

CenturyLink Political Contributions Report

January 2014 – June 2014



CenturyLink™

Participation in the Political Process

As one of the nation's leading communications companies, CenturyLink can play a key role advocating for policies and practices that benefit our customers and the general public. The communications industry is highly regulated at both the federal and state level, and elected and appointed officials make decisions that directly affect our ability to provide quality communications services at affordable prices. Our active participation in the political process is essential to ensure that we have a voice in those decisions. At CenturyLink, we are committed to advocating public policy solutions that best serve our customers, our shareholders, our employees, and the communities we serve. CenturyLink believes that participation in the political process is critical to our core business because legislative and regulatory decisions made at all levels of government – federal, state and local – have a direct impact on our ability to serve our customers and compete in the marketplace. Advocacy is an important means of maintaining a viable operating environment and enhancing shareholder value, and we believe it better serves our business interests by creating a more informed policymaking process.

CenturyLink participates in the political process in several ways including executing a public affairs strategy designed to inform elected and appointed officials of key public policy issues related to the company's business; political giving through employee-funded federal and state political action committees; corporate political giving where legally allowed; and membership in industry and business trade associations which help to advance our overall business objectives.

CenturyLink also values transparency in this process and appreciates the need for disclosure of our political activity in order to promote ethical corporate governance and participation in political processes and confidence in the democratic process. The company's corporate political contributions and those of its political action committees are disclosed in accordance with applicable federal and state campaign finance laws, and this Political Contributions Report contains additional information which is not otherwise required to be disclosed.

Core Principles for Participation

CenturyLink's participation in the political process is guided by a set of core principles that govern our corporate policies on lobbying, political spending and general engagement in the process.

- CenturyLink works with members of government, others in our industry, the broader business community, our customers and the general public to advocate public policies that support our customers' interests and our business goals. The company's public policy positions and agenda are guided each year by our company's Vision and Unifying Principles.
- In general, CenturyLink is supportive of public policies that promote our business operations generally; promote competition, choice and free markets in the delivery of communications services; and are in the best long-term interest for our customers, shareholders and CenturyLink.
- Political spending by CenturyLink, both with corporate dollars and through our political action committees, will reflect the company's interests and be used to further our public policy positions and agenda and not the personal agenda of individual directors, officers or employees.

- CenturyLink will not make political contributions based upon party affiliation or client pressure. No campaign contribution will be given in anticipation of, in recognition of, or in return for an official act. Similarly, CenturyLink prohibits political contributions for the purpose of influencing or attempting to influence the award of business to the company.
- CenturyLink adheres to all federal, state and local laws and regulations governing the political process and has established internal policies and procedures to ensure compliance with these requirements.

Political Action Committee Contributions

CenturyLink has established voluntary, nonpartisan employee-funded political action committees (“PACs”) that are legally recognized organizations that accept employee contributions and make expenditures to support candidates for elected office. These employee PACs allow eligible employees, as defined by federal and state law, to pool their resources to support candidates for office who generally support the public policies our employees advocate. Eligible employees are encouraged to make contributions to a CenturyLink-sponsored PAC and to participate; however, CenturyLink neither requires participation nor attempts to influence employee contributions or political activities.

The CenturyLink, Inc. Employees’ Political Action Committee (“CenturyLink PAC”) is a federal political action committee, established to encourage employee participation in the political process, and to make contributions to qualified candidates for public office. The CenturyLink PAC provides company employees with a convenient and meaningful way to participate in the electoral process, learn more about key issues, as well as collectively support public policy positions that are important to CenturyLink.

The CenturyLink PAC’s disbursement of funds is made in accordance with a budget, and the same contribution criteria identified in the “Core Principles for Participation” section above are considered in determining CenturyLink PAC disbursements. Throughout the year, members of the company’s Public Policy organization and associate PAC members offer recommendations for CenturyLink PAC disbursements. CenturyLink PAC contributions are approved by the CenturyLink PAC’s Board of Trustees, which is comprised of management employees from various CenturyLink business units and management levels within the company. A listing of the Board of Trustees and officers of the CenturyLink PAC follows this discussion.

The CenturyLink PAC operates pursuant to all relevant state and federal laws, and complies with all public disclosure requirements. Information about the CenturyLink PAC’s contributions may be found on the Federal Election Commission’s website, www.fec.gov.

CenturyLink also operates 13 separate state employee PACs, which are funded by a combination of employee contributions, transfers from the CenturyLink PAC, and corporate political contributions. These state PACs are governed in a manner similar to that of the CenturyLink PAC, each having a board of trustees or similar governing body.

Corporate Political Contributions

While federal law prohibits CenturyLink from making corporate contributions to federal candidates, CenturyLink makes direct contributions to support state candidates, political parties, political action committees, and ballot measures in those states where such corporate contributions are allowed by law and may make in-kind contributions, such as hosting a reception and paying expenses associated with the event. In addition to the considerations listed in the “Core Principles for Participation” section above, certain criteria are considered in making corporate political contributions, including the following:

- Candidate’s voting record or announced positions on issues important to CenturyLink and our customers
- Candidate’s demonstrated leadership on key committees of importance to our business
- Impact of contribution in a state or district where CenturyLink has a large concentration of employees and/or customers
- Impact of contribution on the campaign

Each year, the company’s Board of Directors reviews and approves a maximum limit on the aggregate amount of corporate political contributions that may be made, and authorizes only political contributions that are permitted by, and in strict compliance with, applicable law. Throughout the year, members of the company’s Public Policy organization make recommendations for corporate contributions. The Executive Vice President, Public Policy and Government Relations must approve each corporate contribution. Advance approval must be obtained for cash contributions to individuals or organizations able to receive corporate contributions, use of corporate facilities, discounts, or other items having monetary value. CenturyLink does not make corporate political contributions to candidates for federal office.

Trade Association Memberships and Related Engagements

Like most major corporations, CenturyLink is a member of a number of national and state industry and business trade associations (organized under section 501(c)(6) of the Internal Revenue Code) to help advance our public policy agenda and related business goals. CenturyLink believes that membership in these associations is generally consistent with the company’s interests and plays a valuable role in bringing a collective voice to the political process. CenturyLink also understands that not all members of an association will come to agreement on every issue. Even when CenturyLink does not share the view of one of these associations, we still believe that membership is worthwhile because these associations encourage dialogue and help to move the industry to a consensus on important policy issues. However, CenturyLink does take these situations into consideration when determining annual membership. Payments to industry and business trade associations are subject to the same criteria listed in the “Core Principles for Participation” section above.

CenturyLink has a rigorous approval process for contributions to industry and business trade associations and similar organizations (for example, 527 groups, 501(c)(4) groups, and other similar tax-exempt organizations whose primary purpose includes political activities). Each proposed contribution must be approved by the Executive Vice President, Public Policy and Government Relations and the Vice President, Federal Legislative Affairs and Policy.

Lobbying Activities

CenturyLink engages in lobbying activities to advocate our position on public policy issues with elected officials and others in federal and state government. These are issues that affect our company, our employees and, most importantly, our customers. The company's Executive Vice President, Public Policy and Government Relations has oversight of all lobbying activities and expenditures. Other members of the company's Public Policy organization involved with lobbying include the Vice President, Federal Legislative Affairs and Policy; the Vice Presidents, Regional Regulatory and Legislative Affairs; and their respective direct reports.

CenturyLink complies with all disclosure requirements as prescribed by state and federal law. CenturyLink employees who are registered as lobbyists on behalf of the Company must also comply with company procedures for tracking and reporting activities and related expenses involving dealings with public officials and employees. CenturyLink lobbyists also are required to behave in a manner that meets and exceeds generally accepted standard of conduct of the profession. In their dealings with public officials and employees, all CenturyLink employees are required to comply with applicable federal and state laws, as well as the Company's policies on political activities, lobbying, and the exchange of business courtesies such as gifts, meals and entertainment.

Management and Oversight

CenturyLink values responsible corporate governance and participates in the political process in an effort to formulate policies that benefit our customers, shareholders and the communities we serve. In making political contributions, CenturyLink is committed to complying with laws and regulations governing the political process including campaign finance and disclosure rules.

CenturyLink encourages its employees' voluntary, personal participation in the political process, whether by voting, volunteering time, contributing money to the candidates of their choice or holding public office. When participating in the political process, however, CenturyLink employees must comply with the company's ethics and compliance requirements identified in the company's "Code of Conduct" and related corporate policies. The Code of Conduct, which is available on our website, sets forth the guidelines for appropriate employee conduct relating to political activity and contributions, as well as interaction with government officials and agencies. Employees are advised that personal political activities must never occur on company time and no company resources can be used. Additionally, CenturyLink does not reimburse employees, directly or indirectly, for political donations or expenses. Furthermore, CenturyLink adheres to a strict policy that no employee will be subject to any form of pressure, coercion or intimidation related to participation in political activities, nor shall any employee receive compensation or benefits for participating in personal political activities.

Management of CenturyLink's participation in the political process is the responsibility of the Executive Vice President, Public Policy and Government Relations. This position reports directly to CenturyLink's Chief Executive Officer.

Public policy updates are provided regularly to CenturyLink's Board of Directors and/or its designated board committees, including periodic reviews of the company's political strategy, contributions and activities. The risks associated with political and lobbying activities are managed in accordance with the company's enterprise risk management framework. In that regard, the Board of Directors and/or its

designated board committees oversee compliance with the Company's policies and procedures regarding political contributions and activities.

In addition, the company's Internal Audit Department and Corporate Ethics and Compliance Department assess the risk related to political activities, including spending, in connection with the company's annual risk assessment process.

CenturyLink, Inc. Employees' Political Action Committee

Ex Officio Trustees of the Board

R. Steven Davis – Chairman

Executive Vice President, Public Policy and Government Relations

John F. Jones – Vice Chair

Vice President, Public Policy and Federal Legislative Affairs

David C. Bartlett – Board Member

Vice President, Federal Legislative Affairs

Stacey W. Goff – Board Member

Executive Vice President, General Counsel & Secretary

Ex Officio Trustees of the Board – Vice Presidents, Regional Regulatory and Legislative Affairs

James ("Jim") P. Campbell – Board Member, Midwest Region

Jeffrey ("Jeff") L. Lindsey – Board Member, Southwest Region

William ("Bill") C. Hanchey – Board Member, Eastern Region

Charles ("Dean") D. Kurtz – Board Member, Southern Region

Mark S. Reynolds – Board Member, Northwest Region

Non-Voting Treasurer

Richard ("Brian") B. Adkins – Non-Voting Treasurer

Director, Federal Legislative Affairs

At Large Trustees

Nancy L. Shelledy – At-Large Member

Vice President, Deputy General Counsel

William ("Bill") E. Cheek – At-Large Member

President, Wholesale Operations

Duane Ring – At-Large Member

President, Northeast Region

CenturyLink Federal PAC Contributions

The following table lists, on an aggregated state-by-state basis, the contributions made by the CenturyLink, Inc. Employees' Political Action Committee, including those made to federal and state candidates, national and state party committees, and leadership PACs and other committees.

CenturyLink Federal PAC Contributions by State	Total Contributions (Jan 1, 2014 – June 30, 2014)
Alaska	\$1,000
Alabama	3,500
Arizona	9,500
California	6,500
Colorado	6,000
Connecticut	1,000
Florida	3,000
Georgia	1,500
Iowa	5,700
Idaho	5,000
Indiana	2,350
Kansas	5,750
Kentucky	2,000
Louisiana	13,250
Maryland	1,500
Michigan	5,550
Minnesota	2,000
Missouri	5,500
Mississippi	5,500
North Carolina	17,800
North Dakota	3,650
Nebraska	6,000
New Hampshire	1,000
New Jersey	5,100
New Mexico	3,000
Nevada	7,000
Ohio	16,040
Oregon	11,000
Pennsylvania	4,000
South Carolina	7,500
South Dakota	1,250
Tennessee	7,500
Texas	43,750
Utah	4,000
Virginia	12,000
Washington	3,000
Wisconsin	18,000
Wyoming	3,000

<u>Other</u>	
Democratic Congressional Campaign Committee	15,000
Democratic Senatorial Campaign Committee	15,000
National Republican Congressional Committee	15,000
National Republican Senatorial Committee	15,000
United States Telecom Association Political Action Committee	5,000
Congressional Black Caucus PAC	5,000
Independent Telephone and Telecommunications Alliance	5,000
Moderate Democrats PAC	5,000
New Democrat Coalition PAC	5,000
Republican Mainstreet Partnership	5,000
Ohio Telephone PAC	500
Western Representation PAC	500
TOTAL	\$351,690

CenturyLink State PAC Contributions

The following table lists, on an aggregated state-by-state basis, the contributions made by CenturyLink state PACs, including those made to candidates committees, state or local party committees or other groups, and political action committees.

CenturyLink State PAC Contributions by State	Total Contributions (Jan 1, 2014 – June 30, 2014)
Arizona	\$8,300
Colorado	1,050
Florida	16,500
Idaho	23,900
Kansas	-
Minnesota	5,772
Missouri	-
Montana	5,020
Nebraska	1,700
New Mexico	300
Oregon	23,000
Pennsylvania	2,875
Washington	32,300
TOTAL	\$120,717

CenturyLink Corporate Contributions

The following table lists, on an aggregated state-by-state basis, the corporate contributions made by CenturyLink to (1) candidate committees (referred to as “Candidate Committees”); (2) party organizations, ballot measure groups or other groups (referred to collectively as “Party Organizations or Other Groups”); and (3) political action committees (referred to as “PACs”).

Corporate Contributions by State and Category	Total Contributions (Jan 1, 2014 – June 30, 2014)
Arkansas – Candidate Committees	\$12,900
Arkansas – Party Organizations or Other Groups	100
Florida – Party Organizations or Other Groups	2,500
Idaho – PACs	25,000
Kansas – Candidate Committees	7,150
Louisiana – Candidate Committees	3,500
Louisiana – Party Organizations or Other Groups	1,000
Louisiana – PACs	1,500
Missouri – Candidate Committees	10,300
Missouri – Party Organizations or Other Groups	500
Nevada – Candidate Committees	20,000
Nevada – Party Organizations or Other Groups	7,000
Nevada – PACs	1,000
New Mexico – Candidate Committees	3,650
North Carolina – Party Organizations or Other Groups	10,000
Oregon – Party Organizations or Other Groups	500
Oregon – PACs	20,500
South Carolina – Candidate Committees	3,000
South Carolina – Party Organizations or Other Groups	8,000
Tennessee – Party Organizations or Other Groups	500
Tennessee – PACs	6,950
Utah – Candidate Committees	7,750
Utah – Party Organizations or Other Groups	13,000
Utah – PACs	3,500
Virginia – Candidate Committees	7,250
Virginia – Party Organizations or Other Groups	7,000
Wyoming – Candidate Committees	2,000
Wyoming – Party Organizations or Other Groups	300
TOTAL	\$186,350

Trade Association Memberships and Related Engagements

The following tables list (1) national and state business and trade associations to which CenturyLink has paid, from corporate funds, annual dues in excess of \$50,000, including the portion of which is allocated to non-deductible lobbying activity and political expenditures; and (2) any contributions, irrespective of amount, made by CenturyLink, from corporate funds, or by the company’s federal and/or state

employee PACs to 527 groups, 501(c)(4) groups, and other similar tax-exempt organizations whose primary purpose includes political activities.

Trade Associations	Total Dues Paid * (Jan 1, 2014 – June 30, 2014)
United States Telecom Association	\$1,156,480
Independent Telephone and Telecommunications Alliance	210,000
Louisiana Telecommunications Association	188,732
Telecommunications Association of Michigan	87,750
Ohio Telecom Association	85,376
Minnesota Telecom Alliance	60,000
Democratic Governors Association	50,000
TOTAL	\$1,838,338

* A portion of total dues paid to each trade association may be allocated to non-deductible lobbying and political expenditures, as determined by such trade association.

Other Organizations	Total Contributions † (Jan 1, 2014 – June 30, 2014)
Congressional Black Caucus PAC	5,000
Searchlight Leadership Fund	5,000
United States Telecom Association Political Action Committee	5,000
Oregon Business Association PAC	4,000
People for Enterprise Trade and Economic Growth	4,000
House Republican Campaign Committee	3,500
Secure PAC	3,500
South Carolina Senate Republican Caucus	3,500
Citizens for Quality Government	2,500
Assembly Democratic Caucus	2,000
Senate Republican Leadership Conference	2,000
RAAMPAC	1,200
Assembly Republican Caucus	1,000
FuturePAC	1,000
Heartland Values PAC	1,000
Virginia Senate Republican Caucus	1,000
Promote Oregon Leadership PAC	500
Senate Majority Fund	500
Tennessee Legislative Campaign Committee	500
TOTAL	\$46,700

† These amounts are included in, and are not in addition to, the amounts shown in the “CenturyLink Federal PAC Contributions,” “CenturyLink State PAC Contributions” and “CenturyLink Corporate Contributions” tables above, as applicable.