



**DATE:** November 5, 2007

**TO:** CenturyTel Benefit Plan Participant

**FROM:** Marina Pearson,  
Vice President, Compensation and Benefits

**SUBJECT:** Summary Annual Reports

In order to comply with the Internal Revenue Service requirements and the Department of Labor, the Company has completed Annual Reports on the financial condition of Company sponsored benefit plans. The Annual Reports have been filed with the Employee Benefits Security Administration and the Department of Labor as required under the Employee Retirement Income Security Act of 1974 (ERISA).

This Booklet includes a Summary Annual Report for each of the following benefit plans:

- CenturyTel, Inc. Welfare Benefits Plan 512, Unfunded Plan
- CenturyTel, Inc. Welfare Benefits Plan 511, Funded Plan
- CenturyTel, Inc. Employee Stock Ownership Plan
- Century Telephone Enterprises, Inc. Pension Plan for Bargaining Unit Employees
- CenturyTel Retirement Plan
- CenturyTel, Inc. Plan for Hourly Paid Employees' Pensions
- CenturyTel, Inc. Plan for Salaried Employees' Pensions
- CenturyTel, Inc. Dollars & Sense Plan
- CenturyTel, Inc. Union 401(k) Plan and Trust
- CenturyTel, Inc. Union Retirement Savings Plan
- Telephone USA of Wisconsin, LLC Union 401(k) Plan
- Telephone USA of Wisconsin, LLC 401(k) Plan
- CenturyTel Security Systems, Inc. 401(k) Plan

These Summary Annual Reports are designed to inform eligible participants about the financial aspects of each plan for 2006. The information is comprehensive and not all of it applies to every participant.

We realize these reports are complex and quite technical. Unfortunately, federal law is very strict about the content and form of the SAR, so we are not able to make the report as "user-friendly" as we would like it to be.

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**CENTURYTEL, INC.  
WELFARE BENEFITS  
PLAN 512 UNFUNDED  
PLAN**

EIN 72-0651161

For the period January 1,  
2006 through December 31,  
2006

**Includes:**

Medical, dental, vision, and  
life insurance benefits for  
active, COBRA, LTD  
employees, certain non-  
bargained retired  
employees; and Section 125  
benefits for active  
employees.

CenturyTel, Inc. has committed itself to pay certain medical, dental, vision and life claims incurred under the terms of the Plan.

**Insurance Information**

The Plan has contracts with several insurance companies to pay claims incurred under the terms of the Plan.

**Insured Plans:**

The total premiums paid for the Plan year ending December 31, 2006 were \$3,541,514. Because they are so-called experienced rated contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the Plan year ending December 31, 2006, the premiums paid under such experience-rated contracts during the Plan year were \$3,541,514.

**Self-Insured Plans:**

Expenses for the self-insured Plans were \$866,138,877. These expenses included \$3,233,774 to BlueCross BlueShield of Alabama, \$12,621,540 to Express Scripts for prescription drug claims, \$4,768,816 to Lumenos for medical claims, \$5,270,665 to MetLife for dental claims, \$580,839 to United Behavioral Health for mental health and substance abuse claims, \$51,640,034 to United Healthcare for medical claims, \$969,196 to Vision Service Plan for vision claims, for a total of \$79,384,864 in benefit claims paid by CenturyTel, Inc. and \$7,529,013 in administrative fees paid to these health care vendors.

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**CENTURYTEL, INC.  
WELFARE BENEFITS  
PLAN 511**

**FUNDED PLAN  
EIN 72-0651161**

For the period January 1,  
2006 through December 31,  
2006

**Includes:**

Medical, dental and vision,  
benefits for bargained  
retirees; life insurance  
benefits for bargained and  
non-bargained retired  
employees, and certain  
long-term disability benefits  
for employees.

CenturyTel, Inc. has committed itself to pay certain medical, dental, vision, life, survivor and long-term disability claims incurred under the terms of the Plan.

**Insurance Information**

The Plan has contracts with several insurance companies to pay claims incurred under the terms of the Plan.

**Insured Plans:**

The total premiums paid for the Plan year ending December 31, 2006 were \$2,522,266. Because they are so-called experienced rated contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the Plan year ending December 31, 2006, the premiums paid under such experience-rated contracts during the Plan year were \$1,627,248.

**Self-Insured Plans:**

Expenses for the self-insured Plans were \$3,795,425. These expenses included \$368,868 to BlueCross BlueShield of Alabama to healthcare claims, \$538,235 to Express Scripts for prescription drug claims, \$93,568 to Lumenos for healthcare claims, \$202,975 to MetLife for dental claims, \$1,040 to United Behavioral Health for mental health and substance abuse claims, \$2,291,807 to United Healthcare for medical claims, \$78,410 to Vision Service Plan for vision claims, for a total of \$3,574,903 in benefit claims paid by CenturyTel, Inc. and \$220,522 in administrative fees paid to the health care vendors.

**Basic Financial Information**

The value of the Plan assets, after subtracting liabilities of the Plan, was \$18,916,269 as of December 31, 2006, compared to \$20,280,187 as of January 1, 2006. During the Plan year the Plan experienced a decrease in its net assets of \$1,363,915. This decrease includes unrealized appreciation and depreciation in the value of Plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of assets at the beginning of the year or the cost of assets acquired during the year. During the Plan Year, the Plan had total income of \$3,673,511, including employer contributions of \$1,039,726, employee contributions of \$432,440 and earnings from investments of \$2,201,345.

Plan expenses were \$5,037,429. These expenses included \$4,772,900 paid to insurance carriers for the provisions of benefits, \$264,529 in administrative fees.

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**CENTURYTEL, INC.  
EMPLOYEE STOCK  
OWNERSHIP PLAN**

**EIN 72-0651161**

**Plan Number 011**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$26,866,565. These expenses included \$26,866,565 in benefits paid to participants. A total of 0 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$0 as of December 31, 2006, compared to \$198,567,271 as of January 1, 2006. During the plan year the plan experienced a decrease in its net assets of \$198,567,271. This decrease includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year, as well as a transfer to another qualified plan of \$235,174,575. During the plan year, the plan had a total income of \$63,473,869, including employer contributions of \$7,269,675, gain of \$19,539,458 from the sale of assets, earnings from investments of \$36,664,736.

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**CENTURY, INC. PENSION  
PLAN FOR BARGAINING  
UNIT EMPLOYEES  
EIN 72-0651161  
Plan Number 005**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$904,845. These expenses included \$1,778 in administrative expenses and \$903,067 in benefits paid to participants and beneficiaries. A total of 0 persons were participants in or beneficiaries of the plan at the end of the plan year. A total of \$27,209,133 in benefits was transferred to the CenturyTel, Inc. Retirement Plan.

The value of plan assets, after subtracting liabilities of the plan, was \$0 as of December 31, 2006, compared to \$25,128,844 as of January 1, 2006. During the plan year the plan experienced a decrease in its net assets of \$25,128,844. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$2,985,134 including employer contributions of \$846 and earnings from investments of \$2,984,288.

**Minimum Funding Standards**

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

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**CENTURYTEL  
RETIREMENT PLAN  
EIN 72-0651161  
Plan Number 001**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through insurance and through a trust fund. Plan expenses were \$14,427,758. These expenses included \$25,439 in administrative expenses and \$14,402,319 in benefits paid to participants and beneficiaries. A total of 9,203 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$461,300,334 as of December 31, 2006, compared to \$275,664,197 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$185,636,137. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. This increase also includes transfers from other plans in the amount of \$160,354,229. The plan had total income of \$39,709,666 including employer contributions of \$8,013,702 and earnings from investments of \$31,695,964.

**Minimum Funding Standards**

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

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**CENTURYTEL, INC. PLAN  
FOR HOURLY-PAID  
EMPLOYEES' PENSIONS  
EIN 72-0651161  
Plan Number 008**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$13,286,614. These expenses included \$234 in administrative expenses and \$13,286,380 in benefits paid to participants and beneficiaries. A total of 0 persons were participants in or beneficiaries of the plan at the end of the plan year. A total of \$119,045,141 in benefits was transferred to the CenturyTel, Inc. Retirement Plan.

The value of plan assets, after subtracting liabilities of the plan, was \$0 as of December 31, 2006, compared to \$101,057,441 as of January 1, 2006. During the plan year the plan experienced a decrease in its net assets of \$101,057,441. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$31,274,314 including employer contributions of \$20,003,241 and earnings from investments of \$11,271,073.

**Minimum Funding Standards**

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

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**CENTURYTEL, INC.  
PLAN FOR SALARIED  
EMPLOYEES' PENSIONS  
EIN 72-0651161  
Plan Number 007**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$2,778,727. These expenses included \$60 in administrative expenses and \$2,778,667 in benefits paid to participants and beneficiaries. A total of 0 persons were participants in or beneficiaries of the plan at the end of the plan year. A total of \$14,099,955 in benefits was transferred to the CenturyTel, Inc. Retirement Plan.

The value of plan assets, after subtracting liabilities of the plan, was \$0 as of December 31, 2006, compared to \$13,427,654 as of January 1, 2006. During the plan year the plan experienced a decrease in its net assets of \$13,427,654. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$3,451,028 including employer contributions of \$2,000,405 and earnings from investments of \$1,450,623.

**Minimum Funding Standards**

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

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**CENTURYTEL, INC.  
DOLLARS & SENSE PLAN  
EIN 72-0651161  
Plan Number 010**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$39,947,911. These expenses included \$39,947,911 in benefits paid to participants and beneficiaries. A total of 5,746 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$521,207,927 as of December 31, 2006, compared to \$261,271,500 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$259,936,427. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year, as well as a transfer to this plan of \$235,363,761 from other qualified plans. The plan had a total income of \$64,520,577 including employer contributions of \$5,965,695, employee contributions of \$14,734,123, rollover contributions of \$1,018,907 and earnings from investments of \$42,801,852.

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**CENTURYTEL, INC. UNION  
401(k) PLAN AND TRUST  
EIN 72-0651161  
Plan Number 003**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$5,755,536. These expenses included \$5,755,536 in benefits paid to participants and beneficiaries. A total of 1,941 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$78,247,132 as of December 31, 2006, compared to \$54,316,056 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$23,931,076. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year, as well as a transfer to this plan of \$14,530,230 which includes participant loans of \$113,373 from the Telephone USA of Wisconsin, LLC Union 401(k) Plan. The plan had total income of \$15,156,382 including employer contributions of \$2,462,536, employee contributions of \$5,391,824, rollover contributions of \$349,349, and earnings from investments of \$6,952,673.

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**CENTURYTEL, INC. UNION  
RETIREMENT SAVINGS  
PLAN**

**EIN 72-0651161  
Plan Number 006**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$1,690,499. These expenses included \$1,690,499 in benefits paid to participants and beneficiaries. A total of 0 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$0 as of December 31, 2006, compared to \$10,639,478 as of January 1, 2006. During the plan year the plan experienced a decrease in its net assets of \$10,639,478. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year, as well as a transfer to the CenturyTel Union 401(k) Plan and Trust of \$11,165,734. The plan had a total income of \$2,196,755 including employer contributions of \$200,569, employee contributions of \$363,077, and earnings from investments of \$1,633,109.

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**TELEPHONE USA OF  
WISCONSIN, LLC UNION  
401(k) PLAN  
EIN 72-14513183  
Plan Number 002**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$145,899. These expenses included \$145,391 in benefits paid to participants and beneficiaries and \$508 in other expenses. A total of 0 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$0 as of December 31, 2006, compared to \$2,698,210 as of January 1, 2006. During the plan year the plan experienced a decrease in its net assets of \$2,698,210. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year, as well as a transfer of \$3,251,123 to the CenturyTel Union 401(k) Plan and Trust. The plan had total income of \$698,812 including employer contributions of \$120,902, employee contributions of \$313,077, rollover contributions of \$36,959, and earnings on investments of \$277,874.

The plan has met the requirements to waive the annual examination and report of an independent qualified public accountant. As of the end of the plan year, the following regulated financial institution held plan assets that qualified under the waiver: T. Rowe Price Trust Company \$0. You have the right, upon request of the Plan Administrator and without charge, to examine or receive copies of statements from the regulated financial institution describing the qualifying plan assets. If you are unable to examine or obtain these documents, contact an EBSA Regional Office for assistance. Information about contacting EBSA regional offices can be found on the Internet at <http://www.dol.gov/ebsa>.

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**TELEPHONE USA OF  
WISCONSIN, LLC 401(K)  
PLAN  
EIN 72-1453183  
Plan Number 001**

For the period January 1,  
2006 through December 31,  
2006

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$4,894. These expenses included \$4,894 in benefits paid to participants and beneficiaries. A total of 0 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$0 as of December 31, 2006, compared to \$156,528 as of January 1, 2006. During the plan year the plan experienced a decrease in its net assets of \$156,528. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year, as well as a transfer of \$189,186 to the CenturyTel Dollars & Sense 401(k) Plan and Trust. The plan had total income of \$37,554 including employer contributions of \$4,360, employee contributions of \$15,323, and earnings on investments of \$17,871.

The plan has met the requirements to waive the annual examination and report of an independent qualified public accountant. As of the end of the plan year, the following regulated financial institution held plan assets that qualified under the waiver: T. Rowe Price Trust Company \$0. You have the right, upon request of the Plan Administrator and without charge, to examine or receive copies of statements from the regulated financial institution describing the qualifying plan assets. If you are unable to examine or obtain these documents, contact a EBSA Regional Office for assistance. Information about contacting EBSA regional offices can be found on the Internet at <http://www.dol.gov/ebsa>.

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**CENTURYTEL SECURITY  
SYSTEMS, INC. 401(k)  
PLAN**

**EIN 72-0923206**

**Plan Number 001**

**For the period January 1,  
2006 through December 31,  
2006**

**Basic Financial Information**

Benefits under the plan are provided through a trust fund. Plan expenses were \$6,448. These expenses included \$6,448 in benefits paid to participants and beneficiaries. A total of 61 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$249,780 as of December 31, 2006, compared to \$201,559 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$48,221. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$54,669 including employer contributions of \$1,688, employee contributions of \$21,452, other contributions of \$7 and earnings on investments of \$31,522.

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**Your Rights to Additional Information**

You have the right to receive a copy of the complete report, or any part thereof, on request. The items below are included in that report.

- An accountant's report;
- Financial information and information on payments to service providers;
- Assets held for investment;
- Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plans participates;
- Transactions in excess of 5% of the plan assets;
- Actuarial information regarding the funding of the Plan;
- Insurance information including sales commissions paid by the insurance carriers.

To obtain a copy of the complete annual report, or any part thereof, write or call the Plan Administrator, CenturyTel, Inc. 805 Broadway, PO Box 9901, Vancouver, WA 98668-8901, (360) 905-7345.

You also have the right to receive from the Plan Administrator, on request and at no charge, a statement of the assets and the liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan Administrator, these two statements and accompanying notes will be included as part of that report.

**Your Legal Right**

You also have the legally protected right to examine the annual reports at the executive offices of the Plan at 100 Century Park Drive, Monroe, LA 71203 and at the United States Department of Labor upon payment of copying costs. Requests to the Department of Labor should be addressed to: Public Disclosure Room, N4677, Pension and Welfare Benefit Programs, Dept. of Labor, 200 Constitution Ave., NW, Washington D.C.