

LEVEL 3 COMMUNICATIONS INC

FORM 8-K (Current report filing)

Filed 10/01/09 for the Period Ending 09/26/09

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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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**

September 26, 2009

Date of Report (Date of earliest event reported)

Level 3 Communications, Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-15658

47-0210602

(State or other jurisdiction
of incorporation)(Commission
File Number)IRS Employer
Identification No.)

1025 Eldorado Blvd., Broomfield, Colorado

80021

(Address of principal executive offices)

(Zip Code)

720-888-1000

Registrant's telephone number, including area code

Not applicable

(Former name or 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.):

- ☐ 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))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 26, 2009, the Level 3 Communications, Inc. (“Level 3”) board of directors (the “Board”) elected Rahul N. Merchant as a member of the Board, effective October 1, 2009, filling a vacancy created by the Board’s increasing the size of the Board to 14.

Mr. Merchant has been a partner at Exigen Capital, a private equity firm based in New York City since 2008. From 2006 until 2008, Mr. Merchant was Executive Vice President, Chief Information Officer and Member of the Executive Committee at Fannie Mae. In this role, he led and transformed Technology and Operations groups. Prior to joining Fannie Mae, Mr. Merchant was Senior Vice President and Chief Technology Officer at Merrill Lynch & Co. In this role, Mr. Merchant managed the global technology organization from 2000 until 2006. Mr. Merchant has also held senior leadership positions at Cooper Neff and Associates, Lehman Brothers, Sanwa Financial Products and Dresdner Bank. Mr. Merchant serves as a member of the Board of Director at Sun Microsystems, Inc., Collabera, Inc. and Netuitive, Inc. He also serves on the board of advisors to the American India Foundation. Mr. Merchant holds a B.S. degree in Electrical Engineering from Bombay University, M.S. in Computer Science from Memphis University, and M.B.A. from Temple University.

The Board has determined that Mr. Merchant is independent within the meaning of the listing standards of The NASDAQ Stock Market.

Mr. Merchant will receive compensation as a non-employee member of the Board as described in Level 3’s Compensation Discussion and Analysis for the year ended December 31, 2008, which has been previously filed with the Securities and Exchange Commission.

Level 3 compensates its non-employee directors (except for its Chairman, Mr. Walter Scott, whose compensation is discussed below) with grants of restricted stock. Each non-employee member of the Board receives quarterly grants of restricted stock having a value of \$37,500 at the time of grant which amount to an annual aggregate grant value of \$150,000 for each such director. The number of shares of restricted stock granted is determined by dividing \$37,500 by the closing price of our common stock on the NASDAQ Global Select Market on the last trading day of the quarter. Beginning with 2009 compensation, the total number of shares of restricted stock issued to each non-employee member of the Board with respect to a calendar year’s compensation will be subject to an overall cap of 100,000 shares of common stock. Walter Scott, Jr., Level 3’s Chairman of the Board, also receives quarterly grants of restricted stock having a value of \$45,000 at the time of grant which amount to an annual aggregate grant value of \$180,000. The number of shares of restricted stock granted to Mr. Scott is determined by dividing \$45,000 by the closing price of our common stock on the NASDAQ Global Select Market on the last trading day of the quarter. Beginning with 2009 compensation, the total number of shares of restricted stock issued to Mr. Scott with respect to a calendar year’s compensation will be subject to an overall cap of 120,000 shares of common stock. These shares of restricted stock granted for 2009 compensation will generally vest 100% on the later of 1) April 1, 2010 and 2) the first trading day on which transactions in Level 3’s securities are permitted by its insider trading policy after April 1, 2010 if trading is not permitted on April 1, 2010.

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, hereunto duly authorized.

Level 3 Communications, Inc.

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

Date: October 1, 2009