

## How your plan account can be used to help you navigate COVID-19

The CenturyLink Dollars & Sense 401(k) Plan and CenturyLink Union 401(k) Plan (collectively, the “Plan”) is a valuable tool to help you save for your future. While we want to encourage you to make every effort to keep your money in the Plan, many of you are affected by the novel 2019 coronavirus pandemic in unexpected ways. As a result, we want to take this opportunity to review how you may seek financial assistance through the Plan by making changes to your Plan contributions, or obtaining a withdrawal, distribution or loan from the Plan.

We also want to tell you about changes to the distribution and loan provisions of the Plan specifically designed to help you during the coronavirus national emergency. These changes are allowed by the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), which became law on March 27, 2020. These changes become effective for the Plan on July 8, 2020.

Consider the Tax Implications. In determining which financial assistance to seek, if any, you may want to consider the differences between the tax, payment, and interest obligations associated with each option. If you have questions, please contact a financial, tax, or legal advisor. Fees for hardship distributions and Coronavirus-Related Distributions, as well as the loan initiation fees, have been waived for the period beginning April 3, 2020, through Sept. 30, 2020. After Sept. 30, 2020, these fees will resume as previously disclosed.

### Changing Your Contributions

If you are an eligible active employee, you can increase, decrease, or stop your contributions to the Plan at any time. To change your contributions to the Plan, sign on to your account through the Wells Fargo app and select **My Contributions** or at [wellsfargo.com](https://wellsfargo.com) and select **Actions & Investments** and then **My Contributions**.

### Withdrawals

If you are an eligible active employee, you can request a hardship withdrawal if you satisfy certain conditions. You also can request an in-service withdrawal from various components of your Plan account if you meet the applicable age requirement. Please review the Plan’s SPD for information about the criteria that you need to meet to request a hardship withdrawal or other in-service withdrawal. To view amounts available for withdrawal or check the status of your withdrawal, sign on to your account at [wellsfargo.com](https://wellsfargo.com) and select **Actions & Investments** and then **Withdrawals**.

### Distributions

You can request a distribution online if you are no longer employed with CenturyLink. To view amounts available for distribution, request a distribution, or check the status of your distribution, sign on to your account at [wellsfargo.com](https://wellsfargo.com) and select **Actions & Investments** and then **Withdrawals**.

### Special Plan Benefits for Participants who are Coronavirus Affected Individuals

The Plan has been amended to add two benefits that are available only to employees who are “**coronavirus affected individuals**”: (i) a special tax-favored coronavirus-related distribution and (ii) the ability to temporarily delay the repayment of a loan from the Plan and lengthen the time period over which to repay the loan. See below for more details about these benefits.

You are a “**coronavirus affected individual**” if:

- You, your spouse or your dependent is diagnosed with the virus SARS-CoV-2 or the coronavirus disease 2019 (“COVID-19”) by a test approved by the Centers for Disease Control and Prevention (the “CDC”), or
- You experience adverse financial consequences as a result of you, your spouse, or your household member (that is, someone who shares your principal residence)
  - being quarantined,

- being furloughed or laid off, or having work hours reduced due to virus SARS-CoV-2 or COVID-19,
- being unable to work due to lack of child care due to virus SARS-CoV-2 or COVID-19,
- closing or reducing hours of a business owned or operated by that person due to SARS-CoV-2 or COVID-19, or
- having a reduction in pay (or self-employment income) due to COVID-19,
- having a job offer rescinded or new job start date delayed due to COVID-19, or
- other factors as determined by the Secretary of Treasury.

The Plan Administrator reserves the right to require you to offer proof that you are (or were) a coronavirus affected individual. This request may be made either at the time of the special treatment is requested or at any later date.

### **Coronavirus-Related Loan Payment Pause (and Related Extension of Payment Due Date)**

If you are a “coronavirus affected individual” and you either (i) have an outstanding loan from the Plan or (ii) take a new loan from the Plan, you may request to suspend your loan repayments that are due through Dec. 31, 2020. The suspension of any loan repayment can be for up to one year (from the original loan repayment date).

To defer your loan payments due through Dec. 31, 2020, on existing loans, sign on to your account at **wellsfargo.com** and select **Loans** and then **Loan Summary**. You may also call the Retirement Service Center at **877-379-0118** to request a Coronavirus-Related loan payment pause (and related extension). Representatives are available Monday through Friday from 6 a.m. to 10 p.m. Central Time.

Important considerations:

- When you make this request, Wells Fargo will notify CenturyLink payroll to have your paycheck deductions stopped - but be certain to check your pay stubs to make sure the loan repayment deductions have stopped. Contact your payroll department representative for any payroll issues related to this suspension.
- Interest continues to accrue on the outstanding amount of the loan during the repayment suspension period. This interest accrual is added to the total amount of the loan.
- When your loan repayments resume, you will be given a new amortization schedule, which will reflect the additional interest accrued on the loan.
- The deadline for the final payment in full of the outstanding loan will be extended by a period of time equal to the length of the suspension, but not longer than one year from the original due date of the original loan.

### **Coronavirus-Related Distributions**

If you are a “coronavirus affected individual,” you can elect to receive one or more tax-favored coronavirus-related distributions (“CRDs”) up to an aggregate of \$100,000 (or, if less, your total vested account balance) from the Plan (and any other CenturyLink-sponsored defined contribution plan in which you may have an account) during calendar year 2020.

To view amounts available for CRDs or check the status of your distribution, sign on to your account at **wellsfargo.com** and select **Actions & Investments** and then **Withdrawals**. You may also call the Retirement Service Center at **877-379-0118** to request a Coronavirus-Related Distribution. Representatives are available Monday through Friday from 6 a.m. to 10 p.m. Central Time.

Consider some of the following aspects of the CRD:

- If you are younger than age 59½, the normally applicable 10% early withdrawal tax is waived. *Note:* Wells Fargo will follow IRS guidance when issuing Form 1099-R to you in January 2021 with the required coding. You can claim an exemption to the 10% early withdrawal tax pursuant to IRS guidance when you file your personal income tax return.

- The CRD amount will be subject to federal income tax, but you can elect to pay the tax ratably over three years.
  - For example, if you are a coronavirus affected individual and you elect a CRD of \$30,000, you can elect to include \$10,000 in your gross income in calendar years 2020, 2021 and 2022 (instead of owing tax on the entire \$30,000 in 2020).
- You may avoid having to pay any taxes on the CRD amount if you put the money back into your Plan account (or other eligible retirement plan) at any time during the three year period beginning on the distribution date.
- You will use IRS Form 8915-E to report the CRD and any repayments of it that you may make. Instructions about this form will be included in the 2020 Form 1040 instructions.
- The CRD is not subject to the normally applicable mandatory 20% withholding for federal taxes. Instead, you will be given the opportunity to elect to have 10% or some other percentage voluntarily withheld.
- Wells Fargo will process your CRD on a pro-rata basis from the contribution subaccounts and the funds in which your Plan account is invested. However, amounts invested through the Plan's brokerage option are excluded from the calculation of the amount available for a CRD. If you would like to take a CRD of amounts invested in the brokerage account, you first must reinvest these amounts into the Plan's core investment lineup.

Your elective deferrals under the Plan will not cease when you take a CRD. If you want to prospectively increase, decrease or stop your pre-tax and/or Roth after-tax contributions, see "Changing Your Contributions" above.

### **Beneficiary Designation**

You can add or update your beneficiary designation at any time. To update your beneficiary designation, sign on to your account at [wellsfargo.com](https://wellsfargo.com) and select **My Account** and then **My Profile** and **Manage Beneficiary**.

### **Contact the Retirement Service Center**

You can call the Retirement Service Center at **877-379-0118** to complete any of the requests outlined above. Representatives are available Monday through Friday from 6 a.m. to 10 p.m. Central Time.

### **This is a Summary of Material Changes to the Plan**

This notice is intended to serve as a "Summary of Material Modifications" ("SMM") pursuant to the requirements of Section 104 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Please keep this SMM with your copy of the Plan's summary plan description ("SPD") for future reference. This SMM summarizes only certain provisions of the Plan. If there is any conflict between the terms of the official Plan document and this SMM and/or the SPD, the terms of the Plan document will govern. The CenturyLink Employee Benefits Committee and its delegates, as the Plan Administrator, has reserved the right to interpret, supply omissions and resolve any ambiguities in the Plan or any document relating to the Plan.

**Right to Amend.** The CenturyLink Plan Design Committee, as CenturyLink's duly authorized delegate (the "PDC"), has reserved the right in its sole discretion, to change, modify, discontinue or terminate the Plan and/or any of the benefits under the Plan, with respect to all participant classes, retired or otherwise, and their beneficiaries at any time without prior notice or consultation, subject to applicable law, and the terms of the Plan document. The PDC may adopt, at any time, rules and procedures that it determines to be necessary or desirable with respect to the operation of the Plan.

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