

# LEVEL 3 COMMUNICATIONS INC

## **FORM 8-K** (Current report filing)

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): March 6, 2007

**Level 3 Communications, Inc.**

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State or other  
jurisdiction of incorporation)

**0-15658**  
(Commission File  
Number)

**47-0210602**  
(IRS employer  
Identification No.)

**1025 Eldorado Blvd., Broomfield, Colorado**  
(Address of principal executive offices)

**80021**  
(Zip code)

**720-888-1000**  
(Registrant's telephone number including area code)

**Not applicable**  
(Former name and former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 8.01. Other Events**

On March 6, 2007, Level 3 announced that, as part of its previously announced tender offer and consent solicitation (the “10 3/4% Tender Offer”) for its 10 3/4% Senior Euro Notes due 2008 (the “10 3/4% Notes”), as of 12:01 a.m., New York City time, on March 6, 2007 (the “Consent Time”), Level 3 had accepted tenders and consents for approximately 89% of the aggregate principal amount outstanding of the 10 3/4% Notes.

On March 6, 2007, Level 3 also announced that, as part of its previously announced tender offer (the “11.5% Tender Offer” and, together with the 10 3/4% Tender Offer, the “Tender Offers”) to purchase for cash any and all of its outstanding 11.5% Senior Notes due 2010 (the “11.5% Notes” and, together with the 10 3/4% Notes, the “Notes”), as of the Consent Time, Level 3 had received valid consents from the holders of substantially all of the outstanding 11.5% Notes (the “Requisite Consents”) to amend the indenture relating to the 11.5% Notes (the “11.5% Note Indenture”) to eliminate substantially all of the covenants and certain events of default and related provisions contained in the 11.5% Note Indenture (the “Amendment”). As of the Consent Time, holders of 11.5% Notes representing approximately 97.4% of the aggregate principal amount of the outstanding 11.5% Notes had consented to the Amendment.

A press release relating to those announcements is attached hereto as Exhibit 99.1.

In connection with the 10 3/4% Tender Offer, on March 6, 2007, Level 3 Communications, Inc. entered into a Supplemental Indenture (the “Supplemental Indenture”) amending the indenture, dated as of February 29, 2000, between Level 3 and The Bank of New York, as Trustee, relating to the 10 3/4% Notes (the “10 3/4% Notes Indenture”). The Supplemental Indenture was entered into between Level 3 and The Bank of New York, as Trustee. Pursuant to the Supplemental Indenture, the 10 3/4% Notes Indenture is amended to eliminate substantially all of the covenants and certain events of default and related provisions contained in the 10 3/4% Notes Indenture.

The Supplemental Indenture is filed as Exhibit 4.1 to this Current Report and is incorporated herein by reference as if set forth in full.

The Tender Offers are scheduled to expire at 12:01 a.m., New York City time, on March 20, 2007 (the “Expiration Date”). Notes tendered in the Tender Offers after the Consent Time but prior to the Expiration Date will not receive a consent payment. 10 3/4% Notes tendered in the 10 3/4% Tender Offer on or prior to the Consent Time may no longer be withdrawn, and consents submitted with respect to the 11.5% Notes on or prior to the Consent Time may no longer be revoked. The settlement date for 10 3/4% Notes tendered in the 10 3/4% Tender Offer on or prior to the Consent Time was March 6, 2007, and the settlement date for the 11.5% Notes tendered in the 11.5% Tender Offer on or prior to the Consent Time is scheduled to be March 13, 2007, or such other date as Level 3 shall notify holders of the 11.5% Notes.

This report is not an offer to purchase, a solicitation of an offer to purchase, or a solicitation of an offer to sell securities with respect to the Notes. The Tender Offers may only be made pursuant to the terms of the applicable Offer to Purchase and the related Letter of Transmittal.

**Item 9.01. Financial Statements and Exhibits**

- (a) Financial Statements of Business Acquired  
None
- (b) Pro Forma Financial Information  
None
- (c) Shell Company Transactions  
None

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(d) Exhibits

- 4.1 Supplemental Indenture, dated as of March 6, 2007, between Level 3 Communications, Inc. and The Bank of New York, as Trustee, supplementing the Indenture dated as of February 29, 2000, between Level 3 Communications, Inc. and The Bank of New York as Trustee, relating to Level 3 Communications, Inc.'s 10 3/4% Senior Euro Notes due 2008.
- 99.1 Press Release dated March 6, 2007, relating to the receipt of requisite consents in Level 3's tender offers and consent solicitations for Level 3's 10 3/4% Senior Euro Notes due 2008 and 11.5% Senior Notes due 2010.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Level 3 Communications, Inc.

By: /s/ Neil J. Eckstein  
Neil J. Eckstein, Senior Vice President

Date: March 7, 2007

**LEVEL 3 COMMUNICATIONS, INC.,**

**as Issuer,**

**and**

**THE BANK OF NEW YORK,**

**as Trustee**

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**Supplemental Indenture**

**Dated as of March 6, 2007**

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**10 3/4% Senior Euro Notes Due 2008**

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## **SUPPLEMENTAL INDENTURE**

SUPPLEMENTAL INDENTURE (this “Supplemental Indenture”), dated as of March 6, 2007, between LEVEL 3 COMMUNICATIONS, INC., a Delaware corporation (the “Issuer”), and THE BANK OF NEW YORK, a New York banking corporation (the “Trustee”), as Trustee under the Indenture (as hereinafter defined).

WHEREAS, the Issuer and the Trustee have as of February 29, 2000 entered into an Indenture (the “Indenture”), providing for the issuance by the Issuer from time to time of its 10 3/4% Senior Euro Notes Due 2008 (the “Securities”);

WHEREAS, Section 902 of the Indenture provides, among other things, that the Issuer and the Trustee, with the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities, may enter into one or more supplemental indentures for the purpose of adding provisions to or changing or eliminating certain of the provisions of the Indenture;

WHEREAS, the Issuer has received the written consents of the Holders of a majority of the aggregate principal amount of the Outstanding Securities to amend the Indenture as provided herein and enter into this Supplemental Indenture;

WHEREAS, the Issuer desires to enter into this Supplemental Indenture, and has duly authorized the execution and delivery of this Supplemental Indenture to modify the Indenture;

WHEREAS, concurrent with the execution hereof, the Issuer has delivered to the Trustee an Officers’ Certificate and has caused its counsel to deliver to the Trustee an Opinion of Counsel; and

WHEREAS, all conditions and requirements of the Indenture necessary to make this Supplemental Indenture a valid, binding and legal instrument in accordance with its terms have been performed and fulfilled by the parties hereto and the execution and delivery thereof have been in all respects duly authorized by the parties hereto.

NOW, THEREFORE:

For and in consideration of the mutual premises and agreements herein contained, the Issuer and the Trustee covenant and agree, for the equal and proportionate benefit of all Holders of the Securities, as follows:

### **ARTICLE I.**

#### **EFFECTIVENESS AND EFFECT**

##### **Section 1.1 Effectiveness and Effect.**

This Supplemental Indenture shall take effect on the date hereof, provided, however, that the amendments provided for in Article Two hereof shall only become operative if an aggregate principal amount of Securities exceeding €24,866,500 is accepted by the Issuer for payment on the Initial Payment Date (as defined in that certain Offer to Purchase and Consent Solicitation Statement of the Issuer, dated February 20, 2007), and such amendments provided for in Article Two hereof shall have no force or effect prior to the operative time specified in this Section. Subject to the foregoing, the provisions set forth in this Supplemental Indenture shall be deemed to be, and shall be construed as part of, the Indenture. All references to the Indenture in the Indenture or in any other agreement, document or instrument delivered in connection therewith or pursuant thereto shall be deemed to refer to the Indenture as amended by this Supplemental Indenture. Except as amended hereby, the Indenture shall remain in full force and effect.

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## **ARTICLE II.**

### **AMENDMENT OF THE INDENTURE**

#### **Section 2.1 Deletion of Definitions and Related References**

Section 101 of the Indenture is hereby amended to delete in their entirety all terms and their respective definitions for which all references are eliminated in the Indenture as a result of the amendments set forth in Section 2.2 of this Supplemental Indenture.

#### **Section 2.2 Amendments to Indenture.**

The Indenture is hereby amended by deleting the following sections of the Indenture and all references thereto in the Indenture in their entirety and replacing each such section with the term “INTENTIONALLY OMITTED”:

Section 1004 (Corporate Existence);  
Section 1005 (Maintenance of Properties);  
Section 1006 (Insurance);  
Section 1007 (Reports);  
Section 1008 (Statement by Officers as to Default);  
Section 1010 (Limitation on Consolidated Debt);  
Section 1011 (Limitation on Debt of Restricted Subsidiaries);  
Section 1012 (Limitation on Restricted Payments);  
Section 1013 (Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries);  
Section 1014 (Limitation on Liens);  
Section 1015 (Limitation on Sale and Leaseback Transactions);  
Section 1016 (Limitation on Asset Dispositions);  
Section 1017 (Limitation on Issuance and Sales of Capital Stock of Restricted Subsidiaries);  
Section 1018 (Transactions with Affiliates);  
Section 1019 (Limitation on Designations of Unrestricted Subsidiaries);  
Section 501(4), (6) and (7) (Events of Default); and  
Section 801(3) and (4) (Company May Consolidate, etc., Only on Certain Terms).

## **ARTICLE III.**

### **MISCELLANEOUS**

#### **Section 3.1 Counterparts.**

This Supplemental Indenture may be executed in counterparts, each of which when so executed shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.



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**Section 3.2 Severability.**

In the event that any provision in this Supplemental Indenture shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 3.3 Headings.**

The article and section headings herein are for convenience only and shall not affect the construction hereof.

**Section 3.4 Successors and Assigns.**

Any covenants and agreements in this Supplemental Indenture by the Issuer and the Trustee shall bind their successors and assigns, whether so expressed or not.

**Section 3.5 Governing Law.**

**THIS SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO PRINCIPLES OF CONFLICTS OF LAW.**

**Section 3.6 Effect of Supplemental Indenture.**

Except as amended by this Supplemental Indenture, the terms and provisions of the Indenture shall remain in full force and effect.

**Section 3.7 Trustee.**

The Issuer hereby acknowledges and agrees to comply with its reporting obligations under the Trust Indenture Act of 1939. The Trustee assumes no responsibility for the correctness of the recitals herein contained, which shall be taken as the statements of the Issuer, and the Trustee shall not be responsible or accountable in any way whatsoever for or with respect to the validity or execution or sufficiency of this Supplemental Indenture, and the Trustee makes no representation with respect thereto.

**Section 3.8 Endorsement and Change of Form of Securities.**

Any Securities authenticated and delivered after the close of business on the date that this Supplemental Indenture becomes effective may be affixed to, stamped, imprinted or otherwise legended by the Trustee, with a notation as follows:

“Effective as of March 6, 2007, certain restrictive covenants of the Indenture and certain of the Events of Default have been eliminated, as provided in the Supplemental Indenture, dated as of March 6, 2007. Reference is hereby made to said Supplemental Indenture, copies of which are on file with the Trustee, for a description of the amendments made therein.”

**Section 3.9 Definitions.**

Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Indenture.

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IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed by their respective officers hereunto duly authorized, all as of the day and year first above written.

LEVEL 3 COMMUNICATIONS, INC.

By: /s/ Sunit S. Patel  
Name: Sunit S. Patel  
Title: Group Vice President and Chief Financial Officer

THE BANK OF NEW YORK, as Trustee

By: /s/ Hernan Lopez  
Name: Hernan Lopez  
Title: Assistant Vice President



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## NEWS RELEASE

### Level 3 contacts:

Media: Josh Howell  
720-888-2517

Chris Hardman  
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Investors: Robin Grey  
720-888-2518

Valerie Finberg  
720-888-2501

### Level 3 Announces Receipt of Requisite Consents in Tender Offers and Consent Solicitations

**BROOMFIELD, Colo., March 7, 2007** — Level 3 Communications, Inc. (NASDAQ: LVLT) announced today that, as part of its previously announced tender offer and consent solicitation for its 10 3/4% Senior Euro Notes due 2008 (the “10 3/4% Notes”), as of 12:01 a.m., New York City time, on March 6, 2007 (the “Consent Time”), Level 3 had accepted tenders and consents for approximately 89% of the aggregate principal amount outstanding of the 10 3/4% Notes.

In connection with the tender offer and related consent solicitation for the 10 3/4% Notes, on March 6, 2007, Level 3 Communications, Inc. entered into a Supplemental Indenture (the “Supplemental Indenture”) amending the Indenture, dated as of February 29, 2000, between Level 3 and The Bank of New York, as Trustee, relating to the Notes (the “10 3/4% Note Indenture”). The Supplemental Indenture was entered into by Level 3 and The Bank of New York, as Trustee. The Supplemental Indenture amends the 10 3/4% Note Indenture to eliminate substantially all of the covenants and certain events of default and related provisions contained in the Indenture.

The tender offer for the 10 3/4% Notes (the “10 3/4% Tender Offer”) is scheduled to expire at 12:01 a.m., New York City time, on March 20, 2007 (the “Expiration Date”). Notes tendered in the 10 3/4% Tender Offer after the Consent Time, but prior to the Expiration Date will not receive a consent payment. Notes tendered in the 10 3/4% Tender Offer on or prior to the Consent Time may no longer be withdrawn. The settlement date for 10 3/4% Notes tendered in the 10 3/4% Tender Offer on or prior to the Consent Time was March 6, 2007.

Level 3 also announced today that, as part of its previously announced tender offer (the “11.5% Tender Offer” and, together with the 10 3/4% Tender Offer, the “Tender Offers”) to purchase for cash any and all of its outstanding 11.5% Senior Notes due 2010 (the “11.5% Notes”), as of the Consent Time, Level 3 had received valid consents from the holders of substantially all of the outstanding 11.5% Notes (the “Requisite Consents”) to amend the indenture relating to the 11.5% Notes (the “11.5% Note Indenture”) to eliminate substantially all of the covenants and certain events of default and related provisions contained in the 11.5% Note Indenture (the “Amendment”). As of the Consent Time, holders of 11.5% Notes representing approximately 97% of the aggregate principal amount of the outstanding 11.5% Notes had consented to the Amendment.

The 11.5% Tender Offer is scheduled to expire on March 20, 2007, the Expiration Date. Notes tendered in the 11.5% Tender Offer after the Consent Time, but prior to the Expiration Date will not receive a consent payment. Notes tendered on or prior to the Consent Time may not be withdrawn, and consents submitted on or prior to the Consent Time may not be revoked. The settlement date for 11.5% Notes tendered in the 11.5% Tender Offer on or prior to the Consent Time is scheduled to be March 13, 2007, or such other date as Level 3 shall notify holders of the 11.5% Notes.

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This press release is not an offer to purchase, a solicitation of an offer to purchase, or a solicitation of an offer to sell securities with respect to the 10 3/4% Notes or the 11.5% Notes. The Tender Offers may only be made pursuant to the terms of the applicable Offer to Purchase and the related Letter of Transmittal.

The complete terms and conditions of the Tender Offers are set forth in separate Offers to Purchase that have been sent to holders of the 10 3/4% Notes and the 11.5% Notes. Holders are urged to read the tender offer documents carefully. Copies of each Offer to Purchase and each related Letter of Transmittal may be obtained from the Information Agent for the Tender Offers, Global Bondholder Services Corporation, at (212) 430-3774 and (866) 389-1500 (toll-free).

Merrill Lynch & Co. is the Dealer Manager for the Tender Offers. Questions regarding the Tender Offers may be directed to Merrill Lynch & Co. at (888) 654-8637 (toll-free) and (212) 449-4914.

### **About Level 3 Communications**

Level 3 Communications, Inc (Nasdaq: LVL3), an international communications company, operates one of the largest Internet backbones in the world. Through its customers, Level 3 is the primary provider of Internet connectivity for millions of broadband subscribers. The company provides a comprehensive suite of services over its broadband fiber optic network including Internet Protocol (IP) services, broadband transport and infrastructure services, colocation services, voice services and voice over IP services. These services provide building blocks that enable Level 3's customers to meet their growing demands for advanced communications solutions. The company's Web address is [www.Level3.com](http://www.Level3.com).

*The Level 3 logo is a registered service mark of Level 3 Communications, Inc. in the United States and/or other countries. Level 3 services are provided by a wholly owned subsidiary of Level 3 Communications, Inc.*

### **Forward-Looking Statement**

*Some of the statements made by Level 3 in this press release are forward-looking in nature. Actual results may differ materially from those projected in forward-looking statements. Level 3 believes that its primary risk factors include, but are not limited to: integrate strategic acquisitions; increase the volume of traffic on our network; defend our intellectual property and proprietary rights; develop new products and services that meet customer demands and generate acceptable margins; successfully complete commercial testing of new technology and information systems to support new products and services; attract and retain qualified management and other personnel; and meet all of the terms and conditions of our debt obligations. Additional information concerning these and other important factors can be found within Level 3's filings with the Securities and Exchange Commission. Statements in this press release should be evaluated in light of these important factors.*