

CENTURYLINK, INC
Form 8-K
April 06, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported):

April 6, 2016

CenturyLink, Inc.

(Exact name of registrant as specified in its charter)

Louisiana
(State or other jurisdiction

of incorporation)

100 CenturyLink Drive

1-7784
(Commission

File Number)

72-0651161
(IRS Employer

Identification No.)

71203

Monroe, Louisiana

**(Address of principal executive offices of each Registrant)
(318) 388-9000**

(Zip Code of each Registrant)

(Registrant's telephone number, including area code of each Registrant)

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

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

Item 8.01 Other Events.

On April 6, 2016, CenturyLink, Inc. (CenturyLink) completed its previously-announced public sale of \$1.0 billion aggregate principal amount of its unsecured 7.5% Senior Notes, Series Y, due 2024 (the Senior Notes).

The public offering price of the Senior Notes was 100% of the principal amount. After deducting the underwriting discounts and CenturyLink's estimated transaction expenses, CenturyLink expects to receive net proceeds from the sale of the Senior Notes of approximately \$988 million. CenturyLink expects to use the net proceeds, together with additional borrowings under its revolving credit facility and available cash, if any, to provide one of its wholly-owned subsidiaries, Embarq Corporation (Embarq), with the total amount of funds required to fully retire at maturity all \$1.184 billion aggregate principal amount of Embarq's 7.082% Notes due June 1, 2016.

The Senior Notes were sold pursuant to an underwriting agreement dated March 22, 2016 (the Underwriting Agreement) between CenturyLink and the underwriters named therein (the Underwriters) and a related price determination agreement dated March 22, 2016 among the same parties (the Price Determination Agreement). Pursuant to the Underwriting Agreement, CenturyLink agreed to sell the Senior Notes to the Underwriters, and the Underwriters agreed to purchase the Senior Notes for resale to the public. The Underwriting Agreement includes customary representations, warranties and covenants by CenturyLink. It also provides for customary indemnification by each of CenturyLink and the Underwriters against certain liabilities and customary contribution provisions in respect of those liabilities.

The Senior Notes have been registered under the Securities Act of 1933, as amended, pursuant to an automatic shelf registration statement on Form S-3 (Registration No. 333-202411), filed with the Securities and Exchange Commission (the SEC) on March 2, 2015, as supplemented by a prospectus supplement dated March 22, 2016 (together, the Registration Statement).

The Senior Notes were issued pursuant to an indenture dated as of March 31, 1994 between CenturyLink and Regions Bank (successor to First American Bank & Trust of Louisiana), as trustee (the Trustee), as heretofore supplemented through the Eleventh Supplemental Indenture, dated as of April 6, 2016, between CenturyLink and the Trustee (the Supplemental Indenture). The terms of the Senior Notes, including CenturyLink's rights to redeem the Senior Notes under certain circumstances and CenturyLink's obligations to offer to repurchase the Senior Notes under certain other circumstances, are set forth in the Supplemental Indenture.

The above descriptions are qualified in their entirety by reference to the Underwriting Agreement, the Price Determination Agreement, the Supplemental Indenture and the form of the Senior Notes, copies of which are filed as exhibits hereto and incorporated herein by reference. Each of these exhibits (as well as the opinion of counsel also filed as an exhibit hereto) is incorporated by reference into the Registration Statement.

In reviewing the agreements included as exhibits to this report, please note that they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about CenturyLink or the other parties to the agreements. Certain of the agreements contain representations and warranties by one or more of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

should not in any instance be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;

may have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;

may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and

were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about CenturyLink may be found elsewhere in the Registration Statement and CenturyLink's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

Forward-Looking Statements

This report includes certain forward-looking statements, estimates and projections that are based on current expectations only, and are subject to a number of risks, uncertainties and assumptions, many of which are beyond the control of CenturyLink. Actual events and results may differ materially from those anticipated, estimated or projected if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect. Factors that could affect actual results include but are not limited to changes in CenturyLink's cash requirements or financial position; changes in the terms or availability of CenturyLink's credit facility; changes in general market, economic, tax, regulatory or industry conditions and other risks referenced from time to time in CenturyLink's filings with the Securities and Exchange Commission. You should be aware that new factors may emerge from time to time and it is not possible for CenturyLink to identify all such factors, nor can CenturyLink predict the impact of each such factor on its plans, or the extent to which any one or more factors may cause actual results to differ from those reflected in any forward-looking statements. You are further cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. CenturyLink undertakes no obligation to publicly update any of its forward-looking statements for any reason.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

The exhibits to this current report on Form 8-K are listed in the Exhibit Index, which appears at the end of this report and is incorporated by reference herein.

SIGNATURES

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

CenturyLink, Inc.

By: /s/ Stacey W. Goff
Stacey W. Goff
Executive Vice President, Chief
Administrative Officer, General Counsel
and Secretary

Dated: April 6, 2016

Exhibit Index

Exhibit

| <u>No.</u> | <u>Description</u> |
|-------------------|---|
| 1.1* | Underwriting Agreement, dated March 22, 2016, between CenturyLink, Inc. and the underwriters named therein. |
| 1.2* | Price Determination Agreement, dated March 22, 2016, between CenturyLink, Inc. and the underwriters named therein. |
| 4.1 | Indenture, dated as of March 31, 1994, between CenturyLink, Inc. and Regions Bank, as Trustee (incorporated by reference to Exhibit 4.4(a) to CenturyLink, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2014). |
| 4.2* | Eleventh Supplemental Indenture, dated as of April 6, 2016, between CenturyLink, Inc. and Regions Bank, as Trustee. |
| 4.3 | Form of 7.5% Senior Note, Series Y, due 2024 (included in Exhibit 4.2). |
| 5.1* | Opinion of Jones Walker L.L.P. relating to the sale of the Senior Notes. |
| 23.1 | Consent of Jones Walker L.L.P. (included in Exhibit 5.1). |

* Filed herewith