

From: Human Resources
Sent: Wednesday, December 03, 2003 2:23 PM
To: undisclosed-recipients
Subject: Elimination of Sickness Death Benefit (M:)

Date: 12/03/03 Time: 14:00:05
Subject: Elimination of Sickness Death Benefit (M:)

Elimination of the Sickness Death Benefit from the Pension Plan

Supervisors: Please print this message and provide it to employees without access to e-mail.

To: All Qwest Employees
From: Felicity O'Herron, Senior Director - Financial Security Benefits
Subject: Elimination of the Sickness Death Benefit from the Pension Plan

As part of our commitment to ensure we provide a valuable package of benefits to both active and retired employees, we continually review our benefit plans. Certain employees hired before March 1, 1993, are currently eligible for a death benefit from both the Pension Plan and the Qwest Group Life Insurance Plan (outside of the Pension Plan). As a business, it is our responsibility to wisely steward our financial resources, and in these cases, the company is paying twice for this benefit. Therefore, it makes financial sense for us to eliminate one of the duplicate benefits.

As a result, I wanted to let you know that we have made changes to the Qwest Pension Plan (the "Plan"), effective January 1, 2004. We have amended the Plan to eliminate the Sickness Death Benefit for employees who were hired before March 1, 1993, and retire on or after January 1, 2004. This change was negotiated with CWA and IBEW during 2003 bargaining.

Since the Sickness Death Benefit will no longer be paid to participants who retire on or after January 1, 2004, the lump sum payment option will no longer include the amount attributable to of the Sickness Death Benefit as part of the lump sum.

Although at this time, the Sickness Death Benefit remains in the plan for retirees who retire prior to January 1, 2004, Qwest is considering eliminating this benefit for all retirees. Retirees will be notified if there is any change to the Sickness Death Benefit in the future.

No changes are currently being made to the death benefits provided under the Pension Plan for employees hired before March 1, 1993, who die while actively employed. This includes the Accidental Death Benefit provided to certain active eligible employees hired before March 1, 1993, who die solely as a result of accident or injury during the course of employment. This also includes the Sickness Death Benefit provided to certain eligible employees hired before March 1, 1993, who die while in active employment for reasons other than accident or injury.

Similarly, any life insurance benefits for employees provided through the Qwest Group Life Insurance Plan are unaffected by this change.

If you have any questions, please contact the Qwest Service Center at 800-729-7526.

This letter briefly summarizes the changes that are being made to the Plan. If there is any conflict between the terms of the Plan document and this summary, the terms of the Plan document will govern. Qwest reserves the right to interpret and resolve any ambiguities in the Plan or any document relating to the Plan. Benefits are determined by Qwest in its sole discretion and Qwest has reserved the right, in its sole discretion, to change, modify, discontinue or terminate the Plan and/or any of the Benefits under the Plan with respect to all participant classes, retired, or otherwise, at any time without prior notice, subject to applicable laws and collective bargaining agreements.

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Please address replies to Qwest HR
at E-mail address: human.resources@qwest.com Phone: (800)729-7526

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(# KR19745)
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From: Human Resources
Sent: Tuesday, December 09, 2003 11:30 AM
To: undisclosed-recipients
Subject: Pension Plan & Death Benefit Change Clarification (M:)

Date: 12/09/03 Time: 11:07:13
Subject: Pension Plan & Death Benefit Change Clarification (M:)

Pension Plan Clarification

To: All Qwest Employees
From: Felicity O'Herron, Senior Director - Financial Security
Benefits
Subject: Pension Plan and Death Benefit Change Clarification
Date: December 9, 2003

We have recently received quite a few questions from employees regarding the Qwest Pension Plan. In order to ensure that everyone has the same level of information and to respond to the common questions that are arising, I wanted to provide you with some facts about the Pension Plan.

- * The lump sum feature of the Pension Plan is not being eliminated. You will continue to be able to take a lump sum distribution of your eligible pension benefit. This is a legally protected distribution option that Qwest can not take away with regard to any benefits you've earned; however, for occupational employees, it is subject to collective bargaining.
- * All changes to the Pension Plan will be communicated, as will the effective date of such changes (other than changes that are purely technical).
- * Your accrued pension benefit (the normal retirement age monthly annuity) has not been changed and will not decrease. However, the lump sum equivalent amount of your benefit changes as a result of changes in the interest rate used to calculate the lump sum. Please note that the death benefit is not considered part of your accrued pension benefit.
- * In spite of the market conditions of the last three years, the Qwest Pension Plan remains soundly funded; in fact, the funded status of the Plan is in the top 10 percent of U.S. pension funds.
- * In the unlikely event that the Pension Plan could not pay accrued benefits or were to terminate when it was under-funded, the PBGC (Pension Benefit Guaranty Corporation - a federal agency) guarantees certain pension benefits to participants. Annual insurance premiums are made to the PBGC to guarantee these benefits to Pension Plan participants. Additional information is available on the PBGC's Web site, <http://www.pbgc.gov>.

DEATH BENEFIT CLARIFICATION

- * The death benefit has been eliminated for eligible participants who were hired prior to March 1, 1993, and who retire on or after January 1, 2004.
- * Beginning January 1, 2004, the death benefit will no longer be part of the lump sum payment option.
- * PLEASE NOTE: Qwest is considering eliminating the death benefit for all retirees regardless of their retirement date. Retirees will be notified if there is any change to or termination of the death benefit in the future.
- * There has been no change to the death benefit if you die while actively employed.
- * If you've been employed since February 1993, any pension estimates you may have previously received probably included the death benefit. When you retire, your final calculation is reviewed to make sure your final pension benefit reflects current data and benefits pursuant to current plan provisions. All adjustments are made at the time your final benefit is processed for payment. Future pension estimates will not reflect the inclusion of the death benefit amount in the lump-sum payment option.

* The elimination of the death benefit does not affect your life insurance benefit which is provided through a separate and distinct Plan. Qwest currently provides basic life insurance to employees at no cost to the employees. To determine the amount of your basic and supplemental life insurance coverage (if you are enrolled and paying the monthly premiums for such supplemental coverage), contact CitiStreet at 800-729-PLAN (7526).

You can access additional information on the Pension Plan on the Qwest Pension Web site at www.qwestpension.com.

If you have questions, please contact the Qwest Service Center at 800-729-PLAN (7526).

This letter briefly summarizes the changes that are being made to the Plan. If there is any conflict between the terms of the Plan document and this summary, the terms of the Plan document will govern. Qwest reserves the right to interpret and resolve any ambiguities in the Plan or any document relating to the Plan. Benefits are determined by Qwest in its sole discretion and Qwest has reserved the right, in its sole discretion, to change, modify, discontinue or terminate the Plan and/or any of the Benefits under the Plan with respect to all participant classes, retired, or otherwise, at any time without prior notice, subject to applicable laws and collective bargaining agreements.

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