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

2015

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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
- [X] 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. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
CENTURYLINK COMBINED PENSION PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1965

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)

CENTURYLINK, INC.

FINANCE DEPT. 2 NE700

100 CENTURYLINK DRIVE
P. O. BOX 4065
MONROE, LA 71203

2b Employer Identification Number (EIN)
72-0651161

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	Filed with authorized/valid electronic signature.	10/14/2016	LEANNA MCGEE
	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)

Preparer's telephone number

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**	122457
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	**6a(1)**	31829
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	28756
b	Retired or separated participants receiving benefits	**6b**	59998
c	Other retired or separated participants entitled to future benefits	**6c**	14021
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	102775
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	7444
f	Total. Add lines **6d** and **6e**.	**6f**	110219
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	171
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 1E 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) [X] Insurance
- (2) [ ] Code section 412(e)(3) insurance contracts
- (3) [X] Trust
- (4) [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- (1) [X] Insurance
- (2) [ ] Code section 412(e)(3) insurance contracts
- (3) [X] 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) [X] **R** (Retirement Plan Information)
- (2) [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) [X] **H** (Financial Information)
- (2) [ ] **I** (Financial Information – Small Plan)
- (3) [X] 4 **A** (Insurance Information)
- (4) [ ] **C** (Service Provider Information)
- (5) [X] **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 2015 Form M-1 annual report. If the plan was not required to file the 2015 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

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
CENTURYLINK COMBINED PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

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.

1 Coverage Information:

(a) Name of insurance carrier
PRINCIPAL 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
42-0127290	61271	330906	0	01/01/2015	12/31/2015

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	14282282
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.	6d	

Specify nature of costs ▶

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	13352419
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	534097		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)			
	▶				
	(6) Total additions			7c(6)	534097
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	13886516
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)			
	(2) Administration charge made by carrier	7e(2)			
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)			
	▶				
	(5) Total deductions			7e(5)	0
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	13886516

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. ▶

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

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
CENTURYLINK COMBINED PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

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.

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	75	01/01/2015	12/31/2015

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.	6d	

Specify nature of costs ▶

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	305053
c	Additions: (1) Contributions deposited during the year	7c(1)	38647		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	3700		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)	2047		
	▶ MARKET VALUE ADJUSTMENT				
	(6) Total additions			7c(6)	44394
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	349447
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	89696		
	(2) Administration charge made by carrier	7e(2)	4745		
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)			
	▶				
	(5) Total deductions			7e(5)	94441
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	255006

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. ▶

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

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
CENTURYLINK COMBINED PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

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.

1 Coverage Information:

(a) Name of insurance carrier
JOHN HANCOCK 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
04-1414660	65099	GAC 89 ASSN 0	36	01/01/2015	12/31/2015

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

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	(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**	170496
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.	**6d**	

Specify nature of costs ▶

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**	194577
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**	14481		
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below)	**7c(5)**	946		
	▶ REALIZED CAP G/L - UNREALIZED APP/D				
	(6) Total additions			**7c(6)**	15427
d	Total of balance and additions (add lines **7b** and **7c(6)**).			**7d**	210004
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**	5639		
	(2) Administration charge made by carrier	**7e(2)**	15227		
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below)	**7e(4)**	18643		
	▶ DIVIDEND				
	(5) Total deductions			**7e(5)**	39509
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	170495

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. ▶

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

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
CENTURYLINK COMBINED PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

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.

1 Coverage Information:

(a) Name of insurance carrier
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

(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
22-1211670	68241	030339	0	01/01/2015	12/31/2015

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**	242148555
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.	**6d**	

Specify nature of costs ▶

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**	
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below)	**7c(5)**			
	▶				
	(6) Total additions			**7c(6)**	0
d	Total of balance and additions (add lines **7b** and **7c(6)**).			**7d**	
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**			
	(2) Administration charge made by carrier	**7e(2)**			
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below)	**7e(4)**			
	▶				
	(5) Total deductions			**7e(5)**	0
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	

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. ▶

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department 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

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **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
CENTURYLINK COMBINED 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
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2015

2 Assets:

a Market value	**2a**	12638882724
b Actuarial value	**2b**	12293439404

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	67968	7840382664	7840382644
b For terminated vested participants	22660	767144975	767144975
c For active participants	31829	2532874543	2661041021
d Total	122457	11140402182	11268568640

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**	6.20%
6 Target normal cost	**6**	101607325

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

Signature of actuary

10/14/2016
Date

RONALD T. COZZOLINO
Type or print name of actuary

14-06794
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 [ ]

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)	9589924	310544722
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	109459933
9	Amount remaining (line 7 minus line 8)	9589924	201084789
10	Interest on line 9 using prior year's actual return of 11.47%	1111472	23111603
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		89966035
	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 6.52%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		10130176
	c Total available at beginning of current plan year to add to prefunding balance		100096211
	d Portion of (c) to be added to prefunding balance		100096211
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)	10701396	324292603

Part III Funding Percentages

14	Funding target attainment percentage	14	106.12 %
15	Adjusted funding target attainment percentage	15	109.09 %
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	95.23 %
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
09/13/2016	100000000				
			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	90279329

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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	(4) 4th

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.72 %	6.11 %	6.81 %	☐ 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**	101607325
b Excess assets, if applicable, but not greater than line 31a	**31b**	101607325

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment		
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**	

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			

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**	90279329

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	90279329
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**	
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**	

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2015

This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
CENTURYLINK COMBINED PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

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): CENTURYLINK INC

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)
84-0928963-014	M	11579769849

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)

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)

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	
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
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)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
CENTURYLINK COMBINED PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

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)	13213536203	11579769849
(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)	20900000	

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(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	13234436203	11579769849
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	679088238	479788181
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	679088238	479788181
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	12555347965	11099981668

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)	100000000	
(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)		100000000
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)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		
(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)	-301416224	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-301416224

		(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)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		244579598
(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		43163374
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1437637692	
(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)		1437637692
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	118952	
(4) Other	2i(4)	61912792	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		62031744
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1499669436
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-1456506062
l Transfers of assets:			
(1) To this plan	2l(1)		1139765
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] 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 [X] 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:		Yes	No	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X		

			Yes	No	N/A	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.)	4c		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.)	4d		X		
e	Was this plan covered by a fidelity bond?	4e	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?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j		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?	4k		X		
l	Has the plan failed to provide any benefit when due under the plan?	4l		X		
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X		
o	Did the plan trust incur unrelated business taxable income?	4o				
p	Were in-service distributions made during the plan year?	4p				

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)

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

6a Name of trust

6b Trust's EIN

6c Name of trustee or custodian

6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2015

This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan
CENTURYLINK COMBINED PENSION PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CENTURYLINK, INC.

D Employer Identification Number (EIN)
72-0651161

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** 10216

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 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**

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: 29.0% Investment-Grade Debt: 43.0% High-Yield Debt: 12.0% Real Estate: 6.0% Other: 10.0%

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):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A

22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

CENTURYLINK COMBINED PENSION PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

December 31, 2015 and 2014

(With Independent Auditors' Report Thereon)

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P&N Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
of CenturyLink Combined Pension Plan

We were engaged to audit the accompanying financial statements of the CenturyLink Combined Pension Plan, which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, 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 for 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 investments and related investment income, 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, 2015 and 2014, and for the years ended December 31, 2015 and 2014, 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.

30th Floor - Energy Centre • 1100 Poydras Street • New Orleans, LA 70163-3000 • Tel: 800.201.7332
One Galleria Blvd., Suite 2100 • Metairie, LA 70001 • Tel: 504.837.5990 • Fax: 504.834.3609

Other Matter – Supplemental Schedule

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2015, 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 & Netterville

New Orleans, Louisiana
September 30, 2016

CENTURYLINK COMBINED PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	As of December 31,	
	2015	2014
	(Dollars in thousands)	
Assets		
Investments, at fair value (Note 4):		
Plan's interest in CenturyLink, Inc. Defined Benefit Master Trust	$ 11,544,780	13,200,606
Total investments, at fair value	11,544,780	13,200,606
Net assets held in 401(h) account	12,669	12,896
Other assets	20	34
Total assets	11,557,469	13,213,536
Liabilities		
Securities lending obligation	479,262	678,426
Amounts related to obligation of 401(h) account	12,669	12,896
Total liabilities	491,931	691,322
Net assets available for benefits	$ 11,065,538	12,522,214

CENTURYLINK COMBINED PENSION PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years Ended December 31,	
	2015	2014
	(Dollars in thousands)	
Additions (reductions) to net assets attributed to:		
Investment income:		
Allocable share of Master Trust investment income (Note 4)	$ 267,234	13,211
Total investment income	267,234	13,211
Allocable share of Master Trust investment expense (Note 4)	(22,929)	(835)
Net investment income	244,305	12,376
Net (depreciation) appreciation in fair value of investments:		
Allocable share of Master Trust investment activities (Note 4)	(302,485)	29,929
Total net (depreciation) appreciation in fair value of investments	(302,485)	29,929
Company contribution	100,000	12,000
Plan merger of the Embarq Retirement Pension Plan and the Qwest Pension Plan (Note 1) and transfers in from other plans	1,140	12,115,045
Total additions, net	42,960	12,169,350
Deductions from net assets attributed to:		
Benefits paid to participants	1,437,638	43,145
Allocable share of Master Trust administrative expenses (Note 4)	85	55
Other plan administrative expenses	61,913	2,111
Total deductions	1,499,636	45,311
Net (decrease) increase	(1,456,676)	12,124,039
Net assets available for benefits:		
Beginning of year	12,522,214	398,175
End of year	$ 11,065,538	12,522,214

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

Note 1. Plan Description

Effective December 31, 2014, the Qwest Pension Plan and the Embarq Retirement Pension Plan were merged into the CenturyLink Retirement Plan. The CenturyLink Retirement Plan was renamed the CenturyLink Combined Pension Plan ("Combined Plan"). Each of the CenturyLink Retirement Plan, the Qwest Pension Plan and the Embarq Retirement Pension Plan are now components of the Combined Plan. An additional component for the Combined Plan was established for the participants of the former Madison River Retirement Plan, which was merged with the Embarq Retirement Pension Plan in 2013. The provisions of the Combined Plan that relate to the CenturyLink Retirement Plan, the Qwest Pension Plan and the Embarq Retirement Pension Plan (which included provision for the former Madison River Retirement Plan) are now referred to as the CenturyLink Retirement Component, the Qwest Pension Component, the Embarq Pension Component and the Madison River Retirement Component, respectively. This merger had no effect on the participants' pension benefits, eligibility or vesting requirements as substantially all of the plan provisions of the merged plans were incorporated into the Combined Plan. CenturyLink, Inc. (the "Company" or "CenturyLink") is the plan sponsor for the Combined Plan.

The Combined Plan is a qualified defined benefit pension plan under the Internal Revenue Code (the “Code”) and covers substantially all eligible employees of CenturyLink, Inc. and its subsidiaries. The Combined 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 Combined Plan is subject to review by various governmental agencies such as the Department of Labor ("DOL") and the Internal Revenue Service ("IRS").

The following description of the Combined Plan and the CenturyLink Retirement Component, the Qwest Pension Component, the Embarq Pension Component and the Madison River Retirement Component provides general information only. Participants should refer to the Combined Plan document and the component documents for a more complete description of the Combined Plan’s provisions and the specific provisions of each component.

Plan Amendments

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 Component, the Embarq Pension Component and the Madison River Retirement Component 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 was made available for a limited time to former terminated vested participants in the CenturyLink Retirement Component, the Embarq Pension Component and the Madison River Retirement Component. The lump sum option was offered to eligible employees effective between September 1, 2015 and October 30, 2015. During the fourth quarter of 2015, the Combined Plan made cash settlement payments of approximately $356 million from plan assets for the lump sum offer. The lump sum cash payments are included in benefit payments in the statement of changes in net assets available for benefits for the year ended December 31, 2015.

Funding Policy

The Company's funding policy for the Combined Plan is to make contributions with the objective of accumulating sufficient assets to pay all qualified pension benefits when due under the terms of the Combined Plan. Contributions to provide benefits under the Combined Plan are made solely by the Company. Prior to the plan merger, the respective plan sponsors were responsible for contributions to provide benefits under the prior CenturyLink Retirement Plan, the Qwest Pension Plan and the Embarq Retirement Pension Plan (which included the Madison River employees). 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 Combined Plan's actuary, using the Projected Unit Credit cost method, computes annual contributions for the CenturyLink Retirement Component, the Embarq Pension Component and the Madison River Retirement Component. Under this cost method, a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. The Combined Plan's actuary, using the Traditional Unit Credit cost method, computes annual contributions for the Qwest Pension Component. The Traditional Unit Credit cost method utilizes the funding target calculation, which is the present value of all benefits that have been accrued or earned under the Qwest Pension Component as of the first day of the plan year and utilizes the target normal cost, which is the present value of all benefits that are expected to accrue or be earned under the Qwest Pension Component during the plan year.

Contributions, if any, are paid to the trustee in cash, within 265 days following the close of the Company's fiscal year. Contributions will not exceed the maximum amount deductible for tax purposes. The Combined Plan has met the minimum funding requirements of ERISA for the year ended December 31, 2015. Prior to the plan merger, under the CenturyLink Retirement Plan, the Qwest Pension Plan and the Embarq Retirement Pension Plan (which included the Madison River employees), the respective plans met their minimum requirements of ERISA for the year ended December 31, 2014.

During 2015, the Company made a voluntary cash contribution of $100 million to the Combined Plan. During 2014, prior to the plan merger, the plan sponsor for the CenturyLink Retirement Plan made a cash contribution of $12 million and the plan sponsor for the Embarq Retirement Pension Plan (which included the Madison River employees) made a cash contribution of $145 million to their respective plans. The plan sponsor for the Qwest Pension Plan was not required to make a contribution to the plan for 2014, therefore no cash contributions were made in 2014.

Provisions of the CenturyLink Retirement Component

General, Eligibility and Vesting

The CenturyLink Retirement Component (the prior CenturyLink Retirement Plan), includes a health and welfare benefit in addition to normal retirement benefits (see below). The CenturyLink Retirement Component covers all eligible employees of CenturyLink, Inc. and its subsidiaries, except those employees who are covered by the Qwest Pension Component, the Embarq Pension Component or the Madison River Retirement Component or by collective bargaining agreements which do not provide for their participation in the CenturyLink Retirement Component. Ineligible employees include employees who are employed by subsidiaries which do not participate in the CenturyLink Retirement Component, employees who have not completed the requisite service requirements and certain employees who are newly hired or rehired after the dates specified in the relevant provisions of the Combined Plan. Effective December 31, 2010, the CenturyLink Retirement Plan (incorporated into the CenturyLink Retirement Component) was amended to freeze all accrued benefits for non-bargaining participants covered under that Component. There was no effect on the continued years of vesting service related to benefits under the current CenturyLink Retirement Component. The CenturyLink Retirement Plan (incorporated into the CenturyLink Retirement Component) was frozen for purposes of eligibility and participation meaning that it will not accept any new non-bargaining participants that begin their employment with CenturyLink after December 31, 2010. Certain bargaining employees who are covered under collective bargaining agreements continue to be eligible to accrue benefits in accordance with the terms of the applicable collective bargaining agreement, but as set forth in the applicable collective bargaining agreement, bargaining unit employees who are new hires or rehires in, or transfers to, certain local bargaining units are not eligible to participate in, or accrue benefits under, the current CenturyLink Retirement Component as of the date specified in the collective bargaining agreement. Notwithstanding the generally applicable freezing of participation and benefit accruals, certain grandfathered non-bargaining participants received a 4% increase to their frozen accrued benefit each year until the earlier of December 31, 2015 or the date of their initial termination of employment. For non-bargaining participants only, compensation earned prior to January 1, 2011 will be considered in determining their accrued benefit under the current CenturyLink Retirement Component.

Pension Benefits

The CenturyLink Retirement Component provides pension benefits for those participants that satisfy eligibility requirements under this component's terms. Benefits are entirely unvested until a participant completes five years of vesting service, attains age 65 or becomes disabled as defined under this component's terms, at which point the participant becomes 100% vested. The basic calculation of the retirement benefit depends on the participant's age, when the participant became vested, years of service, and pay credits. Benefits are payable in the form of a straight life annuity or alternate forms selected by the participant which are actuarially equivalent to a straight life annuity, including a lump sum.

Death and Disability Benefits

In addition to providing the retirement pension benefits described above, the CenturyLink Retirement Component provides survivor benefits to a participant's surviving spouse or other designated beneficiary upon the participant's death. Disability retirement benefits are provided to certain participants who become disabled while employed. The amount of these benefits is subject to the terms of the current CenturyLink Retirement Component, including the prior freeze amendment.

401(h) Account

As permitted by Section 401(h) of the Internal Revenue Code, the CenturyLink Retirement Component was amended January 1, 1989, to provide for the potential funding of retired, non-bargaining, non-key employees' medical benefits that are not paid from other sources. A separate account has been established and maintained in the CenturyLink Retirement Component for such benefits. The related obligations are not a component of this CenturyLink Retirement Component's obligations but are in the financial statements of the separate health and welfare plan maintained by the Company. Assets in the separate 401(h) account cannot be used to fund pension benefits of the Combined Plan. Likewise, the Combined Plan's assets cannot be used to fund postretirement medical benefits of the health and welfare plan.

Eligible retirees who have commenced receiving pension benefits under the CenturyLink Retirement Component may be eligible for funding of medical benefits pursuant to this provision. However, the provisions of the retiree health and welfare plan can further limit retiree benefits by specifying additional eligibility requirements. The Company made no contributions to the 401(h) account for medical benefits during 2015 or 2014.

There were no benefit payments made from the 401(h) account during 2015 or 2014 for medical benefits. The aggregate amount of future contributions to fund these benefits shall not exceed 25% of total actual contributions to the CenturyLink Retirement Component, exclusive of any contributions to fund past service cost. Such limitation is measured from January 1, 1989.

Provisions of the Qwest Pension Component

General

The Qwest Pension Plan (incorporated into the Qwest Pension Component), covers all eligible employees of Qwest Communications International, Inc. and its subsidiaries ("Qwest"), was amended effective January 1, 2010, whereby the Qwest Pension Plan no longer provides pension benefit accruals for active management employees, and no new management employees hired after January 1, 2009 are eligible to participate on or after January 1, 2010. This amendment froze final average compensation calculations under the Old Management Formula ("OMF") and Defined Lump Sum ("DLS") formulas. In addition, the current Qwest Pension Component no longer includes service after December 31, 2009 in the calculation under the OMF, percentage credits under the DLS formula, nor compensation credits under the Account Balance Formula ("ABF"). Active management employees who participate in the current Qwest Pension Component retain their accrued pension benefit earned as of December 31, 2009, and employees under the ABF will continue to earn interest credits on their benefit after December 31, 2009. Employees are eligible to receive their vested accrued benefit when they leave Qwest.

The Qwest Pension Plan (incorporated into the Qwest Pension Component) was amended effective March 1, 2010, whereby the Qwest Pension Plan eliminated a death benefit for beneficiaries of certain retirees who retired prior to January 1, 2004 and whose deaths occur after February 28, 2010. The effect of this amendment was reflected in the actuarial present value of accumulated benefits in the December 31, 2009 valuation.

Eligibility and Vesting

All employees of Qwest are eligible to participate upon meeting the eligibility requirements defined by the current Qwest Pension Component, except (i) nonresident aliens employed outside of the United States, (ii) temporary employees of non-U.S. subsidiaries who work within the U.S. for finite periods, (iii) persons hired on or after January 1, 2007 to work on U.S. government contracts as defined in the current Qwest Pension Component documents and (iv) new management employees hired after January 1, 2009, as explained above.

Eligible employees become participants upon completing one year of service. For eligible employees hired before January 1, 2009, 100% vesting of eligible employee pension benefits occurred upon completing five years of service, except for the management participants in the ABF, as defined in the current Qwest Pension Component documents, who are immediately vested. For eligible occupational and bargaining employees hired on or after January 1, 2009, 100% vesting of pension benefits occurs upon completing three years of service.

Pension Benefits

The Qwest Pension Component provides benefits to participants under five separate formulas which are (i) the pension band or pension factor formula for occupational employees, (ii) the ABF for occupational employees, (iii) the OMF for management employees, (iv) the DLS formula for management employees and (v) the ABF for management employees. Vested participants, upon retirement or termination, may elect any form of annuity option available, a lump sum distribution, or a combination annuity/lump sum.

Occupational employees are defined by the current Qwest Pension Component as employees who are members of a collective bargaining unit represented by a union that has agreed to participation in this Qwest Pension Component on behalf of the bargaining unit and non-management non-salaried employees who are not covered by a collective bargaining agreement. The benefits provided under the terms of the current Qwest Pension Component document to occupational employees are subject to the collective bargaining agreements negotiated by the unions and the participating Qwest companies.

For occupational employees hired or rehired prior to January 1, 2009, pension benefits are based on either the pension band or pension factor formula. The pension band formula uses a flat dollar amount per year of service in which each job title has been assigned a dollar amount (pension band). The pension factor formula, which covers occupational sales employees, uses a factor based on final average compensation times years of service. All occupational employees hired or rehired on or after January 1, 2009, upon meeting certain requirements, earn a pension under the ABF, which provides an annual compensation credit equal to 3% of eligible compensation plus an annual interest credit.

Management employees are defined by the current Qwest Pension Component as employees who are classified as management salaried. In addition, under the current Qwest Pension Component, the term “management employee” includes an employee who is represented by a union for collective bargaining purposes, but for whom it has been agreed that such employee is eligible for management employee benefits determined under the ABF for management employees. Effective January 1, 2010, occupational employees who met the eligibility criteria for determining benefit accruals under the ABF for management employees moved to the ABF for occupational employees prospectively.

For management employees, the OMF is based on final average compensation and years of service; the DLS formula is based on final average compensation and age-related service credits, and the ABF is based on an annual compensation credit equal to 3% of eligible compensation plus an annual interest credit. Participants who earned their pension under the OMF and DLS formulas were management participants who had completed 20 years of service by December 31, 2000 or who were service pension eligible by December 31, 2003. Employees who did not meet these requirements accrued a pension under the OMF and DLS formulas until December 31, 2000, or earlier based on the Qwest Pension Plan's provisions (incorporated into the Qwest Pension Component), and then commenced accruing a pension under the ABF beginning on January 1, 2001. The ABF covers management participants hired after December 31, 2000 and management employees who did not have 20 years of service by December 31, 2000 or who did not become service pension eligible by December 31, 2003.

In addition to the benefits described above, the Qwest Pension Component provides survivor and disability benefits to certain participants.

For certain occupational and management participants described above, the Qwest Pension Component provides a service pension, which provides an unreduced annuity for participants at age 55 or at any age for occupational participants with 30 or more years of service. The service pension for management participants with 30 or more years of service is reduced 3% per year when payments begin prior to age 55 or 6% per year for participants with less than 30 years of service. Service pensions for occupational employees with less than 30 years of service are reduced by 6% per year when payments commence prior to age 55. The Qwest Pension Component also offers an enhanced lump sum distribution in lieu of a service pension.

Provisions of the Embarq Pension Component

General

The Embarq Pension Component (the prior Embarq Retirement Pension Plan), covers all eligible employees of Embarq Corporation and its subsidiaries ("Embarq").

Eligibility and Vesting

For the majority of Embarq's employees, subject to the terms of the Embarq Retirement Pension Plan's (incorporated into the Embarq Pension Component) freeze on December 31, 2010. Full-time active employees become eligible to participate in the current Embarq Pension Component when they complete one year of continuous service under the terms of the current Embarq Pension Component. 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 current Embarq Pension Component on their first day of work. Non-represented employees hired after December 31, 2010, are not eligible to participate in the Embarq Pension Component. The Embarq Pension Component 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.

Participants become vested in their retirement benefit when they complete five years of continuous service under the current Embarq Pension Component 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 current Embarq Pension Component 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 current Embarq Pension Component 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 current Embarq Pension Component, benefits and increases, if any, are typically negotiated as part of a new collective bargaining agreement. Any changes in negotiated benefit rates are considered component amendments.

The Embarq Pension Component provides for normal, early retirement, special early retirement, disability retirement, and deferred vested retirement, upon meeting certain conditions. The Embarq Pension Component benefits may be paid in the form of a straight life annuity or alternate forms selected by the participant, including lump sums, which are actuarially equivalent to a straight life annuity.

Multiple amendments have been made to the current Embarq Pension Component. 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 Embarq Pension Component formula and compared to the preserved benefit.

Freezing of Pension Plan

Effective December 31, 2010, Embarq amended the Embarq Pension Plan (incorporated into the Embarq Pension Component) 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 current Embarq Pension Component does not accept any new non-represented participants who begin their employment with Embarq after December 31, 2010. The current Embarq Pension Component 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, 2015, all unions have agreed to freeze participation in the Embarq Pension Component for newly hired, rehired or transferred employees. Existing retired or terminated vested participants were not affected.

Provisions for the Madison River Retirement Component

General

The Madison River Retirement Component covers all eligible employees of Madison River Telephone Company, LLC ("Madison River").

Eligibility and Vesting

An employee who was a participant in the current Madison River Retirement Component as it existed on December 31, 2001, or on the adoption date of the current Madison River Retirement Component if later, shall continue to participate in the Amended and Restated Plan. An employee who as of January 1, 2001, or the adoption date of the current Madison River Retirement Component if later, was not yet a participant shall become a participant on January 1, 2001, or any subsequent plan entry date coincident with/or next following the later of the completion of a qualifying years of service of the attainment of age 21.

Participants become vested in their retirement benefit when they complete five years of continuous service under the current Madison River Retirement Component or upon attaining age 65.

Pension Benefits

The Madison River Retirement Component 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 age, or upon the participant becoming totally and permanently disabled as defined by the Madison River Retirement Component. 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 Madison River Retirement Component also has provisions for disability and death benefits. Participation for new hires and benefit accruals were frozen in prior years with the final union negotiating these changes effective January 31, 2006.

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.

Management of the Combined Plan ("Plan management") has evaluated subsequent events through September 30, 2016, 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 accounting principles generally accepted in the United States ("U.S. GAAP" or "GAAP") requires Plan management to make estimates, judgments 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

The Combined Plan expenses are generally paid by the Combined Plan or paid by the Master Trust and allocated to the Combined Plan with the exception of certain expenses incurred by the Company, such as Combined Plan design and corporate functions, which are paid for by the Company. Direct expenses paid by the Combined Plan or paid by the Master Trust and allocated to the Combined 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.

Recent Accounting Pronouncements

In 2015, the Combined Plan adopted Accounting Standards Update (ASU) 2015-07 ("ASU 2015-07") and Accounting Standards Update 2015-12 ("ASU 2015-12"). ASU 2015-07 retrospectively changed the disclosure requirements for certain investments that are valued based upon the net asset value ("NAV") as a practical expedient. ASU 2015-07 was issued to eliminate diversity among entities on what level in the fair value hierarchy such investments were assigned. Under ASU 2015-07, investments valued using NAV as a practical expedient are no longer assigned to a level in the fair value hierarchy rather the value associated with the investments is disclosed in a reconciliation of the total investments measured at fair value. For the Combined Plan, ASU 2015-12 simplified certain aspects of employee benefit accounting by requiring disaggregation of fair value of investments by general type only (disaggregation by class is no longer required), eliminating the requirement for disclosure of net appreciation/depreciation in fair value by general type, and eliminating the requirement for disclosure of individual investments equal to or greater than 5% of net assets available for benefits.

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 ("FASB").

As discussed in Note 2, investments valued using NAV as a practical expedient are no longer assigned to a level in the fair value hierarchy, rather, the value associated with the investments is disclosed in a reconciliation of the total investments measured at fair value. For several of the investments discussed below, the Plan owns units in commingled funds and limited partnerships that invest in various types of assets. Interests in commingled funds are valued using the 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 fund shares outstanding. 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. The assumptions and valuation methodologies of the pricing vendors, account managers, fund managers and general partners are monitored and evaluated for reasonableness.

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 Combined 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, 2015 and 2014 are presented in Note 4—Interest 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. For the year ended December 31, 2014, the net investment income, gains and losses and expenses of the Master Trust were allocated among participating plans 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. Below is an overview of the asset categories, the underlying strategies and valuation inputs used to value the assets in the tables which follow:

(a) *Cash and short-term investments* represent 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 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.

(b) *Convertible bonds* primarily represent investments in corporate debt securities that have features that allow the debt to be converted into equity securities under certain circumstances. 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 primarily 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 investments using the same valuation inputs described above.

(c) *Derivatives* include exchange traded futures contracts which are classified as Level 1, as well as foreign exchange forward contracts and privately negotiated over-the-counter swaps and options that are valued based on the change in interest rates or a specific market index and are 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.

(d) *Diversified strategies* represent 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.

(e) *Emerging market bonds* represent 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. The registered mutual fund is classified as Level 1 while individual securities are primarily 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 emerging market bonds using the same valuation inputs described above.

(f) *Emerging market stocks* represent investments in commingled funds comprised of stocks of companies located in developing markets. These commingled funds are valued at NAV based on the market value of the underlying investments using the same valuation inputs described below in (k) Non-U.S. Stocks.

(g) *Hedge Funds. Market neutral hedge funds* hold 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.

(h) *High yield bonds* represent investments in below investment grade fixed income securities, 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 primarily classified as Level 2. Securities whose valuation inputs are not based on observable market information are classified as Level 3. The commingled funds and limited partnerships are valued at NAV based on the market value of the underlying high yield instruments using the same valuation inputs described above.

(i) *Investment grade bonds* represent investments in fixed income securities as well as commingled bond funds 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.

(j) *Multi-asset strategies* is a new category in 2015 and represents broadly diversified strategies that have the flexibility to tactically adjust exposures to different asset classes through time. This asset category includes investments in a registered mutual fund which is classified as Level 1 and a commingled fund which is valued at NAV based on the market value of the underlying investments.

(k) *Non-U.S. stocks* represent 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 primarily classified as Level 1, or as Level 3 for securities with no active market. The commingled funds are valued at NAV based on the market value of the underlying investments using the same valuation inputs described above.

(l) *Private debt* represents non-public investments in distressed or mezzanine debt funds. 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 at NAV 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.

(m) *Private equity* 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 are valued at NAV using 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.

(n) *Real estate* 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.

(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.

(p) *U.S. stocks* represent 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 primarily classified as Level 1, or as Level 3 for securities with no active market. The commingled funds are valued at NAV based on the market value of the underlying investments using the same valuation inputs described above.

The Combined Plan's interest in the net assets of the Master Trust was approximately 99.9% as of both December 31, 2015 and 2014. As discussed in Note 1—Plan Description, the Qwest Pension Plan and the Embarq Retirement Pension Plan were 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 $22 million and $21 million as of December 31, 2015 and 2014, respectively, 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, 2015:

	Fair Value of Master Trust Assets at December 31, 2015			
	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
Cash and short-term investments (a)	$ —	192,000	—	$ 192,000
Convertible Bonds (b)	—	1,774	15	1,789
Derivatives (c)	2,202	(6,014)	—	(3,812)
Emerging market bonds (e)	208,415	232,728	786	441,929
High yield bonds (h)	—	544,671	13,245	557,916
Investment grade bonds (i)	842,154	1,045,727	—	1,887,881
Multi-asset strategies (j)	376,455	—	—	376,455
Non-U.S. stocks (k)	1,127,760	504	7	1,128,271
Securities lending collateral (o)	—	479,788	—	479,788
U.S. stocks (p)	1,202,314	—	9	1,202,323
Total investments, excluding investments valued at NAV	3,759,300	2,491,178	14,062	6,264,540
Investments valued at NAV [(1)]				5,292,929
Total assets available for benefits held in Master Trust				11,557,469
Securities lending obligation (o)				(479,788)
Net assets available for benefits				$ 11,077,681

[(1)] These assets are measured using NAV as a practical expedient. In accordance with the guidance in ASU 2015-07, which has been early adopted by the Plan, these investments have not been classified in the fair value hierarchy table. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The Master Trust participates in a securities lending program whereby the Master Trust's lending agent lends stocks 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 one day's notice.

Securities loaned by the Master Trust totaled $465 million at December 31, 2015. 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 $46 million; $67 million; $26 million; $215 million, and $111 million, respectively. See Note 5—Securities Lending for additional information on the securities lending transactions.

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, 2014:

	Fair Value of Master Trust Assets at December 31, 2014			
	Level 1	Level 2	Level 3	Total
	(Dollars in thousands)			
Cash and short-term investments (a)	$ —	626,432	—	$ 626,432
Convertible Bonds (b)	—	4,187	—	4,187
Derivatives (c)	1,841	14,783	—	16,624
Emerging market bonds (e)	208,506	407,302	—	615,808
High yield bonds (h)	—	647,812	7,143	654,955
Investment grade bonds (i)	1,068,031	1,279,071	—	2,347,102
Non-U.S. stocks (k)	1,170,535	668	—	1,171,203
Securities lending collateral (o)	—	678,426	—	678,426
U.S. stocks (p)	1,390,463	1,489	—	1,391,952
Total investments, excluding investments valued at NAV	3,839,376	3,660,170	7,143	7,506,689
Investments valued at NAV [(1)]				5,706,185
Total assets available for benefits held in Master Trust				13,212,874
Securities lending obligation (o)				(678,426)
Net assets available for benefits				$ 12,534,448

[(1)] These assets are measured using NAV as a practical expedient. In accordance with the guidance in ASU 2015-07, which has been early adopted by the Plan, these investments have not been classified in the fair value hierarchy table. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

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 reflects the changes in net assets for the Master Trust for the years ended December 31, 2015 and 2014:

	Years Ended December 31,	
	2015	2014
	(Dollars in thousands)	
Changes in Master Trust Net Assets:		
Investment income:		
Dividends	$ 58,325	60,928
Interest	149,373	166,233
Other	59,811	136,022
Total investment income	267,509	363,183
Investment expense	(22,929)	(25,706)
Net investment income	244,580	337,477
Net (depreciation) appreciation in fair value of investments	(302,816)	1,019,544
Net transfers from the Master Trust	(1,398,411)	(1,182,454)
Administrative expenses	(120)	(1,606)
Net (decrease) increase	(1,456,767)	172,961
Net assets available for benefits:		
Beginning of year	12,534,448	12,361,487
End of year	$ 11,077,681	12,534,448

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, 2015 and 2014:

	Master Trust Assets Valued Using Level 3 Inputs					
	Convertible Bonds	**Emerging Market Bonds**	**High Yield Bonds**	**Non-US Stocks**	**US Stocks**	**Total**
	(Dollars in thousands)					
Balance at December 31, 2013	**$ —**	**—**	**—**	**—**	**—**	**$ —**
Net acquisitions	—	—	4,555	—	—	4,555
Actual return on plan assets:						
Realized gains relating to assets sold during the year	—	—	3,720	—	1,406	5,126
Unrealized (losses) gains relating to assets still held at year-end	—	—	(1,132)	—	(1,406)	(2,538)
Balance at December 31, 2014	**$ —**	**—**	**7,143**	**—**	**—**	**$ 7,143**
Net acquisitions	15	1,075	5,470	—	—	6,560
Actual return on plan assets:						
Realized gains relating to assets sold during the year	—	—	327	—	8	335
Unrealized (losses) gains relating to assets still held at year-end	—	(289)	305	7	1	24
Balance at December 31, 2015	**$ 15**	**786**	**13,245**	**7**	**9**	**$ 14,062**

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 table below presents a summary of the fair value, redemption frequency, and redemption notice period of commingled funds as of December 31, 2015:

Commingled Funds	Fair Value	Redemption Frequency	Redemption Notice Period	Redemption Restrictions as of December 31, 2015
	(Dollars in thousands)			
Cash and short-term investments (a)	$ 48,521	Daily	Same Day	None
Diversified strategies (d)	516,334	Monthly	5 Days	None
Emerging market bonds (e)	8,198	Daily	Same Day	None
Emerging market stocks (f)	63,689	Daily or Monthly	Same Day or 60 days	None
Directional hedge funds (g)	571,302	Daily, Quarterly, Semi Annual or Annual	Same Day, 60, 90 or 180 days	None
Market neutral hedge funds (g)	726,152	Monthly, Quarterly, or Semi Annual	5 or 90 days	None
High yield bonds (h)	487,749	Daily, Monthly or Quarterly	Same Day, 10 or 90 Days	None
Investment grade bonds (i)	115,568	Daily	Same Day	None
Multi-asset strategies (j)	386,468	Monthly	270 days	None
Non-U.S. stocks (k)	290,507	Daily	Same Day, 2 or 10	None
Real estate (n)	851,506	Quarterly or Semi Annual	45, 60 or 90 days	None
U.S. stocks (p)	70,048	Daily	Same Day	None
Total commingled funds	$ 4,136,042			

The table below presents a summary of the fair value, redemption frequency, and redemption notice period of commingled funds as of December 31, 2014:

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

(1) 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.

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 two 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, 2015:

Limited Partnerships	Fair Value	Redemption Frequency	Unfunded Commitments	Average Life of Distribution
	(Dollars in thousands)		(Dollars in thousands)	
Directional hedge funds (g)	$ 22,281	No redemption feature	None	Approximately 2 years
Market neutral hedge funds (g)	99,529	No redemption feature	None	Approximately 4 to 5 years
High yield bonds (h)	24,539	No redemption feature	None	Approximately 5 to 7 years
Private debt (l)	365,841	No redemption feature	233,444	Approximately 9 to 11 years
Private equity (m)	523,387	No redemption feature	302,015	Approximately 8 to 10 years
Real estate (n)	121,310	No redemption feature	25,691	Approximately 3 to 5 years
Total limited partnerships	$ 1,156,887		561,150	

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

The Master Trust's limited partnerships detailed above, including three major group annuity contracts categorized as private debt of $14.6 million, 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, 2015. 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.

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, 2015, the Master Trust would have been required to post additional collateral of approximately $1.2 million.

The tables below present derivative instruments held directly by the Master Trust as of December 31, 2015. 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, 2015	
		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	913,562	6,219
Eurodollar futures	Investments, at fair value	8,834	5
Interest rate swaps	Investments, at fair value	161,950	520
Credit default swaps	Investments, at fair value	146,925	1,837
Options	Investments, at fair value	84,400	1,337
Foreign exchange forwards	Investments, at fair value	449,498	6,830
Total		$ 1,765,169	16,748

	Statements of Net Assets Available For Benefits Location	Liability Derivatives as of December 31, 2015	
		Notional Amount	Fair Value
		(Dollars in thousands)	
Exchanged-traded:			
U.S. equity futures	Investments, at fair value	$ 78,657	(1,100)
U.S. treasury futures	Investments, at fair value	(44,568)	(2,904)
Eurodollar futures	Investments, at fair value	(142,716)	(18)
Interest rate swaps	Investments, at fair value	388,198	(4,700)
Credit default swaps	Investments, at fair value	42,366	(2,874)
Options	Investments, at fair value	(200,250)	(1,513)
Foreign exchange forwards	Investments, at fair value	542,146	(7,451)
Total		$ 663,833	(20,560)

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.

		Asset Derivatives as of December 31, 2014	
	Statements of Net Assets Available For Benefits Location	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

		Liability Derivatives as of December 31, 2014	
	Statements of Net Assets Available For Benefits Location	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)

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, 2015:

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	$ 6,864	3,064	3,800	—	3,800
OTC interest rate/credit	3,499	2,173	1,326	80	1,246
Total derivatives subject to a MNA	**10,363**	**5,237**	**5,126**	**80**	**5,046**
Exchange cleared interest rate/credit	161	—	161	—	161
Exchange traded interest rate/credit	6,224	—	6,224	—	6,224
Total derivatives not subject to a MNA	**6,385**	**—**	**6,385**	**—**	**6,385**
Total derivatives	**$ 16,748**	**5,237**	**11,511**	**80**	**11,431**
Securities on loan	$ 464,662	—	464,662	464,662	—

Liability Description	Gross Recognized Liabilities	Gross Amounts Offset	Net Amounts Presented	Amounts Not Offset: Net Collateral Pledged	Net Exposure
			(Dollars in thousands)		
OTC foreign exchange	$ 7,749	3,064	4,685	10	4,675
OTC interest rate/credit	5,116	2,173	2,943	1,895	1,048
Total derivatives subject to a MNA	**12,865**	**5,237**	**7,628**	**1,905**	**5,723**
Exchange cleared interest rate/credit	3,673	—	3,673	—	3,673
Exchange traded equities	1,100	—	1,100	—	1,100
Exchange traded interest rate/credit	2,922	—	2,922	—	2,922
Total derivatives not subject to a MNA	**7,695**	**—**	**7,695**	**—**	**7,695**
Total derivatives	**$ 20,560**	**5,237**	**15,323**	**1,905**	**13,418**

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**

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 $465 million and $659 million as of December 31, 2015 and 2014, 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 $479 million and $678 million as of December 31, 2015 and 2014, respectively. Income from securities lending transactions totaled approximately $1 million for both 2015 and 2014, 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 for the years ended December 31, 2014 and thereafter are those future periodic payments that are attributable under the CenturyLink Combined Pension Plan to the service employees have rendered. For the years ended December 31, 2013 and before, accumulated plan benefits are those future periodic payments that are attributable under the current CenturyLink Retirement Components provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on benefit calculations using credited service, average qualifying salary, and average qualifying employment on the date as of which the benefit information is presented (the "valuation date"). Benefits payable under all circumstances (retirement, death, and termination of employment) are included, to the extent they are deemed attributable, to employee service rendered to the valuation date.

The actuarial present values of accumulated plan benefits were determined by the CenturyLink Combined Pension Plan's actuary and are the amounts that result 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 for death, disability, withdrawal, or retirement) between the valuation dates and the expected dates of payment. The accumulated plan benefits are based on census data and CenturyLink Combined Pension Plan provisions in effect as of January 1, 2015 and the current CenturyLink Retirement Component provisions in effect as of January 1, 2014. These calculations have been used to disclose accumulated plan benefits as of December 31, 2014 and 2013. The actuarial valuation as of January 1, 2015 and 2014 is not materially different than the valuation would be as of December 31, 2014 and 2013.

The CenturyLink Combined Pension Plan costs and the current CenturyLink Retirement Component costs developed by the actuary are estimates of the amounts necessary to provide benefits to the CenturyLink Combined Pension Plan participants and the current CenturyLink Retirement Component's participants, assuming continued funding of the CenturyLink Combined Pension Plan and the CenturyLink Retirement Component in a systematic manner. These estimates are based on the actuarial methods selected to allocate the total cost of the CenturyLink Combined Pension Plan and the current CenturyLink Retirement Component to various years and on actuarial assumptions regarding the return on investments, salary rates, withdrawal rates, mortality rates, and other factors.

The December 31, 2014 significant assumptions used to calculate the present value of accumulated plan benefits include the following:

- Discount rate 7.5%
- Lump sum payment interest rate *
- Cost of living adjustment 2% per annum
- Mortality **

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* The lump sum interest rate was 4.5% for 2015 and 6.5% thereafter for all participants other then the CenturyLink participants with a grandfathered lump sum calculation. For those grandfathered participants, the rate was 2.5% for 2015 and 4.5% thereafter.

** 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.

Additional assumptions used were (a) rates of retirement age by age group, (b) percentage of participants electing lump sums upon retirement, (c) 80% of participants are presumed married, and (d) withdrawal rate assumptions by age group.

The foregoing actuarial assumptions were based on the presumption that the CenturyLink Combined Pension Plan will continue. Were the CenturyLink Combined Pension Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

If the assumed discount rate was 100 basis points lower, the impact would have been an increase to the pension obligation of the CenturyLink Combined Pension Plan of approximately $1.8 billion at December 31, 2014 and an increase to the pension obligation of the current CenturyLink Retirement Component of approximately $80 million at December 31, 2013.

The following table presents the elements of the Centurylink Combined Pension Plan's benefit obligation for the year ended December 31, 2014 and the CenturyLink Retirement Retirement Plan's benefit obligation for the year ended December 31, 2013:

	Years Ended December 31,	
	2014	2013
	(Dollars in thousands)	
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	$ 7,477,108	176,003
Other participants	3,058,887	185,649
Non vested benefits	85,714	9,396
Total actuarial present value of accumulated plan benefits	$ 10,621,709	371,048

The following table presents the changes in accumulated plan benefit obligations for the year ended December 31, 2014:

	(Dollars in thousands)
Actuarial present value of accumulated plan benefits as of December 31, 2013	$ 371,048
Increase (decrease) during the year due to:	
Benefits earned	6,944
Decrease in discount period	26,731
Benefits paid	(43,145)
Actuarial loss and other	13,513
Change in actuarial assumptions	17,677
Plan merger	10,228,941
Actuarial present value of accumulated plan benefits as of December 31, 2014	$ 10,621,709

Note 7. Summary of Information Certified by the Trustees

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

- Statements of Net Assets Available for Benefits:

  2015 - Northern Trust - 99.9% interest in Master Trust, all assets, excluding $22.3 million of estimated selling costs, and securities lending obligation

  2014 - Northern Trust - 99.9% interest in Master Trust, all assets, excluding $20.9 million of estimated selling costs, and securities lending obligation

- Statements of Changes in Net Assets Available for Benefits:

  2015 - Northern Trust - 99.9% interest in Master Trust, investment income and net appreciation (depreciation) in fair value of investments, excluding $22.3 million of estimated selling costs, and securities lending obligation

  2014 - Northern Trust - 99.9% interest in Master Trust, investment income and net appreciation (depreciation) in fair value of investments, excluding $20.9 million of estimated selling costs, and securities lending obligation

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

Note 8. Tax Status

The current CenturyLink Retirement Component (the prior CenturyLink Retirement Plan) received favorable tax determination letters from the IRS dated May 9, 2013, and January 31, 2014 . Additionally, the merged plans (the Qwest Pension Plan and the Embarq Retirement Pension Plan) had each received favorable tax determinations letters. Furthermore, the Plan's management believes that the Combined Plan continues to be designed and operated in compliance with the applicable requirements of the Internal Revenue Code; therefore, it believes that the Combined 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 Combined Plan's financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Combined Plan and recognize a tax liability (or asset) if the Combined Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Combined Plan administrator has analyzed the tax positions taken by the Combined Plan and concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for pension benefits as reported on the financial statements to Form 5500 as of December 31, 2015 and 2014:

	As of December 31,	
	2015	2014
	(Dollars in thousands)	
Net assets available for pension benefits as reported on the financial statements	$ 11,065,538	12,522,214
Adjustment for selling costs required by GAAP	22,300	20,900
Security lending obligation related to 401(h) account	(525)	(662)
Net assets held in 401(h) account included as assets in Form 5500	12,669	12,896
Net assets available for benefits as reported on Form 5500 (unaudited)	$ 11,099,982	12,555,348

The net assets of the 401(h) account included in Form 5500 are not available to pay pension benefits but can only be used to pay retiree health benefits.

The following is a reconciliation of the net (decrease) increase as reported on the financial statements for the years ended December 31, 2015 and 2014, to net (loss) income as reported on Form 5500:

	Years Ended December 31,	
	2015	2014
	(Dollars in thousands)	
Net (decrease) increase as reported on the financial statements, excluding the impact of the merger of the Qwest Pension Plan and the Embarq Retirement Pension Plan	$ (1,456,676)	8,994
Adjustment for investment selling costs required by GAAP for 2015 and 2014, respectively	1,400	700
(Decrease) increase in 401(h) net accounts	(90)	1,274
Net (loss) income as reported on Form 5500 (unaudited)	$ (1,455,366)	10,968

Note 10. Plan Termination

Although the Company has not expressed any intention to do so, it has the right to terminate the Combined Plan subject to the provisions of ERISA. However, the Company 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.

Amounts in the 401(h) account shall be used to pay medical benefits per the terms of the separate health and welfare plan. Following satisfaction of these obligations, any amounts remaining shall be returned to the Company as provided in the Combined Plan document.

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 Transactions and Nonexempt Transactions

The Combined Plan invests in certain commingled funds managed by the Combined Plan's trustee. In addition, the Combined Plan reimbursed the Company approximately $3.4 million for certain qualifying administrative and investment expenses in 2015.

Direct expenses paid by the Combined Plan, including trustee fees, administration fees, and certain other expenses, totaled $62 million for 2015 and $2 million for the current Centurylink Retirement Component in 2014. Direct expenses paid for investment management fees totaled $23 million in 2015 for the Combined Plan and $1 million in 2014 for the current Centurylink Retirement Component.

These qualifying party-in-interest or related party transactions are exempt from the prohibited transaction rules.

The Plan held Company debt securities of $3 million and $1 million as of December 31, 2015 and 2014, respectively. The Plan did not directly own any shares of the Company common stock as of December 31, 2015 or 2014.

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 Combined 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 Combined 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 Combined 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 Combined Plan.

Required Combined 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.

CENTURYLINK COMBINED PENSION PLAN
EIN: 72-0651161 PLAN NO: 001
FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2015

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	$ 11,544,780
CenturyLink Defined Benefit Master Trust*	Net assets held in 401(h) account	12,669
Total assets held for investment purposes		$ 11,557,449

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

See accompanying Independent Auditors' Report

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Plan Sponsor

CenturyLink, Inc.

Plan

CenturyLink Combined Pension Plan

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1999. The plan was amended and restated effective December 31, 2014.

Plan Year

The twelve-month period ending December 31.

PARTICIPANTS OF THE LEGACY CENTURYLINK COMPONENT PLAN

Coverage and Participation

Eligible employee: Employees (other than leased employees or employees covered by a collective bargaining agreement that does not provide for participation in this plan) who are age 21 and have one year of service. Employees of the following Affiliates are not eligible to participate in this plan:

1. Century Marketing Solutions, LLC
2. CenturyTel Interactive Company
3. CenturyTel Security Systems, Inc.
4. CenturyTel Holdings, Inc.
5. CenturyTel Investments of Texas, Inc.

All non-represented employees who were hired after December 31, 2010 will not be eligible to participate in the plan.

Credited Service

For each Year of Service prior to January 1, 1999, participants receive credit for benefit service equal to hours/2080, up to one full year. For each Year of Service after December 31, 1998, participants receive credit for one year of benefit service.

Credited service for accrual purposes is frozen for all non-represented participants as of December 31, 2010.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Vesting Service

An Employee is credited with a Year of Vesting Service for each Plan Year in which the Employee completes at least 1,000 Hours of Service.

Compensation

The sum of (a) and (b):

a. Non deferred compensation on W-2 except:

- Overtime or premium pay
- Imputed income from expense reimbursement or fringe benefits,
- Prizes, awards, severance payments, and long-term incentive pay.

b. Salary reduction amounts under a CODA or cafeteria plan.

Final Average Pay

Average of highest 60 consecutive calendar months in last 120 calendar months of compensation.

Final Average Pay is frozen for all non-represented participants as of December 31, 2010.

Normal Retirement Benefit

Eligibility: Age 65

Benefits:

i. For employees covered by a collective bargaining agreement hired prior to the dates specified in the tables below: 1.3% of Final Average Pay multiplied by Benefit Years up to 30 plus 0.65% of Final Average Pay in excess of Social Security Covered Compensation multiplied by Benefit Years up to 30.

ii. For employees not covered by a collective bargaining agreement or covered by a collective bargaining agreement and hired after the dates specified in the tables below: 1.3% of Final Average Pay multiplied by Benefit Years as of December 31, 1998 up to 30 plus 0.65% of Final Average Pay in excess of Social Security Covered Compensation multiplied by Benefit Years as of December 31, 1998 up to 30 plus 0.5% of Final Average Pay multiplied by Benefit Years accrued after December 31, 1998 (total Benefit Years limited to 30) plus 0.5% of Final Average pay in excess of Social Security Covered Compensation multiplied by Benefit Years accrued after December 31, 1998 (total Benefit Years limited to 30).

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Hourly Bargaining		Date
001	Wisconsin CWA 4671, 4672, 4674, 4675	2/3/2007
002	MO CWA 6310A, 6301A, 6312A	3/13/2008
003	MO CWA 6310, 6311, 6312, 6373	3/13/2008
004	Alabama CWA 3971, 3972, 3974	3/13/2009
005	Missouri IBEW 257A	1/1/2007
006	Arkansas CWA 6171C	8/16/2007
006	Arkansas CWA 6171NW	6/13/2008

CenturyLink Bargaining		Date
001	Montana IBEW Local 768	5/1/2008
002	Oregon Former NTS (4444) now CWA/7906	5/1/2008
003	Wash/Oreg IBEW Local 89	9/1/2008
004	Washington CWA Local 7818	9/1/2008
005	Michigan IBEW Local 1106	4/1/2007

Ohio Bargaining		Date
001	Ohio CWA 4370 Band 1	4/1/2007
002	Ohio CWA 4370 Band 2	4/1/2007

In addition, certain benefits accrued in CenturyLink's nonqualified pension plans as of December 31, 2004 and December 31, 2006 were added to the CenturyLink Retirement Plan.

All benefits are frozen for non-represented employees effective December 31, 2010. During the 5-year period beginning January 1, 2011 and ending December 31, 2015, such accrued benefits are increased by 4% per annum for each year (and pro-rata for fractional years) during which the participant remains employed by the company.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Early Retirement Benefit

Eligibility: Age 55 and 5 Years of Service.

Benefits: Normal Retirement Benefit based on service and earnings at date of termination (or earlier freeze). If payments begin before Normal Retirement Date, the payments are reduced in accordance with the following table (separate reductions apply to the base benefit and excess benefit):

Age at Benefit Starting Date	Base Benefit Percentage	Excess Benefit Percentage
64	100%	92%
63	100	84
62	100	76
61	95	72
60	90	68
59	84	64
58	78	60
57	72	56
56	66	52
55	60	48

Disability Benefit

Eligibility: To continue to accrue benefit years, a participant must have 10 or more Years of Service when disability arises and must satisfy the criteria for disability under both the Employer's long term disability insurance and that for Social Security disability benefits.

Benefits: Benefits are based on Social Security Covered Compensation at disability and Benefit Years and Final Average Pay at retirement. Participant may receive reduced payments upon early retirement.

Vested Benefits Upon Termination of Service

Eligibility: A Participant's Vested Percentage will be 100% upon the completion of 5 years of Vesting Service. Participants who were active as of July 1, 2009 are automatically vested due to the change in control incurred on such date.

Benefits: Accrued normal retirement benefit as of date of Termination of employment.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Death Benefits for Participants in Active Service

Eligibility: Eligible for Deferred Vested Pension.

Benefits: In the event of the death of a Participant prior to the date that he begins to receive a monthly pension benefit under the Plan, the Participant's Surviving Spouse, if any, will be entitled to receive a monthly pension benefit equal to 50% of the monthly pension benefit which would have been payable had the Participant retired on the day before his death and elected a Joint and 50% Contingent Survivor Pension. A Joint and 50% Contingent Pension provides a monthly pension benefit payable for the lifetime of the Participant and, upon the Participant's death, if the Participant's Spouse survives the Participant, a monthly pension benefit will continue for the remaining lifetime of the Surviving Spouse equal to 50% of the monthly pension benefit which was payable during the joint lifetime of the Participant and the Participant's Surviving Spouse.

Deferred Retirement

Eligibility: Age greater than 65.

Benefits: Same as Normal Retirement Benefit except years of service are determined at actual retirement (or earlier freeze).

Cost of Living Adjustment

Benefits payable to participants with no service after December 31, 1987 are increased each January 1 by the U.S. Consumer Price Index during the 12 months ending with the prior September index or 2 percent, if less.

Minimum Benefits

Participants from previously merged plans have minimum benefits as follows:

- Contel – Contel frozen benefit at 9/1/85 plus PTI benefit based on post-9/1/85 service only (PTI 30-year service cap applies to post 9/1/85 service only).
- Peninsula – Benefit provided by employee contributions with interest plus PTI benefit based on post-6/1/85 service only.
- GVNW – Same minimum as Peninsula, except PTI benefit based on post-10/1/85 service.
- North-West – North-West frozen benefit at 12/31/92 plus PTI benefit based on post-12/31/92 service only (PTI 30-year service cap applies to post 12/31/92 service only).
- GTE – Northern Michigan – GTE frozen benefit at 10/31/97 plus PTI benefit based on post 10/31/97 service only (PTI 30-year service cap applies to post 10/31/97 service only).

Plan Name:	CenturyLink Combined Pension Plan
EIN / PN:	72-0651161 / 001
Plan Sponsor:	CenturyLink, Inc.
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Normal Form of Benefit

Life annuity for unmarried participants. Actuarially equivalent 50 percent joint and survivor annuity for married participants.

Optional Annuity Forms

Social Security Level Income Option, 100%, 75% or 50% Joint and Survivor, or a 10 year Certain and Life.

Participants Contributions

No participant contributions are allowed other than contributions transferred from a previous plan as part of a merger.

Actuarial Equivalent

For conversions other than lump sum, actuarial equivalency is based on 8 percent interest and RP2000 Combined Healthy Mortality projected to 2010 by Projection Scale AA using a blend of 70% male rates and 30% female rates for participants and a blend of 70% female rates and 30% male rates for beneficiaries.

For lump sums, the largest lump sum under the following basis is provided:

1. 1971 TPF&C Forecast Mortality for males with ages set back two years and the six-month moving average yield of United States Treasury obligations with ten-year maturities.
2. 1971 TPF&C Forecast Mortality for males with ages set back two years and the PBGC Immediate Rate.[1]
3. Mortality table specified by Revenue Notice 2008-85 and the segment rates for the fifth month preceding month of distribution.

[1] Basis (2) applies only to participants who were eligible for a service pension under the prior plan before January 1, 2000.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Legacy CenturyLink Component – Ohio Bargaining Unit

Coverage and Participation

Eligible Employee: Employees who are Ohio Bargaining Unit Employees become a participant in the Plan on his or her employment Commencement Date.

Credited Service

Elapsed time.

Vesting Service

Elapsed time.

Normal Retirement Benefit

Eligibility: Age 65.

Benefits: A Participant's Normal Retirement Benefit is a monthly pension benefit commencing on his Normal Retirement Date payable in the Normal Benefit Form in an amount equal to the following amounts times Years of Service.

Termination	Band 1	Band 2
On or after 1/1/93	$24.09	$33.52
8/1/94	$28.59	$35.02
7/1/95	$29.59	$36.02
7/1/96	$30.59	$37.02
3/1/98	$31.59	$38.02
6/1/00	$32.59	$39.02
6/1/01	$33.59	$40.02
4/1/04	$34.59	$41.02
4/1/05	$35.09	$41.52
4/1/07	$35.84	$42.02

Normal Benefit Form: Lifetime Pension - Monthly pension benefit payable for the lifetime of the Participant with payments terminating upon the death of the Participant.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Early Retirement Benefit

Eligibility: Age 55 and 5 Years of Vesting Service.

Benefits: A Participant's Early Retirement Benefit is equal to the Actuarial Equivalent of the Participant's Normal Retirement Benefit based on service at date of termination. For purposes of determining a Participant's Early Retirement Benefit, the following factors will be used as Actuarial Equivalent factors:

Age	Factor
55	50%
56	55
57	60
58	65
59	70
60	75
61	80
62	85
63	90
64	95

If a Participant retires with 30 years of service and after attainment of age 60, there is no reduction to the benefit.

Disability Benefit

Eligibility: An Active Participant will be eligible for a Disability Retirement Benefit under the Plan upon the occurrence of permanent disability coincident with or following the Participant's completion of 5 Years of Vesting Service.

Benefits: An eligible Participant's Disability Retirement Benefit is equal to the monthly retirement benefit commencing on his Disability Retirement Date in an amount equal to the Participant's Accrued Benefit determined as of his Disability Retirement Date, with a minimum monthly benefit of $150. If a Participant satisfies the requirements for a Disability Retirement Benefit and also satisfies the requirements for a Vested Accrued Benefit, the portion of his Disability Retirement Benefit which is the Actuarial Equivalent of his Vested Accrued Benefit will be payable in the Normal Benefit Form (or any optional benefit form) and will be subject to the joint and survivor annuity distribution requirements.

The remaining portion, if any, of the Actuarial Equivalent of the Participant's Disability Retirement Benefit will be payable as a Lifetime Pension with a monthly benefit payable for the Participant's lifetime with payments terminating upon his death.

Schedule SB, Part V – Summary of Plan Provisions

Permanent Disability: A Participant will be considered permanently disabled if he becomes eligible for disability benefits under the Social Security Program and, in the opinion of the Plan Administrator.

1. he is prevented from performing the usual duties of his employment or any other employment for which he is reasonably suited as a result of his education, training and experience;

2. such disability is likely to be both continuous and permanent;

3. such disability occurs on or after the Effective Date of the Plan but prior to the Participant's Normal Retirement Date; and

4. such disability is not, in the opinion of the Plan Administrator, the result of injury or disease sustained by the Participant which was diagnosed or discovered subsequent to the date his employment has terminated.

Vested Benefits upon Termination of Service

Eligibility: A Participant's Vested Percentage will be 100% upon the completion of 5 Years of Vesting Service. Prior to the completion of 5 Years of Vesting Service, a Participant's Vested Percentage is zero, unless he was employed by the Company on March 31, 1992 or July 1, 2009, in which case he is 100% vested.

Benefits: Normal retirement benefit based on service at date of termination.

Death Benefits for Participants in Active Service

Eligibility: Eligible for Deferred Vested Pension.

Benefits: In the event of the death of a Participant prior to the date that he begins to receive a monthly pension benefit under the Plan, the Participant's Surviving Spouse, if any, will be entitled to receive a monthly pension benefit equal to 50% of the monthly pension benefit which would have been payable had the Participant retired on the day before his death and elected a Joint and 50% Contingent Survivor Pension. A Joint and 50% Contingent Pension provides a monthly pension benefit payable for the lifetime of the Participant and, upon the Participant's death, if the Participant's Spouse survives the Participant, a monthly pension benefit will continue for the remaining lifetime of the Surviving Spouse equal to 50% of the monthly pension benefit which was payable during the joint lifetime of the Participant and the Participant's Surviving Spouse.

Deferred Retirement

Eligibility: Age greater than 65.

Benefits: Same as Normal Retirement Benefit except years of service are determined at actual retirement.

Plan Name:	CenturyLink Combined Pension Plan
EIN / PN:	72-0651161 / 001
Plan Sponsor:	CenturyLink, Inc.
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Normal Form of Benefit

Life Annuity for unmarried participants. Actuarially equivalent Joint and 50% Survivor Annuity for married participants.

Actuarial Equivalent

Actuarial Equivalent means a form of benefit differing in time, period and/or manner of payment from another form of benefit but having the same value when computed based upon the following interest and mortality assumptions:

Interest: 8% per annum, compounded annually.

Mortality: Special rates per 10,000

Age	Factor
20	7
25	8
30	8
35	11
40	16
45	25
50	39
55	62
60	106
65	181

Optional Forms of Payment

100%, 75%, and 50% Joint and Survivor Annuity and the 10 year Certain and Life Annuity.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Legacy CenturyLink Component – Hourly Plan

Coverage and Participation

Eligible employee: Hourly-rated employees (other than leased employees, employees covered by a collective bargaining agreement that does not provide for participation in this plan, or "casual employees" as categorized in the Employer's personnel policies) who have one year of service.

Nonrepresented hourly-rated employees hired on or after January 1, 2007 will participate under the CenturyLink Retirement Plan and will not be eligible for the Hourly Plan portion.

Employees entering the following bargaining units on or after the respective dates indicated will participate in the CenturyLink Retirement Plan and will not be eligible for the Hourly Plan portion.

Bargaining Unit	Effective Date
CWA 6171 Central	August 16, 2007
CWA 6171 Northwest	June 13, 2008
CWA 7906	May 1, 2008
IBEW 768[1]	May 1, 2008
IBEW 257	January 1, 2007
IBEW 1106	April 1, 2007
CWA 6301, 6310, 6311, 6312, 6373	March 13, 2008
CWA 4370	April 1, 2007
CWA 4671	February 3, 2007
IBEW 89[1]	September 1, 2008
CWA 7818[1]	September 1, 2008

[1] Transfers from IBEW 89, CWA 7818 or IBEW 768 will retain prior pension program if transferred after May 1, 2008.

Vesting

Any participant who terminated after 5 Years of Service is entitled to 100% of his Accrued Benefit.

Year of Vesting Service

Plan year with 1,000 or more hours.

Year of Credited Service

Plan year in which Employee is credited with at least the number of Hours of Service in the customary work year applicable to such Employee. Partial years of Credited Service are granted on a pro-rata basis for years in which fewer hours are credited. One customary work year is 2,080 hours.

Plan Name:	CenturyLink Combined Pension Plan
EIN / PN:	72-0651161 / 001
Plan Sponsor:	CenturyLink, Inc.
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Compensation

The sum of (a) and (b):

a. Non deferred compensation on W-2 except, overtime, differentials, premiums, or other similar types of payment.

b. Salary reduction amounts under a CODA or cafeteria plan.

Average Annual Compensation

Average of highest 60 consecutive calendar months of employment.

Normal Retirement Benefit

Eligibility: Age 65 and five years of plan participation.

Benefits: 1.35% of Average Annual Compensation multiplied by Credited Service.*

Minimum Benefits: The annual benefit shall not be less than the amount determined in accordance with the following table:

Years of Credited Service		Minimum Pension Amount
At Least	But Less Than	
15	20	$5,200
20	25	6,600
25	30	8,000
30	35	9,400
35	40	10,800
40	N/A	12,200

* For non-represented members, 1.35% of Average Annual Compensation as of the earlier of date of termination or December 31, 2010 multiplied by credited service as of December 31, 2006 plus 0.5% of Average Annual Compensation multiplied by credited service accrued after December 31, 2006 (limited to 30) plus 0.5% of Average Annual Compensation in excess of Social Security Covered Compensation multiplied by credited service accrued after December 31, 2006 (limited to 30). Credited service is frozen as of December 31, 2010 for determining the benefit amount.

Early Retirement Benefit

Eligibility: For benefits accrued under the Hourly Plan formula, age plus Years of Credited Service total at least 76 with a minimum of 15 Years of Credited Service or 30 Years of Credited Service. For benefits accrued under the CenturyLink Retirement Plan formula, age 55 and 5 Years of Service.

Benefits: For benefits accrued under the Hourly Plan formula, Normal Retirement Benefit based on service and earnings at date of termination. If payments begin before Normal Retirement Date, the payments are reduced in accordance with the following table.

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SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Age at Benefit Starting Date	Excess Benefit Percentage*
55 and over	100%
54	97
53	94
52	91
51	88
50	85
49 and younger	82

* Benefits are unreduced after 30 Years of Credited Service

For benefits accrued under the CenturyLink Retirement Plan formula, Normal Retirement Benefit based on service and earnings at date of termination. If payments begin before Normal Retirement Date, the payments are reduced in accordance with the following table (separate reductions apply to the base benefit and the excess benefits):

Age at Benefit Starting Date	Base Benefit Percentage	Excess Benefit Percentage
64	100%	92%
63	100	84
62	100	76
61	95	72
60	90	68
59	84	64
58	78	60
57	72	56
56	66	52
55	60	48

Minimum Benefits: See Table above.

Disability Benefit

Eligibility: An employee with 15 or more Years of Credited Service shall be entitled to a disability retirement benefit if he becomes disabled and is receiving disability benefits under the Social Security Act.

Benefits: Benefits are the Normal Retirement Benefits, unreduced for early commencement.

Vested Benefits upon Termination of Service

Eligibility: A Participant's Vested Percentage will be 100% upon the completion of 5 Years of Vesting Service. Prior to the completion of 5 Years of Vesting Service, a Participant's Vested Percentage is zero, unless he was employed by the Company on March 31, 1992 or on July 1, 2009, in which case he is 100% vested.

Benefits: Normal retirement benefit based on service at date of termination.

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SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Death Benefits for Participants in Active Service

Eligibility: Eligible for Deferred Vested Pension.

Benefits: 50% of reduced Early Retirement Benefit payable in Qualified Joint and Survivor form. If participant dies after becoming eligible for early retirement, reductions are based on Early Retirement table in 3 above. If participant dies prior to attaining early retirement eligibility, reductions are based on Deferred Vested table. If the participant dies from active service, the early retirement benefit is unreduced. Members of CWA Local 6171 are eligible for a lump sum distribution of this benefit, effective January 1, 2002.

Deferred Retirement

Eligibility: Employees who continue to work after Normal Retirement Age are entitled to a deferred retirement benefit.

Benefits: Same as Normal Retirement benefits except Years of Credited Service and Average Annual Compensation are determined at actual retirement.

Cost of Living Adjustment

Not applicable.

Minimum Benefits

Participants from previously merged plans have minimum benefits as follows: Contel – Contel frozen benefit at the Contel Transfer Date plus CenturyLink, Inc. benefit based on post-transfer service only.

Normal Form of Benefit

Life Annuity for unmarried participants. Actuarially equivalent 50 percent Joint and Survivor Annuity for married participants.

Optional Annuity Forms

For benefits accrued under the Hourly Plan formula, 100 percent, 75 percent, 66 2/3 percent, 50 percent or 33 1/3 percent Joint and Survivor, or a 5-year or 10-year Certain Life.

Participants Contributions

No participant contributions are allowed other than contributions transferred from a previous plan as part of a merger.

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SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Actuarial Equivalent

For conversions other than lump sum, actuarial equivalency is based on eight percent interest and RP 2000 Combined Healthy Mortality projected to 2010 by Projection scale AA using a blend of 70% male rates and 30% female rates for participants and a blend of 70% female rates and 30% male rates for beneficiaries.

For lump sums, the largest lump sum under the following basis is provided:

1. 1971 TPF&C Forecast Mortality for males with ages set back two years and the six-month moving average yield of United States Treasury obligations with ten-year maturities.

2. 1971 TPF&C Forecast Mortality for males with ages set back two years and the PBGC Immediate Rate.*

3. Mortality Table specified by Revenue Notice 2008-85 and the segment rates for the fifth month preceding month of distribution.

* Basis (2) applies only to participants who were eligible for a service pension under the prior plans before January 1, 2000.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Legacy CenturyLink Component – Salaried Plan

Coverage and Participation

Eligible employee: Salaried employees (other than leased employees, employees covered by a collective bargaining agreement that does not provide for participation in this plan, or "casual employees" as categorized in the Employer's personnel policies) who have one year of service.

There are no new Eligible Employees or Participants in the Salaried Plan after December 31, 2006.

Vesting

Any participant who terminated after 5 Years of Service is entitled to 100% of his Accrued Benefit. All participants who were active as of July 1, 2009 are entitled to 100% of their Accrued Benefit.

Year of Vesting Service

Plan year with 1000 or more hours.

Year of Credited Service

Plan year in which Employee is credited with at least the number of Hours of Service in the customary work year applicable to such Employee. Partial years of Credited Service are granted on a pro-rata basis for years in which fewer hours are credited. Credited Service is frozen in the Salaried Plan as of December 31, 2006.

Compensation

The sum of (a) and (b):

a. Non-deferred compensation on W-2 except, overtime, differentials, premiums, or other similar types of payment.

b. Salary reduction amounts under a CODA or cafeteria plan.

Average Annual Compensation

Average of highest 60 consecutive calendar months of employment.

Average Annual Compensation has been frozen as of December 31, 2010.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Normal Retirement Benefit

Eligibility: Age 65 and five years of plan participation.

Benefits: Greater of (1) and (2) plus (3):

(1) i + ii

iii. 1.15% of Average Annual Compensation as of the earlier of date of termination or December 31, 2010 not in excess of the Social Security Integration Level multiplied by Credited Service as of December 31, 2006.

iv. 1.45% of Average Annual Compensation as of the earlier of date of termination or December 31, 2010 in excess of the Social Security Integration Level multiplied by Credited Service as of December 31, 2006.

(2) 1.35% of Average Annual Compensation as of the earlier of date of termination or December 31, 2011 multiplied by Credited Service as of December 31, 2006.

(3) 0.5% of Average Annual Compensation multiplied by Credited Service accrued after December 31, 2006 (limited to 30) plus 0.5% of Average Annual Compensation in excess of Social Security Covered Compensation multiplied by Credited Service accrued after December 31, 2006 (limited to 30).

Early Retirement Benefit

Eligibility: For benefits accrued under the Salaried Plan formula, age plus Years of Credited Service total at least 76 with a minimum of 15 Years of Credited Service. For benefits accrued under the CenturyLink Retirement Plan formula, age 55 and 5 Years of Service.

Benefits: For benefits accrued under the Salaried Plan formula, Normal Retirement Benefit based on service and earnings at date of termination. If payments begin before Normal Retirement Date, the payments are reduced in accordance with the following table:

Age at Benefit Starting Date	Excess Benefit Percentage
55 and over	100%
54	97
53	94
52	91
51	88
50	85
49 and younger	82

Schedule SB, Part V – Summary of Plan Provisions

For benefits accrued under the CenturyLink Retirement Plan formula, Normal Retirement Benefit based on service and earnings at date of termination. If payments begin before Normal Retirement Date, the payments are reduced in accordance with the following table (separate reductions apply to the base benefit and the excess benefits):

Age at Benefit Starting Date	Base Benefit Percentage	Excess Benefit Percentage
64	100%	92%
63	100	84
62	100	76
61	95	72
60	90	68
59	84	64
58	78	60
57	72	56
56	66	52
55	60	48

Disability Benefit

Eligibility: An employee with 15 or more Years of Credited Service shall be entitled to a disability retirement benefit if he becomes disabled and is receiving disability benefits under the Social Security Act.

Benefits: Benefits are the Normal Retirement Benefits, unreduced for early commencement.

Death Benefits for Participants in Active Service

Eligibility: Eligible for Deferred Vested Pension.

Benefits: 50% of reduced Early Retirement Benefit payable in Qualified Joint and Survivor form. If participant dies after becoming eligible for early retirement, reductions are based on Early Retirement table in 3 above. If participant dies prior to attaining early retirement eligibility, reductions are based on Deferred Vested table. If the participant dies from active service, the early retirement benefit is unreduced.

Deferred Retirement

Eligibility: Employees who continue to work after Normal Retirement Age are entitled to a deferred retirement benefit.

Benefits: Same as Normal Retirement benefits except Years of Credited Service and Average Annual Compensation are determined at actual retirement.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Social Security Integration Level

The average annual wages (rounded to the next lower multiple of $100) with respect to which primary benefits would be provided under the Social Security Act for a male worker attaining age 65 in the calendar year of the Employee's retirement or other termination of employment.

Minimum Benefits

Participants from previously merged plans have minimum benefits as follows:

- Contel – Contel frozen benefit at the Contel Transfer Date plus CenturyTel, Inc. benefit based on post-transfer service only.

Normal Form of Benefit

Life Annuity for unmarried participants. Actuarially equivalent 50 percent Joint and Survivor Annuity for married participants.

Optional Annuity Forms

For benefits accrued under the Salaried Plan formula, 100 percent, 75 percent, 66 2/3 percent (through March 31, 2007 only), 50 percent or 33 1/3 percent (through December 31, 2010 only) Joint and Survivor, or a 5-year Certain Life (through March 31, 2009) or 10 year Certain and Life.

Participants Contributions

No participant contributions are allowed other than contributions transferred from a previous plan as part of a merger.

Actuarial Equivalent

For conversions other than lump sum, actuarial equivalency is based on 8 percent interest and RP2000 Combined Healthy Mortality projected to 2010 by Projection Scale AA using a blend of 70% male rates and 30% female rates for participants and a blend of 70% female rates and 30% male rates for beneficiaries.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

For lump sums, the largest lump sum under the following basis is provided:

1. 1971 TPF&C Forecast Mortality for males with ages set back two years and the six-month moving average yield of United States Treasury obligations with ten-year maturities.

2. 1971 TPF&C Forecast Mortality for males with ages set back two years and the PBGC Immediate Rate.*

3. Mortality table specified by Revenue Notice 2008-85 and the segment rates for the fifth month preceding month of distribution.

* Basis (2) applies only to participants who were eligible for a service pension under the prior plan before January 1, 2000.

Changes in Plan Provisions since Last Actuarial Valuation Report

None.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

PARTICIPANTS OF THE LEGACY EMBARQ COMPONENT 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.

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.*

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SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

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.*

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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

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

(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.

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Schedule SB, Part V – Summary of Plan Provisions

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

(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.

Schedule SB, Part V – Summary of Plan Provisions

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.

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.

Schedule SB, Part V – Summary of Plan Provisions

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.

Schedule SB, Part V – Summary of Plan Provisions

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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

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 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.

Schedule SB, Part V – Summary of Plan Provisions

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.

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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SCHEDULE SB ATTACHMENTS (cont.)

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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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

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 Participant's Contributions

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

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Legacy Embarq Component – Madison River 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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, 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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, 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.

Schedule SB, 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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, 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 sixth (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.

Accrued Benefit as of the Disability Retirement Date.

Plan Name:	CenturyLink Combined Pension Plan
EIN / PN:	72-0651161 / 001
Plan Sponsor:	CenturyLink, Inc.
Valuation Date:	January 1, 2015

Schedule SB, Part V – Summary of Plan Provisions

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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

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.
- 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.

Schedule SB, Part V – Summary of Plan Provisions

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.

Changes in Plan Provisions since Last Actuarial Valuation

The valuation reflects increases (including prospective increases effective in 2015) in flat dollar benefit multipliers negotiated and ratified with bargaining units on or before December 31, 2014, as well as the increases in the maximum benefit and pensionable earnings limits.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

PARTICIPANTS OF THE QWEST COMPONENT PLAN – FOR MANAGEMENT EMPLOYEES

Coverage and participation

Management employees at participating companies with at least one year of service prior to 12/31/2009.

Normal retirement benefit for protected participants

1. Eligibility: Five years of service and Protected. Employees are protected if they had 20 years of eligible service on or before 12/31/2000 or were service pension eligible by 12/31/2003. Service pension eligible is age 65 and 10 years of service or age 60 and 15 years of service or age 55 and 20 years of service or age 50 and 25 years of service or any age and 30 years of service.

2. Benefit Amount: Employees with age plus service at 1/1/1997 of 55 or more are considered Grandfathered and will receive the greater of benefits calculated under formulas A and B below. All other employees will receive the greater of the benefit accrued under Formula A as of 12/31/1996 and the benefit calculated under Formula B.

   Note: Formula A produces an annual single life annuity value and Formula B produces a lump sum value. For comparison, one of the values will have to be converted to the other form.

3. Formula A Calculation

   a. 1.25% times Final Average Compensation (FAC) prior to 1/1/2010 up to Social Security Covered Compensation (SSCC). FAC is defined as the highest consecutive 60 months average earnings out of the last 120 months.

   b. 1.5% times FAC in excess of SSCC.

   c. The sum of (a) and (b) multiplied by service prior to 1/1/2010 up to 35 years.

   d. (c) plus 1.25% times FAC times service prior to 1/1/2010 in excess of 35 years.

Schedule SB, Part V – Summary of Plan Provisions

4. Formula B Calculation

   a. Annual credits are granted based on the following table for service prior to 1/1/2010:

Age	Credits
Under 30	2.0%
30-34	4.0%
35-39	6.0%
40-44	8.0%
45-49	12.0%
50-54	16.0%
55 and over	18.0%

   The credits are prorated by month and provided at the highest rate applicable for that month.

   b. Sum of Annual Credits times FAC prior to 1/1/2010 up to Social Security Taxable Wage Base. FAC is defined as the highest consecutive 60 months average earnings out of the last 120 months.

   c. FAC in excess of 50% of Social Security Taxable Wage Base times Sum of Annual Credits times 25%.

   d. Account Balance is the sum of (b) and (c).

5. Payment of Benefit if Formula A is used:

   a. Immediate Annuity – If service pension eligible, amount payable is Retirement Benefit reduced by 6% per year prior to age 55 (3% if 30 or more years of service).

   b. Deferred Annuity – Retirement Benefit payable at age 65 actuarially reduced for early commencement.

   c. Immediate Lump Sum – If service pension eligible, lump sum is actuarial equivalent of deferred annuity using subsidized factors; otherwise, lump sum is actuarial equivalent.

6. Payment of Benefit if Formula B is used:

   a. Immediate Annuity – Amount equal to actuarial equivalent of Account Balance.

   b. Deferred Annuity – Amount equal to actuarial equivalent of Account Balance.

   c. Immediate Lump Sum – Amount equal to Account Balance.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Account balance formula benefit for nonprotected participants

1. Eligibility: One year of service and not Protected as defined above in the Normal Retirement Benefit description.

2. Account Balance: At the end of each year prior to 1/1/2010, an amount equal to 3% of eligible compensation is credited to the Account Balance. At the end of the following year, the Account Balance from the previous year is increased with an interest credit based on the Treasury Rate (average of 30-Year Treasury Bond rates during August through December preceding such year).

3. Vesting – Immediate if hired prior to 12/31/2008, three years if hired after 12/31/2008.

Frozen benefit

1. Eligibility: One year of service and not Protected as defined above in the Normal Retirement Benefit description.

2. Benefit: Employees that are Grandfathered as defined above receive the larger of Formula A and B from Normal Retirement Benefit description, calculated with service as of December 31, 2000 and HAE as of December 31, 2009.

   Employees not Grandfathered receive the larger of Formula A calculated with service and HAE as of December 31, 1996 and Formula B calculated with service as of December 31, 2000 and HAE as of December 31, 2009.

3. Payment of Benefit if Formula A is used:

   a. Immediate Annuity – If service pension eligible, amount payable is Retirement Benefit reduced by 6% per year prior to age 55 (3% if 30 or more years of service).

   b. Deferred Annuity – Retirement Benefit payable at age 65 actuarially reduced for early commencement.

   c. Immediate Lump Sum – If service pension eligible, lump sum is actuarial equivalent of deferred annuity using subsidized factors; otherwise, lump sum is actuarial equivalent.

4. Payment of Benefit if Formula B is used:

   a. Immediate Annuity – Amount equal to actuarial equivalent of Account Balance.

   b. Deferred Annuity – Amount equal to actuarial equivalent of Account Balance.

   c. Immediate Lump Sum – Amount equal to Account Balance.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Benefit at termination due to disability

1. Eligibility: Disablement after vesting.

2. Benefit: The benefit for termination due to disability is the Normal Retirement Benefit adjusted for early commencement as of the date of termination or benefit commencement date.

Pre-retirement survivor benefit

1. Eligibility: Death after vesting.

2. Benefit Payable:

   Formula A: If applicable, spouse will receive the greater of the benefit calculated under the 50% joint and survivor annuity option or 45% of the pension accrued to date payable immediately and unreduced.

   Formula B: If applicable, spouse or beneficiary will receive entire account balance or an annuity that is equivalent in value to the account balance.

   Account Balance Formula: If applicable, spouse or beneficiary will receive entire account balance or an annuity that is equivalent in value to the account balance.

Sickness death benefit

1. Eligibility: Death as an active employee who has a mandatory beneficiary. Must have a Term of Employment date prior to March 1, 1993.

2. Benefit Payable to Beneficiary: Lump sum payment equal to annual pay at earlier of retirement or February 28, 1993.

Normal form of benefit

For married participants, the normal form is a reduced pension annuity with 50% of the reduced amount payable to the surviving spouse upon the death of the employee. If the spouse of a service pensioner dies first, the pension is restored to its unreduced value.

For single participants, the normal form is a pension payable as a single life annuity.

Changes in plan provisions since last actuarial valuation

None.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

PARTICIPANTS OF THE QWEST COMPONENT PLAN – FOR OCCUPATIONAL EMPLOYEES

Coverage and participation

"Bargained for" employees and other non-management employees at participating companies with at least one year of service.

Normal retirement benefit - Formula if hired prior to 1/1/2009

1. Eligibility: Age 65.

2. Benefit Amount: Sum of the pension band amount assigned to an employee times the months of service and 0.1% times average annual differential amounts in three calendar years prior to year of termination times months of service. The pension band amount depends on the job title for a covered employee.

   For certain sales employees the benefit amount is the sum of the pension factor amount assigned to an employee times the months of service and 0.1% times average annual differential amounts in the three calendar years prior to year of termination times months of service. The pension factor depends on the average service compensation level for a covered employee.

3. Vesting – Five years.

Account balance formula benefit

4. Eligible Participants: Hired or rehired after 12/31/2008 or previously covered under the management plan provisions. Additionally, transfers from designated companies within the control group are eligible.

5. Account Balance: At the end of each year, an amount equal to 3% of eligible compensation is credited to the Account Balance. At the end of the following year, the Account Balance from the previous year is increased with an interest credit based on the Treasury Rate (average of 30-Year Treasury Bond rates during August through December preceding such year).

6. Vesting – Three years.

Service pension

1. Eligibility: Age 65 and 10 years of service or age 60 and 15 years of service or age 55 and 20 years of service or age 50 and 25 years of service or any age with 30 years of service.

2. Pension Benefit: Normal retirement benefit reduced by 6.0% for each year retirement precedes age 55 unless the participant has 30 or more years of service.

3. Account Balance Formula: If applicable, account balance or an annuity that is equivalent in value to the balance.

Plan Name:	CenturyLink Combined Pension Plan
EIN / PN:	72-0651161 / 001
Plan Sponsor:	CenturyLink, Inc.
Valuation Date:	January 1, 2015

Schedule SB, Part V – Summary of Plan Provisions

Deferred vested pension

1. Eligibility: Vested in a pension benefit.

2. Pension Benefit: Normal retirement benefit actuarially reduced for early commencement.

3. Account Balance Formula: If applicable, account balance or an annuity that is equivalent in value to the balance.

Disability pension

1. Eligibility: Disablement after 15 years of service.

2. Pension Benefit: Disabilities on or after January 1, 2002 and not eligible for ABF formula receive, in addition to their regular pension, a Disability Pension equal to the normal retirement benefit amount payable until the earlier of age 65, death or no longer disabled as defined by the disability plan.

3. Account Balance Formula: If applicable, account balance or an annuity that is equivalent in value to the balance.

Pre-retirement survivor benefit

1. Eligibility: Death after vesting.

2. Benefit Payable to Spouse: Greater of 1) 45% of the pension benefit accrued to date payable immediately and unreduced, or 2) the survivor benefit under a 50% joint and survivor annuity.

3. Benefit Payable to Non-Spouse: The survivor benefit under a 50% joint and survivor annuity.

4. Account Balance Formula: If applicable, spouse or beneficiary will receive entire account balance or an annuity that is equivalent in value to the account balance.

Sickness death benefit and accidental death benefit

1. Eligibility: Death as an active employee who has a mandatory beneficiary. Must have a Term of Employment date prior to March 1, 1993.

2. Benefit Payable to Beneficiary: Lump sum payment equal to annual pay at earlier of retirement or February 28, 1993.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Summary of Plan Provisions

Normal form of benefit

For married participants, the normal form is a reduced pension annuity with 50% of the reduced amount payable to the surviving spouse upon the death of the employee. If the spouse of a service pensioner dies first, the pension is restored to its unreduced value.

For single participants, the normal form is a pension payable as a single life annuity.

Changes in plan provisions since last actuarial valuation

None.

CENTURYLINK COMBINED PENSION PLAN
EIN: 72-0651161 PLAN NO: 001
FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2015

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	$ 11,544,780
CenturyLink Defined Benefit Master Trust*	Net assets held in 401(h) account	12,669
Total assets held for investment purposes		$ 11,557,449

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

See accompanying Independent Auditors' Report

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Line 26
Schedule of Active Participant Data as of January 1, 2015

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	5		99	41,187	2		0		0		0		0		0		0		0	
25 - 29	45	34,345	403	46,455	110	50,361	3		0		0		0		0		0		0	
30 - 34	80	36,620	656	52,358	450	57,427	191	65,097	21	70,181	0		0		0		0		0	
35 - 39	82	40,773	730	61,598	1,127	65,859	1,160	70,123	416	71,956	16		1		0		0		1	
40 - 44	61	50,061	723	67,230	1,223	73,909	1,872	74,967	841	72,253	133	65,155	17		1		0		0	
45 - 49	71	59,347	572	68,778	962	79,469	1,493	78,428	910	74,358	371	71,747	198	66,344	10		0		1	
50 - 54	70	46,891	469	68,150	822	80,217	1,310	75,749	820	74,425	527	77,369	613	77,239	462	69,627	149	64,238	0	
55 - 59	75	55,600	391	68,042	631	76,948	1,081	73,372	637	71,296	392	73,671	591	78,305	1,181	76,825	1,189	67,479	172	63,282
60 - 64	42	67,439	298	72,655	418	75,430	523	74,163	313	68,710	192	75,819	255	75,275	481	77,378	1,024	74,326	771	67,179
65 - 69	10		89	71,793	120	72,712	155	69,564	70	66,762	43	80,257	38	80,200	47	77,930	108	71,820	202	69,751
70 & Over	5		3		9		18		10		3		1		4		6		18	

Plan Name: CenturyLink Combined Pension Plan
EIN / PN: 72-0651161 / 001
Plan Sponsor: CenturyLink, Inc.
Valuation Date: January 1, 2015

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Line 26
Schedule of Active Participant Data for Cash Balance Plans as of January 1, 2015

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.
Under 25	1		64	1,930	0		0		0		0		0		0		0		0	
25 – 29	4		167	2,921	17		0		0		0		0		0		0		0	
30 – 34	14		260	4,087	90	11,011	12		0		0		0		0		0		0	
35 - 39	19		319	6,332	429	17,697	244	22,258	8		0		0		0		0		0	
40 - 44	14		343	7,944	595	24,342	615	26,441	63	21,869	7		0		0		0		0	
45 - 49	29	6,721	290	9,667	524	27,739	503	30,644	90	30,333	63	26,575	4		0		0		0	
50 - 54	20	1,901	204	10,330	407	29,912	418	31,141	88	34,671	126	33,814	148	31,895	0		0		0	
55 - 59	38	8,828	217	9,613	294	28,032	295	30,888	84	33,981	88	35,572	150	34,126	3		1		0	
60 - 64	27	13,473	186	9,706	178	26,190	159	31,676	34	30,721	57	33,776	67	33,175	3		3		0	
65 - 69	6		59	10,937	57	25,142	52	30,710	10		18		10		0		0		1	
70 & Over	1		3		2		6		1		0		0		0		0		0	

Plan Name: CenturyLink Combined Pension Plan
EIN / PN: 72-0651161 / 001
Plan Sponsor: CenturyLink, Inc.
Valuation Date: January 1, 2015

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods Plan Sponsor	CenturyLink, Inc.
EIN/PN	72-0651161/001

Economic Assumptions

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	4.72%	1.15%
• Second segment rate	6.11%	4.06%
• Third segment rate	6.81%	5.15%
• Effective interest rate	6.20%	4.24%

Lump Sum Conversion Rate	For funding purposes, the same 3-segment rates as defined above. For ASC 960 purposes, the short-term rate was 4.50% for 2015 and the long-term was 6.50% for all IRC Section 417(e) interest rate based calculations. For CenturyLink component participants with a grandfathered lump sum calculation, the 2015 lump sum conversion rate was is a short term rate of 2.50% for 2015 and a long term rate of 4.50%.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Cash Balance Interest Crediting Rate	For funding purposes, a 5.50% rate is assumed for all future years. For ASC 960 purposes, the short-term rate was 3.50% for 2015 and the long-term was 5.50% for all future years.
Compensation Increases	For purposes of determining the additional funding target for maximum deductible contribution purposes, compensation is assumed to increase by 3.25% during the plan year.
Future Increases in Social Security	Taxable wage bases are expected to increase by 3.00% each year.
Assumed Cost of Living Adjustments	2.00% per annum for those participants eligible for annual cost of living increases.

Demographic Assumptions

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.

Retirement

- *Legacy CenturyLink Component*

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below:

Annual Rate of Early Retirement		
Age	**Occupational**	**Management**
50-55	2.0%	3.0%
56	4.0	4.0
57	5.0	5.0
58	5.0	5.0
59	5.0	5.0
60	10.0	10.0
61	10.0	15.0
62	40.0	20.0
63	25.0	20.0
64	20.0	20.0
65	20.0	20.0
66	20.0	30.0
67	35.0	35.0
68	35.0	35.0
69	35.0	35.0
70+	100.0	100.0

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

- *Legacy Embarq Component*

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]				
	Occupational		Management	
Age	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

- *Legacy Qwest Component*

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age and gender are shown below.

Percentage retiring during the year		
Age	Male	Female
50	10.0%	10.0%
55	10.0%	10.0%
60	19.0%	19.0%
65	35.0%	35.0%
70	100.0%	100.0%

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

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Disability Rates

- *Legacy CenturyLink Component* — The rates at which active participants become disabled by age and gender are shown below for each former plan supplement:

  For CenturyLink Retirement Plan Members: None

For Ohio Bargaining Unit Members		
Age	**Male**	**Female**
20	0.06%	0.09%
25	0.06	0.09
30	0.06	0.09
35	0.06	0.09
40	0.10	0.09
45	0.20	0.14
50	0.37	0.35
55	0.65	0.51
60	1.17	0.60
65	0.00	0.00

For Represented and Non represented Hourly Plan Members		
Age	**Male**	**Female**
20	0.080%	0.100%
25	0.089	0.116
30	0.105	0.155
35	0.137	0.232
40	0.202	0.305
45	0.356	0.463
50	0.662	0.729
55	1.187	1.068
60	1.671	1.253
65	0.000	0.000

For Salaried Plan Members		
Age	**Male**	**Female**
20	0.016%	0.020%
25	0.018	0.023
30	0.021	0.031
35	0.027	0.046
40	0.040	0.061
45	0.071	0.093
50	0.132	0.146
55	0.237	0.214
60	0.334	0.251
65	0.000	0.000

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

- *Legacy Embarq Component*

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

Annual Rate of In-Service Disability		
Age	**Male**	**Female**
25	0.03%	0.05%
30	0.03	0.05
35	0.03	0.05
40	0.05	0.08
45	0.10	0.20
50	0.19	0.27
55	0.33	0.31
60	0.59	0.54
64	0.80	0.72

- *Legacy Qwest Component*

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

Percentage becoming disabled during the year		
Age	**Male**	**Female**
20	0.03%	0.11%
25	0.03	0.11
30	0.03	0.11
35	0.03	0.14
40	0.04	0.21
45	0.09	0.36
50	0.27	0.62
55	0.64	0.92
60	2.02	1.25

Disabled Mortality

Same as for healthy participants.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Representative Termination Rates not Due to Disability, Retirement or Mortality

- *Legacy CenturyLink Component*

5-Year Select Withdrawal Table			
	Occupational		Management
Select Year	Male	Female	
0	40.0%	40.0%	40.0%
1	25.0	30.0	20.0%
2	20.0	20.0	15.0
3	10.0	15.0	15.0
4	7.5	15.0	10.0

Ultimate Withdrawal Table	
Age	All Participants
23	10.6%
28	8.5
33	7.5
38	7.2
43	6.8
48	5.9
53	2.1

- *Legacy Embarq Component*

5-year Select Withdrawal Table				
	Occupational		Management	
Select Year	Male	Female	Male	Female
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

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Ultimate Withdrawal Table				
	Occupational		Management	
Age	Male	Female	Male	Female
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

- *Legacy Qwest Component*

Percentage leaving during the year				
Attained	Occupational		Management	
Age	Male	Female	Male	Female
20	6.00%	10.00%	10.00%	10.00%
25	6.00	10.00	10.00	10.00
30	6.00	10.00	10.00	10.00
35	6.00	10.00	10.00	10.00
40	6.00	8.50	8.50	8.50
45	6.00	7.00	7.00	7.00
50	6.00	6.00	6.00	6.00
55	6.00	6.00	6.00	6.00
60	6.00	6.00	6.00	6.00

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Other Assumptions

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 $47,500,000. No investment related expenses are included in this estimate.
Future Increases in Maximum Benefits and Plan Compensation Limitations	Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC §415. Plan compensation is limited to the maximum presently allowed under IRC §401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.
Form of Payment	
• *Legacy CenturyLink Component*	Participants in the CenturyLink Retirement Plan and Ohio Bargaining Unit are assumed to elect a single life annuity. 75% of participants in the Hourly Plan and Salaried Plan are assumed to elect a lump sum payment on the portion of their benefit payable as a lump sum.
• *Legacy Embarq Component*	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.
• *Legacy Qwest Component*	Service Pension Eligible Occupational employees are assumed to elect a lump sum 50% of the time and a life annuity 50% of the time. Service Pension Eligible Management employees are assumed to elect a lump sum 70% of the time and a life annuity 30% of the time. All other employees are assumed to elect a lump sum 80% of the time and a life annuity 20% of the time.
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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

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 management employees will become new participants after December 31, 2010.

Plan Compensation

- *Legacy CenturyLink Component*

  Plan compensation was frozen for management employees effective 12/31/2010.

  Compensation for occupational employees assumed paid in the current plan year beginning on the valuation date is the current annual rate of pay.

- *Legacy Embarq Component*

  Plan compensation was frozen for management employees effective 12/31/2010.

- *Legacy Qwest Component*

  Plan compensation was frozen for management employees effective 12/31/2009.

  Certain occupational sales employees have a compensation based benefit formula. The assumed compensation beginning on the valuation date for these occupational employees is based upon the prior year's rate of pay plus bonuses, commissions, differentials, and overtime.

  The ABF plan earnings for the prior year are provided by CenturyLink. This generally includes salary, wages, overtime, commissions and bonuses if included in taxable income plus deferrals for 401(k) and under a cafeteria plan.

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.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Benefits not Included in Valuation

None. Note that for the purpose of valuing the Special Early Retirement Benefits in the Legacy Embarq Component, 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 2014. All of the other assumptions are the same as described above.

Nature of actuarial calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed insignificant and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

A range of results, different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision, which is not inherent in actuarial calculations. Certain percentages determined in this report, such as the Funding Target Attainment Percentage, are truncated to be consistent with the rounding specified for Schedule SB of the Form 5500.

The assumptions selected for this valuation other than those prescribed by law, generally reflect long-term average expectations. If overall future plan experience is less favorable than assumed, the relative level of plan costs or contribution requirements determined in this valuation will likely increase in future valuations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this actuarial valuation to analyze the potential range of future pension contributions, but we can do so upon request.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Assumptions Rationale - Significant Economic Assumptions

Interest rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Cash balance interest crediting rate	The plan credits interest to cash balance accounts using the 30-year Treasury rate. CenturyLink has selected an expected future 30-year Treasury rate of 5.50%. However, after examining historical variability in 30-year Treasury bond rates, we believe that the selected assumption does not significantly conflict with what would be reasonable based on future expectations consistent with other economic assumptions used, other than the discount rate.
Lump sum conversion rate	As required by IRC 430, lump sum benefits are valued using "annuity substitution", so that the interest rates assumed are effectively the same as described above for the discount rate.
Annuity conversion rate for hybrid plans	As required by IRC 430, annuity benefits are valued by converting accounts to annuities using the current IRC 430 interest rates, so that the interest rates assumed are effectively the same as described above for the discount rate

Assumptions Rationale - Significant Demographic Assumptions

Healthy mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	Termination rates for the legacy Embarq and legacy CenturyLink components were based on an experience study conducted in 2012 (using data from 2008 through 2011) and for the Legacy Qwest component were based on an experience study conducted in 2009 (using data from 2005 through 2007), with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Retirement	Retirement rates for the legacy Embarq and legacy CenturyLink components were based on an experience study conducted in 2012 (using data from 2008 through 2011) and for the Legacy Qwest component were based on an experience study conducted in 2009 (using data from 2005 through 2007), with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Source of Prescribed Methods

Funding methods	The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Changes in Assumptions and methods Since Last Actuarial Valuation

- Other than the prescribed changes in interest rates and mortality, no changes have occurred.
- For ASC 960 purposes, the mortality tables were updated to the RP-2014 sex distinct annuitant and non-annuitant tables with generational improvement using scale MP-2014. The previous valuation used the prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.
- The percent married assumption was updated to 80% for all participants.

SCHEDULE SB ATTACHMENTS (cont.)

Schedule SB, Line 24
Change in Actuarial Assumptions
as of January 1, 2015

Other than the prescribed changes in interest rates and mortality, all assumptions remain unchanged except prior year assumptions for the plans that merged into this plan are now part of this plan's assumptions. Additionally, the percent married assumption was updated to 80% for all participants for consistency between participants which did not change the funding shortfall.

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	CenturyLink, Inc.
EIN/PN	72-0651161/001
Plan Name	CenturyLink Combined Pension Plan
Valuation Date	January 1, 2015
Enrolled Actuary	Craig Pedersen
Enrollment Number	14-07142

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.

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:

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 (cont.)

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2015

See SB attachment of assumptions 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.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 7
Explanation of Discrepancy in Prior Year Funding Standard Carryover Balance or Prefunding Balance
as of January 1, 2015

On December 31, 2014 the Qwest Pension Plan and the Embarq Retirement Pension Plan were merged with the CenturyLink Retirement Plan. The funding balances and amounts shown for the Plan in Part II are the sum of the amounts applicable to each predecessor plan prior to merger on December 31, 2014. The amount of additional prefunding balance created by election was available due to the voluntary $100,000,000 contribution to the Embarq Retirement Pension Plan (ERPP) for the 2014 plan year which resulted in replenishing the prefunding balance elected to cover the 2014 minimum required contribution for the ERPP. The interest adjustments for all balances were calculated using the actual 2014 return or Effective Interest Rate, as applicable, for each predecessor plan prior to the merger of the plans at the end of the 2014 plan year.

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

2015

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

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
CENTURYLINK COMBINED PENSION PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1965

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
CENTURYLINK, INC.

FINANCE DEPT. 2 NE700
100 CENTURYLINK DRIVE
P. O. BOX 4065
MONROE LA 71203

2b Employer Identification Number (EIN) 72-0651161

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	[signature]	10/14/16	Marina Pearson
	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)

Preparer's telephone number

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500. **Form 5500 (2015) v. 150123**

518401
12-07-15

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department 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

2015

This Form is Open to Public Inspection

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **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
CenturyLink Combined 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
CenturyLink, Inc.

D Employer Identification Number (EIN)
72-0651161

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2015

2 Assets:

a Market value	**2a**	12,638,882,724
b Actuarial value	**2b**	12,293,439,404

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	67,968	7,840,382,644	7,840,382,644
b For terminated vested participants	22,660	767,144,975	767,144,975
c For active participants	31,829	2,532,874,543	2,661,041,021
d Total	122,457	11,140,402,162	11,268,568,640

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**	6.20%
6 Target normal cost	**6**	101,607,325

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

Craig Pedersen

Signature of actuary

9/30/16

Date

Craig Pedersen

Type or print name of actuary

1407142

Most recent enrollment number

TOWERS WATSON DELAWARE INC.

Firm name

303-391-1200

Telephone number (including area code)

555 17th Street, Suite 2050

Denver CO 80202

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)	9,589,924	310,544,722
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	109,459,933
9	Amount remaining (line 7 minus line 8)	9,589,924	201,084,789
10	Interest on line 9 using prior year's actual return of 11.47%	1,111,472	23,111,603
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		89,966,035
	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 6.52%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		10,130,176
	c Total available at beginning of current plan year to add to prefunding balance		100,096,211
	d Portion of (c) to be added to prefunding balance		100,096,211
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	10,701,396	324,292,603

Part III Funding Percentages

14	Funding target attainment percentage	14	106.12%
15	Adjusted funding target attainment percentage	15	109.09%
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	95.23%
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
09/13/2016	100,000,000				
		Totals ▶ 18(b)	100,000,000	18(c)	0

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	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	90,279,329

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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	(4) 4th
0	0	0	0

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.72%	6.11%	6.81%	☐ 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**: 101,607,325

b Excess assets, if applicable, but not greater than line 31a — **31b**: 101,607,325

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
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**: 0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

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**: 90,279,329

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36) — **38a**: 90,279,329

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**: 0

43 Excess installment acceleration amount to be carried over to future plan years — **43**: 0