to complete the job requirements due to physical or mental impairment and qualifies for total disability under the Federal Social Security Act. The condition must continue for six consecutive months.

Disability Retirement Benefit

Madison River Communications Corp.

Plan Name: Embarq Retirement Pension Plan
EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Accrued Benefit as of the Disability Retirement Date.

Vested Benefits upon Termination of Service

The vested benefit shall be the vested portion of the Accrued Benefit as of the date of determination.

Death Benefit

Madison River Communications Corp.

If an active or terminated Participant is vested at the date of death, the Surviving Spouse will receive, at what would have been the Participant's Earliest Retirement age, a benefit computed assuming the Participant had terminated on the date of death and had elected a 50% Joint and Survivor Option at the Earliest Retirement Age.

If a Participant has completed the requirements for Early or Normal Retirement and dies prior to actual retirement, the Surviving Spouse will receive a benefit computed assuming the Participant had retired on the first of the month on or next following the date of death and had elected a Joint and Survivor option with one-half of the initial amount continued to the Spouse as Contingent Annuitant.

Coastal Utilities. Inc.

If an active or terminated Participant is vested at the date of death, the Surviving Spouse will receive, at what would have been the Participant's Earliest Retirement Date, a benefit computed assuming the Participant had terminated on the date of death and had elected a 50% Joint and Survivor Option at the Earliest Retirement Age.

If a Participant has completed the requirements for Early or Normal Retirement and dies prior to actual retirement,, the Surviving Spouse will receive a benefit computed assuming the Participant had retired on the first of the month on or next following the date of death and had elected a Joint and Survivor option with one-half of the initial amount continued to the Spouse as Contingent Annuitant.

Prior to a Participant's Retirement Date, beneficiaries may receive a lump sum equal to 100 times the December 31, 2000 Accrued Benefit.

Optional Forms of Retirement Income in Lieu of Normal Form

Madison River Communications Corp.

A Participant may elect to receive the annuity under one of the following actuarially equivalent optional modes:

- A monthly benefit is paid to the Participant for life, with no further benefits after death.

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SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

- A reduced benefit is paid to the participant while the participant and the designed contingent annuitant are both living, with such benefit (50%, 75% or 100% of such benefit thereof) continued after death for the subsequent lifetime of the Surviving Spouse.
- A reduced benefit is paid to the Participant for life, with 120, 180 or 240 monthly payments guaranteed. If the Participant dies within the guarantee period, the payments continue to a beneficiary until 120, 180 or 240 have been paid.
- A lump sum payment of the Actuarial Equivalence of the Participant's retirement benefit, provided the amount does not exceed \$1,000.00. Mebtel Participants have certain special provisions.

The Normal Form of payment is Life Annuity. For Mebtel Employees, the Normal Form of payment is a Ten (10) Year Certain and Life Annuity. Unless the participant has elected an option above, it is automatically assumed that a married participant has elected a Joint and Last Survivor option with one-half of the initial amount continued to the spouse upon the participant's death.

Coastal Utilities, Inc.

Under the Normal Form of payment, a Participant's retirement annuity is payable monthly for life, without further payments after death. A Participant may elect to receive the annuity under one of the following actuarially equivalent optional modes:

- A monthly benefit is paid to the Participant for life, with no further benefits after death.
- A reduced benefit is paid to the participant while the participant and the designed contingent annuitant are both living, with such benefit (50%, 75% or 100% of such benefit thereof) continued after death of either party, payable for the subsequent lifetime of the survivor.
- A reduced benefit is paid to the Participant for life, with 120, 180 or 240 monthly payments guaranteed. If the Participant dies within the guarantee period, the payments continue to a beneficiary until 120, 180 or 240 have been paid.
- A lump sum payment of the Actuarial Equivalence of the Participant's Normal Retirement Benefit, provided the amount does not exceed \$1,000.00. Participants may receive a lump sum payment of the Actuarial Equivalence of the December 31, 2000 Actuarial Benefit without regard to any maximum limit.

The Normal Form of payment is Life Annuity. Unless the participant has elected an option above, it is automatically assumed that a married participant has elected a Joint and Last Survivor option with one-half of the initial amount continued to the surviving spouse as contingent annuitant.

Plan Participants' Contributions

Not applicable.

Plan Name: Embarq Retirement Pension Plan
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Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Changes in Plan Provisions since Last Actuarial Valuation

The valuation reflects increases (including prospective increases effective in 2014) in flat dollar benefit multipliers negotiated and ratified with bargaining units on or before December 21, 2013, as well as the increases in the maximum benefit and pensionable earnings limits.

Plan Name: Embarq Retirement Pension Plan
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Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

EMBARQ RETIREMENT PENSION PLAN
EIN: 72-0651161 PLAN NO: 001
FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2014

Identity of Issue, Borrower or Similar Party	Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Current Value
		(Dollars in thousands)
CenturyLink Defined Benefit Master Trust *	Investment in Master Trust	\$ —
		<hr/>
Total assets held for investment purposes		<hr/> \$ — <hr/>

* CenturyLink as Plan Sponsor is considered a party in interest.

See accompanying Independent Auditors' Report

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 – Schedule of Active Participant Data

Number and average plan compensation limited by IRC §401(a)(17) distributed by attained age and attained years of credited service¹

All monetary amounts shown in US Dollars

Attained Age	Attained Years of Credited Service ¹													
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	Total
Under 25	17	18	6	4	1	0	0	0	0	0	0	0	0	46
25-29	55	58	50	29	24	51	0	0	0	0	0	0	0	267
30-34	83	64	74	46	72	225	44	4	0	0	0	0	0	612
35-39	68	96	74	58	60	395	324	70	0	0	1	0	0	1,146
40-44	56	95	64	60	67	342	413	244	60	1	0	0	0	1,402
45-49	46	57	48	34	50	207	353	269	240	55	4	0	0	1,363
50-54	48	44	39	30	47	180	271	218	273	198	232	37	0	1,617
55-59	28	40	27	19	31	126	209	167	222	179	448	459	80	2,035
60-64	12	17	18	12	19	85	111	84	88	79	179	395	403	1,502
65-69	2	2	2	3	5	27	26	19	19	21	28	29	90	273
70 & over	2	0	0	0	0	3	0	6	1	0	4	7	10	33
Total	417	491	402	295	376	1,641	1,751	1,081	903	533	896	927	583	10,296
Average:	Age	50	Number of Participants:			Fully vested		9,072		Males		7,222		
	Service	18				Partially vested		0		Females		3,074		
Census data as of January 1, 2014														

¹ Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Embarq Retirement Pension Plan

EIN / PN: 20-2923630 / 001

Plan Sponsor: Embarq Corporation

Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Appendix A – Statement of actuarial assumptions and methods

Interest rate basis:

- | | |
|---|-----------------|
| ● Applicable month | September |
| ● Yield curve basis | 3-Segment Rates |
| ● MAP-21 applied for funding | Yes |
| ● MAP-21 applied for benefit restrictions | Yes |
| ● HATFA applied for funding | Yes |
| ● HATFA applied for benefit restrictions | Yes |

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
● First segment rate	4.99%	1.37%
● Second segment rate	6.32%	4.05%
● Third segment rate	6.99%	5.06%
● Effective interest rate	6.45%	4.31%

Lump Sum Conversion Rate

For funding purposes, the same 3-segment rates as defined above.

Plan Sponsor

EMBARQ Corporation

EIN/PN

20-2923630/001

Plan Name:	Embarq Retirement Pension Plan
EIN / PN:	20-2923630 / 001
Plan Sponsor:	Embarq Corporation
Valuation Date:	January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Assumed Cost of Living Adjustments

None.

Inclusion Date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Plan Related Expenses

Plan related expenses are derived by considering the expenses paid from the trust in the previous 2 years. Anticipated PBGC premiums for the current year are added to this amount. For this valuation, plan related expense are estimated to be \$15,000,000. No investment related expenses are included in this estimate.

Mortality

For all participants: The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

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SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), participants are assumed to retire at the later of age 65 and 5 years of service, with early retirement as follows:

Annual Rate of Early Retirement ¹				
Age	Union Participants		Non-Union Participants	
	Males	Females	Males	Females
55	2.00%	10.00%	5.00%	8.00%
56	2.00	11.00	5.00	8.00
57	2.50	12.00	5.00	8.00
58	3.00	13.00	5.00	8.00
59	4.00	15.00	7.00	10.00
60	5.00	15.00	10.00	10.00
61	10.00	20.00	12.50	15.00
62	25.00	30.00	20.00	20.00
63	27.50	40.00	30.00	30.00
64	30.00	30.00	30.00	30.00
65	35.00	50.00	35.00	35.00
66	35.00	35.00	35.00	35.00
67	35.00	35.00	35.00	35.00
68	35.00	35.00	35.00	35.00
69	35.00	35.00	35.00	35.00
70	100.00	100.00	100.00	100.00

¹ It is assumed that participants who retire are not eligible for the Special Early Retirement Allowance.

Plan Name: Embarq Retirement Pension Plan
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 Plan Sponsor: Embarq Corporation
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Disability Rates

The rates at which participants become disabled by age and gender are shown below:

Annual Rate of In-Service Disability		
Age	Males	Females
25	.03%	.05%
30	.03	.05
35	.03	.05
40	.05	.08
45	.10	.20
50	.19	.27
55	.33	.31
60	.59	.54
64	.80	.72

Disabled Mortality

Same as for healthy participants.

Compensation Increases

Not applicable.

Future Increases in Social Security

Not applicable.

Future Increases in Maximum Benefits and Plan Compensation Limitations

Not applicable.

Plan Name: Embarq Retirement Pension Plan
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Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Representative Termination Rates not Due to Disability, Retirement or Mortality

5-year Select Withdrawal Table

Select Year	Union		Non-Union	
	Males	Females	Males	Females
0	40.00%	40.00%	40.00%	40.00%
1	25.00	40.00	30.00	35.00
2	20.00	40.00	20.00	25.00
3	10.00	30.00	15.00	20.00
4	7.50	20.00	15.00	20.00

Ultimate Withdrawal Table

Age	Union		Non-Union	
	Males	Females	Males	Females
25	6.00%	20.00%	10.00%	20.00%
30	6.00	20.00	10.00	10.00
35	4.00	20.00	10.00	10.00
40	4.00	20.00	8.50	8.50
45	4.00	15.00	7.00	7.00
50	4.00	15.00	6.00	6.00
55	4.00	10.00	6.00	6.00
60	4.00	10.00	6.00	6.00
64	4.00	10.00	6.00	6.00

Form of Payment

Participants are assumed to elect the normal form. For participants eligible to receive a GTE or US Sprint benefit, it is assumed that 100% elect a lump sum. The interest rates for the actuarial equivalence conversion are the same as the rates used for calculating the target liabilities.

Marriage

For purposes of valuing the pre-retirement surviving spouse's benefit, 80% of eligible participants are assumed to be married and male spouses are assumed to be 3 years older than female spouses.

Employees

It was assumed there will be no new or rehired employees. The probability of plan shutdown or job elimination is assumed to be negligible. No non-represented employees will become new participants after December 31, 2010.

Plan Name: Embarq Retirement Pension Plan
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 Plan Sponsor: Embarq Corporation
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS, Part V – Summary of Plan Provisions

Plan Compensation

No remuneration after December 31, 2010 is considered in determining a non-represented participant's compensation.

Asset Method

Average of fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefit payments, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted receivable contributions (discounted using the effective interest rate for the prior plan year).

Participant Data

Employee data was supplied by CenturyLink as of the valuation date. Data on persons receiving benefits was supplied by CenturyLink. Data on other participants was supplied by CenturyLink.

Tax Policy

The actuarial valuation performed for the plan year ending December 31, 2014 is used to determine the maximum deductible contribution for the tax year ending December 31, 2014.

Benefits not Included in Valuation

None. Note that for the purpose of valuing the Special Early Retirement Benefits, the probability of permanent shutdown or job elimination without offer of other employment is assumed to be zero.

Unpredictable Contingent Event Benefits

As communicated by CenturyLink, it is assumed, as of the beginning of the plan year, that the probability of any significant corporate layoff or plant shutdowns was 0%.

PBGC Premium Funding Target

The Standard Premium Funding Target, elected in 2014, was determined using the interest rates from December 2013. All of the other assumptions are the same as described above.

Changes in Assumptions and Methods Since Last Actuarial Valuation

Other than the prescribed changes in interest rates and mortality, no changes have occurred.

Plan Name: Embarq Retirement Pension Plan
EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2014

	Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	01/01/2014	75,400,093	7	75,400,093	12,618,882
2	Shortfall	01/01/2013	(26,481,779)	6	(23,545,842)	(4,457,034)
3	Shortfall	01/01/2012	(386,523,708)	5	(298,279,738)	(65,602,557)
4	Shortfall	01/01/2011	252,080,228	4	154,441,516	41,474,616
5	Shortfall	01/01/2010	507,337,591	3	244,161,204	85,380,902
Total					152,177,233	69,414,809

Plan Name: Embarq Retirement Pension Plan
 EIN / PN: 20-2923630 / 001
 Plan Sponsor: Embarq Corporation
 Valuation Date: January 1, 2014

SCHEDULE SB ATTACHMENTS

Statement by Enrolled Actuary

Plan Sponsor	Embarq Corporation
EIN/PN	20-2923630/001
Plan Name	Embarq Retirement Pension Plan
Valuation Date	January 1, 2014
Enrolled Actuary	Ronald T. Cozzolino
Enrollment Number	14-06794

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

Note that the plan sponsor reflected the provisions from the Highway and Transportation Funding Act of 2014 (HATFA) for the 2013 plan year. Because the Funding Balance elections for the 2013 plan year exceeded the minimum required contributions, the plan sponsor elected to revoke the deemed forfeiture of \$758,190 as of January 1, 2014 after the 2013 Schedule SB was filed. Therefore, the amount shown on line 8 does not match the amount on line 35 of the 2013 Schedule SB.

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2014

See Appendix A for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

	Union	Non-Union	Total
Avg. Retirement Age	62.66	61.61	N / A
Counts	4,242	6,054	10,296
Weighted Retirement Age	N / A	N / A	62.04

Weighted Average Retirement Age: 62

Plan Name: Embarq Retirement Pension Plan
EIN / PN: 20-2923630 / 001
Plan Sponsor: Embarq Corporation
Valuation Date: January 1, 2014

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

► **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210 - 0110
1210 - 0089**2014****This Form is Open to
Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2014 or fiscal plan year beginning **01/01/2014** and ending **12/31/2014**

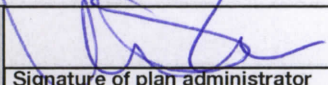
- A** This return/report is for: ☒ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the forms instr.); or ☒ a single-employer plan; ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report; ☒ 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 EMBARQ RETIREMENT PENSION PLAN	1b Three-digit plan number (PN) ► 001
	1c Effective date of plan 05/17/2006
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) EMBARQ CORPORATION CENTURYLINK - FINANCE DEPT. 2NE700 100 CENTURY LINK DR. P. O. BOX 4065 MONROE LA 71203	2b Employer Identification Number (EIN) 20-2923630 2c Plan Sponsor's telephone number (318) 388-9000 2d Business code (see instructions) 517000

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 	8/24/16	
Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		
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
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)		Preparer's telephone number (optional)

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

Form 5500 (2014)
v. 140124

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2014**This Form is Open to Public
Inspection**

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan EMBARQ RETIREMENT PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF EMBARQ CORPORATION	D Employer Identification Number (EIN) 20-2923630
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014			
2 Assets:			
a Market value.....	2a	3831916910	
b Actuarial value.....	2b	3777511114	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	23898	2603550001	2603550001
b For terminated vested participants.....	12952	413344869	413344869
c For active participants.....	10296	742438377	771658252
d Total.....	47146	3759333247	3788553122
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate.....	5	6.45%	
6 Target normal cost.....	6	27406986	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	RONALD T. COZZOLINO Signature of actuary	9/24/2015 Date
RONALD T. COZZOLINO Type or print name of actuary		1406794 Most recent enrollment number
TOWERS WATSON DELAWARE INC. Firm name		312-525-2500 Telephone number (including area code)
191 NORTH WACKER DRIVE CHICAGO IL 60606 Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2014
v. 140124

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.99%	2nd segment: 6.32%	3rd segment: 6.99%
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	27406986
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance Installment	
a Net shortfall amortization installment		152177233	69414809
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34	96821795
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement		96821795	96821795
36 Additional cash requirement (line 34 minus line 35)		36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	89966035
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	89966035
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected		☐ 2 plus 7 years ☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	
42 Amount of acceleration adjustment		42	
43 Excess installment acceleration amount to be carried over to future plan years		43	