



**AUTOMATIC DIVIDEND REINVESTMENT AND  
STOCK PURCHASE SERVICE**

**750,000 Shares of Common Stock  
(par value \$1.00 per share)**

We are offering to our shareholders of record the opportunity to purchase shares of common stock of CenturyTel, Inc. (doing business as “CenturyLink”) through our Automatic Dividend Reinvestment and Stock Purchase Service (the “Service”). The Service provides you with a convenient method of purchasing common stock at market prices without having to pay any service or processing fees.

If you elect to participate in the Service, you may have your CenturyLink cash dividends automatically reinvested in additional shares of common stock. You may also elect to invest in shares of common stock by making cash payments of not less than \$25 per payment and not more than a total of \$150,000 per calendar year.

To participate in the Service, you may visit Computershare’s website, [www.computershare.com/investor](http://www.computershare.com/investor), and follow the instructions provided, or you may complete, sign and mail an enrollment form to Computershare Trust Company, N.A. (“Computershare”), Post Office Box 43078, Providence, Rhode Island 02940-3078. Shareholders who do not wish to participate in the Service will receive cash dividends, as declared.

CenturyLink at its option may choose to issue new shares of its common stock to meet the requirements of the Service or direct that shares be purchased on the open market. The purchase price of shares of common stock purchased from CenturyLink with reinvested dividends will be the average of the high and low sales prices of common stock on the cash dividend payment date or, if no trading in the common stock occurs on such date, on the next preceding date on which trading occurred.

CenturyLink’s common stock is listed on the New York Stock Exchange (Symbol “CTL”).

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES  
COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED  
UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION  
TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**The date of this prospectus is March 22, 2010.**

## INFORMATION ABOUT US

CenturyTel, Inc. (doing business as “CenturyLink”), together with its subsidiaries, is an integrated communications company engaged primarily in providing an array of communications services, including local and long distance voice, wholesale local network access, high-speed Internet access, other data services and video services. We primarily conduct our operations in 33 states located within the continental United States. According to published sources, we are currently the fourth largest local exchange telephone company in the United States based on the number of access lines served. We also provide fiber transport, competitive local exchange, security monitoring, pay telephone and other communications, professional and business information services in certain local and regional markets. Our principal executive offices are located at 100 CenturyLink Drive, Monroe, Louisiana 71203, Telephone: (318) 388-9000. See “Where You Can Find More Information.”

## DESCRIPTION OF THE SERVICE

The following is a description of the CenturyLink Automatic Dividend Reinvestment and Stock Purchase Service, which has been in effect since October 15, 1987.

### **Purpose**

#### *1. What is the purpose of the Service?*

The purpose of the Service is to provide our common shareholders of record with a convenient and economical opportunity to invest some or all of their cash dividends and voluntary cash payments in new shares of common stock at market price, without payment of any service or processing fees.

### **Advantages**

#### *2. What are the advantages of the Service?*

You may (a) automatically reinvest some or all of the cash dividends on your shares of common stock in additional common stock at market price and (b) make voluntary cash payments to invest in additional common stock at market price on the terms described in the responses to Questions 7 and 16. You are not required to pay service or processing fees in connection with your purchases under the Service. The Service permits fractional shares, as well as whole shares, to be credited to your account. You can avoid the inconvenience and expense of safekeeping certificates for shares credited to your account under the Service, including those credited under the optional custodial feature of the Service described below in response to Question 11. As soon as practicable after each purchase, the shares acquired will be credited to your account and a statement of account will be furnished to you to provide simplified record keeping.

We generally expect to directly issue new shares of stock to participants for purchases made pursuant to the Service. If so, we will receive additional funds for general corporate purposes. However, we reserve the right to credit participants’ accounts with shares purchased through open market purchases. Under these circumstances, we will not receive additional funds.

### **Administration**

#### *3. Who administers the Service?*

Computershare Trust Company, N.A. will administer the Service, keep records, send statements of account to you and perform other duties relating to the Service. Stock purchased under the Service will be registered in the name of Computershare (or its nominee), as agent, and credited to your account.

## Participation

### 4. Who is eligible to participate?

If you are a holder of record of CenturyLink common stock, you are eligible to participate in the Service. If you are a beneficial owner of CenturyLink common stock that is registered in names other than your own (for instance, in the name of a broker or nominee), you must either make appropriate arrangements with your broker, nominee or other registered holder to participate in the Service, or you must become a shareholder of record by having shares transferred into your own name.

### 5. How do I participate?

If you are a holder of record of CenturyLink common stock, you may join the Service at any time by visiting Computershare's website, [www.computershare.com/investor](http://www.computershare.com/investor), and following the instructions provided, or by sending a completed enrollment form to Computershare. You may obtain an enrollment form by either:

- contacting Computershare in one of the manners indicated in response to Question 6; or
- contacting the Investor Relations Department of CenturyLink at the address of our principal executive offices listed above, or by telephoning 1-800-833-1188.

### 6. Where should I direct correspondence regarding the Service?

All your correspondence concerning the Service should be addressed to:

Computershare Trust Company, N.A.  
Post Office Box 43078  
Providence, Rhode Island 02940-3078

You may also contact Computershare by phone as follows:

Telephone: U.S. and Canada 1-800-969-6718  
Outside U.S. and Canada 1- 312-360-5215  
An automated phone system is available 24 hours a day, 7 days a week.  
Customer service representatives are available from 9:00 a.m. to 5:00 p.m. Eastern time each business day.

You may also contact Computershare online at:

[www.computershare.com/investor](http://www.computershare.com/investor)

Any notice which is required or permitted to be given to you by CenturyLink or Computershare will be deemed to be made when mailed to you at the most recent address which you have provided to Computershare.

### 7. When will investment of dividends and optional cash payments be made?

If as anticipated we directly issue new shares to participants under the Service, cash dividends on your shares of common stock will be applied to your purchase of additional stock on each cash dividend payment date. If we elect to credit your account with shares purchased in the open market, Computershare will apply promptly all cash dividends received by it to the purchase of shares. If an enrollment form or online order requesting reinvestment of dividends is received by Computershare on or prior to the record date established for a particular dividend, reinvestment will commence with that dividend. If the request is received after the record date established for a particular dividend payment, then the reinvestment of dividends will begin with the following dividend payment.

Computershare will credit your account with common stock purchased by you with voluntary cash payments within five business days of Computershare's receipt of such payments. No interest will be paid on voluntary cash payments held for investment.

The Service does not represent a change in CenturyLink's dividend policy or a guarantee of future dividends, which will continue to be subject to the discretion of our Board of Directors and to depend upon earnings, financial requirements and other factors. As indicated in response to Question 34, the investment of your dividends or voluntary cash payments might be delayed under certain circumstances.

*8. May I reinvest cash dividends on less than all of my CenturyLink shares?*

Yes. The enrollment form enables you to purchase additional CenturyLink common stock through the following investment options:

- You may direct Computershare and CenturyLink to reinvest the cash dividends on all CenturyLink common stock registered in your name and held by you in certificated form and credited to your account.
- You may direct Computershare and CenturyLink to reinvest the cash dividends on less than all of the CenturyLink common stock registered in your name and to continue to pay to you the cash dividends on the remaining specified number of shares registered in your name and held by you in certificated form and credited to your account.

*9. How may I change options under the Service?*

You may change the number of your registered shares as to which dividends are reinvested at any time by accessing your account at Computershare's website, [www.computershare.com/investor](http://www.computershare.com/investor), or by submitting a revised enrollment form to Computershare. Any such change must be received by Computershare prior to the record date for a cash dividend payment in order to be effective for that particular payment date.

*10. May I elect to make only voluntary cash payments under the Service?*

No. Participation in the Service is limited to shareholders who direct Computershare to apply some or all of their cash dividends to the purchase of additional stock.

*11. Does the Service include optional custodial services for other shares of CenturyLink's common stock?*

Yes. At any time after your first dividend reinvestment under the Service, you may send to Computershare, for safekeeping, certificates for other shares of common stock that you own of record. Computershare will transfer these shares into its name or the name of its nominee to be held and credited to your account along with those shares purchased with your cash dividends and with any additional voluntary cash payments. This convenient optional custodial service is provided without cost to you and provides added protection against loss, theft, or destruction of share certificates held by you.

If you wish to take advantage of this feature of the Service, please mail your certificates to Computershare along with a letter directing Computershare to deposit the shares into your account. The certificates should not be endorsed. You should mail the certificates to Computershare at the address indicated in response to Question 6. We recommend that you send your certificates by either registered or certified mail, return receipt requested, or some other form of mail that is traceable, and properly insured. Computershare will promptly send you a statement confirming each deposit of your certificates. Before submitting any shares for safekeeping, you should consider the following:

- Upon transfer of your shares into Computershare's name, all such shares will be co-mingled with all other shares credited to your account under the Service. This transfer will be tax-free.

- However, to maximize your tax reporting options upon the sale of your shares held in your account, you may wish to keep internal records of the tax basis of all shares held in your account. For further information on the tax effects of any such sale, you should consult your tax advisor.

*12. Will I incur any expenses in connection with purchases under the Service?*

No. All costs of administration of the Service will be paid by us. However, if you request Computershare to sell your shares, you will pay service and processing fees. See Question 26 below for more details.

### **Purchases**

*13. When will shares be purchased under the Service?*

Cash dividends on common stock and voluntary cash payments will be applied to the purchase of additional common stock as set forth in the answer to Question 7.

*14. What will be the price of shares purchased under the Service?*

If as anticipated we directly issue new shares to you, the price per share of common stock purchased by you with reinvested dividends will be the average of the high and low sales prices of common stock on the cash dividend payment date or, if no trading in the common stock occurs on such date, on the next preceding date on which trading occurred. The price per share of common stock directly issued in exchange for voluntary cash payments will equal such average on the day of purchase or, if no trading occurs on such date, the preceding trading date.

As indicated in response to Question 2, we reserve the right to credit your account with shares acquired through open market purchases. If so, Computershare will purchase shares on or prior to each date that it is required to credit shares to any participant's account under the Service. Under these circumstances, your purchase price will be the weighted average price, excluding processing fees (which include any applicable brokerage commissions and any other costs of purchase Computershare is required to pay) for all plan shares purchased by it for all participants since the previous date that it was obligated to credit shares to any participants. Computershare will select the broker and determine the timing, market price, and other terms of such purchases, and you will not be able to direct any such terms. For purposes of making these purchases, Computershare may commingle your cash with that of other participants.

*15. How many shares will be purchased for me?*

Your account will be credited with that number of shares (including fractions computed to six decimal places) equal to the total amount to be invested, divided by the applicable purchase price (also computed to six decimal places).

### **Voluntary Investments**

*16. How does the voluntary cash payment feature work?*

A voluntary cash payment is a sum of money, other than your cash dividends, which you may furnish to Computershare for investment in additional shares of common stock. You may submit voluntary cash payments in any of the following three ways:

- First, you may mail a check, made payable in U.S dollars and drawn from a U.S. bank, at any time to Computershare at the address indicated in response to Question 6, along with a transaction form that you may detach from any statement of account or otherwise obtain from Computershare. Checks should be made payable to Computershare. You should also indicate your account number on the check. Do not send cash, traveler's checks, money orders or third party checks for voluntary cash payments.

- Second, you may authorize Computershare to automatically debit your U.S. bank checking or savings account once a month through the Automatic Clearing House (“ACH”) system. To begin making voluntary investments through the ACH system, you may enroll through Computershare’s website, [www.computershare.com/investor](http://www.computershare.com/investor), or you may complete and mail to Computershare a direct debit form, together with a voided blank check or savings account deposit slip for the account from which funds are to be drawn. Forms will be processed and will become effective as promptly as practicable; however, you should allow four to six weeks for your first investment to be initiated. Once automatic debits are initiated, funds will be drawn from your bank account on the 10th of each month (or the next business day if the 10th is not a business day). Automatic deductions will continue at the level you set until you change your instructions by notifying Computershare. You may modify or cancel your ACH authorization through Computershare’s website, [www.computershare.com/investor](http://www.computershare.com/investor), or by furnishing Computershare with an updated direct debit authorization form. To be effective with respect to a particular voluntary cash payment date, the new direct debit authorization form must be received by Computershare at least six business days preceding the date on which the funds will be withdrawn.
- Third, you may make voluntary cash payments by visiting Computershare’s website, [www.computershare.com/investor](http://www.computershare.com/investor), and authorizing a one-time online bank debit from a U.S bank account. One-time online voluntary cash payment funds will be held for three banking business days before they are invested. You should refer to the online confirmation for the account debit date and investment date.

You may not make any single voluntary cash payment of less than \$25 or aggregate voluntary payments that exceed \$150,000 per calendar year. Computershare will invest all of your voluntary cash payments within five business days of receipt to credit additional common stock to your account, subject to possible delays under the circumstances described in response to Question 34. No interest will be paid on voluntary cash payments held for investment.

You have no obligation to make any voluntary cash payments.

*17. What happens if my voluntary cash payment bounces?*

If your check, automatic monthly withdrawal or one-time online bank debit is returned unpaid for any reason, there will be a \$25 service charge. In addition, Computershare will consider your proposed investment of such money null and void and will immediately remove from your account any shares purchased upon the prior credit of your funds. Computershare will be entitled to sell shares from your account to satisfy any uncollected amounts.

*18. When will voluntary cash payments be refunded?*

Computershare will refund your voluntary cash payment, without interest, if it receives a written request for such refund during normal working hours at least two business days prior to the time your funds would have otherwise been invested under the Service.

**Reports to Participants**

*19. What kind of reports will be sent to me?*

You will receive a quarterly statement showing the amount invested, purchase price, the number of shares purchased, deposited, sold, transferred or withdrawn, total shares accumulated and other year-to-date information. The quarterly statement will indicate the shares held by Computershare for you and other shares registered in your name upon which dividends are reinvested. For market order sales, the time of sale will be provided. You may also view year-to-date transaction activity in your account for the current year, as well as activity in prior years, by accessing your account through the Internet at Computershare’s website, [www.computershare.com/investor](http://www.computershare.com/investor).

You should retain these statements for income tax purposes. In addition, we will furnish you with copies of the same communications that we send to all of our other shareholders, including Internal Revenue Service information for reporting dividends, CenturyLink's annual report to shareholders, and a notice of the annual meeting and accompanying proxy statement.

### **Dividends on Fractional Shares**

*20. Will I receive dividends on fractions of shares held in my account?*

Yes. Dividends on all whole and fractional shares credited to your account will be reinvested in additional shares.

### **Certificates for Shares**

*21. Will certificates be issued for stock purchased under the Service?*

Stock purchased under the Service will be registered in the name of Computershare (or its nominee), and certificates for such shares will not be issued to you unless requested. Certificates for any number of whole shares credited to your account will be issued at any time by contacting Computershare in one of the manners indicated in response to Question 6. Certificates for fractions of shares will not be issued. Instead, you will receive a check for the cash value of any fractional share. The value of that fractional check will be based on the then current price of our stock, less any service and processing fees related to the sale of the fractional shares.

*22. In whose name will certificates be registered when issued?*

Your account will be maintained in the name in which your certificates were registered at the time you entered the Service. Consequently, certificates for whole shares will be similarly registered when issued at your request.

### **Sale, Transfer and Pledging of Shares**

*23. What happens when I sell or transfer all of the shares registered in my name?*

If you dispose of all of the common shares registered in your name, the dividends on the shares credited to your account will be paid in cash. If Computershare does not receive any specific instructions from you, Computershare may, but is not required to, request instructions from you to determine whether you wish to withdraw from the Service. If you request withdrawal, Computershare will honor such request, and you will have the same rights as set forth in the answer to Question 27 below. Computershare may terminate your account in the manner described in response to Question 35.

*24. What happens when I sell or transfer a portion of the shares registered in my name?*

If you are reinvesting the cash dividends on all of the common stock registered in your name and you dispose of a portion of such shares, the dividends on the remaining shares registered in your name and those credited to your account will continue to be reinvested.

If you are reinvesting the cash dividends on less than all of the common stock registered in your name and dispose of a portion of such shares, Computershare will continue to reinvest the dividends on the remainder of such shares (both certificated and credited to your account) up to the number of shares originally authorized.

*25. May shares in a service account be pledged?*

No. If you wish to pledge shares credited to your account, you must request that certificates for such shares be issued to you.

## Partial or Full Withdrawal from the Service

### 26. May I sell common stock credited to my account?

Yes. You may sell some or all of the shares of common stock credited to your account at any time by contacting Computershare. You have two choices when making a sale, depending on how you submit your sale request, as follows:

- **Market Order:** A market order is a request to sell shares promptly at the current market price. Market order sales are only available at [www.computershare.com/investor](http://www.computershare.com/investor) through the Investor Centre or by calling Computershare directly at 1-800-969-6718. Market order sale requests received at [www.computershare.com/investor](http://www.computershare.com/investor) through the Investor Centre or by telephone will be placed promptly upon receipt during market hours (normally 9:30 a.m. to 4:00 p.m. Eastern time). Any orders received after 4:00 p.m. Eastern time will be placed promptly on the next day the market is open. The price shall be the market price of the sale obtained by Computershare's broker, less a service fee of \$25 and a processing fee of \$0.12 per share sold.
- **Batch Order:** A batch order is an accumulation of all sale requests for a security submitted together as a collective request. Batch orders are submitted on each market day, assuming there are sale requests to be processed. Sale instructions for batch orders received by Computershare will be processed no later than five business days after the date on which the order is received (except where deferral is required under applicable federal or state laws or regulations), assuming the applicable market is open for trading and sufficient market liquidity exists. Batch order sales are available at [www.computershare.com/investor](http://www.computershare.com/investor) through the Investor Centre or by calling Computershare directly at 1-800-969-6718. All sales requests received in writing will be submitted automatically as batch order sales. Computershare will cause your shares to be sold on the open market within five business days of receipt of your request. To maximize cost savings for batch order sales requests, Computershare may combine each selling participant's shares with those of other selling participants. In every case of a batch order sale, the price to each selling participant shall be the weighted average sale price obtained by Computershare's broker for each aggregate order placed by Computershare and executed by the broker, less a service fee of \$15 and a processing fee of \$0.12 per share sold. Proceeds are normally paid by check, which are distributed within 24 hours after your sale transaction has settled.

All per share processing fees include any brokerage commissions Computershare is required to pay. All sales instructions are final when Computershare receives them. Your sale instructions cannot be stopped or cancelled. Computershare may for various reasons require a transaction request be submitted in writing. Please contact Computershare in one of the manners indicated in response to Question 6 to determine if there are any limitations applicable to your particular sale request.

In selling shares for your account, Computershare may combine such shares with shares of other selling participants, in which case the proceeds to each participant will be based upon the average sales price of all shares sold. Sales may be made on any securities exchange to which the common stock is admitted to trading on such terms as Computershare may determine in its sole and absolute discretion. If you are selling shares, you should be aware that prices may fluctuate during the period between your request and the ultimate sale. You will bear the risk of a price change. In addition, sales may be curtailed or suspended as described in response to Question 34 below.

You may also customize your payment preference for many different currencies through Computershare's International Currency Exchange Service. To register for global payments, go to [www.computershare.com/investor](http://www.computershare.com/investor), click on Investor Centre and follow the log-in instructions.

### 27. How do I fully withdraw from the Service?

You may fully withdraw from the Service at any time by contacting Computershare in one of the manners indicated in response to Question 6. Upon withdrawal from the Service, a certificate for the whole shares held in the

Service will be issued. If a notice of withdrawal is received on or after a record date for an account whose dividends are to be reinvested, Computershare in its sole discretion may either distribute such dividends in cash or reinvest them in shares on your behalf. In the event reinvestment is made, Computershare will process the termination as soon as practicable, but in no event later than five business days after the reinvestment is complete.

Upon voluntary withdrawal from the Service, you may, if you desire, request that all whole shares credited to your account be sold by Computershare. If so, Computershare will sell such shares in the manner you specify (such options are described in the response to Question 26).

*28. What happens to a fraction of a share when I fully withdraw from the Service?*

When you fully withdraw from the Service, the value of any fraction of a share credited to your account at the time of withdrawal will be paid in cash and you will receive a check. The value of that fractional check will be based on the then current price of our stock, less any service and processing fees related to the sale of the fractional shares.

### **Other Information**

*29. What happens if CenturyLink issues a stock dividend, declares a stock split, issues rights certificates pursuant to any rights agreement or has a rights offering?*

Any whole or fractional shares issued in connection with a stock dividend or stock split by us on shares of common stock held by you in the form of stock certificates or held in the Service for your account will be credited to your account.

In the event that we issue separate certificates that represent the preference share purchase rights attached to the common stock pursuant to any rights agreement that we may enter into in the future or pursuant to another rights offering, you will receive a certificate from us representing the number of rights attached to all whole shares registered in your name and all whole shares credited to your account under the Service.

*30. How will my shares be voted at meetings of shareholders?*

For each meeting of shareholders, you will receive a proxy card which will enable you to vote all whole shares registered in your name as well as to direct Computershare to vote all whole shares credited to your account. If the proxy card is returned, properly signed and marked for voting, all of such shares will be voted as marked. If you vote in person the shares registered in your name on any matter submitted to a meeting of shareholders and no other instructions are received by Computershare regarding shares credited to your account, the number of whole shares credited to your account will be added to the number of shares registered in your name which are voted on such matter.

*31. What are the federal income tax consequences of participation in the Service?*

In the case of reinvested dividends, when Computershare acquires shares for your account directly from us, you must include in gross income a dividend equal to the number of shares purchased with your reinvested dividends multiplied by the fair market value of our common stock on the relevant dividend payment date. The fair market value is based on 100% of the average of the high and low market prices on the dividend payment date. Your tax basis in those shares will also equal the fair market value of the shares on the relevant dividend payment date.

Alternatively when Computershare purchases our common stock for your account on the open market with reinvested dividends, you must include in gross income an amount equal to the cash dividends reinvested plus that portion of any processing fees (which include any brokerage commissions Computershare is required to pay) paid by us which are attributable to the purchase of your shares. Your tax basis in Service shares will be equal to the purchase price plus an allocable share of any processing fees.

In the case of shares purchased on the open market with voluntary cash payments, shareholders will be in

receipt of a dividend to be included in gross income to the extent of any processing fees paid by us. Your tax basis in the shares acquired with voluntary cash payments will be the cost of the shares to Computershare plus an allocable share of any processing fees paid by us.

Under current federal income tax laws, you should not realize any taxable income when you receive certificates for whole shares credited to your account under the Service, either upon your request for such certificates or upon withdrawal from or termination of the Service. However, if you receive, upon withdrawal from or termination of the Service, a cash payment for any whole share sold for you by Computershare (or sold by you after withdrawal from the Service), or for a fractional share then held in your account, you will realize a gain or loss measured by the difference between the amount of cash which you receive and your tax basis in such share or fraction credited to your account. For further information as to tax consequences of participation in the Service, applicable to your situation, you should consult with your own tax advisor.

You will receive a Form 1099-DIV at the end of each year, or shortly thereafter, which provides the amount of dividend income that is reportable to the IRS, including where applicable, an amount for processing fees paid on your behalf.

A Form 1099-B will be provided if you sold shares through the Service.

A copy of each information return is also furnished to the IRS.

*32. What provision is made for shareholders subject to income tax withholding?*

Federal law requires Computershare to withhold an amount at the current applicable rates from the amount of dividends and the proceeds of any sale of shares if: (i) you fail to furnish a properly completed Form W-9 or its equivalent, or (ii) the IRS notifies us that you are subject to backup withholding. The withheld amounts will be deducted from the proceeds of any sale of shares and the remaining amount will be sent to you.

In the case of those foreign shareholders whose dividends are subject to United States income tax withholding, the amount of tax to be withheld will be deducted from the amount of dividends and the remaining amount of dividends will be reinvested. In the case of those foreign shareholders whose sale proceeds are subject to withholding, the amount of tax to be withheld will be deducted from the proceeds of the sale of shares.

*33. What are CenturyLink's and Computershare's responsibilities under the Service?*

CenturyLink and Computershare, in administering the Service, will not be liable for any act done in good faith or for any good faith omission to act, including, without limitation, any claim or liability arising out of any of the following:

- the failure to terminate your account upon your death or incapacity prior to receipt of written notice of your death or incapacity, accompanied by documentation deemed satisfactory to Computershare and CenturyLink
- the price or prices at which shares are purchased or sold for your account, or any market price fluctuations after such purchases or sales are requested or made
- the times when such purchases or sales are made
- the value of the shares acquired and held for your account.

*34. When can issuances, purchases or sales of common stock be temporarily curtailed?*

Temporary curtailment or suspension of issuances, purchases or sales of common stock may be implemented at any time when such transactions could reasonably be expected to contravene or be restricted by applicable law or by applicable regulations, interpretations or orders of the Securities and Exchange Commission,

the New York Stock Exchange or any other governmental agency or court having jurisdiction over our affairs. Under such circumstances, the completion of such transactions may be spread over a longer period than indicated in any of the responses above. In the event any such suspension of trading results in dividends not being reinvested for 30 days from the payment thereof or voluntary cash payments not being invested for 35 days from the receipt thereof, these funds will be refunded automatically to you without interest.

*35. When can Computershare terminate my account?*

Computershare in its sole discretion may terminate your account by notice in writing made to you at the address shown on Computershare's records. If your account has been terminated by Computershare the number of whole shares credited to your account will continue to be held in book-entry form with Computershare and you will, within 30 days of such termination, receive a statement showing the number of those whole shares credited to your account. In every case of termination of your account, you will receive a check for the cash payment of any fractional share interest credited to your account, based on the then current market price of the common stock less any applicable service and processing fees related to the sale of the fractional shares.

*36. May the Service be changed or discontinued?*

We reserve the right to suspend, modify or terminate the Service in any manner and at any time. Notice will be sent to you of any suspension, material modification or termination. Any amendment, modification or supplement of the Service may include the appointment by us of a successor agent provided such successor is a bank or trust company organized under the laws of the United States or any state thereof. We are authorized to pay to such successor agent for your account all dividends and distributions payable on shares of common stock authorized to be reinvested under the Service, which shall be applied by such successor agent as provided in the Service.

*37. What law governs the terms and conditions of the Service?*

The terms and conditions of the Service and its operations are governed by the laws of the State of Illinois.

*38. Can the Service be terminated by operation of law?*

The delivery by you of a signed enrollment form to Computershare shall constitute an appointment of Computershare as your agent, which appointment can be terminated only by terminating your account in the manner provided in response to Questions 27, 35 and 36 hereof. The authority conferred by the enrollment form shall not be terminated by operation of law, whether by your death or incapacity, the termination of any trust, the dissolution of any corporation or the occurrence of any other event.

## **USE OF PROCEEDS**

We propose to use the net proceeds from any direct issuance of new shares to participants, when and as received, for investments in and advances to our subsidiaries or for other general corporate purposes.

## **SUMMARY DESCRIPTION OF CAPITAL STOCK**

The following summary of the terms of our capital stock is not meant to be complete and is qualified by reference to the relevant provisions of the Louisiana Business Corporation Law and our articles of incorporation and bylaws. Copies of our articles of incorporation and bylaws are incorporated herein by reference and will be sent to you at no charge upon request, as provided under the heading "Where You Can Find More Information."

### **Authorized Capital Stock**

We are currently authorized under our articles of incorporation to issue an aggregate of 802 million shares of capital stock, consisting of 800 million shares of common stock, \$1.00 par value per share, and 2 million shares of preferred stock, \$25 par value per share.

As of March 1, 2010, 299,577,860 shares of our common stock were outstanding. Our common stock is listed for trading on the New York Stock Exchange. As of March 1, 2010, 9,434 shares of preferred stock were outstanding.

### **Description of Common Stock**

**Voting Rights.** On January 27, 2009 and effective upon the completion of our acquisition of Embarq Corporation (“Embarq”) on July 1, 2009, our shareholders approved an amendment to our articles to provide that each share of our common stock will entitle the holder thereof to one vote per share, regardless of whether the stock has been beneficially owned by the same person or entity continuously since May 30, 1987. Each share issued under the Service will entitle the holder to one vote.

Holder of our common stock do not have cumulative voting rights. As a result, the holders of more than 50% of the voting power may elect all of our directors. Our board of directors is divided into three classes of directors, with each class serving three-year terms. Each class is required to be as nearly equal in number as possible.

**Dividends.** Holders of common stock are entitled to receive dividends when, as and if declared by our board of directors, out of funds legally available therefor, subject to the preferences applicable to any outstanding preferred stock. Our ability to pay dividends depends primarily upon the ability of our subsidiaries to pay dividends or otherwise transfer funds to us. Certain of our subsidiaries’ loan agreements contain various restrictions on the transfer of funds to us, including certain provisions that restrict the amount of dividends that may be paid to us.

**Other Rights and Provisions.** In the event we liquidate, dissolve or wind up our affairs, holders of common stock are entitled to receive ratably all of our assets remaining after satisfying the preferences of our creditors and the holders of any outstanding preferred stock. Our common stock is not redeemable and has no subscription, conversion or preemptive rights. All of our outstanding shares of common stock have been fully paid and are non-assessable.

### **Certain Provisions Affecting Takeovers**

Our articles of incorporation and bylaws contain certain provisions that are intended to enhance the likelihood of continuity and stability in the composition of our board of directors and that may have the effect of delaying, deferring or preventing a future takeover or change in control of CenturyLink unless the takeover or change of control is approved by our board of directors. Such provisions may also render more difficult the removal of our directors or officers. Certain of our agreements and certain provisions of applicable law may have similar effects.

**Staggered Board.** Our articles of incorporation provide for three classes of directors serving staggered three-year terms, all of whom are elected pursuant to our bylaws by a plurality vote of shareholders. Under our articles, directors can be removed from office only for cause and generally only by the affirmative vote of both of the holders of a majority of the total voting power, voting together as a single class, and, at any time that there is a related person (as defined in the articles), the holders of a majority of the votes entitled to be cast by all shareholders other than the related person, voting as a separate group.

**Limits on Shareholder Actions.** Our articles provide that shareholder action may be taken only at an annual or special meeting of shareholders, and may not be taken by written consent of the shareholders. This provision prevents consent solicitations by persons desiring to acquire us or change the composition of our board of directors. In addition, our articles provide that shareholders may call a special meeting of shareholders only if they hold at least a majority of our total voting power.

**Fair Price Provisions.** Our articles contain provisions designed to provide safeguards for our shareholders when certain current or former beneficial holders of our stock, which we sometimes refer to as related persons, attempt to effect a business combination with us. In general, subject to various exceptions, a business combination between CenturyLink and a related person must be approved by:

- a majority of our directors
- a majority of our continuing directors (as defined in our articles)
- 80% of the total voting power of all shareholders, and
- two-thirds of the total voting power of shareholders, other than the related person, present or represented at the shareholders' meeting, voting as a separate group.

**Evaluation of Tender Offers.** Our board of directors is required by our articles, and expressly permitted by Louisiana law, to consider various factors when evaluating a business combination, tender or exchange offer, or a proposal by another person to make a tender or exchange offer, including the social and economic effects of the transaction on CenturyLink and our subsidiaries as well as on our respective employees, customers, creditors, and other elements of the communities in which we operate or are located.

**Advance Notice.** Our bylaws establish an advance notice procedure with regard to the nomination, other than by or at the direction of our board of directors, of candidates for election as directors and with regard to other matters to be brought before a meeting of our shareholders. Our bylaws provide that any shareholder of record entitled to vote thereon may nominate one or more persons for election as directors and properly bring other matters before a meeting of the shareholders only if written notice has been received by the secretary of CenturyLink, in the event of an annual meeting of shareholders, not more than 180 days and not less than 90 days in advance of the first anniversary of the preceding year's annual meeting of shareholders or, in the event of a special meeting of shareholders or annual meeting scheduled to be held either 30 days earlier or later than such anniversary date, within 15 days of the earlier of the date on which notice of such meeting is first mailed to shareholders or public disclosure of the meeting date is made. In addition, the notice must contain certain specified information concerning, among other things, the person to be nominated or the matter to be brought before the meeting and concerning the shareholder submitting the proposal.

**Amendment of our Articles and Bylaws.** Various provisions of our articles, including the classified board provisions, fair price provisions and those provisions limiting the ability of shareholders to act by written consent, may not be amended except upon the affirmative vote of both:

- 80% of the total voting power of all shareholders, and
- two-thirds of the total voting power of shareholders, other than a related person, present or represented at a shareholders' meeting, voting as a separate group.

Our bylaws may be adopted, amended, or repealed and new bylaws may be adopted by either:

- a majority of our directors and a majority of our continuing directors, voting as a separate group, or
- the holders of at least 80% of the total voting power of all shareholders and two-thirds of the total voting power of shareholders, other than the related person, present or duly represented at a shareholders' meeting, voting as a separate group.

**Other.** For additional information about these and other provisions of our organizational documents and applicable laws that could have an effect of delaying, deferring, discouraging or preventing a change in control of CenturyLink, you should refer to our registration statement relating to our common stock, as amended and restated on Form 8-A/A, which is incorporated by reference herein. See "Where You Can Find More Information."

### **Description of Preferred Stock**

We may issue preferred stock in one or more series. You should refer to the applicable provisions in our articles of incorporation and any articles of amendment relating to each series of preferred stock that we have filed

or will file with the SEC.

**General.** Our articles of incorporation authorize the board of directors to issue from time to time, without shareholder approval, shares of preferred stock in one or more series. The rights, preferences, designation and size of each series will be described in an amendment to our articles of incorporation. Our board of directors will determine the terms for each series, including the following:

- the specific designation, number of shares, rank and purchase price;
- any per share liquidation preference;
- any redemption, payment or sinking fund provisions;
- any dividend rates (fixed or variable) and the dates on which any dividends will be payable (or the method by which the rates or dates will be determined);
- any voting rights;
- the methods by which amounts payable in respect of the preferred stock may be calculated;
- whether the preferred stock is convertible or exchangeable;
- any additional voting, dividend, liquidation, redemption, sinking fund or other rights, preferences, qualifications, limitations and restrictions.

Although it has no present intention to do so, our board of directors could authorize CenturyLink to issue preferred stock with voting, conversion and other rights that could adversely affect the voting power and other rights of holders of our common stock or other series of preferred stock. Also, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change in control.

**Outstanding Preferred Stock.** As of March 1, 2010, we had outstanding 9,434 shares of 5% Cumulative Convertible Series L Preferred Stock. At such time, such shares were convertible into a total of approximately 12,864 shares of CenturyLink common stock. Each share of Series L Preferred Stock entitles the holder thereof to one vote on all matters duly submitted to a vote of shareholders. The holder of each share of Series L Preferred Stock is entitled to receive an annual cash dividend of \$1.25, payable in quarterly installments. Dividends on Series L Preferred Stock are cumulative and dividends cannot be paid with respect to common stock unless all cumulative dividends on all shares of Series L Preferred Stock shall have been paid. In the event we liquidate, dissolve or wind up our affairs, the holders of Series L Preferred Stock are entitled to receive, equally and ratably with all other holders of preferred stock of equal rank, \$25.00 per share plus accrued and unpaid dividends, before any payment is made to holders of common stock. Each share of Series L Preferred Stock is convertible, at the option of the holder, into the number of shares of common stock derived by dividing \$25.00 by the “conversion price” (which, as of the date of this prospectus, is approximately \$18.33, as adjusted).

#### **INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Section 83 of the Louisiana Business Corporation Law provides in part that we may indemnify any of our directors, officers, employees or agents against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she is or was a party or is threatened to be made a party (including any action by us or in our right) if such action arises out of his or her acts on our behalf and he or she acted in good faith not opposed to our best interests, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Under Section 83, we may also advance expenses to the indemnified party provided that he or she agrees to repay those amounts if it is later determined that he or she is not entitled to indemnification. Under Section 83, we also have the power to obtain and maintain insurance, or to create a form of self-insurance, on behalf of any person who is or was acting for us, regardless of whether we have the legal authority to indemnify the insured

person against such liability.

Under Article II, Section 10 of our by-laws, which we refer to as the indemnification by-law, we are obligated to indemnify our current or former directors and officers, except that if any of our current or former directors or officers are held liable under or settle any derivative suit, we are permitted, but not obligated to, indemnify the indemnified person to the fullest extent permitted by Louisiana law.

Our articles of incorporation authorize us to enter into contracts with directors and officers providing for indemnification to the fullest extent permitted by law. We have authorized indemnification contracts providing contracting directors or officers the procedural and substantive rights to indemnification set forth in the indemnification by-law. We refer to these contracts as indemnification contracts. The right to indemnification provided by an indemnification contract applies to all covered claims, whether such claims arose before or after the effective date of the contract.

We maintain an insurance policy covering the liability of our directors and officers for actions taken in their official capacity. Subject to certain exceptions, the indemnification contracts provide that, to the extent insurance is reasonably available, we will maintain comparable insurance coverage for each contracting party as long as he or she serves as a director or officer and thereafter for so long as he or she is subject to possible personal liability for actions taken in such capacities.

The foregoing is only a general summary of certain aspects of Louisiana law and our articles of incorporation and by-laws dealing with indemnification of directors and officers, and does not purport to be complete. It is qualified in its entirety by reference to (i) the relevant provisions of the Louisiana Business Corporation Law and (ii) our articles of incorporation, by-laws, and form of indemnification contract, each of which is on file with the Commission.

## **LEGAL MATTERS**

The validity of the common stock offered hereby has been passed upon for us by Jones, Walker, Waechter, Poitevent, Carrère & Denégre, L.L.P., New Orleans, Louisiana, our special counsel.

## **EXPERTS**

The consolidated financial statements and the related financial statement schedule as of December 31, 2009 and 2008 and for each of the years in the three-year period ended December 31, 2009 and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2009 have been incorporated into this document by reference to our Annual Report on Form 10-K for the year ended December 31, 2009 in reliance upon the reports of KPMG LLP, independent registered public accounting firm, which are incorporated herein by reference, and upon the authority of said firm as experts in accounting and auditing. The audit report covering the December 31, 2009 consolidated financial statements contains an explanatory paragraph regarding the change in the method of accounting for business combinations, non-controlling interests and earnings per share in 2009 and for uncertain tax positions in 2007.

## **WHERE YOU CAN FIND MORE INFORMATION**

### **Available Information**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy that information at the Public Reference Room of the SEC, located at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also obtain copies of this information by mail from the SEC at the above address, at prescribed rates. In addition, the SEC maintains an Internet site at [www.sec.gov](http://www.sec.gov), from which interested persons can electronically access the registration statement of which this prospectus forms a part, including the exhibits and schedules thereto, as well as reports, proxy and information statements and other information about us. In addition, our common stock is listed and traded on the New York Stock Exchange ("NYSE"), and you may obtain

similar information about us at the offices of the NYSE at 20 Broad Street, New York, New York 10005.

### **Incorporation by Reference**

The Commission allows us to “incorporate by reference” the information we file with it, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus. We incorporate by reference the documents listed below, and any future documents that we file with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) until the termination or completion of the offering of all securities covered by this prospectus. This prospectus is part of a registration statement filed with the SEC, which may contain additional information that you might find important.

We incorporate into this prospectus the following documents that we have filed with the Commission pursuant to the Exchange Act; *provided, however*, we are not incorporating by reference, in each case, any such documents or portions of such documents that have been “furnished” but not “filed” for purposes of the Exchange Act:

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2009.
- Our Current Reports on Form 8-K filed February 25, 2010 and March 12, 2010.
- The description of our common stock included in Amendment No. 3 to our Registration Statement on Form 8-A filed with the Commission on July 1, 2009.

We will provide to each person to whom this prospectus is delivered, upon written or oral request and without charge, a copy of the documents referred to above that we have incorporated by reference (except for exhibits, unless the exhibits are specifically incorporated by reference into the filing). You can request copies of such documents if you call or write us at the following address or telephone number: CenturyTel, Inc., 100 CenturyLink Drive, Monroe, Louisiana 71203, Attention: Investor Relations, or by telephoning us at (318) 388-9000.

Each of this prospectus and the information incorporated by reference herein or therein may contain summary descriptions of certain agreements that we have filed as exhibits to various SEC filings, as well as certain agreements that we will enter into in connection with the offering of securities covered by this prospectus. These summary descriptions do not purport to be complete and are subject to, or qualified in their entirety by reference to, the definitive agreements to which they relate. Copies of the definitive agreements will be made available without charge to you by making a written or oral request to us.

Information appearing in this prospectus or in any particular document incorporated herein by reference is not necessarily complete and is qualified in its entirety by the information and financial statements appearing in all of the documents incorporated by reference herein and should be read together therewith. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded to the extent that a statement contained in this prospectus or in any subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes such statement.

### **Forward-Looking Statements**

Some of the statements made in the documents incorporated by reference in this prospectus are forward-looking statements contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. These statements are intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are all statements other than statements of historical fact, such as statements regarding our financial plans, our indebtedness, acquisitions, and general economic and business conditions. Words such as “anticipates,” “may,” “can,” “plans,” “feels,” “believes,” “estimates,” “expects,” “projects,” “intends,” “likely,” “will,” “should,” “to be” and similar expressions are intended to identify forward-looking statements.

Our forward-looking statements are based on current expectations only, and are subject to a number of risks, uncertainties and assumptions, many of which are beyond our control. Actual events and results may differ materially from those anticipated, estimated or projected if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect. Important factors that could impact our actual results include but are not limited to: the timing, success and overall effects of competition from a wide variety of competitive providers; the risks inherent in rapid technological change; the effects of ongoing changes in the regulation of the communications industry (including those arising out of the FCC's proposed rules regarding intercarrier compensation and the Universal Service Fund and the FCC's National Broadband Plan, each as described elsewhere herein); our ability to effectively adjust to changes in the communications industry; our ability to successfully integrate Embarq into our operations, including realizing the anticipated benefits of the transaction and retaining and hiring key personnel; our ability to effectively manage our expansion opportunities; possible changes in the demand for, or pricing of, our products and services; our ability to successfully introduce new product or service offerings on a timely and cost-effective basis; our continued access to credit markets on favorable terms; our ability to collect our receivables from financially troubled communications companies; our ability to pay a \$2.90 per common share dividend annually, which may be affected by changes in our cash requirements, capital spending plans, cash flows or financial position; unanticipated increases in our capital expenditures; our ability to successfully negotiate collective bargaining agreements on reasonable terms without work stoppages; the effects of adverse weather; other risks referenced from time to time in this report or other of our filings with the Securities and Exchange Commission; and the effects of more general factors such as changes in interest rates, in tax rates, in accounting policies or practices, in operating, medical or administrative costs, in general market, labor or economic conditions, or in legislation, regulation or public policy. These and other uncertainties related to the business and our plans are described in greater detail in Item 1A of Part I of our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, as updated and supplemented by our subsequent SEC reports.

You should be aware that new factors impacting our actual results may emerge from time to time and it is not possible for us to identify all such factors nor can we predict the impact of each such factor on the business or the extent to which any one or more factors may cause actual results to differ from those reflected in any forward-looking statements. You are further cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of the document in which they appear. Except for meeting our ongoing obligations under the federal securities laws, we undertake no obligation to update or revise our forward-looking statements for any reason.

No person may give any information or make any representations other than those contained or incorporated by reference in this prospectus in connection with the offer made hereunder. Prospective investors may only rely on the information contained in this prospectus. This prospectus is neither an offer to sell nor a solicitation of an offer to buy securities by anyone in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus is correct only as of the date of this prospectus, regardless of the time of the delivery of this prospectus or any sale of these securities.



# PROSPECTUS

## Common Stock

# AUTOMATIC DIVIDEND REINVESTMENT AND STOCK PURCHASE SERVICE

**March 22, 2010**

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