

BETTS GENE M
Form 4
July 06, 2009

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BETTS GENE M

2. Issuer Name and Ticker or Trading Symbol
Embarq CORP [EQ]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
07/01/2009

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)

Chief Financial Officer

5454 W. 110TH ST

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

OVERLAND PARK, KS 66211

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership: Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | | |
| Common Stock | 07/01/2009 | | D | | 37,920.0677 (1) | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|----------------|---|-----------------|--------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Restricted Stock Units | \$ 0 | 07/01/2009 | | D | | | 49,861 (2) | (2) | (2) | Common Stock | 49,861 |
| Restricted Stock Units | \$ 0 | 07/01/2009 | | D | | | 8,610 (3) | (3) | (3) | Common Stock | 8,610 |
| Restricted Stock Units | \$ 0 | 07/01/2009 | | D | | | 30,053 (4) | (4) | (4) | Common Stock | 30,053 |
| NQ Stock Option | \$ 91.38 | 07/01/2009 | | D | | | 8,071 (5) | (5) | 01/03/2010 | Common Stock | 8,071 |
| NQ Stock Option | \$ 91.38 | 07/01/2009 | | D | | | 7,264 (6) | (6) | 01/24/2010 | Common Stock | 7,264 |
| NQ Stock Option | \$ 91.38 | 07/01/2009 | | D | | | 971 (7) | (7) | 02/08/2010 | Common Stock | 971 |
| NQ Stock Option | \$ 91.38 | 07/01/2009 | | D | | | 2,017 (8) | (8) | 08/07/2010 | Common Stock | 2,017 |
| NQ Stock Option | \$ 91.38 | 07/01/2009 | | D | | | 13,312 (9) | (9) | 05/11/2011 | Common Stock | 13,312 |
| NQ Stock Option | \$ 46.09 | 07/01/2009 | | D | | | 3,983 (10) | (10) | 02/11/2012 | Common Stock | 3,983 |
| NQ Stock Option | \$ 43.06 | 07/01/2009 | | D | | | 6,385 (11) | (11) | 02/19/2012 | Common Stock | 6,385 |
| NQ Stock Option | \$ 33.34 | 07/01/2009 | | D | | | 3,698 (12) | (12) | 02/10/2014 | Common Stock | 3,698 |
| NQ Stock Option | \$ 33.86 | 07/01/2009 | | D | | | 1,848 (13) | (13) | 02/10/2014 | Common Stock | 1,848 |
| NQ Stock Option | \$ 49.72 | 07/01/2009 | | D | | | 20,743 (14) | (14) | 02/08/2015 | Common Stock | 20,743 |
| NQ Stock Option | \$ 45.06 | 07/01/2009 | | D | | | 46,217 (15) | (15) | 02/07/2016 | Common Stock | 46,217 |
| NQ Stock Option | \$ 56.43 | 07/01/2009 | | D | | | 28,179 (16) | (16) | 02/22/2017 | Common Stock | 28,179 |

| | | | | | | | | |
|--------------------|----------|------------|---|----------------|------|------------|-----------------|--------|
| NQ Stock Option | \$ 41.94 | 07/01/2009 | D | 63,559 (17) | (17) | 03/02/2018 | Common Stock | 63,559 |
|--------------------|----------|------------|---|----------------|------|------------|-----------------|--------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BETTS GENE M 5454 W. 110TH ST OVERLAND PARK, KS 66211 | | | Chief Financial Officer | |

Signatures

Kay Buchart,
attorney-in-fact

07/06/2009

 Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Exchanged for 51,950 shares of CenturyTel common stock plus cash in lieu of 0.4927 shares.
- (2) This restricted stock unit award, which provided for vesting in 3 equal annual installments beginning February 27, 2010, was assumed by CenturyTel, Inc. in the merger and converted into a CenturyTel restricted stock unit award for 68,310 units with the same vesting schedule.
- (3) A performance adjustment to these RSUs was approved at the time of merger closing, based on certain Embarq performance metrics through July 1, 2009. The actual achievement of performance goals for this grant was 200%, which was prorated as provided for in the merger agreement. The unvested portion of this restricted stock unit award, which provided for vesting in two equal annual installments beginning February 22, 2009, was assumed by CenturyTel, Inc. in the merger and converted into a CenturyTel restricted stock unit award for 21,622 units with the with the same remaining vesting schedule, but with no further performance adjustment.
- (4) A performance adjustment to these RSUs was approved at the time of merger closing, based on certain Embarq performance metrics through July 1, 2009. The actual achievement of performance goals for this grant was 138%, which was prorated as provided for in the merger agreement. The unvested portion of this restricted stock unit award, which provided for vesting in full on March 2, 2011, was assumed by CenturyTel, Inc. in the merger and converted into a CenturyTel restricted stock unit award for 48,996 units with the with the same remaining vesting schedule, but with no further performance adjustment.
- (5) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 11,057 shares of CenturyTel common stock for \$66.71 per share.
- (6) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 9,951 shares of CenturyTel common stock for \$66.71 per share.
- (7) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 1,329 shares of CenturyTel Inc. common stock for \$66.71 per share.
- (8) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 2,763 shares of CenturyTel Inc. common stock for \$66.71 per share.
- (9) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 18,236 shares of CenturyTel common stock for \$66.71 per share.
- (10) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 5,456 shares of CenturyTel common stock for \$33.65 per share.
- (11) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 8,747 shares of CenturyTel common stock for \$31.44 per share.
- (12)

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This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 5,066 shares of CenturyTel common stock for \$24.34 per share.

- (13) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 2,531 shares of CenturyTel common stock for \$24.72 per share.
- (14) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 28,417 shares of CenturyTel common stock for \$36.30 per share.
- (15) This option, which is fully vested, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 63,317 shares of CenturyTel common stock for \$32.90 per share.
- (16) This option, which provided for vesting in 3 equal annual installments beginning on February 22, 2008 was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 38,605 shares of CenturyTel common stock for \$41.19 per share with the same remaining vesting schedule.
- (17) This option, which provided for vesting in 3 equal annual installments beginning on March 2, 2009, was assumed by CenturyTel, Inc. in the merger and converted into an option to purchase 87,075 shares of CenturyTel common stock for \$30.62 per share with the same remaining vesting schedule.

Remarks:

Each share of Embarq common stock was exchanged for 1.37 shares of CenturyTel, Inc. common stock on July 1, 2009 pursuant to the merger.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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