

CenturyLink Investment Management Company

1801 California Street, Suite 3800
Denver, CO 80202-2658
303-382-0608

Firm Brochure (Part 2A of Form ADV)

March 26, 2012

This brochure provides information about the qualifications and business practices of CenturyLink Investment Management Company. If you have any questions about the contents of this brochure, please contact us at 303-382-0608. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about CenturyLink Investment Management Company is available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov. Registration does not imply a certain level of skill or training.

Material Changes

Summary

This section of the brochure will be updated when material changes occur since the previous release of the Form ADV Part 2a (also known as the Firm Brochure). The previous Form ADV Part 2a filing was completed on May 17, 2011.

Material Changes since the Last Update

Effective November 15th, 2011, the Board of Directors of CenturyLink, Inc. (the “Company”) appointed CenturyLink Investment Management Company (“CIM”) as Investment Fiduciary for the employee benefit trusts sponsored by the Company. Previously, CIM was only the Investment Fiduciary for the plans sponsored by Qwest Communications International, Inc. a subsidiary of the Company.

As a result of assuming the Investment Fiduciary role for the additional employee benefit trusts sponsored by the Company, CIM’s assets under management increased and additional service providers have been included, thus creating additional books and records locations.

Table of Contents

Material Changes.....	1
Advisory Business.....	3
Fees and Compensation.....	4
Performance Based Fees and Side-by-Side Management.....	5
Types of Clients	5
Methods of Analysis, Investment Strategies and Risk of Loss	5
Disciplinary Information	6
Other Financial Industry Activities and Affiliations.....	7
Code of Ethics, Participation or Interest in Client Transactions & Personal Trading	8
Brokerage Practices	10
Review of Accounts	12
Client Referrals and Other Compensation.....	12
Custody.....	13
Investment Discretion	13
Voting Client Securities	13
Financial Information	14

Advisory Business

Firm Description

CenturyLink Investment Management Company (“CIM”) is a wholly owned subsidiary of CenturyLink, Inc. (“CenturyLink”). CIM is incorporated in the State of Colorado for the purpose of providing investment management services to the employee benefit trusts and a charitable foundation established by CenturyLink and its affiliates. CIM’s primary investment management services involve recommending third party advisers to manage the CenturyLink employee benefit trusts’ assets, however, CIM does directly manage a portion of trust’s assets. CIM does not provide investment management services to individual participants in the CenturyLink employee benefit trusts.

CIM is regulated by the Employee Retirement Income Security Act of 1974, as amended, (“ERISA”). Under ERISA, CIM qualifies as an in-house asset manager (“INHAM”), a class exemption that provides relief for transactions between the INHAM and certain service providers. As a requirement of the INHAM exemption, CIM is registered with the Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940. CIM, formerly known as Qwest Asset Management and also as US WEST Investment Management Company, has been a registered investment adviser since 1996.

Types of Advisory Services

CIM provides investment supervisory services and is the named fiduciary responsible for the investment programs for the CenturyLink employee benefit trusts. With respect to the foregoing, CIM has the fiduciary authority and responsibility to determine the asset allocation and investment strategies for trust assets; to appoint and remove trustees, investment managers and other investment related service providers; to implement investment strategies; and to monitor investment-related service providers. In the 401k plans sponsored by CenturyLink, participants are responsible for overall asset allocation decisions and the exercise of control over their individual accounts.

CIM also provides investment management services for a company sponsored charitable foundation (the “Foundation”), a non-ERISA charitable foundation that makes grants to non-profit organizations.

Tailored Advisory Services

Investment programs for the CenturyLink employee benefit trusts and the Foundation are established according to return objectives and risk tolerance, current and projected assets and liabilities, liquidity needs and long-term capital market assumptions.

CIM has full discretion with respect to the investment programs of the individual trusts. The employee benefit trusts are managed consistent with the requirements set forth by ERISA, which requires diversification of assets and also generally prohibits defined

benefit and welfare plans from investing more than 10% of their assets in securities issued by the sponsor company.

Wrap Fee Programs

A wrap fee is any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions.

CIM expenses are not paid through a wrap fee program.

Managed Assets

As of December 31, 2011, assets managed by CIM on a discretionary basis totaled approximately \$17,264.1 million. CIM does not manage assets on a non-discretionary basis.

Fees and Compensation

Description of CIM Expenses

CIM does not receive fees for investment supervisory services, but does allocate eligible expenses associated with the investment management activities of CIM to the various trusts. Eligible expenses consist primarily of compensation to CIM investment professionals, travel expenses and certain vendor-related payments. The compensation to CIM investment professionals includes salary and bonuses that are based on the overall performance of the trusts.

Fee Deduction

Please refer to the section above entitled *Description of CIM Expenses*.

Other Fees & Expenses

Other eligible expenses, which are paid directly from trust assets, include trust and custody fees, investment management and performance fees paid to third party investment managers, vendor-related expenses such as auditing, legal and investment research, as well as brokerage and other transaction-related costs.

Please refer to the *Brokerage Practices* section for additional information on brokerage and transaction-related costs.

Advance Payment of Fees

CIM expenses are not paid in advance.

Compensation for Sale of Securities or other Investment Products

Neither CIM, nor any of its supervised persons, accepts compensation for the sale of securities or other investment products.

Performance Based Fees and Side-by-Side Management

Please refer to the sections above entitled *Description of CIM Expenses* and *Other Fees and Expenses*.

Types of Clients

CIM provides investment advisory services to the CenturyLink employee benefit trusts and a company sponsored charitable foundation. CIM does not provide investment advisory services to individual participants in the CenturyLink employee benefit trusts or any entities that are not affiliated with CenturyLink.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis & Investment Strategies

Pension Trust

The investment objective for the Pension Trust is to achieve a risk-adjusted return over time that will provide for the payment of pension benefits and minimize the risk of large losses. The investment strategy seeks to meet this objective by broadly diversifying plan assets across numerous strategies with differing expected returns, volatilities and correlations. The Pension Trust allocates its assets between interest rate sensitive investments and investments that are expected to provide higher expected returns than the interest rate sensitive investments. The investments include, by way of example, the following types of asset classes: long-duration investment grade bonds, high yield and emerging market bonds, convertible bonds, and equity investments in U.S. stocks, non-U.S. stocks, emerging market stocks, private equity investments, hedge funds and real estate investments.

Retiree Healthcare Trusts

The investment objective for the Retiree Healthcare Trusts is to achieve a risk-adjusted return and minimize the risk of large losses. CIM seeks to mitigate and manage investment risk by broadly diversifying assets across numerous strategies with differing expected returns, volatilities and correlations. Our investment strategy is designed to be consistent with the investment objective, with particular focus on providing liquidity for the reimbursement of occupational post-retirement health care costs. The post-retirement benefit plan assets have target allocations in equities and non-equity investments. Equity investments are broadly diversified with exposure to publicly traded U.S., non-U.S. and

emerging market stocks and private equity. The non-equity allocation includes investment grade bonds, high yield bonds, convertible bonds, emerging market debt, hedge funds, and private debt.

401(k) Plans

The 401(k) Plans are retirement savings plans where the participants direct the investment of their individual accounts. CIM identifies and makes various investment choices, but does not provide investment advice to individual plan participants. Participants may elect to use investment advice provided by third party investment advisers. The 401(k) plans offer a broad array of investment choices grouped into three tiers. The first tier consists of the age-based Target Date Funds for participants who want managed diversified portfolios. The second tier gives participants the ability to build their own portfolio from a selection of both active and passively managed core funds. The third tier is a brokerage account option for participants who have the desire to create their own investment portfolio.

Charitable Foundation

CIM also provides investment advisory services for a non-ERISA charitable Foundation sponsored by the Company. The current asset allocation strategy for the Foundation is divided between equities (including U.S. and non-U.S. stocks) and fixed income investments.

Risk of Loss

Investments, in general, are exposed to various risks, such as significant world events, interest rate, credit, foreign currency, counterparty risk and overall market volatility. CIM seeks to mitigate and manage such risks by broadly diversifying assets across numerous asset classes and strategies with differing expected returns, volatilities, and correlations. Assets are also broadly diversified across numerous market sectors and individual companies. Although the investments are well diversified, the value of trust assets could change materially depending upon, among other things, overall market volatility. As a result, trust assets may be subject to loss. In structuring the individual investment programs, CIM seeks to achieve a risk-adjusted return consistent with objectives while minimizing the risk of large losses.

Disciplinary Information

Legal and Disciplinary Events

Within the last ten years neither CIM nor any of the firm's employees or members of its Board of Directors have been involved in any criminal or civil action in a domestic, foreign or military court of competent jurisdiction; any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority; or, in any self-regulatory organization (SRO) proceedings,

except as provided in Part 1 of Form ADV with respect to an order against Qwest Communications International, Inc. in 2004.

Other Financial Industry Activities and Affiliations

Registrations or Pending Registrations

Neither CIM, nor any of its management persons, are registered or have applications pending to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading adviser, or associated person with any of the above listed entities.

Relationships or Arrangements with Related Persons

Neither CIM nor any of its management persons have any related persons that operate in any of the following capacities:

- Broker-dealer, municipal securities dealer or government securities dealer or broker,
- Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or hedge fund and offshore fund),
- Other investment adviser or financial planner,
- Futures commission merchant, commodity pool operator, or commodity trading advisor,
- Banking or thrift institution,
- Accountant or accounting firm,
- Lawyer or law firm,
- Insurance company or agency,
- Pension consultant,
- Real estate broker or dealer,
- Sponsor or syndicator of limited partnerships

Compensation from Third-Party Advisers and other Vendors

While CIM recommends and selects third party investment advisers and other vendors for the CenturyLink related investment entities, neither CIM nor any of its employees receive direct compensation from these advisers or vendors. CIM may however, receive business meals, entertainment, lodging and gifts of nominal value.

The current CIM Code of Ethics addresses the topic of gifts, business meals and entertainment. CIM's policy currently states that employees may only accept these items under the following conditions:

- Promotional gifts are acceptable, but must be of nominal value.
- Business meals and entertainment opportunities paid for by vendors or other organizations are acceptable but must be: 1) reasonable, 2) infrequent, and 3) related to business. Accordingly, accepting a meal or entertainment invitation is only appropriate when a representative of the vendor or other organization attends. Acceptance of meals and entertainment is prohibited if the vendor is the subject of an open request for proposal, the vendor is seeking CIM's business or if CIM is considering doing business with the vendor. There are some exceptions to this policy for working meals in a prospective vendor's office, but these items should be discussed with a representative of the CIM Compliance team.
- In addition to the limits described above, the aggregate value of all business meals and allowable entertainment opportunities for each CIM employee may not exceed \$250 from any one vendor in a calendar year. There are some exceptions to this rule for meal and entertainment opportunities such as those related to participation in advisory committees, educational conferences/seminars, or events in which expenses are being paid by the vendor on the same basis as the other attendees at the event, which require prior approval.

Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

Code of Ethics

CIM has adopted a Code of Ethics (the "CIM Code") pursuant to SEC Rule 204A-1. The Code was designed and is administered by the CIM Chief Compliance Officer.

A summary of the CIM Code is provided below:

- Covered Persons - All CIM supervised persons are subject to the CIM Code, and each must provide an annual written acknowledgment of receipt of the CIM Code and any amendments. CIM's supervised persons include its employees, directors, officers, as well as any other persons who provide advice on behalf of CIM and

who are subject to CIM's supervision and control. Members of CIM's Board of Directors are considered to be supervised persons. Third party service providers, including investment advisers, are not subject to the CIM Code.

The personal securities transaction portion of the Code applies only to CIM access persons. A CIM access person is a CIM supervised person who (1) has access to nonpublic information regarding client purchase or sale of securities, (2) is involved in making securities recommendations to clients or (3) has access to those recommendations that are nonpublic. In general, only CIM employees and certain consultants/contractors are considered access persons.

- Standards of Conduct - CIM has the duty to protect the interests of its client. As such, CIM supervised persons are required to:
 - act with integrity and in an ethical manner in the course of performing his or her assigned duties,
 - exercise reasonable care and professional judgment to avoid engaging in actions that put CIM's image or reputation at risk, and
 - comply with all applicable securities laws.
- Protection of Material Non-Public Information – The CIM Code:
 - describes prohibitions surrounding trading, communication, and dissemination of non-public information,
 - explains the criminal, professional as well as monetary fine repercussions that may result from the improper use of material non-public information,
 - provides a definition of “material” and provides examples of the types of information that may be considered material.
- Personal Securities Transactions - CIM employees may maintain personal securities accounts provided that any personal investing is consistent with CIM's fiduciary duty to its client, complies with the CIM Code and Personal Securities Transactions procedure, and complies with regulatory requirements. The CIM Code requires that all access persons must submit holdings and transaction reports for accounts holding reportable securities, as well as complete quarterly certifications documenting their trading activities.

In addition, access persons are required to pre-clear all transactions in all non-exempt securities to ensure that the transaction does not coincide with a security that is on the CIM Restricted Trade List. A discussion of the CIM Restricted Trade List can be found below.

- Conflicts of Interest – Please refer to the *Compensation from Third-Party Advisers and the other Vendors* discussion in the section above for further information on CIM's policies and procedures surrounding gifts, business meals and entertainment.

- Reporting of Violations – All CIM supervised persons must report any known or suspected violations of the Code to the CIM Chief Compliance Officer, CIM Compliance Committee or via the CenturyLink Corporate Ethics and Compliance Department's Integrity Line. Retaliation against any CIM supervised person who raises a concern or seeks advice is strictly prohibited.

Participation or Interest in Client Transactions

Neither CIM nor any related person recommends to clients, or buys or sells for client accounts, securities in which they have a material financial interest.

However, CIM access persons may invest in securities or related securities for their personal accounts that are held or recommended for purchase or sale in the CenturyLink trusts as long as certain pre-clearance procedures are followed. In order to prevent conflicts of interest, as described above in the section titled *Code of Ethics*, CIM access persons must pre-clear certain securities transactions with a member of the CIM Compliance Committee. The Compliance representative ensures that the access person's request does not involve a security on the CIM Restricted Trade List. The CIM Restricted Trade List is comprised of securities that are being traded in portfolios managed internally by CIM staff and, unless otherwise specified, are generally restricted for a period of seven calendar days prior to and seven calendar days after the security is traded internally. Also, on a quarterly basis, Compliance reviews the personal trading activities of all access persons relative to the trading activities of the internally managed portfolios, in order to identify any conflicts of interest.

Brokerage Practices

Selecting Brokerage Firms

CIM has discretionary authority to select the brokers or dealers through which securities may be bought and sold for the internally managed portfolios. Commission rates on securities transactions may vary and discounts may be available depending on volume and other factors. In exercising its authority to select brokers or dealers through which transactions will be affected, CIM seeks to obtain the best execution for the trusts, taking into account such relevant factors as price, the broker's facilities, reliability and financial responsibility, and the abilities of the broker to handle the execution of aggregated or high volume transactions. CIM does not obligate itself to seek the lowest commission cost except to the extent that it contributes to the overall goal of obtaining the best execution for its clients.

For the portfolios managed by third party investment managers, CIM has delegated authority to those managers for selecting brokers or dealers through which securities may be bought or sold. There is an exception for those third party managers who have been

selected to participate in the commission recapture program. Please refer to the *Directed Brokerage* section for more information on the commission recapture program.

Soft Dollars

The use of soft dollars is a means by which advisers direct trades through a particular brokerage firm in order to pay for products and/or services the adviser receives either from the broker or from a third-party.

As a matter of policy, CIM does not utilize any research or other services on a soft dollar basis. All research and brokerage services are paid for by CIM on a cash or hard dollar basis.

Brokerage for Client Referrals

CIM does not provide investment advisory or any other services for accounts not related to CenturyLink. As a result, CIM does not select broker-dealers on the basis of receiving client referrals or leads from broker-dealers.

Directed Brokerage

CenturyLink, as the sole client of CIM, does not instruct CIM to direct the brokerage transactions for the various trusts to a particular broker-dealer. CIM does, however, have a commission recapture program where, subject to best execution, certain external investment advisers with separate account arrangements are instructed to direct a small target percentage of their transactions to specified broker-dealers.

As a result of these arrangements, these broker-dealers provide rebates of a portion of the commissions paid. Rebated commissions are sent to the respective trustee and deposited directly in the participating trust account. CIM receives no monetary or other benefit from its commission recapture relationships.

Trade Aggregation

The aggregation or blocking of transactions allows CIM internal management to execute transactions in a more timely, equitable, and efficient manner and seeks to reduce overall commission charges to the trusts.

CIM's policy is to aggregate transactions where possible and when advantageous to the trusts. CIM's allocation procedures are designed to be fair and equitable to all trusts, with no trust(s) being favored or disfavored over any other trusts. CIM prohibits any allocation of trades that would give more favorable treatment to one account or trust over another. When trade aggregation is possible, trusts participating in any aggregated transactions will trade pro-rata on an average price basis and transaction costs will be shared on a pro-rata basis.

Review of Accounts

Periodic Reviews

Portfolio reviews are conducted quarterly, semi-annually or annually depending on the nature of the account. Additional reviews are conducted as necessary and are generally triggered by performance issues or market conditions which may have performance implications. Portfolio reviews are led by the CIM Directors of the Public and Private Markets Teams. Results of the portfolio reviews are discussed with the CIM Investment Committee, which consists of the CIM President and CIO, the Directors of the Public and Private Markets teams, the Director of Operations/Chief Compliance Officer and the Director of Strategic Asset Allocation.

Asset allocation for the various CenturyLink employee benefit trusts is reviewed monthly. Monthly rebalancing to policy targets is the responsibility of the Strategic Asset Allocation Team and the Compliance and Operations Team.

Regular Reporting

The Pension Trust, Retiree Healthcare Trust, and the 401(k) Plans issue audited financial statements on an annual basis. The CIM President generally meets quarterly with the CIM Board of Directors to review performance and discuss investment strategies. In addition, monthly performance summaries are provided to the CIM Board of Directors.

CIM provides the Foundation Board with quarterly performance summaries.

Client Referrals and Other Compensation

Economic Benefits for Providing Investment Advice or Services

Neither CIM, nor any of its employees, receive any other compensation or economic benefit from a party outside of CenturyLink for providing investment services to the various CenturyLink trusts.

Direct or Indirect Compensation Related to Client Referrals

CIM only provides investment advisory services for trusts related to CenturyLink. As a result, CIM has no need to directly or indirectly compensate anyone for client referrals.

Custody

Account Statements

CIM does not have custody of trust assets. It is CIM's policy to have the qualified custodian for each trust make monthly, or at a minimum of quarterly, statements available to CenturyLink Corporate Accounting. The statements outline the amount of funds in the account, detail the number of shares of each security at the end of the period and set forth all transactions that occurred in the account during the statement period. CenturyLink Corporate Accounting is advised to compare the account statements that they receive from the qualified custodian to the reports that they may receive from CIM.

Additionally, on a monthly basis CIM sends CenturyLink Corporate Accounting notification of any changes made to custody accounts on behalf of one of the trusts. The notice will state the account number, title of the account, as well as the name and address of the account's qualified custodian.

Investment Discretion

Discretionary Authority

Pursuant to the amended plan documents governing the CenturyLink employee benefit plans, CIM is the named fiduciary with discretionary authority to manage the investment programs for these trusts.

An Investment Advisory Agreement gives CIM discretionary authority with regard to the assets of the Foundation.

Voting Client Securities

Proxy Voting Policies & Procedures

Proxy voting responsibility is delegated to external investment advisers or, in the case of the internally managed portfolios or mutual fund investments, to the trustee of the CenturyLink trusts. CIM has access to the proxy voting policies and procedures for the external investments advisers and the trustee. The CIM Board of Directors may request additional information including copies of proxy policies and procedures.

In the case of the CenturyLink Company Stock Fund in the 401(k) plans, plan participants have the right to instruct the trustee for the respective plans to vote the CenturyLink shares represented in their account. The trustee will vote any CenturyLink shares it does not receive instructions for pursuant to proxy voting guidelines outlined in either the respective Plan or Trust document.

Financial Information

Prepayment of Fees & Financial Condition

CIM does not require or solicit the prepayment of its fees. There is no financial condition that is reasonably likely to impair our ability to meet our contractual commitments to the various CenturyLink trusts.