

Part II Organizational Action (continued)

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

Multiple horizontal lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶
Please see attached statement

Multiple horizontal lines for providing information regarding resulting losses.

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

Multiple horizontal lines for providing other information necessary to implement the adjustment.

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.

Sign Here

Signature ▶  Date ▶ 5/3/24

Print your name ▶ Karen S. Dean Title ▶ Senior Vice President, 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.

LUMEN TECHNOLOGIES, INC.

EIN: 72-0651161

LEVEL 3 FINANCING, INC.

EIN: 47-0735805

ATTACHMENT TO IRS FORM 8937

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 Treas. Reg. Section 1.1273-2(f)(9). The information herein does not constitute tax advice. Note and term loan holders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges, including the applicability and effect of all U.S. federal, state and local and non-U.S. tax laws.

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

Old Notes

Issuer	Description	CUSIP Numbers
Lumen	5.125% Senior Notes due 2026 ("Old Lumen 5.125% Notes")	156700 BB1 U1566P AB1
Lumen	4.000% Senior Secured Notes due 2027 ("Old Lumen 4% Notes")	156700 BC9 U1566P AC9
Level 3	3.400% Senior Secured Notes due 2027 ("Old Level 3 3.4% Notes")	527298BP7 U52783AU8
Level 3	3.875% Senior Secured Notes due 2029 ("Old Level 3 3.875% Notes")	527298BQ5 U52783AV6

New Notes

Issuer	Description	CUSIP Numbers
Lumen	4.125% Superpriority Notes due 2030 ("New Lumen 4.125% Notes Second Series")	US550241AH61 US550241AJ28 USU54985AE37
Level 3	10.500% First Lien Notes due 2029 ("New Level 3 10.5% Notes")	US527298BX03 US527298BY85 USU52783BC77
Level 3	10.750% First Lien Notes due 2030 ("New Level 3 10.75% Notes")	US527298BZ50 US527298CA90 USU52783BD50
Level 3	11.000% First Lien Notes due 2029 ("New Level 3 11% Notes")	US527298BV47 US527298BW20 USU52783BB94

Existing Term Loans

Issuer	Description	CUSIP Numbers
Lumen	Existing TLA (defined below)	15669GAF1 15669GAG9
Level 3	Existing TLB (defined below)	52729KAP1

New Term Loans

Issuer	Description	CUSIP Numbers
Lumen	Lumen TLA (defined below)	55024EAD7
Level 3	TLB-1 (defined below)	52729KAR7
Level 3	TLB-2 (defined below)	52729KAS5

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 22, 2024 (the “Effective Date”), certain holders (the “Note Participating Holders”) of outstanding notes issued by Lumen Technologies, Inc. (“Lumen”) and Level 3 Financing, Inc., an indirect subsidiary of Lumen (“Level 3”), described above (collectively, the “Old Notes”) exchanged their Old Notes for the applicable newly issued notes of Lumen and Level 3 described above (collectively, the “New Notes”) in the exchanges described below (the “Note Exchanges”). In connection with the Note Exchanges, the accrued and unpaid interest up to the date of the exchange on the Old Notes exchanged was paid to the applicable Note Participating Holders in cash on the Effective Date.

- Exchange of Old Level 3 3.4% Notes for New Level 3 10.5% Notes.
- Exchange of Old Level 3 3.875% Notes for New Level 3 10.75% Notes.
- Exchange of Old Lumen 5.125% Notes for New Lumen 4.125% Notes Second Series and cash.
- Exchange of Old Lumen 4% Notes for New Level 3 11% Notes and cash (the “Lumen/Level 3 Exchange”).

On the Effective Date, Lumen, as borrower, also entered into a Superpriority Revolving/Term A Credit Agreement (the “New Lumen Credit Agreement”) with certain of its creditors (the “Lumen Participating Lenders”) providing for (i) a superpriority “first out” series A revolving credit facility, (ii) a superpriority “second out” series B revolving credit facility and (iii) a superpriority secured term loan facility (such term loan, the “Lumen TLA”). The Lumen Participating Lenders were lenders under the Amended and Restated Credit Agreement, dated as of January 31, 2020, among Lumen, the lenders and issuing banks party thereto (the “Existing Lumen Credit Agreement”) and held a portion of the term A/A-1 loans outstanding thereunder (the “Existing TLA”). In connection with the entry into the New Lumen Credit Agreement, all

of the Existing TLA was deemed to be repaid in full, with the Lumen Participating Lenders ultimately receiving cash and interests in the Lumen TLA in respect of their Existing TLA holdings (the “Lumen TLA Exchange”).

On the Effective Date, Level 3, as borrower, also entered into a Credit Agreement (the “New Level 3 Credit Agreement”) with certain of its creditors (the “Level 3 Participating Lenders,” and together with the Note Participating Holders and the Lumen Participating Lenders, the “Participating Holders”), providing for (i) a secured term B-1 loan facility (the “Level 3 TLB-1”) and (ii) a secured term B-2 loan facility (the “Level 3 TLB-2” and, together with the Level 3 TLB-1, the “Level 3 TLB” and, together with the New Notes and the Lumen TLA, the “New Debt”). The Level 3 Participating Lenders were lenders under the Amended and Restated Credit Agreement, dated as of November 29, 2019, among Level 3, as borrower, and the lenders party thereto (the “Existing Level 3 Credit Agreement”) and held a portion of the term B loans outstanding thereunder (the “Existing TLB” and, together with the Old Notes and the Existing TLA, the “Old Debt”), and on the Effective Date, each Level 3 Participating Lender exchanged its Existing TLB for Level 3 TLB (the “Level 3 TLB Exchange”).

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.

Note Exchanges

The Note Exchanges would result in a debt-for-debt exchange with respect to a series of Old Notes pursuant to Section 1001 of the Code if the applicable exchange results in a “significant modification” of such series of Old Notes. Lumen and Level 3 intend to take the position that the Note Exchanges gave rise to a “significant modification” of each series of Old Notes pursuant to Section 1001 of the Code and Treas. Reg. Section 1.1001-3. Accordingly, the Note Participating Holders are expected to realize gain or loss as a result of the Note Exchanges. Whether such gain or loss may be recognized will depend on the tax treatment of the relevant Note Exchange, as described below.

With respect to the Lumen/Level 3 Exchange, Lumen and Level 3 intend to treat the Lumen/Level 3 Exchange as a taxable transaction, and the remainder of this discussion assumes such treatment will be respected. Accordingly, a Note Participating Holder that participates in the Lumen/Level 3 Exchange generally will recognize gain or loss in an amount equal to the difference, if any, between the amount realized in the Lumen/Level 3 Exchange and such Note Participating Holder’s adjusted tax basis in the Old Lumen 4% Notes surrendered for the New Level 3 11% Notes. The amount realized in the Lumen/Level 3 Exchange would generally be equal to the sum of the “issue price” of the New Level 3 11% Notes received in the Lumen/Level 3 Exchange (as determined for U.S. federal income tax purposes) and any cash received in the Lumen/Level 3 Exchange. Level 3 has determined and intends to take the position that, for U.S. federal income tax purposes, the New Level 3 11% Notes have an “issue price” of \$1,000 per \$1,000 stated principal amount.

The tax treatment of the Note Exchanges, other than the Lumen/Level 3 Exchange, (the “Other Note Exchanges”) depends on whether the applicable Other Note Exchange constitutes a

“reorganization” pursuant to Section 368(a)(1)(E) of the Code. Reorganization treatment in turn generally depends on whether both the applicable Old Notes and the New Notes received in exchange therefor constitute a “security” for purposes of the reorganization provisions of the Code. Whether a debt instrument is a “security” for this purpose is based on all facts and circumstances.

Recapitalization Treatment: If an applicable Other Note Exchange qualifies for reorganization treatment pursuant to Section 368(a)(1)(E) of the Code, the applicable Note Participating Holders are generally not expected to recognize gain or loss with respect to such Other Note Exchange, except that any gain will be recognized to the extent of any cash or other property received by the Note Participating Holders (other than cash received in respect of accrued and unpaid interest on the applicable Old Notes, which will be taxable as ordinary interest income to the extent not previously included in income).

Taxable Exchange: If an applicable Other Note Exchange does not qualify for reorganization treatment pursuant to Section 368(a)(1)(E) of the Code, the applicable Note Participating Holders are generally expected to recognize gain or loss equal to the difference between (i) the “issue price” of the applicable New Notes and any cash or other property received by the Note Participating Holders (other than cash received in respect of accrued and unpaid interest on the applicable Old Notes, which will generally be taxable as ordinary interest income to the extent not previously included in income) and (ii) the Note Participating Holders’ tax basis in the applicable Old Notes. Lumen and Level 3, as applicable, has determined and intends to take the position that, for U.S. federal income tax purposes, (i) the New Lumen 4.125% Notes Second Series have an “issue price” of \$680.00 per \$1,000 stated principal amount, (ii) the New Level 3 10.5% Notes have an “issue price” of \$1,030.92 per \$1,000 stated principal amount, and (iii) the New Level 3 10.75% Notes have an “issue price” of \$1,034.37 per \$1,000 stated principal amount.

Lumen TLA Exchange

The Lumen TLA Exchange would result in a debt-for-debt exchange pursuant to Section 1001 of the Code if the Lumen TLA Exchange results in a “significant modification” of the Existing TLA. Lumen intends to take the position that the Lumen TLA Exchange gave rise to a “significant modification” of the Existing TLA pursuant to Section 1001 of the Code and Treas. Reg. Section 1.1001-3. Accordingly, the Lumen Participating Lenders are expected to realize gain or loss as a result of the Lumen TLA Exchange. Whether such gain or loss may be recognized will depend on the tax treatment of the Lumen TLA Exchange, as described below. In connection with the TLA Exchange, the accrued and unpaid interest up to the date of the exchange on the Existing TLA exchanged was paid to the applicable Lumen Participating Lender in cash on the Effective Date.

The tax treatment of the Lumen TLA Exchange depends on whether the Lumen TLA Exchange constitutes a reorganization pursuant to Section 368(a)(1)(E) of the Code. Reorganization treatment in turn generally depends on whether both the Existing TLA and the Lumen TLA received in exchange therefor constitute a “security” for purposes of the reorganization provisions of the Code. Whether a debt instrument is a “security” for this purpose is based on all the facts and circumstances.

Recapitalization Treatment: If the Lumen TLA Exchange qualifies for reorganization treatment pursuant to Section 368(a)(1)(E) of the Code, the Lumen Participating Lenders are generally not expected to recognize gain or loss with respect to the Lumen TLA Exchange, except that any gain will be recognized to the extent of any cash or other property received by the Lumen Participating Lenders (other than cash received in respect of accrued and unpaid interest on the Existing TLA, which will be taxable as ordinary interest income to the extent not previously included in income).

Taxable Exchange: If the Lumen TLA Exchange does not qualify for reorganization treatment pursuant to Section 368(a)(1)(E) of the Code, the Lumen Participating Lenders are generally expected to recognize gain or loss equal to the difference between (i) the “issue price” of the Lumen TLA and any cash or other property received by the Lumen Participating Lenders (other than cash received in respect of accrued and unpaid interest on the Existing TLA, which will generally be taxable as ordinary interest income to the extent not previously included in income) and (ii) the Lumen Participating Lenders’ adjusted tax basis in the Existing TLA. Lumen has determined and intends to take the position that, for U.S. federal income tax purposes, the Lumen TLA has an “issue price” of \$837.38 per \$1,000 stated principal amount.

Level 3 TLB Exchange

The Level 3 TLB Exchange would result in a debt-for-debt exchange pursuant to Section 1001 of the Code if the Level 3 TLB Exchange results in a “significant modification” of the Existing TLB. Level 3 intends to take the position that the Level 3 TLB Exchange gave rise to a “significant modification” of the Existing TLB so exchanged pursuant to Section 1001 of the Code and Treas. Reg. Section 1.1001-3. Accordingly, the Level 3 Participating Lenders are expected to realize gain or loss as a result of the Level 3 TLB Exchange. Whether such gain or loss may be recognized will depend on the tax treatment of the Level 3 TLB Exchange, as described below. In connection with the Level 3 TLB Exchange, the accrued and unpaid interest up to the date of the exchange on the Existing TLB exchanged was paid to the applicable Level 3 Participating Lender in cash on the Effective Date.

The tax treatment of the Level 3 TLB Exchange depends on whether the Level 3 TLB Exchange constitutes a “reorganization” pursuant to Section 368(a)(1)(E) of the Code. Reorganization treatment in turn generally depends on whether both the Existing TLB and the Level 3 TLB received in exchange therefor constitute a “security” for purposes of the reorganization provisions of the Code. Whether a debt instrument is a “security” for this purpose is based on all the facts and circumstances.

Recapitalization Treatment: If the Level 3 TLB Exchange qualifies for reorganization treatment pursuant to Section 368(a)(1)(E) of the Code, the Level 3 Participating Lenders are generally not expected to recognize gain or loss with respect to the Level 3 TLB Exchange, except that any gain will be recognized to the extent of any cash or other property received by the Level 3 Participating Lenders (other than cash received in respect of accrued and unpaid interest on the Existing TLB, which will be taxable as ordinary interest income to the extent not previously included in income).

Taxable Exchange: If the Level 3 TLB Exchange does not qualify for reorganization treatment pursuant to Section 368(a)(1)(E) of the Code, the Level 3 Participating Lenders are generally expected to recognize gain or loss equal to the difference between (i) the “issue price” of the Level 3 TLB and any cash or other property received by the Level 3 Participating Lenders (other than cash received in respect of accrued and unpaid interest on the Existing TLB, which will generally be taxable as ordinary interest income to the extent not previously included in income) and (ii) such Level 3 Participating Lender’s adjusted tax basis in the Existing TLB. Level 3 has determined and intends to take the position that, for U.S. federal income tax purposes, the (i) Level 3 TLB-1 has an “issue price” of \$993.82 per \$1,000 stated principal amount and (ii) Level 3 TLB-2 has an “issue price” of \$993.39 per \$1,000 stated principal amount.

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.

See response to Line 15 above.

A holder’s initial tax basis in the New Level 3 11% Notes received in the Lumen/Level 3 Exchange generally will equal the “issue price” of the New Level 3 11% Notes. As stated above, Level 3 has determined and intends to take the position that, for U.S. federal income tax purposes, the New Level 3 11% Notes have an “issue price” of \$1,000 per \$1,000 stated principal amount.

To the extent any Other Note Exchange, the Lumen TLA Exchange or the Level 3 TLB Exchange (each, an “Exchange”), as applicable, is treated as a “reorganization” under Section 368(a)(1)(E) of the Code, a Participating Holder’s initial tax basis in the applicable New Debt received in the applicable Exchange generally would equal such Participating Holder’s aggregate adjusted tax basis in the applicable Old Debt surrendered immediately prior to the applicable Exchange, increased by the amount of any gain recognized with respect to such Exchange and decreased by the amount of any cash or other property received by such Participating Holder in such Exchange.

To the extent any Other Note Exchange, the Lumen TLA Exchange or the Level 3 TLB Exchange, as applicable, does not qualify as a “reorganization” under Section 368(1)(E) of the Code, and is thus treated as a taxable exchange for U.S. federal income tax purposes, a Participating Holder’s initial tax basis in the applicable New Debt received in the applicable Exchange generally will equal the “issue price” of such New Debt. As stated above, Lumen and Level 3, as applicable, has determined and intends to take the position that, for U.S. federal income tax purposes, (i) the New Lumen 4.125% Notes Second Series have an “issue price” of \$680.00 per \$1,000 stated principal amount, (ii) the New Level 3 10.5% Notes have an “issue price” of \$1,030.92 per \$1,000 stated principal amount, (iii) the New Level 3 10.75% Notes have an “issue price” of \$1,034.37 per \$1,000 stated principal amount, (iv) the Lumen TLA has an “issue price” of \$837.38 per \$1,000 stated principal amount, (v) the Level 3 TLB-1 has an “issue price” of \$993.82 per \$1,000 stated principal amount and (vi) the Level 3 TLB-2 has an “issue price” of \$993.39 per \$1,000 stated 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 354, 356, 368, 1001, 1012 and 1273 of the Code.

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

The Note Participating Holders that participate in the Lumen/Level 3 Exchange generally may recognize loss on such exchange.

To the extent any Other Note Exchange, the Lumen TLA Exchange or the Level 3 TLB Exchange, as applicable, is treated as a “reorganization” under Section 368(a)(1)(E) of the Code, the applicable Participating Holders should not recognize loss on the applicable Exchange.

To the extent any Other Note Exchange, the Lumen TLA Exchange or the Level 3 TLB Exchange, as applicable, is treated as a taxable exchange for U.S. federal income tax purposes, the applicable Participating Holders may recognize loss on the applicable Exchange. See response to Line 15 above for circumstances that may result in a loss to a Participating Holder.

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 Note Exchanges, the Lumen TLA Exchange, and the Level 3 TLB Exchange for the applicable Participating Holder is such Participating Holder’s tax year that includes the Effective Date.