

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
See attached statement

18 Can any resulting loss be recognized? ▶
See attached statement

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
See attached statement

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶  Date ▶ 6-13-23

Print your name ▶ Douglas A. Richards Title ▶ SVP, Global Tax

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

LEVEL 3 FINANCING, INC.
EIN: 47-0735805
ATTACHMENT TO IRS FORM 9937
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”) and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Debt Exchange, as defined below, on the tax basis of the exchange of certain notes issued by Lumen Technologies, Inc. (the “Lumen Notes”) in exchange for new notes issued by Level 3 Financing, Inc. (the “New Notes”).

The information contained herein does not constitute tax advice. Holders are encouraged to consult their own tax advisors regarding the consequences of the Debt Exchange to them (including the applicability and effect of all U.S. federal, state and local tax laws and non-U.S. tax laws) and should carefully review the Offering Memorandum dated March 16, 2013, as amended and supplemented, noting in particular the discussion under the heading “Certain U.S. Federal Income Tax Considerations.”

Part I, Lines 9 and 10 – Classification and description; CUSIP number.

<u>Description of Lumen Notes</u>	<u>CUSIP Numbers</u>
5.625% Senior Notes, Series X, due 2025	156700AZ9
7.200% Senior Notes, Series D, due 2025	156686AJ6
5.125% Senior Notes due 2026	156700BB1/U1566PAB1
6.875% Debentures, Series G, due 2028	156686AM9
5.375% Senior Notes due 2029	550241AA1/U54985AA1
4.500% Senior Notes due 2029	156700BD7/U1566PAD7
7.600% Senior Notes, Series P, due 2039	156700AM8
7.650% Senior Notes, Series U, due 2042	156700AT3

<u>Description of New Notes</u>	<u>CUSIP Number(s)</u>
10.500% Senior Secured Notes due 2030	527298BU6/U52783AZ7

Part II, Line 14 - Describe the organizational action and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action.

On March 31, 2023 (the “Early Settlement Date”) and April 17, 2023 (the “Final Settlement Date”) (each, a “Settlement Date”), certain holders of the Lumen Notes described above exchanged their Lumen Notes solely in exchange for the New Notes described above.

Lumen Technologies and Level 3 Financing intend to treat the Lumen Notes and the New Notes as securities for U.S. federal income tax purposes and to treat the Debt Exchange as a taxable transaction, and the following descriptions assume that such treatment applied to the Debt Exchange. The following descriptions assume that there will not be any U.S. federal income tax consequences to holders of Lumen Notes that did not participate in the Exchange Offer.

Part II, Line 15 - Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

A holder participating in the Debt Exchange generally will recognize gain or loss in an amount equal to the difference, if any, between the amount realized in the Debt Exchange and such holder's adjusted tax basis in the Lumen Notes surrendered for the New Notes. The amount realized in the Debt Exchange would be equal to the issue price of the New Notes received in the Debt Exchange. Level 3 Financing has determined and intends to take the position that the New Notes have an issue price of \$960 per \$1,000 of stated principal amount.

A holder's initial tax basis in the New Notes received in the Debt Exchange generally will equal the issue price of the New Notes.

Part II, Line 16 - Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

A holder's initial tax basis in the New Notes received in the Debt Exchange generally will be equal to the issue price of the New Notes. Level 3 Financing has determined and intends to take the position that the New Notes have an issue price of \$960 per \$1,000 of states principal amount.

Part II, Line 17 - List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

Sections 1001, 1012, and 1273 of the Code.

Part II, Line 18 - Can any resulting loss be recognized?

A holder of the Lumen Notes generally may recognize loss for U.S. federal income tax purposes to the extent the holder's adjusted tax basis in the Lumen Notes surrendered exceeds the amount realized in the Debt Exchange.

Part II, Line 19 - Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The reportable tax year for the Debt Exchange for each holder is such holder's tax year that includes the holder's Settlement Date.