Before the Federal Communications Commission Washington, DC 20554

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In the Matter of)	File No. EB-TCD-16-00022562
)	
CenturyLink, Inc.)	Account No.: 201932170002
)	
)	FRN: 0018626853

ADOPTING ORDER

Adopted: August 12, 2019

Released: August 13, 2019

By the Deputy Chief, Enforcement Bureau:

- 1. The Enforcement Bureau (Bureau) of the Federal Communications Commission (Commission) and CenturyLink, Inc. have entered into a Consent Decree to resolve the Bureau's investigation into whether CenturyLink violated section 201(b) of the Communications Act of 1934, as amended (Communications Act), by placing unauthorized third-party charges on customers' wireline telephone bills. As part of its investigation, the Bureau received customer complaints about CenturyLink's third-party billing practices. The complaints alleged that customers had been assessed unauthorized charges on their CenturyLink bills for long distance services from various third-party resellers. Customers also claimed that they had difficulty getting timely refunds for these charges. To resolve this investigation, CenturyLink has agreed to pay a \$550,000 settlement amount to the United States Treasury. Additionally, CenturyLink has agreed to discontinue these types of third-party billing arrangements, with limited exceptions, and to implement a process for providing refunds or credits to customers with valid complaints about unauthorized charges.
- 2. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree and terminating the referenced investigation regarding CenturyLink's compliance with section 201(b) of the Communications Act.
- 3. In the absence of material new evidence relating to this matter, we conclude that our investigation raises no substantial or material questions of fact as to whether CenturyLink possesses the basic qualifications, including those related to character, to hold or obtain any Commission licenses or authorization.
- 4. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Communications Act¹ and the authority delegated by sections 0.111 and 0.311 of the Commission's rules,² the attached Consent Decree **IS ADOPTED** and its terms incorporated by reference.
 - 5. IT IS FURTHER ORDERED that the above-captioned matter IS TERMINATED.

¹ 47 U.S.C. § 154(i).

² 47 CFR §§ 0.111, 0.311.

6. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by first class mail and certified mail, return receipt requested, to David H. Solomon, Wilkinson Barker Knauer, LLP, 1800 M Street, NW, Suite 800N, Washington, DC 20036, attorney for CenturyLink.

FEDERAL COMMUNICATIONS COMMISSION

Phillip Rosario Deputy Chief Enforcement Bureau

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CONSENT DECREE

1. The Enforcement Bureau of the Federal Communications Commission and CenturyLink, Inc., together with the subsidiaries and affiliates listed in Appendix A, by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Enforcement Bureau's investigation into whether CenturyLink violated section 201(b) of the Communications Act of 1934, as amended, by placing unauthorized third-party charges on customers' wireline telephone bills.

I. DEFINITIONS

- 2. For the purposes of this Consent Decree, the following definitions shall apply:
 - (a) "Act" means the Communications Act of 1934, as amended.1
 - (b) "Adopting Order" means an order of the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
 - (c) "Affiliate" shall have the meaning defined in 47 U.S.C. § 153(2), except that the term "own" shall mean to own an equity interest (or equivalent thereof) of more than 50 percent.
 - (d) "Bill" means a Consumer's invoice for wireline telephone exchange services, whether in electronic, paper, or any other form. "Billing," "Billed," or other use of the defined term incorporates the definition of Bill.
 - (e) "Block" means a restriction placed on a Consumer's account that prevents one or more lines on the account, as designated by the Consumer, from being Billed for charges for Third-Party Products except those offered by Designated Third-Parties. "Blocking" or other uses of the defined term incorporate the definition of "Block."
 - (f) "Bureau" means the Enforcement Bureau of the Federal Communications Commission.
 - (g) "CenturyLink" means CenturyLink, Inc., its subsidiary or affiliate incumbent local exchange carriers (ILECs), their successors or assigns, and any subsidiary or affiliate insofar as it engages in the placement of Third-Party Charges on a Bill for the provision of a wireline telephone exchange service.²

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¹ 47 U.S.C. § 151 et seq.

² CenturyLink's current ILEC subsidiaries and affiliates are listed on Appendix A. The activities described in the Background section below were carried out by certain of CenturyLink's ILECs. CenturyLink, Inc. is a holding

- (h) "Clear and Conspicuous" means a statement is disclosed in such size, color, contrast, location, duration, and/or audibility that it is readily noticeable, readable, understandable, and, with respect to audio, capable of being heard. A statement may not contradict or be inconsistent with any other information with which it is presented. If a statement modifies, explains, or clarifies other information with which it is presented, then the statement must be presented in proximity to the information it modifies, explains, or clarifies in a manner that is readily noticeable, readable, and understandable, and not obscured in any manner. In addition:
 - i. An audio disclosure must be delivered in a volume and cadence sufficient for a consumer to hear and comprehend it;
 - ii. A text message, television, or Internet disclosure must be of a type size, location, and shade and remain on the screen for a duration sufficient for a consumer to read and comprehend it based on the medium being used; and
 - iii. Disclosures in a print advertisement or promotional material, including, but without limitation, a point of sale display or brochure materials directed to consumers, must appear in a type size, contrast, and location sufficient for a consumer to read and comprehend them.
- (i) "Commission" and "FCC" mean the Federal Communications Commission and all of its bureaus and offices.
- (j) "Communications Laws" means collectively, the Act, the Rules, and the published and promulgated orders and decisions of the Commission to which CenturyLink is subject by virtue of its business activities, including but not limited to section 201(b) of the Act.
- (k) "Compliance Plan" means the compliance obligations, program, and procedures described in this Consent Decree at paragraph 13.
- (1) "Consumer" means a current or former residential or Small Business customer, subscriber, or purchaser of Products for which Third-Party Charges are placed on the Consumer's CenturyLink Bill, whether that Person is responsible for paying the Bill or has a line or device that is Billed to a shared account.
- (m) "Designated Third-Parties" means the two publicly-traded companies headquartered in the United States that, as of January 2018, provided (on their own or through a subsidiary) longdistance telephone service as a Third-Party Product to Consumers and had over \$100 billion in annual operating revenues in 2017.
- (n) "Designated Third-Party Services" means operator-assisted calling and inmate calling Billed on a per-use basis (as opposed to a recurring or subscription basis) and toll calls Billed on a per-use basis (e.g., 10-10 + carrier identification code), and Yellow Page advertising and directory listing services for which CenturyLink Billed as of January 2018.
- (o) "Effective Date" means the date by which both the Bureau and CenturyLink have signed the Consent Decree.

company with ownership interests in these ILECs, but does not itself carry out these activities. It is the parties' intention to bring CenturyLink, Inc. and all of the related ILECs and other affiliates insofar as they engage in the placement of Third-Party Charges on Bills for the provision of wireline telephone exchange service within the scope of this Consent Decree, while incorporating and maintaining these distinctions in the definition of "CenturyLink."

- (p) "Express Informed Consent" means an affirmative act or statement giving unambiguous assent to be charged for the purchase of a Third-Party Product that is made by a Consumer after receiving a Clear and Conspicuous disclosure of the material terms of the offer.
- (q) "Investigation" means the investigation commenced by the Bureau in File No. EB-TCD-16-00022562 regarding whether CenturyLink violated section 201(b) of the Act.
- (r) "Parties" means CenturyLink and the Bureau, each of which is a "Party."
- (s) "Person" shall have the same meaning as 47 U.S.C. § 153(39).
- (t) "Product" means content, services, and/or equipment for which charges are placed on the Consumer's Bill by CenturyLink. The term "Product" excludes, with respect to equipment and services made available to the customer by CenturyLink: contributions to charities, candidates for public office, political action committees, campaign committees, campaigns involving a ballot measure, or other similar contributions. "Product" also excludes: cobranded, co-marketed, or white label products branded by CenturyLink. "Product" also excludes video services including but not limited to satellite services, wireless services, smart-home devices or services, security devices or services, satellite voice services, consumer electronics equipment, and equipment protections services, such as extended warranty offerings or virus protections offerings.
- (u) "Rules" means the Commission's regulations found in Title 47 of the Code of Federal Regulations.
- (v) "Small Business" means businesses with 10 or less employees that spend \$2000 or less on a monthly recurring basis for their CenturyLink services.
- (w) "Third-Party" or "Third-Parties" means an entity or entities, other than CenturyLink or any affiliate of CenturyLink, that provides a Product to Consumers for which Billing is made through CenturyLink's Bills. "Third-Party" and "Third-Parties" include billing aggregators and other Persons that contract with CenturyLink for the placement of Third-Party Charges on Bills on behalf of other Third-Parties.
- (x) "Third-Party Charge" means a charge for a Third-Party Product placed on a Consumer's Bill.
- (y) "Third-Party Product" means a Product provided by a Third-Party.
- (z) "Truth-In-Billing Rules" mean the Rules set forth at 47 CFR § 64.2400 et seq.

II. BACKGROUND

3. Section 201(b) of the Act states, in pertinent part, that "[a]ll charges, practices, classifications, and regulations for and in connection with [interstate or foreign] communication service [by wire or radio], shall be just and reasonable, and any such charge, practice, classification, or regulation that is unjust or unreasonable is declared to be unlawful..." The Commission has held that the inclusion of unauthorized charges and fees on consumers' telephone bills is an "unjust and unreasonable" practice under section 201(b) known as "cramming."

³ 47 U.S.C. § 201(b).

⁴ See, e.g., Advantage Telecommunications Corp., Forfeiture Order, 32 FCC Rcd 3723, 3728, para. 14 (2017); Central Telecom Long Distance, Inc., Forfeiture Order, 31 FCC Rcd 10392, 10399, para. 15 (2016); Telseven, LLC, et al, Forfeiture Order, 31 FCC Rcd 1639, 1639, para. 1 (2016); Preferred Long Distance, Inc., Forfeiture Order, 30

- 4. CenturyLink provides telecommunications services to consumers throughout the United States. CenturyLink bills its customers for its own services. CenturyLink also places charges on its customer bills for billing aggregators, specifically, Billing Services Group (also known as USBI and Zero Plus Dialing, Inc., or ZPDI) and ILD Teleservices, for long distance services provided by third-party resellers. CenturyLink contends that its contracts with billing aggregators require third-party charges submitted for inclusion on CenturyLink bills to be authorized by the end user.
- 5. On October 13, 2016 and February 22, 2017, the Bureau issued Letters of Inquiry to CenturyLink seeking information about CenturyLink's practice of placing charges on its customers' telephone bills for long distance services from third-party resellers. CenturyLink responded to the Letters of Inquiry. As part of the Investigation, the Bureau received customer complaints about CenturyLink's third-party billing practices. The complaints alleged that customers had been assessed unauthorized charges on their CenturyLink bills for long distance services from various third-party resellers. In some instances, the customers claim that they had difficulty getting timely refunds for these allegedly unauthorized charges.
- 6. To settle this Investigation, CenturyLink has agreed to pay a \$550,000 settlement amount to the United States Treasury. Additionally, CenturyLink has agreed to discontinue these types of third-party billing arrangements going forward, with limited exceptions. CenturyLink has also agreed to revise its compliance processes related to third-party charges, to train customer service representatives on these compliance processes, and to report incidences of noncompliance with the Consent Decree to the Enforcement Bureau for the compliance period.

III. TERMS OF AGREEMENT

- 7. Adopting Order. The provisions of this Consent Decree shall be incorporated by the Bureau in an Adopting Order.
- 8. **Jurisdiction**. For purposes of this Consent Decree only, CenturyLink agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and has the authority to enter into and adopt this Consent Decree.
- 9. <u>Effective Date</u>. The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. As of the Effective Date, the Parties agree that this Consent Decree shall have the same force and effect as any other order of the Commission.
- 10. Termination of Investigation. In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for the termination of the Investigation, CenturyLink agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against CenturyLink concerning the matters that were the subject of the Investigation. The Bureau also agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or to set for hearing

FCC Rcd 13711, 13718, para. 16 (2015); Business Discount Plan, Inc., Order of Forfeiture, 15 FCC Rcd 14461, 14469, para. 17 (2000); Long Distance Direct, Inc., Memorandum Opinion and Order, 15 FCC Rcd 3297, 3300, para. 9 (2000).

the question of CenturyLink's basic qualifications to be a Commission licensee or hold Commission licenses or authorizations.⁵

- 11. <u>Representations and Warranties</u>. CenturyLink represents and warrants that it will not treat any payment of the Settlement Amount as tax deductible for purposes of federal, state, or local law.
- CenturyLink shall designate a senior corporate manager with the requisite corporate and organizational authority to serve as a Compliance Officer and to discharge the duties set forth below. The person designated as the Compliance Officer shall be responsible for developing, implementing, and administering the Compliance Plan and ensuring that CenturyLink complies with the terms and conditions of the Compliance Plan and this Consent Decree. In addition to the general knowledge of the Communications Laws necessary to discharge his or her duties under this Consent Decree, the Compliance Officer shall have specific knowledge of section 201(b), Commission notices and orders related to cramming, and the Truth-in-Billing Rules prior to assuming his/her duties.
- 13. <u>Compliance Plan</u>. For purposes of settling the matters set forth herein, CenturyLink agrees that it shall develop and implement a Compliance Plan designed to ensure future compliance with the terms and conditions of this Consent Decree. CenturyLink will implement, at a minimum, the following procedures:
 - (a) Cease and Desist Third-Party Billing. Except as provided in paragraph 13(b), CenturyLink shall cease and desist all Billing for Third-Party Products according to the following schedule: As of the Effective Date, CenturyLink will not program any new Third-Parties into its Billing systems (i.e., not program new carrier identification codes or other identifiers associated with a Third-Party into its Billing systems). Within fifteen (15) calendar days after the Effective Date, CenturyLink shall cease accepting the submission of Third-Party Charges from entities for whom CenturyLink did not Bill as of the Effective Date and initiate the process of terminating its Billing relationships with Third-Parties. CenturyLink thereafter shall continue to make reasonably diligent efforts to terminate those relationships and prevent the appearance of a new Third-Party Charge on any Bill. To that end, CenturyLink shall make good faith efforts to cease all Billing for Third-Party Products within one hundred twenty (120) calendar days of the Effective Date, and it will monitor its Billing systems for any miscellaneous missed Third-Party Charges such that on or before one hundred eighty (180) calendar days after the Effective Date, CenturyLink shall cease and desist all Billing for Third-Party Products.
 - (b) Exceptions. CenturyLink may continue Billing its customers for:
 - (i) (1) the retail intra-LATA toll and inter-LATA toll services of the Designated Third-Parties and their Third-Party subsidiaries; and/or (2) the Designated Third-Party Services; and
 - (ii) CenturyLink may also Bill for Third-Party Products (1) where orders are initiated either through a CenturyLink agent or through the CenturyLink website; or (2) purchased through a CenturyLink ordering platform or an ordering platform of an entity majority-owned by CenturyLink, Inc. directly or indirectly. In both cases, prior to Billing for any such Third-Party Product, CenturyLink must first obtain the Express Informed Consent from the Person on whose Bill the Third-Party Charge will be included or otherwise invoiced (Billed Party). CenturyLink must also ensure the

⁵ See 47 CFR § 1.93(b).

Billed Party is sent a Clear and Conspicuous purchase confirmation separate from the Billed Party's Bill, prior to delivering the Bill to the Billed Party. Express Informed Consent must be on a per-Product basis (i.e., no blanket Express Informed Consent to be Billed generally for products or services not reasonably identified at the time of the Express Informed Consent or in the purchase confirmation).

- (c) <u>Billing for CenturyLink Affiliates</u>. Nothing in this Consent Decree prohibits CenturyLink from billing on behalf of any CenturyLink affiliate. CenturyLink shall be liable for any unauthorized charges that it bills on behalf of any CenturyLink affiliate. For purposes of this sub-paragraph 13(c), "bill" means a CenturyLink invoice for wireline telephone exchange services, whether in electronic, paper, or any other form.
- (d) <u>Blocking and Consumer Information</u>. To the extent there are Third-Party Charges on a Bill, within one hundred twenty (120) calendar days of the Effective Date, CenturyLink shall:
 - Offer Blocking at no charge to the Consumer, and make available toll blocking service (for Small Business) and call restriction service (for residential Consumers) that will prevent Consumers from making long-distance calls subject to a toll charge;
 - ii. Provide a Clear and Conspicuous disclosure about Third-Party Charges and Block options in informational material provided to Consumers at or near the time of subscribing to or activating CenturyLink service. Such disclosure shall be provided in a context separate from the actual subscriber agreement document. Such disclosure shall include or provide access to a description of Third-Party Charges, how Third-Party Charges appear on Bills, and the option available to Consumers to Block Third-Party Charges; and
 - iii. Include on Consumer bills as required under the Truth-In-Billing Rules a Clear and Conspicuous disclosure of a Consumer's ability to Block Third-Party Charges, including contact and/or access information that Consumers may use to initiate such Blocking.
- (e) <u>Consumer Contacts</u>. When a Consumer contacts CenturyLink with regard to a Third-Party Charge from a Third-Party except a Designated Third-Party or a Block, CenturyLink shall, beginning no later than 120 days after the Effective Date,⁶ satisfy each of the following:
 - i. CenturyLink shall be able to provide account billing information related to Third-Party Charges for at least the prior twelve (12) months.
 - ii. For any Consumer who claims he or she did not authorize a Third-Party Charge incurred no earlier than twenty-four (24) months prior to the Effective Date, CenturyLink (1) will provide the Consumer a full refund or credit of any and all disputed Third-Party Charges not previously credited or refunded to the Consumer dating back up to a maximum of twenty-four (24) months from the

⁶ For the period from the Effective Date until this section 13(e) is implemented, CenturyLink will endeavor to, upon Consumer request: (1) provide Consumers account billing information related to Third-Party Charges for at least the prior twelve (12) months; and (2) provide Consumers a full and timely refund or credit of unauthorized Third-Party Charges as described in section 13(e)(ii) without requiring the Consumer to first contact the Third-Party or billing aggregator in order to receive a refund or credit.

date of claim, or (2) may deny a refund provided, that, CenturyLink has information demonstrating that the Consumer provided his or her consent to the Third-Party Charge, offers to provide such information to the Consumer, and, upon request, provides such information to the Consumer, and provides the Consumer thirty (30) days to refute such information from the time it is received by the Consumer. Where the Consumer timely challenges the information, CenturyLink shall promptly consider such information and either provide the Consumer with a refund or credit or respond to the Consumer giving reasons why it rejects the Consumer's response. CenturyLink shall endeavor to provide such credit in its billing system or other response within fourteen (14) days and shall, in all events, provide the same within twenty-one (21) days. The payment or non-payment by CenturyLink of any money to a Consumer pursuant to the terms of this sub-paragraph is without prejudice to any claim such Consumer may otherwise have under applicable law or any claim CenturyLink may have under applicable law to offset any amounts it pays to a Consumer pursuant to this sub-paragraph.

- iii. If the Consumer claims that he or she did not authorize a Third-Party Charge, and the Consumer is a current customer of CenturyLink, CenturyLink will offer the Consumer the opportunity to Block future Third-Party Charges.
- iv. CenturyLink will not require the Consumer to first contact the Third-Party or billing aggregator in order to receive a refund/credit of any claimed unauthorized Third-Party Charge, although this paragraph does not prohibit asking the Consumer if he or she has contacted the Third-Party and/or if the Consumer has already received a credit or refund from the Third-Party for some or all of the claimed unauthorized Third-Party Charge.
- In the event a Consumer disputes a Third-Party Charge was authorized, until ٧. such time as CenturyLink has complied with the provisions of paragraph 13(e)(ii) of this Consent Decree, CenturyLink shall not (1) require the Consumer to pay the disputed Third-Party Charge, including any related late charge or penalty; (2) send the disputed Third-Party Charge to collection; (3) make any adverse credit report based on non-payment of the disputed Third-Party Charge; or (4) suspend, cancel, or take any action that may adversely affect the Consumer's telephone service or functionality for any reason related to non-payment of any disputed Third-Party Charge. In any case where a Consumer claims that a Third-Party Charge was not authorized and (a) CenturyLink has initiated a process covered by (1)-(4) of this sub-paragraph, and (b) intends to exercise or exercises its rights under paragraph 13(e)(ii) to deny or investigate the refund claim, CenturyLink shall inform the Consumer that CenturyLink is reviewing the claim, that the Consumer does not have to pay the disputed Third-Party Charge while it is being processed, and that CenturyLink will notify the Consumer of the outcome of its review of the claim, and of the Consumer's ability to contest the outcome pursuant to the provisions of paragraph 13(e)(ii). CenturyLink shall promptly reverse any actions covered by (1)-(4) of this sub-paragraph once CenturyLink has completed such processing and complied with the provisions of paragraph 13(e)(ii), if it determines that a refund is owed to the Consumer.

- (f) Training. Within one hundred twenty (120) days after the Effective Date and at least annually in each of the subsequent three years, CenturyLink shall conduct a training program with its customer service representatives to administer the requirements of this Consent Decree. Any Person who is assigned duties or otherwise becomes a customer service representative with any responsibility for administering the requirements of this Consent Decree but who has not received such training will be subject to training prior to assuming those responsibilities or duties. It is acknowledged that the process of training customer service representatives may include monitored interactions with Consumers. To the extent that CenturyLink no longer Bills for or permits Third-Party Charges on Consumer Bills for Designated Third Parties and the Designated Third-Party Services, CenturyLink will conduct one training program within three (3) months of such cessation and will have no further obligation to conduct training programs under this paragraph so long as CenturyLink does not Bill for Designated Third Parties and the Designated Third-Party Services or permit Third-Party Charges on Consumers' Bills.
- (g) Cooperation with Bureau. CenturyLink shall, for at least three (3) years after the Effective Date, designate a contact to whom the Bureau may provide information regarding any concerns about unauthorized Third-Party Charges, and from whom the Bureau may request information and assistance in investigations. Such information and assistance shall include information regarding the identity of Third Parties placing Third-Party Charges on CenturyLink's Bills, revenue from such Third-Party Charges, refunds provided relating to the Third-Party Charges, any audits conducted of the Third Party (to the extent not protected by attorney-client or attorney work product privileges), and any applications or other information provided by the Third Party, to the extent that CenturyLink has access to such information. The Bureau will seek such information by administrative subpoena upon CenturyLink's reasonable request for the purpose of protecting itself against potential third party liability. CenturyLink shall provide such information within a reasonable period, to the extent such information is in CenturyLink's possession or control, and shall cooperate in good faith with such requests, including investigating any reports of unauthorized Third-Party Charges CenturyLink receives from the Bureau. Information will be considered in CenturyLink's "control" if CenturyLink has a contractual or other legal right to obtain the information from a Third Party, unless good faith efforts by CenturyLink to obtain such information are unsuccessful.
- 14. Reporting Noncompliance. Beginning 120 days after the Effective Date, for three (3) years from the Effective Date, CenturyLink shall report any noncompliance with the terms and conditions of this Consent Decree within fifteen (15) calendar days after discovery of such noncompliance. Such reports shall include a detailed explanation of: (i) each instance of such noncompliance; (ii) the steps that CenturyLink has taken or will take to remedy such noncompliance; (iii) the schedule on which such remedial actions will be taken; and (iv) the steps that CenturyLink has taken or will take to prevent the recurrence of any such noncompliance. All reports of noncompliance shall be submitted to Kristi Thompson, Chief, Telecommunications Consumers Division, Enforcement Bureau, Federal Communications Commission, Washington DC 20554, with a copy submitted electronically to Lisa.Williford@fcc.gov.
- 15. <u>Compliance Reports</u>. CenturyLink shall file compliance reports with the Commission one hundred fifty (150) calendar days after the Effective Date, twelve (12) months after the Effective

Date, twenty-four (24) months after the Effective Date, and thirty-six (36) months after the Effective Date.

- (a) Each Compliance Report shall include a detailed description of CenturyLink's efforts during the relevant period to comply with the terms and conditions of this Consent Decree. In addition, each Compliance Report shall include a certification by the Compliance Officer, as an agent of and on behalf of CenturyLink, stating that the Compliance Officer has personal knowledge that CenturyLink: (i) has established and implemented the Compliance Plan; and (ii) is not aware of any instances of noncompliance with the terms and conditions of this Consent Decree, subject to the reporting obligations set forth in paragraph 14 of this Consent Decree.
- (b) The Compliance Officer's certification shall be accompanied by a statement explaining the basis for such certification and shall comply with section 1.16 of the Rules and be subscribed to as true under penalty of perjury in substantially the form set forth therein.⁷
- (c) If the Compliance Officer cannot provide the requisite certification, the Compliance Officer, as an agent of and on behalf of CenturyLink, shall provide the Commission with a detailed explanation of the reason(s) why and describe fully: (i) each instance of noncompliance; (ii) the steps that CenturyLink has taken or will take to remedy such noncompliance, including the schedule on which proposed remedial actions will be taken; and (iii) the steps that CenturyLink has taken or will take to prevent the recurrence of any such noncompliance, including the schedule on which such preventive action will be taken.
- (d) All Compliance Reports shall be submitted to Kristi Thompson, Chief, Telecommunications Consumers Division, Enforcement Bureau, Federal Communications Commission, Washington DC 20554, with a copy submitted electronically to Lisa.Williford@fcc.gov.
- 16. <u>Termination Date</u>. Unless stated otherwise elsewhere in the Consent Decree, the requirements set forth in paragraphs 12 through 15 of this Consent Decree shall expire four (4) years after the Effective Date.
- 17. Section 208 Complaints; Subsequent Investigations. Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating complaints filed pursuant to section 208 of the Act⁸ against CenturyLink or its affiliates for alleged violations of the Act, or for any other type of alleged misconduct, regardless of when such misconduct took place. The Commission's adjudication of any such complaint will be based solely on the record developed in that proceeding. Except as expressly provided in this Consent Decree, this Consent Decree shall not prevent the Commission from investigating new evidence of noncompliance by CenturyLink with the Communications Laws.
- 18. <u>Settlement Amount</u>. CenturyLink will pay a settlement amount to the United States Treasury in the amount of \$550,000 within thirty (30) calendar days after the Effective Date. CenturyLink shall send electronic notification of payment to Lisa. Williford@fcc.gov on the date said payment is made. Payment of the Settlement Amount must be made by credit card, ACH (Automated Clearing House) debit

⁷ 47 CFR § 1.16.

^{8 47} U.S.C. § 208.

from a bank account using the Commission's Fee Filer (the Commission's online payment system),⁹ or by wire transfer. The Commission no longer accepts Settlement Amount payments by check or money order. Below are instructions that payors should follow based on the form of payment selected:¹⁰

- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. A completed Form 159 must be faxed to the Federal Communications Commission at 202-418-2843 or e-mailed to RROGWireFaxes@fcc.gov on the same business day the wire transfer is initiated. Failure to provide all required information in Form 159 may result in payment not being recognized as having been received. When completing FCC Form 159, enter the Account Number in block number 23A (call sign/other ID), enter the letters "FORF" in block number 24A (payment type code), and enter in block number 11 the FRN(s) captioned above (Payor FRN).¹¹ For additional detail and wire transfer instructions, go to https://www.fcc.gov/licensing-databases/fees/wire-transfer.
- Payment by credit card must be made by using the Commission's Fee Filer website at https://apps.fcc.gov/FeeFiler/login.cfm. To pay by credit card, log-in using the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Pay bills" on the Fee Filer Menu, and select the bill number associated with the NAL Account the bill number is the NAL Account number with the first two digits excluded and then choose the "Pay by Credit Card" option. Please note that there is a \$24,999.99 limit on credit card transactions.
- Payment by ACH must be made by using the Commission's Fee Filer website at https://apps.fcc.gov/FeeFiler/login.cfm. To pay by ACH, log in using the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select "Pay bills" on the Fee Filer Menu and then select the bill number associated to the NAL Account the bill number is the NAL Account number with the first two digits excluded and choose the "Pay from Bank Account" option. Please contact the appropriate financial institution to confirm the correct Routing Number and the correct account number from which payment will be made and verify with that financial institution that the designated account has authorization to accept ACH transactions.
- Maivers. As of the Effective Date, CenturyLink waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order. CenturyLink shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Consent Decree or the Adopting Order, neither CenturyLink nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and CenturyLink shall waive any statutory right to a trial de novo. CenturyLink hereby agrees to waive any claims it may otherwise have under the Equal Access to Justice Act¹² relating to the matters addressed in this Consent Decree.
- 20. <u>Severability</u>. The Parties agree that if any of the provisions of the Consent Decree shall be held unenforceable by any court of competent jurisdiction, such unenforceability shall not render

⁹ Payments made using the Commission's Fee Filer system do not require the submission of an FCC Form 159.

¹⁰ For questions regarding payment procedures, please contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 (option #6), or by e-mail at ARINQUIRIES@fcc.gov.

¹¹ Instructions for completing the form may be obtained at http://www.fcc.gov/Forms/Form159/159.pdf.

¹² See 5 U.S.C. § 504; 47 CFR §§ 1.1501-1.1530.

unenforceable the entire Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.

- 21. <u>Invalidity</u>. In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.
- 22. <u>Subsequent Rule or Order</u>. The Parties agree that if any provision of the Consent Decree conflicts with any subsequent Rule or Order adopted by the Commission (except an Order specifically intended to revise the terms of this Consent Decree to which CenturyLink does not expressly consent) that provision will be superseded by such Rule or Order.
- 23. <u>Successors and Assigns</u>. CenturyLink agrees that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees.
- 24. <u>Final Settlement</u>. The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation. The Parties further agree that this Consent Decree does not constitute either an adjudication on the merits or a legal finding or determination regarding any compliance or noncompliance with the Communications Laws with regard to the matters described in paragraphs 3-6, and that, by entering into the Consent Decree, CenturyLink makes no admissions of liability of any kind.
- 25. <u>Modifications</u>. This Consent Decree cannot be modified without the advance written consent of both Parties.
- 26. **Paragraph Headings**. The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.
- Authorized Representative. Each Party represents and warrants to the other that it has full power and authority to enter into this Consent Decree. Each person signing this Consent Decree on behalf of a Party hereby represents that he or she is fully authorized by the Party to execute this Consent Decree and to bind the Party to its terms and conditions.

28. <u>Counterparts</u> . This Consent Decree may be signed in counterpart (including electronically or by facsimile). Each counterpart, when executed and delivered, shall be an original, and
all of the counterparts together shall constitute one and the same fully executed instrument.
Phillip Rosario
Deputy Chief
Enforcement Bureau
Date
Stacey W. Goff
Executive Vice President, General Counsel, & Secretary,
CenturyLink, Inc., and Executive Vice President & General Counsel for the subsidiaries and affiliates
listed in Appendix A
••
Date

Appendix A CenturyLink ILEC Subsidiaries and Affiliates

Qwest Corporation d/b/a CenturyLink QC

CenturyTel of Alabama, LLC d/b/a CenturyLink

Gulf Telephone Company, LLC d/b/a CenturyLink

CenturyLink of Louisiana, LLC

CenturyTel of Arkansas, Inc. d/b/a CenturyLink

CenturyTel of Central Arkansas, LLC d/b/a CenturyLink

CenturyTel of Missouri, LLC d/b/a CenturyLink

CenturyTel of Mountain Home, Inc. d/b/a CenturyLink

CenturyTel of Northwest Arkansas, LLC d/b/a CenturyLink

CenturyTel of Redfield, Inc. d/b/a CenturyLink

CenturyTel of South Arkansas, Inc. d/b/a CenturyLink

CenturyTel of Eastern Oregon, Inc. d/b/a CenturyLink

CenturyTel of Colorado, Inc. d/b/a CenturyLink

CenturyTel of Eagle, Inc. d/b/a CenturyLink

El Paso County Telephone Company d/b/a CenturyLink

Embarq Florida, Inc. d/b/a CenturyLink

Coastal Utilities, Inc. d/b/a CenturyLink

CenturyTel of the Gem State, Inc. d/b/a CenturyLink

CenturyTel of Idaho, Inc. d/b/a CenturyLink

Gallatin River Communications L.L.C. d/b/a CenturyLink GRC

CenturyTel of Central Indiana, Inc. d/b/a CenturyLink

CenturyTel of Odon, Inc. d/b/a CenturyLink

United Telephone Company of Indiana, Inc. d/b/a CenturyLink

CenturyTel of Chester, Inc. d/b/a CenturyLink

CenturyTel of Postville, Inc. d/b/a CenturyLink

Embarq Missouri, Inc. d/b/a CenturyLink

United Telephone Company of Eastern Kansas d/b/a CenturyLink

United Telephone Company of Kansas d/b/a CenturyLink

United Telephone Company of Southcentral Kansas d/b/a CenturyLink

CenturyTel Midwest - Michigan, Inc. d/b/a CenturyLink

CenturyTel of Michigan, Inc. d/b/a CenturyLink

CenturyTel of Northern Michigan, Inc. d/b/a CenturyLink

CenturyTel of Upper Michigan, Inc. d/b/a CenturyLink

CenturyTel of Chester, Inc. d/b/a CenturyLink

CenturyTel of Minnesota, Inc. d/b/a CenturyLink

CenturyTel of Northwest Wisconsin, LLC d/b/a CenturyLink

Embarq Minnesota, Inc. d/b/a CenturyLink

CenturyTel of North Mississippi, Inc. d/b/a CenturyLink

Embarq Missouri, Inc. d/b/a CenturyLink

Spectra Communications Group, LLC d/b/a CenturyLink

CenturyTel of Montana, Inc. d/b/a CenturyLink

United Telephone Company of the West d/b/a CenturyLink

Central Telephone Company d/b/a CenturyLink

United Telephone Company of New Jersey, Inc. d/b/a CenturyLink

CenturyTel of the Southwest, Inc.

Carolina Telephone & Telegraph Company LLC d/b/a CenturyLink

Mebtel, Inc. d/b/a CenturyLink

CenturyTel of Ohio, Inc. d/b/a CenturyLink

United Telephone Company of Ohio d/b/a CenturyLink

CenturyTel of Oregon, Inc. d/b/a CenturyLink

United Telephone Company of the Northwest d/b/a CenturyLink

The United Telephone Company of Pennsylvania LLC d/b/a CenturyLink

United Telephone Company of the Carolinas LLC d/b/a CenturyLink

CenturyTel of Adamsville, Inc. d/b/a CenturyLink Adamsville

CenturyTel of Claiborne, Inc. d/b/a CenturyLink Claiborne

CenturyTel of Ooltewah-Collegedale, Inc. d/b/a CenturyLink Ooltewah-Collegedale

United Telephone Southeast LLC d/b/a CenturyLink

Central Telephone Company of Texas d/b/a CenturyLink

CenturyTel of Lake Dallas, Inc. d/b/a CenturyLink

CenturyTel of Northwest Louisiana, Inc. d/b/a CenturyLink

CenturyTel of Port Aransas, Inc. d/b/a CenturyLink

CenturyTel of San Marcos, Inc. d/b/a CenturyLink

United Telephone Company of Texas, Inc. d/b/a CenturyLink

Central Telephone Company of Virginia d/b/a CenturyLink

CenturyTel of Cowiche, Inc. d/b/a CenturyLink

CenturyTel of Inter Island, Inc. d/b/a CenturyLink

CenturyTel of Washington, Inc. d/b/a CenturyLink

CenturyTel of Central Wisconsin, LLC d/b/a CenturyLink

CenturyTel of Fairwater-Brandon-Alto, LLC d/b/a CenturyLink

CenturyTel of Forestville, LLC d/b/a CenturyLink

CenturyTel of Larsen-Readfield, LLC d/b/a CenturyLink

CenturyTel of the Midwest-Kendall, LLC d/b/a CenturyLink

CenturyTel of the Midwest-Wisconsin, LLC d/b/a CenturyLink

CenturyTel of Monroe County, LLC d/b/a CenturyLink

CenturyTel of Northern Wisconsin, LLC d/b/a CenturyLink

CenturyTel of Southern Wisconsin, LLC d/b/a CenturyLink

CenturyTel of Wisconsin, LLC d/b/a CenturyLink

Telephone USA of Wisconsin, LLC d/b/a CenturyLink

CenturyTel of Wyoming, Inc. d/b/a CenturyLink