

LEVEL 3 COMMUNICATIONS INC

FORM 8-K (Current report filing)

Filed 05/31/11 for the Period Ending 05/25/11

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

**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): **May 25, 2011**

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)

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

N/A

(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. 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 May 25, 2011, Level 3 Communications, Inc. (“Level 3”) issued a press release announcing that Level 3 Escrow, Inc., an indirect, wholly owned subsidiary of Level 3 (“Level 3 Escrow”), planned to issue senior notes that will mature in 2019 in a proposed private offering to “qualified institutional buyers” as defined in Rule 144A under the Securities Act of 1933, as amended, and non-U.S. persons outside the United States under Regulation S under the Securities Act of 1933, as amended.

That press release is filed as Exhibit 99.1 to this Current Report and is incorporated herein by reference as if set forth in full.

On May 25, 2011, Level 3 issued a press release announcing that Level 3 Escrow agreed to sell \$600 million aggregate principal amount of 8.125% Senior Notes in a private offering to qualified institutional buyers and to non-U.S. persons outside the United States under Regulation S.

That press release is filed as Exhibit 99.2 to this Current Report and is incorporated herein by reference as if set forth in full.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Press Release, dated May 25, 2011, relating to the launching of the private offering of senior notes by Level 3 Escrow, Inc.

99.2 Press Release, dated May 25, 2011, relating to the pricing of the private offering of senior notes by Level 3 Escrow, Inc.

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.

/s/ Neil J. Eckstein

Neil J. Eckstein

Senior Vice President

Date: May 31, 2011

EXHIBIT INDEX

Exhibit Number	Exhibit
99.1	Press Release, dated May 25, 2011, relating to the launching of the private offering of senior notes by Level 3 Escrow, Inc.
99.2	Press Release, dated May 25, 2011, relating to the pricing of the private offering of senior notes by Level 3 Escrow, Inc.



Level 3 Announces Proposed Private Offering of Senior Notes

BROOMFIELD, Colo., May 25, 2011 — Level 3 Communications, Inc. (Nasdaq: LVLT) today announced that Level 3 Escrow, Inc., its newly formed, wholly owned subsidiary, plans to offer \$500 million aggregate principal amount of senior notes that will mature in 2019 and will bear interest at a fixed rate in a proposed private offering to “qualified institutional buyers,” as defined in Rule 144A under the Securities Act of 1933, as amended, and non-U.S. persons outside the United States under Regulation S under the Securities Act of 1933.

The gross proceeds from the offering of the notes will be deposited into a segregated escrow account until the date on which certain escrow conditions, including, but not limited to, the substantially concurrent consummation of the acquisition by Level 3 of Global Crossing Limited and the assumption of the notes by Level 3 Financing, Inc., a wholly owned subsidiary of Level 3 and the parent company of Level 3 Escrow, are satisfied. If the escrow conditions are not satisfied on or before April 10, 2012 (or any earlier date on which Level 3 determines that any of such escrow conditions cannot be satisfied), Level 3 Escrow will be required to redeem the notes.

Following the release of the escrowed funds in connection with the assumption of the notes by Level 3 Financing, the net proceeds from the offering of the notes will be used to refinance certain existing indebtedness of Global Crossing, including fees and premiums, in connection with the closing of Level 3’s proposed acquisition of Global Crossing. The gross proceeds from the offering will reduce the outstanding bridge commitment Level 3 has in place with certain financial institutions in connection with refinancing certain Global Crossing indebtedness.

The notes will not be registered under the Securities Act of 1933 or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an applicable exemption from the registration requirements of the Securities Act of 1933 and applicable state securities laws.

About Level 3 Communications

Level 3 Communications, Inc. (NASDAQ: LVLT) is a leading international provider of fiber-based communications services. Enterprise, content, wholesale and government customers rely on Level 3 to deliver services with an industry-leading combination of scalability and value over an end-to-end fiber network. Level 3 offers a portfolio of metro and long-haul services, including transport, data, Internet, content delivery and voice. For more information, visit www.level3.com.

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Forward-Looking Statement

Some of the statements made in this press release are forward looking in nature. These statements are based on management's current expectations or beliefs. These forward looking statements are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside Level 3's control, which could cause actual events to differ materially from those expressed or implied by the statements. The most important factors that could prevent Level 3 from achieving its stated goals include, but are not limited to: the current uncertainty in the global financial markets and the global economy; a discontinuation of the development and expansion of the Internet as a communications medium and marketplace for the distribution and consumption of data and video; and disruptions in the financial markets that could affect Level 3's ability to obtain additional financing. Additional factors include, but are not limited to, the company's ability to: increase and maintain the volume of traffic on its network; develop effective business support systems; manage system and network failures or disruptions; develop new services that meet customer demands and generate acceptable margins; defend intellectual property and proprietary rights; adapt to rapid technological changes that lead to further competition; attract and retain qualified management and other personnel; successfully integrate acquisitions; and meet all of the terms and conditions of 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. Level 3 is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

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Contact Information

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Level 3 Announces Pricing of Private Offering of Senior Notes

BROOMFIELD, Colo., May 25, 2011 — Level 3 Communications, Inc. (NASDAQ: LVLT) today announced that Level 3 Escrow, Inc., its newly formed, indirect, wholly owned subsidiary, has agreed to sell \$600 million aggregate principal amount of its 8.125% Senior Notes due 2019 in a private offering to “qualified institutional buyers,” as defined in Rule 144A under the Securities Act of 1933, as amended, and non-U.S. persons outside the United States under Regulation S under the Securities Act of 1933. The new 8.125% Senior Notes due 2019 were priced to investors at 99.264% of their principal amount and will mature on July 1, 2019.

The gross proceeds from the offering of the notes will be deposited into a segregated escrow account until the date on which certain escrow conditions, including, but not limited to, the substantially concurrent consummation of the acquisition by Level 3 of Global Crossing Limited and the assumption of the notes by Level 3 Financing, Inc., a wholly owned subsidiary of Level 3 and the direct parent company of Level 3 Escrow, are satisfied. If the escrow conditions are not satisfied on or before April 10, 2012 (or any earlier date on which Level 3 determines that any of such escrow conditions cannot be satisfied), Level 3 Escrow will be required to redeem the notes.

Following the release of the escrowed funds in connection with the assumption of the notes by Level 3 Financing, the net proceeds from the offering of the notes will be used to refinance certain existing indebtedness of Global Crossing, including fees and premiums, in connection with the closing of Level 3’s proposed acquisition of Global Crossing. The gross proceeds from the offering will reduce the outstanding bridge commitment Level 3 has in place with certain financial institutions in connection with refinancing certain Global Crossing indebtedness.

The offering is expected to be completed on June 9, 2011, subject to the satisfaction or waiver of customary closing conditions.

The notes will not be registered under the Securities Act of 1933 or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an applicable exemption from the registration requirements of the Securities Act of 1933 and applicable state securities laws.

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names, product names, company names or logos included herein are the trademarks or service marks of their respective owners.

Forward-Looking Statement

Some of the statements made in this press release are forward looking in nature. These statements are based on management's current expectations or beliefs. These forward looking statements are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside Level 3's control, which could cause actual events to differ materially from those expressed or implied by the statements. The most important factors that could prevent Level 3 from achieving its stated goals include, but are not limited to: the current uncertainty in the global financial markets and the global economy; a discontinuation of the development and expansion of the Internet as a communications medium and marketplace for the distribution and consumption of data and video; and disruptions in the financial markets that could affect Level 3's ability to obtain additional financing. Additional factors include, but are not limited to, the company's ability to: increase and maintain the volume of traffic on its network; develop effective business support systems; manage system and network failures or disruptions; develop new services that meet customer demands and generate acceptable margins; defend intellectual property and proprietary rights; adapt to rapid technological changes that lead to further competition; attract and retain qualified management and other personnel; successfully integrate acquisitions; and meet all of the terms and conditions of 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. Level 3 is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

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