

EMPLOYEE HANDBOOK

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WELCOME TO CENTURYLINK

We are happy to have you as a member of the CenturyLink team and we are confident that you will find your employment with us both challenging and rewarding.

We at CenturyLink are proud of our past and present success. CenturyLink has achieved its reputation for excellence based upon our commitment to quality and our employees' desire to provide only the finest communications services to our customers.

CenturyLink is a leading provider of data, voice and managed services in local, national and select international markets through its high-quality advanced fiber-optic network and multiple data centers for businesses and consumers. CenturyLink is a global leader in cloud infrastructure and hosted IT solutions for enterprise customers.

Ours is a very demanding, fast-paced and competitive business. We have proven our ability to succeed by firm adherence to the principles, policies and practices best suited to our total organization. The employees at CenturyLink hope you will share our pride and dedication and do your part to ensure a profitable and successful operation by providing outstanding service to all of our customers. We want to afford you every opportunity to be successful, so your ideas and suggestions are always welcome.

We encourage you to learn more about CenturyLink and our rich history.

About the Employee Handbook

The Employee Handbook sets forth and defines Company policy to inform you of your responsibilities to the Company, your privileges as a CenturyLink employee, as well as the benefits and employee experience provided by the Company. For purposes of this Handbook, CenturyLink includes CenturyLink and <u>related entities</u>.

This Employee Handbook does not constitute a contract between CenturyLink and any employee or group of employees. CenturyLink retains the right to change, modify, suspend, interpret, or cancel in whole or part any of the published or unpublished policies or practices of the Company, without advance notice, in its sole discretion, without having to give cause or justification or consideration to any employee.

The provisions contained in this Handbook supersede any and all contrary verbal or written policies or statements, including previous Handbooks or representations that have been made either by the Company or you. Only the senior officer of Human Resources or a designee authorized by this Officer in writing, has the authority to enter into any employment contract on the Company's behalf for any specified period of time, pursuant to any particular conditions, or to make any agreements contrary to the terms of this Handbook, including but not limited to the employment at will provision below. Any such contracts or agreements must be in writing signed by one of the above-named individuals. To the extent that there is any conflict between any of the provisions of this Handbook and any provision of an employment contract or collective bargaining agreement, the employment contract or collective bargaining agreement provision alone will control.

Applicability of Policies

The policies in this Handbook are applicable to all CenturyLink employees, with the following exceptions:

• CenturyLink has employees in multiple states across the country. Some states (and also some government or customer contracts) may require us to observe different policies, procedures or rules on some of the subjects covered by this Handbook, and our employees in those locations are automatically subject to them. In the event that this

Handbook conflicts with any state or federal law or benefit plan, CenturyLink will follow the law or plan language.

- If you are working under a collective bargaining agreement, the collective bargaining agreement supersedes the Handbook in case of conflict.
- The provisions of the Employee Handbook do not apply to CenturyLink employees who are located outside the United States.

Unifying Principles

CenturyLink is built upon certain principles that represent the cornerstone of its foundation. As employees of CenturyLink, we recognize these principles as our basis for conducting business and the foundation of our relationship with each other, our customers, shareholders, business associates and the general public. We are committed to these principles which unify CenturyLink's beliefs into a cohesive philosophy that guides our actions in all matters.

We refer to these principles as our Unifying Principles, and they are the basis of our Company culture. Our Unifying Principles include:

Fairness	Honesty & Integrity
Commitment to Excellence	Positive Attitude
Respect Perseverance	Faith

CenturyLink has established certain standards and guidelines, based on our Unifying Principles, as part of our Corporate Ethics and Compliance Program. The CenturyLink <u>Code of Conduct</u>, which is part of the Corporate Ethics and Compliance Program, is provided to all employees. These guidelines cannot anticipate every situation an employee might face. Thus, we must depend upon your good judgment, common sense, and willingness to seek appropriate advice when difficult or confusing situations arise.

Our one absolute and unwavering expectation is that every employee, regardless of job or responsibilities, will conduct himself/herself with honesty and integrity in all matters and things. This not only means that falsification, misrepresentation and untruthfulness will not be tolerated, but that we cannot accept conduct, statements, and "omissions" which are misleading or distort facts. This necessarily means that we expect employees to courteously and candidly cooperate in all Company investigations or inquiries.

Diversity Statement

CenturyLink employs thousands of individuals in the United States and other countries. One of our strengths is the diversity of our people, and we are committed to fostering a diverse and inclusive culture. The rich mix of viewpoints, talents, experiences, backgrounds, and beliefs found at CenturyLink is respected and valued. Our Human Resources policies aim for the highest standards of fairness and equal opportunity, covering recruitment, hiring, promotions, job assignments and opportunities, and all other aspects of employment.

Employment at Will

Employment at CenturyLink is "at will" and for no definite period of time. Nothing contained in any policy or work rule of CenturyLink constitutes a contract of employment or agreement for a specified term of employment. Either CenturyLink or its employees may terminate employment at any time, with or without advance notice and for any reason or no reason, unless covered by a collective bargaining agreement. Similarly, CenturyLink reserves the right to establish and change employee hours, benefits, wages or working conditions.

Labor Relations Philosophy

CenturyLink is committed to a work environment that fosters open communication and employee involvement in a respectful, fair and fulfilling atmosphere. The Company will seek to protect its rights and respect those of its employees.

We believe the Company's success is dependent on the combined efforts of all our employees, those who are represented by a union, as well as those who are not.

It is our goal to manage in a manner that will earn employees' trust. We respect our employees' rights and their decisions regarding whether they choose to be represented by a union, and we respect the laws that govern such processes.

Human Resources Points of Contact

It is the role of Human Resources to assist supervisors and managers in carrying out their human resource management responsibilities, and of equal importance, to provide direct services to employees.

The HRLink <u>Intranet page</u> is available to employees to provide a "first source of information" for many Human Resources related questions about:

- Pay
- Careers and Staffing
- Benefits
- HR Resources
- HR Contacts

Employees can call 855-834-6300 for assistance with their HR questions.

Those who supervise others will find additional Human Resources information in the Managers HR Toolkit that can be accessed from the HRLink Intranet page.

A Human Resources representative has been assigned to each CenturyLink business organization, and is available to answer questions. Click <u>here</u> to determine the contact person for your group.

The Integrity Line is also available to employees to report concerns and answer questions regarding ethics and compliance issues or concerns. You may submit a question through:

integrityline@centurylink.com 800-333-8938 (available 24x7)

EQUAL EMPLOYMENT OPPORTUNITY

Discrimination, Harassment & Retaliation

Our Commitment

No Discrimination: We are committed to providing equal employment opportunities to all persons regardless of race, color, religion, ancestry, sex, citizenship, national origin, marital or veteran status, disability, age, sexual orientation, family status, pregnancy, or other legally protected status (collectively, "protected statuses"). We do not tolerate unlawful discrimination in any employment decisions, including recruiting, hiring, compensation, promotion, benefits, discipline, termination, job assignments or training.

No Harassment: We are also committed to providing a work environment free of harassment based on any protected statuses. We will not tolerate harassment of our employees by anyone -- supervisors, co-workers, customers, contractors or vendors.

We strive to maintain a working environment free from all forms of unlawful harassment. Any words, actions, conduct or behavior which creates an intimidating, hostile or offensive work environment are prohibited. Offensive remarks, comments, jokes or gestures (whether verbal, written words, objects or images) will not be tolerated between individuals in the workplace. This means, as examples:

- no sexual or sexist language, jokes or innuendo; nude, profane, or obscene cartoons, drawings or photographs; whistling or cat-calling; staring or leering; pinching, patting, inappropriate touching, unwelcome hugging or kissing; etc.; or other conduct that might create or contribute to a hostile or offensive working atmosphere.
- no ethnic or racial "jokes"; religious slurs; use of offensive "slang" or derogatory terms or slurs denoting race, age, national origin, disability, etc.; mimicking one's speech, accent or disability; derogatory comments regarding protected statuses or characteristics; or other conduct that might create or contribute to a hostile or offensive working atmosphere.

No Retaliation: The Company strictly prohibits retaliation or reprisal for reporting alleged harassment, discrimination or retaliation, or for providing information or cooperating in any investigation of alleged harassment, discrimination or retaliation. Retaliation is itself a violation of this policy.

This Policy applies to everyone: No executive, manager or employee of the Company, regardless of position, has the authority to engage in any type of conduct or behavior which violates this policy or to condition any term, condition or privilege of employment on submission to any sexual conduct or behavior.

Reporting Harassment, Discrimination or Retaliation

If you believe you may have been harassed or discriminated against by a Company employee, vendor, customer, consultant or contractor, or if you have observed such conduct in the workplace, you should report the occurrence.

Issues should be reported as follows:

Report the incident to your supervisor, the next level of management, a Human Resources representative or to another member of management with whom you are comfortable, or the CenturyLink Integrity Line at 800-333-8938. If your supervisor or a higher level management employee is the person engaging in the offending behavior, you should report the matter to another member of management, a <u>Human Resources representative</u>, or the CenturyLink Integrity Line

After the incident is reported, the Company will initiate an impartial, prompt and thorough investigation. To the extent possible, the Company will protect the confidentiality of complaints, information gathered during the investigation and the identity of persons making reports and providing information.

After appropriate investigation, any employee who is found to have engaged in any harassment, discrimination or retaliation in violation of this policy will be subject to prompt and appropriate disciplinary action, up to and including termination.

All employees at *all* levels are *required* to report possible violations of this policy to the assigned Human Resources Manager, their supervisor and/or the Integrity Line.

Persons with Disabilities & Medical Condition Restrictions

CenturyLink will make reasonable accommodations for the known disability of an otherwise qualified employee, applicant or contracted individual unless the accommodation imposes an undue hardship on the Company.

It is your responsibility as an employee to advise your supervisor or an HR or Labor Relations Business Partner if you need an accommodation. It is also your responsibility to actively participate in interactive discussions to find the best solution for you and the company, and to provide medical documentation to support the need for an accommodation, when requested.

Supervisors are expected to actively engage in interactive discussions about accommodations and maintain the confidentiality of any medical information that is disclosed as part of this process.

A more detailed <u>policy</u> describes the process that will be used to comply with these laws, and provides guidance to employees, supervisors and human resources staff regarding the steps required for compliance.

WORK ENVIRONMENT & EXPECTATIONS

You and Your Supervisor

The continued strength and future growth of the Company depends on the successful job performance of our employees. We rely on all employees to develop and maintain an environment that fosters productivity.

Your supervisor is available to guide you by serving as a resource regarding your job, compensation, benefits, policies and procedures, and normally should be the first person you go to with any questions or concerns.

You have a responsibility to help accomplish your department's goals by doing your job to the best of your ability. If you have any difficulty with your work, or if you think something is not going well, talk with your supervisor or Human Resources representative. Don't be afraid to ask!

Attendance

Our customers and your fellow employees depend on your regular and prompt attendance at work. Employees are expected to report to work on time and be in attendance on a regular basis.

You must inform your supervisor, or follow your department's notification procedure, as soon as possible when you will be late, absent, or required to be away from work at any time. Promptness being at your work location at the beginning of the day, leaving for and returning from breaks and meal periods on time, and working through your full schedule is essential.

Planned absences must be scheduled in advance with your supervisor, or through your department's notification procedure. When scheduling personal appointments, you are expected to ensure the least disruption to your work schedule.

An employee who fails to report to work without notification for three consecutive workdays will be deemed to have voluntarily terminated his/her employment with the Company. In addition, an employee who fails to report to work without notification for three separate days in a 12 month period will be deemed to have voluntarily terminated his/her employment with the Company. Any exception to these guidelines would be based on the Company's determination that the failure(s) to notify or late notification(s) was clearly beyond the employee's control.

Excessive absenteeism or tardiness may result in disciplinary action up to and including termination. The disciplinary action review will consider the reasons for the unacceptable attendance, impact to the business and the employee's length of service, work record, and the likelihood of improvement.

Attendance and punctuality are carefully considered when reviewing an employee's performance for possible base salary increases, merit awards, bonuses, promotions, and/or staff reductions.

Some organizations manage under specific attendance policies. Your supervisor will advise you if your department has a specific policy.

Your Work Schedule

The following information applies to nonexempt employees.

Within a continuous seven day period, full-time employees will normally work a total of 40 hours. Daily hours may vary according to departmental needs, and beginning and ending times of your shift will be established by your department supervisor. Any overtime hours that you work must

be approved by your supervisor, or according to department guidelines. However, overtime hours will be paid at the applicable overtime rate regardless of whether they were approved before they were worked. Employees who continue to violate department overtime approval procedures may be subject to corrective action. Work hours for part-time employees will be determined by the individual job assignment.

Employees may not defer or accumulate breaks in order to take a longer lunch, arrive late or leave early without supervisor approval. If you have any problem taking your breaks within the designated periods, you should inform your supervisor or designee.

Employees should not be scheduled to work more than six consecutive hours without a meal period of at least 30 minutes. A 30- or 60-minute lunch period can be scheduled, and will be unpaid. Employees should not work during their unpaid scheduled lunch period unless they are asked to. If an employee works during a scheduled lunch period, the work time will be paid, regardless of whether the employee was asked to work Employees should not take a shorter lunch than has been scheduled, and should not skip lunch to leave early except in those very unusual situations which have been approved in advance by the supervisor.

Alternative Work Arrangements

CenturyLink employees are typically scheduled to work five-day, 40 hour work weeks. However, there are some work functions and/or business requirements that may require alternative scheduling or work arrangements in order to meet Customer and business-related requirements as a business practice.

Fixed work arrangements that use Telecommuting, Remote Work or Compressed Workweeks that are **not** based on Customer and business-related requirements are considered an exception and require approval by the Tier 1 leader (direct report to the CEO) of the organization. Those arrangements and use of Alternative Work Arrangements that are not based on Customer and business-related scheduling requirements can be ended at management discretion and will be reviewed by senior management on a quarterly basis.

Following are the alternative work arrangements that can be implemented at CenturyLink with the above described approvals:

Telecommuting or Work at Home

These employees do not have an assigned CenturyLink office, but instead work full time at home or in a facility other than a CenturyLink building. Telecommuters are required to sign a Telecommuting Agreement and should review the guidelines and expectations in the <u>CenturyLink Telecommuting Guide</u>.

Remote Work

These employees maintain an assigned CenturyLink office, and work in a different location on a scheduled basis. Working remotely must be transparent to internal and external customers, as well as team members. Performance expectations are the same whether the employee is in an office, or working remotely. Use of this arrangement is available only to employees whose job function and availability of work tools/equipment will allow it.

Flextime

These employees are scheduled to work during pre-established core hours, but have the ability to flex the remainder of their work day around those hours. For example, they may be required to work the core hours of 10:00 a.m. to 3:00 p.m., but may work 9:00-6:00 or 7:00-4:00. Work schedules are established and approved by the employee's supervisor.

Compressed Workweeks

Employees are scheduled 40 hours in a shorter-than-normal number of days per week. For example, employees may be scheduled 40 hours in four days, or 9 hours for 4 days and 4 hours 1 day.

Core Hours

Employees who work in corporate staff functions (for example: Finance, Legal, Human Resources, Regulatory) are expected to follow the core working hours of 9:00 a.m. to 3:00 p.m., Monday through Friday. Any Flextime or Compressed Workweek arrangements must ensure employees are working during these hours.

Employment of Relatives

CenturyLink allows the employment of relatives and friends. However, you must not (i) have a spouse, partner, relative or other person with whom you have a close personal relationship be in a direct or indirect reporting relationship to you or (ii) have influence regarding hiring, work assignments, discipline, compensation or evaluations of such persons. Supervisor decisions should be made on merit and performance and not on relationships, friendships or personal favoritism.

In the event you enter into a financial, business or close personal relationship with or become "relatives" of a subordinate employee, an employee over whom you have influence, or an employee of a competitor or supplier, you must disclose this relationship to your supervisor and your assigned Human Resources representative for conflict of interest considerations. For reporting structure conflicts, your management team will work with you to determine who will be transferred or reassigned. In the event a transfer or reassignment is not possible, one of the employees may be asked to resign.

Employees who are relatives can report to the same supervisor, if the arrangement has been reviewed and approved by the vice president of the workgroup.

Professional Appearance

You are expected to convey the finest possible impression to our customers and to your fellow employees at all times. Employees are expected to dress in a manner appropriate to the job, which may mean you are expected to dress in a professional style, business casual or in uniform.

Regardless of the style that is approved for your workgroup, you should dress with attention to safety, personal hygiene and avoiding dress that is distracting or disrupting to customers and coworkers. Generally, every employee is expected to be neat and well-groomed. Extremes in fashion are inappropriate in a business environment, and good judgment is expected.

Approval of a Tier 1 leader (direct report to the CEO) is required to establish a year-round casual wear environment. Department management may determine specific days or special occasions when casual wear may be worn.

Members of management in a shared facility are expected to work together to determine an appropriate dress policy(ies) within the facility. Should you have any questions concerning the suitability of your appearance, your supervisor can provide the proper guidance. More detailed information about acceptable dress is available in the <u>Professional Appearance</u> policy.

Smoke-Free and Tobacco-Free Workplace

No Smoking Policy

To promote a healthy work environment, smoking and the use of smokeless tobacco is prohibited in all CenturyLink work facilities. Smoking and the use of smokeless tobacco is also prohibited in CenturyLink owned, leased or rented vehicles.

If an employee wishes to smoke or use smokeless tobacco, it must be done during regular break periods, away from any work areas, in provided designated smoking areas.

Some Company locations have more restrictive policies regarding smoking that are to be followed.

Alternative "Smokeless" Electronic Devices

Electronic devices such as "smokeless" cigarettes, cigars, and pipes (or any other similar device which gives the appearance of tobacco use) advertised as "smoking alternatives" or "smoking cessation" devices are to be treated in the same way as actual tobacco products and are permitted only during regular break periods away from any work areas, in provided designated smoking areas.

Smoking and Use of Tobacco Cessation Programs

For those regular full-time employees who feel they need professional assistance in breaking the smoking or smokeless tobacco habit, CenturyLink provides a smoking and smokeless cessation program through our health care provider. In addition, CenturyLink provides a tobacco-free discount for medical benefits.

Nonsolicitation

Employees should not be disturbed, interrupted or disrupted from their work by solicitations or the distribution of non-work-related literature. Accordingly, the following rules apply:

- Non-employees may not solicit employees, sell merchandise or distribute written or printed material on Company property, unless approved by senior management at the facility. Any approved solicitation is restricted to non-work time and approved non-work locations.
- Solicitation campaigns associated with company-sponsored non-profit, charitable causes (such as United Way) will be conducted through group communications. Participation in company-sponsored causes is voluntary.

Designated Bulletin Boards, Established Break Areas or Lunchrooms

The Company may provide a place for employees to post personal notices that may be of interest to coworkers. Solicitations or distributions by employees must comply with the following guidelines:

- Utilize approved Bulletin Boards or Break/Lunch Areas
- Be done during non-worked time (i.e. break period or meal time)
- Use of e-mail is restricted to those co-workers you interact with on a regular basis, and for charitable causes only. Large distribution lists are inappropriate and may impact CenturyLink systems.

• The collection of funds in support of a co-worker (e.g. after a house fire, flood, or significant illness) requires prior approval from the highest ranking official in the business group.

Any solicitation or distribution is not to affect the productivity of employees or their co-workers, and is to be clearly communicated as a voluntary opportunity.

Material that is considered obscene, profane or inflammatory will not be permitted in any way in the workplace. In addition, employees are prohibited from altering or defacing any posting on official Company bulletin boards. Contact your supervisor to inquire about personal postings for the bulletin board in your location.

Visitors and Guests

Employees are discouraged from bringing or inviting personal visitors into the work place to prevent work distractions or cause any inconvenience to coworkers or customers. Childcare is not to be provided in the workplace.

Visitors normally are restricted to areas open to the public and are always prohibited from engaging in solicitations of any kind. In facilities with physical security procedures, employees may not breach security systems by providing codes or access instructions to any nonemployee.

Safety

CenturyLink is committed to fostering a safe work environment in compliance with federal, state, and local safety regulations. <u>Nothing</u> is more important than the safety of our employees, and we expect everyone to do their part to maintain a safe workplace. Ensuring workplace safety is the shared responsibility of the Company and each and every one of its employees.

You should review the Company's expectations about safety on the Environmental Health & Safety site.

All work-related employee accidents or injuries are to be reported to your supervisor. For a life threatening emergency, call 911 or go to the emergency room.

Employees are to report all on-the-job injuries and illnesses within 24 hours whether or not the employee needs to seek medical care.

Contact UNIcall at 866-864-2255, Option 2, Option 1, Option 1

Use of Vehicles on Company Business

CenturyLink expects employees who use any Company vehicle or any personal vehicle on Company business to observe the policies and rules summarized in this section as well as all safety and driving laws and regulations.

CenturyLink Vehicles

Company-owned and leased vehicles may only be used by the person assigned the vehicle and other authorized Company employees and are to be used for Company business.

Assigned vehicle operators are expected to have Company vehicles serviced at regular intervals at Company expense, to maintain the vehicle in good mechanical condition, and to maintain the interior and exterior in a clean condition. In addition, the Company expects employees to take every reasonable precaution to protect Company vehicles and their contents from vandalism and theft.

Personal Vehicles

If you are required to use your personal vehicle for Company business, you are required to maintain liability insurance (personal injury and property damage). If you use your personal vehicle for a significant amount of time on your job, you will receive information about liability insurance requirements when you are placed in that position. If you use your personal vehicle on an occasional basis (less than 50 Company miles per week) for Company business you will be expected to maintain, as a minimum, state mandated insurance.

The Company will reimburse employees using a personal vehicle on Company business at a specified rate to cover <u>all</u> operating expenses (gas, oil, insurance, maintenance, etc.). Thus, an employee involved in an accident using a personal vehicle will be responsible for paying any deductibles, etc.

IMPORTANT: Some insurance policies require an insured to inform the insurer <u>in advance</u> if the vehicle is to be used for any business purpose "and deny coverage where an individual has not done so." It is very important to discuss this subject with your insurance agent prior to using your personal vehicle on Company business.

Driver's License

If your job <u>requires</u> driving a Company vehicle or your own vehicle on Company business, you must maintain the appropriate valid driver's license and any required certification. It is your responsibility to notify your supervisor immediately if your license is restricted, suspended or revoked. You may be placed on leave for a maximum of 45 calendar days. If your license is not reinstated by the end of this 45 calendar day period, you may be subject to termination or your leave may be extended based on your circumstances and at the discretion of the Company. Also, if your license is revoked twice during a five-year period, you may be subject to termination.

During the 45 day leave period, or any approved extension, you will be required to use any accrued PTO/vacation days. Any balance of the leave period will be unpaid.

If your job does <u>not</u> require driving a Company or personal vehicle, but from time to time you may be asked to do so, then you are also obviously required to maintain the appropriate valid driver's license and any required certification. Thus, it is also your responsibility to notify your supervisor if you are asked to drive on Company business and your license is restricted, suspended or revoked.

Alcohol and Drug Citations or Charges

You must notify your supervisor of any conviction of, or plea of guilty or no contest to, any charge under any controlled substance or criminal drug statute of the United States or any state for a violation occurring in the workplace or on Company business. That notification must occur no later than five days after such conviction or plea.

Use of Mobile Phones and PDAs While Driving

All CenturyLink employees are expected to remain focused on driving while operating a vehicle on Company business. Use of a mobile phone is to be restricted to times when the employee has parked his/her vehicle, unless the call can be received through handsfree capabilities.

Employees are prohibited from texting or using any electronic communications device while driving Company vehicles or while driving on Company business.

"Rules of the Road"

The Company expects employees to operate Company or personal vehicles used on business in strict compliance with all traffic laws and regulations. The driver and all passengers must wear seatbelts. Hitchhikers are not allowed under any circumstances.

An employee who receives any traffic citation while using a Company vehicle is responsible for all fines, court costs, etc.

Accidents

If a Company vehicle or a personal vehicle used in connection with Company business is involved in an accident, the driver must immediately notify law enforcement and his/her immediate supervisor. The driver or supervisor must also, immediately, report a vehicle accident to UNIcall (866) 864-2255. UNIcall information for this report can be found at the <u>UNIcall intranet</u> site.

EMPLOYEE CONDUCT

Principles of Business Conduct

CenturyLink requires that all employees comply with the laws, rules, ethics and/or standards of conduct applicable to our business. No individual within CenturyLink has authority to give any order or direction that would result in a violation of these basic business principles.

Any act of dishonesty, questionable integrity, or any act that may create a conflict of interest to the Company may be cause for corrective action, up to and including termination.

What does this mean to you? It means many things that require good judgment from you. Following are some examples of what it means:

- You will treat others with respect.
- You will not perform work that would be in competition with CenturyLink, whether you are conducting work as an individual, through another employer, on Company time or your personal time.
- You will not refer CenturyLink customers to competitors
- You will not personally possess, resell, or install new or used equipment or products obtained from CenturyLink, or a CenturyLink customer.

Outside employment with any government entity at any level (e.g. local, state, federal, etc.), must be preapproved by the CenturyLink Corporate Ethics and Compliance Group, which can be reached at <u>integrityline@centurylink.com</u> or 800-333-8938. The reasons are twofold – 1) Legal needs to research the possibility of a contract violation or regulatory issue, and 2) the situation in total must be reviewed for a potential conflict of interest.

A summary of guidelines to appropriate business conduct is provided in our <u>Code of Conduct</u> and covers (among other topics) conflicts of interest; gifts, meals and entertainment; outside employment and business activities; and competitive information.

If you have any questions about acceptable business conduct, contact the Integrity Line for guidance.

Confidentiality of Customer and Employee Information

It is important that you understand the confidentiality of information you may hear or receive during the course of a workday. The following guidelines are provided to help you gain a better understanding of what is required.

Each of our employees has the right to expect that any personal information, including social security numbers, medical diagnosis and family medical history, will be handled with honesty and in strict confidence. Documents and records containing social security numbers and information are to be maintained in a secure and confidential manner. Only authorized personnel may access records and documents that contain employee social security numbers and identification information.

When appropriate, documents containing employees' social security numbers will be properly destroyed through shredding or other means before disposal.

Any employee or individual who accesses social security data without authorization or for illegal purposes shall be disciplined up to and including termination, and, if illegal intent is determined, referred to authorities for possible criminal prosecution.

Each of our customers has the right to expect that any and all information obtained in the course of business will be handled with honesty and in strict confidence. In addition, the Electronic Communications Privacy Act and the Secrecy of Communications Act of the Communications Act of 1934 prohibit intentional interception, disclosure, and use of private conversations, with narrow exceptions.

All employees are prohibited from disclosing information obtained from our customers and shall not engage in the type of conduct set forth in the following nonexclusive list:

- 1. Employees must not disclose the contents, or any part thereof, of any telephone, E-mail, or fax message addressed to another person without the permission of such person, or willfully alter the purpose or effect or meaning of any such message to the injury of another.
- 2. Employees must not use for any unauthorized purpose any information derived by them from any private message passing through their hands and addressed to another person, or acquired in any other manner by them as employees of the Company.
- 3. Employees must not permit any unauthorized person to listen to any telephone conversation. Employees must not monitor any connection beyond the requirements for its proper supervision.
- 4. Employees must not discuss communication arrangements made between the Company and its customers, except as required for the proper handling thereof.
- 5. Employees must not give any unauthorized person any information whatever regarding the location of equipment, trunks, circuits, cables, or similar equipment, or regarding local or toll ticket records of calls, telegraph messages, or similar communications.
- 6. Employees must not disclose any proprietary information concerning the Company's or a customer's business, operations, costs, plans, trade secrets or other confidential matters.
- 7. Employees must not disclose to unauthorized persons information gathered in response to a lawful request by an administrative or governmental agency.

All confidential business information relating to CenturyLink should be used solely for Company business and should not be provided to unauthorized persons or used for the purpose of furthering the private financial or other interests of any employee or his family, friends, or others with whom he comes in contact.

Company & Personal Property

Equipment and Tools

Equipment and tools used in your job should be treated with care. Reporting of tools in need of repair and requests for additional tools should be directed to your supervisor. Tools are Company property and are not to be removed from the premises except to perform assigned duties.

Personal Property

CenturyLink is not responsible for loss of money or other personal valuables. You are asked to report missing articles to your supervisor. Articles found on CenturyLink premises should be delivered to the department supervisor for safekeeping.

Privacy Issues, Searches & Inspections

Please do not bring anything to work, put or store anything in Company files, drawers, closets, shelves, boxes, work stations, desks, computers and computer files (including e-mail, instant

messaging, other web-based communications and voice mail, etc.), lockers, toolboxes, vehicles, etc., that could embarrass you if it were found or seen by others. There are many reasons management might need access to these areas or Company property, thus, we must have unrestricted access to all of these areas and all Company property, including the right to make unannounced inspections in circumstances when deemed appropriate.

For the purposes of employee safety or if the Company has reasonable belief of violation of the law, the Company may also conduct and/or request inspections of any of your personal property (briefcases, purses, bags, backpacks, packages, vehicles, toolboxes, etc.) that you have on our property. Except in unusual circumstances, these inspections will be in your presence and you will be provided a reason for the search. Failure to promptly and courteously permit such inspections generally will result in suspension pending further investigation and possible termination.

CenturyLink may also take possession of any substance or article which we believe may have been possessed in violation of Company rules (for example, rules prohibiting the possession of alcohol or illegal drugs or similar substances), and may transfer custody to appropriate law enforcement agencies for handling, analysis, and/or further investigation.

Internet, E-Mail and Social Media

For the purposes of this policy, the term "Internet" refers to the Web, electronic mail, twitter, instant messaging, text messaging, personal or business blogs, wikis, posting or syndicating audio or video files on sites such as YouTube, or any other computer or web-enabled communications or applications.

The Internet provides a wealth of information that can help employees excel at their jobs. When using Company provided assets or during work time, the Internet should be used primarily for authorized business purposes. Occasional personal use is generally allowed as long as it does not interfere with the performance of your CenturyLink job duties or your productivity, does not impact CenturyLink computer systems, and complies with the guidelines provided in this policy.

When using Company provided computers or systems to access the Internet at any time, employees are expected to:

- not violate any CenturyLink policy or guideline or the law
- not access, retain, transmit, post, display, print, forward, syndicate or otherwise disseminate material through CenturyLink systems that is fraudulent, illegal, harassing, offensive, demeaning, sexually explicit, obscene, threatening, infringing, defamatory, or otherwise objectionable
- follow guidelines provided by the CenturyLink social media policy
- comply with any additional, more specific policies your department has regarding e-mail and Internet usage.

The above expectations also apply to all forms of material, including print, audio, video, or any combination.

When using a company-provided asset to access the Internet, you are responsible for safeguarding the Company's property by:

 scanning downloaded files for viruses in accordance with the CenturyLink Information Security Policy before accessing the file

- encrypting information that is classified as "Confidential" or "Highly Confidential" when sent via the Internet in accordance with the CenturyLink <u>Information Security Policy</u>
- complying with FTC, SEC, copyright and trademark laws and all applicable federal, state, local and international laws and regulations, with respect to both the property of others (e.g. music and video files) and Company property
- not accessing sites which typically contain malware, such as pornography sites
- using Internet gateways approved by <u>CenturyLink Information Security</u> as the sole method of Internet access.
- using remote access through the CenturyLink network standard remote access mechanisms in accordance with the CenturyLink <u>Information Security Policy</u>.
- not downloading, installing or otherwise introducing software or other components into the CenturyLink environment without authorization.

When using the Internet at any time, CenturyLink employees are expected to not reveal confidential financial information, customer proprietary information, personal privacy information or product information before it is public, or make derogatory comments about the Company's products, services, customers or vendors. In addition, employees are expected to protect co-workers by not disseminating harassing, offensive, demeaning, threatening or defamatory comments about co-workers.

The Company retains the right to monitor your use of the Internet when you use a Companyprovided asset (computer or system) to access the Internet. As a result, you have no expectation of privacy with regard to any Internet use of a Company-provided asset.

Drug & Alcohol-Free Workplace

CenturyLink strives to provide an alcohol and drug-free work environment, and provides information to employees about dependency counseling, rehabilitation and employee assistance programs.

The Company fully endorses the requirements of the Federal Drug-Free Workplace Act. It recognizes that alcohol and drug abuse pose potential health, safety and security problems. Employees are expected and required to report to work on time in appropriate mental and physical condition for work.

This policy applies whenever an employee is on or in Company property, surrounding grounds and parking lots, leased or rented space, Company time (including breaks and meal periods), in any vehicle used on Company business, and in other circumstances (such as on customer premises or at business or sales functions or conferences and when representing the Company) we believe may adversely affect our operations, safety, reputation or the administration of this policy.

Employees are subject to drug and alcohol testing based on:

- Pre-employment
- Reasonable suspicion
- Government and Customer imposed testing requirements
- Flight Operations testing
- Testing under the safety sensitive self-referral program
- Requirements that are included in corrective action related to substance abuse issues

Employees with possible alcohol or drug problems are encouraged to seek voluntary counseling or treatment before an alcohol or drug problem affects job performance. The Company provides initial counseling services through its Employee Assistance Program (EAP), which is designed to help employees and their families deal with chemical dependency and mental health problems.

An employee who is concerned about a possible problem is encouraged to contact the EAP, ValueOptions at 1 800-803-3737 or https://www.achievesolutions.net/centurylink.

To fully understand the Company's expectations of you as an employee, and to understand the consequences of not following this policy, please read the detailed <u>Drug and Alcohol-Free</u><u>Workplace policy</u>.

Workplace Violence & Weapons

Workplace Violence

CenturyLink strictly prohibits violence, threats of violence, and/or any other form of physical or verbal intimidation by anyone on Company premises. All employees share responsibility for assuring that the workplace is free from violence and intimidation.

The Company expects all of its employees, as well as every person on Company property or business or performing work for the Company, to treat others with courtesy and respect and in a professional and business-like manner.

Immediately contact your supervisor or Human Resources if you feel you have been the target of this kind of behavior or you have witnessed or suspect it.

Weapons

CenturyLink strictly prohibits firearms or other form of weapons, including but not limited to knives (other than small pocket knives), explosives (including fireworks), chemicals or other substances, and/or hazardous devices in Company buildings or in Company vehicles.

Employees are required to lock weapons safely in their personal vehicle whenever the vehicle is on Company property. When locked in a personal vehicle, the weapon should not have ammunition in it, and the ammunition should be stored in a separate part of the vehicle. Weapons are not to be removed from the vehicle while the vehicle is on Company property or while the employee is on Company business, and should not be visible unless unavoidable. Further requirements for handling and storing weapons differ by location and are governed by state and local laws, so please contact your local law enforcement agency for specific requirements in your area.

Reports of violations of this policy are to be immediately made to Human Resources or Corporate Security.

Employee Conduct

The Company's ultimate objective is to give the best possible service to our customers. As an employee, you are expected to conduct yourself in a manner above reproach when carrying out your duties and responsibilities at work. Teamwork and cooperation among employees as well as between employees and the Company are essential to top efficiency and productivity, benefiting everyone and helping us to attain our objectives.

The primary purpose of employee conduct rules is to prevent employees from acting in an unprofessional manner such that their behavior interferes with or is detrimental to the Company's operations or reputation. An employee generally will be subject to some form of discipline for demonstrating any of the following behaviors, as well as violation of the policies described in this Handbook:

 Dishonesty, including, but not limited to, falsification, misrepresentation, alteration or omission of information in Company interviews, investigations, and on Company records (such as employment applications, sales records, production and maintenance records, work orders, benefit enrollment records, invoices, medical history records, attendance records, accounting and expense reports, accident reports, and health insurance claims).

- Disregard of instructions regarding maintenance, testing, and/or operating procedures.
- Theft, or possession without proper prior permission, of Company property or the property of other employees, customers or others.
- Falsifying or misrepresenting hours worked or failing to record all hours worked or knowingly entering another employee's time, or allowing another employee to enter your time without prior permission from a supervisor.
- Fighting, horseplay, words or conduct which are likely to provoke or cause bodily injury or property damage or otherwise interfere with Company operations.
- Refusing to perform job assignments or to comply with supervisory requests or instructions except in circumstances when there is a reasonable belief that bodily injury might result, or if the request is reasonably thought to be illegal or unethical.
- Unethical, unprofessional, indecent or criminal conduct while on Company property or time (such as on customers' premises or in a Company vehicle) which might adversely reflect upon the Company's reputation or interests.
- Threatening, intimidating, coercing, or using profane or abusive language to any employee, supervisor, customer or others.
- Careless, reckless, or intentional conduct, or refusal or failure to follow instructions that could
 potentially result in bodily injury or damage to Company property or the property of others.
- Sleeping during work time or deliberately restricting productivity.
- Refusing to cooperate in any Company investigation.
- Unauthorized release of confidential, sensitive, or proprietary information, and unauthorized use of (or accessing of information in) computer systems.
- Violating any of the rules, procedures or conditions governing health insurance claims, including refusal or failure to comply with reasonable requests regarding insurance claims.
- Incompetence, inefficiency, neglect of duties or lack of attention to the job.
- Violating or disregarding any known, posted or generally accepted safety rule or practice, including the unauthorized removal of safety guards or devices and failure to wear protective equipment.
- Failing to report on-the-job injuries or unsafe equipment or conditions to a supervisor or manager in a timely manner.
- Failure to report misconduct that significantly impacts the Company.
- Doing personal work or conducting personal business on Company time that interferes with your, or others, performance of job duties.
- Violating or disregarding any known, posted, or generally accepted cleanliness, health or sanitation rule or procedure.

Engaging in any business or other activity that potentially involves a conflict of interest, the
appearance of a conflict and/or that reflects adversely upon Company products and services
or is detrimental to its reputation or interests.

Again, these are only examples of conduct or behavior that could result in discipline and/or termination of employment. Pertinent rules on specific subjects appear elsewhere in this Handbook and other Company documents (such as the Code of Conduct).

Corrective Action Process

In order for CenturyLink to conduct business efficiently, all employees are required to meet expectations regarding, but not limited to, work performance, attendance and behavior. CenturyLink supervisors are expected to be aware of and address employee work performance, attendance and behavior issues quickly and clearly. Discussions should focus on clarifying expectations, identifying barriers to performance, and establishing objectives and time frames for improvement.

The Company reserves the discretion to determine whether an issue warrants formal corrective action and to determine the appropriate action. The goal of corrective action is to ensure that the employee understands and corrects any deficiencies in his/her performance, attendance and/or behavior.

- In many cases, corrective action may include informal verbal counseling or warning, performance improvement plans, and/or a formal written warning.
- For more serious issues, or to address repeated or continued issues, the supervisor may determine that an unpaid suspension, a final written warning, or termination is appropriate.

In the event a non-exempt employee is removed from the workplace during an investigation, the time will be unpaid until a final decision is made regarding the outcome of the investigation. At that time management will work with Human Resources to determine whether pay is appropriate. Suspensions of exempt employees will be unpaid if the suspension is for either (a) at least one full week or (b) at least one or more full days and is due to violating a safety or workplace conduct rule of significance.

The Company is not required to go through any specific number of steps or in any particular order. CenturyLink also believes that each employee should be treated as an individual in disciplinary situations. Thus, in many situations we are not just interested in what happened "this time" -- the problem, the surrounding circumstances, etc. -- but also what has happened in the past, *i.e.*, your overall record. We have high expectations because we feel very strongly that everyone benefits when we all work together and conduct ourselves in a manner that reflects the best interests of coworkers as well as the Company.

Some Departments may have formal, written corrective action processes based on their policies.

Human Resources is to be consulted any time formal corrective action is utilized (formal written warnings and suspensions), and in all termination decisions. All written corrective action documents remain in the employee's personnel file for the duration of his/her employment. A signed copy of written corrective action will be provided to the employee.

In order to give employees a full opportunity to be heard in matters involving corrective action, the Company has adopted the Complaint Resolution Procedure for non-bargaining employees which is included in this Handbook.

Complaint Resolution Procedure

Applicable to Non-Bargaining Employees Only

Our Philosophy

People work together best in an atmosphere where they are valued as individuals and recognized as members of a team. This kind of respect prompts individuals to achieve the highest level of personal performance. Our aim is to create and constantly enhance such an environment.

CenturyLink believes that most issues can be addressed informally if approached promptly and objectively, and that the best time to solve a problem or answer a question is when it first arises, not days or weeks later. If the issue cannot be resolved informally, employees should bring issues or complaints to the attention of the supervisor as soon as practical when the situation became known, but typically not longer than 15 business days. If you are uncomfortable raising an issue with your supervisor (for example, your supervisor has asked you to commit an illegal act or to violate the Code of Conduct or has discriminated against you or engaged in other unlawful activity), contact the Human Resources contact assigned to your work group or report your concern to the Integrity Line at 800-333-8983. Depending on the complexity of the issue and other business conditions, typically the supervisor's response (verbal or written, depending on the circumstances) will be provided to the employee within 10 business days. There may be instances where the employee and the supervisor cannot mutually resolve the issue or where raising the issue with the supervisor is not appropriate. In those cases, the employee may utilize the following Complaint Resolution Procedure.

The Procedure

If, after meeting with the supervisor, the employee feels the resolution was unsatisfactory, the employee may request that the second level manager review the situation. The <u>request</u> must be in writing and submitted to the second level manager and the assigned Human Resources contact as soon as possible, but typically not longer than five business days after receipt of the supervisor's response. The request should:

- Describe the facts of the complaint or problem;
- Identify any Company policy, procedure, or rule believed to have been violated;
- Recommend adjustments or relief to resolve the situation; and
- Explain the reasons why the supervisor's solution was not acceptable.

The manager (or designee) will promptly review the complaint or problem and conduct an investigation, if appropriate. The manager (or designee) will review the findings with the employee and the supervisor and issue a written response to the employee. Depending on the complexity of the issue and other business conditions, typically the response will be issued to the employee within 10 business days.

If the second level resolution is not acceptable to the employee, a written request for further review may be submitted to the appropriate Vice President, with a copy to the Vice President, Human Resources. The request must be made within five business days after receipt of the second level response. It should include all of the information cited above, along with the reason why the previously proposed solution was not acceptable. The Vice President (or designee) will promptly review the situation and conduct an investigation, if appropriate. Depending on the complexity of the issue and other business conditions, typically a response will be issued to the employee within 15 business days. The written response from the Company will be considered a final response.

Other Reporting Options

In circumstances where the employee believes it is inappropriate to take an issue directly to their line of management, the concern may be taken to the <u>Human Resources contact</u> assigned to the work group, or report their concern to the CenturyLink Integrity Line at 800-333-8938.

Remember, no one, regardless of level or position, is ever authorized to direct an employee to commit an illegal act or to violate the Code of Conduct, or any provision within this Handbook. If you need additional assistance or have concerns about potential illegal acts or violations of the Code of Conduct or Employee Handbook, you are encouraged to contact your supervisor, next level of management, the Human Resources representative assigned to your work group, or the CenturyLink Integrity Line at 800-333-8938.

No Retaliation

No employee will be discriminated or retaliated against in any way for using this procedure. If you believe you have experienced or witnessed retaliation based on use of this process, you should report it to your assigned Human Resources representative or the Integrity Line.

Suggestions

You are encouraged to submit suggestions, either in writing or verbally, to your supervisor or any other member of management in CenturyLink. Viable suggestions may be implemented after proper evaluation by management.

COMPENSATION & PAY PRACTICES

Employee Classifications

An "employee," for purposes of this Handbook and all Company benefit programs, is an individual who is directly employed by CenturyLink and is treated and classified as a Company employee for payroll and benefit purposes. Anyone paid by a temporary employment service and/or whom the Company has classified as a "vendor," "consultant" or "independent contractor" is <u>not</u> an "employee" for purposes of this Handbook or any of our benefit plans.

Individuals in nonexempt positions are paid for actual time worked. As a result, nonexempt employees are paid overtime compensation for work in excess of forty hours in a week or otherwise as specified by Company policy or as required by applicable federal or state law or regulation.

Individuals in exempt positions are those that are paid on a salaried basis, and are exempt from the minimum wage and overtime requirements in the Fair Labor Standards Act and any similar state wage and hour laws.

Positions at CenturyLink are further classified based on the number of hours in a scheduled workweek and the planned duration of the position, as follows:

Based on Workweek:

Full-Time

Employees in a Full-Time status category are eligible for all employee benefits explained in this Handbook, subject to eligibility requirements of the particular benefit plan and satisfaction of relevant waiting periods. The Full-Time or Part-Time status assigned to your employment, not scheduled or actual hours worked, determines benefit eligibility. Positions which normally are scheduled to work a minimum of 30 hours per week can be classified as full-time status with management and budgetary approvals.

• Part-Time

Employees in a Part-Time status category who are regularly scheduled to work at least 20 hours per week are eligible for the following benefits, subject to eligibility requirements of the particular benefit plan and satisfaction of relevant waiting periods: prorated holiday (4 hours), PTO (50% of eligible accrual) and leave policies (such as bereavement) (4 hours); Company-sponsored activities; and participation in the applicable 401(k) plan. The status assigned to your employment (i.e. full-time or part-time), not scheduled or actual hours worked, determine benefit eligibility.

Based on Planned Duration of Position:

Regular

Positions approved for an indefinite period of time are classified as regular.

Temporary

Positions approved for a finite period of time to fill temporary and/or occasional needs, generally less than six months duration are classified as temporary. Employees in this category are not eligible for any Company benefits, PTO or holidays. Temporary employment should not exceed six continuous months without review by the assigned Human Resources representative, division management and approval by the Vice President, Benefits.

Time Reporting

The CenturyLink work week is considered Sunday through Saturday. Your department management will advise you regarding time reporting requirements and methods.

Employees in nonexempt positions (eligible for overtime) must record actual time worked to comply with various federal and state laws. Any time worked in excess of 40 hours in a workweek will be paid at an overtime rate, unless state law requires otherwise.

Nonexempt employees are not allowed to work without receiving pay. Non-exempt employees are expected to know and follow the overtime authorization and time reporting processes for your work function. *All* work time, including time worked outside of your scheduled shift, overtime (whether or not authorized/approved), and time worked during meal and rest breaks, is compensable and must be reported. If any supervisor or manager asks or allows you to perform any work without reporting it or without pay, you are *required* to immediately report it to <u>Human</u> Resources or the Integrity Line at 800-333-8938.

Exempt employees are required to report any exception time, such as Paid Time Off, bereavement leave or jury duty (as examples).

Full-time exempt employees are expected to work at least 40 hours during a work week. If an exempt employee does not work for four hours or more as scheduled during a workday, they are to code PTO for hours missed. Any time off from a scheduled workday is to be reported and/or approved per department requirements.

How You Are Paid

All employees are paid bi-weekly, unless required otherwise by law. Employees are encouraged to arrange for the direct deposit of paychecks into the account(s) of choice each pay day. Pay days are every other Friday, and the check will cover time worked through the preceding Saturday. Paychecks or advice of deposit receipts are distributed electronically or via U.S. Mail. An employee's paycheck may be released to a relative or friend only if authorized by the employee in writing.

Deductions from Pay

CenturyLink will deduct the following taxes from an employee's pay: withholding for federal and state (where applicable) income taxes, Federal Insurance Contributions Tax (FICA or Social Security/Medicare), and any other taxes or payments required by state or local law. To change the number of federal or state exemptions, employees can revise their W-4 on-line through the Employee Self-Service feature in SAP.

All deductions withheld for the current pay period and for the year to date will appear on the check stub each payroll period.

Exempt Employee Safe Harbor Policy

Exempt employees receive a pre-determined salary to compensate them for all hours worked during a week. In general, exempt employee salaries will **not** be reduced due to variations in the quantity or quality of the work performed. Subject to certain exceptions, exempt employees must receive the full salary for any work week in which they perform any work. Exempt employees, however, are required to use accrued PTO or vacation time for full or partial day (4 hours or more) absences for personal reasons, sickness or disability. However, salaries will not be reduced for partial day absences if the employee does not have accrued PTO to cover the absence. Exempt employees are subject to discipline (but not reduction of pay) for failure to comply with applicable attendance expectations.

Reporting Process

It is our policy and practice to compensate employees accurately and in compliance with all applicable laws. We ask that you help us ensure that you are paid correctly by reviewing the information on your pay stubs.

If you believe your wages have been subject to improper deductions or if your pay stub does not accurately reflect all hours worked, please report your concerns to your supervisor immediately. As an alternative, please contact Payroll immediately at 855-834-6300. If you have not received a satisfactory response from your supervisor or Payroll within five business days after reporting your concern, please immediately contact the Integrity Line at 800-333-8938. The Company will reimburse any improper deductions.

If any manager or employee instructs you to violate this policy, please report that violation immediately to the Integrity Line at 800-333-8938. The Company strictly prohibits any retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Any violation of this policy and any retaliation in violation of this policy will result in appropriate disciplinary action, up to and including termination.

If you have questions regarding the hours you were paid for or the rate at which you were paid, please consult with your supervisor or call Payroll at 855-834-6300.

Court-Ordered Withholdings

CenturyLink is required to comply with Court-ordered withholdings including, but not limited to, alimony or spousal support, child support, garnishments, and tax levies.

It is a serious violation of the Company's policy to falsify your time report or another employee's time report, to instruct another employee to incorrectly or falsely report hours worked, to under-report or over-report hours worked, or to conceal any inaccuracies or violations of this policy.

Employee Compensation

Individual salaries are determined by an employee's level of performance, the salary range of his/her job, and the position of the employee's salary within that salary range.

Following are additional factors which, among others, influence compensation.

Financial Considerations - The economy and the Company's financial condition influence the amount of money budgeted each year for salary increases.

Market Conditions - The Company strives to keep the salaries of employees competitive with those of other major companies with whom we compete for talent. Therefore, market information about current and projected pay rates for jobs comparable to those at CenturyLink is gathered and analyzed to recommend appropriate pay program changes.

Individual Performance - CenturyLink believes in paying for performance. A major factor in determining the amount of a merit award is the employee's sustained performance and contributions to the success of the Company. By evaluating each employee's contribution and basing merit increases or lump sums on performance, the Company hopes to stimulate and sustain excellence in employee performance.

Salary Adjustment Opportunities

The CenturyLink compensation policy and programs provide for periodic review of an employee's salary. The following explains current salary adjustment programs. Employees should check with their supervisors to confirm their salary review schedule.

Annual Merit Award Program - CenturyLink has merit award programs which cover specific groups of employees. Merit awards are designed to reward employees for their section.

contributions based upon performance results. Award guidelines are provided to help supervisors recommend appropriate pay actions based on the employee's performance and position of salary within the salary range.

Exempt and nonexempt employees (not eligible for the wage step program) are eligible for an annual salary review, generally occurring in April. Employees may receive base salary increases or lump sum awards depending on the criteria outlined for the current year's program.

- Wage Step Program Generally, employees on the wage step program will be eligible to receive a salary review at six-month intervals until their salaries reach the top step of the respective wage scale.
- Job Changes The movement of an employee to another position as the result of promotion, demotion, transfer or job reclassification, prompts a salary review. Employees moving to a job in a different geographic region may experience a salary adjustment within the respective salary range.

Pay Practices for Non-Bargaining Employees

This policy is not applicable to employees in CenturyTel Security Systems, Inc.

Employees may be eligible to receive additional pay based on specific scheduling requirements. Those pay practices can be reviewed in detail in the <u>Pay Practices Policy</u>. The pay practices are applicable to non-exempt employees only, unless otherwise noted, and include:

- Temporary Supervisor Differential
- Temporary Higher Classification Differential
- Shift Differential exempt and non-exempt employees
- Overtime
- Sunday Differential
- Stand-by Pay
- Call-Out Pay
- Compensation for Holidays includes options for exempt employees

This policy also contains guidance regarding pay for time a nonexempt employee travels for business purposes.

Personnel Records

CenturyLink maintains official employee records for each employee. The Company protects the confidentiality of all personnel records by restricting access only to employees with a business need.

Employees who want to inspect their records should ask their supervisor or contact Human Resources to arrange an appointment. A Human Resources representative (or a Company supervisor) will be present while you review your records.

EMPLOYEE BENEFITS

Service Credit and Bridging of Service

Years of service are used to determine benefits such as Paid Time Off accrual rates, short-term disability benefits and milestone anniversaries for service awards. Service definitions for each program can be found in the respective plan documents.

Bridging of service for the purposes of the above benefit programs will be granted as follows:

- rehired employees will be eligible to bridge previous service if their last day worked occurred within five years before their rehire date, and the previous service was recognized by CenturyLink or a company acquired by CenturyLink
- eligible employees who are rehired will be eligible to bridge their previous service after a period of re-employment that is the greater of (1) a two year period, or (2) a period equal to the period of non-service
- eligible employees who left the Company as part of a Reduction in Force, and are rehired within 12 months of their last day worked will be eligible to bridge their previous service as of the date of their re-employment

Specific details regarding bridging of previous service can be found in the <u>Bridging Prior Service</u> <u>policy</u>.

Mandatory Portability Agreement

The Deficit Reduction Act of 1984 included a provision that extended portability of service credit to certain employees who were affected by the divestiture of the Bell System. The Mandatory Portability Agreement provides for recognition of prior service credit for certain employees who change employment between MPA Interchange Companies and meet specific requirements.

Pension Service Credit

Former employees who are rehired by CenturyLink are eligible for previous service recognition for pension purposes, per the provisions of the applicable pension plan.

Employee Benefits & Programs

The Company can amend, change, or terminate any plans, plan provisions or benefits at any time for any reason with or without notice. In the event of any conflict between this Handbook and the official plan documents, the official plan documents will govern.

CenturyLink has established and maintains a number of valuable <u>benefits</u> for eligible employees and, in some cases, their eligible dependents. Company benefits are an integral part of the total compensation an employee receives for contributions to the success of the Company.

Benefit Eligibility

Eligibility for each benefit program depends on the employee's employment status and the specific program.

Self-funded Benefit Plans

Rather than fund health care and disability benefits through an insurance carrier, the Company has chosen to finance some plans directly. The decision to be self-insured gives the Company the flexibility to offer a competitive benefits package and at the same time affords employees the protections outlined in the Employee Retirement Income Security Act (ERISA).

Under ERISA, each Plan's respective Plan Administrator is responsible for overseeing operations to maintain the integrity of its benefit plans. Employees share the responsibility for avoiding unnecessary expenditures from the plans. Each employee can best fulfill this obligation by becoming an educated consumer and controlling unnecessary expenses.

Employee Benefits

All CenturyLink employees who are eligible for benefits will have the opportunity to participate in annual enrollment. New employees have the opportunity to enroll in benefit plans when they become regular, full-time employees. Benefits begin 31 days after the date of eligibility. Employee benefits include:

- medical, dental and vision coverage for health care services for each employee and eligible dependents;
- healthcare and dependent day care spending accounts to set aside pre-tax dollars to pay for qualifying expenses;
- life insurance plans that provide an employee's beneficiary(ies) with protection in the event of the employee's death;
- life insurance plans that provide an employee with protection in the event of his/her spouse and/or children's death;

Additional benefits available to employees include:

- Company Retirement Plan The pension plans for non-represented employees have been frozen. Employees hired before their applicable plan was frozen may have an accrued benefit.
- Company 401(k) Plan that can supplement the personal savings employees set aside for retirement income (**Note:** Employees in CenturyTel Security Systems, Inc. are not eligible for this benefit. Employees of this subsidiary will receive a summary of their specific plan.)
- An <u>adoption assistance plan</u> to help employees help with the expenses when adopting a child under the age of 18. See the Company's <u>Adoption Assistance Policy</u>.
- Children of employees who are entering their freshman year of college have the opportunity to apply and qualify for a <u>scholarship plan</u>.

Lifestyle Benefits provide discounts on a broad range of insurance options and other services you use every day, and may include Auto and Home Insurance, Critical Illness Insurance, Legal Plan, Universal Life Insurance, Veterinary Pet Insurance, 529 College Savings Plan and MetLife Online Banking

Through this program you also have access to two purchasing programs, including the Smart Savings Discount Mall and Power Purchasing.

Short-Term Disability Protection

Short-term disability (STD) pay is intended to provide an employee with a source of income if an illness or injury continues after the PTO elimination period and before an employee qualifies for long-term disability. You are eligible for the STD Plan if you are a regular full-time employee with one (1) year or more of service. Less than one (1) year of service, part-time and temporary employees are not eligible for STD benefits. See the Company's <u>Short-term Disability</u> policy for more information.

CenturyLink may attempt to provide temporary light-duty or modified work to employees who are released with restrictions. Since the primary objective is to get medically restricted employees back to their regular jobs as quickly as possible and not to place anyone in a position where

he/she might suffer a re-injury or aggravation this will only be considered for an employee after receiving a satisfactory medical release.

Long-Term Disability Protection

Long-Term Disability (LTD) Plan provides partial income protection for you in case of loss of income due to a covered injury, or illness after Short-Term Disability benefits have exhausted. LTD Benefits are coordinated with Social Security and other sources of income to replace a portion of your pre-disability earnings. You are eligible for the LTD Plan if you are a regular full-time employee with one (1) year or more of service. Less than one (1) year of service, part-time and temporary employees are not eligible for LTD benefits. See the <u>Summary Plan Description</u> of the Company's Long-term Disability Plan for more information.

Wellness Program and Fitness Center Memberships

Wellness Program

To ensure employees have access to a wide range of tools and resources to better support healthy lifestyle choices CenturyLink has a wellness program called "Well Connected" CenturyLink's health and wellness program is administered by UnitedHealthcare Wellness and Highmark's Blues On Call. The programs offer online access to information and free programs to help improve your health or maintain healthy living.

You can access online health centers on topics such as: blood pressure, cholesterol, physical activity, tobacco cessation, weight and many others that will provide information to help on your journey to good health. You can also set up your own personal health record, set up goals, have personalized reminders emailed to you as you work on your health habits, take quizzes to assess your knowledge, access articles on health topics and much more.

Fitness Center Memberships

To promote employee wellness, all regular full-time employees, excluding legacy Qwest represented employees, can receive fifty percent reimbursement for attending a health club or fitness classes, up to a maximum of \$25 per month. Fitness expenses are reimbursed on your paycheck, by completing the attached <u>voucher form</u>. Read the full <u>policy</u> for more information. This benefit applies to employees only.

Employee Assistance Program (EAP)

The Employee Assistance Program is administered by Value Options. The EAP offers employees comprehensive resource information and confidential counseling on a variety of topics including: health, relationships, life events such as marriage, having children, and death of a loved one. The EAP offers up to 8 free visits per episode of care per year for each employee and dependent.

You can contact the EAP at 800-803-3737 to talk with a Clinical Care Manager or obtain resource information. You may also go to <u>https://www.achievesolutions.net/centurylink</u>.

Employee Stock Purchase Plan

CenturyLink's Employee Stock Purchase Plan provides the employees of the Company and its Designated Subsidiaries a convenient way to become shareholders in the Company. CenturyLink believes that employee participation in the ownership of the Company promotes unity that is essential to the continued growth of CenturyLink and will mutually benefit both employees and shareholders. The Plan allows CenturyLink employees to invest a portion of their earnings

systematically by purchasing shares of CenturyLink Common Stock. See the <u>Prospectus</u> of the Company's Employee Stock Purchase Plan for more information.

Product & Service Discounts

Employee discounts are available on a variety of local products and services. For the applicable discounts in your area, see the <u>employee website</u>.

Matching Time Grant Program

CenturyLink is very proud of the volunteer work that our employees are doing to strengthen the communities in which we live and work. All employees are eligible for the <u>Matching Time Grant</u> program funded by the CenturyLink Clarke M. Williams Foundation. This program will give you an opportunity to earn a grant of \$500 twice a year that is payable to the organization where you volunteer. You may be eligible for the grant by volunteering at eligible 501(c)(3) nonprofits, public and nonprofit schools, and government entitles. To be eligible, 501(c)(3) nonprofits must be in good standing with the IRS.

Personal Status Changes

Changes in your personal status may impact your benefits elections. Instructions regarding how to report these changes can be found on the HRLink Intranet site. Within the Benefits site, click on Your Benefits Resources, then Life Events.

Such changes include a new address or telephone number, a change in your marital or legal domestic partner (in states which recognize this status) status or number of dependents.

Instead of clicking on Life Events, click on Health & Life Benefits if you wish to change your beneficiary designations for your group life insurance.

It is important that you update any change of address, personal phone number or emergency contact through the Employee Self Service (ESS) feature of SAP. You should also advise your supervisor of any changes to your contact information such as a change in your telephone number.

EMPLOYEE/CAREER DEVELOPMENT & RECOGNITION

Performance Management

The goal of CenturyLink's performance management process is to provide employees with the on-going feedback and resources they need to perform at their best and develop skills for the future. This involves communicating job expectations, providing timely performance feedback, reinforcing good performance and identifying actions to be taken in areas where improvement is needed.

For detail about the CenturyLink performance management program review the <u>Performance</u> <u>Management site</u>. Your supervisor will advise you if your workgroup has specific performance management tools or processes.

Seminars & In-House Training

CenturyLink periodically offers courses and seminars for professional and career development during working hours. Some are available Company-wide. Others are sponsored at the department level or designed for employees in a particular job. Employees must obtain supervisor approval to ensure payment for seminars and training.

If educational programs required to maintain or improve job knowledge or obtain specific certification are not offered at CenturyLink, the Company may pay for enrollment in external seminars and programs approved by an employee's supervisor.

Completion of some company-sponsored certifications may require employee repayment of the certification cost if the employee voluntarily leaves the company within 12 months of completion of the certification. Employees subject to this requirement will be so advised at the time they are enrolled to complete the certification.

Tuition Aid Reimbursement Plan

To encourage employees to broaden their education, CenturyLink offers a <u>Tuition Aid</u> Reimbursement Plan.

Application Procedures

It is your responsibility to initiate a request for reimbursement prior to taking the course. You do this by completing a Tuition Reimbursement Application. The application and reimbursement processes can be accessed by typing Tuition in your browser, or through www.centurylinktuition.com.

Any questions regarding this policy should be directed to <u>HRPolicyAdvice@centurylink.com</u>.

The Job Posting Program

The CenturyLink <u>Job Posting</u> Program provides employees with an important, ongoing source of information on job opportunities at CenturyLink. At the same time, it elicits candidates who are familiar with the Company and have related work experience.

An employee is eligible to apply for open positions within CenturyLink if the job qualifications stated in the posting are met and if the employee has been in the current position for a minimum of 12 months. The minimum 12 month period may be waived by the Company based on business needs.

To apply for a posted position, the employee must complete an online profile in order to submit their qualifications. It is the employee's responsibility to demonstrate his/her qualifications for the position. It is the employee's responsibility to establish their qualifications and notify their current supervisor when applying for a position. If you are selected for an interview you must notify your immediate supervisor of the interview.

Specific information about the staffing process is available in the <u>CenturyLink Staffing Policy</u>. Supervisors are encouraged to review the Staffing Methods & Procedures document found on the Manager's HR Toolkit.

What is Considered in Making Hiring Decisions

The CenturyLink approach is to select or retain the best person for the job. Although it is very difficult to list all the things the Company looks at in selecting an existing employee for a new job, the following are generally considered:

- Job-related knowledge, skills and experience;
- Past work performance and any performance evaluations;
- Attendance, safety and disciplinary records or history;
- Demonstrated ability to effectively work as part of a team;
- Job-related education, registrations, certifications, licenses, etc;
- Your department, location and/or job, and
- The impact of the selection on the overall effectiveness of the workgroup, and Company's operations.

Evaluation of these factors is at the Company's discretion.

Citizenship & Immigration

CenturyLink hires only those persons legally authorized to work in the United States. As a condition of employment, an Immigration and Naturalization Service document (INS Form I-9) is to be completed within 3 business days of an employee's first day of employment.

Employees are required to provide actual documents verifying identity and eligibility to work in the United States. Failure to comply with this requirement will result in immediate termination of employment.

If a candidate has a visa, such as an H-1B (non-immigrant work), F-1 (student) or TN (NAFTA) visa, the hiring manager must check with his/her assigned Human Resources representative and the Law Department for guidance before proceeding with the candidate.

<u>Considerations for Sponsoring H1-B Extensions or Green Cards (Current Employees)</u> The following factors will be considered in response to requests by current employees for sponsoring H1-B extensions or green cards:

- Satisfactory Performance
- No Corrective Action during previous 12 months
- Likelihood of Reduction in Force, reorganization impacting employee's workgroup

- Employee's salary meets prevailing wage requirement (H1B extension)
- Recruitment activity demonstrates there are no minimally qualified US workers
- CenturyLink has not laid off potentially qualified workers in same/ similar occupation in previous 6 months
- Recommendation from the Law department
- Vice President within the hiring organization authorization and Human Resources executive approval

Costs of Initial H-1B Sponsorship and the first H1-B Extension

The employee will be required to use and cooperate with the Company assigned attorney. CenturyLink will pay attorneys' fees and any mandatory training and/or filing fees which, by law, the employer is required to pay.

Cost Sharing/Reimbursement for Green Card Sponsorship

CenturyLink will pay all fees, costs and expenses for the employee but not his/her dependents, provided the employee signs an agreement to reimburse as permitted by law, such fees, costs and expenses in the event the employee leaves CenturyLink within 2 years of signing the agreement or approval of the green card, whichever is later. Employees are also required to use and cooperate with the Company-Assigned Attorney.

Cooperation and Updates

The CenturyLink Law Department is responsible for coordinating all sponsored immigration matters. Both the employee and his/her immediate manager are responsible for notifying the employee's HR contact if the employee applies for a different job, is requested to take a different job, or if his/her job duties or location otherwise change at any time prior to issuance of a green card.

Transfers & Relocation

When an employee is asked by the Company to relocate, relocation assistance may be provided to help with the costs associated with the move. The extent of relocation assistance varies depending on business needs and job grade level. Offered benefits will be communicated to each employee at the time of the relocation request. Transfer requests will be considered whenever possible. Employees requesting a lateral transfer to another geographic area may be required to pay their own relocation expenses.

Service Anniversary & Retirement Celebrations

CenturyLink appreciates its employees and provides recognition for their loyal years of service with the Company through its <u>Service Anniversary & Retirement Celebrations policy</u>. Under this policy, after five years of employment and continuing at five-year intervals, employees receive a gift with a service award certificate and a workgroup celebration.

CenturyLink retirees are eligible to receive a gift, a recognition certificate and celebration event upon their retirement.

TIME AWAY FROM WORK

CenturyLink recognizes an employee's need to have time away from work. Multiple programs and benefits are available to assist employees as they manage their time.

Paid Time Off (PTO) Program

The Paid Time Off (PTO) Program provides eligible employees time away from work for rest and relaxation, short-term illness or injury, to care for family members or other personal business. Following is a description of the major provisions of CenturyLink's Paid Time Off Program for non-bargaining employees.

<u>Eligibility</u>

All regular full-time and regular part-time employees (who work a minimum of 20 hours per week) are eligible to accrue PTO hours the first pay period following the date of hire. Accrued hours may be used in the pay period in which they are accrued. Up to 80 hours of PTO can be used before they are accrued.

PTO Accrual

The number of PTO hours an employee accrues each biweekly pay period is based on length of service. The accrual rate schedule (in hours and minutes) for regular full-time employees is outlined below.

Years of <u>Service</u>	Bi-Weekly Accrual Rate (Hours:Minutes)*	Annual Maximum Accrual
0-4	5.54 (5:32)	144
5-9	7.08 (7:05)	184
10-14	7.85 (7:51)	204
15-19	8.62 (8:37)	224
20-24	9.38 (9:23)	244
25+	10.15 (10:09)	264

* PTO will be reflected as Hours: Minutes on the employee pay advice

- Accrual rates change to the next higher rate the first pay period following a milestone anniversary (*e.g.*, 5, 10, 15, 20, 25 years).
- Regular part-time employees are eligible to accrue 50% of the full-time hours each pay period to an annual maximum accrual that is 50% of the hours available to full-time employees.
- Up to 40 unused PTO hours may be carried over from one calendar year to the next..

Transition from Former Policies

Transition #1 - Employees who were under the CenturyLink PTO policy prior to January 1, 2012 will be allowed to carryover additional accrued, unused hours into 2012, 2013 and 2014.

- In 2012 and 2013 these employees will be allowed to carryover up to the annual accrual, plus up to 40 hours of accrued, unused PTO
- In 2014 these employees will be allowed to carryover up to 100 hours of accrued, unused PTO
- In 2015 these employees will be allowed to carryover up to 40 hours of accrued, unused PTO, per this policy

During 2012, 2013 and 2014 accrual of additional hours will cease when employees have a balance that is equal to the annual accrual, plus 40 hours. Accrual will begin again during the pay period that sufficient hours have been used to allow accrual of additional hours.

Transition #2 - Some CenturyLink employees have "grandfathered" hours based on PTO plans of previously acquired companies. Employees who have grandfathered hours are required to use at least 40 hours each calendar year until those hours have been exhausted. Grandfathered hours are listed as a separate line on the employee's pay advice.

Employees Working in California

Employees in California will accrue PTO per pay period as described in the table above and may accrue PTO hours up to a maximum of 1.25 of annual accrual.

For example, an employee who is eligible to accrue 224 hours in 1 year will be allowed to continue to accrue hours until they reach 280 hours (1.25 of annual accrual). When they reach 280 hours the employee will stop accruing hours until he/she has used hours. The employee will not be subject to calendar year accrual caps. The employee pay advice will reflect the number of hours accrued.

Employees Working in Seattle, Washington

Employees who work in Seattle a minimum of 240 hour per year will be allowed to carryover up to an additional 68 hours of accrued PTO into the following calendar year, as required by the Seattle Paid Sick/Safe Time (PSST) ordinance. These hours can be applied only for absences that occur while working in the city of Seattle.

Refer to the Paid Time Off policy document for more detailed information about the carryover hours and other requirements.

Other policy specifics are contained in the Paid Time Off policy.

<u>Holidays</u>

CenturyLink provides eligible employees paid time off from work to observe a number of holidays. A <u>holiday schedule</u> is established for the Company however, business requirements may necessitate a different holiday schedule for you.

<u>Eligibility</u>

If you are a regular full-time non-bargaining employee working a traditional schedule of five eight-hour days per workweek, you shall receive eight hours' straight-time pay for the holidays listed that you do not work, provided that you work your <u>entire</u> last scheduled day prior to the holiday as well as your <u>entire</u> first scheduled workday after the holiday, unless you are on supervisor approved leave. A doctor's excuse may be required if you are on unscheduled PTO either the day before or the day after the scheduled holiday.

If you are a regular full-time employee working a nontraditional schedule, you should refer to the <u>Pay Practices policy</u> for guidance regarding how holiday pay is managed.

If you are a regular part-time employee, you will be paid four hours for each holiday on which you would ordinarily have been scheduled to work.

An employee scheduled to work on the Company holiday who fails to report for work and/or fails to work the full shift, will receive payment for hours worked, but no payment for the holiday.

Recognized Holidays

The following holidays are recognized and observed by non-bargaining employees at most CenturyLink locations:

- New Year's Day
- Good Friday

- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day

The Company will determine which days the business will be closed for the holidays. In most cases, that day will be the actual holiday. In some cases, the holiday may be on a different day than the actual holiday.

As a general rule, if an actual holiday falls on a Saturday, the holiday will be observed on a Friday. If the actual holiday will be on a Sunday, the holiday will be observed on a Monday. The Company does retain the right to adjust holidays differently, and a final Holiday schedule will be published by early 4th quarter of the year before the holiday schedule is effective.

Offices will generally be closed on the observed Holidays. Where business conditions require that offices or sites be staffed during an observed holiday, the employees in that organization (or workgroup) may be given floating holidays that can be used on days different than the observed Holiday. Your supervisor will provide you more detail about this process if your workgroup is scheduled open on an observed Holiday. You may also refer to the <u>Pay Practices policy</u> for guidance regarding how floating holidays are managed.

Holidays Not Observed by the Company

Employees who need time off to observe other holidays, such as days of worship or commemoration, normally will be permitted to do so provided the absence does not result in an undue burden to the Company. Employees may use PTO, or may elect to take the time off as an unpaid, excused absence.

Medical & Administrative Leaves of Absence

Regular, non-bargaining employees may be eligible to take an administrative leave of absence. Leaves of absence may be granted for various reasons or purposes, including: serious personal problems; medical reasons involving a member of your immediate family if you are ineligible for or have exhausted federal and/or state family leave; or other unusual, unavoidable or emergency circumstances that require your extended absence from work. Among the factors which determine whether an administrative leave of absence will be granted are:

- The reason for the request;
- Your performance, attendance, safety, and disciplinary records;
- Any previous leaves of absence (and the length/purpose of such leaves);
- Your department, location and/or job;
- Your commitment to return to work immediately following expiration of the leave; and
- Efficiency of operations; impact to service levels.

Administrative leaves of absence may be available for an absence of more than eight consecutive calendar days, up to a cumulative total of 30 calendar days. Employees must first use accrued PTO prior to the use of any medical or administrative leave. A leave of absence which has been granted may be extended up to 30 calendar days, provided that you request the additional time prior to the expiration of the original leave and granting it is appropriate under these standards.

Requests for a medical leave of absence (based on your medical condition or that of a relative) must be made to and approved by CenturyLink Disability Services. If your requested leave is due to a disability, you may be eligible to request additional leave as an accommodation. Requests for an administrative leave of absence (not medically related) must be made to and approved by your immediate supervisor.

Family & Medical Leave (FMLA)

You may be entitled to a job-protected family or medical leave of absence if you are unable to come to work due to specific family or medical matters.

To be eligible for FMLA leave, you must:

- Have been employed by CenturyLink for at least one (1) year, and
- Have worked 1250 hours in the 12 months preceeding the leave

FMLA may be taken for the following reasons:

- Birth of a child and to care for same child;
- Placement of a child with you for adoption or foster care;
- To care for a spouse, child, or parent ("covered relation") with a serious health condition;
- To care for a spouse, child, parent, or next of kin who is a Covered Servicemember and has a Serious Injury or Illness (Servicemember Family Leave);
- Any qualifying urgent need arising out of the fact that a spouse, child, or parent is on active duty or has been notified of an impending call or order to active duty in the Armed Forces in support of a contingency operation; or
- Because your own Serious Health Condition renders you unable to perform the functions of your position.

<u>Your FMLA leave rights:</u> Eligible employees may receive up to 12 work weeks of unpaid leave during any rolling 12 month period. You must conclude FMLA leave for the birth or placement of a child for adoption or foster care within 12 months of the birth or placement. Spouses employed by CenturyLink who request leave for the birth or placement of a child may only take a combined total of 12 weeks leave during any 12-month period.

If you request leave to care for a Covered Servicemember, you are eligible to take an additional 14 weeks of FMLA, for a combined total leave of up to 26 weeks during the single 12 month period.

Make sure you understand the policy and your responsibilities when applying for leave, supplying medical certification, maintaining medical and other benefits, and returning from leave.

All of these responsibilites are detailed in the <u>CenturyLink Family & Medical Leave Policy</u>. If you have questions or need additional information about FMLA, contact CenturyLink Disability Services at 800-729-7526.

CenturyLink reserves the right to interpret, change or rescind any part of this policy as long as it doesn't conflict with the law. And in cases where local or state family and medical leave laws offer

more protections or benefits to employees, those laws will take precedence.

Military Leave

We expect employees to notify us of their military duty obligation and provide a copy of the orders within five days (unless impossible or unreasonable to do so) after they are received to allow us time to make arrangements to cover the absence.

Annual Training

CenturyLink provides up to 10 paid work days per year to full-time and part-time employees attending annual training for the Reserves or National Guard. Employees will receive their regular base pay, less any base pay received from the military. All pay received from the military must be reported to Human Resources through a Leave and Earnings Statement (LES) for the leave period.

Military Leave

CenturyLink full-time and part-time employees who have at least one year of CenturyLink service, and are involuntarily required to provide service in the uniformed services are provided pay and benefits as outlined in the Military Leave Policy. The pay and benefits described in the policy are available to employees for up to one (1) year during the individual's employment with CenturyLink.

Active Duty

Employees with at least one year of CenturyLink service who are involuntarily called to active duty are eligible to continue to receive his/her regular base pay from CenturyLink for up to one year, adjusted for any base pay received from the military. The employee may also continue all health benefits (including medical, dental, vision, prescription coverage and EAP coverage) for the employee and eligible dependents for up to one year at the active employee rate, and up to one additional year at full company rate.

Employees who are ordered to or volunteer for military training or active duty in the Armed Forces of the United States, the U.S. Coast Guard, the U.S. Public Health Service, or a National Guard component, beyond one year may take an unpaid leave of absence for the duration of military service.

An employee on military leave will have the benefit accrual and continuation rights granted by applicable state or federal law. Reinstatement from military leave is <u>always</u> subject to applicable legal requirements. An employee who does not request reinstatement according to the procedures and time limits specified by law will be considered a voluntary resignation. See the <u>Military Leave Policy</u> for further details.

Bereavement Leave

In the unfortunate event of the death of an immediate family member, an employee is provided time off with pay to assist in making arrangements and/or to attend the funeral or services of a close relative. The actual length of time off will be approved by the appropriate manager.

- **up to** five scheduled workdays for the following immediate family members: spouse, domestic partner, father, mother, son, daughter, (including step-parents, step-children and children of a domestic partner)
- **up to** three scheduled workdays for the following immediate family members: brother, sister, step-brother or sister, mother-in-law, father-in-law, parents of a domestic partner, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandmother, grandfather, grandmother-in-law, grandfather-in-law, grandchild, aunt, uncle or any person who lives as a part of your immediate family.

Bereavement pay is a separate benefit from your PTO benefit.

CenturyLink will send a floral arrangement upon the death of an employee, employee's spouse, domestic partner, father, mother, son, daughter, (including step-parents and step-children). The employee's manager or his or her designee should make the request by filling out the <u>Bereavement Order Form</u>.

Civic Duties

Employees engaged in civic programs (such as Junior Achievement), may be granted paid time if the Company determines that such participation would benefit the Company. Pay for time will be based on factors such as whether the event will enhance the Company's standing in the community, whether the event is sponsored by the Company, etc.

Requests for paid time off to attend to such civic duties must be approved in advance by the appropriate director level (or Area Operations Manager) of the employee's business organization or his/her designee.

Voting

The Company encourages all employees to exercise the right to vote. Normally polling places are open both before and after regularly scheduled work hours. In the unusual situation that an employee's work schedule is such that it is not possible to vote either before or after work, the employee may request to leave work to vote. If the supervisor agrees, or state/local law requires, then a mutually agreeable, reasonable time will be arranged during the employee's workday. Schedules can be adjusted for time off to vote, with management approval. Otherwise, the time will be unpaid, or PTO can be used.

Jury Duty

You will be granted time off for legally mandated jury participation. Your supervisor should be notified as early as possible and provided a copy of the subpoena or notice that requires the impending absence. If summoned to serve as a juror you will be entitled to your salary less any per diem compensation you are paid for jury duty and benefits will continue during the time away from work. To the extent state law requires different payment, we will comply with state law. You must report to work on days when not required to be in court, or when released early enough in the day to work part of the regularly scheduled shift.

Per diem compensation, excluding parking fees and mileage reimbursement, received from the courts for jury duty must be reported to the Company. A copy of the check is to be forwarded to the Payroll Department. Payroll will deduct that same amount from the next regular paycheck.

Witness Duty

If you are required by the company to appear in court in a matter related to the Company, you will be granted time off with pay.

You will be expected to use available Paid Time Off if you are required to be in court regarding a non-work-related matter or one in which you are a plaintiff or defendant.

Religious Observance

You will be allowed reasonable time off if required for a religious observance or practice if it does not place an undue burden on the business. Approved absences for a religious observance or practice are excused for the purposes of the attendance policy.

If you have religious observance requirements which may conflict with normal work hours, you must disclose these requirements at the commencement of employment or as soon as it becomes known. Local management will work with you to determine whether and how the time off can be managed with business requirements.

Where a request for time off is approved, a non-exempt employee can use available PTO or take the time off without pay. Another option for management and the employee is to use flexible scheduling options within the work week.

Nursing Mother Breaks

Nursing mothers will be provided reasonable break time during the work day to express breast milk. Typically, mothers will require 15-30 minute breaks, two to three times during an 8 hour work shift. The employee is expected to review time requirements with her supervisor.

A private place will be provided for the employee. These breaks are available to employees until the nursing child is one year old. Some states allow nursing mother breaks until the child is older.

Nursing mother breaks are unpaid time for the employee, unless the break coincides with a scheduled, paid rest break. The breaks are considered excused for the purposes of attendance management policies.

Inclement Weather

Employees are always expected to report to work on time and complete the normal work schedule. If, however, you are unable to make it to work because of weather conditions that simply will not allow safe travel, the following shall apply:

- Nonexempt Employees. Nonexempt employees who report to work late, leave early or cannot report to work, must report the situation to their supervisor as promptly as possible. In such cases, the employee may elect to use PTO or leave without pay in that order, to cover the partial or full day absence, unless he/she is able and approved to work from home. The local management team will advise whether the absence is considered excused for the purposes of attendance management policies.
- Exempt Employees. An exempt employee who reports to work late, leaves early, or is unable to make it to work because of weather conditions that do not allow safe travel must report the situation to their supervisor as promptly as possible, and will be expected to follow PTO use policies unless he/she is able to work from home.

The Company may, at its discretion, close the office or send employees home early due to inclement weather. In that case, the employee will be paid for the time remaining in the business day. Additional information for managers is available in the Manager's HR Toolkit.

Your supervisor will advise you of specific department processes to notify you of schedule changes or closings in the event of inclement weather.

Extended Leave Provisions

Contact Requirements during an Extended Leave

While on extended leave, employees may be required to periodically report their status to their supervisor, including the date when they intend to return to work. "Periodically" means at least weekly, unless the employee is informed otherwise or is physically unable to do so (in which event the employee should ask a family member or friend to periodically update the Company). Violations will be treated the same as any other "call-in" violation.

Benefits While on Leave

See the CenturyLink Family & Medical Leave Policy and the Military Leave Policy for information about compensation and benefits while taking those leaves.

For all other leaves, unless otherwise noted, an employee must use (<u>if</u> eligible to use it) all earned PTO before going on unpaid status. IMPORTANT: An employee qualifying for FMLA leave who is receiving time loss compensation under any program, including workers' compensation, offered by the Company is not required to exhaust PTO but may use any accrued time to bring his/her pay up to 100% of base pay.

The Company will continue paying its share of the cost of your health insurance and benefits through the end of the first month in which any unpaid leave of more than 30 calendar days occurs. If you continue to meet eligibility conditions under the particular plan, you may then be able to continue coverage at your own expense. You will be responsible for continuing to make any payments normally required of you (for example, for dependent coverage as well as any optional disability, cancer and/or life insurance coverage).

LEAVING CENTURYLINK

Voluntary Resignations

If any circumstances arise that make it necessary for you to leave your employment with CenturyLink, please give your supervisor as much written notice as possible. As a guideline, we appreciate at least two weeks notice from all employees. The Company, at its discretion, may elect not to require you to work through part or all of the notice period. Typically, you will receive pay for that period, unless the Company determines that you are going to work for a competitor, or if the company determines that you are no longer effectively fulfilling your job responsibilities. All earned but unused PTO will also be paid in your final paycheck.

In most circumstances, you have the right to elect continued insurance coverage for yourself and your spouse and eligible dependents when coverage would otherwise cease if you take responsibility for premium and other necessary contributions. For details regarding continued insurance coverage, call the CenturyLink Benefits Service Center at 800-729-7526.

The Company will also treat as a resignation an absence from work for three consecutive days or three days in a 12-month period without proper and timely notification, except where it was clearly and absolutely beyond the employee's control.

Failure to return from an approved leave of absence at the expiration of the leave or on the date within the time period specified on any offer of reemployment after a layoff will also be treated as a resignation.

Retirement

If you intend to retire, you are also requested to give your supervisor notice as far in advance as possible. You also must request a Retirement Kit to begin your retirement process. You may request the kit online at the <u>Pension Site</u> or call the CenturyLink Service Center at 800-729-7526. It is important that you request your retirement kit as soon as you begin planning your retirement, however, the retirement kit cannot be requested more than 180 days in advance of your benefit commencement date.

<u>Death</u>

In the event of an employee death, his or her manager should immediately call the assigned Human Resources or Labor Relations contact. In addition, the CenturyLink Benefits Service Center must be notified by calling 800-729-7526. The Service Center is responsible for ensuring appropriate notification and coordination with benefits and payroll for the employee's final paycheck.

Reduction in Force

CenturyLink strives to maintain a staff of employees as required to meet current and projected business needs. The Company attempts to maintain the work force without major fluctuations in the overall number of employees. Occasionally, business or other demands or objectives require the Company to realign or reassign certain job responsibilities, or to reorganize or reduce staff or hours.

See the CenturyLink <u>severance policy</u> for detailed information about separation benefits.

Exit Interviews

Valuable information regarding the Company's employment policies and practices may be gained by asking departing employees. Before an employee's last day of employment at CenturyLink, an exit interview may be <u>completed</u>.

Upon cessation of employment (voluntarily or otherwise) departing employees must return all Company property in their possession by their last day of employment. Company property includes credit cards, mobile phones, pagers, vehicles, keys, tools, personal computers, computer terminals, printers, software, disks, source codes, documentation, etc. Managers are encouraged to use the appropriate Exit Checklist located within the Manager's HR Toolkit, under the heading Leaving CenturyLink to assist in this process.

Final Compensation

Your final paycheck will include all wages otherwise earned and payable under our policies through your last workday, less any offset for amounts you owe the Company, such as advanced PTO time. Your final paycheck will also include payment for unused PTO hours that are due and payable as of your last day worked. Payment for commissions will be governed under the terms of the applicable sales compensation plan.

Except as otherwise required by any state law, all wages earned by an employee shall, upon the employee's death, be paid to the individual designated as the primary beneficiary on the employee's Company life insurance benefit. If the deceased employee was not eligible for this benefit or did not make such a designation payment will be made to any surviving spouse or, if none, to the employee's estate.

Eligibility for Reemployment

Generally, a former employee is considered Eligible for Rehire for positions at CenturyLink. There are instances however, when a former employee should not be considered for certain positions, or should not be considered for any position. For example, an employee is not eligible for rehire if he/she violated the Code of Conduct, regardless of whether he/she was involuntarily terminated as a result or resigned during an investigation associated with a violation of the Code of Conduct.

Hiring managers have the primary responsibility for determining a former employee's rehire eligibility by:

- obtaining references from the applicant's previous CenturyLink supervisors
- reviewing any available work records and information regarding the former employee, as provided by previous management and HR
- reviewing guidance provided in the Managers Toolkit, found on HRLink

Former employees who have voluntarily taken a distribution from the pension or 401(k) plans will not be eligible to be considered for reemployment for six months following their last day worked.

Contractor Restrictions

A former CenturyLink employee is prohibited from being utilized as a contractor providing services to CenturyLink until at least 12 months following employee's last day worked. At any time between the end of the 3rd month and the end of the 12th month after termination of employment, a former employee may be utilized as a contractor through an <u>exception process</u> approved by a Tier 1 officer (direct report to the CEO), the senior officer of Human Resources and the law department.

If the former employee is being utilized as a contractor and is providing services to CenturyLink as part of an outsourced project, the employee can perform that work after a 3 month separation from employment with CenturyLink. <u>Exceptions</u> based on an outsourced project must be approved by the law department.

If a former employee is engaged as a contractor, he/she can be utilized as a contractor for no longer than one year.

Before an employee's termination and for at least 1 month after termination, management must not discuss or agree to utilize the employee as a contractor, consultant or vendor employee or to rehire an employee.

Reference Inquiries & Employment Verifications

Employees may direct requests for employment verification to Verify Jobs Systems at 800-800-4857. The CenturyLink company code is 8907. You may also contact this service through www.VJSUS.com or by calling the HR Help Line at 855-834-6300.

Responses to requests for employment verification will only confirm an employee's name, periods of employment, title(s) of the most recent position held by the employee and, if available, prior positions. Requests for salary verification will not be considered without authorization provided by the employee through a personalized PIN. The Company reserves the right as a matter of policy not to release certain types of information even if released to do so, and to release information to government agencies as required. The Company does not release information regarding eligibility for reemployment or reason for separation from employment.

When asked, CenturyLink supervisors are expected to provide employee references to other CenturyLink supervisors who are considering the employee for other opportunities.

In response to an employee request, a written reference can be provided to a current or former CenturyLink employee. Any written reference is to be based on your personal view of the individual, is to be factual in content and from a positive perspective. The reference is not to be provided on CenturyLink letterhead.