

CenturyLink Political Contributions Report

July 2014 – December 2014



CenturyLinkTM

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 currently 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 Senior 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 Senior Vice President, Public Policy and Government Relations.

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 Senior 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 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 Senior Vice President, Public Policy and Government Relations. This position reports directly to CenturyLink's Executive Vice President, Chief Administrative Officer and General Counsel.

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 personnel 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

William E. Cheek – Chairman

President, Wholesale Markets

John F. Jones – Vice Chair

Senior Vice President, Public Policy and Government Relations

David C. Bartlett – Board Member

Vice President, Federal Legislative Affairs

Stacey W. Goff – Board Member

Executive Vice President, Chief Administrative Officer, 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

Scott A. Trezise – At-Large Member

Executive Vice President, Human Resources

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 (July 1, 2014 – Dec. 31, 2014)
Alabama	\$5,000
Arizona	1,000
Arkansas	1,500
California	3,500
Colorado	4,000
Florida	1,000
Georgia	3,000
Idaho	1,200
Illinois	2,800
Indiana	7,150
Iowa	19,660
Kansas	3,500
Louisiana	10,000
Michigan	2,050
Minnesota	2,000
Missouri	3,750
Nebraska	3,500
Nevada	5,000
New Jersey	2,000
New Mexico	4,000
New York	5,000
North Carolina	38,700
North Dakota	16,500
Ohio	44,100
Oregon	1,000
South Carolina	2,500
South Dakota	13,250
Tennessee	8,500
Texas	22,350
Virginia	2,500
Washington	4,000
Wisconsin	2,800
Wyoming	14,700
Other	
Democratic Congressional Campaign Committee	5,000
TOTAL	\$266,510

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 (July 1, 2014 – Dec. 31, 2014)
Idaho	\$13,300
New Mexico	4,300
Oregon	24,400
Utah	25,600
TOTAL	\$67,600

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 (July 1, 2014 – Dec 31, 2014)
Alabama – Candidate Committees	\$14,600
Arizona – Party Organizations or Other Groups	53,160
Arkansas – Candidate Committees	12,250
Arkansas – Party Organizations or Other Groups	1,000
Arkansas – PACs	5,000
Colorado – Party Organizations or Other Groups	35,000
Florida – Party Organizations or Other Groups	77,500
Idaho – PACs	10,000
Kansas – Candidate Committees	24,750
Kansas – Party Organizations or Other Groups	2,500
Louisiana – Candidate Committees	15,000
Louisiana – Party Organizations or Other Groups	1,000
Michigan – Party Organizations or Other Groups	5,000
Minnesota – Party Organizations or Other Groups	3,000
Mississippi – Candidate Committees	3,000
Missouri – Candidate Committees	46,700
Missouri – Party Organizations or Other Groups	12,000
Missouri – PACs	2,500
Nebraska – Candidate Committees	2,500
Nebraska – Party Organizations or Other Groups	3,194
Nebraska – PACs	500
Nevada – Candidate Committees	16,500
Nevada – Party Organizations or Other Groups	10,000
Nevada – PACs	3,000
New Mexico – Candidate Committees	25,150
New Mexico – Party Organizations or Other Groups	250
New Mexico - PACs	5,900
Oregon – Party Organizations or Other Groups	5,000
Oregon – PACs	4,000
South Carolina – Candidate Committees	6,000
Tennessee – Party Organizations or Other Groups	2,000
Tennessee – PACs	500
Utah – Candidate Committees	18,600
Utah – Party Organizations or Other Groups	5,500
Utah – PACs	1,500
Virginia – Candidate Committees	17,000
Virginia – Party Organizations or Other Groups	8,250
Virginia – PACs	1,500
Wisconsin – Party Organizations or Other Groups	20,000
Wyoming – Party Organizations or Other Groups	7,000
TOTAL	\$487,804

Trade Association Memberships and Related Engagements

The following tables list (1) national and state business and trade associations to which CenturyLink has made annual payments (i.e., annual dues, assessments and/or contributions) from corporate funds in excess of \$50,000; 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 Payments (July 1, 2014 – Dec. 31, 2014)
Ohio Telecom Association*	\$76,838
The Pennsylvania Telephone Association*	57,083
TOTAL	\$133,921

Note: A portion of total payments made to each trade association may be allocated to non-deductible lobbying and political expenditures, as determined by such trade association and computed pursuant to I.R.C. § 162 (e) and Treas. Reg. § 1.162-29.

Other Organizations	Total Contributions † (July 1, 2014 – Dec. 31, 2014)
Republican Party of Florida	\$57,500
No on Proposition 408	25,000
American Legislative Exchange Council*	15,250
Let's Go to Work*	15,000
Mainstream Colorado	15,000
Arizona Tax Research Association	8,160
2015 Arizona Gov't Transition Committee	5,000
Arizona Business Coalition	5,000
Arizona Free Enterprise Club	5,000
Common Sense Values*	5,000
Jobs First Coalition	5,000
Republican State Leadership Committee	5,000
Restoring Arizona's Future	5,000
Senate Majority Fund	5,000
Commonwealth Victory Fund	3,500
House Republican Campaign Committee	3,500
Democratic Legislative Campaign Committee	3,000
Democratic Pro-Business Alliance*	2,500
Senate Republican Leadership Conference	2,500
Assembly Democratic Caucus	2,000
Assembly Republican Caucus	2,000
Michigan Jobs Fund	2,000
Promote Oregon Leadership PAC	1,500
Colorado Citizens' Alliance*	1,000
Concord Administrative Account	1,000

Dominion Leadership Trust PAC	1,000
HRCC, Inc.	1,000
Michigan Republican Party	1,000
Nevada Hispanic Legislative Caucus	1,000
Reinvent Michigan Fund	1,000
Republican Party of Iowa	1,000
Republican Party of Louisiana	1,000
TN House Democratic Caucus	1,000
TN House Republican Caucus	1,000
Virginia Senate Republican Caucus	750
Majority Leader PAC	500
Ohio Senate Democrats Building Fund	500
Quest PAC	500
Virginia Senate Democratic Caucus	500
North Dakota Senate Republican Caucus	400
Assembly Democratic Campaign Committee	250
Minnesota House DFL Caucus*	250
North Dakota Senate Democratic –NPL Caucus	250
TOTAL	\$213,310

† Except for those items marked with an asterisk (*), 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.

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