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EXECUTION COPY

PURCHASE AGREEMENT

by and among

LUMEN TECHNOLOGIES, INC.

CENTURYTEL HOLDINGS ALABAMA, INC.

CENTURYTEL ARKANSAS HOLDINGS, INC.

CENTURYTEL HOLDINGS MISSOURI, INC.

CENTURYTEL OF THE NORTHWEST, INC.

and

CONNECT HOLDING LLC

Dated as of August 3, 2021

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LA Public Service Commission

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PURCHASE AGREEMENT

This PURCHASE AGREEMENT (this "Agreement"), dated as of August 3, 2021, is by and among (i) Lumen Technologies, Inc., a Louisiana corporation ("Lumen"), (ii) CenturyTel Holdings Alabama, Inc., an Alabama corporation, (iii) CenturyTel Arkansas Holdings, Inc., an Arkansas corporation, (iv) CenturyTel Holdings Missouri, Inc., a Missouri corporation, and (v) CenturyTel of the Northwest, Inc., a Washington corporation (collectively, "Sellers" and each a "Seller"), and (vi) Connect Holding LLC, a Delaware limited liability company ("Purchaser").

RECITALS

WHEREAS, on the Closing Date (as defined below), following the completion of certain transactions specified herein, Sellers will hold all of the issued and outstanding equity of the entities listed on Schedule I hereto (each of the entities listed on Schedule I hereinafter being referred to as an "Acquired Subsidiary," and collectively as the "Acquired Subsidiaries");

WHEREAS, pursuant to the terms and conditions of this Agreement, Sellers desire to sell and transfer, and Purchaser desires to purchase and acquire, the Transferred Equity Interests (as hereinafter defined); and

WHEREAS, concurrently with the execution of this Agreement, and as a condition and inducement to Sellers' willingness to enter into this Agreement, certain funds managed by affiliates of Apollo Global Management, Inc. (each, a "Guarantor", and together, the "Guarantors") are entering into a Guarantee with respect to certain obligations of Purchaser under this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and representations, warranties, covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1 DEFINITIONS

Section 1.1 Defined Terms. For the purposes of this Agreement, the following terms shall have the following meanings:

"Accounting Principles" shall mean the accounting practices, principles, policies, procedures and methodologies set forth on Schedule III.

"Acquired ILECs" shall mean any Acquired Subsidiary that is an "incumbent local exchange carrier" within the meaning of the Communications Act.

"Adjustment Amount" shall mean an amount equal to \$100,000,000.

"ADSP" has the meaning set forth in Section 6.1(d).

"Affiliate" shall mean, with respect to any Person, any other Person that directly, or through one or more intermediaries, Controls or is Controlled by or is under common Control with such Person; provided that, (A) from and after the Closing: (a) none of the Acquired Subsidiaries shall be considered an Affiliate of any Seller or any of Sellers' Affiliates; and (b) none of Sellers or any of Sellers' Affiliates shall be considered an Affiliate of any Acquired Subsidiary and (B) (other than for purposes of the definitions of "Nonparty", "Related Parties" and "Purchaser Related Parties", Sections 3.2(b) (Capitalization), Section 5.1(d) (in respect of indemnification in favor of Purchaser and its Affiliates), Section 5.5(c) (Confidentiality), clause (ii) of Section 5.6(e) (Required Actions), Section 5.19 (Public Announcements), Section 6.7 (Tax Indemnity), Section 10.8 (Successors and Assigns) and Section 10.15 (No Recourse)) in no event shall Purchaser be considered an Affiliate of Apollo Global Management, Inc. or any portfolio company or investment fund affiliated with Apollo Global Management, Inc. (which may, as applicable, include the Guarantors), nor shall Apollo Global Management, Inc. or any portfolio company or investment fund affiliated with Apollo Global Management, Inc. (which may, as applicable, include the Guarantors) be considered to be an Affiliate of Purchaser.

"Allocation" has the meaning set forth in Section 6.1(d).

"Alternative Proposal" means any inquiry, proposal or offer from any Person (other than Purchaser or any of its Affiliates) relating to any direct or indirect acquisition, in one transaction or a series of transactions, of (a) assets or businesses that constitute or represent 5% or more of the total revenue, net income or assets of the Business or (b) 5% or more of the outstanding equity interests in the Acquired Subsidiaries, in each case other than the transactions contemplated hereby.

"Ancillary Agreements" shall mean the Employee Matters Agreement, the Transition Services Agreement, the Network Services Agreement, the Colocation Agreement, and Master Services Agreement.

"Anti-Corruption Laws" means (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended, (b) UK Bribery Act 2010, (c) anti-bribery legislation promulgated by the European Union and implemented by its member states, (d) legislation adopted in furtherance of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and (e) similar anti-corruption Laws, legislation, or regulations applicable to the Acquired Subsidiaries or any other party to this Agreement.

"Assumed Benefit Agreement" shall mean any Benefit Agreement or any portion thereof, (a) that is contributed to, maintained or sponsored by any of the Acquired Subsidiaries, or (b) any assets or liabilities of which (i) Purchaser has explicitly agreed to assume pursuant to this Agreement or any Ancillary Agreement or (ii) will be transferred to Purchaser or its Affiliates under applicable Law as a result of the Transactions.

“Assumed Benefit Plan” shall mean any Benefit Plan or any portion thereof, (a) that is contributed to, maintained or sponsored by any of the Acquired Subsidiaries, or (b) any assets or liabilities of which (i) Purchaser has explicitly agreed to assume pursuant to this Agreement or (ii) will be transferred to Purchaser or its Affiliates under applicable Law as a result of the Transactions.

“Balance Sheet Date” shall mean December 31, 2020.

“Benefit Agreement” shall mean any employment, consulting, incentive compensation, bonus, deferred compensation, severance, change of control, retention, stock purchase, equity or equity-based compensation or similar agreement between any Acquired Subsidiary or any of its Affiliates, on the one hand, and any Service Provider, on the other hand.

“Benefit Plan” shall mean any “employee benefit plan” (as defined in Section 3(3) of ERISA (whether or not subject to ERISA)) and each other benefit or compensation, bonus, savings, pension, profit-sharing, retirement, deferred compensation, incentive compensation, stock ownership, equity or equity-based compensation, paid time off, perquisite, fringe benefit, vacation, change of control, severance, retention, salary continuation, disability, death benefit, hospitalization, medical, life insurance, welfare benefit or other plan, program, policy, arrangement or agreement sponsored, maintained or contributed to or required to be maintained or contributed to by the Acquired Subsidiaries or any of their respective Affiliates, in each case, providing benefits to any Service Provider or any of their respective dependents or with respect to which the Acquired Subsidiaries or any of their respective Affiliates has any liability, contingent or otherwise, but not including any Benefit Agreement.

“Business” shall mean the facilities-based incumbent local exchange business of Sellers and their Subsidiaries using the Transferred Infrastructure to provide Transferred Services within the Territory consistent with past practices as of the date hereof and immediately prior to implementing the Restructuring Transactions, and, at and after the Closing Date (after giving effect to the Restructuring Transactions), the facilities-based business of the Acquired Subsidiaries using the Transferred Infrastructure to provide Transferred Services within the Territory.

“Business Day” shall mean any day other than a Saturday, Sunday or a day on which banks in New York City are authorized or obligated by applicable Law or executive order to close.

“Business Employees” shall mean each employee of Sellers or any of their respective Affiliates who (a) is primarily assigned to or provides services primarily with respect to the Business as of the date hereof (such Business Employees are set forth on Section 3.15(d) of the Seller Disclosure Letter, as it may be amended from time to time in accordance with this Agreement or the Employee Matters Agreement) or (b) is assigned to or provides services with respect to the Business as of the date hereof and whose services are reasonably needed to support the Business in substantially the same manner as the Business is being operated by Sellers and its Subsidiaries as of the date hereof (Business Employees described in this clause (b) will be set forth on an update to Section 3.15(d) of the Seller Disclosure Letter within sixty (60) days following the date of this Agreement). Sellers shall update Section 3.15(d) of the Seller Disclosure Letter on a basis of every other month commencing on the 60th day after the date hereof, as further set forth on Schedule V attached hereto, and shall also provide an updated version of Section 3.15(d) of the Seller Disclosure Letter at Closing, in each case as set forth on Section 3.15(d) of the Seller Disclosure Letter.

"Business Employee Benefit Plan" shall mean any Assumed Benefit Plan or Assumed Benefit Agreement.

"Business Records" shall mean (a) all business records (or portions thereof) relating to the Business, (b) all personnel records to the extent related to the Business Employees, and (c) all of the separate financial statements, books of account and Tax records (including the separate Tax Returns of the Acquired Subsidiaries) or other financial and Tax records to the extent relating to the Business, the Acquired Subsidiaries, the assets of the Business or the Assumed Liabilities that do not form part of the general ledger of Sellers and in each case of this clause (c) that exist in stand-alone form, but excluding, in the case of subsection (a), above, any business records (or portions thereof) to the extent that (i) subject to Section 5.4(e), they are included in or primarily related to any Excluded Assets or Excluded Liabilities or any portion of Sellers' and their Subsidiaries' business not being transferred hereunder, (ii) any Law prohibits their transfer, or (iii) such records are not to be transferred as set forth in Section 5.4(e). For the avoidance of doubt, Business Records (1) shall include all customer records relating to Transferred Contracts, including the Customer Database, and (2) shall not include Combined Tax Returns.

"Business Vendor Contract" shall mean any Contract between any Seller, Affiliate of any Seller, or any Acquired Subsidiary and any third party pursuant to which such third party provides products or services primarily to the Business.

"CAFP" shall mean the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector or any successor Governmental Entity exercising similar functions.

"Capital Expenditures" shall mean capital expenses, as defined consistent with, and calculated in accordance with, GAAP consistent with past practices of Sellers and/or the Acquired Subsidiaries, incurred to acquire, maintain, or upgrade assets primarily used in connection with the Business.

"CARES Act" shall mean the Coronavirus Aid, Relief, and Economic Security Act of 2020, Pub. L. 116-136, and any administrative or other guidance published with respect thereto by any Governmental Entity.

"Cash" shall mean cash and cash equivalents, including readily marketable equity securities, deposits and wires, United States government guaranteed debt obligations, time deposits with, or insured certificates of deposit or bankers' acceptances of, any commercial bank, and commercial paper and variable or fixed rate notes, in each case to the extent convertible into cash within 90 days calculated on a consolidated basis and net of any outstanding checks.

"Change in Control Payments" shall mean the aggregate amount of all change of control, bonus, retention, termination, severance or other payments that are payable to any Business Employee or any other employee of the Sellers or any of their Subsidiaries as a result of or in connection with the consummation of the Transactions (including, for the avoidance of doubt, the Restructuring Transactions), together with any employer-paid portion of any employment and payroll Taxes related thereto, in all cases incurred prior to the Closing; provided, however, that in no event shall any bonus, termination, severance or other similar payments to any Business Employee pursuant to any agreement or arrangement adopted or entered into by Purchaser (or by the Acquired Subsidiaries at the written direction of Purchaser) after the date hereof or any so-called double trigger arrangement that is triggered by the termination of any Business Employee by the Purchaser following the consummation of the Closing be considered Change in Control Payments.

"Closing Cash" shall mean an amount equal to the aggregate amount of Cash of the Acquired Subsidiaries at the Reference Time. Closing Cash will be reduced by any Cash used between the Reference Time and the Closing to make any distributions to, or for the benefit of, any Seller or Affiliate of any Seller.

"Closing Indebtedness" shall mean Indebtedness as of immediately prior to the Closing.

"Closing Working Capital" shall mean the amount of Working Capital at the Reference Time. Schedule IV attached hereto sets forth an illustrative calculation of Closing Working Capital.

"Code" shall mean the U.S. Internal Revenue Code of 1986, as amended.

"Collective Bargaining Agreement" shall mean each collective bargaining or other labor union Contract or labor arrangement or similar agreement covering any Business Employee case, which is listed on Section 3.15(c) of the Seller Disclosure Letter.

"Communications Act" shall mean the Communications Act of 1934, as amended, and the rules, regulations, written policies and orders of the FCC thereunder.

"Communications Laws" shall mean: (a) the Communications Act and (b) the comparable statutes of the fifty states and the District of Columbia, and United States territories.

"Communications Permits" shall mean any Permits issued by the FCC or any other Governmental Entity required under the Communications Laws to conduct operations, including the Transferred Communications Licenses.

"Compliant" shall mean, with respect to the Required Financing Information, that (i) such Required Financing Information does not contain any untrue statement of a material fact regarding the Business or omit to state any material fact regarding the Business necessary in order to make such Required Financing Information not misleading under the circumstances, (ii) such Required Financing Information complies in all material respects with all applicable requirements of Regulation S-K and Regulation S-X under the Securities Act for a registered public offering of non-convertible debt securities on Form S-1 that would be applicable to such Required Financing Information (other than such provisions for which compliance is not customary in a Rule 144A offering of non-convertible debt securities), and (iii) the financial statements and other financial information included in such Required Financing Information would not be deemed stale or otherwise be unusable under customary practices for offerings and private placements of non-convertible debt securities under Rule 144A of the Securities Act and are sufficient to permit the Business's independent accountants to issue comfort letters to the Debt Financing Sources to the extent reasonably and customarily required as part of the Debt Financing, including as to customary negative assurances and change period, in order to consummate any offering of debt securities on any day during the Marketing Period (and such accountants have confirmed they are prepared to issue a comfort letter subject to their completion of customary procedures).

"Confidentiality Agreement" shall mean the Non-Disclosure Agreement, dated as of February 8, 2021, by and between Lumen (f/k/a CenturyLink, Inc.) and Apollo Management IX, L.P.

"Control" shall mean, as to any Person, the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise (and the terms "controlled by" and "under common control with" shall have correlative meanings).

"Covered List" shall mean a list maintained by the FCC of communications equipment and services that are deemed to pose an unacceptable risk to the national security of the United States or the security and safety of United States persons, pursuant to 47 CFR § 1.50002.

"Customer Database" shall mean all Transferred Customer databases, Transferred Customer lists, and historical records of Transferred Customers of the Business, including, as applicable and to the extent available to Sellers or the Acquired Subsidiaries in Ordinary Course of Business, the current address, service address, customer contact history, service history, payment history, information relating to services purchased and billing information.

"Current Assets" shall mean the sum of all accounts receivable, inventory, marketable securities, prepaid expenses, deposits and other current assets (including non-income Tax assets, but specifically excluding Cash, any Excluded Assets, any income Tax assets and deferred Tax assets), as determined in accordance with the Accounting Principles.

"Current Liabilities" shall mean the sum of all trade accounts payable, accrued liabilities, and other current liabilities (including non-income Tax liabilities (other than liabilities resulting from any deferral of Taxes under the CARES Act or any provision of applicable Law with similar effect or import)), but specifically excluding any Excluded Liabilities, income Tax liabilities and deferred Tax liabilities, as determined in accordance with the Accounting Principles.

"Debt Financing Parties" shall mean the Debt Financing Sources and their respective Affiliates and the former, current, or future general or limited partners, shareholders, managers, members, directors, officers, employees, agents, attorneys, advisors, and other representatives of each of the foregoing.

"Debt Financing Sources" shall mean the entities that have committed to provide or otherwise entered into agreements in connection with the Debt Financing, including the parties to the Debt Commitment Letters and any joinder agreements or credit agreements (including any definitive agreements) relating thereto and their respective successors and assigns.

"Domain Names" shall mean internet domain names and other computer identifiers.

"Embarq Federal Registration" shall mean U.S. Trademark Registration No. 3262958.

"Embarq Indenture" shall mean that certain Indenture, dated as of May 17, 2006, by and between Embarq Corporation and J.P. Morgan Trust Company, National Association, as trustee.

"Embarq Mark" shall mean all Trademarks owned by Sellers or any of Sellers' Affiliates as of the Closing that contain the term "Embarq," including without limitation, the Embarq Federal Registration, provided however, any expired, abandoned or cancelled registrations of the foregoing shall be excluded.

"Employee Matters Agreement" shall mean the Employee Matters Agreement, dated as of the date hereof, among the Sellers and the Purchaser.

"Enterprise Customer" shall mean any customer of Sellers or their Subsidiaries that is classified as an "enterprise" customer in Lumen's consolidated books and records used to externally report its consolidated segment results, determined in good faith, based on Lumen's allocation and adjustment procedures applied consistently with past practices in all material respects.

"Environmental Laws" shall mean any Law relating to pollution or protection of the environment, public health, human health and safety, and natural resources, including the use, handling, transportation, treatment, storage, disposal, Release, or discharge of Hazardous Substances.

"Equity Interests" of any Person shall mean, as applicable, any and all (a) of its shares of capital stock, membership interests or other equity interests or share capital, (b) warrants, Contracts or other rights or options directly or indirectly to subscribe for or to purchase any capital stock, membership interests or other equity interests or share capital of such Person, (c) securities or instruments exchangeable for or convertible or exercisable into any of the foregoing or with any profit participation features with respect to such Person, or (d) share appreciation rights, phantom share rights or other similar rights with respect to such Person or its business.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"Excluded Marks" shall mean any Trademark owned or used by any Sellers or any of their Affiliates (other than Business Intellectual Property), including those that are comprised of or that include one or more of the following elements: Lumen, CenturyLink, CenturyTel, Quantum Fiber, Level 3, Savvis, Qwest, Q, Q Fiber, tw telecom, United Telephone and Global Crossing.

"Ex-Im Laws" means all applicable Laws and regulations relating to export, re-export, transfer, or import controls (including the U.S. Export Administration Regulations administered by the U.S. Department of Commerce, and customs and import laws administered by U.S. Customs and Border Protection).

"FCC" shall mean the Federal Communications Commission or any successor Governmental Entity exercising similar functions.

"Final Closing Date Amount" shall mean an amount equal to:

- (a) the Purchase Price; minus
- (b) the One-Time Costs; minus
- (c) the Adjustment Amount; minus
- (d) the OPEB Amount; plus
- (e) Closing Cash; plus
- (f) Closing Working Capital; minus
- (g) Target Working Capital; minus
- (h) Closing Indebtedness.

"Franchise" shall mean each franchise, as such term is defined in the 47 U.S.C. § 522, granted by a Governmental Entity authorizing the construction, upgrade, maintenance and operation of any part of any System.

"Fraud" shall mean, with respect to Purchaser or Sellers, actual and intentional fraud with respect to the making of the representations and warranties pursuant to Article 3 or Article 4 (as applicable).

"GAAP" shall mean generally accepted accounting principles in the United States.

"Governmental Entity" shall mean any national, supra-national (including the European Union), foreign, domestic, federal, territorial, state, or local governmental entity, authority, court, tribunal, judicial or arbitral body, commission, board, bureau, or agency, or any regulatory or administrative department, subdivision, branch or committee of any of the foregoing.

"Hazardous Substances" shall mean any petroleum or petroleum distillate or by-product, any radioactive material, asbestos-containing materials, per- and polyfluoroalkyl substances, or any other chemical, material or substance defined, classified or regulated under Environmental Law as "hazardous" or "toxic", or as an environmental "contaminant" or "pollutant", or words of similar meaning and regulatory effect.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

"Indebtedness" shall mean, as of any particular date, without duplication, the sum of: (a) all obligations of the Acquired Subsidiaries for any indebtedness for borrowed money; (b) all obligations of any Acquired Subsidiary evidenced by bonds, notes or debentures; (c) all obligations of the Acquired Subsidiaries for deferred and unpaid purchase price of any assets, property, securities or services, including all earn-outs or deferred consideration, conditional sale agreements or other title retention agreements, seller notes, and other similar payments (whether contingent or otherwise, excluding trade payables in the Ordinary Course of Business to the extent captured in Working Capital); (d) all obligations of the Acquired Subsidiaries in respect of any long-term customer deposits; (e) all obligations of the Acquired Subsidiaries in respect of letters of credit, surety bonds, bank guarantees or similar facilities, but only to the extent drawn upon by the counterparty thereto or required to be replaced, backstopped or cash collateralized in connection with the Transactions contemplated by this Agreement; (f) any obligation of the Acquired Subsidiaries for a lease classified as a finance lease and assumed by Purchaser; (g) all accrued but unpaid income Taxes of the Acquired Subsidiaries with respect to Pre-Closing Tax Periods (which, for the avoidance of doubt, shall (x) be net of any income Taxes paid with respect to such periods, (y) in no event be less than zero and (z) not include any noncurrent or deferred income Tax liabilities or amounts accrued under Accounting Codification Standards 450 or 740 or any prior GAAP guidance under FASB Interpretation No. 48); (h) all obligations of the Acquired Subsidiaries under interest rate swap, forward contract, currency or other hedging arrangements; (i) any obligation secured by a Lien on any property of the Acquired Subsidiaries (unless such Lien is a Permitted Lien); (j) any obligations, whether accrued, pertaining to pre-closing headcount reductions, pre-closing lease footprint reductions, or any other pre-closing business restructuring activities of the Acquired Subsidiaries; (k)

declared and unpaid dividends or distributions and the amounts of any other obligations of the Acquired Subsidiaries to any Seller Related Parties, including all obligations of the Acquired Subsidiaries in respect of any intercompany indebtedness, accounts or balances not settled or extinguished pursuant to Section 5.2; (l) any amounts borrowed by an Acquired Subsidiary under the CARES Act or any provision of applicable Law with similar effect or import, to the extent such amounts are unforgiven; (m) all obligations of the Acquired Subsidiaries for deferred payroll taxes under the CARES Act or any provision of applicable Law with similar effect or import; (n) all accrued or unpaid interest and premiums, penalties, make-whole payments, prepayment penalties, breakage costs, commitment and other fees, in respect of obligations of the type referred to in clauses (a) through (m) of the Acquired Subsidiaries; (o) without duplication all guarantees of the Acquired Subsidiaries of obligations of the type referred to in clauses (a) through (n) of the indebtedness or obligations of other Persons; provided, however, that Indebtedness shall not include (i) any intercompany indebtedness owing by one wholly-owned Acquired Subsidiary to another wholly-owned Acquired Subsidiary, (ii) any liability or obligation to the extent taken into account in the calculation of Closing Working Capital, and (iii) any obligations associated with leases classified as operating leases in the Unaudited Historical Financial Statements.

“Independent Expert” shall an internationally recognized independent public accounting firm or a neutral and impartial certified public accountant with significant arbitration experience related to purchase price adjustment disputes with respect to transactions similar to the transactions contemplated by this Agreement agreed upon by Purchaser and Sellers in writing (such agreement not to be unreasonably withheld, conditioned or delayed).

“Information Privacy Laws” shall mean all Laws concerning the receipt, collection, use, storage, processing, sharing, security, privacy, disclosure, sale, license, transfer or breach notification of any Personal Information.

“Initial Closing Date Amount” shall mean an amount equal to:

- (a) the Purchase Price; minus
- (b) the One-Time Costs; minus
- (c) the Adjustment Amount; minus
- (d) the OPEB Amount; plus
- (e) Estimated Closing Cash; plus
- (f) Estimated Closing Working Capital; minus
- (g) Target Working Capital; minus
- (h) Estimated Closing Indebtedness.

"Intellectual Property" shall mean the following: (a) patents and patent applications, inventions, utility models and industrial designs, and all applications and issuances therefor, together with all reissuances, divisions, renewals, revisions, extensions, reexaminations, provisionals, continuations and continuations-in-part with respect thereto; (b) Trademarks, together with the goodwill associated with any of the foregoing, and all applications, registrations and renewals therefor; (c) Domain Names; (d) copyrights, applications and registrations therefor; (e) Software; and (f) trade secrets, know-how, inventions, processes, procedures, databases, confidential business information and other proprietary information and rights.

"IT Assets" shall mean all Systems, platforms, information technology equipment, facilities, websites, infrastructure, workstations, switches, data communications lines and associated documentation used or held for use by Sellers or the Acquired Subsidiaries in connection with the conduct of the Business.

"Knowledge" shall mean (a) with respect to Sellers, the actual knowledge of the persons listed in Section 1.1(b) of the Seller Disclosure Letter, after reasonable due inquiry and (b) with respect to Purchaser, the actual knowledge of the persons listed in Section 1.1(a) of the Purchaser Disclosure Letter, after reasonable due inquiry.

"Labor Laws" shall mean all federal, state, local and foreign Laws regarding labor, employment and employment practices, including but not limited to all Laws relating to: (a) the hiring, promotion, assignment and termination of employees (including, but not limited to, timing and usage of employment applications, drug testing and pre-employment testing); (b) discrimination; (c) harassment; (d) retaliation; (e) equal employment opportunities; (f) disability; (g) labor relations; (h) wages and hours; (i) the Fair Labor Standards Act of 1938 and applicable state and local wage and hour Laws; (j) hours of work; (k) payment of wages (including, but not limited to, the timing of payments, recordkeeping and reporting of wages to employees); (l) immigration; (m) workers' compensation; (n) employee benefits; (o) background and credit checks; (p) working conditions; (q) occupational safety and health; (r) family and medical leave; (s) sick, family or personal leaves, paid or unpaid; (t) classification of employees; (u) unfair competition/noncompetition; and (v) any bargaining or other obligations under the National Labor Relations Act, in each case, including, but not limited to, the Labor Management Relations Act, the Fair Credit Reporting Act, the Occupational Safety and Health Act, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Family and Medical Leave Act, the Equal Pay Act, the Rehabilitation Act, ERISA, the Health Insurance Portability and Accountability Act of 1996, the Uniform Services Employment and Reemployment Rights Act, the Genetic Information Nondiscrimination Act, 42 U.S.C. §§ 1981, 1983, 1985, and 1986, the Sarbanes-Oxley Act, the Immigration Reform and Control Act, the Dodd-Frank Act, the WARN Act and the Patient Protection and Affordable Care Act.

"Law" shall mean any federal, state, local, or foreign law (including common law), statute, treaty, regulation, ordinance, rule, code, decree, or Order enacted, issued, enforced, or entered by any Governmental Entity.

"Leave of Absence" shall mean an active Business Employee's temporary leave from employment that is expected to continue following the Closing and that (a) was granted in accordance with the applicable policies and procedures (including any policy or procedure implemented to comply with the United States Uniformed Services Employment and Reemployment Rights Act, any Family Medical Leave Act, similar laws or Collective Bargaining Agreements) of the Sellers or an Acquired Subsidiary or (b) arose due to an illness or injury that results in the employee being eligible for short-term disability benefits, accident benefits, or workers' compensation under the applicable Sellers short-term disability or accident plan or state Law. For the avoidance of doubt, Business Employees who are not at work on the Closing Date due to (i) sickness or accident that does not qualify such employee for short-term disability or accident benefits or workers' compensation, (ii) vacation, (iii) jury or civic duty, or (iv) other temporary absences are considered actively at work and not on a Leave of Absence.

"Level 3 Subsidiaries" shall mean Level 3 Parent, LLC and all of its Subsidiaries.

"Liability" shall mean all indebtedness, obligations, guarantees, commitments, and other liabilities (or claims or contingencies that have not yet become liabilities), whether absolute, accrued, matured, contingent (or based upon any contingency), known or unknown, fixed or otherwise, or whether due or to become due, including any fines, penalties, losses, costs, Taxes, interest, charges, expenses, damages, assessments, deficiencies, claims, demands, judgments, awards or settlements, whenever or however arising.

"Liens" shall mean any mortgages, deeds of trust, liens, security interests, charges, pledges, options, restrictions on transfer, easements, rights-of-way, title defects or similar encumbrances of any kind.

"Lumen" shall mean Lumen Technologies, Inc.

"Marketing Period" shall mean the first period of 15 consecutive Business Days commencing after the date on which Sellers have delivered to Purchaser the Required Financing Information and throughout and at the end of which (a) the Purchaser has the Required Financing Information that is Compliant, (b) the conditions set forth in Section 7.1 and Section 7.2 shall be satisfied (other than those conditions which by their terms or nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permitted by applicable Law, waiver of such conditions) and (c) nothing shall have occurred and no condition shall exist that would cause any of the conditions set forth in Section 7.1 and Section 7.2 to fail to be satisfied (other than those conditions which by their terms or nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permitted by applicable Law, waiver of such conditions) assuming the Closing were to be scheduled for any time during such 15 consecutive Business Day period provided, that (i) if the Marketing Period has not ended on or prior to August 20, 2021, the Marketing Period shall not commence earlier than September 8, 2021, (ii) if the Marketing Period has not ended on or prior to December 23, 2021, the Marketing Period shall not commence earlier than January 4, 2022, (iii) if the Marketing Period has not ended on or prior to August 19, 2022, the Marketing Period shall not commence earlier

than September 7, 2022, (iv) if the Marketing Period has not ended on or prior to December 23, 2022, the Marketing Period shall not commence earlier than January 3, 2023 and (v) November 24, 2021, November 25, 2021, November 26, 2021, July 4, 2022, November 24, 2022 and November 25, 2022 shall not constitute Business Days for purposes of calculation of such 15 consecutive Business Day period (*provided*, however, that such exclusion shall not restart such period). Notwithstanding the foregoing, (A) the Marketing Period will end on any earlier date on which the Debt Financing is closed and (B) the Marketing Period will not commence or be deemed to have commenced if, after the date of this Agreement and prior to the completion of the 15 consecutive Business Day period referenced herein, (1) any Seller's or the Business's independent accountants has withdrawn in writing any audit opinion with respect to any audited financial statements contained in or that includes any Required Financing Information, in which case the Marketing Period shall not commence or be deemed to commence unless and until a new unqualified audit opinion is issued with respect to such financial statements by such independent accountant or another "Big Four" or other nationally recognized independent public accounting firm or other public accounting firm reasonably acceptable to Purchaser, (2) Sellers or the Business have publicly announced (x) their intention to, or determine that they must, restate any historical financial statements or other financial information that comprises a portion of, or contains, the Required Financing Information, or (y) any such restatement is under active consideration by Sellers, in which case the Marketing Period shall not commence or be deemed to commence unless and until, at the earliest, such restatement has been completed and the applicable Required Financing Information has been amended and updated or Sellers have announced and informed Purchaser that they have concluded that no such restatement will be required in accordance with GAAP, or (3) any Required Financing Information would not be Compliant at any time during such 15 consecutive Business Day period (it being understood and agreed that if any Required Financing Information provided at the commencement of the Marketing Period ceases to be Compliant during such 15 consecutive Business Day period, then the Marketing Period will be deemed not to have occurred) or otherwise does not include all of the Required Financing Information.

"Mass Market Customer" shall mean any customer of Sellers or their Subsidiaries that is classified as a "mass market" customer in Lumen's consolidated books and records used to externally report its consolidated segment results, determined in good faith, based on Lumen's allocation and adjustment procedures applied consistently with past practices in all material respects.

"Master Agreement" shall mean any Contract with a customer of a Seller or any of its Affiliates, in each case to which a Seller or any of its Affiliates is a party, and in each case which provides for such customers to receive one or more Transferred Services that are provided by the Business as well as one or more products or services that are provided by the Retained Business.

“Material Adverse Effect” shall mean any event, change, development, circumstance or effect that, individually or in the aggregate, (i) has had or would reasonably be expected to have a material adverse effect on the business, operations, condition (financial or otherwise), results of operations, assets or liabilities of the Business or (ii) has or present a material impairment of, or material delay beyond the Outside Date in, Sellers’ ability to consummate the Transactions; provided, however, that (I) for purposes of the foregoing clause (i) and (II) solely with respect to the following clauses (f), (g) and (l), for purposes of the foregoing clause (ii), no such event, change, development, circumstance or effect to the extent resulting from or arising out of any of the following shall, alone or in combination, be deemed to constitute, or be taken into account in determining whether there has been, any such material adverse effect: (a) any change in applicable Law, GAAP or any applicable accounting standards or any change in the enforcement of any of the foregoing, in each case after the date of this Agreement; (b) general economic, political, social, regulatory or business conditions or changes therein (including the commencement, continuation or escalation of war, terrorism, armed hostilities or national or international calamity) or the conditions of any credit, financial or capital markets; (c) financial, credit and capital markets conditions, including interest rates, and any changes therein; (d) currency exchange rates, and any changes therein; (e) any change generally affecting the industry in which the Business operates, including, for the avoidance of doubt, the continued decline in landline or traditional residential communications services; (f) the announcement of the entry into this Agreement, the identity of Purchaser, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, distributors, partners, employees or Governmental Entities (provided that this clause (f) shall not apply to the representations and warranties set forth in Section 3.4); (g) the compliance with the express terms of this Agreement or the taking of any action required by, or in accordance with, this Agreement (provided that this clause (g) shall not apply to Sellers’ compliance with Section 5.7 (or any action taken by any Seller or Acquired Subsidiary in connection therewith)), (h) any act of God, weather-related event, natural disaster, epidemic, pandemic (including the COVID-19 pandemic), outbreak, force majeure event or other similar event; (i) any act of terrorism or change in geopolitical conditions; (j) any failure of the Business, as the case may be, to meet any projections, forecasts, estimates, budgets, milestones or financial or operational targets, metrics or predictions (provided that this clause (j) shall not prevent a determination that any event, change, development, circumstance or effect underlying such failure to meet projections or forecasts has resulted in a Material Adverse Effect (to the extent such event, change, development, circumstance or effect is not otherwise excluded from this definition of Material Adverse Effect)); (k) changes or prospective changes in credit ratings of any Sellers or the Acquired Subsidiaries (provided that this clause (k) shall not prevent a determination that any event, change, development, circumstance or effect underlying such change or prospective changes in such credit ratings has resulted in a Material Adverse Effect (to the extent such event, change, development, circumstance or effect is not otherwise excluded from this definition of Material Adverse Effect)); or (l) any action taken after the date of this Agreement at the written request of Purchaser (other than compliance with the terms hereof); provided that the exceptions in clauses (a), (b), (c), (d), (e), (h) and (i) above shall not apply to the extent such circumstance, development, effect, change, event, occurrence or state of facts has a disproportionate impact on the Business relative to other participants in the industry in which the Business operates (in which case the incremental disproportionate impact or impacts may be taken into account in determining whether there has been, or would reasonably be expected to be, a Material Adverse Effect).

"One-Time Costs" shall mean an amount equal to \$89,500,000.

"OPEB Liabilities" shall mean the Liabilities associated with obligations to provide active Business Employees as of the Closing Date and their dependents with retiree medical, life insurance and other post-employment benefits (excluding pension benefits), determined as of the Closing.

"OPEB Amount" shall mean the cost of the OPEB Liabilities determined based on plan provisions for active Business Employees and their dependents and assumptions selected by Sellers for purposes of December 31, 2021 U.S. GAAP financial reporting (ASC 715-60 assumptions), but with the discount rate updated as of Closing. As of December 31, 2020, the OPEB Amount was estimated to be \$55,600,000 million, and such amount shall be adjusted based on the preceding sentence in satisfaction of the OPEB Liabilities.

"Order" shall mean any outstanding order, judgment, ruling, settlement, writ, injunction, stipulation, award, decree or other legally enforceable requirements issued, enforced, or entered by a Governmental Entity.

"Ordinary Course of Business" shall mean actions taken by or on behalf of a Seller or an Acquired Subsidiary that are consistent with the past usual day-to-day customs and practices of such Seller or Acquired Subsidiary in the ordinary course of operations of the Business; provided, however, that actions or inactions that a Seller or an Acquired Subsidiary or any of their respective representatives reasonably and in good faith believed were necessary or appropriate to protect the employees of the Sellers or the Acquired Subsidiaries or their respective customers from the COVID-19 pandemic, or to comply with applicable Law, order, proclamation, directive, guidelines or recommendations of any Governmental Entity issued in response to the COVID-19 pandemic shall be considered to have been taken in the Ordinary Course of Business.

"Organizational Documents" shall mean, with respect to any Person, as applicable, such Person's (a) certificate or articles of organization, formation or incorporation, or memorandum, (b) bylaws, articles of association, operating agreement or partnership agreement, (c) stockholder or equity-holder agreement, and (d) all other constitutive or organizational documents of such Person which address matters relating to the governance of such Person similar to the matters addressed by the documents referred to in the foregoing clauses (a) through (c).

"Permitted Liens" shall mean: (a) mechanics', carriers', workmen's, repairmen's, warehousemen's, materialmen's or other like Liens arising or incurred in the Ordinary Course of Business relating to obligations as to which there is no default on the part of the Business or the Acquired Subsidiaries; (b) Liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the Ordinary Course of Business; (c) Liens for Taxes, assessments or other similar

governmental charges or levies that are not due or payable and for which adequate reserves have been established on the Unaudited Historical Financial Statements; (d) defects, imperfections of title or encumbrances that, in each case, are non-monetary and do not materially interfere with the value, or the current or ordinary use by the Business, of the affected property; (e) leases, subleases and similar agreements with respect to the Leased Real Property pursuant to which any of the Acquired Subsidiaries or their respective Subsidiaries leases, subleases or occupies the same as tenant, subtenant or occupant, as applicable; (f) Liens listed in schedules to the applicable title insurance policies relating to Owned Real Property that are non-monetary and would not reasonably be expected to interfere with the value, or the current or ordinary use by the Business, of the affected property; (g) any conditions that would be shown by a current, accurate survey of any Leased Real Property or Owned Real Property and would not reasonably be expected to materially interfere with the value, or the current or ordinary use by the Business, of the affected property; (h) zoning, building and other similar restrictions imposed by Governmental Entities which are not violated by the conduct of the Business as conducted as of the date of this Agreement; (i) Liens that have been placed by any developer, landlord or other third party on property owned by third parties over which any of the Acquired Subsidiaries or their respective Subsidiaries has easement rights and subordination or similar agreements relating thereto, in each case, not, individually or in the aggregate, materially interfering with the value or current use by the Business of the affected property; (j) Liens imposed by applicable workers' compensation, unemployment insurance or other types of social security Laws; (k) Liens not created by Sellers or any of their Subsidiaries that affect the underlying fee interest of any Leased Real Property not, individually or in the aggregate, materially interfering with the ordinary conduct of the Business as a whole; (l) non-exclusive licenses or other rights granted to customers of the Business to Intellectual Property in the Ordinary Course of Business; and (n) restrictions on transfer under applicable securities Laws.

"Person" shall mean an individual, partnership (general or limited), corporation, limited liability company, joint venture, association or other form of business organization (whether or not regarded as a legal entity under applicable Law), trust or other entity or organization, including a Governmental Entity or works council.

"Personal Information" shall mean any individually identifiable information (or information that, in combination with other information, could reasonably allow the identification of an individual or household, or could reasonably be linked, directly or indirectly, to an individual or household), including demographic, health, behavioral, biometric, financial, nonpublic, and geolocation information, IP addresses, network and hardware identifiers, employee information, and any other individually identifiable information that is protected under any applicable Information Privacy Law, or which any Seller is required to safeguard under any of its contractual obligations.

"Personal Property" shall mean all of the machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, spare parts and other tangible personal property which is owned, used or leased by the Acquired Subsidiaries and used in the conduct or the operations of the Business, but excluding any Excluded Assets.

“Pre-Closing Tax Period” shall mean any taxable period ending on or prior to the Closing Date.

“Proceeding” shall mean any claim, suit, action, hearing, litigation, administrative charge, investigation, arbitration or other material proceeding (whether civil, criminal, administrative, or investigative).

“Purchase Orders” shall mean outstanding purchase orders exclusively relating to the Business under any Transferred Customer Contract.

“Reference Time” shall mean 10:59 p.m. (Central Standard Time) on the day immediately preceding the Closing Date.

“Release” shall mean disposing, discharging, injecting, spilling, leaking, leaching, dumping, pumping, pouring, emitting, escaping, emptying, seeping, placing, migration and the like, into or upon any land or water or air, or otherwise entering into the environment.

“Required Financing Information” shall mean (a) all financial statements, financial data, audit reports and other information regarding the Business of the type and form that would be required by Regulation S-X promulgated by the SEC and Regulation S-K promulgated by the SEC for a registered public offering of non-convertible debt securities on a registration statement on Form S-1 under the Securities Act of the Business to consummate the offering(s) of high yield debt securities contemplated by the Debt Commitment Letter, assuming that such offering(s) were consummated at the same time during the Business’s fiscal year as such offering(s) of debt securities will be made (including all audited financial statements (which, for the avoidance of doubt, will only include audited financial statements for the years ended December 31, 2019 and 2020 unless the Marketing Period ends after February 11, 2022) and quarterly unaudited financial statements (which will have been reviewed by the Business’ independent accountants as provided in Statement on Auditing Standards 100)); and (b) such financial data, audit reports, other financial and other information regarding the Business (i) as may be reasonably requested by Purchaser (or the Lenders) to the extent that such information is required in connection with the Debt Commitment Letter or of the type and form customarily included in an offering memorandum for private placements of non-convertible high-yield bonds pursuant to Rule 144A promulgated under the Securities Act or (ii) as otherwise necessary to receive from the Business’s independent accountants (and any other accountant to the extent that financial statements audited or reviewed by such accountants are or would be included in such offering memorandum), customary “comfort” (including “negative assurance” comfort and change period comfort), together with drafts of customary comfort letters that such independent public accountants are prepared to deliver upon the “pricing” of any high-yield bonds being issued in connection with the Debt Financing, with respect to the financial information to be included in such offering memorandum. Notwithstanding anything to the contrary in clauses (a) and (b), nothing will require the Sellers to provide (or be deemed to require the Sellers to prepare) any (1) pro forma financial statements, (2) projections, (3) description of all or any portion of the Debt Financing, including any “description of

notes”, (4) risk factors relating to all or any component of the Debt Financing or (5) other information required by Rule 3-10 or Rule 3-16 of Regulation S-X, any Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K or any other information customarily excluded from an offering memorandum for private placements of non-convertible debt securities pursuant to Rule 144A.

“Required Regulatory Approvals” shall mean those orders, decisions, approvals, sanctions, rulings, Consents, exemptions, clearances, written confirmations of no intention to initiate legal Proceedings and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of, or registrations, declarations, notices or filings required to be made to or with, Governmental Entities set forth on Schedule II in respect of the Transactions contemplated herein.

“Restructuring Transactions” shall mean the transactions contemplated by Section 5.1 (including those listed in Section 5.1(a)) of the Seller Disclosure Letter), and Section 5.2.

“Retained Business” shall mean all business of Sellers and their Subsidiaries other than the Business, including (a) providing any products or services anywhere in the world that are not Transferred Services, (b) providing any products or services (including Transferred Services) to any customers that are not Transferred Customers, and (c) providing any new products or services not provided by Lumen or its Subsidiaries on the date hereof.

“Retained Business Confidential Information” shall mean information, knowledge and data relating to the businesses of Lumen and its Affiliates, in each case other than to the extent it is related to the Business, the Acquired Subsidiaries, the Transferred Assets or the Assumed Liabilities.

“Retained Subsidiaries” shall mean, as of any particular date, the Subsidiaries of Lumen, excluding the Acquired Subsidiaries.

“R&W Policy” shall mean the buyer-side representation and warranty insurance policy as may be issued to Purchaser in connection with this Agreement.

“Sanctioned Person” means at any time any aircraft, vessel, or Person: (a) listed on any Sanctions-related list of designated or blocked persons; (b) the government of, resident in, or organized under the Laws of a country or territory that is the subject of comprehensive restrictive Sanctions (meaning, as of the date of this Agreement, Cuba, Iran, North Korea, Syria, and the Crimea region of Ukraine); or (c) 50%-owned or controlled by any of the foregoing.

“Sanctions” means those trade, economic and financial sanctions laws, regulations, embargoes, and restrictive measures (in each case having the force of Law) administered, enacted, or enforced from time to time by (a) the United States (including without limitation the Department of Treasury, Office of Foreign Assets Control), (b) the European Union and its member states, (c) the United Nations, (d) the United Kingdom (including without limitation Her Majesty’s Treasury), and (e) any other applicable Governmental Entity including without limitation a Governmental Entity having jurisdiction over the Acquired Subsidiaries or another party to this Agreement.

“SEC” shall mean the United States Securities and Exchange Commission.

“Securities Act” shall mean the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Section 338 Forms” has the meaning set forth in Section 6.1(b).

“Section 338(h)(10) Elections” has the meaning set forth in Section 6.1(a).

“Seller Disclosure Letter” shall mean the disclosure letter dated as of the date of this Agreement and delivered by Sellers to Purchaser prior to the execution hereof.

“Seller Intellectual Property” shall mean the Intellectual Property that is (a) owned or controlled by Sellers or any of their Affiliates (other than the Acquired Subsidiaries or the Level 3 Subsidiaries) as of immediately following the Closing and (b) used or held for use in connection with the operation of the Business as conducted as of the Closing Date, but excluding Excluded Marks and Domain Names.

“Service Provider” shall mean any employee, officer, or director of any Acquired Subsidiary or any individual who is otherwise a Business Employee.

“Shared Customer Contracts” shall mean Contracts with customers of Sellers or any of their Subsidiaries, in each case to which Sellers or any of their Subsidiaries is a party, and in each case which provide for such customers to receive Transferred Services as well as one or more products or services that are provided by the Retained Business.

“Shared Vendor Contracts” shall mean Contracts with vendors of Sellers or any of their Subsidiaries, in each case to which Sellers or any of their Subsidiaries is a party, and in each case which provide for such vendors to sell products or services to the Business as well as one or more products or services to the Retained Business.

“Software” shall mean all computer software programs, including application software, system software, firmware, middleware and mobile digital applications, and all versions, upgrades, updates, enhancements and error corrections of the foregoing, and all code, human-readable code, source code, and documentation related thereto, in any and all forms and media.

“Solvent” when used with respect to any Person, shall mean that, as of any date of determination, (a) the fair value of the assets of such Person and its subsidiaries on a consolidated basis, at a fair valuation, will exceed the debts and liabilities, direct, subordinated, contingent or otherwise, of such Person and its subsidiaries on a consolidated basis, (b) the present fair saleable value of the property of such Person and its subsidiaries on a consolidated basis will be greater than the amount that will be

required to pay the probable liability of such Person and its subsidiaries on a consolidated basis on their debts and other liabilities, direct, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured, (c) such Person and its subsidiaries on a consolidated basis will be able to pay their debts and liabilities, direct, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured, and (d) such Person and its subsidiaries on a consolidated basis will not have unreasonably small capital with which to conduct the businesses in which they are engaged as such businesses are now conducted and are proposed to be conducted following the Closing Date.

"State Regulator" shall mean any state public service or state public utility commission with respect to each of the states included within the Territory.

"Subsidiary" shall mean, with respect to any Person, as of any particular date, any corporation, entity or other organization, whether incorporated or unincorporated, of which: (a) such first Person directly or indirectly owns or controls at least a majority of (i) the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions or (ii) the rights to dividends or similar distributions of such Person; or (b) such first Person is a general partner or managing member; provided that, from and after the Closing, any reference herein to Purchaser's Subsidiaries shall be deemed to include the Acquired Subsidiaries for so long as Purchaser continues to control them in the manner specified above.

"Supplemental Information" shall mean information set forth on Section 1.1(a) of the Seller Disclosure Letter.

"Systems" shall mean all of the assets, property and business constituting each of the information technology systems in the Territory primarily used or useful in the Business, including the Software, hardware, networks, hubs, nodes, poles and interfaces, used or currently planned to be used in the conduct of such Business (including all relevant customer, operational, financial, and other data contained therein), and all activities and operations related thereto.

"Target Working Capital" shall mean an amount equal to \$ -15,000,000.

"Tax" shall mean (i) any and all federal, state, provincial, local, foreign and other taxes, levies, fees, imposts, duties, contributions (to universal service programs) and similar governmental charges (including any interest, fines, assessments, penalties or additions to tax imposed in connection therewith or with respect thereto) including, without limitation (x) taxes imposed on, or measured by, income, franchise, profits or gross receipts, and (y) ad valorem, value added, capital gains, sales, goods and services, use, real or personal property, telecommunications (or similar), capital stock, license, branch, payroll, estimated withholding, employment, social security (or similar), unemployment, compensation, utility, severance, production, excise, stamp, occupation, premium, windfall profits, transfer and gains taxes, and customs duties, (ii) any and all liability for the payment of any items described in clause (i) above as a result of being (or ceasing to be) a member of an affiliated, consolidated, combined, unitary or aggregate group (or being included (or being required to be included) in any Tax Return related to such group) and (iii) any and all liability for the payment of any amounts as a result of any express or implied obligation to indemnify any other person, or any successor or transferee liability, in respect of any items described in clause (i) or (ii) above.

"Tax Proceeding" shall mean any audit, examination, contest, assessment, claimed deficiency, litigation or other proceeding with or against any Taxing Authority.

"Tax Return" shall mean any return, declaration, report, claim for refund, election, information return or statement relating to Taxes, including any schedule or attachment thereto, filed or maintained or required to be filed or maintained, in connection with the calculation, documentation, determination, assessment or collection of any Tax.

"Taxing Authority" shall mean any Governmental Entity exercising authority under Law with respect to Taxes.

"Termination Fee" shall mean an amount equal to \$487,500,000.

"Territory" shall mean Alabama, Arkansas, Georgia, Illinois, Indiana, Kansas, Louisiana, Michigan, Missouri, Mississippi, New Jersey, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia and Wisconsin, excluding those portions of each such state as to which neither Sellers nor any of their Subsidiaries are engaging in the Business through use of the Transferred Infrastructure on the date hereof.

"Trademarks" shall mean all trademarks, service marks, brand names, certification marks, collective marks, Internet domain name registrations, logos, slogans, symbols, trade dress, design rights, assumed names, fictitious names, corporate names, trade names, social media usernames, personalized subdomains or vanity URLs, and other digital identifiers and other indicia of origin, all registrations, renewals and applications for registration of the foregoing, and all goodwill associated therewith and symbolized by any of the foregoing.

"Transaction Agreements" shall mean this Agreement, the Ancillary Agreements and all of the other agreements contemplated hereby; provided, that for the avoidance of doubt, the term "Transaction Agreements" shall exclude Benefit Agreements and Benefit Plans.

"Transferred Assets" shall mean all assets, properties, and rights (including Transferred Infrastructure and Transferred Contracts) primarily used or held for use in the conduct of the Business, including any assets, properties and rights transferred or conveyed prior to the Closing pursuant to Section 5.1(a), but excluding any Excluded Assets.

"Transferred Contracts" shall mean all Contracts primarily related to the Business (including, for the avoidance of doubt, all Contracts relating to the Transferred Mass Market Customers, the transfer of which to Purchaser the parties hereto acknowledge and agree is expressly contemplated to be part of the Transactions), unless constituting an Excluded Asset.

"Transferred Contract Obligations" shall mean all obligations to make monetary payments or take other actions required under the Transferred Contracts, including: (a) paying rent, making capitalized lease payments, and discharging any applicable purchase obligations; (b) making payments, providing service credits and discharging other obligations under the Transferred Customer Contracts; and (c) similar obligations under any other Transferred Contracts.

"Transferred Customers" shall mean all Transferred Mass Market Customers, Transferred Enterprise Customers, and Transferred Wholesale Customers as of the Closing Date (including all such customers who receive services from Sellers and their Subsidiaries pursuant to Contracts, service orders or binding terms and conditions), referred to collectively; provided, however, that (a) the term "Transferred Customers" shall exclude any customers of the Retained Business and (b) following the Closing nothing in this Agreement shall prevent (x) Lumen and its Retained Subsidiaries from selling to Transferred Customers products or services that are not Transferred Services or (y) Purchaser and its Affiliates (including, following the Closing, the Acquired Subsidiaries) from selling to customers of the Retained Business any products or services.

"Transferred Customer Contracts" shall mean all (a) Contracts with customers for the provision by Sellers or any of their Subsidiaries of only Transferred Services; and (b) the portion of any Shared Customer Contract that provides for the delivery of Transferred Services, it being understood that in no event shall those portions of any Shared Customer Contract providing for the delivery of goods and services that do not constitute Transferred Services be considered a Transferred Customer Contract.

"Transferred Enterprise Customers" shall mean any Enterprise Customer receiving regulated or unregulated products or services as of the Closing Date within the Territory through the Transferred Infrastructure; provided, however, that "Transferred Enterprise Customers" shall (i) include any state or local governmental bodies or educational institutions (but not any federal or international governmental bodies) located within the Territory that meet the foregoing definition and (ii) exclude any portion of Lumen's relationship with any such above-referenced Enterprise Customer that relates to products or services provided through the Retained Business; it being understood that after the Closing Date a customer can be both a Transferred Enterprise Customer and a customer of Lumen and its Retained Subsidiaries.

"Transferred Equity Interests" shall mean all of the equity interests of the Acquired Subsidiaries, except as set forth on Section 1.1(c) of the Seller Disclosure Letter.

"Transferred Infrastructure" shall mean all network equipment and other tangible facilities located within the Territory that are primarily used or held for use in the conduct of the Business, including the infrastructure described in Section 1.1(d) of the Seller Disclosure Letter, but excluding any Excluded Assets.

"Transferred Mass Market Customers" shall mean any Mass Market Customer receiving any voice, broadband or other products or services as of the Closing Date within the Territory through the Transferred Infrastructure.

"Transferred Services" shall mean, collectively, products and services provided by Sellers and their Subsidiaries to Transferred Customers through the Transferred Infrastructure; provided, however, that the term "Transferred Services" shall exclude (a) any products or services provided by Sellers or their Subsidiaries primarily through the use of equipment or facilities other than the Transferred Infrastructure and (b) any products and services provided to any customers of Sellers or their Subsidiaries that are not Transferred Customers, whether within or outside of the Territory, and (c) the specific products and services identified on Section 5.1(b) of the Seller Disclosure Letter.

"Transferred Vendor Contracts" shall mean: (a) Contracts with vendors for the purchase of products or services used in connection with the Business; and (b) the portion of any Shared Vendor Contracts that provides for the purchase of products or services used in connection with the Business, it being understood that in no event shall those portions of any Shared Vendor Contract providing for the purchase of products or services used in connection with the Retained Business be considered a Transferred Vendor Contract.

"Transferred Wholesale Customers" shall mean any Wholesale Customer receiving regulated or unregulated products or services as of the Closing Date within the Territory through the Transferred Infrastructure; provided, however, that "Transferred Wholesale Customers" shall exclude any portion of Lumen's relationship with any such above-referenced Wholesale Customer that relates to products or services provided through the Retained Business; it being understood that after the Closing Date a customer can be both a Transferred Wholesale Customer and a customer of Lumen and its Retained Subsidiaries.

"Unaudited Historical Financial Statements" shall mean unaudited combined balance sheets of the Business and the related statements of operations, as of and/or for the years ended December 31, 2020 and December 31, 2019.

"United States" shall mean the United States of America, including any State thereof and the District of Columbia.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act of 1998 or any similar state, local or foreign Law which calls for advance notification, wage or benefits continuation in the event of layoffs, closure or all or part of a business or operation, or relocation of work.

"Wholesale Customers" shall mean any provider of data or communication services that purchases services on a wholesale basis from Sellers or their Subsidiaries for use by such provider's customers.

“Working Capital” shall mean, for the Acquired Subsidiaries (following the effectiveness of the Restructuring Transactions) on a combined basis as of a particular time (without giving effect to the transactions contemplated by this Agreement, other than the Restructuring Transactions), Current Assets minus Current Liabilities.

Section 1.2 Other Definitions. The following terms shall have the meanings defined in the Section indicated:

<u>Term</u>	<u>Section</u>
2017 IRS Audit	6.7(iii)
Acquired Subsidiaries	Recitals
Acquired Subsidiary	Recitals
Agreement	Preamble
Alternate Financing	5.16(a)
Anniversary Date	5.8
Archived Records	5.4(d)
Assumed Liabilities	5.1(c)
Burdensome Condition	5.6(e)
Business Claims	5.12(a)
Business Confidential Information	5.5(b)
Business Intellectual Property	3.9(a)
Business Privacy Policies	3.9(k)
Business Real Property	3.8(b)
CAF Obligations	5.20(a)
CAF Penalties	5.20(b)
Closing	2.1
Closing Date	2.3
Closing Statement	2.5(b)
Colocation Agreement	2.4(j)
Combined Tax Return	6.2(a)
Commitment Letters	4.6(d)
Competition Laws	5.6(d)
Consent	3.4(b)
Continuing Service	5.23(e)
Contract	3.4(a)
Current Representation	10.12(a)
Debt Commitment Letter	4.6(b)
Debt Financing	4.6(b)
Defensive Termination	5.17(b)
Designated Person	10.12(a)
Employee Matters Agreement	2.4(g)
Environmental Permits	3.18(b)
Equity Commitment Letter	4.6(c)
Equity Finance Providers	4.6(c)
Equity Financing	4.6(c)
ERISA Affiliate	3.14(d)
Estimated Closing Cash	2.5(a)

Estimated Closing Indebtedness	2.5(a)
Estimated Closing Statement	2.5(a)
Estimated Closing Working Capital	2.5(a)
Excluded Assets	5.1(b)
Excluded Liabilities	5.1(d)
FCC Licenses	3.19(a)
Final Closing Statement	2.5(g)
Guarantee	4.10
Guarantor	Recitals
Guarantors	Recitals
Indemnatee	5.15(a)
Indemnities	5.15(a)
Initial Draft	5.23(b)
Inventory	3.7
Joint TSA Committee	5.23(d)
Judgment	3.4(a)
Leased Real Property	3.8(b)
Legal Restraints	7.1(c)
Lenders	4.6(b)
Lumen	Preamble
Master Services Agreement	2.4(i)
Material Business Contracts	3.10(a)
Merged Subsidiary	5.17(b)
Misplaced Asset	5.9(a)
Network Services Agreement	2.4(h)
New Financiers/Investors	5.6(a)
Nonparty	10.15
Notice of Disagreement	2.5(c)
Outside Date	8.1(b)(i)
Overage	2.5(g)(ii)
Owned Intellectual Property	3.9(a)
Owned Real Property	3.8(a)
Owned Software	3.9(f)
PBGC	3.14(d)
Permit	3.11
Post-Closing Representation	10.12(a)
Projections	4.7(b)
Purchase Price	2.2
Purchaser	Preamble
Purchaser Material Adverse Effect	4.1
Purchaser Related Parties	8.4(b)
Purchasing Affiliates	4.2
RDOF Obligations	5.21(a)
RDOF Penalties	5.21(b)
RDOF Support Payments	5.21(a)
Real Property Leases	3.8(b)

Recoverable Amounts	8.4(a)
Regulatory Laws	5.6(d)
Related Party	10.15
Remedial Action	3.18(d)
Required Amount	4.6(a)
Required Technical Information	5.23(b)
Restructuring Agreements	5.1(a)
Restructuring Review Period	5.1(a)
Retained Communications	10.12(b)
Sale	2.1
Seller	Preamble
Seller Continuing Guarantee	5.11
Seller Parties	5.22
Seller Related Parties	8.4(b)
Sellers	Preamble
Seller's Existing Inventory	5.17(k)
Seller's Existing Stock	5.17(k)
Sellers Insurance Policies	5.12(a)
Shortfall	2.5(g)(i)
Substituted Guarantees	5.11
Surviving Entity	5.17(b)
Systems Standup	5.23(a)
Third Party Consents	5.8
Transaction Tax Treatment	6.1(a)
Transactions	2.2
Transfer Taxes	6.5
Transferred Communications Licenses	3.19(a)
Transferred Customer Contract	5.10(a)
Transferred Vendor Contract	5.10(b)
Transition Records	5.4(d)
Transition Services Agreement	2.4(f)
Unassigned Assets	5.9(b)
Voting Company Debt	3.2(a)

ARTICLE 2

THE SALE

Section 2.1 Sale and Purchase of Equity. Upon the terms and subject to the conditions set forth in this Agreement, at the closing of the transactions contemplated by this Agreement (the "Closing"), Sellers shall transfer, convey, assign and deliver to Purchaser, and Purchaser shall purchase and acquire from Sellers, all of Sellers' respective right, title and interest in and to the Transferred Equity Interests (the "Sale"), and except as set forth on Section 2.1 of the Seller Discloser Letter, free and clear of any Liens (other than those arising under applicable securities Laws).

Section 2.2 Purchase Price. Upon the terms and subject to the conditions of this Agreement, in consideration of the Sale at the Closing and the other transactions contemplated by this Agreement, Purchaser shall pay to Sellers for an aggregate purchase price of \$7,500,000,000 in cash (the "Purchase Price"), payable as set forth in Section 2.4, and subject to adjustment as provided in Section 2.5. The Sale, together with the consummation of the other transactions contemplated by this Agreement and the other Transaction Agreements, are referred to as the "Transactions".

Section 2.3 Closing Date. On the terms and subject to the conditions of this Agreement, the Closing shall take place via the exchange of executed documents (a) on the date that is the first Business Day of the calendar month after the date on which the last of the conditions set forth in Article 7 have been satisfied or, to the extent permitted by applicable Law, waived by the parties entitled to the benefit thereof (except in any such case for any such conditions that by their nature can be satisfied only on the Closing Date, but subject to the satisfaction of such conditions or, to the extent permitted by applicable Law, waiver by the party entitled to waive such conditions) or (b) at such other place, time and date as shall be agreed between Sellers and Purchaser. Notwithstanding the foregoing, if the Marketing Period has not ended at the time of the satisfaction or waiver (to the extent permitted hereunder) of the last to be satisfied or waived of the conditions set forth in Article 7 (other than those conditions that by their nature can be satisfied only on the Closing Date), then the Closing will occur on the first Business Day of the month after the Marketing Period ends (subject to the satisfaction or waiver (to the extent permitted hereunder) of all of the conditions set forth in Article 7 at such time (except in any such case for any such conditions that by their nature can be satisfied only on the Closing Date, but subject to the satisfaction of such conditions or, to the extent permitted by applicable Law, waiver by the party entitled to waive such conditions); provided that, if the first Business Day of the month after the Marketing Period ends (without giving effect to this proviso) is more than three (3) Business Days after the Marketing Period ends (without giving effect to this proviso), then the "Marketing Period" will be deemed to remain in effect until such first Business Day of the month when the Closing Date occurs. The date on which the Closing occurs is referred to as the "Closing Date". Notwithstanding the actual time that the Closing is effectuated under Section 2.4, the Closing shall be deemed to be effective as of 12:01 a.m. (Mountain Time) on the Closing Date following consummation of the transactions contemplated by Section 2.4 in accordance with the terms hereof.

Section 2.4 Transactions to be Effected at the Closing. At the Closing:

(a) Purchaser shall deliver or cause to be delivered to Sellers, payment by wire transfer of immediately available funds to bank accounts designated in writing by Sellers at least two (2) Business Days prior to the Closing Date, an aggregate amount equal to the Initial Closing Date Amount (with such aggregate amount to be split between such bank accounts as may be designated in writing by Sellers);

(b) Sellers shall deliver to Purchaser any certificates representing any certificated Transferred Equity Interests and customary instruments of transfer and assignment of the Transferred Equity Interests, in form and substance reasonably satisfactory to Purchaser, duly executed by Sellers, as applicable;

(c) Sellers shall deliver to Purchaser the certificate required to be delivered pursuant to Section 7.2(c);

(d) Purchaser shall deliver to Sellers the certificate required to be delivered pursuant to Section 7.3(c);

(e) Except as set forth on Section 2.4(e) of the Seller Disclosure Letter, Sellers shall deliver to Purchaser evidence reasonably satisfactory to Purchaser of the release and termination effective as of the Closing of (i) any Liens (other than Permitted Liens) with respect to the Acquired Subsidiaries, (ii) any Liens (other than those arising under applicable securities Laws) with respect to the Transferred Equity Interests and (iii) any and all Indebtedness for borrowed money of, or guarantees of indebtedness for borrowed money provided by, any of the Acquired Subsidiaries other than in the case of clause (iii) Indebtedness under Embarq Corporation's 7.995% Notes due 2036 issued under the Embarq Indenture;

(f) Sellers shall deliver to Purchaser, and Purchaser shall deliver to Sellers, the Transition Services Agreement in the form attached as Exhibit A (the "Transition Services Agreement");

(g) Sellers shall deliver to Purchaser, and Purchaser shall deliver to Sellers, the Network Services Agreement substantially in the form attached as Exhibit C (the "Network Services Agreement");

(h) Sellers shall deliver to Purchaser, and Purchaser shall deliver to Sellers, the Master Services Agreement substantially in the form attached as Exhibit D (the "Master Services Agreement");

(i) Sellers shall deliver to Purchaser, and Purchaser shall deliver to Sellers, the Colocation Agreement substantially in the form attached as Exhibit E (the "Colocation Agreement");

(j) Each Seller shall deliver to Purchaser a completed and executed IRS Form W-9 with respect to such Seller; and

(k) Sellers shall deliver to Purchaser, and Purchaser shall deliver to Sellers, such additional Transaction Agreements as contemplated by this Agreement.

Section 2.5 Purchase Price Adjustment.

(a) Not less than three (3) Business Days prior to the anticipated Closing Date, Sellers shall prepare in good faith and deliver to Purchaser a statement (the "Estimated Closing Statement"), setting forth (i) Sellers' good faith estimate of Closing Cash ("Estimated Closing Cash"), (ii) Sellers' good faith estimate of Closing Working Capital ("Estimated Closing Working Capital"), (iii) Sellers' good faith estimate of Closing Indebtedness ("Estimated Closing Indebtedness"), and (iv) the Initial Closing Date Amount. The Estimated Closing Statement shall be prepared in accordance with the Accounting Principles (to the extent applicable) and this Agreement and shall include a reasonably detailed summary of the calculations made to arrive at, and reasonable supporting documentation for, such amounts.

(b) Within 120 calendar days after the Closing Date, Sellers shall prepare in good faith and deliver to Purchaser a statement (the "Closing Statement") setting forth (i) Closing Cash, (ii) Closing Working Capital, (iii) Closing Indebtedness and (iv) the Final Closing Date Amount, in each case setting forth the components and calculations thereof together with reasonable supporting documentation for such amounts. The Closing Statement shall be prepared in accordance with the Accounting Principles (to the extent applicable) and this Agreement.

(c) The Closing Statement shall become final and binding upon the parties on the 45th calendar day following delivery thereof (or on such earlier date on which the applicable party may deliver to the other party written notice that it has no disagreements with the Closing Statement), unless Purchaser gives written notice of its disagreement with the Closing Statement based on mathematical errors or based on Closing Cash, Closing Working Capital or Closing Indebtedness, as applicable, not being calculated in accordance with this Agreement (including the terms of the applicable definition and the Accounting Principles (to the extent applicable)) (a "Notice of Disagreement") to Sellers on or prior to such date. Any Notice of Disagreement shall specify in reasonable detail the nature of any disagreement so asserted. If a Notice of Disagreement is delivered to Sellers within the 45 calendar day period referred to above, then the Closing Statement (as revised in accordance with this Section 2.5) shall become final and binding upon the parties on the earlier of (i) the date on which Sellers and Purchaser resolve in writing all differences they have with respect to the matters specified in such Notice of Disagreement and (ii) the date on which all disputed matters specified in such Notice of Disagreement that were not resolved by Sellers and Purchaser in clause (i) are finally resolved in writing by the Independent Expert pursuant to the procedures set forth in this Section 2.5. During the 30 calendar day period following the delivery of a Notice of Disagreement, Sellers and Purchaser shall seek in good faith to resolve in writing any differences that they may have with respect to the matters specified in such Notice of Disagreement. Promptly after the end of such 30 calendar day period, Sellers and Purchaser shall submit to the Independent Expert for review any and all matters that remain in dispute and were included in a Notice of Disagreement. The parties shall instruct the Independent Expert to render its decision as to the disputed items and the effect of its decision on the Closing Statement as promptly as practicable but in no event later than 30 calendar days after its selection. Each party shall furnish to the Independent Expert such working papers and other relevant documents and information relating to the disputed items, and shall provide interviews and answer questions, as the Independent Expert may reasonably request in connection with its determination of such disputed items; provided that any such working papers or other relevant documents and information shall also be provided to the other party. In the event any party shall participate in teleconferences or meetings with, or make presentations to, the Independent Expert, the other party shall be entitled to participate in such teleconferences, meetings or presentations. The terms of appointment and engagement of the Independent Expert shall be as agreed upon between the parties in writing.

(d) In resolving any such disputed item, the Independent Expert (i) shall act in the capacity of an expert and not as an arbitrator, (ii) shall limit its review to matters specifically set forth in a Notice of Disagreement as a disputed item (other than matters thereafter resolved by mutual written agreement of the parties), (iii) shall not assign a value to any disputed item greater than the greatest value for such item claimed by either party or less than the smallest value for such item claimed by either party, in each case, (1) in respect of Sellers, in the Closing Statement and (2) in respect of Purchaser, in the Notice of Disagreement, (iv) shall not permit or authorize ex parte communications, presentations, discovery or testimony and (v) shall base its decision solely on the provisions of this Agreement (including, as applicable, the Accounting Principles) and the written submissions by Purchaser and Sellers and their respective representatives and not by independent review. The Independent Expert is not authorized to, and shall not, make any other determination, including (A) any determination with respect to any matter included in the Closing Statement or a Notice of Disagreement that was not submitted for resolution to the Independent Expert, (B) any determination as to whether the Target Working Capital was properly calculated in accordance with the Accounting Principles, (C) any determination as to the accuracy of the representations and warranties set forth in Section 3.5 or any other representation or warranty in this Agreement, (D) any determination as to compliance by any party with any of their respective covenants in this Agreement or (E) any determination that an issue was not properly included by Sellers or Purchaser in a Notice of Disagreement. Any dispute not within the scope of disputes to be resolved by the Independent Expert pursuant to this Section 2.5 shall be resolved as otherwise provided in this Agreement. For the avoidance of doubt, this Section 2.5 is not intended to adjust the Initial Closing Date Amount or the Final Closing Date Amount for errors or omissions, under GAAP or otherwise, that may be found with respect to the Closing Statement or Target Working Capital. Any determination by the Independent Expert, and any work or analyses performed by the Independent Expert, may not be offered as evidence in any Proceeding as evidence of a breach of Section 3.5, a breach of any other representation or warranty in this Agreement or a breach of any covenant in this Agreement (other than a breach of this Section 2.5).

(e) The final determination by the Independent Expert of the matters submitted to it pursuant to Section 2.5(c) shall (i) be in writing, (ii) include the Independent Expert's calculation of the Final Closing Date Amount, (iii) include the Independent Expert's determination of each matter submitted to it pursuant to Section 2.5(c) and (iv) include a brief summary of the Independent Expert's reasons for its determination of each issue.

(f) Absent fraud or manifest error by the Independent Expert, the resolution of disputed items by the Independent Expert shall be final and binding, and the determination of the Independent Expert shall constitute an arbitral award that is final, binding and non-appealable and upon which a judgment may be entered by a court having jurisdiction over the party against which such determination is to be enforced. The fees and expenses of the Independent Expert incurred pursuant to this Section 2.5 with respect to a Notice of Disagreement shall be borne by Purchaser and Sellers based on the inverse of the percentage that the Independent Expert's resolution of the disputed items covered by such Notice of Disagreement (before such allocation) bears to the total

amount of such disputed items as originally submitted to the Independent Expert. For example, if the total amount of such disputed items as originally submitted to the Independent Expert equals \$1,000 and the Independent Expert awards \$600 in favor of Sellers' position, sixty percent (60%) of the fees and expenses of the Independent Expert would be borne by Purchaser and forty percent (40%) of the fees and expenses of the Independent Expert would be borne by Sellers.

(g) Within five (5) Business Days after the Closing Statement becomes final and binding in accordance with this Section 2.5 (the "Final Closing Statement") upon the parties:

(i) if the Final Closing Date Amount is less than the Initial Closing Date Amount (such amount, the "Shortfall"), Sellers shall pay to Purchaser the Shortfall by wire transfer of immediately available funds to the bank account designated in writing by Purchaser at least two (2) Business Days prior to the date such payment is required to be made, together with interest thereon, from the date such payment was required to be made until the date of payment, at the prime rate as published in The Wall Street Journal in effect on the date such payment was required to be made; or

(ii) if the Final Closing Date Amount is greater than the Initial Closing Date Amount (such amount, the "Overage"), Purchaser shall pay to Sellers the Overage by wire transfer of immediately available funds to the bank account(s) designated in writing by Sellers at least two (2) Business Days prior to the date such payment is required to be made, together with interest thereon, from the date such payment was required to be made until the date of payment, at the prime rate as published in The Wall Street Journal in effect on the date such payment was required to be made.

(h) During the period from the Closing until such time as the Closing Statement shall become final and binding upon the parties in accordance with this Section 2.5, each of the parties shall afford, and shall cause its Affiliates to afford, to the other party and any accountants, counsel or financial advisers retained in connection with any adjustment to the Purchase Price contemplated by this Section 2.5 reasonable access during normal business hours and under reasonable circumstances, at the sole cost and expense of such requesting party, to all the properties, books, Contracts, personnel and records of the Business and the Acquired Subsidiaries, the work papers (subject to the execution of customary access letters) of Purchaser and the Acquired Subsidiaries and the work papers of Sellers (subject to the execution of customary access letters) relevant to the adjustments contemplated by this Section 2.5, and shall provide, upon a party's reasonable request, copies of any such books, Contracts, records and work papers.

(i) Any payment made under this Section 2.5 shall be treated as an adjustment to the Purchase Price for Tax purposes.

Section 2.6 Withholding. Notwithstanding anything in this Agreement to the contrary, Purchaser, the Acquired Subsidiaries, or their respective Affiliates shall be entitled to deduct and withhold from any amount otherwise payable to any Person pursuant to this Agreement such amounts as Purchaser or its Affiliates are required to deduct and withhold with respect to the making of such payment under the Code or any other provision of U.S. federal, state, or local or non-U.S. Tax Law taking into account all documentation provided by Sellers or their representatives to Purchaser or its representatives. No later than 15 days prior to the Closing Date (or as soon as practicable in the event that Purchaser's obligation to withhold arises after such date), Purchaser shall give Sellers prior notice of any proposed withholding (other than with respect to any compensatory payments) and a description in reasonable detail of the reason therefore, and consider in good faith any documentation or certificates provided by Sellers to reduce or eliminate such withholding). To the extent that such amounts are so withheld, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding was made. Purchaser will reasonably cooperate with Sellers to minimize any applicable withholding.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the Seller Disclosure Letter (it being understood that each item set forth in any section of the Seller Disclosure Letter shall be deemed to apply to the representation and warranty of Sellers contained in this Agreement to which such section corresponds in number and to each other section of the Seller Disclosure Letter and each other representation and warranty of Sellers contained in this Agreement to which its relevance is reasonably apparent from the face of such disclosure), Sellers hereby represent and warrant to Purchaser as follows:

Section 3.1 Organization and Qualification.

(a) Each Seller is duly organized, validly existing and in good standing (to the extent the concept is recognized by the applicable jurisdiction) under the laws of the jurisdiction in which it is organized. Each Seller has full corporate or other organizational power and authority to enable it to execute, deliver and perform its obligations under this Agreement and to consummate the Transactions. Each Seller has full corporate or other organizational power and authority to (a) own the applicable Transferred Equity Interests and (b) own, lease or otherwise hold its properties and assets and to carry on its business as presently owned or conducted, except, in the case of clause (b), where the failure to have such power or authority would not, individually or in the aggregate, reasonably be expected to prevent or materially impede, interfere with, hinder or delay, the consummation of the Transactions by Sellers. Each Seller has, or will have at the Closing, as applicable, full corporate or other organizational power and authority to execute, deliver and perform its obligations under each other Transaction Agreement to which it is or will be party and to consummate the Transactions.

(b) Each Acquired Subsidiary is duly organized, validly existing and in good standing (to the extent the concept is recognized by the applicable jurisdiction) under the laws of the jurisdiction in which it is organized. Each Acquired Subsidiary has full corporate or other power and authority to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted. Each Acquired Subsidiary is duly qualified and licensed to do business in each jurisdiction in which the conduct or nature of its business or the ownership or lease of its properties or assets makes such qualification necessary, except such jurisdictions where the failure to be so qualified, licensed or in good standing, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(c) Sellers have made available to Purchaser true, correct and complete copies of the organizational documents of each Acquired Subsidiary, as amended to the date of this Agreement.

Section 3.2 Capitalization; Transferred Equity Interests.

(a) Section 3.2 of the Seller Disclosure Letter sets forth, as of the date of this Agreement, the authorized capitalization of each Acquired Subsidiary, the number of shares of capital stock or other Equity Interests in each Acquired Subsidiary and the record and beneficial owners thereof. Except for the Transferred Equity Interests, there are no Equity Interests of the Acquired Subsidiaries issued, reserved for issuance, held in treasury or outstanding. The Transferred Equity Interests are duly authorized, validly issued and (to the extent applicable) fully paid and nonassessable. There are no bonds, debentures, notes or other indebtedness of the Acquired Subsidiaries having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which holders of the Transferred Equity Interests may vote ("Voting Company Debt"). There are no options, warrants, rights, convertible or exchangeable securities, "phantom" stock rights, stock appreciation rights, stock-based performance units, commitments, Contracts, arrangements or undertakings of any kind to which any Acquired Subsidiary is party or by which any Acquired Subsidiary is bound (i) obligating any Acquired Subsidiary to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other Equity Interests in any Acquired Subsidiary, or any security convertible or exercisable for or exchangeable into any membership interest of, or other Equity Interest in, any Acquired Subsidiary or any Voting Company Debt or (ii) obligating any Acquired Subsidiary to issue, grant, extend or enter into any such option, warrant, call, right, security, commitment, Contract, arrangement or undertaking. None of the Transferred Equity Interests are subject to vesting or forfeiture conditions or a right of repurchase by any of the Acquired Subsidiaries. Except as set forth on Section 3.2(a) of the Seller Disclosure Letter, all of the Transferred Equity Interests have been validly issued and are not subject to or issued in violation of any voting trust or proxy, purchase option, call option, right of first refusal, preemptive right, dividend right, subscription right or restriction or any similar right under any provision of any applicable Law or the organizational documents of any Acquired Subsidiary or any Contract to which any Acquired Subsidiary is a party or by which it is otherwise bound.

(b) Except as set forth on Section 3.2(a) of the Seller Disclosure Letter, each Seller, as applicable, (i) has good and valid title to the Transferred Equity Interests, free and clear of all Liens (other than those arising under applicable securities Laws) and (ii) is the sole record and beneficial owner of each of the Transferred Equity Interests. Assuming Purchaser has the requisite corporate or other organizational power and authority to be the lawful owner of the Transferred Equity Interests, upon completion of the actions described in Section 2.4 and Sellers' receipt from Purchaser of an

aggregate amount equal to the Initial Closing Date Amount, good and valid title of the Transferred Equity Interests shall pass to Purchaser and Purchaser shall be the record and beneficial owner of the Transferred Equity Interests, free and clear of all Liens, other than those arising from acts of Purchaser or its Affiliates at the Closing and those arising under applicable securities Laws.

Section 3.3 Authority; Execution and Delivery; Enforceability. The execution and delivery by Sellers of this Agreement and the consummation by Sellers of the Transactions have been duly authorized by all necessary corporate or other organizational action and no other action or proceeding on the part of Sellers or their respective equityholders is necessary to authorize this Agreement (including any shareholder vote or approval). Sellers have duly executed and delivered this Agreement, and this Agreement, assuming the due authorization, execution and delivery of this Agreement by Purchaser, constitutes their legal, valid and binding obligation, enforceable against them in accordance with its terms and conditions, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and general equitable principles as to enforceability (whether considered in a Proceeding in equity or at Law). The execution and delivery by each Seller of each other Transaction Agreement to which it is or will be party and the consummation by each Seller of the Transactions have been, or will be at the Closing, as applicable, duly authorized by all necessary corporate or other organizational action and no other action or proceeding on the part of such Seller or any of its equityholders is necessary to authorize the Transaction Agreements or the Transactions. Each Seller has, or will have at the Closing, as applicable, duly executed and delivered each other Transaction Agreement to which it is or will be party, and each such Transaction Agreement, assuming the due authorization, execution and delivery of each such Transaction Agreement by Purchaser or its Affiliate, constitutes or will constitute its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a Proceeding in equity or at Law).

Section 3.4 No Conflicts; Consents.

(a) The execution, delivery and performance by each Seller of each Transaction Agreement to which it is or will be party, the consummation of the Transactions and the compliance by each Seller with the terms thereof will not conflict with, or result in any violation of or constitute a default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a material benefit under, or result in the creation of any Lien (other than any Permitted Liens) upon any of the properties or assets of such Seller (including any assets held under lease or license) under, (i) the organizational documents of such Seller or (ii) (1) any contract, lease, sublease, license, indenture, debenture, note, bond, indenture, mortgage, guarantee, agreement, commitment, tariff, service order, terms and conditions or other legally binding arrangement (a "Contract") to which such Seller is a party or by which any of such Seller's properties or assets is bound or (2) any judgment, ruling, order or decree (a "Judgment") or Law applicable to such Seller or any of its properties or assets, other than, in the case of clause (ii) above, any such items that, individually or in the aggregate, would not reasonably be expected to be materially adverse to the Business, or prevent or materially impede, interfere with, hinder or delay, the consummation of the Transactions contemplated hereby.

(b) Assuming the truth and accuracy of the representations and warranties of Purchaser set forth in Article 4, no consent, approval, license, permit, order, waiting period expiration, waiver or authorization (a "Consent") of, or registration, declaration, notice or filing with, any Governmental Entity is required to be obtained or made by or with respect to any Seller in connection with the execution, delivery and performance of this Agreement or any of the other Transaction Agreements or the consummation of the Transactions, other than (i) the Required Regulatory Approvals, (ii) those that may be required solely by reason of Purchaser's or any of its Affiliates' (as opposed to any other third Person's) participation in the Transactions and (iii) those the failure of which to obtain or make, individually or in the aggregate, would not reasonably be expected to be material to the Business, or prevent or materially impede, interfere with, hinder or delay the consummation of the Transactions.

(c) Neither the execution, delivery and performance of the Transaction Agreements to which any Acquired Subsidiary is or will be a party nor the consummation of the Transactions will conflict with, or result in any violation of or constitute a default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancelation or acceleration of any obligation or to loss of a material benefit under, or result in the creation of any Lien (other than any Permitted Liens) upon any of the properties or assets of any Acquired Subsidiary (including any assets held under lease or license) under, (i) the organizational documents of any Acquired Subsidiary or (ii) (1) any Contract to which any Acquired Subsidiary is a party or by which any of its properties or assets is bound, (2) any Material Business Contract or (3) any Judgment or Law applicable to any Acquired Subsidiary or their respective properties or assets, other than, in the case of clause (ii) above, any such items that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(d) Except as set forth on Section 3.4(d) of the Seller Disclosure Letter, assuming the truth and accuracy of the representations and warranties of Purchaser set forth in Article 4, no Consent of, or registration, declaration, notice to, or filing with, any Governmental Entity is required to be obtained or made by or with respect to any Acquired Subsidiary in connection with the execution, delivery and performance of this Agreement or any of the other Transaction Agreements or the consummation of the Transactions, other than (i) the Required Regulatory Approvals, (ii) those that may be required solely by reason of Purchaser's or any of its Affiliates' (as opposed to any other third Person's) participation in the Transactions and (iii) those the failure of which to obtain or make, individually or in the aggregate, would not reasonably be expected to be material to the Business, or prevent or materially impede, interfere with, hinder or delay the consummation of the Transactions.

(e) Neither (i) a default, which after notice, the passage of time or both would be an Event of Default (as such term is defined in the Embarq Indenture), nor (ii) an Event of Default (as such term is defined in the Embarq Indenture) has occurred and is continuing under the Embarq Indenture or the 7.995% Notes due 2036 issued under the Embarq Indenture.

Section 3.5 Financial Statements.

(a) Section 3.5(a) of the Seller Disclosure Letter sets forth true and correct copies of the Unaudited Historical Financial Statements. Except as set forth on Section 3.5(a) of the Seller Disclosure Letter, the Unaudited Historical Financial Statements (i) have been prepared in accordance with GAAP, consistently applied throughout the respective periods indicated therein, (ii) have been derived and prepared from, and are consistent with, the books and records of Sellers and their respective Affiliates, and (iii) fairly present in all material respects the financial position and results of operations of the Business as of the respective dates and for the respective periods indicated therein (subject to normal and recurring year-end audit adjustments (none of which are material to the Business) and the absence of footnotes).

(b) Neither any Acquired Subsidiary nor the Business has any material Liabilities or obligations of any nature, whether accrued, absolute, determined, determinable, fixed or contingent that would be required to be reflected or reserved against on a consolidated balance sheet prepared in accordance with GAAP, except for those liabilities and obligations (i) specifically reflected and adequately reserved against or provided for in the balance sheet of the Business as of the Balance Sheet Date, or (ii) incurred in the Ordinary Course of Business since the Balance Sheet Date (none of which relates to breach of Contract, breach of warranty, tort, infringement, misappropriation, violation of Law or any Proceeding).

(c) With respect to the Business, Sellers and the Acquired Subsidiaries maintain a system of internal controls to provide reasonable assurance that all transactions are (i) executed in accordance with management's general or specific authorizations and (ii) recorded as necessary to permit preparation of financial statements in accordance with GAAP, except where the failure to maintain such a system of internal controls would not reasonably be expected to materially impact the Business.

(d) The accounts receivable reflected on the Unaudited Historical Financial Statements and reflected on the books and records of any Acquired Subsidiary or Sellers with respect to the Business (i) arose in the Ordinary Course of Business from bona fide arm's-length transactions for the sale of goods or performance of services, (ii) are valid and (iii) are fully collectible (subject to reserves specifically reflected in the balance sheet of the Business as of the Balance Sheet Date) and are not subject to counterclaims, or setoffs. Except as set forth on Section 3.5(d) of the Seller Disclosure Letter, since the Balance Sheet Date, none of the Acquired Subsidiaries has, and Sellers with respect to the Business have not, cancelled, or agreed to cancel, in whole or in part, any accounts receivable except in the Ordinary Course of Business.

(e) The Supplemental Information (i) is true, correct and complete in all material respects, and (ii) has been derived and prepared from, and is consistent with, the books and records of Sellers and their respective Affiliates.

Section 3.6 Personal Property; Transferred Assets; Sufficiency of Assets. The Acquired Subsidiaries have (or will have after giving effect to the Restructuring Agreements) good and valid title to, or a valid leasehold interest in, all of the material Personal Property and Transferred Assets, in each case free and clear of any Liens (other than any Permitted Liens), and the Seller and its Subsidiaries have the valid and enforceable power and right to use and to transfer, to the extent applicable, the Transferred Assets to the Acquired Subsidiaries at or prior to the Closing pursuant to the terms of this Agreement. Except as set forth on Section 3.6 of the Seller Disclosure Letter, all items of material Personal Property are in good operating condition and repair (reasonable wear and tear excepted) and are suitable for the purposes for which they are currently being used, consistent with past practice. As of the Closing, after taking into account and giving effect to the rights and obligations provided for in the Ancillary Agreements and the Restructuring Agreements and subject to Section 5.10, the Acquired Subsidiaries will own or have a valid right to use all of the tangible and intangible assets, properties, and rights (including with respect to or under the Transferred Infrastructure and Transferred Contracts), of any nature whatsoever, necessary, in conjunction with the rights and services to be provided pursuant to the Ancillary Agreements, for the operation of the Business after consummation of the Transactions in all material respects as it is conducted on the date of this Agreement.

Section 3.7 Inventory. The inventory of the Acquired Subsidiaries (collectively "Inventory"), whether reflected in the Unaudited Historical Financial Statements or otherwise, now held is (a) adequate in relation to the current operational requirements of the Business and each Acquired Subsidiary and (b) of a quality capable of being used in the Ordinary Course of Business, in each case, other than as would not be material to the aggregate value of the Inventory owned by the Acquired Subsidiaries and as has been written off or written down in the Unaudited Historical Financial Statements for fair market value or for which adequate reserves have been provided therein. All Inventory not written off have been priced at the lower of cost or market. All work-in-process and finished goods Inventory held by any Acquired Subsidiary and Sellers with respect to the Business is free of any material defect or deficiency.

Section 3.8 Real Property.

(a) The Acquired Subsidiaries have good and valid fee simple title to all material owned real property, in each case, that is used primarily in the operation of the Business (collectively, the "Owned Real Property") free and clear of all Liens other than Permitted Liens. Section 3.8(a) of the Seller Disclosure Letter sets forth a true and complete list of the 50 largest (determined on a square foot basis) Owned Real Property sites. Neither any of the Sellers nor any of their Subsidiaries (other than the Acquired Subsidiaries) owns any real property that is used primarily in the operation of the Business. An Acquired Subsidiary is in possession of each parcel of Owned Real Property and, except as set forth on Section 3.8(a) of the Seller Disclosure Letter, there

are no leases, licenses, occupancy agreements or any other similar arrangement pursuant to which any third party is granted the right to use any Owned Real Property. Except as set forth on Section 3.8(a) of the Seller Disclosure Letter, there are no outstanding options or rights of first offer or refusal in favor of any third party to purchase any Owned Real Property. There are no pending, or the Knowledge of Sellers, threatened condemnation or eminent domain proceedings with respect to any Owned Real Property.

(b) Section 3.8(b) of the Seller Disclosure Letter sets forth a true and complete list, as of the date of this Agreement, of all real property that is (i) used primarily in the operation of the Business and (ii) leased, licensed or otherwise occupied by an Acquired Subsidiary, as lessee, in each case that involves annual rent payments by any such Acquired Subsidiary in excess of \$100,000 (collectively, the "Leased Real Property") and, together with the Owned Real Property, the "Business Real Property"). Except as set forth on Section 3.8(b) of the Seller Disclosure Letter, neither any of the Sellers nor any of their Subsidiaries (other than the Acquired Subsidiaries) leases, licenses or otherwise occupies any real property that is used primarily in the operation of the Business. Sellers have made available to Purchaser a true and complete copy of each lease, license, or other occupancy agreement pursuant to which an Acquired Subsidiary leases, licenses or otherwise occupies the Leased Real Property in effect as of the date of this Agreement, together with all material amendments, guaranties, modifications, renewals and extensions thereto (collectively, the "Real Property Leases"). Each Real Property Lease is in full force and effect, and an Acquired Subsidiary, as applicable, holds a valid and existing leasehold interest under each such Real Property Lease, free and clear of all Liens other than Permitted Liens. None of Sellers or any of their Affiliates (including the Acquired Subsidiaries) has given or received any written notice of default pursuant to any Real Property Lease. None of Sellers or any of their Affiliates (including the Acquired Subsidiaries) or, to Sellers' Knowledge, any other party to any Real Property Lease, is in material default under such Real Property Lease, and no event has occurred which, with notice or lapse of time or both, would constitute such a material default thereunder. Except as set forth on Section 3.8(b) of the Seller Disclosure Letter, none of Sellers or any of their Affiliates (including the Acquired Subsidiaries) has subleased, licensed or otherwise granted any person the right to use or occupy any Leased Real Property.

(c) The Business Real Property comprises all of the real property that is material to the operation of the Business as presently conducted.

Section 3.9 Intellectual Property; Data Privacy.

(a) Section 3.9(a) of the Seller Disclosure Letter sets forth a true and complete list of all (i) patents and patent applications owned by the Acquired Subsidiaries, (ii) registered Trademarks and applications for registrations of Trademarks owned by the Acquired Subsidiaries, (iii) registered copyrights and applications for registrations of copyrights owned by the Acquired Subsidiaries, (iv) Domain Names owned by the Acquired Subsidiaries and (v) other Intellectual Property owned or purported to be owned by the Acquired Subsidiaries (collectively, the "Owned Intellectual Property"). Any Intellectual Property other than Owned Intellectual Property

used in the operation of the Business is used by the Acquired Subsidiaries pursuant to a valid Contract (together with the Owned Intellectual Property, the "Business Intellectual Property"). The Acquired Subsidiaries exclusively own all right, title and interest in and to each item of Owned Intellectual Property, and have a valid and enforceable right or license to use all other Business Intellectual Property used in or necessary for the operation of the Business as currently conducted, free and clear of all Liens other than Permitted Liens. Each item of Owned Intellectual Property (except any Embarq Marks other than the Embarq Federal Registration) is valid, subsisting, and enforceable. No Proceeding or Contract exists restricting the Acquired Subsidiaries' use or enjoyment of, any right in any Owned Intellectual Property. All of the registrations, issuances and applications set forth on Section 3.9(a) of the Seller Disclosure Letter (except any Embarq Marks other than the Embarq Federal Registration) are valid, in full force and effect and have not expired or been cancelled, abandoned or otherwise terminated, and payment of all renewal and maintenance fees and expenses in respect thereof, and all filings related thereto, have been duly made.

(b) Except as set forth on Section 3.9(b) of the Seller Disclosure Letter, the operation or conduct of the Business does not infringe or otherwise violate any Intellectual Property or other proprietary rights of any other Person. Except as set forth on Section 3.9(b) of the Seller Disclosure Letter, there are no Proceedings pending or, to the Knowledge of Sellers, threatened, alleging any such infringement or violation or challenging any Seller's or its Subsidiaries' (including the Acquired Subsidiaries') rights in or to any Business Intellectual Property and, to the Knowledge of Sellers, there is no existing fact or circumstance that would reasonably be expected to give rise to any such Proceeding. To the Knowledge of Sellers, no Person is infringing or otherwise violating any Owned Intellectual Property.

(c) The Business Intellectual Property is sufficient for Purchaser to operate the Business from and after the Closing Date in all material respects as operated immediately prior to the Closing Date. The consummation of the Transactions contemplated by this Agreement will not impair any right of the Purchaser in or to any Business Intellectual Property in existence immediately prior thereto.

(d) The Sellers have taken commercially reasonable measures to protect the Owned Intellectual Property (except any Embarq Marks other than the Embarq Federal Registration).

(e) Each present or past employee, officer, consultant or any other Person who created or contributed to any Owned Intellectual Property has (i) conveyed to an Acquired Subsidiary or an Affiliate of an Acquired Subsidiary any and all right, title and interest in and to all such Owned Intellectual Property that was developed by such Person in connection with such Person's employment or engagement by such Acquired Subsidiary, (ii) agreed in writing, during and after the term of employment or contract, to cooperate with such Acquired Subsidiary in the prosecution of any applications filed in connection with such Intellectual Property, and (iii) agreed in writing to keep any confidential information, including trade secrets, of the Acquired Subsidiaries confidential both during and after the term of employment or engagement.

(f) With respect to all material Software included in the Owned Intellectual Property (the “Owned Software”, the Acquired Subsidiaries maintain actual possession and control of the applicable source code, object code, notes, documentation and know-how of such Owned Software. The Acquired Subsidiaries have not disclosed source code for any Owned Software to a third party outside of the scope of a written agreement that reasonably protects the rights of the applicable Acquired Subsidiary.

(g) All Owned Software (i) is used solely for internal business purposes, (ii) performs in material conformance with its documentation, (iii) is free from any material software defect, and (iv) does not contain any virus, software routine or hardware component designed to permit unauthorized access or to disable or otherwise harm any computer, systems or software, or any software routine designed to disable a computer program automatically with the passage of time or under the positive control of a Person other than an authorized licensee or owner of the software.

(h) The Acquired Subsidiaries have not used any “open source” software in the conduct of the Business in a manner that would obligate any Acquired Subsidiary to make available to any Person any Owned Software or any Software included in the Seller Intellectual Property without payment of fees or royalties, or that does or may require disclosure of any such Owned Software or Software included in the Seller Intellectual Property in source code form.

(i) All IT Assets used by the Acquired Subsidiaries (i) operate and perform in all material respects in conformance with their documentation and functional specifications, (ii) are free from any material Software defect and (iii) do not contain, and the Sellers have used commercially reasonable efforts to prevent the introduction of, any virus, software routine, malware, hardware component, disabling code or instructions, spyware or other vulnerabilities designed to permit unauthorized access or to disable or otherwise harm any IT Assets in any material respects. Since January 1, 2018, (1) no IT Assets have experienced or been affected by any failures, breakdowns or other adverse events that have caused any material disruptions or interruptions to the Business and (2) except as set forth on Section 3.9(i) of the Seller Disclosure Letter, none of the Acquired Subsidiaries or any IT Assets has experienced or been affected by any material data security incidents, breaches or unauthorized access, use, control, disclosure, destruction or modification of any Personal Information owned, controlled, maintained, received, collected, used, stored or processed by the Acquired Subsidiaries, including any unauthorized access, use or disclosure of Personal Information that would constitute a breach of any Information Privacy Law or for which notification to individuals and/or Governmental Entities is required under any applicable Law.

(j) The Acquired Subsidiaries have adopted, and are and have been in compliance with, commercially reasonable policies and procedures applicable to the Acquired Subsidiaries with respect to privacy, data protection, processing, security and the collection, use, storage and processing of Personal Information gathered or accessed in the course of the operation of the Business. Sellers and the Acquired Subsidiaries have implemented and maintain a reasonable enterprise-wide data security program, including reasonable and appropriate administrative, physical, and technical safeguards consistent with industry best practices, to protect Personal Information and the IT Assets from unauthorized access, use, control, disclosure, destruction or modification.

(k) The Acquired Subsidiaries are, and since January 1, 2018 have been, in compliance in all material respects with (i) all Information Privacy Laws, (ii) the Payment Card Industry Data Security Standard, issued by the Payment Card Industry Security Standards Council, as revised from time to time, and (iii) their internal and public-facing policies relating to privacy, data protection, data or privacy breach notification and personally identifiable information ("Business Privacy Policies"). Except as set forth on Section 3.9(k) of the Seller Disclosure Letter, since January 1, 2018, none of Sellers and the Acquired Subsidiaries have received written notice of any Proceedings with respect to Information Privacy Laws and Business Privacy Policies relating to the Business, and to the Knowledge of Sellers, neither the Acquired Subsidiaries nor the Business is under investigation by any Governmental Entity for any violation of any Information Privacy Laws. Since January 1, 2018, except as set forth on Section 3.9(k) of the Seller Disclosure Letter, none of Sellers and the Acquired Subsidiaries have been legally required to provide any notices to Governmental Entities, data owners or individuals in connection with a loss or disclosure of, or unauthorized access to, Personal Information, nor have any of Sellers and the Acquired Subsidiaries provided any such notices, in each case in connection with the Business. The execution, delivery and performance of this Agreement, any of the other Transaction Agreements and the consummation of the Transactions, in each case by Sellers and the Acquired Subsidiaries, will not violate any Information Privacy Law or Business Privacy Policy as it currently exists or as it existed at any time during which any applicable Personal Information was collected or obtained by the Acquired Subsidiaries and, to the Knowledge of Sellers, immediately following the Closing, the Acquired Subsidiaries will own and continue to have the right to use all such Personal Information on the same terms and conditions as the Acquired Subsidiaries enjoyed immediately prior to the Closing.

(l) The Customer Database is accessible and usable in all material respects by the Acquired Subsidiaries, as applicable, for the purposes for which it is used in the Ordinary Course of Business. Except as would not reasonably be expected to be material to the Business or the Acquired Subsidiaries and assuming the execution, delivery and performance of the Transition Services Agreement by all parties thereto, (i) neither the execution, delivery and performance of this Agreement or any other Transaction Agreement, nor the consummation of the Transactions, in each case by Sellers and the Acquired Subsidiaries, shall adversely affect the Acquired Subsidiaries' right to use the Customer Database, and immediately following the Closing, the Acquired Subsidiaries will continue to have the right to use the Customer Database in a substantially similar manner as the Acquired Subsidiaries enjoyed immediately prior to the Closing and (ii) no third party has asserted or threatened to assert any claim for misappropriation of trade secrets or breach of any implied or express contractual duty relating to the use of information in the Customer Database in connection with the operation of the Business.

Section 3.10 Contracts.

(a) Section 3.10(a) of the Seller Disclosure Letter, sets forth as of the date of this Agreement a list, which is true, correct and complete in all material respects, of the following Contracts (other than purchase orders and invoices on market terms consistent with past practice and other than Contracts relating primarily to the Excluded Assets) to which (x) any of the Acquired Subsidiaries is a party or is bound or (y) any Seller or its Affiliate is a party and that is primarily related to the Business (collectively, such Contracts listed on Section 3.10(a) of the Seller Disclosure Letter, the "Material Business Contracts"):

(i) Contracts relating to the acquisition or disposition of any business or material assets or any interest in real property (whether by merger, sale of stock, sale of assets or otherwise) entered into since January 1, 2018 pursuant to which any Acquired Subsidiary has continuing or outstanding obligations following the date of this Agreement;

(ii) Contracts under which any Seller or Acquired Subsidiary has borrowed any money from, or issued any note, bond, debenture, mortgage, security interest or other evidence of Indebtedness to, any Person (other than any Acquired Subsidiary), in any such case which, individually, is in excess of \$2,000,000;

(iii) Contracts under which (a)(1) any Person, other than any Seller or Acquired Subsidiary, has directly or indirectly guaranteed outstanding Indebtedness of any Acquired Subsidiary or (2) any Seller or Acquired Subsidiary has directly or indirectly guaranteed outstanding Indebtedness of any Person, other than any Seller or Acquired Subsidiary, in any such case where such Indebtedness is in excess of \$2,000,000 or (b)(1) any Seller or its Affiliates (other than an Acquired Subsidiary) has directly or indirectly guaranteed any obligation of an Acquired Subsidiary, in any case where such guaranteed amounts are in excess of \$2,000,000, or (2) any Acquired Subsidiary has directly or indirectly guaranteed any obligation of any Seller or its Affiliates (other than an Acquired Subsidiary), in any case where such guaranteed amounts are in excess of \$2,000,000;

(iv) Contracts under which any Seller or Acquired Subsidiary, directly or indirectly, has made or is required to make any advance, loan, extension of credit or capital contribution to, or other investment in, any Person (other than extensions of trade credit given in the Ordinary Course of Business), in any such case which, individually, is in excess of \$2,000,000;

(v) Contracts under which any Seller grants or receives the right to use any material Intellectual Property used or held for use in the Business or Acquired Subsidiary grants or receives the right to use any material Intellectual Property, in each case other than (1) non-disclosure and confidentiality agreements, (2) Contracts for any off-the-shelf, commercially available Software (including shrink wrap or click wrap agreements) and (3) Contracts under which any Seller or Acquired Subsidiary grants a non-exclusive license of Owned Intellectual Property to its customers in the Ordinary Course of Business;

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- (vi) joint venture, co-investment, partnership or other similar Contract involving a third party;
- (vii) Contracts containing covenants limiting the freedom of any Acquired Subsidiary to compete with any Person in a product line or line of business or conduct business in any geographic area other than, in each case, any such Contract that may be canceled by such Acquired Subsidiary without penalty upon notice of 90 calendar days or less;
- (viii) Contracts requiring payment to or from the Business in excess of \$2,000,000 in the aggregate over the term of the contract, and containing (1) exclusivity or similar provisions binding on any Seller or Acquired Subsidiary or (2) a "most favored nation" provision other than, in each case, any such Contract that may be canceled by an Acquired Subsidiary without penalty upon notice of 90 calendar days or less;
- (ix) Contracts granting a right of first refusal, right of first negotiation, right of first offer or similar option in favor of any other Person, other than any such Contract that may be canceled by such Acquired Subsidiary without penalty upon notice of 90 calendar days or less;
- (x) Contracts that involve the sharing of profits of any Acquired Subsidiary with any third party (other than Sellers and their Subsidiaries);
- (xi) Master Agreements with any customer of the Business that would reasonably be expected to result in aggregate payments to the Business in excess of \$2,000,000 per annum;
- (xii) Business Vendor Contracts with any vendor of the Business that would reasonably be expected to require the Business to make payments to such vendor in excess of \$5,000,000 per annum;
- (xiii) Contracts entered into since January 1, 2018 involving any resolution or settlement of any actual or threatened material Proceeding other than releases that are immaterial in nature or that involve dollar amounts paid or payable to any former employee or independent contractor of any Seller or Acquired Subsidiary in the Ordinary Course of Business in connection with the routine cessation of such employee's employment or independent contractor's assignment with any Acquired Subsidiary;
- (xiv) Collective Bargaining Agreements; or
- (xv) Contracts not otherwise listed above that would reasonably be expected to require payments to or from the Business in excess of \$2,000,000 per annum other than any such Contract that may be canceled by such Acquired Subsidiary without penalty upon notice of 90 calendar days or less.

(b) All Material Business Contracts are valid, binding and in full force and effect and are enforceable by the Seller, Affiliate of Seller, or Acquired Subsidiary party thereto, as applicable, and, to the Knowledge of Sellers, each other Person party thereto in accordance with their terms, except for any failures to be valid, binding, in full force and effect or enforceable which (i) are due to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a Proceeding in equity or at Law) and (ii) individually or in the aggregate, would not reasonably be expected to be material to the Business. Each Acquired Subsidiary party thereto has performed all obligations required to be performed by it under each Material Business Contract, and it is not (with or without the lapse of time or the giving of notice, or both) in breach or default in any respect thereunder and, to the Knowledge of Sellers, no other party to any Material Business Contract is (with or without the lapse of time or the giving of notice, or both) in breach or default in any respect thereunder, except in any of the foregoing cases, for such noncompliance, breaches and defaults that, individually or in the aggregate, would not reasonably be expected to be material to the Business. As of the date of this Agreement, no Acquired Subsidiary has received written notice of any non-renewal or termination (or threat of non-renewal or termination) of any Material Business Contract, except for any non-renewals or terminations that, individually or in the aggregate, would not reasonably be expected to be material to the Business.

(c) Except as set forth in Section 3.10(c) of the Seller Disclosure Letter, prior to the date of this Agreement, Sellers have made available to Purchaser a true and complete copy of each written Material Business Contract in effect as of the date of this Agreement.

(d) Section 3.10(d) of the Seller Disclosure Letter sets forth any Material Business Contract containing "change of control" or anti-assignment provisions requiring the consent of a third party in respect of the consummation of the Transactions contemplated hereby (including the Restructuring Transactions).

Section 3.11 Permits. Each Acquired Subsidiary possesses all certificates, licenses, permits, authorizations, agreements and approvals of all Governmental Entities (each, a "Permit") necessary to conduct the Business, other than such Permits the absence of which, individually or in the aggregate, would not reasonably be expected to be material to the Business. All such Permits are validly held by the applicable Acquired Subsidiary, are in full force and effect and such Acquired Subsidiary has complied in all respects with all terms and conditions thereof, in each case, except for any such invalidity or non-compliance that, individually or in the aggregate, would not reasonably be expected to be material to the Business. Each Acquired Subsidiary has filed all necessary applications to renew such Permits, except for any such failure to file that, individually or in the aggregate, would not reasonably be expected to be material to the Business. None of such Permits will be subject to revocation, suspension, modification, cancellation, rescission, non-renewal or termination as a result of the execution and delivery of this Agreement or the consummation of the Transactions. No Governmental Entity has commenced, or, to the Knowledge of Sellers, given notice that it intends to commence a Proceeding that would reasonably be expected to result in the revocation, suspension, or modification of any such Permit, or, to the Knowledge of Sellers, given notice of any Proceeding that would reasonably be expected to result in the denial or rejection (in whole or in part) of any application or request to renew such Permit.

Section 3.12 Taxes. Except as set forth in Section 3.12 of the Seller Disclosure Letter:

(a) All Tax Returns required to be filed with any Taxing Authority by or on behalf of any Acquired Subsidiary or with respect to the Business have been properly prepared and timely filed and were true, complete and accurate in all material respects at the time of such filing.

(b) All Taxes required to have been paid by the Acquired Subsidiaries or with respect to the Business have been fully and timely paid, whether or not shown on any Tax Return, other than Taxes that are being contested in good faith by appropriate Proceedings or that have been adequately provided for in accordance with GAAP. The Unaudited Historical Financial Statements reflect an adequate reserve for all Taxes payable by the Acquired Subsidiaries for all taxable periods and portions thereof accrued through the date of such Unaudited Historical Financial Statements, and since the date of such Unaudited Historical Financial Statements, none of the Acquired Subsidiaries has incurred any Tax liabilities other than Taxes relating to ordinary course operations conducted by the Acquired Subsidiaries.

(c) All Taxes required to be withheld or collected by each Acquired Subsidiary or with respect to the Business have been withheld and collected and timely paid to the appropriate Taxing Authority in compliance with all Tax withholding and remitting provisions of applicable Laws.

(d) There are no Liens (other than Permitted Liens) for Taxes on the assets of any Acquired Subsidiary or the Transferred Assets.

(e) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes due from an Acquired Subsidiary (or with respect to the Business) and no request for any such waiver or extension is currently pending.

(f) There are no ongoing or pending (and there has been no written notice of) audits, examinations, contests or other Proceedings with respect to Taxes of any Acquired Subsidiary or with respect to the Business, and no such Proceeding has been threatened in writing. No Acquired Subsidiary has granted to any Person a power of attorney that is currently in force with respect to any material Tax matter.

(g) None of the Acquired Subsidiaries has received (and no Sellers have received with respect to the Business) written notice from any jurisdiction in which such Acquired Subsidiary has not filed income or franchise Tax Returns claiming that such Acquired Subsidiary is or may be subject to income or franchise Tax by such jurisdiction.

(h) No Acquired Subsidiary has executed or entered into a closing agreement within the meaning of Section 7121 of the Code or any similar provision of state or local Tax Law, and no such agreement has been entered into with respect to the Business. No Acquired Subsidiary has requested, or is subject to, any private letter ruling of the U.S. Internal Revenue Service or a comparable ruling of any other Taxing Authority and no such ruling has been requested or provided with respect to the Business.

(i) No Acquired Subsidiary has engaged in any "listed transaction" within the meaning of U.S. Treasury Regulation Section 1.6011-4(b)(2), or any similar provision of state or local Tax Law, and no such transaction has been engaged in with respect to the Business.

(j) No Acquired Subsidiary will be required to include in a taxable period ending after the Closing Date taxable income attributable to income that accrued in a taxable period prior to the Closing Date but was not recognized for Tax purposes in such prior taxable period (or to exclude from taxable income in a taxable period ending after the Closing Date any deduction the recognition of which was accelerated from such taxable period to a taxable period prior to the Closing Date) as a result of the installment method of accounting, the completed contract method of accounting, the long-term contract method of accounting, the cash method of accounting, Section 481 of the Code or comparable provisions of state, local or foreign Tax Law, or for any other reason.

(k) No Acquired Subsidiary is party to or bound by any Tax allocation, indemnity, sharing or similar agreement that will not be terminated prior to the Closing or, has any liability for Taxes of any other Person as a transferee thereof or successor thereto including under Section 1.1502-6 of the Treasury Regulations. No Acquired Subsidiary has liability for Taxes of another Person (other than in connection with having been included on any Combined Tax Return) as a result of being or having been at any time before Closing, part of any consolidated, combined, affiliated, aggregated, unitary or similar group.

(l) Except to the extent part of the Restructuring Transactions, no Acquired Subsidiary has constituted a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of shares intending to qualify for non-recognition treatment under Section 355 of the Code in the two (2) years prior to the date of this Agreement.

(m) No Acquired Subsidiary has deferred any taxes under Section 2302 of the CARES Act or claimed any tax credit under Section 2301 of the CARES Act or Sections 7001-7003 of the Families First Coronavirus Response Act as the same may be amended or modified.

(n) Section 3.12(n) of the Seller Disclosure Letter sets forth the U.S. federal income tax classification of each of the Acquired Subsidiaries.