

PLEASE READ ALL OF THIS NOTICE CAREFULLY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THE ACTION. THIS NOTICE RELATES TO THE PROPOSED SETTLEMENT OF LAWSUITS AND CONTAINS IMPORTANT INFORMATION. IF THE FEDERAL COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS OF THE SETTLEMENT OR PURSUING THE SETTLING SHAREHOLDERS' RELEASED CLAIMS (AS DEFINED HEREIN) AGAINST DEFENDANTS' RELEASEES (AS DEFINED HEREIN).

THE ACTIONS ARE NOT A "CLASS ACTION." THUS, THERE IS NO COMMON FUND UPON WHICH YOU CAN MAKE A CLAIM FOR MONETARY PAYMENT. IF YOU DO NOT OBJECT TO THE TERMS AND CONDITIONS OF THE PROPOSED SETTLEMENT OR THE AMOUNT OF ATTORNEYS' FEES AND EXPENSES DESCRIBED IN THIS NOTICE, YOU ARE NOT OBLIGATED TO TAKE ANY ACTION. IF YOU HOLD CENTURYLINK, INC. COMMON STOCK FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.

### **THE PURPOSE OF THIS NOTICE**

Your rights may be affected by the settlement of the actions styled In re: CenturyLink Sales Practices and Securities Litigation, No. 17-md-2795-MJD-JFD, 18-cv-2460, 18-cv-2833, 18-cv-2834, 18-cv-2835, 19-cv-263, 19-cv-284 (collectively, the "Federal Derivative Actions"), pending in the United States District Court for the District of Minnesota (the "Federal Court"); Pinsky v. Post, et al., No. C-20182002, Castagna Jr. v. Post, et al., No. C-20182006, and Sheppard v. Post, et al., No. C-20182799 (collectively, the "State Derivative Actions"), pending in the 4th Judicial District Court for the Parish of Ouachita (the "State Court"); and the demand sent by putative shareholder Chang Choi on December 12, 2019 ("Choi Demand") to the then-Chairman of CenturyLink, Inc.'s board of directors (the Federal Derivative Actions, the State Derivative Actions, and the Choi Demand, collectively, the "Actions"). Lead Plaintiff Timothy Ault, plaintiffs Michael Barbree, Glen Walker, Sona Andresian, Jr., Neil TS

Flanders, Inter-Marketing Group USA, Inc., Dennis Palkon, Edward Tansey, Michael Castagna, Mitchell Pinsly, and Thomas Sheppard (together, the “Derivative Plaintiffs”), and Chang Choi, on the one hand, and Defendants (defined below), on the other hand, have agreed upon terms to settle the Actions.

On January 16, 2024, at 11:00 am, the Federal Court will hold a hearing (the “Settlement Hearing”). The Settlement Hearing shall be held via Video Conference before Judge Michael J. Davis.

The Settlement is made and entered into by and among: (i) the Settling Shareholders (defined below), individually and derivatively on behalf of CenturyLink, Inc. (“CenturyLink” or the “Company”); (ii) individual Defendants G. Clay Bailey, Martha Bejar, Virginia Boulet, Peter Brown, Kevin Chilton, Steven Clontz, David Cole, Dean Douglas, R. Stewart Ewing, Jr., T. Michael Glenn, W. Bruce Hanks, Mary Landrieu, Gregory McCray, C.G. Melville, Jr., William Owens, Harvey Perry, Glen Post III, Michael Roberts, Laurie Siegel, Sunit Patel, Karen Puckett, Jeffrey Storey, and Joseph Zimmer (together, “Individual Defendants”); and (iii) Nominal Defendant CenturyLink (together with Settling Shareholders and Defendants, the “Parties”). Pursuant to the Settlement, Lead Plaintiff has made an application, pursuant to Rule 23.1 of the Federal Rules of Civil Procedure for an order approving the proposed Settlement of the Federal Derivative Actions, in accordance with a Stipulation and Agreement of Settlement entered into by the Parties and dated June 21, 2023 (the “Stipulation”), and for the dismissal of the Federal Derivative Actions on the merits with prejudice, including as against Defendants (defined below), upon and subject to the terms and conditions set forth in the Stipulation. A copy of the Stipulation, including Exhibits, is available at [news.lumen.com/centurylinkderivativesettlement](https://news.lumen.com/centurylinkderivativesettlement) or by contacting counsel listed below.

At the Settlement Hearing, the Federal Court will be asked to:

a. Determine whether the Stipulation, and the terms and conditions of the Settlement set forth in the Stipulation, are fair, reasonable, and

adequate and should be approved by the Federal Court;

b. Determine whether an Order and Final Judgment should be entered dismissing the Federal Derivative Actions with prejudice, including as against Defendants, releasing the Released Claims against the respective Releasees, and barring and enjoining prosecution of any and all Released Claims against any and all respective Releasees;

c. Hear and determine any objections to the Settlement;

d. Consider Lead Counsel's petition for an award of attorneys' fees and expenses in connection with the Actions (the "Fee and Expense Amount") and any petition for Service Awards to the Derivative Plaintiffs; and

e. Rule on other such matters as the Federal Court may deem appropriate.

This Notice describes the rights you may have under the Stipulation and what steps you may, but are not required to, take concerning the proposed Settlement. If the Federal Court approves the Stipulation, Lead Plaintiff will ask the Federal Court to approve an Order and Final Judgment that would end the Federal Derivative Actions. Pursuant to the Stipulation, the Parties will also seek dismissal of the State Derivative Actions in their entirety with prejudice.

### **BACKGROUND OF THE ACTION**

THIS NOTICE DOES NOT CONSTITUTE FINDINGS OF THE FEDERAL COURT AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE FEDERAL COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES. IT IS BASED ON STATEMENTS OF THE PARTIES AND IS SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THE ACTIONS AND OF THE PROPOSED SETTLEMENT OF THE ACTIONS SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY, OR MAY NOT, WISH

TO TAKE IN RELATION TO THE ACTIONS.

This settlement relates to a series of shareholder derivative lawsuits and demands regarding alleged issues concerning CenturyLink's consumer sales and billing practices and public disclosures between March 2013 and December 2018.

### **The State Derivative Actions**

Beginning on June 11, 2018, putative shareholders initiated derivative actions against current or former officers and/or directors of CenturyLink by filing complaints in the State Court, on behalf of CenturyLink. See *Pinsly v. Post, et al.*, No. C-20182002, *Castagna Jr. v. Post, et al.*, No. C-20182006, and *Sheppard v. Post, et al.*, No. C-20182799.

On February 25, 2019, the parties in the State Derivative Actions stipulated to stay the State Derivative Actions until resolution of the Federal Derivative Actions.

### **The Federal Derivative Actions**

Beginning on June 6, 2018, putative shareholders initiated derivative actions against current or former officers and/or directors of CenturyLink by filing complaints in the United States District Court for the Western District of Louisiana ("Western District of Louisiana"), on behalf of CenturyLink, asserting claims for, among other things, breaches of fiduciary duty and unjust enrichment. See *Flanders v. Post*, No. 18-cv-753, *Ault v. Post*, No. 18-cv-755, *Barbree v. Bejar*, No. 18-cv-870, *Inter-Marketing Group USA, Inc. v. Storey*, No. 18-cv-1650, and *Palkon v. CenturyLink, Inc.*, No. 18-cv-998.

On August 23, 2018, putative shareholder Edward Tansey filed an action directly in the Federal Court. *Tansey v. Perry*, No. 18-cv-2460.

Between October 2018 and February 2019, the *Flanders*, *Ault*, *Barbree*,

Inter-Marketing Group USA, Inc. and Palkon actions were transferred from the Western District of Louisiana to the Federal Court. These actions were given new case numbers in the Federal Court. See *Flanders v. Post*, No. 18-cv-2833, *Ault v. Post*, No. 18-cv-2834, *Barbree v. Bejar*, No. 18-cv-2835, *Inter-Marketing Group USA, Inc. v. Storey*, No. 19-cv-263, and *Palkon v. CenturyLink, Inc.*, No. 19-cv-284.

As of April 23, 2019, the Federal Court had consolidated each of the *Flanders*, *Ault*, *Barbree*, *Inter-Marketing Group USA, Inc.*, *Palkon*, and *Tansey* actions.

On April 23, 2019, the Federal Court issued an order appointing Timothy Ault as Lead Plaintiff and approving Bragar Eigel & Squire, P.C. as Lead Counsel.

Between July 18, 2019 and February 25, 2021, the parties stayed the Federal Derivative Actions in favor of related consumer and securities actions, which settled prior to the expiration of the stay in February 2021. During the duration of the stay, CenturyLink produced to Lead Plaintiff over 344,000 documents, comprising over 2.2 million pages, that CenturyLink had produced in the related consumer and securities actions. Following the stay, the Special Litigation Committee (defined below) produced to Lead Plaintiff certain corporate books and records and other materials relating to its inquiry and determination to reject the shareholder derivative demands.

On March 17, 2022, Lead Plaintiff filed the Amended Complaint, asserting claims for breaches of fiduciary duty, waste, unjust enrichment, and insider selling under Louisiana law against the Individual Defendants. Among other things, the Amended Complaint alleges that, from March 1, 2013 through December 31, 2018, the Individual Defendants made materially false and misleading statements concerning CenturyLink's billing practices and financial condition.

On September 21, 2022, CenturyLink and the Special Litigation Committee (defined below) filed their motion to dismiss the Amended

Complaint under the Louisiana Business Corporation Act and Federal Rule of Civil Procedure 23.1. Also on September 21, 2022, the Individual Defendants filed their motion to dismiss the Amended Complaint under Rule 12(b)(6) of the Federal Rules of Civil Procedure. On November 9, 2022, Lead Plaintiff filed an omnibus opposition to Defendants' motions to dismiss. On December 8, 2022, CenturyLink and the Special Litigation Committee, and the Individual Defendants, filed their reply papers in support of their motions to dismiss.

On February 10, 2023, before the Federal Court heard oral argument on or decided the motions to dismiss, the Parties reached an agreement in principle to settle the Actions, and the Individual Defendants' insurers consented to Defendants' acceptance of the proposed agreement in principle.

The proposed Settlement set forth in the Stipulation reflects the results of the Parties' negotiations. An agreement was reached only after arms'-length negotiations between the Parties, all of whom were represented by counsel with extensive experience and expertise in shareholder derivative litigation, who were well informed regarding the strengths and weaknesses of their respective claims and defenses. Counsel for the Parties have concluded that the terms and conditions contained in the Stipulation are fair, reasonable, and adequate to CenturyLink and its shareholders, and in the best interests of CenturyLink and its shareholders, and that it is reasonable to settle the Actions based upon the terms of settlement set forth in the Stipulation. In connection with settlement discussions and negotiations leading to the proposed Settlement set forth in the Stipulation, the Parties did not discuss the appropriateness or amount of any application by Lead Counsel for an award of attorneys' fees and expenses until the substantive terms of the Settlement were negotiated at arms'-length and agreed upon.

On October 24, 2023, the Federal Court entered the Preliminary Approval Order providing for, among other things, the scheduling of the Settlement Hearing and the distribution of this Notice.

THE SETTLEMENT OF THE ACTIONS, IF APPROVED BY THE FEDERAL COURT ON THE TERMS AND CONDITIONS SET FORTH IN THE STIPULATION, WILL INCLUDE, WITHOUT LIMITATION, A RELEASE OF ALL SETTLING SHAREHOLDERS' RELEASED CLAIMS AGAINST DEFENDANTS' RELEASEES AND OF ALL DEFENDANTS' RELEASED CLAIMS AGAINST THE SETTLING SHAREHOLDERS RELEASEES, AS THOSE TERMS ARE DEFINED BELOW. IF YOU ARE A SHAREHOLDER OF CENTURLINK, YOU WILL BE BOUND BY ANY JUDGMENT ENTERED IN THE FEDERAL DERIVATIVE ACTIONS WITH RESPECT TO YOUR ABILITY TO BRING SETTLING SHAREHOLDERS' RELEASED CLAIMS.

THE FEDERAL COURT HAS NOT FINALLY DETERMINED THE MERITS OF THE CLAIMS MADE BY LEAD PLAINTIFF AGAINST, OR THE DEFENSES OF, DEFENDANTS IN THE ACTIONS. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RELIEF IN ANY FORM OR RECOVERY IN ANY AMOUNT COULD BE HAD IF THE ACTIONS WERE NOT SETTLED.

### **DEFINITIONS**

1. The following capitalized terms have the meanings specified below:
  - a. "Actions," as described above, means, collectively, the Federal Derivative Actions, the State Derivative Actions, and the Choi Demand.
  - b. "Alternate Judgment" means a form of final judgment that may be entered by the Federal Court but in a form other than the form of Judgment provided for in the Stipulation.
  - c. "Amended Complaint," as described above, means the Consolidated Amended Verified Shareholder Derivative Complaint filed by Lead Plaintiff in the Federal Derivative Actions on March 17, 2022.
  - d. "Cash Payment" means the sum of two million dollars (\$2,000,000), as detailed in Paragraph 5 herein, and which the Individual Defendants shall pay or cause to be paid to CenturyLink to be used by the Company

for general corporate purposes, including enhancing the Company's on-going training, system improvements, and auditing of practices related to its mass markets business, based on input from the Company's Chief Ethics and Compliance Officer and compliance organization.

e. "CenturyLink" or the "Company" means CenturyLink, Inc., which changed its legal name to Lumen Technologies, Inc. on January 22, 2021.

f. "Claims" means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action or liabilities of any kind, nature and character (including, but not limited to, claims for damages, equitable relief, interest, attorneys' fees, expert or consulting fees, and any and all other costs, expenses or liabilities whatsoever), whether based on federal, state, local, administrative, statutory, common law, or any other law, rule or regulation, whether foreign or domestic, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured.

g. "Defendants," as described above, means nominal Defendant CenturyLink; and G. Clay Bailey, Martha Bejar, Virginia Boulet, Peter Brown, Kevin Chilton, Steven Clontz, David Cole, Dean Douglas, R. Stewart Ewing, Jr., T. Michael Glenn, W. Bruce Hanks, Mary Landrieu, Gregory McCray, C.G. Melville, Jr., William Owens, Harvey Perry, Glen Post III, Michael Roberts, Laurie Siegel, Sunit Patel, Karen Puckett, Jeffrey Storey, and Joseph Zimmer.

h. "Defendants' Counsel" means Cooley LLP, Winthrop & Weinstine, P.A., and Barrasso Usdin Kupperman Freeman & Sarver, L.L.C.

i. "Defendants' Released Claims" means all Claims, including Unknown Claims, that could be asserted against any of Settling Shareholders' Releasees in any forum by any of CenturyLink and/or the Individual Defendants arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the



Actions or the Settling Shareholders' Released Claims; provided, however, that nothing herein shall in any way release, waive, impair, or restrict the rights of any Party to enforce the terms of the Settlement.

j. "Defendants' Releasees" means (i) each of the Defendants and their attorneys; (ii) any person named in any demand letter sent by the Settling Shareholders but not named as a Defendant; (iii) the current and former parents, affiliates, subsidiaries, portfolio entities, successors (including Lumen Technologies, Inc.), predecessors, partners, members, shareholders, assigns, and assignees of each of the foregoing in (i), and any entity in which any Defendant has or had a controlling interest; and (iv) the current and former Immediate Family members, spouses, heirs, executors, estates, beneficiaries, distributees, foundations, administrators, trusts, trustees, general or limited partners or partnerships, joint ventures, affiliates, subsidiaries, officers, directors, shareholders, owners, members, representatives, employees, attorneys, financial or investment advisors, consultants, underwriters, investment banks or bankers, commercial bankers, insurers, reinsurers, excess insurers, co-insurers, advisors, principals and agents of each of the Persons listed in (i), (ii), and (iii).

k. "Effective Date" means the first date by which all of the events and conditions specified in Paragraph 26 of the Stipulation have been met and have occurred or have been waived in writing by the Parties.

l. "Excluded Settling Shareholders' Claims" means (i) any claims asserted on behalf of former Level 3 shareholders in their capacity as former Level 3 shareholders, including without limitation the claims asserted in *Houser v. CenturyLink, Inc.*, Civil No. 18-30566 (Colo. Dist. Ct., Boulder Cnty.); (ii) any claims by any governmental regulatory agency that arise out of any investigation of Defendants relating to the conduct alleged in the Actions; or (iii) any claims relating to the enforcement of the Settlement.

m. "Federal Court" means the United States District Court for the District of Minnesota.

n. “Federal Derivative Actions,” as described above, means the derivative actions styled as In re: CenturyLink Sales Practices and Securities Litigation, No. 17-md-2795-MJD-JFD, 18-cv-2460, 18-cv-2833, 18-cv-2834, 18-cv-2835, 19-cv-263, 19-cv-284, pending in the United States District Court for the District of Minnesota.

o. “Fee and Expense Amount” means the amount to be paid to Lead Plaintiff’s Counsel as attorneys’ fees and expenses, as determined by the Federal Court, and which the Individual Defendants shall pay or cause to be paid.

p. “Final,” with respect to the Judgment or, if applicable, the Alternate Judgment, or any other court order, means: (i) if no appeal is filed, the expiration date of the time provided for filing or noticing any appeal under the Federal Rules of Appellate Procedure, i.e., thirty (30) days after entry of the judgment or order; or (ii) if there is an appeal from the judgment or order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding on certiorari or otherwise, or (b) the date the judgment or order is finally affirmed on an appeal, the expiration of the time to file a petition for a writ of certiorari or other form of review, or the denial of a writ of certiorari or other form of review, and, if certiorari or other form of review is granted, the date of final affirmance following review pursuant to that grant. However, any appeal or proceeding seeking subsequent judicial review pertaining solely to an order issued with respect to attorneys’ fees, costs or expenses, shall not in any way delay or preclude a judgment from becoming Final. For purposes of this definition of “Final,” an “appeal” includes any motion to alter or amend under Rule 52(b) or Rule 59(e) of the Federal Rules of Civil Procedure; any appeal as of right, discretionary appeal, interlocutory appeal, petition for writ of certiorari, or other proceeding involving writs of certiorari or mandamus; and any other proceedings of like kind.

q. “Immediate Family” means children, stepchildren, parents, stepparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-

law, daughters-in-law, brothers-in-law, and sisters-in-law. As used in this paragraph, “spouse” shall mean a husband, a wife, or a partner in a state-recognized domestic relationship or civil union.

r. “Individual Defendants,” as described above, means G. Clay Bailey, Martha Bejar, Virginia Boulet, Peter Brown, General Kevin Chilton, Steven Clontz, David Cole, Dean Douglas, R. Stewart Ewing, Jr., T. Michael Glenn, W. Bruce Hanks, Mary Landrieu, Gregory McCray, C.G. Melville, Jr., William Owens, Harvey Perry, Glen Post III, Michael Roberts, Laurie Siegel, Sunit Patel, Karen Puckett, Jeffrey Storey, and Joseph Zimmer.

s. “Judgment” means the final judgment, substantially in the form attached to the Stipulation as Exhibit E, to be entered by the Federal Court approving the Settlement.

t. “Lead Counsel” means the law firm of Bragar Eigel & Squire, P.C.

u. “Lead Plaintiff” means Timothy Ault.

v. “Litigation Expenses” means costs and expenses incurred in connection with commencing, prosecuting, and settling the Actions, for which Lead Counsel intends to apply to the Federal Court for payment.

w. “Parties,” as defined above, means, collectively, the Settling Shareholders (individually and derivatively on behalf of CenturyLink), and each of the Defendants.

x. “Person(s)” means a natural person, individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, joint venture, joint stock company, estate, legal representative, trust, unincorporated association, government, or any political subdivision or agency thereof, any business or legal entity, and any spouse, heir, legatee, executor, administrator, predecessor, successor, representative, or assign of any of the foregoing.

y. “Preliminary Approval Order” means the order, substantially in the

form attached to the Stipulation as Exhibit D, to be entered by the Federal Court preliminarily approving the Settlement and directing that notice of the Settlement be provided to CenturyLink shareholders.

z. “Reforms” means the corporate governance reforms that CenturyLink will implement in partial consideration for the Settlement, which are fully set forth in Exhibit A attached to the Stipulation.

aa. “Released Claims” means all Defendants’ Released Claims and all Settling Shareholders’ Released Claims.

bb. “Releasees” means Settling Shareholders Releasees and Defendants’ Releasees.

cc. “Service Awards” means the amount of one-time payments to each of the Derivative Plaintiffs, as determined by the Federal Court, and which shall be funded from the Fee and Expense Amount.

dd. “Settlement” means the settlement of the Actions documented in the Stipulation.

ee. “Settlement Hearing” means the hearing (or hearings) at which the Federal Court will review and assess the adequacy, fairness, and reasonableness of the Settlement set forth in the Stipulation and determine (i) whether to enter the Judgment; and (ii) all other matters properly before the Federal Court.

ff. “Settling Shareholders’ Counsel” means, collectively, Lead Counsel, the law firms of LEVENTHAL pllc, Johnson Fistel, LLP, O’Bell Law Firm, LLC, Hynes & Hernandez LLC, Lifshitz Law PLLC, and Federman & Sherwood; and all other legal counsel who, at the direction and under the supervision of Lead Counsel, performed services in connection with the Actions.

gg. “Settling Shareholders’ Released Claims” means all Claims, including known and Unknown Claims, against any of the Defendants’ Releasees

that (i) were asserted or could have been asserted derivatively in the Actions; (ii) would have been barred by res judicata had the Actions been fully litigated to final judgment; or (iii) could have been, or could in the future be, asserted derivatively on behalf of CenturyLink or directly by CenturyLink in any forum or proceeding or otherwise against any of the Defendants' Releasees that in any way concern or arise out of or relate to any of the subject matters, allegations, transactions, facts, occurrences, representations, statements, or omissions alleged, involved, set forth, or referred to in the Actions; provided, however, that nothing herein shall in any way release, waive, impair, or restrict the rights of any Party to enforce the terms of the Settlement. For the avoidance of doubt, Settling Shareholders' Released Claims do not release or impair any of the Excluded Settling Shareholders' Claims.

hh. "Settling Shareholders Releasees" means Settling Shareholders, their counsel, CenturyLink, and all CenturyLink shareholders (solely in their capacity as CenturyLink shareholders) and each of their immediate family members, spouses, heirs, executors, administrators, successors, trustees, attorneys, personal or legal representatives, advisors, estates, assigns, and agents thereof.

ii. "Special Litigation Committee" means the committee composed of Martha Bejar, Michael Roberts, and General Kevin Chilton, and formed by the Board in August 2017 to consider and respond to derivative demands.

jj. "Unknown Claims" means any Claims that any Party or any CenturyLink shareholder (claiming in the right of, or on behalf of, the Company) does not know or suspect to exist in his, her, or its favor at the time of the release of the Settling Shareholders' Released Claims and Defendants' Released Claims that, if known by him, her, or it might have affected his, her, or its settlement with and release of the Settling Shareholders' Released Claims and Defendants' Released Claims, or might have affected his, her, or its decision not to object to the Settlement. Unknown Claims include those Claims in which some or all of the facts comprising the Claim may be unsuspected, or even undisclosed

or hidden. With respect to any and all Settling Shareholders' Released Claims and Defendants' Released Claims, including Unknown Claims, the Parties stipulate and agree that, upon the Effective Date, they shall expressly waive, and every CenturyLink shareholder shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits of California Civil Code § 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Parties shall expressly waive, and every CenturyLink shareholder who is not a Defendant shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable or equivalent in effect to California Civil Code § 1542. The Parties may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Settling Shareholders' Released Claims or Defendants' Released Claims, but the Parties shall expressly have, and every CenturyLink shareholder shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Settling Shareholders' Released Claims and Defendants' Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, reckless, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Parties acknowledge, and every CenturyLink shareholder who is not a Defendant shall be deemed by operation of the Judgment to have acknowledged, that the foregoing

waivers were separately bargained for and a key element of the Settlement of which this release is a material and essential part.

## **REASONS FOR THE SETTLEMENT**

2. Settling Shareholders represent that they have thoroughly reviewed and analyzed the facts and circumstances relating to the claims asserted in the Actions, including reviewing and analyzing publicly available information, reviewing and analyzing the extensive productions in the related consumer and securities actions and the corporate books and records and other materials produced by the Special Litigation Committee, assessing applicable case law and other authorities, and conducting arms'-length discussions with Defendants' counsel. Settling Shareholders brought their claims in good faith and continue to believe they have legal merit. Settling Shareholders also recognize that there are legal and factual defenses to those claims and substantial risks to the successful resolution of any litigation, especially a complex shareholder derivative litigation such as the Actions. Given these risks and based on their evaluation of the claims, Settling Shareholders and Settling Shareholders' Counsel, who have considerable experience and expertise in shareholder litigation and are fully competent to assess the strengths and weaknesses of the claims and defenses asserted in the Actions, have determined that the Settlement, which confers substantial benefits upon CenturyLink and its shareholders, is fair, reasonable, and adequate, and in the best interests of CenturyLink and its shareholders. Settling Shareholders have agreed to settle, compromise, and release the claims asserted in the Actions pursuant to the Settlement, after considering (a) the substantial benefits, monetary consideration, and corporate governance measures provided by the Settlement; (b) the uncertain outcome, inherent delays, and significant risks of continued litigation; and (c) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation.

3. Defendants and Defendants' Releasees have denied and continue to deny each and every one of the claims alleged by the Settling Shareholders in the Actions. Defendants and Defendants' Releasees

expressly have denied and continue to deny all allegations of wrongdoing or liability against them or any of them arising out of, based upon, or related to any of the conduct, statements, acts or omissions that have been alleged, or that could have been alleged, in the Actions, and contend that many of the factual allegations in the Actions are untrue and materially inaccurate. Defendants and Defendants' Releasees have further asserted and continue to assert that, at all relevant times, they acted in good faith and in a manner they reasonably believed to be in the best interests of CenturyLink and its shareholders. However, Defendants and Defendants' Releasees also have taken into account the expense, uncertainty, and risks inherent in any litigation, especially in complex cases like the Actions. Therefore, Defendants have determined that it is desirable and beneficial that the Actions, and all of the Parties' disputes related thereto, be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. Pursuant to the terms set forth below, the Stipulation shall in no event be construed as or deemed to be evidence of an admission or concession by Defendants or Defendants' Releasees with respect to any claim of fault, liability, wrongdoing, or damage whatsoever.

### **TERMS OF THE SETTLEMENT**

4. The terms and conditions of the Settlement are set forth in detail in the Stipulation, which has been filed with the Federal Court. The Settlement is subject to and will become effective only upon approval by the Federal Court. This Notice includes only a summary of various terms of the Settlement, and it does not purport to be a comprehensive description of its terms, which are available for review as described.

5. **Monetary Consideration:** No later than twenty (20) business days after the Effective Date, the Individual Defendants shall pay or caused to be paid to CenturyLink the Cash Payment of two million dollars (\$2,000,000).

6. **Corporate Governance Measures:** Within sixty (60) days after the Effective Date, CenturyLink will adopt and implement the Reforms



described in Exhibit A to the Stipulation. The Parties agree that the measures set forth in Exhibit A confer substantial benefits on CenturyLink and its shareholders.

## **THE ORDER AND FINAL JUDGMENT**

7. If the Federal Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, and adequate, the Federal Court will enter an Order and Final Judgment, which will, among other things:

a. Determine that the form and manner of this Notice meets the requirements of Rule 23.1 of the Federal Rules of Civil Procedure, due process, and applicable law, is the best notice practicable under the circumstances, and constitutes due and sufficient notice to all Persons entitled thereto;

b. Determine that the terms and conditions of the Settlement, as set forth in the Stipulation, are fair, reasonable, and adequate;

c. Dismiss the Federal Derivative Actions with prejudice, including as against all Defendants without the award of any fees, costs, or expenses or the grant of further relief except for the payments contemplated by the Stipulation;

d. Fully, finally, and forever release the Released Claims against the respective Releasees, as more fully described in the Section below entitled "Releases";

e. Forever bar and enjoin Settling Shareholders, CenturyLink, and CenturyLink shareholders from commencing, instituting, prosecuting, or continuing to prosecute any of the Settling Shareholders' Released Claims against any of Defendants' Releasees, and forever bar and enjoin Defendants from commencing, instituting, prosecuting, or continuing to prosecute any of the Defendants' Released Claims against any of the Settling Shareholders Releasees; and

f. Award the Fee and Expense Amount, as determined by the Federal Court, to Lead Counsel and the Settling Shareholders' Counsel, and the Service Awards, as determined by the Federal Court, to Derivative Plaintiffs.

## **RELEASES**

8. Pursuant to the Stipulation, and in consideration of the benefits provided by the Settlement, the Order and Final Judgment is proposed to, among other things, provide for the full and complete dismissal of the Federal Derivative Actions with prejudice, including as against all Defendants on the merits without fees, costs, or expenses (except as provided in the Stipulation) and provide for the following releases:

a. As of the Effective Date, (i) the Settling Shareholders Releasees, (ii) CenturyLink, and (iii) CenturyLink shareholders to the extent they are acting or purporting to act derivatively on behalf of CenturyLink, shall each thereupon be deemed to have completely, fully, finally, and forever released, relinquished, settled, and discharged each and all of the Defendants' Releasees from and with respect to any and all of the Settling Shareholders' Released Claims (including the Unknown Claims), and will be forever barred and enjoined from commencing, instituting, or prosecuting any action or proceeding, in any forum, asserting any of the Settling Shareholders' Released Claims against any of Defendants' Releasees.

b. As of the Effective Date, the Defendants' Releasees, individually and collectively, shall thereupon be deemed to have completely, fully, finally, and forever released, relinquished, settled, and discharged the Settling Shareholders Releasees from and with respect to any and all Defendants' Released Claims, and will be forever barred and enjoined from commencing, instituting, or prosecuting any action or proceeding, in any forum, asserting any of the Defendants' Released Claims against any of the Settling Shareholders Releasees.

c. As of the Effective Date, the Parties shall be deemed bound by the

Stipulation and the Order and Final Judgment. The Order and Final Judgment, including, without limitation, the release of all Released Claims against all Releasees, shall have res judicata, collateral estoppel, and all other preclusive effects in all pending and future lawsuits, arbitrations, or other suits, actions, or proceedings involving any of the Released Plaintiff Parties or the Released Defendant Parties.

### **APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND SERVICE AWARDS**

9. Lead Counsel intends to petition the Federal Court for an award of attorneys' fees and expenses, on behalf of themselves and Settling Shareholders' Counsel, as full and final compensation for any of the benefits provided to CenturyLink and its shareholders from the Settlement, which petition shall be for an amount no greater than one million eight hundred fifty thousand dollars (\$1,850,000) ("Fee and Expense Amount"). Defendants agree that they shall take no position with respect to any Fee and Expense Amount so long as the total amount of fees and expenses sought by Lead Counsel does not exceed one million eight hundred fifty thousand dollars (\$1,850,000).

10. Any Fee and Expense Amount shall be determined by the Federal Court.

11. The Individual Defendants shall pay or cause their insurer(s) to pay the Fee and Expense Amount directly from the Individual Defendants' insurance policies to Lead Counsel within twenty (20) business days after the last to occur of (i) the date that the Federal Court enters an order approving the Fee and Expense Amount that becomes Final and any applicable time for appeal has expired; (ii) the Effective Date; and (iii) the date on which Lead Counsel provides sufficient written payment instructions and any Form W-9 or other reasonably required payment processing information to Defendants' Counsel.

12. No fees or expenses shall be paid to Lead Counsel before the Effective Date or in the absence of the Judgment that becomes Final and

includes, without limitation, providing for the releases set forth in Paragraphs 13–14 of the Stipulation.

13. Pursuant to the Stipulation, resolution of any Fee and Expense Amount is not a precondition to the Settlement or to the dismissal with prejudice of the Federal Derivative Actions or the State Derivative Actions. The Federal Court may consider and rule upon the fairness, reasonableness, and adequacy of the Settlement independently of any award of attorneys' fees and expenses. Any disapproval or modification of any Fee and Expense Amount by the Federal Court or on appeal shall not affect or delay the enforceability of the Stipulation, provide any of the Parties with the right to terminate the Settlement, impose any obligation on any Individual Defendant or CenturyLink, or subject them in any way to an increase in the amount paid by them or on their behalf in connection with the Settlement, or affect or delay the binding effect or finality of the Order and Final Judgment and the release of the Released Claims.

14. In light of the benefits Derivative Plaintiffs have achieved for CenturyLink and its shareholders, the Derivative Plaintiffs may request that the Federal Court approve Service Awards for each of them in an amount up to five thousand dollars (\$5,000), to which Defendants shall not object. Any Service Awards shall be determined by the Federal Court and funded from the Fee and Expense Amount.

15. Defendants and Defendants' Counsel shall have no responsibility for the allocation or distribution of the Fee and Expense Amount amongst Settling Shareholders' Counsel, or of any Service Awards amongst Derivative Plaintiffs.

16. If, after payment of attorneys' fees and expenses as provided in Paragraph 18 of the Stipulation, the attorneys' fees and expenses award is reversed, vacated, or reduced by final non-appealable order, Settling Shareholders' Counsel shall, within ten (10) business days after receiving from Defendants' counsel or from a court of appropriate jurisdiction notice of any reduction of the attorneys' fees and expenses award by

final non-appealable order, make appropriate refunds or repayments. Any refunds or repayments required as provided in the Stipulation shall be the several obligation of Settling Shareholders' Counsel, including their law partners and/or shareholders, to make appropriate refunds or repayments to the Individual Defendants' insurer(s). Each such Settling Shareholders' Counsel receiving an award of fees and expenses, as a condition of receiving such fees, expenses or award on behalf of itself and each partner and/or shareholder of it, agrees that: (a) such person or entity and its partners, shareholders, and/or members are subject to the jurisdiction of the Federal Court for the purpose of enforcing the provisions of this paragraph; and (b) are severally liable for the full amount of any fees, expenses and/or costs paid to them together with any interest earned thereon.

### **EFFECT OF DISAPPROVAL, CANCELLATION, OR TERMINATION**

17. As provided in the Stipulation, in the event that the Stipulation is not approved by the Federal Court, or the Settlement is terminated for any reason, including pursuant to Paragraph 28 of the Stipulation, Settling Shareholders and the Defendants shall be restored to their respective positions as of February 10, 2023, and all negotiations, proceedings, documents prepared and statements made in connection herewith shall be without prejudice to the Parties, shall not be deemed or construed to be an admission by any of the Parties of any act, matter, or proposition, and shall not be used in any manner for any purpose in any subsequent proceeding in the Actions in any other action or proceeding. In such event, the terms and provisions of the Stipulation, with the exception of Paragraphs 1(a)-1(II), 21, 27-30, 53 therein, shall have no further force and effect with respect to the Parties and shall not be used in the Actions, or in any other proceeding for any purpose, and any judgment or orders entered by the Federal Court in accordance with the terms of the Stipulation shall be treated as vacated, nunc pro tunc.

### **THE SETTLEMENT HEARING**

18. The Federal Court has scheduled a Settlement Hearing which shall be held on January 16, 2024, at 11:00 a.m., via Video Conference before Judge Michael J. Davis as described previously in this Notice.

19. The Federal Court may adjourn the Settlement Hearing or any adjournment thereof, including, without limitation, the consideration of any application for attorneys' fees and expenses, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof. The Federal Court may approve the Settlement at or after the Settlement Hearing according to the terms and conditions of the Stipulation, as it may be modified by the Parties, with or without further notice. Further, the Federal Court may render its judgment, and order the payment of attorneys' fees and expenses, all without further notice.

### **RIGHT TO APPEAR AND OBJECT AT SETTLEMENT HEARING**

20. Any record or beneficial shareholder of CenturyLink who objects to the Stipulation, the Settlement, the Order and Final Judgment to be entered in the Federal Derivative Actions, the Fee and Expense Amount, or who otherwise wishes to be heard, may appear in person or by his, her, their, or its attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that, except for good cause shown or as the Federal Court otherwise directs, no Person shall be heard and no papers, briefs, pleadings, or other documents submitted by any Person shall be considered by the Federal Court, unless that Person, at least twenty (20) calendar days prior to the Settlement Hearing, files an Objection with the Clerk of the Federal Court in writing and serves upon counsel listed below: (a) a written and signed notice of intention to appear that identifies their name, their address (or, if represented, the address of the Person's counsel), telephone number, the case name and number (In re: CenturyLink Sales Practices and Securities Litigation, No. 17-md-2795-MJD-JFD, 18-cv-2460, 18-cv-2833, 18-cv-2834, 18-cv-2835, 19-cv-263, 19-cv-284) and states all reasons for the Objection; (b) gives proof of current ownership of CenturyLink common stock, including the number of shares and

documentary evidence of when such stock ownership was acquired; (c) clearly identifies any and all evidence that would be presented at the Settlement Hearing in connection with such Objection, along with the names of any witness(es) they intend to call to testify at the Settlement Hearing and the subject(s) of their testimony; and (d) identifies any case, by name, court, and docket number, in which the shareholder, or his, her, or its attorney, has objected to a settlement in the last three years. Such filings must be served upon each of the following counsel at least twenty (20) calendar days prior to the Settlement Hearing, with a copy emailed to both Lead Counsel at [eagel@bespc.com](mailto:eagel@bespc.com) and Counsel for certain Defendants at [pgibbs@cooley.com](mailto:pgibbs@cooley.com) and [tboyd@winthrop.com](mailto:tboyd@winthrop.com).

Bragar Egel & Squire, P.C.  
Attn: Lawrence P. Egel, Esq.  
810 Seventh Avenue, Suite 620  
New York, New York 10019  
Email: [eagel@bespc.com](mailto:eagel@bespc.com)  
Attorney for Lead Plaintiff

Cooley LLP  
Attn: Patrick Gibbs, Esq.  
3175 Hanover Street  
Palo Alto, CA 94304  
Email: [pgibbs@cooley.com](mailto:pgibbs@cooley.com)

Winthrop & Weinstine, P.A.  
Attn: Thomas H. Boyd, Esq.  
Capella Tower, Suite 3500  
225 South Sixth Street  
Minneapolis, MN 55402  
Email: [tboyd@winthrop.com](mailto:tboyd@winthrop.com)  
*Attorneys for Nominal Defendant  
and Non-Special Litigation Committee  
Individual Defendants*

Counsel for the Parties are directed to promptly furnish each other with

copies of any and all objections that might come into their possession.

21. Unless the Federal Court otherwise directs, no Person shall be entitled to object to the approval of the Settlement, any judgment entered thereon, any award of attorneys' fees and expenses, or otherwise be heard, except by serving and filing a written objection and supporting papers and documents as described in Paragraph 20 above. Any Person who fails to object in the manner described above shall be deemed to have waived the right to object (including, without limitation, any right of appeal) and shall be forever barred from raising such objection in this or any other suit, action, or proceeding.

22. Any record or beneficial shareholder of CenturyLink who does not object to the Settlement or the request by Lead Plaintiff for an award of attorneys' fees and expenses or to any other matter stated above need not do anything.

#### **SCOPE OF THIS NOTICE AND FURTHER INFORMATION**

23. The foregoing description of the Settlement Hearing, the Actions, the terms and conditions of the proposed Settlement, and other matters described in this Notice are not comprehensive. Accordingly, CenturyLink shareholders and their attorneys are referred to the documents filed with the Federal Court in the Federal Derivative Actions, including, without limitation, the Stipulation, which are available for inspection during regular office hours at the Clerk's Office, United States District Court for the District of Minnesota, Diana E. Murphy United States Courthouse, 300 South Fourth Street - Suite 202, Minneapolis, MN 55415. Inquiries or comments about the Settlement may be directed to the attention of Lead Counsel as follows:

Bragar Egel & Squire, P.C.  
Attn: Lawrence P. Egel, Esq.  
810 Seventh Avenue, Suite 620  
New York, New York 10019



DO NOT CALL OR WRITE THE FEDERAL COURT, THE OFFICE OF THE CLERK OF THE FEDERAL COURT, DEFENDANTS, OR THEIR COUNSEL REGARDING THIS NOTICE.