

LEVEL 3 COMMUNICATIONS INC

FORM DEFA14A

(Additional Proxy Soliciting Materials (definitive))

Filed 05/10/99

Address	1025 ELDORADO BOULEVARD BLDG 2000 BROOMFIELD, CO 80021
Telephone	7208881000
CIK	0000794323
Symbol	LVLT
SIC Code	4813 - Telephone Communications, Except Radiotelephone
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

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SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by Registrant ☒ ☐
Filed by Party other than the Registrant ☐ ☐

Check the appropriate box:
☐ Preliminary Proxy Statement

☐ Confidential, for Use of the Commission Only(as permitted by Rule
14-6(e)(2)
☐ Definitive Proxy Statement
☒ Definitive Additional Materials
☐ Soliciting Material Pursuant to Sec. 240.14a-11(c) or 240.14a-12

Level 3 Communications, Inc.

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11(Set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

☐ Fee paid previously with preliminary materials

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing by registration for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount Previously Paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:
- 4) Date Filed:

[Logo]

LEVEL 3 COMMUNICATIONS, INC.

3555 Farnam Street
Omaha, NE 68131

May 10, 1999

Dear Stockholder:

By this point you should have received by mail our 1998 Annual Report, Proxy Statement dated April 26, 1999 and the Proxy card relating to the 1999 Annual Meeting of Stockholders.

Since the mailing of our proxy materials, we have received a number of questions from our stockholders regarding the location of, and additional information relating to, the Annual Meeting and the proposal to increase the number of authorized shares of common stock, par value \$.01 per share (the "Common Stock"). For your convenience, we have compiled a short list of these questions and answers. In addition, this letter clarifies two changes to our Proxy Statement.

Question 1. Where will the Annual Meeting be held? How long will it last?

As a result of a greater than anticipated response from stockholders that have indicated an interest in attending the Annual Meeting, we changed the location of the Annual Meeting to a larger facility.

As stated in the Proxy Statement, the Annual Meeting of Stockholders will be held at the Omaha Civic Auditorium Music Hall, 17th and Davenport, Omaha, Nebraska, at 9:00 a.m. on May 27th, 1999.

Doors will open at 8:00 a.m., where there will be information booths, a company store and refreshments. We expect the Annual Meeting to last approximately two hours. Please note that the Annual Meeting this year is not being held where it was held last year.

Question 2. How will the increase of authorized shares of Common Stock from 500 million to 1.5 billion affect the shares I hold?

Currently there is no agreement, arrangement or understanding relating to an issuance and sale of Common Stock. A vote to increase the number of authorized shares of Common Stock will provide Level 3 with the flexibility for future activities required to support the business plan. If the proposal is approved, these shares will be only authorized and not immediately issued.

As a matter of state corporate law, each corporation must state in their Certificate of Incorporation the maximum number of shares of common stock that can be issued by the corporation. To change this maximum number requires a vote of the corporation's stockholders.

An increase in the authorized shares of Common Stock will provide Level 3 flexibility to engage in certain transactions with stock, such as financings; investment opportunities; acquisitions of other companies; stock dividends or splits; employee benefit plans; or other corporate purposes the Board of Directors deems advisable.

* * *

The Compensation Committee Report contained in the Proxy Statement dated April 26, 1999 inadvertently omitted the following paragraph from the end of the report:

"Section 162(m) of the Internal Revenue Code, enacted in 1993, generally disallows a tax deduction to public companies for compensation over \$1 million paid to the chief executive or any of the four other most highly compensated executive officers. However, certain compensation meeting a tax law definition of "performance-based" is generally exempt from this deduction limit. The Company does not currently intend to qualify cash compensation paid to executive officers for deductibility under Section 162(m). Further, in general, the Company does not currently have a policy that requires or encourages the Committee to qualify other types of compensation awarded to executive officers for deductibility under Section 162(m). However, the Company has included provisions in the Level 3 Communications, Inc. 1995 Stock Plan designed to enable option grants made to executive officers affected by Section 162(m) to qualify as "performance-based" compensation if the Committee determines that it is appropriate to make such qualifying grants."

Also, Annex A to the Proxy Statement contained a clerical error in that it did not reflect the proposed full increase in the number of authorized shares of Common Stock that was detailed in the Notice of the Annual Meeting, the Proxy Statement and the Proxy card itself. Annex A should read in its entirety as follows:

Annex A

Set forth below is the text of ARTICLE IV of the Restated Certificate of Incorporation of Level 3 Communications, Inc. if the Common Stock Proposal is approved:

"ARTICLE IV AUTHORIZED CAPITAL STOCK

The total number of shares of capital stock which the Corporation shall have the authority to issue is 1,518,500,000, consisting of 1,500,000,000 shares of Common Stock, par value \$.01 per share (the "Common Stock"), 8,500,000 shares shall be Class R

Convertible Common Stock, par value \$.01 per share (the "Class R Stock") and 10,000,000 shares of Preferred Stock, par value \$.01 per share ("Preferred Stock).

Ten shares of the Common Stock are hereby designated as Common Stock, Non-Redeemable Series. The rights, powers, preferences, privileges and limitations of Common Stock, Non-Redeemable Series shall be identical to those of all other shares of Common Stock, except as described in Articles V and IX hereof."

* * *

It is important that your shares be represented at the Annual Meeting, regardless of the number you hold. If you have not already done so, please vote your shares by returning the proxy card that was included with the Proxy Statement, by calling the toll free telephone number that was included on the proxy card or by accessing the Internet at the website included on the proxy card. If you wish to revoke any proxy previously given (either by mail, telephone or Internet), you must do so prior to the voting of the proxy at the Annual Meeting, by delivering to the Secretary of Level 3 a written statement revoking the proxy, by executing and delivering a later dated proxy, by calling the toll free telephone number, by accessing the Internet or by voting in person at the Annual Meeting.

Sincerely,

/s/ Walter Scott, Jr.

*Walter Scott, Jr.
Chairman of the Board*

End of Filing

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