

QWEST COMMUNICATIONS INTERNATIONAL INC

FORM 8-K (Current report filing)

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Address	1801 CALIFORNIA ST DENVER, Colorado 80202
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CIK	0001037949
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): **August 8, 2006**

QWEST COMMUNICATIONS INTERNATIONAL INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-15577

(Commission File Number)

84-1339282

(IRS Employer Identification No.)

1801 California Street, Denver, Colorado

(Address of Principal Executive Offices)

80202

(Zip Code)

(303) 992-1400

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

QWEST CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Colorado

(State or Other Jurisdiction of Incorporation)

001-03040

(Commission File Number)

84-0273800

(IRS Employer Identification No.)

1801 California Street, Denver, Colorado

(Address of Principal Executive Offices)

80202

(Zip Code)

(303) 992-1400

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ 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))
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Item 1.01. Entry into a Material Definitive Agreement .

On August 8, 2006, Qwest Corporation (“QC”), a wholly-owned subsidiary of Qwest Communications International Inc. (“QCII” and together with QC, “Qwest,” “we,” “us” or “our”), completed an offering of \$600 million aggregate principal amount of 7.5% Notes due 2014 in a private placement conducted pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”).

The notes were issued under an indenture dated October 15, 1999 between QC and J.P. Morgan Trust Company, National Association (as successor in interest to Bank One Trust Company, N.A.), as supplemented by a first supplemental indenture dated August 19, 2004, a second supplemental indenture dated November 23, 2004, a third supplemental indenture dated June 17, 2005 and a fourth supplemental indenture dated August 8, 2006, each between QC and U.S. Bank National Association.

The notes bear interest at a rate of 7.5% per annum. QC will pay interest on the notes on April 1 and October 1 of each year, commencing on April 1, 2007, and the notes will mature on October 1, 2014. QC has the option to redeem all or a portion of the notes at any time at the redemption prices specified in the fourth supplemental indenture. The notes are senior unsecured obligations of QC and rank equally in right of payment with all other unsecured and unsubordinated indebtedness of QC. A copy of the fourth supplemental indenture is filed as Exhibit 4.1 to this Current Report, and the description of the terms of the fourth supplemental indenture in this Item 1.01 is qualified in its entirety by reference to that exhibit.

The holders of the notes are entitled to the benefits of a registration rights agreement dated August 8, 2006 by and between QC and the initial purchasers listed therein. Under the registration rights agreement, QC has agreed to file an exchange offer registration statement with the Securities and Exchange Commission with respect to offers to exchange the notes for a new issue of substantially identical notes registered under the Securities Act and to use its commercially reasonable efforts to cause the registration statement to be declared effective prior to June 19, 2007 and to complete the exchange offers within 45 days after the earlier of effectiveness and June 19, 2007. QC also may be required to file a shelf registration statement to cover resales of the notes under certain circumstances. If QC fails to satisfy certain of its obligations under the registration rights agreement, it will be required to pay additional interest on the notes. A copy of the registration rights agreement is filed as Exhibit 10.1 to this Current Report, and the description of the terms of the registration rights agreement in this Item 1.01 is qualified in its entirety by reference to that exhibit.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information included in Item 1.01 of this Current Report is incorporated by reference into this Item 2.03.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
4.1	Fourth Supplemental Indenture, dated August 8, 2006, by and between Qwest Corporation and U.S. Bank National Association.
10.1	Registration Rights Agreement, dated August 8, 2006, among Qwest Corporation and the initial purchasers listed therein.

Forward Looking Statements Warning

This filing may contain projections and other forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents filed by us with the Securities and Exchange Commission, specifically the most recent reports which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including but not limited to: access line losses due to increased competition, including from technology substitution of our access lines with wireless and cable alternatives, among others; our substantial indebtedness, and our inability to complete any efforts to de-lever our balance sheet through asset sales or other transactions; any adverse outcome of the current investigation by the U.S. Attorney’s office in Denver into certain matters relating to us; adverse results of increased review and scrutiny by regulatory authorities, media and others (including any internal analyses) of financial reporting issues and practices or otherwise; rapid and significant changes in technology and markets; any adverse developments in commercial disputes or legal proceedings, including any adverse outcome of current or future legal proceedings

related to matters that are or were the subject of governmental investigations, and, to the extent not covered by insurance, if any, our inability to satisfy any resulting obligations from funds available to us, if any; potential fluctuations in quarterly results; volatility of our stock price; intense competition in the markets in which we compete including the likelihood of certain of our competitors consolidating with other providers; changes in demand for our products and services; acceleration of the deployment of advanced new services, such as broadband data, wireless and video services, which could require substantial expenditure of financial and other resources in excess of contemplated levels; higher than anticipated employee levels, capital expenditures and operating expenses; adverse changes in the regulatory or legislative environment affecting our business; changes in the outcome of future events from the assumed outcome included in our significant accounting policies; and our ability to utilize net operating losses in projected amounts.

The information contained in this filing is a statement of Qwest's present intention, belief or expectation and is based upon, among other things, the existing regulatory environment, industry conditions, market conditions and prices, the economy in general and Qwest's assumptions. Qwest may change its intention, belief or expectation, at any time and without notice, based upon any changes in such factors, in Qwest's assumptions or otherwise. The cautionary statements contained or referred to in this filing should be considered in connection with any subsequent written or oral forward-looking statements that Qwest or persons acting on its behalf may issue. This filing may include analysts' estimates and other information prepared by third parties for which Qwest assumes no responsibility.

Qwest undertakes no obligation to review or confirm analysts' expectations or estimates or to filing publicly any revisions to any forward-looking statements and other statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

By including any information in this filing, Qwest does not necessarily acknowledge that disclosure of such information is required by applicable law or that the information is material.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of QCII and QC has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

QWEST COMMUNICATIONS INTERNATIONAL INC.

DATE: August 8, 2006

By /s/ STEPHEN E. BRILZ
Name: Stephen E. Brilz
Title: Assistant Secretary

QWEST CORPORATION

DATE: August 8, 2006

By /s/ STEPHEN E. BRILZ
Name: Stephen E. Brilz
Title: Secretary

EXHIBIT INDEX

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QWEST CORPORATION

7.5% Notes due 2014

Fourth Supplemental Indenture

Dated as of August 8, 2006

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE ONE	
THE NOTES	
Section 1.01 Designation of Notes	2
Section 1.02 Other Terms of the Notes	2
ARTICLE TWO	
MISCELLANEOUS	
Section 2.01 Amendment and Supplement	3
Section 2.02 Indenture	3
Section 2.03 Governing Law	3
Section 2.04 No Adverse Interpretation of Other Agreements	3
Section 2.05 Successors and Assigns	3
Section 2.06 Duplicate Originals	3
Section 2.07 Severability	3
 <u>Exhibits</u>	
Exhibit A — Form of Note	
Exhibit A-1 — Form of Certificate to be delivered in connection with transfers pursuant to Temporary Regulation S Global Note	
Exhibit A-2 — Form of Certificate to be delivered in connection with transfers pursuant to Regulation S	

FOURTH SUPPLEMENTAL INDENTURE dated as of August 8, 2006 (this " *Supplemental Indenture* ") by and between QWEST CORPORATION, a Colorado corporation (formerly known as U S WEST Communications, Inc.) (the " *Company* "), and U.S. BANK NATIONAL ASSOCIATION, as trustee under the Indenture (as defined below) with respect to the Notes (as defined below) (the " *Trustee* "), as supplemented by the First Supplemental Indenture (as defined below), the Second Supplemental Indenture (as defined below) and the Third Supplemental Indenture (as defined below). The Trustee, and each other trustee appointed as such with respect to the Securities of any series issued under the Indenture, shall be the "Trustee" (as defined in the Indenture, as supplemented hereby) for all purposes under the Indenture with respect to the applicable series of Securities but, for the avoidance of doubt, not with respect to any series of Securities for which such Trustee has not been appointed trustee under the terms of the Indenture and/or any supplement thereto).

Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the holders of Notes:

WHEREAS, the Company and J.P. Morgan Trust Company, National Association (as successor in interest to Bank One Trust Company, National Association), are parties to that certain Indenture dated as of October 15, 1999 (the " *Base Indenture* ," and as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and this Fourth Supplemental Indenture, the " *Indenture* ") providing for the issuance from time to time of senior debt securities (" *Securities* ") to be issued in one or more series;

WHEREAS, the Company and the Trustee are parties to the First Supplemental Indenture (the " *First Supplemental Indenture* ") dated as of August 19, 2004, providing for the issuance by the Company of a series of Securities, designated as its 7.875% Notes due 2011, in an aggregate principal amount of \$575,000,000.

WHEREAS, the Company and the Trustee are parties to the Second Supplemental Indenture (the " *Second Supplemental Indenture* ") dated as of November 23, 2004, providing for the issuance by the Company of Additional Notes of its series of Securities designated as its 7.875% Notes due 2011, in an aggregate principal amount of \$250,000,000.

WHEREAS, the Company and the Trustee are parties to the Third Supplemental Indenture (the " *Third Supplemental Indenture* ") dated as of June 17, 2005, providing for the issuance by the Company of a series of Securities designated as its 7.625% Notes due 2015 in an aggregate principal amount of \$400,000,000 and a series of Securities designated as its Floating Rate Notes due 2013 in an aggregate principal amount of \$750,000,000.

WHEREAS, the Company desires and has requested the Trustee to join it in the execution and delivery of this Supplemental Indenture in order to establish and provide for the issuance by the Company of a series of Securities, designated as its 7.5% Notes due 2014 (the " *Notes* ") in an initial aggregate principal amount of \$600,000,000. The Notes shall be substantially in the form attached hereto as Exhibit A.

WHEREAS, Section 9.01 of the Base Indenture provides that a supplemental indenture may be entered into by the Company and the Trustee without the consent of any Holders

to establish the form or terms of Securities of any Series as permitted by Section 2.02 of the Base Indenture;

WHEREAS, the conditions set forth in the Indenture for the execution and delivery of this Supplemental Indenture have been complied with; and

WHEREAS, all things necessary to make this Supplemental Indenture a valid agreement of the Company and the Trustee, in accordance with its terms, and a valid amendment of, and supplement to, the Indenture have been done.

NOW, THEREFORE, in consideration of the premises and the purchase and acceptance of the Notes by the holders thereof, the Company covenants and agrees with the Trustee, for the equal and ratable benefit of the Holders, that the Indenture is supplemented and amended, to the extent expressed herein, as follows:

ARTICLE ONE

THE NOTES

Section 1.01 Designation of Notes.

The changes, modifications and supplements to the Indenture effected by this Supplemental Indenture shall be applicable only with respect to, and govern the terms of the Notes, which shall not be limited in aggregate principal amount, and shall not apply to any other Securities that have been or may be issued under the Indenture unless a supplemental indenture with respect to such other Securities specifically incorporates such changes, modifications and supplements. Pursuant to this Supplemental Indenture, there is hereby created and designated a series of Securities under the Indenture entitled “7.5% Notes due October 1, 2014.” The Notes shall be in the form of Exhibit A hereto. The Notes may bear an appropriate legend regarding original issue discount for federal income tax purposes. Subject to the terms in the Indenture, as supplemented by this Supplemental Indenture, the Company may, at its option, without consent from the Holders, issue additional Notes from time to time. For all purposes under the Indenture, the term “Notes” shall include the Notes initially issued on the date of original issuance of the Notes and any other Notes issued after such date under the Indenture, as supplemented hereby.

Section 1.02 Other Terms of the Notes.

Without limiting the foregoing provisions of this Article One, the terms of the Notes shall be as set forth in the form of Note set forth in Exhibit A hereto and as provided in the Indenture.

The Notes shall be payable and may be presented for payment, purchase, conversion, registration of transfer and exchange, without service charge, at the office of the Company maintained for such purpose in New York, New York, which shall initially be the office or agency of the Trustee.

ARTICLE TWO
MISCELLANEOUS

Section 2.01 Amendment and Supplement .

This Supplemental Indenture or the Notes may be amended or supplemented as provided for in the Indenture.

Section 2.02 Indenture .

In the event of any conflict between this Supplemental Indenture and the Indenture, the provisions of this Supplemental Indenture shall prevail.

Section 2.03 Governing Law .

The laws of the State of New York shall govern this Supplemental Indenture and the Securities of the Series created hereby.

Section 2.04 No Adverse Interpretation of Other Agreements .

This Supplemental Indenture may not be used to interpret another indenture, loan or debt agreement of the Company or a Subsidiary. Any such indenture, loan or debt agreement may not be used to interpret this Supplemental Indenture.

Section 2.05 Successors and Assigns .

All covenants and agreements of the Company in this Supplemental Indenture and the Notes shall bind its successors and assigns. All agreements of the Trustee in this Supplemental Indenture shall bind its successors and assigns.

Section 2.06 Duplicate Originals .

This Supplemental Indenture may be executed in counterparts, each of which shall be an original, but such counterparts shall together constitute but one instrument.

Section 2.07 Severability .

In case any one or more of the provisions contained in this Supplemental Indenture or in the Notes shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Supplemental Indenture or of the Notes.

[Signature Pages Follow]

SIGNATURES

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

QWEST CORPORATION

By: /s/ Janet K. Cooper
Name: Janet K. Cooper
Title: Senior Vice President - Finance and Treasurer

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Adam M. Dalmy
Name: Adam M. Dalmy
Title: Vice President

[THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY OR A SUCCESSOR DEPOSITORY. THIS NOTE IS NOT EXCHANGEABLE FOR NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

EXCEPT AS OTHERWISE PROVIDED IN SECTION 2.15 OF THE INDENTURE, TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF CEDE & CO. OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTION 2.08 OF THE INDENTURE.](1)

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A)(1) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH

(1) This legend to appear only on Global Notes.

RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (4) TO AN INSTITUTIONAL ACCREDITED INVESTOR IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

[THIS GLOBAL NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). NEITHER THIS TEMPORARY GLOBAL NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR DELIVERED, EXCEPT AS PERMITTED UNDER THE INDENTURE REFERRED TO BELOW.

NO BENEFICIAL OWNERS OF THIS TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF PRINCIPAL OR INTEREST HEREON UNLESS THE REQUIRED CERTIFICATIONS HAVE BEEN DELIVERED PURSUANT TO THE TERMS OF THE INDENTURE.](2)

(2) This legend to appear only on Temporary Regulation S Global Notes.

No. []
CUSIP No. []

PRINCIPAL AMOUNT
\$[]

QWEST CORPORATION
7.5% Note due 2014

QWEST CORPORATION, a corporation duly organized and existing under the laws of the State of Colorado (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the “*Company*”), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of [] DOLLARS (\$[]) (or such lesser amount as shall be listed on the Schedule of Increases or Decreases in Global Note attached hereto) on October 1, 2014 (the “*Maturity Date*”), unless previously redeemed on any redemption date, by wire transfer of immediately available funds of such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and to pay interest thereon semiannually on each April 1 and October 1, commencing April 1, 2007 (each, an “*Interest Payment Date*”), and on the Maturity Date at the rate per annum specified in the title of this Note, from August 8, 2006 (or from the most recent Interest Payment Date to which interest has been paid or duly provided for) until payment of said principal sum has been made or duly provided for. Notwithstanding the foregoing, if the Company shall default in the payment of interest due on any Interest Payment Date, then this Note shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid on this Note or duly provided for, from August 8, 2006. The interest so payable on any Interest Payment Date, subject to certain exceptions provided in the Indenture referred to herein, will be paid to the person in whose name this Note shall be registered at the close of business on each March 15 and September 15 immediately prior to such Interest Payment Date, Maturity Date or redemption date. If any Interest Payment Date, Maturity Date or redemption date is a Legal Holiday (as defined in the Indenture) in New York, New York, the required payment shall be made on the next succeeding day that is not a Legal Holiday as if it was made on the date such payment was due and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or Maturity Date, as the case may be, to such next succeeding day. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

This Note is one of the duly authorized series of Securities of the Company, designated as the Company’s “7.5% Notes due 2014” (the “*Notes*”), initially limited to the aggregate principal amount of \$600,000,000 all issued or to be issued under and pursuant to an Indenture dated as of October 15, 1999 between the Company and J.P. Morgan Trust Company, National Association, as trustee (as successor in interest to Bank One Trust Company, N.A.), as supplemented by the First Supplemental Indenture dated as of August 19, 2004 by and between the Company and U.S. Bank National Association, as trustee (the “*Trustee*”), the Second Supplemental Indenture dated as of November 23, 2004 between the Company and the Trustee, a Third Supplemental Indenture dated as of June 17, 2005 between the Company and the Trustee and a Fourth Supplemental Indenture dated as of August 8, 2006 between the Company and the Trustee as such may be amended, modi-

fied or supplemented from time to time (as so amended, modified or supplemented, the “*Indenture*”), to which Indenture and all Indentures supplemental thereto reference is hereby made for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Trustee, the Company and the Holders (the words “*Holders*” or “*Holder*” meaning the registered holders or registered holder of the Notes). Exchange Notes (as such term is defined in the Registration Rights Agreement referred to below) shall be deemed to be of the same series as the Notes for purposes of the Indenture.

Pursuant to, but subject to the exceptions in, the Registration Rights Agreement dated as of August 8, 2006 among the Company and the Initial Purchasers named therein (as the same may be amended from time to time, the “*Registration Rights Agreement*”), the Company shall be obligated to use its commercially reasonable efforts to consummate an exchange offer pursuant to which the Holder of this Note shall have the right to exchange this Note for a 7.5% Note due October 1, 2014 of the Company which shall have been registered under the Securities Act of 1933, as amended, in like principal amount and having terms identical in all material respects to this Note (except that such Note shall not be entitled to Additional Interest (as defined in the Registration Rights Agreement) and shall not contain terms with respect to transfer restrictions). Holders shall be entitled to receive certain Additional Interest in the event of a Registration Default (as defined in the Registration Rights Agreement) pursuant to and in accordance with the terms of the Registration Rights Agreement. Any Additional Interest due will be payable in cash on the next succeeding April 1 or October 1, as the case may be, to Holders on the relevant regular record dates for the payment of interest. The Company shall promptly provide the Trustee with notice of any change in the interest rate borne by this Note.(3)

The Notes shall be redeemable at the option of the Company in whole at any time or in part from time to time, at a redemption price equal to the greater of (i) 100% of the principal amount of the Notes to be redeemed or (ii) the sum, as determined by the Quotation Agent (as defined below), of the present values of the principal amount of the Note to be redeemed and the remaining scheduled payments of interest on the principal amount of this Note to be redeemed from the redemption date to October 1, 2014 (excluding interest accrued to the redemption date) (the “*Remaining Life*”), discounted from their respective scheduled payment dates to the redemption date on a semiannual basis (assuming a 360-day year consisting of 30-day months) at the Treasury Rate (as defined below) plus 50 basis points, plus, in either case, accrued interest thereon to the date of redemption.

If money sufficient to pay the redemption price of and accrued interest on all of the Notes (or portions thereof) to be redeemed on the redemption date is deposited with the Trustee or paying agent on or before the redemption date and certain other conditions specified in the Indenture are satisfied, then on and after such redemption date, interest will cease to accrue on such Notes (or such portion thereof) called for redemption.

(3) This paragraph not to appear on Exchange Notes.

“ *Comparable Treasury Issue* ” means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the Remaining Life that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity with the Remaining Life as of the applicable redemption date. “Comparable Treasury Price” means, with respect to any redemption date, the average of two Reference Treasury Dealer Quotations for such redemption date.

“ *Quotation Agent* ” means the Reference Treasury Dealer appointed by the Company.

“ *Reference Treasury Dealer* ” means each of Deutsche Bank Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated and their successors; provided, however, that if any of the foregoing ceases to be a primary U.S. Government securities dealer in New York City, the Company will substitute therefor another primary U.S. Government securities dealer.

“ *Reference Treasury Dealer Quotations* ” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

“ *Treasury Rate* ” means, with respect to any redemption date, the rate per annum equal to the semiannual yield to maturity of the Comparable Treasury Issue, calculated on the third business day preceding such redemption date using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

Notice of any redemption will be mailed not less than 15 nor more than 60 calendar days before the redemption date to the Holder hereof at its registered address. Unless the Company defaults in payment of the redemption price, on and after the redemption date interest will cease on the principal amount of this Note.

In case an Event of Default shall occur and be continuing, the principal hereof may be declared, and upon such declaration shall become, due and payable in the manner, with the effect and subject to the conditions provided in the Indenture.

The Indenture contains provisions permitting the Company and the Trustee, with the written consent of the Holders of a majority in principal amount of the outstanding Securities of each series affected by a supplemental indenture (with each series voting as a class), to enter into a supplemental indenture to add any provisions to or to change or eliminate any provisions of the Indenture or of any supplemental indenture or to modify, in each case in any manner not covered by provisions in the Indenture relating to amendments and waivers without the consent of Holders, the rights of the Holders of each such series. The Holders of a majority in principal amount of the outstanding Securities of each series affected by such waiver (with each series voting as a class), by notice to the Trustee may waive compliance by the Company with any provi-

sion of the Indenture, any supplemental indenture or the Securities of any such series, except a Default in payment of the principal of or interest on any Security. However, without the consent of each Holder affected, an amendment or waiver may not: (1) reduce the amount of Notes whose Holders must consent to an amendment or waiver; (2) change the rate or the time for payment of interest on any Security; (3) change the principal or the fixed maturity of any Security; (4) waive a Default in the payment of principal, premium, if any, or interest on any Security; (5) make any Security payable in money other than that stated in the Security; or (6) make any change in the provisions of the Indenture (i) with respect to the rights of the Holders of a majority in principal amount of any series of Securities, by notice to the Trustee, to waive an existing Default with respect to that series and its consequences; (ii) with respect to the right of any Holder of a Security to receive payment of principal of and interest on the Security, on or after the respective due dates expressed in the Security, the right of any Holder of a coupon to receive payment of interest due as provided in such coupon, or the right to bring suit for enforcement of any such payments on or after their respective dates; and (iii) described in this sentence.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, premium, if any, and interest on this Note at the place, at the respective times, at the rate, and in the coin or currency herein prescribed.

No director, officer, employee or stockholder, as such, of the Company shall have any liability for any obligations of the Company under this Note or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. Each Holder, by accepting this Note, waives and releases all such liability. The waiver and release are part of the consideration for the issue of this Note.

The laws of the State of New York shall govern the Indenture and this Note.

Ownership of this Note shall be proved by the register for the Notes kept by the Registrar. The Company, the Trustee and any agent of the Company may treat the person in whose name a Note is registered as the absolute owner thereof for all purposes.

Terms used herein without definition that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entirety), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

Unless the Certificate of Authentication hereon has been executed by the Trustee under the Indenture referred to herein by the manual or facsimile signature of one of its authorized officers, or on behalf of the Trustee by the manual or facsimile signature of an authorized officer of the Trustee's authenticating agent, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed, manually or by facsimile, and its corporate seal or a facsimile of its corporate seal to be imprinted herein.

Date: []

(SEAL)

QWEST CORPORATION

By: _____
Name:
Title:
By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

This is one of the Notes of the series designated herein, issued under the Indenture described herein.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

ASSIGNMENT FORM

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

Please insert social security number or other identifying number of assignee:

Please print or type name and address (including zip code) of assignee:

the within Note and all rights thereunder, hereby irrevocably constituting and appointing
Qwest Corporation on the books of Qwest Corporation, with full power of substitution in the premises.

attorney to transfer said Note of

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of this Note in every particular without alteration or enlargement or any change whatsoever.

CERTIFICATE TO BE DELIVERED UPON EXCHANGE
OR REGISTRATION OF TRANSFER

This certificate relates to \$ _____ principal amount of Notes held in (check applicable space) _____ book-entry or definitive form by the undersigned.

The undersigned (Check one box below);

☐ has requested the Trustee by written order to deliver in exchange for its beneficial interest in the Note held by the Depository a Note or Notes in definitive, registered form of authorized denominations and an aggregate principal amount equal to its beneficial interest in such Note (or the portion thereof indicated above); or

☐ has requested the Trustee by written order to exchange or register the transfer of a Note or Notes.

In connection with any transfer of any of the Notes evidenced by this certificate occurring prior to the expiration of the period referred to in Rule 144(k) under the Securities Act, the undersigned confirms that such Notes are being transferred in accordance with its terms:

CHECK ONE BOX BELOW

☐ (1) _____ to the Company; or

☐ (2) _____ inside the United States to a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) that purchases for its own account or for the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; or

☐ (3) _____ outside the United States to a foreign person in a transaction meeting the requirements of Rule 903 or Rule 904 of Regulation S under the Securities Act; or

☐ (4) _____ pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), or

☐ (5) _____ to an institutional accredited investor in a transaction exempt from the registration requirements of the Securities Act, or

☐ (6) _____ pursuant to an effective registration statement under the Securities Act.

Unless one of the boxes is checked, the Trustee will refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered holder thereof; provided, however, that if box (4) or (5) is checked, the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Company and the Trustee has reasonably requested to confirm that such transfer is

being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Date: _____

SIGNATURE OR SIGNATURE GUARANTEE:

NOTICE: Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor acceptable to the Trustee.

TO BE COMPLETED BY PURCHASER IF BOX (2) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned’s foregoing representations in order to claim this exemption from registration provided by Rule 144A.

Dated: _____

NOTICE: To be executed by an executive officer

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

The following increases or decreases in this Global Note have been made:

Principal amount of this Global Note as of []	Date Exchange Made	Change in Principal Amount of this Global Note due to Exchange	Principal Amount of this Global Note Following such Exchange	Notation made by or on behalf of the Company

Form of Certificate To Be Delivered
in Connection with Transfers
of Temporary Regulation S Global Notes

[], []

U.S. Bank National Association
950 17th Street, Suite 300
Denver, Colorado 80202
Attention: Corporate Trust Department

Re: Qwest Corporation (the "Issuer")
7.5% Notes due 2014 (the "Notes")

Dear Sirs:

This letter relates to U.S. \$[] aggregate principal amount of Notes represented by a certificate (the "*Legended Certificate* ") which bears a legend outlining restrictions upon transfer of such Legended Certificate. Pursuant to Section 3.03(b) of the First Supplemental Indenture (the "*Supplemental Indenture* ") dated as of August 19, 2004 relating to the Notes, we hereby certify that we are (or we will hold such securities on behalf of) a person outside the United States (or to an Initial Purchaser (as defined in the Supplemental Indenture)) to whom the Notes could be transferred in accordance with Rule 904 of Regulation S promulgated under the U.S. Securities Act of 1933, as amended.

You, as Trustee, the Company, counsel for the Company and others are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Capitalized terms used but not independently defined in this letter have the meanings set forth in Regulation S.

Very truly yours,

[Name of Holder]

By: _____
Authorized Signature

Form of Certificate To Be Delivered
in Connection with Transfers
Pursuant to Regulation S

[], []

U.S. Bank National Association
950 17th Street, Suite 300
Denver, Colorado 80202
Attention: Corporate Trust Department

Re: Qwest Corporation (the “*Issuer*”)
7.5% Notes due 2014 (the “*Notes*”)

Ladies and Gentlemen:

In connection with our proposed sale of \$[] aggregate principal amount of the Notes, we confirm that such sale has been effected pursuant to and in accordance with Regulation S under the U.S. Securities Act of 1933, as amended (the “*Securities Act*”), and, accordingly, we represent that:

- (1) the offer of the Notes was not made to a person in the United States;
- (2) either (a) at the time the buy offer was originated, the transferee was outside the United States or we and any person acting on our behalf reasonably believed that the transferee was outside the United States, or (b) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither we nor any person acting on our behalf knows that the transaction has been prearranged with a buyer in the United States;
- (3) no directed selling efforts have been made in the United States in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S, as applicable;
- (4) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and
- (5) we have advised the transferee of the transfer restrictions applicable to the Notes.

You, as Trustee, the Issuer, counsel for the Issuer and others are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[Name of Transferor]

By: _____
Authorized Signatory

A-2- 2

REGISTRATION RIGHTS AGREEMENT

Dated August 8, 2006

among

QWEST CORPORATION,

as Issuer,

and

Deutsche Bank Securities Inc.
Credit Suisse Securities (USA) LLC
Merrill Lynch, Pierce, Fenner & Smith Incorporated,
As Representatives of the Initial Purchasers

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this “Agreement”) is dated as of August 8, 2006, among QWEST CORPORATION, a Colorado corporation (the “Issuer” or the “Company”), on the one hand, and the several Initial Purchasers named in Schedule A to the Purchase Agreement as defined below (each, an “Initial Purchaser” and collectively, the “Initial Purchasers”), on the other hand, who have each agreed to purchase, severally and not jointly, pursuant to the Purchase Agreement (as defined below) a specified amount of newly issued 7.5% Notes due 2014 (the “Securities”).

This Agreement is made pursuant to the Purchase Agreement, dated as of August 3, 2006 (the “Purchase Agreement”), by and among the Issuer and the Initial Purchasers (i) for the benefit of the Issuer and the Initial Purchasers and (ii) for the benefit of the holders from time to time of the Securities (including the Initial Purchasers). In order to induce the Initial Purchasers to purchase the Securities, the Issuer has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the obligations of the Initial Purchasers set forth in Section 5 of the Purchase Agreement. Capitalized terms used herein and not otherwise defined shall have the meaning assigned to them in the Purchase Agreement.

In consideration of the foregoing, the parties hereto agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the Securities:

1. Definitions.

As used in this Agreement, the following capitalized defined terms shall have the following meanings:

“1933 Act” shall mean the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect from time to time.

“1934 Act” shall mean the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect from time to time.

“Additional Interest” shall have the meaning set forth in Section 2(d) hereof.

“Affiliate” shall mean with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person; for purposes of this definition, “control” shall mean the possession, directly or indirectly, of the power to

direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or otherwise.

“Broker-Dealer Representative” means Deutsche Bank Securities Inc., Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated.

“Closing Date” shall have the meaning set forth in the Purchase Agreement.

“Company” shall have the meaning set forth in the preamble and shall also include the Company’s successors and assigns.

“Effectiveness Target Date” shall have the meaning set forth in Section 2(a) hereof.

“Exchange Date” shall have the meaning set forth in Section 2(a)(ii) hereof.

“Exchange Offer” shall mean the exchange offer by the Issuer of Exchange Securities for Registrable Securities pursuant to Section 2(a) hereof.

“Exchange Offer Registration” shall mean a registration under the 1933 Act effected pursuant to Section 2(a) hereof.

“Exchange Offer Registration Statement” shall mean an exchange offer registration statement on Form S-4 (or, if applicable, on another appropriate form) and all amendments and supplements to such registration statement, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

“Exchange Period” shall have the meaning set forth in Section 2(a) hereof.

“Exchange Securities” shall mean securities, issued by the Issuer under the Indenture containing terms identical to the Securities (except that the Exchange Securities will not contain restrictions on transfer and Additional Interest) and to be offered to Holders of Securities in exchange for Securities pursuant to the Exchange Offer.

“Holder” shall mean a holder of Registrable Securities, for so long as such holder owns any Registrable Securities, and each of such holder’s successors, assigns and direct and indirect transferees who become registered owners of Registrable Securities under the Indenture or who become beneficial owners of Registrable Securities, so long as in the case of beneficial owners, such owners have so notified the Issuer in writing; provided that for purposes of Sections 4 and 5 of this Agreement, the term “Holder” shall include Participating Broker-Dealers.

“Indenture” shall mean the Indenture relating to the Securities dated as of October 15, 1999 between the Company (formerly known as U S WEST Communications, Inc.),

as issuer, and J.P. Morgan Trust Company, National Association (as successor in interest to Bank One Trust Company, N.A.), as supplemented by a supplemental indenture establishing the terms of the Securities, as the same may be amended or supplemented from time to time in accordance with the terms thereof.

“ Majority Holders ” shall mean the Holders of a majority of the aggregate principal amount of outstanding Registrable Securities; provided that whenever the consent or approval of Holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the Issuer or any of its Affiliates shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage or amount.

“ Participant ” shall have the meaning set forth in Section 5(a) hereof.

“ Participating Broker-Dealer ” shall have the meaning set forth in Section 4(a) hereof.

“ Person ” shall be construed broadly and shall include, without limitation, an individual, a partnership, a corporation, an association, a joint stock company, a limited liability company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“ Prospectus ” shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by a Shelf Registration Statement, and by all other amendments and supplements to such prospectus, and in each case including all material incorporated by reference therein.

“ Registrable Securities ” shall mean the Securities; provided, however, that the Securities shall cease to be Registrable Securities (i) when, in the case of a Holder of such Securities who was entitled to participate in the Exchange Offer, an Exchange Offer Registration Statement with respect to such Securities shall have been declared effective under the 1933 Act and either (a) such Securities shall have been exchanged pursuant to the Exchange Offer for Exchange Securities or (b) such Securities were not tendered by the Holder thereof in the Exchange Offer, (ii) when a Shelf Registration Statement with respect to such Securities shall have been declared effective under the 1933 Act and such Securities shall have been disposed of pursuant to such Shelf Registration Statement, (iii) when such Securities have been sold to the public pursuant to Rule 144(k) (or any similar provision then in force, but not Rule 144A) under the 1933 Act or are eligible to be sold without restriction thereunder or (iv) when such Securities shall have ceased to be outstanding.

“ Registration Default ” shall have the meaning set forth in Section 2(d) hereof.

“Registration Expenses” shall mean any and all expenses incident to performance of or compliance by the Issuer with this Agreement, including, without limitation: (i) all SEC, New York Stock Exchange or National Association of Securities Dealers, Inc. registration and filing fees, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws (including reasonable fees and disbursements of one counsel for all underwriters or Holders as a group in connection with blue sky qualification of any of the Exchange Securities or Registrable Securities) within the United States (x) where the Holders are located, in the case of the Exchange Securities, or (y) as provided in Section 3(d) hereof, in the case of Registrable Securities to be sold by a Holder pursuant to a Shelf Registration Statement, (iii) all expenses of any Persons in preparing or assisting in preparing, word processing, printing and distributing any Registration Statement, any Prospectus, any amendments or supplements thereto and other documents relating to the performance of and compliance with this Agreement, (iv) all rating agency fees, (v) all fees and disbursements relating to the qualification of the Indenture under applicable securities laws, (vi) the fees and disbursements of the Trustee and its counsel, (vii) the fees and disbursements of counsel for the Issuer and, in the case of a Shelf Registration Statement, the fees and disbursements of one counsel for the Holders (which counsel shall be selected by the Majority Holders) and (viii) the fees and disbursements of the independent public accountants of the Issuer, including the expenses of any special audits, agreed-upon procedures or “cold comfort” letters required by or incident to such performance and compliance, but excluding fees and expenses of counsel to the underwriters (other than fees and expenses set forth in clause (ii) above) or the Holders and underwriting discounts and commissions and out-of-pocket expenses incurred by the Holders and transfer taxes, if any, relating to the sale or disposition of Registrable Securities by a Holder.

“Registration Statement” shall mean any registration statement of any Issuer that covers any of the Exchange Securities or Registrable Securities pursuant to the provisions of this Agreement and all amendments and supplements to any such Registration Statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

“SEC” shall mean the Securities and Exchange Commission.

“Securities” shall have the meaning set forth in the preamble.

“Shelf Registration” shall mean a registration effected pursuant to Section 2(b) hereof.

“Shelf Registration Statement” shall mean a “shelf” registration statement of the Issuer pursuant to the provisions of Section 2(b) of this Agreement which covers at effectiveness all of the Registrable Securities (other than Registrable Securities the Holders of which have not complied with its obligations under Section 2(f) of this Agreement or have elected not to have their Registrable Securities included in the Shelf Registration Statement)

on an appropriate form under Rule 415 under the 1933 Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

“ TIA ” shall have the meaning set forth in Section 3(l) hereof.

“ Trustee ” shall mean the trustee with respect to the Securities under the Indenture.

“ Underwriters ” shall have the meaning set forth in Section 3 hereof.

“ Underwritten Offering ” shall mean a registration in which Registrable Securities are sold to an Underwriter for reoffering to the public.

2. Registration Under the 1933 Act .

(a) To the extent not prohibited by any applicable law or applicable interpretation of the Staff of the SEC, the Issuer shall file an Exchange Offer Registration Statement covering the offer by the Issuer to the Holders to exchange all of the Registrable Securities for Exchange Securities in a like aggregate principal amount and to use its commercially reasonable efforts to cause the Exchange Offer Registration Statement to be declared effective by 315 days after the date of this Agreement (the “ Effectiveness Target Date ”) and to have such Registration Statement remain effective until the closing of the Exchange Offer. The Issuer shall commence the Exchange Offer as promptly as practicable after the Exchange Offer Registration Statement has been declared effective by the SEC and use its commercially reasonable efforts to have the Exchange Offer consummated not later than 45 days after the earlier of the date on which the Exchange Offer Registration Statement is declared effective and the Effectiveness Target Date (such 45-day period being the “ Exchange Period ”).

The Issuer shall commence the Exchange Offer by mailing the related exchange offer Prospectus and accompanying documents to each Holder stating, in addition to such other disclosures as are required by applicable law:

(i) that the Exchange Offer is being made pursuant to this Registration Rights Agreement and that all Registrable Securities validly tendered will be accepted for exchange;

(ii) the date of acceptance for exchange (which shall be a period of at least 20 business days (or longer if required by applicable law) from the date such notice is mailed (the “ Exchange Date ”));

(iii) that any Registrable Security not tendered by a Holder who was eligible to participate in the Exchange Offer will remain outstanding and continue to accrue interest, but will not retain any rights under this Registration Rights Agreement;

(iv) that Holders electing to have a Registrable Security exchanged pursuant to the Exchange Offer will be required to surrender such Registrable Security, together with the enclosed letters of transmittal, to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the notice prior to the close of business on the Exchange Date; and

(v) that Holders will be entitled to withdraw their election, not later than the close of business, New York City time, on the Exchange Date, by sending to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the notice, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Securities delivered for exchange and a statement that such Holder is withdrawing his election to have such Securities exchanged.

As soon as practicable after the Exchange Date, the Issuer shall:

(vi) accept for exchange Registrable Securities or portions thereof validly tendered and not properly withdrawn pursuant to the Exchange Offer; and

(vii) deliver, or cause to be delivered, to the Trustee for cancellation all Registrable Securities or portions thereof so accepted for exchange by the Issuer and issue, and cause the Trustee to promptly authenticate and mail to each Holder, an Exchange Security equal in principal amount to the principal amount of the Registrable Securities surrendered by such Holder; provided that, in the case of any Registrable Securities held in global form by a depositary, authentication and delivery to such depositary of one or more Exchange Securities in global form in an equivalent principal amount thereto for the account of such Holders in accordance with the Indenture shall satisfy such authentication and delivery requirement.

Each Holder (including, without limitation, each Participating Broker-Dealer (as defined)) who participates in the Exchange Offer will be required to represent to the Issuer, in writing (which may be contained in the applicable letter of transmittal) that: (1) any Exchange Securities acquired in exchange for Registrable Securities tendered are being acquired in the ordinary course of business of the Person receiving such Exchange Securities, whether or not such recipient is a Holder of Registrable Securities, (2) neither such Holder nor, to the actual knowledge of such Holder, any other Person receiving Exchange Securities from such Holder has an arrangement or understanding with any Person to participate in the distribution of the Exchange Securities in violation of the provisions of the 1933 Act, (3) the Holder is not an Affiliate of any Issuer or, if it is an Affiliate, it will comply with the registration

and prospectus delivery requirements of the 1933 Act to the extent applicable, (4) if such Holder is not a Participating Broker-Dealer, that it has not engaged in, and does not intend to engage in, the distribution of Exchange Securities, (5) if such Holder is a Participating Broker-Dealer, such Holder acquired the Registrable Securities as a result of market-making activities or other trading activities, it will deliver a prospectus in connection with any resale of the Exchange Securities and that it will comply with the applicable provisions of the 1933 Act with respect to resale of any Exchange Securities and (6) such Holder has full power and authority to transfer the Registrable Securities in exchange for the Exchange Securities.

The Issuer shall comply with the applicable requirements of the 1933 Act, the 1934 Act and other applicable laws and regulations in connection with the Exchange Offer. The Exchange Offer shall not be subject to any conditions, other than (1) that the Exchange Offer does not violate applicable law or any applicable interpretation of the Staff of the SEC, (2) that no action or proceeding shall have been instituted or threatened in any court or by any governmental agency with respect to the Exchange Offer and no material adverse development shall have occurred with respect to any Issuer, (3) that all governmental approvals shall have been obtained that the Issuer deems necessary for the consummation of the Exchange Offer, (4) that the conditions precedent to the Issuer's obligations under this Agreement shall have been fulfilled and (5) such other conditions as shall be deemed necessary or appropriate by the Issuer in its reasonable judgment.

(b) In the event that (i) the Issuer determines that the Exchange Offer Registration provided for in Section 2(a) above is not available or may not be consummated as soon as practicable after the Exchange Date because it would violate applicable law or the applicable interpretations of the Staff of the SEC, (ii) the Exchange Offer Registration Statement is not declared effective by the Effectiveness Target Date, (iii) any Holder of Securities notifies the Issuer after the commencement of the Exchange Offer that due to a change in applicable law or SEC policy it is not entitled to participate in the Exchange Offer, or (iv) if any Holder that participates in the Exchange Offer (and tenders its Registrable Securities prior to the expiration thereof), does not receive Exchange Securities on the date of the exchange that may be sold without restriction under state and federal securities laws (other than due solely to the status of such Holder as an Affiliate of the Issuer or as a Participating Broker-Dealer), the Issuer shall cause to be filed as soon as practicable a Shelf Registration Statement providing for the sale by the Holders of all of the Registrable Securities and shall use its commercially reasonable efforts to have such Shelf Registration Statement declared effective by the SEC. In the event the Issuer is required to file a Shelf Registration Statement solely as a result of the matters referred to in clause (iii) of the preceding sentence, the Issuer shall file and use its commercially reasonable efforts to have declared effective by the SEC both an Exchange Offer Registration Statement pursuant to Section 2(a) with respect to all Registrable Securities and a Shelf Registration Statement (which may be a combined Registration Statement with the Exchange Offer Registration Statement) with respect to offers and sales of Registrable Securities held by such other Holders after completion of the Exchange Offer. The

Issuer agrees, except as set forth herein, to use its commercially reasonable efforts to keep the Shelf Registration Statement continuously effective until the date that is two years after the Closing Date (or such shorter periods as may hereafter be referred to in Rule 144(k) under the Securities Act (or similar successor rule)) with respect to the Registrable Securities or such shorter period that will terminate when all of the Registrable Securities covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement. The Issuer further agrees to supplement or amend the Shelf Registration Statement if required by the rules, regulations or instructions applicable to the registration form used by the Issuer for such Shelf Registration Statement or by the 1933 Act or by any other rules and regulations thereunder for shelf registration or if reasonably requested by a Holder with respect to information relating to such Holder, and to use its commercially reasonable efforts to cause any such amendment to become effective and such Shelf Registration Statement to become usable as soon as thereafter practicable. The Issuer agrees to furnish to the Holders of Registrable Securities, upon request, copies of any such supplement or amendment promptly after its being used or filed with the SEC. Notwithstanding the foregoing, the Issuer shall not be required to file more than one post-effective amendment to the Shelf Registration Statement in any fiscal quarter, such timing to be determined in the reasonable discretion of the Issuer, to add one or more Holders to the "Selling Securityholders" table of the Shelf Registration Statement or to update any information in such table. Notwithstanding anything to the contrary contained herein, if any exchange offer is consummated after the Exchange Date, any obligations of the Issuer arising as a result of clauses (ii) and (iii) above shall terminate and such exchange offer shall be deemed an Exchange Offer pursuant to Section 2(a).

(c) The Issuer shall pay all Registration Expenses in connection with the registration pursuant to Section 2(a) or Section 2(b). Each Holder shall pay all underwriting discounts and commissions and transfer taxes, if any, relating to the registration of such Holder's Registrable Securities pursuant to the Exchange Offer Registration Statement or the Shelf Registration Statement.

(d) An Exchange Offer Registration Statement pursuant to Section 2(a) hereof or a Shelf Registration Statement pursuant to Section 2(b) hereof will not be deemed to have become effective unless it has been declared effective by the SEC; provided, however, that, if, after it has been declared effective, the offering of Registrable Securities pursuant to a Shelf Registration Statement is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such Registration Statement will be deemed not to be effective during the period of such interference until the offering of Registrable Securities pursuant to such Registration Statement may legally resume. As provided for in the Indenture, the annual interest rate on the Securities will be increased (the "Additional Interest") under the following condition:

subject to Sections 2(f) and 2(g) if (A) the Issuer has not exchanged Exchange Securities for all Securities validly tendered in accordance with the terms of the Exchange Offer on or prior to the end of the Exchange Period (and the Shelf Registration Statement has not been declared effective), (B) the Exchange Offer Registration Statement or, if applicable, the Shelf Registration Statement has not been declared effective by the SEC on or prior to the Effectiveness Target Date or (C) if applicable, the Shelf Registration Statement is filed and declared effective but shall thereafter cease to be effective or usable (1) as a result of an order suspending the effectiveness of the Shelf Registration Statement or otherwise, or (2) if related to the events or circumstances set forth in Section 2(g) below, for more than 60 days (whether or not consecutive) in any twelve month period (each such event referred to in clauses (A) through (C), a “Registration Default”), then Additional Interest shall accrue on the principal amount of the Registrable Securities at a rate of 0.25% per annum commencing (x) at the end of the Exchange Period, in the case of (A) above, (y) on the Effectiveness Target Date in the case of (B) above, or (z) on the day such Shelf Registration Statement ceases to be effective in the case of (C)(1) above or the 61st day the Prospectus ceases to be usable for resales in the case of (C)(2) above, and such Additional Interest rate shall continue to, but excluding, the earlier of (1) the date on which all Registration Defaults have been cured or (2) the date that is two years after the Closing Date (or such shorter period as may hereafter be referenced to in Rule 144(k) under the Securities Act (or similar successor rule)) (it being understood and agreed that, notwithstanding any provision to the contrary, so long as any Securities not registered under an Exchange Offer Registration Statement by the Effectiveness Target Date or validly tendered on or prior to the end of the Exchange Period, (y) have been provided the opportunity to be tendered in an Exchange Offer that closes after the Exchange Period or (z) are then covered by an effective Shelf Registration Statement, no Additional Interest shall accrue on such Securities);

provided, however, that upon the exchange of Exchange Securities for all Securities tendered (in the case of clause (A) above), upon the earlier of (1) effectiveness of the Shelf Registration Statement (in the case of clause (B) above) and (2) the exchange of Exchange Securities for all securities tendered in an Exchange Offer (in the case of clause (B) above) or upon the effectiveness of the Shelf Registration Statement which had ceased to remain effective (in the case of clause (C) above), Additional Interest on the Securities as a result of such clause (or the relevant subclause thereof), as the case may be, shall cease to accrue; provided, further, however, that in the case of clauses (B) and (C) above, it is expressly understood that Additional Interest should be payable only with respect to the Registrable Securities so requested to be registered pursuant to Section 2(b)(iii) hereof; and provided, further, however, that if a Registration Default under clause (C) above occurs because of the filing of a post-effective

amendment to such Registration Statement to incorporate annual audited financial information with respect to the Issuer or to add Holders to the “Selling Securityholders” table (or to update any information in such table) where such post-effective amendment is not yet effective and needs to be declared effective to permit Holders to use the related Prospectus, it is expressly understood that Additional Interest shall be payable only from and after the date such Registration Default continues for at least 30 days.

Notwithstanding the foregoing, (1) the amount of Additional Interest payable shall not increase because more than one Registration Default has occurred and is pending and (2) a Holder of Registrable Securities or Exchange Securities who is not entitled to the benefits of the Shelf Registration Statement (i.e., such Holder has not elected to include information) shall not be entitled to Additional Interest with respect to a Registration Default that pertains to the Shelf Registration Statement.

(e) Without limiting the remedies available to the Holders, the Issuer acknowledges that any failure by the Issuer to comply with its obligations under Section 2(a) and Section 2(b) hereof may result in material irreparable injury to the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, any Holder may obtain such relief as may be required to specifically enforce the Issuer’s obligations under Section 2(a) and Section 2(b) hereof.

(f) No Holder of Registrable Securities may include any of its Registrable Securities in any Shelf Registration unless and until such Holder furnishes to the Issuer, in writing within 15 days after receipt of a request therefor, the information with respect to such Holder specified in Regulation S-K under the 1933 Act and any other applicable rules, regulations or policies of the SEC for use in connection with any Shelf Registration or Prospectus included therein, on a form to be provided by the Issuer. Each selling Holder agrees to furnish promptly to the Issuer additional information to be disclosed so that the information previously furnished to the Issuer by such Holder does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. No Holder of Registrable Securities shall be entitled to Additional Interest pursuant to Section 2(d) hereof unless and until such Holder shall have provided all such information.

(g) The Issuer may delay the filing or the effectiveness of an Exchange Offer Registration Statement or a Shelf Registration Statement (including any post-effective amendment thereto) for a period of up to 30 days during any 90 day period if (i) there occur material events or developments with respect to the Issuer that would need to be described in such Registration Statement or the related Prospectus, and the effectiveness of such Registration Statement is reasonably required to be suspended while such Registration Statement and related Prospectus are amended or supplemented to reflect such events or developments, (ii)

there occur material events or developments with respect to the Issuer or any of its Affiliates, the disclosure of which the Issuer determines in good faith would have a material adverse effect on the business, operations or prospects of the Issuer, or (iii) the Issuer does not wish to disclose publicly a pending material business transaction that has not yet been publicly disclosed; provided, however, that any delay period with respect to Registration Defaults arising under this Section 2(g) will not alter the obligations of the Issuer to pay Additional Interest with respect to a Registration Default subject to the limitations and exceptions set forth in Section 2(d) above.

(h) Additional Interest due on the Securities pursuant to Section 2(d) hereof will be payable in cash semiannually in arrears on the same interest payment dates as the Securities, commencing with the first interest payment date occurring after any such Additional Interest commences to accrue.

3. Registration Procedures.

In connection with the obligations of the Issuer with respect to the Registration Statements pursuant to Section 2(a) and Section 2(b) hereof, the Issuer shall:

(a) prepare and file with the SEC a Registration Statement on the appropriate form under the 1933 Act, which form (x) shall be selected by the Issuer and (y) shall, in the case of a Shelf Registration, be available for the sale of the Registrable Securities by the selling Holders thereof and (z) shall comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the SEC to be filed therewith, and use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective in accordance with Section 2 hereof;

(b) prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period and, except for such periods as to which such action is not required pursuant to Section 2(g) hereof, cause each Prospectus to be supplemented by any prospectus supplement required by applicable law and, as so supplemented, to be filed pursuant to Rule 424 under the 1933 Act; to keep each Prospectus current during the period described under Section 4(3) and Rule 174 under the 1933 Act that is applicable to transactions by brokers or dealers with respect to the Registrable Securities or Exchange Securities;

(c) in the case of a Shelf Registration, furnish to each Holder of Registrable Securities, to counsel for the Holders and to each Underwriter of an Underwritten Offering of Registrable Securities, if any, without charge, as many copies of each Prospectus,

including each preliminary Prospectus, and any amendment or supplement thereto and such other documents as such Holder or Underwriter may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Securities; and, except for the periods set forth in Section 2(g) herein, the Issuer consents to the use of such Prospectus and any amendment or supplement thereto in accordance with applicable law by each of the selling Holders of Registrable Securities and any such Underwriters in connection with the offering and sale of the Registrable Securities covered by and in the manner described in such Prospectus or any amendment or supplement thereto in accordance with applicable law;

(d) use its commercially reasonable efforts to register or qualify the Registrable Securities under all applicable state securities or “blue sky” laws of such jurisdictions as any Holder of Registrable Securities covered by a Registration Statement shall reasonably request in writing by the time the applicable Registration Statement is declared effective by the SEC, to cooperate with such Holders in connection with any filings required to be made with the New York Stock Exchange and the National Association of Securities Dealers, Inc. and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holder to consummate the disposition in each such jurisdiction of such Registrable Securities owned by such Holder; provided, however, that the Issuer shall not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(d), (ii) file any general consent to service of process or (iii) subject itself to taxation in any such jurisdiction if it is not so subject;

(e) in the case of a Shelf Registration, notify each Holder of Registrable Securities and counsel for the Holders promptly and, if requested by any such Holder or counsel, confirm such advice in writing (i) when a Registration Statement has become effective and when any post-effective amendment thereto has been filed and becomes effective, (ii) of any request by the SEC or any state securities authority for amendments and supplements to a Registration Statement and Prospectus or for additional information after the Registration Statement has become effective, (iii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose, (iv) if, between the effective date of a Registration Statement and the closing of any sale of Registrable Securities covered thereby, the representations and warranties of the Issuer contained in any underwriting agreement, securities sales agreement or other similar agreement, if any, relating to the offering cease to be true and correct in all material respects or if the Issuer receives any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose, (v) of the happening of any event

during the period a Shelf Registration Statement is effective which makes any statement made in such Registration Statement or the related Prospectus untrue in any material respect or which requires the making of any changes in such Registration Statement or Prospectus in order to make the statements therein not misleading and (vi) of any determination by the Issuer that a post-effective amendment to a Registration Statement (other than an amendment that does nothing more substantive than add one or more Holders to the “Selling Securityholders” table of such Registration Statement or to update any information set forth in such table) would be appropriate except, in the case of clauses (iv), (v) and (vi), with respect to any event, development or transaction permitted to be kept confidential under Section 2(g) hereof, the Issuer shall not be required to describe such event, development or transaction in the written notice provided;

(f) make commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement as promptly as practicable and provide reasonably prompt notice to each Holder of the withdrawal of any such order;

(g) in the case of a Shelf Registration, furnish to each Holder of Registrable Securities, without charge, at least one conformed copy of each Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(h) in the case of a Shelf Registration, cooperate with the selling Holders of Registrable Securities to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends and enable such Registrable Securities to be in such denominations (consistent with the provisions of the Indenture) and registered in such names as the selling Holders may reasonably request at least one business day prior to the closing of any sale of Registrable Securities;

(i) in the case of a Shelf Registration, upon the occurrence of any event contemplated by Section 3(e)(v) hereof, as promptly as practicable prepare and file with the SEC a supplement or post-effective amendment to a Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities, such Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; the Issuer agrees to notify the Holders to suspend use of the Prospectus as promptly as practicable after the occurrence of such an event, and the Holders hereby agree to suspend use of the Pro-

spectus until the Issuer has amended or supplemented the Prospectus to correct such misstatement or omission and expressly agree to maintain the information contained in such notice confidential (except that such information may be disclosed to its counsel) until it has been publicly disclosed by the Issuer; notwithstanding the foregoing, the Issuer shall not be required to amend or supplement a Registration Statement, any related Prospectus or any document incorporated or deemed to be incorporated therein by reference if (i) an event occurs and is continuing as a result of which the Shelf Registration, any related Prospectus or any document incorporated or deemed to be incorporated therein by reference, would, in the Issuer's good faith judgment, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading (with respect to such a Prospectus only, in the light of the circumstances under which they were made), and (ii) (a) the Issuer determines in its good faith judgment that the disclosure of such event at such time would have a material adverse effect on the business, operations or prospects of the Issuer, or (b) the disclosure otherwise relates to a pending material business transaction that has not yet been publicly disclosed;

(j) in the case of a Shelf Registration Statement, a reasonable time prior to the filing of any Registration Statement, any Prospectus, any amendment to a Registration Statement or amendment or supplement to a Prospectus, provide copies of such document to, the Holders and their counsel and make such of the representatives of the Issuer as shall be reasonably requested by the Holders or their counsel available for discussion of such document, and shall not at any time file or make any amendment to the Registration Statement, any Prospectus or any amendment of or supplement to a Registration Statement or a Prospectus, of which the Holders and their counsel shall not have previously been advised and furnished a copy or to which the Holders or their counsel shall reasonably object on a timely basis, except for any Registration Statement or amendment thereto or related Prospectus or supplement thereto (a copy of which has been previously furnished as provided in the preceding sentence) which counsel to the Issuer has advised the Issuer in writing is required to be filed in order to comply with applicable law; provided, however, that the foregoing procedures shall be coordinated on behalf of the Holders by a representative designated by the majority in aggregate principal amount of the Holders selling Registrable Securities;

(k) obtain a CUSIP number for all Exchange Securities or Registrable Securities, as the case may be, not later than the effective date of a Registration Statement;

(l) cause the Indenture to be qualified under the Trust Indenture Act of 1939, as amended (the "TIA"), in connection with the registration of the Exchange Securities or Registrable Securities, as the case may be, cooperate with the Trustee and

the Holders to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the TIA and execute, and use its commercially reasonable efforts to cause the Trustee to execute, all documents as may be required to effect such changes and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner;

(m) in the case of an Underwritten Offering pursuant to a Shelf Registration, make available for inspection upon written request by a representative of the Holders of the Registrable Securities, any Underwriter participating in any disposition pursuant to such Shelf Registration Statement, and attorneys and accountants designated by the Holders, at reasonable times and in a reasonable manner, all pertinent financial and other records, pertinent documents and properties of the Issuer as shall be reasonably necessary to enable them to exercise any applicable due diligence responsibilities, and cause the respective officers, directors and employees of the Issuer to supply all information reasonably requested by any such representative, Underwriter, attorney or accountant in connection with their due diligence responsibilities under a Shelf Registration Statement; provided that records and information that the Issuer determines in good faith to be confidential and so notifies such representative, Underwriter, attorney or accountant are confidential shall not be disclosed to any such representative, Underwriter, attorney or accountant unless (i) the disclosure of such information is necessary to avoid or correct a material misstatement or material omission in an effective Registration Statement or Prospectus, (ii) the release of such information is ordered pursuant to a subpoena or other order from a court of competent jurisdiction or (iii) the information has been made generally available to the public other than by any of such persons or an Affiliate of any such persons, provided that if any such information has been disclosed to any such representative, Underwriter, attorney or accountant, prior notice shall be provided as soon as practicable to the Issuer of the potential disclosure of any information by such person under the circumstances described in clause (i) or (ii) of this sentence in order to permit the Issuer to obtain a protective order; provided further, that if such records and information are determined to be confidential, the Issuer shall (a) provide summaries of such information to counsel for such Underwriter or (b) provide other means as reasonably requested by the Underwriter to enable such Underwriter to satisfy its due diligence requirements without compromising the confidentiality of such information;

(n) if reasonably requested by any Holder of Registrable Securities covered by a Registration Statement, (i) subject to Section 2(b) of this Agreement, promptly incorporate in a Prospectus supplement or post-effective amendment such information with respect to such Holder as such Holder reasonably requests to be included therein and (ii) subject to Section 2(b) of this Agreement, make all required filings of such

Prospectus supplement or such post-effective amendment as soon as the Issuer has received notification of the matters to be incorporated in such filing; and

(o) in the case of an Underwritten Offering pursuant to a Shelf Registration, enter into such customary agreements and take all such other actions in connection therewith (including those requested by the Holders of a majority of the Registrable Securities being sold) in order to expedite or facilitate the disposition of such Registrable Securities and in such connection, (i) to the extent possible, make such representations and warranties to any Underwriters of such Registrable Securities with respect to the business of the Issuer and its subsidiaries, the Registration Statement, Prospectus and documents incorporated by reference or deemed incorporated by reference, if any, in each case, in form, substance and scope as are customarily made by issuers to underwriters in underwritten offerings and confirm the same in writing if and when requested, (ii) obtain opinions of counsel to the Issuer (which counsel and opinions, in form, scope and substance, shall be reasonably satisfactory to such Underwriters and their respective counsel) addressed to each Underwriter of Registrable Securities, covering the matters customarily covered in opinions requested in underwritten offerings, (iii) obtain “cold comfort” letters from the independent certified public accountants of the Issuer (and, if necessary, any other certified public accountant of any subsidiary of the Issuer, or of any business acquired by the Issuer for which financial statements and financial data are or are required to be included in the Registration Statement) addressed to each Underwriter of Registrable Securities, such letters to be in customary form and covering matters of the type customarily covered in “cold comfort” letters in connection with underwritten offerings, (iv) if an underwriting agreement is entered into, include in such underwriting agreement indemnification provisions and procedures no less favorable to the selling Holders and underwriters, if any, than those set forth in Section 5 hereof (or such other provisions and procedures acceptable to Holders of a majority in aggregate principal amount of Registrable Securities covered by such Registration Statement and the underwriters (if any), and (v) deliver such documents and certificates as may be reasonably requested by the Underwriters, and which are customarily delivered in underwritten offerings, to evidence the continued validity of the representations and warranties of the Issuer made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in an underwriting agreement.

In the case of a Shelf Registration Statement, the Issuer may require each Holder of Registrable Securities to furnish to the Issuer such information regarding the Holder and the proposed distribution by such Holder of such Registrable Securities as the Issuer may from time to time reasonably request in writing. The Issuer may exclude from such registration the Registrable Securities of any seller so long as such seller fails to furnish such information within a reasonable time after receiving such

request. Each seller as to which any Shelf Registration is being effected agrees to furnish promptly to the Issuer all information required to be disclosed in order to make the information previously furnished to the Issuer by such seller not materially misleading.

In the case of a Shelf Registration Statement or if Participating Broker-Dealers who have notified the Issuer that they will be utilizing the Prospectus contained in the Exchange Offer Registration Statement as provided in this Section 3(o) are seeking to sell Exchange Securities and are required to deliver Prospectuses, each Holder agrees that, upon receipt of any notice from the Issuer of the happening of any event of the kind described in Section 3(e)(v) hereof, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to a Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 3(i) hereof, and, if so directed by the Issuer, such Holder will deliver to the Issuer (at its expense) all copies in its possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Securities current at the time of receipt of such notice. If the Issuer shall give any such notice to suspend the disposition of Registrable Securities pursuant to a Registration Statement, the Issuer shall extend the period during which the Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date when the Holders shall have received copies of the supplemented or amended Prospectus necessary to resume such dispositions.

The Holders of Registrable Securities covered by a Shelf Registration Statement who desire to do so may sell such Registrable Securities in an Underwritten Offering. In any such Underwritten Offering, the investment banker or investment bankers and manager or managers (the "Underwriters") that will administer the offering will be selected by the Majority Holders of the Registrable Securities included in such offering.

4. Participation of Broker-Dealers in Exchange Offer.

(a) The Staff of the SEC has taken the position that any broker-dealer that receives Exchange Securities for its own account in the Exchange Offer in exchange for Securities that were acquired by such broker-dealer as a result of market-making or other trading activities (a "Participating Broker-Dealer"), may be deemed to be an "underwriter" within the meaning of the 1933 Act and must deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of such Exchange Securities.

The Issuer understands that it is the Staff's position that if the Prospectus contained in the Exchange Offer Registration Statement includes a plan of distribution containing a statement to the above effect and the means by which Participating Broker-Dealers may resell

the Exchange Securities, without naming the Participating Broker-Dealers or specifying the amount of Exchange Securities owned by them, such Prospectus may be delivered by Participating Broker-Dealers to satisfy their prospectus delivery obligation under the 1933 Act in connection with resales of Exchange Securities for their own accounts, so long as the Prospectus otherwise meets the requirements of the 1933 Act.

(b) In light of the above, notwithstanding the other provisions of this Agreement, the Issuer agrees that the provisions of this Agreement as they relate to a Shelf Registration shall also apply to an Exchange Offer Registration to the extent, and with such reasonable modifications thereto as may be, reasonably requested by one or more Participating Broker-Dealers as provided in clause (ii) below, in order to expedite or facilitate the disposition of any Exchange Securities by Participating Broker-Dealers consistent with the positions of the Staff recited in Section 4(a) above; provided that:

(i) the Issuer shall not be required to keep the Exchange Offer Registration Statement effective, as would otherwise be contemplated by Section 2(b) for a period exceeding 90 days after the date on which such Exchange Offer Registration Statement is declared effective (as such period may be extended pursuant to the penultimate paragraph of Section 3 of this Agreement as applied to such Exchange Offer Registration Statement);

(ii) the Issuer shall not be required to amend or supplement the Prospectus contained in the Exchange Offer Registration Statement, as would otherwise be contemplated by Section 3(i), for a period exceeding 90 days after the date on which such Exchange Offer Registration Statement is declared effective (as such period may be extended pursuant to the penultimate paragraph of Section 3 of this Agreement as applied to such Exchange Offer Registration Statement) and Participating Broker-Dealers shall not be authorized by the Issuer to deliver and shall not deliver such Prospectus after such period in connection with the resales contemplated by this Section 4; and

(iii) the application of the Shelf Registration procedures set forth in Section 3 of this Agreement to an Exchange Offer Registration, to the extent not required by the positions of the Staff of the SEC or the 1933 Act and the rules and regulations thereunder, will be in conformity with the reasonable request in writing to the Issuer by one or more broker-dealers who certify to the Issuer in writing that they anticipate that they will be Participating Broker-Dealers; and provided, further, that, in connection with such application of the Shelf Registration procedures set forth in Section 3 to an Exchange Offer Registration, the Issuer shall be obligated (x) to deal only with the Broker-Dealer Representatives and (y) to pay the fees and expenses of only one counsel representing the Participating Broker-Dealers.

5. Indemnification and Contribution .

(a) The Issuer hereby agrees to indemnify and hold harmless each Holder of Registrable Securities and each Participating Broker-Dealer selling Exchange Securities during the applicable period, and each Person, if any, who controls such Person or its affiliates within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act (each, a “Participant”) from and against any and all losses, claims, damages, liabilities or expenses (whether direct or indirect, in contract, tort or otherwise) whatsoever, as incurred (including the cost of any investigation or preparation) arising out of or based upon:

(i) any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment thereto) or Prospectus (as amended or supplemented if the Issuer shall have furnished any amendments or supplements thereto) or any preliminary prospectus; or

(ii) the omission or alleged omission to state, in any Registration Statement (or any amendment thereto) or Prospectus (as amended or supplemented if the Issuer shall have furnished any amendments or supplements thereto) or any preliminary prospectus or any other document or any amendment or supplement thereto, a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

provided, however, the Issuer will not be liable in any such case to the extent that any such loss, claim, damage, liability or expense arises out of or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made in any Registration Statement (or any amendment thereto) or Prospectus (as amended or supplemented if the Issuer shall have furnished any amendments or supplements thereto) or any preliminary prospectus or any amendment or supplement thereto of a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, if in any case such statement or omission relates to such Participant and was made in reliance upon and in conformity with information furnished in writing to the Issuer by such Participant expressly for use therein. The indemnity provided for in this Section 5 will be in addition to any liability that the Issuer may otherwise have to the indemnified parties. The Issuer shall not be liable under this Section 5 for any settlement of any claim or action effected without its prior written consent, which shall not be unreasonably withheld. No Participant shall, without the prior written consent of the Issuer, effect any settlement or compromise of any pending or threatened proceeding in respect of which such Issuer is or could have been a party, or indemnity could have been sought hereunder by such Issuer, unless such settlement (A) includes an unconditional release of such Issuer, from all liability in any way related to or arising out of such litigation or proceeding and (B) does not impose any actual or potential liability or any other obligation upon any Issuer and does not contain any factual or legal admission of fault, culpability or a failure to act by or with respect to any Issuer.

Each Participant, severally and not jointly, agrees to hold the Issuer harmless and to indemnify the Issuer (including any of its respective affiliated companies and any director, officer, agent or employee of the Issuer or any such affiliated company) and any director, officer, or other person controlling (within the meaning of Section 15 of the 1933 Act or Section 20(a) of the 1934 Act) the Issuer (including any of the Issuer's affiliated companies) from and against any and all losses, claims, damages, liabilities or expenses (whether direct or indirect, in contract, tort or otherwise) whatsoever, as incurred (including the cost of any investigation and preparation) arising out of or based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or Prospectus, any amendment or supplement thereto, or any preliminary prospectus, or (ii) the omission or the alleged omission to state therein a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission relates to such Participant and was made in reliance upon and in conformity with information furnished in writing by such Participant, expressly for use therein. The indemnity provided for in this Section 5 will be in addition to any liability that the Participants may otherwise have to the indemnified parties. The Participants shall not be liable under this Section 5 for any settlement of any claim or action effected without their consent, which shall not be unreasonably withheld. The Issuer shall not, without the prior written consent of such Participant, effect any settlement or compromise of any pending or threatened proceeding in respect of which such Participant is or could have been a party, or indemnity could have been sought hereunder by such Participant, unless such settlement (A) includes an unconditional release of such Participant, from all liability in any way related to or arising out of such litigation or proceeding and (B) does not impose any actual or potential liability or any other obligation upon any such Participant and does not contain any factual or legal admission of fault, culpability or a failure to act by or with respect to any such Participant.

If a claim is made against any indemnified party as to which such indemnified party may seek indemnity under this Section 5, such indemnified person shall notify the indemnifying party promptly after any written assertion of such claim threatening to institute an action or proceeding with respect thereto and shall notify the indemnifying party promptly of any action commenced against such indemnified party within a reasonable time after such indemnified party shall have been served with a summons or other first legal process giving information as to the nature and basis of the claim. Failure to so notify the indemnifying party shall not, however, relieve the indemnifying party from any liability which it may have on account of the indemnity under this Section 5, except to the extent such failure results in the forfeiture by the indemnifying party of material rights and defenses. The indemnifying party shall have the right to assume the defense of any such litigation or proceeding, including the engagement of counsel reasonably satisfactory to the indemnified party. In any such litigation or proceeding the defense of which the indemnifying party shall have so assumed, any indemnified party shall have the right to participate in such litigation or proceeding and to retain its

own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party shall have failed promptly to assume the defense thereof and employ counsel as provided above, or (ii) counsel to the indemnified party reasonably determines that representation of such indemnified party by the indemnifying party's counsel would present the indemnifying party's counsel with a conflict of interest. It is understood that the indemnifying party shall not, in connection with any litigation or proceeding or related litigation or proceeding in the same jurisdiction, be liable under this Agreement for the fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. Such separate firm shall be designated by the indemnified party.

To the extent the indemnity provided for in the foregoing paragraphs of this Section 5 is for any reason held unenforceable although otherwise applicable in accordance with its terms with respect to an indemnified party in respect of any losses, claims, damages, liabilities or expenses referred to therein, then the indemnifying party agrees to contribute to the amount paid or payable by such indemnified person as a result of such losses, claims, damages, liabilities or expenses (i) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party, on the one hand, and by such indemnified party, on the other, from the offering of the Securities or (ii) if the allocation provided by the foregoing clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing clause (i), but also the relative fault of the indemnifying party, on the one hand, and of such indemnified party, on the other, in connection with the statements, actions or omissions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Issuer, on the one hand, and by such Participant, on the other, shall be deemed in the same proportion as the total proceeds from the offering (before deducting expenses) of the Securities received by the Issuer bear to the total net profit received by such Participant in connection with the sale of the Securities. Relative fault shall be determined by reference to, among other things, whether any alleged untrue statement or omission or any other alleged conduct relates to information provided by the Issuer or other conduct by the Issuer (or its employees or other agents), on the one hand, or by such Participants, on the other hand.

The parties agree that it would not be equitable if the amount of such contribution were determined by pro rata or per capita allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the first sentence of the previous paragraph. Notwithstanding any other provision of the previous paragraph, no Participant shall be obligated to make contributions hereunder that in the aggregate exceed the total net profit received by such Participant in connection with the sale of the Securities, less the aggregate amount of any damages that such Participant has otherwise been required to pay by reason of the untrue or alleged untrue statements or the omissions or alleged omissions to state a material fact, and no person guilty of fraudulent misrepresentation (within the meaning

of Section 11(f) of 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this paragraph (d), each person, if any, who controls a Participant within the meaning of Section 15 of 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Participants, and each director of any Issuer, each officer of any Issuer and each person, if any, who controls any Issuer within the meaning of Section 15 of 1933 Act or Section 20 of the 1934 Act, shall have the same rights to contribution as the Issuer.

6. Miscellaneous.

(a) No Inconsistent Agreements. The Issuer has not entered into, and on or after the date of this Agreement will not enter into, any agreement which is inconsistent with the rights granted to the Holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Issuer's other issued and outstanding securities under any such agreements.

(b) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given unless the Issuer has obtained the written consent of Holders of at least a majority in aggregate principal amount of the outstanding Registrable Securities affected by such amendment, modification, supplement, waiver or consent; provided, however, that no amendment, modification, supplement, waiver or consent to any departure from the provisions of Section 5 hereof shall be effective as against any Holder of Registrable Securities unless consented to in writing by such Holder. Notwithstanding the foregoing sentence, (i) a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders of Registrable Securities whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect, impair, limit or compromise the rights of other Holders of Registrable Securities may be given by Holders of at least a majority in aggregate principal amount of Registrable Securities being sold pursuant to such Registration Statement, (ii) this Agreement may be amended, without the consent of any Holder of Registrable Securities, by written agreement signed by the Issuer and the Initial Purchasers, to cure any ambiguity, correct or supplement any provision of this Agreement that may be inconsistent with any other provision of this Agreement or to make any other provisions with respect to matters or questions arising under this Agreement which shall not be inconsistent with other provisions of this Agreement, (iii) this Agreement may be amended, modified or supplemented, and waivers and consents to departures from the provisions hereof may be given, by written agreement signed by the Issuer and the Initial Purchasers to the extent that any such amendment, modification, supplement, waiver or consent is, in their reasonable judgment, necessary or appropriate to comply with applicable law (including any interpretation of the Staff of the SEC) or any change therein and (iv) to the extent any provision of this Agreement relates to

an Initial Purchaser, such provision may be amended, modified or supplemented, and waivers or consents to departures from such provisions may be given, by written agreement signed by such Initial Purchaser and the Issuer.

(c) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery (i) if to a Holder, at the most current address given by such Holder to the Issuers by means of a notice given in accordance with the provisions of this Section 6(c); (ii) if to the Issuer, initially at the Issuer's address set forth in the Indenture and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 6(c); and (iii) if to the Trustee, initially at the Trustee's address set forth in the Indenture and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 6(c).

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five business days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt is acknowledged, if telecopied; and on the next business day if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands, or other communications shall be concurrently delivered by the Person giving the same to the Trustee, at the address specified in the Indenture.

(d) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the parties, including, without limitation and without the need for an express assignment, subsequent Holders; provided that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of the Indenture. If any transferee of any Holder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement and such Person shall be entitled to receive the benefits hereof. The Trustee (in its capacity as Trustee under the Indenture or acting on behalf of the Holders pursuant to this Agreement) shall have no liability or obligation to either (i) the Issuer with respect to any failure by a Holder to comply with, or any breach by any Holder of, any of the obligations of such Holder under this Agreement or (ii) any Holder with respect to any failure by the Issuer to comply with, or any breach by the Issuer of, any of the obligations of the Issuer under this Agreement.

(e) Entire Agreement. This Agreement contains the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes and replaces all other prior agreements, written or oral, among the parties hereto with respect to the subject matter hereof.

(f) Third Party Beneficiary. The Holders shall be third party beneficiaries to the agreements made hereunder between the Issuer, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(g) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) Governing Law. The internal laws of the State of New York shall govern the enforceability and validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties hereto without giving effect to conflicts of laws, rules or principles.

(j) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

QWEST CORPORATION

By: /s/ Janet K. Cooper

Name: Janet K. Cooper

Title: Senior Vice President — Finance and Treasurer

DEUTSCHE BANK SECURITIES INC.
CREDIT SUISSE SECURITIES (USA) LLC
MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED,
As Representatives of the Initial Purchasers

By: DEUTSCHE BANK SECURITIES INC.

By: /s/ Matthew Maley

Name: Matthew Maley

Title: Director

By: /s/ David Crescenzi

Name: David Crescenzi

Title: Director

By: CREDIT SUISSE SECURITIES (USA) LLC

By: /s/ William L. Raincsuk

Name: William L. Raincsuk

Title: Managing Director

By: MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED

By: /s/ Tami Kidd

Name: Tami Kidd

Title: Vice President