

**Exhibit No. \_\_\_\_ (RTA-4)  
Docket UT-100820  
Witness: Rick T. Applegate**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Joint Application of**

**QWEST COMMUNICATIONS  
INTERNATIONAL INC. AND  
CENTURYTEL, INC.**

**For Approval of Indirect Transfer of  
Control of Qwest Corporation, Qwest  
Communications Company LLC, and  
Qwest LD Corp.**

**DOCKET UT-100820**

**EXHIBIT TO TESTIMONY OF  
RICK T. APPLGATE  
STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*S-4 Risk Factors*

**September 27, 2010**

**Table of Contents****RISK FACTORS**

*In addition to the other information included and incorporated by reference into this joint proxy statement–prospectus, including the matters addressed in the section entitled “Cautionary Statement Regarding Forward–Looking Statements,” you should carefully consider the following risks before deciding whether to vote for adoption of the merger agreement, in the case of Qwest stockholders, or for the issuance of shares of CenturyLink common stock in the merger, in the case of CenturyLink shareholders. In addition, you should read and consider the risks associated with each of the businesses of CenturyLink and Qwest because these risks will also affect the combined company. These risks can be found in CenturyLink’s and Qwest’s respective Annual Reports on Form 10–K for fiscal year 2009, as updated by subsequent Quarterly Reports on Form 10–Q, all of which are filed with the SEC and incorporated by reference into this joint proxy statement–prospectus. You should also read and consider the other information in this joint proxy statement–prospectus and the other documents incorporated by reference into this joint proxy statement–prospectus. See the section entitled “Where You Can Find More Information” beginning on page 131.*

**Risk Factors Relating to the Merger**

*The exchange ratio is fixed and will not be adjusted in the event of any change in either CenturyLink’s or Qwest’s stock price.*

Upon the closing of the merger, each share of Qwest common stock will be converted into the right to receive 0.1664 shares of CenturyLink common stock with cash paid in lieu of fractional shares. This exchange ratio was fixed in the merger agreement and will not be adjusted for changes in the market price of either CenturyLink common stock or Qwest common stock. Changes in the price of CenturyLink common stock prior to the merger will affect the market value of the merger consideration that Qwest stockholders will receive on the date of the merger. Stock price changes may result from a variety of factors (many of which are beyond our control), including the following factors:

- changes in our respective businesses, operations, assets, liabilities and prospects;
- changes in market assessments of the business, operations, financial position and prospects of either company;
- market assessments of the likelihood that the merger will be completed, including related considerations regarding regulatory approvals of the merger;
- interest rates, general market and economic conditions and other factors generally affecting the price of CenturyLink’s and Qwest’s common stock; and
- federal, state and local legislation, governmental regulation and legal developments in the businesses in which Qwest and CenturyLink operate.

The price of CenturyLink common stock at the closing of the merger may vary from its price on the date the merger agreement was executed, on the date of this joint proxy statement–prospectus and on the date of the special meetings of CenturyLink and Qwest. As a result, the market value of the merger consideration represented by the exchange ratio will also vary. For example, based on the range of closing prices of CenturyLink common stock during the period from April 21, 2010, the last trading day before public announcement of the merger, through July 15, 2010, the latest practicable date before the date of this joint proxy statement–prospectus, the exchange ratio of 0.1664 shares of CenturyLink common stock represented a market value ranging from a low of \$5.48 to a high of \$6.02.

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

- If the price of CenturyLink common stock increases between the date the merger agreement was signed or the date of the CenturyLink special meeting and the effective time of the merger, Qwest stockholders will receive shares of CenturyLink common stock that have a market value upon completion of the

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merger that is greater than the market value of such shares calculated pursuant to the exchange ratio when the merger agreement was signed or the date of the CenturyLink special meeting, respectively. Therefore, while the number of CenturyLink common shares to be issued per Qwest common share is fixed, CenturyLink shareholders cannot be sure of the market value of the consideration that will be paid to Qwest stockholders upon completion of the merger.

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

*The completion of the merger is subject to the receipt of consents and approvals from government entities, which may impose conditions that could have an adverse effect on CenturyLink or Qwest or could cause either CenturyLink or Qwest to abandon the merger.*

We are unable to complete the merger until after the applicable waiting period under the HSR Act expires or terminates and we receive approvals from the FCC and various state governmental entities. In deciding whether to grant some of these approvals, the relevant governmental entity will make a determination of whether, among other things, the merger is in the public interest. Regulatory entities may impose certain requirements or obligations as conditions for their approval or in connection with their review.

The merger agreement may require us to accept conditions from these regulators that could adversely impact the combined company without either of us having the right to refuse to close the merger on the basis of those regulatory conditions. Neither CenturyLink nor Qwest can provide any assurance that we will obtain the necessary approvals or that any required conditions will not have a material adverse effect on the combined company following the merger. In addition, we can provide no assurance that these conditions will not result in the abandonment of the merger. See “The Issuance of CenturyLink Shares and the Merger — Regulatory Approvals Required for the Merger” beginning on page 92 and “The Issuance of CenturyLink Shares and the Merger — The Merger Agreement — Conditions to Completion of the Merger” beginning on page 99.

*Failure to complete the merger could negatively impact the stock prices and the future business and financial results of Qwest and CenturyLink.*

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

- being required, under certain circumstances, to pay a termination fee of \$350 million;
- having to pay certain costs relating to the proposed merger, such as legal, accounting, financial advisor, filing, printing and mailing fees; and
- focusing of management of each of the companies on the merger instead of on pursuing other opportunities that could be beneficial to the companies, in each case, without realizing any of the benefits of having the merger completed.

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

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

The merger agreement contains “no shop” provisions that, subject to limited exceptions, restrict Qwest’s and CenturyLink’s ability to solicit, encourage, facilitate or discuss competing third-party proposals to acquire all or a significant part of Qwest or CenturyLink. Further, even if the Qwest board of directors or CenturyLink board of directors withdraws or qualifies its recommendation for the adoption of the merger agreement or the issuance of CenturyLink stock in the merger, respectively, they will still be required to submit the matter to a vote of their respective shareholders at the special meetings. In addition, the other party generally has an opportunity to offer to modify the terms of the proposed merger in response to any competing acquisition proposals that may be made before such board of directors may withdraw or qualify its recommendation. In some circumstances on termination of the merger agreement, one of the parties may be required to pay a termination fee to the other party. See “The Issuance of CenturyLink Shares and the Merger — The Merger Agreement — No Solicitation of Alternative Proposals” beginning on page 100, “— Termination of the Merger Agreement” beginning on page 101 and “— Expenses and Termination Fees” beginning on page 102.

These provisions could discourage a potential competing acquirer that might have an interest in acquiring all or a significant part of Qwest or CenturyLink from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or market value than that market value proposed to be received or realized in the merger, or might result in a potential competing acquirer proposing to pay a lower price than it might otherwise have proposed to pay because of the added expense of the termination fee that may become payable in certain circumstances.

*The pendency of the merger could adversely affect the business and operations of CenturyLink and Qwest.*

In connection with the pending merger, some customers or vendors of each of CenturyLink and Qwest may delay or defer decisions, which could negatively impact the revenues, earnings, cash flows and expenses of CenturyLink and Qwest, regardless of whether the merger is completed. Similarly, current and prospective employees of CenturyLink and Qwest may experience uncertainty about their future roles with the combined company following the merger, which may materially adversely affect the ability of each of CenturyLink and Qwest to attract and retain key personnel during the pendency of the merger. In addition, due to operating covenants in the merger agreement, each of CenturyLink and Qwest may be unable, during the pendency of the merger, to pursue strategic transactions, undertake significant capital projects, undertake certain significant financing transactions and otherwise pursue other actions that are not in the ordinary course of business, even if such actions would prove beneficial.

**Risk Factors Relating to CenturyLink Following the Merger***Operational Risks*

*CenturyLink expects to incur substantial expenses related to the merger.*

CenturyLink expects to incur substantial expenses in connection with completing the merger and integrating the business, operations, networks, systems, technologies, policies and procedures of Qwest with those of CenturyLink. There are a large number of systems that must be integrated, including billing, management information, purchasing, accounting and finance, sales, payroll and benefits, fixed asset, lease administration and regulatory compliance. While CenturyLink has assumed that a certain level of transaction and integration expenses would be incurred, there are a number of factors beyond its control that could affect the total amount or the timing of its integration expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. Moreover, CenturyLink expects to commence these integration initiatives before it has completed a similar integration of its business with the business of Embarq, acquired in 2009, which could cause both of these integration initiatives to be delayed or rendered more costly or disruptive than would otherwise be the case. Due to these factors, the transaction and integration expenses associated with the Qwest merger could, particularly in the near term, exceed the savings

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that CenturyLink expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the integration of the businesses following the completion of the merger. As a result of these expenses, CenturyLink expects to take charges against its earnings before and after the completion of the merger. The charges taken after the merger are expected to be significant, although the aggregate amount and timing of such charges are uncertain at present.

*Following the merger, the combined company may be unable to integrate successfully the businesses of CenturyLink and Qwest and realize the anticipated benefits of the merger.*

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

- the inability to successfully combine the businesses of CenturyLink and Qwest in a manner that permits the combined company to achieve the cost savings anticipated to result from the merger, which would result in the anticipated benefits of the merger not being realized in the time frame currently anticipated or at all;
- lost sales and customers as a result of certain customers of either of the two companies deciding not to do business with the combined company;
- the complexities associated with managing the combined businesses out of several different locations and integrating personnel from the two companies, while at the same time attempting to provide consistent, high quality products and services under a unified culture;
- the additional complexities of combining two companies with different histories, regulatory restrictions, markets and customer bases, and initiating this process before CenturyLink has fully completed the integration of its operations with those of Embarq;
- the failure to retain key employees of either of the two companies;
- potential unknown liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the merger; and
- performance shortfalls at one or both of the two companies as a result of the diversion of management's attention caused by completing the merger and integrating the companies' operations.

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

*The merger will change the profile of CenturyLink's local exchange markets to include more large urban areas, with which CenturyLink has limited operating experience.*

Prior to the Embarq acquisition, CenturyLink provided local exchange telephone services to predominantly rural areas and small to mid-size cities. Although Embarq's local exchange markets include Las Vegas, Nevada and suburbs of Orlando and several other large U.S. cities, CenturyLink has operated these more dense markets only since mid-2009. Qwest's markets include Phoenix, Arizona, Denver, Colorado, Minneapolis — St. Paul, Minnesota, Seattle, Washington, Salt Lake City, Utah, and Portland, Oregon, and, on average, are substantially denser than those traditionally served by CenturyLink. While CenturyLink believes its strategies and operating models developed serving rural and smaller markets can successfully be applied to larger markets, it can not assure you of this. CenturyLink's business, financial performance and prospects could be harmed if its current strategies or operating models cannot be successfully applied to larger markets following the merger, or are required to be changed or abandoned to adjust to differences in these larger markets.

**Table of Contents*****Following the merger, the combined company may be unable to retain key employees.***

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

***If CenturyLink and Qwest continue to experience access line losses similar to the past several years, following the merger, the combined company's revenues, earnings and cash flows may be adversely impacted.***

CenturyLink's and Qwest's businesses generate a substantial portion of their revenues by delivering voice and data services over access lines. CenturyLink and Qwest have experienced access line losses over the past several years due to a number of factors, including increased competition and wireless and broadband substitution. This trend has been more pronounced in the larger, more urban markets that constitute the core of Qwest's local exchange telephone markets. CenturyLink and Qwest expect the combined company to continue to experience access line losses following the merger. The combined company's inability to retain access lines could adversely impact its revenues, earnings and cash flow from operations.

***CenturyLink and Qwest face competition, which is expected to intensify and place further pressure on the market share of the combined company.***

As a result of various technological, regulatory and other changes, the telecommunications industry has become increasingly competitive. CenturyLink and Qwest face competition from (i) wireless telephone services, which is expected to increase as wireless providers continue to expand and improve their network coverage and offer enhanced services, (ii) cable television operators, competitive local exchange carriers and VoIP providers and (iii) resellers, sales agents and facilities-based providers that either use their own networks or lease parts of the networks of CenturyLink or Qwest. Over time, CenturyLink and Qwest expect to face additional local exchange competition from electric utility and satellite communications providers, municipalities and alternative networks or non-carrier systems designed to reduce demand for their switching or access services. The recent proliferation of companies offering integrated service offerings has intensified competition in Internet, long distance and data services markets, and CenturyLink and Qwest expect that competition will further intensify in these markets.

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

Following the merger, some of CenturyLink's current and potential competitors are expected to (i) offer a more comprehensive range of communications products and services, (ii) have market presence, engineering, technical and marketing capabilities and financial, personnel and other resources greater than those of the combined company, (iii) own larger and more diverse networks, (iv) conduct operations or raise capital at a lower cost than the combined company, (v) be subject to less regulation, (vi) offer greater online content services or (vii) have substantially stronger brand names. Consequently, these competitors may be better equipped to charge lower prices for their products and services, to provide more attractive offerings, to develop and expand their communications and network infrastructures more quickly, to adapt more swiftly to new or emerging technologies and changes in customer requirements, and to devote greater resources to the marketing and sale of their products and services.

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

***CenturyLink could be harmed by rapid changes in technology.***

The communications industry is experiencing significant technological changes, particularly in the areas of VoIP, data transmission and electronic and wireless communications. The growing prevalence of electronic mail and similar digital communications continues to reduce demand for many of the products and services currently offered by CenturyLink and Qwest. Other changes in technology could result in the development of additional products or services that compete with or displace those offered by CenturyLink and Qwest, or that enable current customers to reduce or bypass use of their networks. Several large electric utilities have announced plans to offer communications services that will compete with local exchange companies. Following the merger, some of CenturyLink's competitors may enjoy network advantages that will enable them to provide services that have a greater market acceptance than the combined company's services. Technological change could also require CenturyLink to expend capital or other resources in excess of currently contemplated levels. CenturyLink cannot predict with certainty which technological changes will provide the greatest threat to the combined company's competitive position. CenturyLink may not be able to obtain timely access to new technology on satisfactory terms or incorporate new technology into its systems in a cost effective manner, or at all. If CenturyLink cannot develop new products to keep pace with technological advances, or if such products are not widely embraced by its customers, it could be adversely impacted.

***The industry in which CenturyLink operates is changing; CenturyLink cannot assure you that its diversification efforts will be successful.***

The telephone industry has recently experienced a decline in access lines and intrastate minutes of use, which, coupled with the other changes resulting from competitive, technological and regulatory developments, could materially adversely affect the core business and future prospects of CenturyLink following the merger. As explained in greater detail in the reports that CenturyLink and Qwest have filed with the SEC, the number of access lines operated by traditional phone companies have decreased over the last several years, and CenturyLink and Qwest each expects this trend to continue. CenturyLink and Qwest have also earned less intrastate revenues in recent years due to reductions in intrastate minutes of use (partially due to the displacement of minutes of use by wireless, electronic mail, text messaging, arbitrage and other optional calling services). CenturyLink believes that the combined company's intrastate minutes of use after the merger will continue to decline, although the magnitude of such decrease is uncertain. Likewise, similar reductions are occurring for interstate minutes of use and are expected to continue after the merger.

Recently, CenturyLink and Qwest have broadened their products and services by reselling, as part of their bundled product and service offerings, the products or services of other third-party providers. CenturyLink's reliance after the merger on other companies and their networks to provide these services could constrain its flexibility and limit the profitability of these new offerings. CenturyLink provides facilities-based digital video services to select markets and may initiate other new service or product offerings in the future. CenturyLink anticipates that these new offerings will generate lower profit margins than many of its traditional services. Moreover, CenturyLink's new product or service offerings could be constrained by intellectual property rights held by others, or could subject it to the risk of infringement claims brought by others. For these and other reasons, CenturyLink cannot assure you that its recent or future diversification efforts will be successful.

***CenturyLink may not be able to continue to grow through acquisitions.***

CenturyLink has traditionally sought growth largely through acquisitions of properties similar to those currently operated by it. However, following the merger, CenturyLink cannot assure you that properties will be

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available for purchase on terms attractive to it, particularly if they are burdened by regulations, pricing plans or competitive pressures that are new or different from those historically applicable to the incumbent properties of CenturyLink and Qwest. Moreover, CenturyLink cannot assure you that it will be able to arrange financing on terms acceptable to it or to obtain timely federal and state governmental approvals on terms acceptable to it, or at all.

***CenturyLink's future results will suffer if CenturyLink does not effectively manage its expanded operations following the merger.***

Following the merger, CenturyLink may continue to expand its operations through additional acquisitions, other strategic transactions, and new product and service offerings, some of which involve complex technical, engineering, and operational challenges. CenturyLink's future success depends, in part, upon CenturyLink's ability to manage its expansion opportunities, which pose substantial challenges for CenturyLink to integrate new operations into its existing business in an efficient and timely manner, to successfully monitor CenturyLink's operations, costs, regulatory compliance and service quality, and to maintain other necessary internal controls. CenturyLink cannot assure you that its expansion or acquisition opportunities will be successful, or that CenturyLink will realize its expected operating efficiencies, cost savings, revenue enhancements, synergies or other benefits.

***Following the merger, CenturyLink may need to conduct branding or rebranding initiatives that are likely to involve substantial costs and may not be favorably received by customers.***

CenturyLink plans to consult with Qwest about how and under what brand names to market the various legacy communications services of CenturyLink and Qwest. Prior to the merger, CenturyLink and Qwest will each continue to market their respective products and services using the "CenturyLink" and "Qwest" brand names and logos. Following the merger, CenturyLink may discontinue use of either or both of the "CenturyLink" or "Qwest" brand names and logos in some or all of the markets of the combined company and will incur substantial capital and other costs in rebranding the combined company's products and services in those markets that previously used a different name and may result in substantial write-offs associated with the discontinued use of a brand name. The failure of any of these initiatives could adversely affect CenturyLink's ability to attract and retain customers after the merger, resulting in reduced revenues.

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

Following the merger, CenturyLink will continue to originate and terminate calls for long distance carriers and other interexchange carriers over the combined company's networks in exchange for access charges that will continue to represent a significant portion of CenturyLink's revenues. If these carriers go bankrupt or experience substantial financial difficulties, CenturyLink's inability to timely collect access charges from them could have a negative effect on CenturyLink's business and results of operations.

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

Following completion of the merger, it is expected that CenturyLink will continue to rely on certain reseller and sales agency arrangements with other companies to provide some of the services that it will sell to its customers. If CenturyLink fails to extend or renegotiate these arrangements as they expire from time to time or if these other companies fail to fulfill their contractual obligations, CenturyLink may have difficulty finding alternative arrangements. In addition, as a reseller or sales agent, CenturyLink will not control the availability, retail price, design, function, quality, reliability, customer service or branding of these products and services, nor will it directly control all of the marketing and promotion of these products and services. To



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the extent that these other companies make decisions that negatively impact the ability of CenturyLink to market and sell its products and services, its business plans and reputation could be negatively impacted.

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

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

***Regulatory and Legal Risks***

***CenturyLink's revenues could be materially reduced or its expenses materially increased by changes in regulations, including those recently proposed by the FCC.***

Much of CenturyLink's and Qwest's revenues are, and following the merger will remain, dependent upon laws and regulations which, if changed, could result in material revenue reductions. Laws and regulations applicable to CenturyLink, Qwest and their competitors have been and are likely to continue to be challenged in the courts, which, following the merger, could also affect the combined company's revenues.

***Risk of loss or reduction of network access charge revenues or support fund payments.*** CenturyLink and Qwest are subject to substantial regulation by the FCC. FCC rules and regulations are subject to change in response to industry developments, changes in law, technological changes and political considerations. The FCC regulates tariffs for interstate access and subscriber line charges, both of which are components of CenturyLink's and Qwest's revenues. The FCC has been considering comprehensive reform of its inter-carrier compensation rules for several years.

Following the merger, the combined company will continue to receive substantial revenues from the federal Universal Service Fund, which we refer to as the USF, and, to a lesser extent, intrastate support funds. These governmental programs are reviewed and amended from time to time, and CenturyLink cannot assure you that they will not be changed or impacted in a manner adverse to CenturyLink. For several years, the FCC and a federal-state joint board established by Congress have considered comprehensive reforms of the federal USF contribution and distribution rules. During this period, various parties have objected to the size of the USF or questioned the continued need to maintain the program in its current form. Pending judicial appeals and congressional proposals create additional uncertainty regarding our future receipt of support payments. In addition, the number of eligible telecommunications carriers receiving support payments from this program has increased substantially in recent years, which, coupled with other factors, has placed additional financial pressure on the amount of money that is available to provide support payments to all eligible recipients, including CenturyLink and Qwest.

The FCC's 10-year National Broadband Plan released on March 16, 2010 seeks comprehensive changes in federal communications regulations and programs that could, among other things, result in lower universal service funding and access revenues for several of CenturyLink's and Qwest's local exchange companies. At this stage, neither company can predict the ultimate outcome of this plan or provide any assurances that its implementation will not have a material adverse effect on their business, operating results or financial condition.

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*Risks posed by state regulations.* CenturyLink and Qwest are also subject to the authority of state regulatory commissions which have the power to regulate intrastate rates and services, including local, in-state long-distance and network access services. CenturyLink's and Qwest's businesses could be materially adversely affected by the adoption of new laws, policies and regulations or changes to existing state regulations. In particular, CenturyLink cannot assure you that it will succeed in obtaining or maintaining all requisite state regulatory approvals for its current operations or, following the merger, the operations of the combined company without the imposition of restrictions on its business, which could have the effect of imposing material additional costs on CenturyLink or limiting its revenues.

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

***Any adverse outcome of the KPNQwest litigation or other material litigation of Qwest or CenturyLink could have a material adverse impact on the financial condition and operating results of CenturyLink following the merger.***

As described in further detail in Qwest's reports filed with the SEC, the pending KPNQwest litigation presents material and significant risks to Qwest, and, following the merger, to the combined company. In the aggregate, the plaintiffs in these matters have sought billions of dollars in damages.

There are other material proceedings pending against Qwest and CenturyLink, as described in their respective reports filed with the SEC. Depending on their outcome, any of these matters could have a material adverse effect on the financial position or operating results of Qwest, CenturyLink or, following the merger, the combined company. Neither Qwest nor CenturyLink can give any assurances as to the impacts on their operating results or financial conditions as a result of these matters.

***Counterparties to certain significant agreements with Qwest may exercise contractual rights to terminate such agreements following the merger.***

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

***CenturyLink may be unable to obtain security clearances necessary to perform certain Qwest government contracts.***

Certain Qwest legal entities and officers have security clearances required for Qwest's performance of customer contracts with various government entities. Following the merger, it may be necessary for

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CenturyLink to obtain comparable security clearances. If CenturyLink or its officers are unable to qualify for such security clearances, CenturyLink may not be able to continue to perform such contracts.

***Other Risks***

***In connection with the merger, CenturyLink will assume a substantial amount of indebtedness and may need to incur more in the future.***

As a result of assuming Qwest's indebtedness in connection with the merger, CenturyLink will become more leveraged. This could have material adverse consequences for CenturyLink, including (i) reducing CenturyLink's credit ratings and thereby raising its borrowing costs, (ii) hindering CenturyLink's ability to adjust to changing market, industry or economic conditions, (iii) limiting CenturyLink's ability to access the capital markets to refinance maturing debt or to fund acquisitions or emerging businesses, (iv) limiting the amount of free cash flow available for future operations, acquisitions, dividends, stock repurchases or other uses, (v) making CenturyLink more vulnerable to economic or industry downturns, including interest rate increases, and (vi) placing CenturyLink at a competitive disadvantage compared to less leveraged competitors.

In connection with executing CenturyLink's business strategies following the merger, CenturyLink expects to continue to evaluate the possibility of acquiring additional communications assets and making strategic investments, and CenturyLink may elect to finance these endeavors by incurring additional indebtedness. Moreover, to respond to competitive challenges, CenturyLink may be required to raise substantial additional capital to finance new product or service offerings. CenturyLink's ability to arrange additional financing will depend on, among other factors, CenturyLink's and, following the merger, the combined company's financial position and performance, as well as prevailing market conditions and other factors beyond CenturyLink's control. CenturyLink cannot assure you that it will be able to obtain additional financing on terms acceptable to CenturyLink or at all. If CenturyLink is able to obtain additional financing, CenturyLink's credit ratings could be further adversely affected, which could further raise CenturyLink's borrowing costs and further limit its future access to capital and its ability to satisfy its obligations under its indebtedness.

***CenturyLink cannot assure you whether, when or in what amounts it will be able to use Qwest's net operating losses following the merger.***

As of March 31, 2010, Qwest had \$5.46 billion of net operating losses, or NOLs, which for federal income tax purposes can be used to offset future taxable income, subject to certain limitations under Section 382 of the Code and related regulations. CenturyLink's ability to use these NOLs following the merger may be further limited by Section 382 if Qwest is deemed to undergo an ownership change as a result of the merger or CenturyLink is deemed to undergo an ownership change following the merger, either of which could restrict use of a material portion of the NOLs. Determining the limitations under Section 382 is technical and highly complex. Although the parties, based on their review to date, currently believe that Qwest will not undergo an ownership change as a result of the merger, neither company has definitively completed the analysis necessary to confirm this. Moreover, issuances or sales of CenturyLink stock following the merger (including certain transactions outside of CenturyLink's control) could result in an ownership change under Section 382. For these and other reasons, we cannot assure you that CenturyLink will be able to use the NOLs after the merger in the amounts it projects.

***Adverse changes in the value of assets or obligations associated with CenturyLink's employee benefit plans could negatively impact its financial results or financial position.***

Following the merger, CenturyLink will maintain one or more qualified pension plans, non-qualified pension plans and post-retirement benefit plans, several of which are currently underfunded. Adverse changes in interest rates or market conditions, among other assumptions and factors, could cause a significant increase in the benefit obligations under these plans or a significant decrease in the value of plan assets. With respect to the qualified pension plans, adverse changes could require CenturyLink to contribute a material amount of cash to the plans or could accelerate the timing of any required cash payments. The process of calculating benefit obligations is complex. The amount of required contributions to these plans in future years will depend on

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earnings on investments, discount rates, changes in the plans and funding laws and regulations. Any future material cash contributions could have a negative impact on CenturyLink's financial results or financial position.

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

CenturyLink and Qwest will continue to operate as separate companies prior to the merger. CenturyLink and Qwest have no prior history as a combined company. The historical financial statements of Qwest may be different from those that would have resulted had Qwest been operated as part of CenturyLink. The pro forma combined condensed financial information appearing below has been presented for informational purposes only and is not necessarily indicative of the financial position or results of operations that actually would have occurred had the merger been completed as of the dates indicated, nor is it indicative of the future operating results or financial position of the combined company. The unaudited pro forma combined condensed financial information reflects adjustments, which are based upon preliminary estimates, to allocate the purchase price to Qwest's assets and liabilities. The purchase price allocation reflected in the pro forma combined condensed financial information included in this joint proxy statement-prospectus is preliminary, and the final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of Qwest as of the date of the completion of the merger. The unaudited pro forma combined condensed financial information does not reflect future events that may occur after the merger, including the costs related to the planned integration of Qwest and any future non-recurring charges resulting from the merger, and does not consider potential impacts of current market conditions on revenues or expense efficiencies. The unaudited pro forma financial information presented in this joint proxy statement-prospectus is based in part on certain assumptions regarding the merger that CenturyLink believes are reasonable under the circumstances. CenturyLink cannot assure you that the assumptions will prove to be accurate over time.

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

As noted elsewhere in this joint proxy statement-prospectus, CenturyLink plans to continue its current dividend practices following the merger. However, you should be aware that CenturyLink shareholders may not receive the same dividends following the merger for reasons that may include any of the following factors:

- CenturyLink may not have enough cash to pay such dividends due to changes in CenturyLink's cash requirements, capital spending plans, cash flow or financial position;
- decisions on whether, when and in which amounts to make any future distributions will remain at all times entirely at the discretion of the CenturyLink board of directors, which reserves the right to change CenturyLink's dividend practices at any time and for any reason;
- the effects of regulatory reform, including any changes to inter-carrier compensation and the USF rules;
- CenturyLink's desire to maintain or improve the credit ratings on its senior debt;
- the amount of dividends that CenturyLink may distribute to its shareholders is subject to restrictions under Louisiana law and is limited by restricted payment and leverage covenants in CenturyLink's credit facilities and, potentially, the terms of any future indebtedness that CenturyLink may incur; and
- the amount of dividends that CenturyLink's subsidiaries may distribute to CenturyLink is subject to restrictions imposed by state law, restrictions that may be imposed by state regulators in connection with obtaining necessary approvals for the merger, and restrictions imposed by the terms of credit facilities applicable to certain subsidiaries and, potentially, the terms of any future indebtedness that these subsidiaries may incur.

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

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*CenturyLink faces other risks.*

The risks listed above are not exhaustive, and you should be aware that following the merger CenturyLink will face various other risks, including those discussed in reports filed by CenturyLink and Qwest with the SEC.

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This joint proxy statement-prospectus and the documents incorporated by reference into this joint proxy statement-prospectus contain certain forecasts and other forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, business strategies, operating efficiencies or synergies, revenue enhancements, competitive positions, growth opportunities, plans and objectives of the management of each of CenturyLink, Qwest and, following the merger, the combined company, the merger and the markets for CenturyLink and Qwest common stock and other matters. Statements in this joint proxy statement-prospectus and the documents incorporated by reference herein that are not historical facts are hereby identified as "forward-looking statements" for the purpose of the safe harbor provided by Section 21E of the Exchange Act, and Section 27A of the Securities Act. These forward-looking statements, including, without limitation, those relating to the future business prospects, revenues and income of CenturyLink, Qwest and, following the merger, the combined company, wherever they occur in this joint proxy statement-prospectus or the documents incorporated by reference herein, are necessarily estimates reflecting the best judgment of the respective managements of CenturyLink and Qwest and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in and incorporated by reference into this joint proxy statement-prospectus.

Words such as "estimate," "project," "plan," "intend," "expect," "anticipate," "believe," "would," "should," "could" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are found at various places throughout this joint proxy statement-prospectus, including in the section entitled "Risk Factors" beginning on page 14. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include those set forth in CenturyLink's and Qwest's filings with the SEC, including their respective Annual Reports on Form 10-K for 2009, as updated by subsequent Quarterly Reports on Form 10-Q. These important factors also include those set forth under "Risk Factors," beginning on page 14, as well as, among others, risks and uncertainties relating to:

- the ability of the parties to timely and successfully receive the required approvals for the merger from (i) regulatory agencies free of conditions materially adverse to the parties and (ii) their respective shareholders;
- the possibility that the anticipated benefits from the merger cannot be fully realized or may take longer to realize than expected;
- the possibility that costs, difficulties or disruptions related to the integration of Qwest's operations into CenturyLink will be greater than expected;
- the ability of the combined company to retain and hire key personnel;
- the timing, success and overall effects of competition from a wide variety of competitive providers;
- continued access to credit markets on acceptable terms;
- the risks inherent in rapid technological change;
- the effects of ongoing changes in the regulation of the communications industry, including changes recently proposed by the FCC;
- the ability of the combined company to (i) effectively adjust to changes in the communications industry (ii) effectively adjust to changes in the composition of its markets and product mix and (iii) successfully introduce new product or service offerings on a timely and cost-effective basis;
- the outcome of pending litigation in which CenturyLink or Qwest is involved, including the KPNQwest litigation matters in which the plaintiffs have sought, in the aggregate, billions of dollars in damages;

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- the ability of the combined company to utilize the NOLs of Qwest in amounts projected;
- changes in the future cash requirements of the combined company; and
- general market, labor and economic and related uncertainties.

Due to these risks and uncertainties, there can be no assurances that the results anticipated by the forecasts or other forward-looking statements of CenturyLink or Qwest will occur, that their respective judgments or assumptions will prove correct, or that unforeseen developments will not occur. Accordingly, you are cautioned not to place undue reliance upon any forecasts or other forward-looking statements of CenturyLink or Qwest, which speak only as of the date made. CenturyLink and Qwest undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise.