
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 20, 2020

CenturyLink, Inc.
(Exact name of registrant as specified in its charter)

Louisiana
(State or other jurisdiction
of incorporation)

001-07784
(Commission
File Number)

72-0651161
(IRS Employer
Identification No.)

100 CenturyLink Drive
Monroe, Louisiana
(Address of registrants' principal executive offices)

71203
(Zip Code)

Registrants' telephone number, including area code: (318) 388-9000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$1.00 per share	LUMN	New York Stock Exchange
Preferred Stock Purchase Rights	N/A	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

The information set forth under Item 3.03 below is incorporated by reference into this Item 1.01.

Item 3.03 Material Modification to Rights of Security Holders.

As of November 20, 2020, Lumen Technologies* (the “Company” or “Lumen”) entered into that certain First Amendment to be effective as of December 1, 2020 (the “First Amendment”) to the Company’s Amended and Restated Section 382 Rights Agreement, dated as of May 9, 2019 (the “Restated Plan”), between the Company and Computershare Trust Company, N.A., as rights agent.

The First Amendment, which was unanimously approved by Lumen’s Board of Directors, (1) extends the expiration date of the Restated Plan from December 1, 2020 to December 1, 2023, (2) provides for early termination of the Restated Plan if the Company fails to obtain shareholder approval of the First Amendment by December 1, 2021, (3) removes certain procedural requirements governing additional acquisitions of the Company’s common stock by STT Crossing Ltd. and its affiliates and (4) otherwise retains all other terms and provisions of the Restated Plan, including certain other specified early termination events and the rights’ \$28 per unit purchase price.

The First Amendment extended the Restated Plan’s expiration date through December 1, 2023 to protect the Company’s federal net operating loss carryforwards (“NOLs”) of approximately \$6.2 billion as of December 31, 2019, which for U.S. federal income tax purposes can be used to offset future taxable income. Despite the extension of the expiration date, the Company cannot provide assurance as to whether, when or in what amounts it will be able to use its NOL carryforwards. The Restated Plan, as amended by the First Amendment, serves only as a deterrent through the threat of dilution, not a prohibition, to share accumulations that could result in the occurrence of an “ownership change” as defined under Section 382 of the Internal Revenue Code. Any such “ownership change” would substantially limit the Company’s ability to use its NOL carryforwards to reduce anticipated future tax payments.

The Restated Plan was approved by the shareholders at the Company’s 2019 Annual Meeting of Shareholders by approximately 90% of the votes cast. The Company intends to submit the First Amendment for approval by the Company’s shareholders at the Company’s 2021 Annual Meeting of Shareholders. As noted above, if shareholder approval of the First Amendment is not obtained by December 1, 2021, the Restated Plan, as amended by the First Amendment, will terminate on such date.

The foregoing summary description of the First Amendment is intended to provide a general description only, does not purport to be complete and is qualified in its entirety by reference to the complete text of the First Amendment, a copy of which is filed as Exhibit 4.1 to this Current Report on Form 8-K and is incorporated herein by reference. The Restated Plan is filed as Exhibit 4.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 8.01 Other Events.

On November 25, 2020, the Company issued a press release announcing the extension of the Restated Plan pursuant to the First Amendment. The full text of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K.

Forward-Looking Statements

Except for historical and factual information, the matters set forth in this Current Report on Form 8-K identified by words such as “will,” “should,” “expects,” “anticipates,” “believes,” “plans,” “intends,” and similar expressions are forward-looking statements as defined by the federal securities laws, and are subject to the “safe harbor” protections thereunder. These forward-looking statements are not guarantees of future results and are based on current expectations only, and are subject to various uncertainties. Actual events and results may differ materially from those anticipated by us in those statements for several reasons, including those discussed in Exhibit 99.1. We may change our intentions or plans discussed in our forward-looking statements without notice at any time and for any reason.

* The Lumen brand was launched on September 14, 2020. As a result, CenturyLink, Inc. is referred to as Lumen Technologies, or simply Lumen. The legal name CenturyLink, Inc. is expected to be formally changed to Lumen Technologies, Inc. upon the completion of all applicable requirements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
4.1	<u>First Amendment to the Amended and Restated Section 382 Rights Agreement, effective as of December 1, 2020, by and between the Registrant and Computershare Trust Company, N.A., as rights agent.</u>
4.2	<u>Amended and Restated Section 382 Rights Agreement, dated as of May 9, 2019, by and between the Registrant and Computershare Trust Company, N.A., as rights agent (incorporated by reference to Exhibit 4.1 to the Registrant's Form 8-K (File No. 001-07784) filed with the Securities and Exchange Commission on May 10, 2019).</u>
99.1	<u>Press Release dated November 25, 2020.</u>
104	Cover Page Interactive Data File (formatted in iXBRL in Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, CenturyLink, Inc. has duly caused this Current Report to be signed on its behalf by the undersigned officer hereunto duly authorized.

CENTURYLINK, INC.

By: /s/ Eric J. Mortensen

Eric J. Mortensen

Senior Vice President and Controller

Dated: November 25, 2020

**FIRST AMENDMENT
to the
AMENDED AND RESTATED SECTION 382 RIGHTS AGREEMENT**

This First Amendment (this “Amendment”) to that certain Amended and Restated Section 382 Rights Agreement, dated as of May 9, 2019, by and between CenturyLink, Inc. (currently doing business as Lumen Technologies), a Louisiana corporation (the “Company”), and Computershare Trust Company, N.A., as rights agent (the “Rights Agent”) (the “Restated Rights Agreement”), is made and entered into on November 20, 2020, effective as of December 1, 2020 (the “Effective Date”).

RECITALS

WHEREAS, Section 27 of the Restated Rights Agreement provides that prior to the Distribution Date the Company may supplement or amend any provision of the Restated Rights Agreement without the approval of any holders of Rights;

WHEREAS, no Distribution Date has occurred on or prior to the date hereof;

WHEREAS, the Board of Directors of the Company (the “Board”) deems it advisable and in the best interests of the Company and its shareholders to amend the terms of the Restated Rights Agreement as set forth herein; and

WHEREAS, on November 19, 2020, the Board authorized and approved this Amendment.

AGREEMENT

NOW, THEREFORE, the Company and the Rights Agent hereby agree to amend the Restated Rights Agreement as follows:

1. Effect of Amendment. Except as otherwise expressly provided herein, the Restated Rights Agreement shall remain in full force and effect and all references in the Restated Rights Agreement to “Agreement” or “hereof” shall mean the Restated Rights Agreement as modified by this Amendment.
2. Capitalized Terms. All capitalized, undefined terms used in this Amendment shall have the meanings assigned thereto in the Restated Rights Agreement.
3. Amendments to the Restated Rights Agreement. The following amendments to the Restated Rights Agreement shall become effective as of the Effective Date of this Amendment.
 - a. The references to “this Agreement” in Section 1(ii) shall be removed and replaced with “the First Amendment to the Amended and Restated Rights Agreement, dated as of December 1, 2020, between the Company and the Rights Agent.”

b. The reference to “December 1, 2020” in clause (i) of Section 7(a) of the Restated Rights Agreement shall be removed and replaced with “December 1, 2023.”

c. The reference to “February 13, 2020” in clause (v) of Section 7(a) of the Restated Rights Agreement shall be removed and replaced with “December 1, 2021.”

d. Section 38 of the Restated Rights Agreement and all related defined terms in Sections 1(s), 1(ee), and 1(ff) shall be deleted in their entirety and replaced by a reference to the applicable section number and the word “Reserved.” In addition, Section 1(o) of the Restated Rights Agreement shall be amended in the manner specified on Annex I hereof.

4. Miscellaneous.

a. This Amendment shall be deemed to be a contract made under the laws of the State of Delaware and for all purposes shall be governed by and construed in accordance with the laws of such State applicable to contracts to be made and performed entirely within such State.

b. This Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument. A signature to this Amendment executed or transmitted electronically shall have the same authority, effect and enforceability as an original signature.

c. In the event of any conflict or inconsistency between the provisions of this Amendment and any provision of the Restated Rights Agreement, the provisions of this Amendment shall govern.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

CenturyLink, Inc.
(doing business as Lumen Technologies)

/s/ Stacey W. Goff
Name: Stacey W. Goff
Title: Executive Vice President, General Counsel &
Secretary

Computershare Trust Company, N.A.

/s/ Kerri Altig
Name: Kerri Altig
Title: Vice President, Manager

[Signature Page to First Amendment to Amended and Restated Section 382 Rights Agreement]

ANNEX I

1. Section 1(o) of the Restated Rights Agreement shall be amended by adding the language shown as underlined and by removing the language shown as being stricken, in each case in the manner indicated below:
 - (o) “Exempt Person” shall mean:
 - (i) the Temasek Group, unless and until either of the SRA Assignees (or any of their respective Affiliates) acquires any Common Shares, other than acquisitions of Common Shares (x) in a transaction that is permitted or within the limits specified under Section 4 of the Shareholder Rights Agreement regardless of whether such transaction occurs during or after the expiration of the Designee Period (as defined in the Shareholder Rights Agreement), ~~but in such case, if and only if such transaction is effected in accordance with Section 38 of this Agreement~~; or (y) any transfers of Common Shares or other Company equity interests between either SRA Assignee and its Affiliates;
 - (ii) any Person to whom either of the SRA Assignees transfers any amount of Common Shares as permitted by or within the limits or terms specified under Section 4.2 of the Shareholder Rights Agreement regardless of whether such transfer occurs during or after the expiration of the Designee Period (as defined in the Shareholder Rights Agreement), unless and until such Person (or any Affiliates or Associates of such Person) acquires any additional Common Shares; ~~provided, that in the case where such transfer is other than in an open market transaction effected by or through a broker, and the transferee is either not a 5 Percent Shareholder prior to such transfer but, as a result of such transfer, would become a 5 Percent Shareholder, or was a 5 Percent Shareholder before and after such transfer (any such transfer, a “Section 382 Transfer”), then in such cases, if and only if such transfer would not result in an “ownership change” of the Company for purposes of Section 382 as determined in accordance with Section 38 of this Agreement; and~~
 - (iii) any other Person whose Beneficial Ownership (together with all Affiliates and Associates of such Person) of 4.9% or more of the then-outstanding Common Shares (1) will not jeopardize or endanger the availability to the Company of any income tax benefit or (2) is otherwise in the best interests of the Company, in each case as determined by the Independent Directors in their sole discretion prior to the Distribution Date; provided, however, that such a Person will cease to be an Exempt Person if the Independent Directors make a contrary determination with respect to the effect of such Person’s Beneficial Ownership (together with all Affiliates and Associates of such Person) in their sole discretion prior to the Distribution Date regardless of the reason therefor. For the avoidance of doubt, nothing in this Agreement shall permit any member of the Temasek Group from knowingly taking any action that would result in an “ownership change” of the Company for purposes of Section 382.

[Annex I to First Amendment to Amended and Restated Section 382 Rights Agreement]

NEWS RELEASE



Lumen Technologies extends its NOL Rights Plan

DENVER, Nov. 25, 2020 – Lumen Technologies* (NYSE: LUMN) announced that it has extended the expiration date of its Amended and Restated Section 382 Rights Agreement (the “NOL Rights Plan”) from Dec. 1, 2020, to Dec. 1, 2023, with the unanimous approval of its board of directors.

The company has extended its NOL Rights Plan through Dec. 1, 2023 to protect its federal net operating loss carryforwards of approximately \$6.2 billion as of Dec. 31, 2019, which, if available, can be used to reduce its future payments of U.S. federal income taxes.

The NOL Rights Plan was approved by the company’s shareholders at its 2019 Annual Meeting of Shareholders by approximately 90% of the votes cast. The company intends to submit the extension of the NOL Rights Plan for approval by the company’s shareholders at its 2021 Annual Meeting of Shareholders. If shareholder approval is not obtained by Dec. 1, 2021, the NOL Rights Plan will terminate on such date.

Additional information about the extension will be contained in reports on Form 8-K and Form 8-A/A that the company plans to file with the U.S. Securities and Exchange Commission.

About Lumen

Lumen is guided by our belief that humanity is at its best when technology advances the way we live and work. With approximately 450,000 route fiber miles and serving customers in more than 60 countries, we deliver the fastest, most secure platform for applications and data to help businesses, government and communities deliver amazing experiences.

Learn more about the Lumen network, edge cloud, security, communication and collaboration solutions and our purpose to further human progress through technology at news.lumen.com, LinkedIn: /lumentechologies, Twitter: @lumentechco, Facebook: /lumentechologies, Instagram: @lumentechologies and YouTube: /lumentechologies. Lumen and Lumen Technologies are registered trademarks of Lumen Technologies LLC in the United States. Lumen Technologies LLC is a wholly-owned affiliate of CenturyLink Inc.

** The Lumen brand was launched on Sept. 14, 2020. As a result, CenturyLink Inc. is referred to as Lumen Technologies, or simply Lumen. The legal name CenturyLink, Inc. is expected to be formally changed to Lumen Technologies, Inc. upon satisfying all applicable legal requirements.*

Forward-Looking Statements

Except for historical and factual information, the matters set forth in this release and other of our oral or written statements identified by words such as “estimates,” “expects,” “anticipates,” “believes,” “plans,” “intends,” and similar expressions are forward-looking statements. These forward-looking statements are not guarantees of future results and are based on current expectations only, are inherently speculative, and are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control. Actual events and results may differ materially from those anticipated, estimated, projected or implied by us in those statements if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect. Factors that could affect actual results include but are not limited to those referenced from time to time in our filings with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements for any reason, whether as a result of new information, future events or developments, changed circumstances, or otherwise. We may change our intentions, strategies or plans without notice at any time and for any reason.

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