

**Report of Organizational Actions
Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Level 3 Communications, Inc.		2 Issuer's employer identification number (EIN) 47-0210602	
3 Name of contact for additional information Investor Relations	4 Telephone No. of contact 720-888-2518	5 Email address of contact investor.relations@level3.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 1025 Eldorado Boulevard		7 City, town, or post office, state, and Zip code of contact Broomfield, CO 80021	
8 Date of action 10/19/2011		9 Classification and description Common stock issued in exchange for Global Crossing common stock	
10 CUSIP number 52729N100	11 Serial number(s) N/A	12 Ticker symbol LVLT	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On October 4, 2011, Level 3 effectuated the acquisiton of Global Crossing Limited ("GLBC") through a stock-for-stock exchange whereby each existing share of GLBC common stock was converted into 16 shares of Level 3 common stock. (On October 19, 2011, Level executed a 1-for-15 reverse stock split - please see Form 8937 dated January 13, 2011 for the tax basis information disclosure with respect to the reverse stock split).**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **GLBC shareholders will generally have a tax basis in the Level 3 common stock received in the amalgamation equal to the tax basis of the GLBC common shares surrendered by the holder in exchange for the Level 3 common stock.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **GLCB shareholders received 16 shares of Level 3 common stock for each one share of GLBC common stock. One possible approach to determining the basis in Level 3 common stock would be to divide the shareholders' per share basis in all of the GLBC common stock owned just prior to the amalgamation by 16 resulting in the shareholders' per share basis in the post-amalgamation common stock of Level 3.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
I.R.C. Sections 354, 356, 358, 368, and 1001.

18 Can any resulting loss be recognized? ▶ The amalgamation qualifies as a tax-free reorganization under I.R.C. Section 368. GLBC shareholders generally will not recognize gain or loss for U.S. federal income tax purposes.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
The reportable tax year is 2011 for taxpayers reporting taxable income on a calendar year basis. For shareholders reporting taxable income on a basis other than calendar year, the reportable tax year is the shareholder's tax year that includes October 4, 2011.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶

Date ▶

1/13/12

Print your name ▶ Douglas A. Richards

Title ▶ Senior Vice President, Tax

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check if self-employed

PTIN

Firm's name ▶

Firm's EIN ▶

Firm's address ▶

Phone no.