

**AVAYA INC.**

**SAVINGS PLAN**

**SUMMARY PLAN DESCRIPTION**

Effective January 1, 2017

If you received this Summary Plan Description by electronic means, you have the right to receive a written Summary Plan Description and may request a copy of this document on a written paper document at no charge by contacting the Plan Administrator (contact information provided under the "Administrative Information" Section of this Summary Plan Description.)

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## INTRODUCTION

The Avaya Inc. Savings Plan (referred to herein as the “Plan” or “ASP”) is designed to help you build your retirement income through tax-advantaged savings and company matching contributions. It offers a variety of investment options to help you save for retirement. The Plan is a type of qualified retirement plan commonly referred to as a 401(k) plan. The benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation (“PBGC”) because the PBGC does not insure 401(k) plans.

This Summary Plan Description (“SPD”) contains information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this SPD to get a better understanding of your rights and obligations under the Plan.

In this SPD, the Plan Sponsor, Avaya, Inc. (“Avaya” or the “Company”), has addressed the most common questions you may have regarding the Plan. If this SPD does not answer all of your questions, please contact the Plan Administrator or other Plan representative. The Administrator is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan. The name and address of the Administrator can be found at the end of this SPD in the Section entitled “Administrative Information.”

This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan as in effect on January 1, 2017. The Plan document is written in much more technical and precise language and is designed to comply with applicable legal requirements. In the event there is a conflict between this SPD and the Plan document, the Plan document will govern. If you wish to receive a copy of the legal Plan document, please contact the Plan Administrator. No person has the authority to make any verbal statements of any kind that can alter the actual Plan document.

The Plan and your rights under the Plan are subject to federal laws, such as the Employee Retirement Income Security Act (“ERISA”) and the Internal Revenue Code, as well as some state laws. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (“IRS”) or U.S. Department of Labor (“DOL”). Subject to the terms of any collective bargaining agreement between Avaya and your union, Avaya may also amend or terminate this Plan. Avaya will notify you if the provisions of the Plan that are described in this SPD materially change.

Although you have rights as a participant under the Plan, your participation in the Plan does not constitute a contract of employment between you and Avaya. Avaya may terminate your employment, regardless of your status in the Plan, subject to any

applicable provision in the collective bargaining agreement between Avaya and your union. The receipt of this SPD does not necessarily mean that you are eligible to participate in the Plan or that you are entitled to any specific benefits from the Plan. You must satisfy the eligibility and participation requirements provided in the Plan.

Nothing in this SPD is intended, and should not be deemed, as legal, tax or financial advice concerning your specific situation. Further, the Company, the Plan Administrator, the Savings Plan Committee, and their respective agents are not authorized to provide any such advice. You are encouraged to consult a legal, tax, and/or financial professional with any questions regarding your personal situation.

## ELIGIBILITY AND PARTICIPATION

### ***Who Is Eligible***

You are eligible to participate in the ASP as soon as administratively feasible following the date you become an eligible employee. Participation is *not* automatic. If you are eligible, you must enroll in the ASP to participate.

You are an eligible employee if you are a regular full-time or part-time who is covered by a collective bargaining agreement that provides for participation under the Plan, or a represented employee who is temporarily promoted to a salaried position for one year or less, and who is in the active service of a participating company.

Note that individuals who are not paid from the U.S. payroll of a participating company, who are employed by an independent company (such as an employment agency), or whose services are rendered pursuant to an agreement excluding participation in the ASP are not eligible to participate in the ASP.

### ***How to Enroll***

After you become an eligible employee, you will be sent enrollment information. This information provides details about the enrollment process. Any time after you receive the enrollment information, you may enroll through NetBenefits at [www.401k.com](http://www.401k.com), or by calling the Avaya 401(k) Plan Service Center at 1-877-208-0783 (see "Important Contacts" if outside the United States).

*Hearing impaired employees* may call **1-800-610-4015** to reach a telecommunications device for the deaf (TDD).

### ***Beneficiary Designation***

If you are married, your spouse is automatically your sole, primary beneficiary, unless your spouse provides written, notarized consent to you naming a different beneficiary. Under the Plan, your spouse is your lawful husband or lawful wife for federal income tax purposes. If you do not designate a beneficiary, or if your spouse and none of your designated beneficiaries are living when you die, your vested ASP account balance is paid to your estate. Maintaining current beneficiary designations is an important component of your financial planning. You should review your designations periodically to ensure they reflect your wishes and life circumstances, especially if you experience a life change event such as marriage, divorce, birth or adoption of a child or a death in the family. Because your designation of a beneficiary may have important legal, tax and financial implications, you are encouraged to consult a legal, tax, and/or financial professional with any questions regarding your personal situation. To name your beneficiary (ies), go to **[www.401k.com](http://www.401k.com)** after you begin participating in the Plan.

### ***Make-up Contributions***

If you are a new participant in the ASP and elect to contribute to the Plan before the end of the month after the month in which you receive your notice of eligibility to participate in this Plan, you may make additional contributions to make up for contributions missed between your eligibility date and your first payroll deduction contribution. You can request these make-up contributions through the end of the second month following the date you become eligible. However, the make-up contributions cannot exceed two months of contributions. If this timeframe crosses calendar years, you can still elect make-up contributions but such contributions count toward the IRS limits for the year in which the contributions are actually made. You must elect make-up contributions by completing the “Missed Contribution Authorization Form” on NetBenefits at **www.401k.com** under Plan Information and Forms. This completed form must be sent to Avaya’s U.S. Payroll Operations.



## CONTRIBUTING TO THE ASP

The ASP provides you with a convenient way to save and invest through payroll deductions. You are immediately eligible to make payroll contributions.

### ***Your Contributions***

You may contribute up to 25% of your eligible compensation by using any combination of pre-tax dollars and/or after-tax dollars up to the IRS limits. The limit for 2017 is \$18,000. However, you must contribute in whole percentages in 1% increments (1%, 2% and so on). If you make pre-tax and after-tax contributions, the minimum amount you can contribute is 1% of each contribution type, up to a combined maximum of 25%. Your elected contribution percentage is deducted from your paycheck and automatically deposited into your account.

If you are eligible to participate in the Plan and you are represented by the International Brotherhood of Electrical Workers (“IBEW”), you may direct all your payroll deductions into the IBEW Sponsored Trust for Savings instead of the ASP. However, contributions to this trust may **only** be made on an after-tax basis. For more information about this trust, see “IBEW Sponsored Trust for Savings.”

Your eligible compensation under the Plan includes your standard rate of pay (plus any applicable wage protection allowances), including payments received under Avaya’s Sickness and Accident Disability Plan, amounts received pursuant to incentive compensation plan awards (such as the Avaya Award), sales incentive compensation, and other lump sum merit awards and incentive compensation. Eligible compensation does *not* include overtime, shift differentials or other premium pay, deferred compensation, amounts reimbursed for expenses incurred as an employee, payments received after retirement or termination, or workers’ compensation.

If you have excused unpaid time off for union business during a pay period, your eligible compensation will include the amount you would have been paid during that pay period based on your base rate if you had worked during the period of your excused unpaid time off – unless the amount of your Plan contributions, other deductions and withholding obligations exceeds your actual pay for that pay period.

### **Contributions if You Elect the Extended Compensation Option**

If you are eligible for and elect to participate in the Extended Compensation Option, which is offered to certain represented employees as part of a force management program, your ASP contributions will continue for as long as you remain on the active payroll and receive eligible compensation.

## **Pre-tax Contributions**

You get an immediate federal tax advantage from contributing pre-tax dollars. Your contributed pre-tax dollars would lower your current taxable income, which could mean a reduced federal income tax payment for you. In some cases, you will also pay lower state and local income taxes. (However, you will still have to pay Social Security taxes on your pre-tax contributions.)

Remember, with pre-tax contributions, you are not avoiding taxes, just postponing them. Taxes will be due when you take money out of the ASP. However, because you may be in a lower tax bracket when you retire, you might end up paying taxes at a lower rate.

## **After-tax Contributions**

If you contribute after-tax dollars to the ASP, you pay income taxes on that money before your contributions are deposited in your account. Although after-tax contributions do not offer the same immediate tax advantages as pre-tax contributions, the investment earnings on after-tax contributions grow on a tax-deferred basis until they are paid out of the ASP. Also, you have greater access to your after-tax contributions while you are employed and you will not be taxed on your contributions when they are distributed to you.

## **Catch Up Contributions**

To allow greater savings flexibility for participants who are nearing retirement age, employees age 50 or over can make catch up contributions in addition to their other ASP contributions. This feature is available to any participant who turns age 50 or is over age 50 in the calendar year in which they wish to make the election and who contributes up to the IRS pre-tax contribution limit. Remember, if you elect to make catch up contributions, this election will apply until you change it.

The maximum catch up contribution amount for 2017 is \$6,000. Eligible participants can elect to contribute up to 50% of eligible compensation, up to the limit. Catch up contributions are not matched.

## **Changing Contribution Elections**

You may change your contribution elections at any time. To change your contribution elections, log on to NetBenefits at [www.401k.com](http://www.401k.com) or call the Avaya 401(k) Plan Service Center.

Generally, the change will be effective in the first paycheck practicable following the date you make the change. Payroll calendars, which show the cutoff date for changes, are posted on NetBenefits. It is a good idea to check your pay stub to make sure your requested change is made.

**Company Matching Contributions**

For the periods you contribute to the Plan, the Company will match a part of your contributions to the ASP after you complete six months of service with the Company. After you become eligible to receive Company matching contributions, Avaya will contribute 66-2/3% of the sum of your pre-tax and after-tax contributions up to the first 6% of your eligible compensation. If your contributions stop for any reason, matching contributions also stop. Catch up contributions, roll-in contributions and contributions in excess of 6% are **not** matched.

Your hire date determines when Company matching contributions begin. If you are hired on the first day of any month, Company matching contributions begin in the month in which you reach your six month service anniversary. If you are hired on any other day, Company matching contributions begin on the first day of the month following your sixth month service anniversary.

**IRS Limitations**

The IRS places an annual dollar limit on the amount of pre-tax contributions you can make to the ASP during any Plan year. In addition, the IRS limits the amount of compensation that can be used to determine ASP contributions.

The IRS also limits the combined amount you and the Company can contribute to your ASP account. Your contributions and any matching contributions *combined* cannot exceed the limit set forth below for any calendar year. When your pre-tax contributions reach the Pre-Tax Contribution Limit listed below, your pre-tax contributions **automatically** stop until the beginning of the next year. If you reach the Maximum Contribution Limit, your contributions **automatically** stop until the beginning of the next year.

	<b>Pre-tax Contribution Limit</b>	<b>Catch-up Contribution Limit</b>	<b>Maximum Contribution Limit</b>	<b>Maximum Compensation Limit</b>
<b>2016</b>	\$18,000	\$6,000	\$53,000	\$265,000
<b>2017</b>	\$18,000	\$6,000	\$54,000	\$270,000

The ASP must pass IRS imposed nondiscrimination tests. If the ASP fails these tests, the amount you can contribute to the Plan may be limited or excess contributions may be returned to you and you may forfeit any matching contributions associated with those contributions.

## ***Roll-in Contributions***

If you receive a distribution from a former employer's qualified plan, including after-tax contributions, you may be able to roll that distribution into the ASP and continue deferring income taxes on that money. You may also roll in a distribution from an individual retirement account ("IRA") that was established to hold amounts from another employer's qualified plan (known as a conduit IRA). You can also make a qualified roll-in contribution after you terminate employment with Avaya if you still have an ASP account.

You may make a direct roll-in or a 60-day roll-in. With a direct roll-in, you receive payment from the other qualified plan or conduit IRA in the form of a check made payable directly to Fidelity Investments Institutional Operations Company, Inc. (or F.I.I.O.C.), and *no taxes* are withheld from the amount you roll in. With a 60-day roll-in, you receive payment from the other qualified plan or conduit IRA in the form of a check made payable to you. Taxes are withheld from the payment, and you must roll in the money *within* 60 days after you receive payment. There may be tax consequences if you do not roll in the full amount of your eligible rollover distribution (including any amount that was withheld for taxes when payment was made).

You do not need to contribute via payroll deduction to make a roll-in contribution. If you need more detailed information on roll-in contributions, log on to NetBenefits at **www.401k.com** or call the Avaya 401(k) Plan Service Center. To make a roll-in contribution, complete the "Rollover Form," which you can get from NetBenefits at **www.401k.com** under "Plan Information and Documents/Forms" or by calling the Avaya 401(k) Plan Service Center.

## INVESTING YOUR ASP ACCOUNT

The ASP provides a variety of investment options for investing your Plan account. The investment options differ in their investment objectives and opportunities for risk and return.

You choose how you want your ASP account invested. Your investment elections apply to both your contributions and the company contributions. You may invest in one or more of the investment options to meet your personal financial goals. And you will be able to change your investment elections as your needs change.

The value of your investments will fluctuate in response to changing market conditions. You must consider the risks and potential rewards of each of the ASP's investment options. You should always carefully weigh your investment elections and decide on the best investment strategy for your situation. It is important to understand that investments, by their nature, carry risk. For example, share prices fluctuate, and yields or income-producing investments go up and down. Each of the funds offered under the Plan provides different opportunities and levels of risk. Typically, the greater risk investments offer a higher potential total return on your investments over a long period of time, while safer investments may yield a more consistent but lower return on your investments.

In each investment option's prospectus, you will find more complete information on the option's investment approach, performance and expenses. Prior to investing, you should refer to the prospectus for each fund and any additional information that is available for complete information regarding management fees, expenses, and any special risks and investment considerations.

Although the Company provides you with summary information about the investment options, it is important that you understand that the Company cannot give investment advice. For more information, you may wish to consult a professional financial or investment advisor, or log on to NetBenefits [www.401k.com](http://www.401k.com) or contact the Avaya 401(k) Plan Service Center to obtain a fund prospectus and other educational material. You may also want to consider enrolling in Fidelity Portfolio Advisory Service at Work to help you with your investment strategy.

If you participate in a union-sponsored trust, see "Union-Sponsored Trusts" for information about your investment options.

### ***Important Note About Investment Decisions***

The ASP is intended to constitute a plan described in Section 404(c) of ERISA and Title 29 of the Code of Federal Regulations Section 2550.404c-1. This means that the fiduciaries of the Plan may be released from liability for any losses that are the direct

and necessary result of investment instructions given by you. Thus, it is very important that you regularly take the time to review your retirement goals and determine what investment decisions make the most sense for you.

### ***Your Investment Choices***

You may invest in one or more of the available investment options. You choose the investment mix that is right for you. In creating the investment mix that is right for you, you may select from three distinct asset classes -- short-term investments, bond and stock funds, and/or asset allocation funds. You should make your investment elections when you enroll. If you do not make an investment election, your contributions will be invested in the default investment option designated by the Plan Administrator from time to time.

## Default Investment Option

These default investments will be made in accordance with specific rules under which the fiduciaries of the Plan will be relieved of any legal liability for any losses resulting from the default investments. The Plan Administrator has or will provide you with a separate notice which details these default investments and your right to switch out of the default investment if you so desire.

The chart below represents the default investment options under the Plan.

<b>Date Of Birth</b>	<b>Target Retirement Fund</b>	<b>Retirement Date Range</b>
Before 1943	Vanguard Target Retirement Income	Retired before 2008
1/1/1943-12/31/1947	Vanguard Target Retirement 2010	2008-2012
1/1/1948-12/31/1952	Vanguard Target Retirement 2015	2013-2017
1/1/1953-12/31/1957	Vanguard Target Retirement 2020	2018-2022
1/1/1958-12/31/1962	Vanguard Target Retirement 2025	2023-2027
1/1/1963-12/31/1967	Vanguard Target Retirement 2030	2028-2032
1/1/1968-12/31/1972	Vanguard Target Retirement 2035	2033-2037
1/1/1973-12/31/1977	Vanguard Target Retirement 2040	2038-2042
1/1/1978-12/31/1982	Vanguard Target Retirement 2045	2043-2047
1/1/1983-12/31/1987	Vanguard Target Retirement 2050	2048-2052
1/1/1988- 12/31/1992	Vanguard Target Retirement 2055	2053-2057
After 1/1/1993	Vanguard Target Retirement 2060	2058 and later

## Tiers In General

The funds in the Plan have been arranged into “tiers” to help you determine the amount of time you may need to spend monitoring them and to help you select which funds may be right for you. These tiers have been set up based on how much time you plan to spend putting together and monitoring the collection of funds you select for your portfolio.

This arrangement of funds should be considered a guideline and not investment advice. It is recommended that participants consult their personal financial advisors for individual investment advice.

	<b>Tier 1 Target Retirement Trust</b>	<b>Tier 2 Core Funds</b>	<b>Tier 3 Brokerage Link</b>
<b>Amount of Time and Effort by You</b>	Low level	Moderate level	High level
<b>Number of Investment Options</b>	Each fund is based on retirement age  (12 funds with different retirement dates)	11 funds	Access to over 5,000 funds and stocks through the Fidelity brokerage account
<b>Brief Description</b>	Vanguard assembles and manages a mix of stocks, bonds, and short-term reserves appropriate for specific stage of retirement planning. These funds automatically change asset allocations as they approach their specified target retirement date.	The core funds cover a broad spectrum of investments. Unlike Tier 1, Target Retirement Trusts, core funds do not adjust their asset allocation based on a specified retirement date. You must manage your core fund asset allocations based on your risk tolerance and retirement age.	The self-directed brokerage account option provides access to a broad range of investment products (including mutual funds and stocks) if you want more options beyond the funds under Tier 1 and Tier 2.

### **Tier 1 – Target Retirement Trusts**

Investing for retirement can be challenging, especially if you're not an experienced investor or don't have the time to manage your investments. To help provide a convenient investment strategy, the Plan offers the Target Retirement Trust, managed by Vanguard as an investment option.

With the Target Retirement Trusts, you may only have one decision to make — when you expect to retire. Vanguard does the rest, assembling and managing the mix of stocks, bonds, and short-term reserves appropriate for your stage of retirement planning.

Suppose you're planning to retire in the year 2026. You might consider investing in the Target Retirement Trust 2025 Fund. With 12 Target Retirement Trusts to choose from, there's a fund to fit your plans, whatever your age.



The following chart outlines the Target Retirement Trusts available under Tier 1:

<b>Date Of Birth</b>	<b>Target Retirement Trust</b>	<b>Retirement Date Range</b>
Before 1943	Vanguard Target Retirement Income	Retired before 2008
1/1/1943-12/31/1947	Vanguard Target Retirement 2010	2008-2012
1/1/1948-12/31/1952	Vanguard Target Retirement 2015	2013-2017
1/1/1953-12/31/1957	Vanguard Target Retirement 2020	2018-2022
1/1/1958-12/31/1962	Vanguard Target Retirement 2025	2023-2027
1/1/1963-12/31/1967	Vanguard Target Retirement 2030	2028-2032
1/1/1968-12/31/1972	Vanguard Target Retirement 2035	2033-2037
1/1/1973-12/31/1977	Vanguard Target Retirement 2040	2038-2042
1/1/1978-12/31/1982	Vanguard Target Retirement 2045	2043-2047
1/1/1983-12/31/1987	Vanguard Target Retirement 2050	2048-2052
1/1/1988- 12/31/1992	Vanguard Target Retirement 2055	2053-2057
After 1/1/1993	Vanguard Target Retirement 2060	2058 and later

A Target Retirement Trust can provide you with a diversified portfolio — designed and managed according to your stage in life. Keep in mind that although Target Retirement Trust can help simplify investment selection, all investing is subject to risk. Diversification does not ensure a profit or protect against a loss in a declining market.

Each Target Retirement Fund invests in broadly diversified Vanguard funds and is subject to the risks associated with those underlying funds and can include a mix of U.S. stocks, European and Pacific stocks, U.S. bonds, and money market instruments.

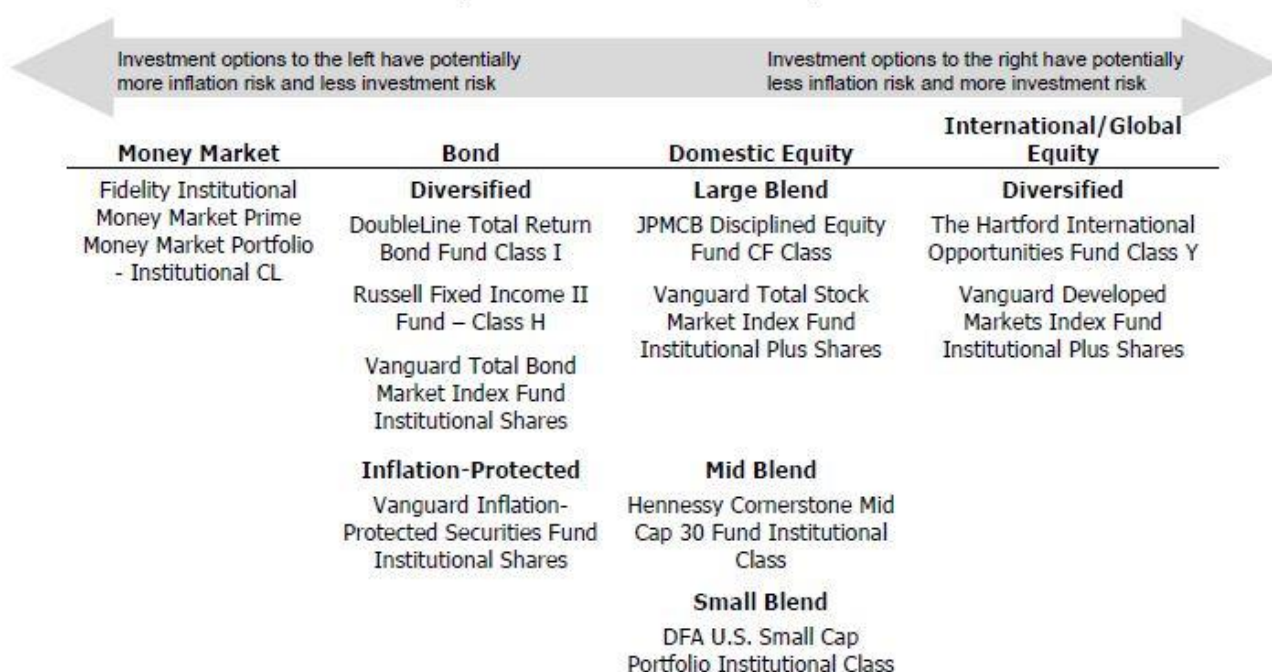
The investment risks of each investment option change over time as its asset allocation changes. They are subject to the volatility of the financial markets, including equity and fixed income investments in the U.S. and abroad, and may be subject to the risks associated with investing in high yield, small cap, and foreign securities. Principal invested is not guaranteed at any time, including at or after the target dates. Investment professionals will adjust the mix of investments in each fund according to a predetermined schedule.

Although Target Retirement Trusts may mean less work for you, you are responsible for selecting and monitoring your investments to make sure they continue to reflect your financial situation, risk tolerance, and time horizon. Most investment professionals suggest that you reexamine your investment strategy at least annually or when your situation changes. In addition, you may want to consult an investment adviser regarding your specific situation.

For Investment Fund Fact Sheets for each Target Retirement Trust, log on to NetBenefits at [www.401k.com](http://www.401k.com) and under “Quick Links”, select “Investment Performance and Research” or call the Avaya 401(k) Plan Service Center to request a copy of the Avaya Savings Plan Enrollment Guide.

## Tier 2 – Core Funds

If you prefer to mix and match the funds in your Plan account and create your own asset allocation, but are fairly new to investing — or simply want a select number of funds to choose from — core funds may be right for you. These funds cover a broad spectrum of investments. Unlike Tier 1 Target Retirement Trusts, these funds do not change their asset allocation automatically; it is up to you to select the right combination for your 401(k) Plan account. The below spectrum outlines the funds that are available under this Tier.



For Investment Fund Fact Sheets for each Tier 2 – Core Option, log on to NetBenefits at [www.401k.com](http://www.401k.com) and under “Quick Links”, select “Investment Performance and Research” or call the Avaya 401(k) Plan Service Center to request a copy of the Avaya Savings Plan Enrollment Guide.

## Tier 3 – BrokerageLink

This tier provides the opportunity for participants to invest all or a portion of their Plan account through a Fidelity BrokerageLink account. A BrokerageLink account is not automatically created for you. Participants interested in opening a Fidelity

BrokerageLink account should call the Avaya 401(k) Plan Service Center at 1-877-208-0783.

**Fidelity BrokerageLink®.** This is the brokerage account within the Plan. BrokerageLink services are provided through Fidelity Brokerage Services LLC, 100 Summer Street, Boston, MA, 02110, a member of the New York Stock Exchange and Securities Investor Protection Corporation.

You alone decide how to invest the assets in your BrokerageLink account. You can invest in most listed stocks, corporate bonds, zero-coupon bonds, U.S. Treasury securities, mortgage securities and U.S. Government agency bonds, certificates of deposit, and other mutual funds. If you do not feel comfortable actively managing a portfolio of individual securities, you may find that your Plan's core investment options are more appropriate for you. There are certain securities in which you cannot invest through your BrokerageLink account; check your BrokerageLink brochure for more information. There are additional fees for investing in BrokerageLink account. Please contact the Plan Administrator for details.

Please note that a BrokerageLink account is not for everyone. If you are a sophisticated investor who is willing to take on additional risk and you are prepared to assume the responsibility of more closely monitoring this portion of your portfolio, it could be appropriate for you. However, if you do not feel comfortable actively managing a portfolio beyond those offered through the Plan's core options, then a self-directed brokerage account may not be appropriate for you. Remember, it is always your responsibility to ensure that the options you select are consistent with your particular situation including your goals, time horizon, and risk tolerance.

### **Fidelity Portfolio Advisory Service at Work**

The Plan also offers Fidelity Portfolio Advisory Service at Work, a managed account service that, for a fee, lets you delegate the day-to-day management of your Plan account to professional investment managers. Fidelity's experienced professionals evaluate the investment options available in the Plan and identify a model portfolio of investments appropriate for you. The service then invests your account to align with this model portfolio and provides ongoing management of your account to address changes in the markets and the Plan's investment lineup, and changes in your personal or financial situation.

Fidelity Portfolio Advisory Service at Work also provides resources to help you:

- Manage investments through the ups and downs of the market
- Align your accounts with your goals through annual reviews and check-ins

- Actively manage your accounts to create an opportunity for long-term gains while managing the risk associated with investing.

To obtain additional information about Fidelity Portfolio Advisory Service at Work, log on to NetBenefits at <https://netbenefits.fidelity.com/pas> where you can learn more and enroll in the service. Participation in the Fidelity Portfolio Advisory Service at Work is completely voluntary and there are additional fees for this service.

### ***Additional Information About Investment Options***

You may request the following information concerning the investment options from NetBenefits at **www.401k.com** or the Avaya 401(k) Plan Service Center:

- A description of the annual operating expenses (e.g., investment management fees, administrative fees, transaction costs) that reduce the rate of return to participants and beneficiaries, and the aggregate amount of such expenses expressed as a percentage of average net assets of the investment option.
- A copy of any prospectuses, financial statements and reports, and of any other materials relating to the investment option, to the extent such information has been provided to the Plan.
- A list of the assets comprising the portfolio of each investment option, and with respect to each such asset which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return on the contract.
- Information concerning the value of units in the investment option, as well as the past and current investment performance of such option, determined, net of expenses, on a reasonable and consistent basis.

You are encouraged to review this information in connection with your investment elections.

### ***Valuing Your ASP Account***

Your ASP account is valued daily. This allows you to monitor your investments on a daily basis, if you wish. The performance of each of the Plan's investment options is available on NetBenefits at **www.401k.com**.

### ***Investment Change for Future Contributions***

If you are contributing to the ASP, you may change the way future contributions are invested at any time. You may choose to invest in one or more of the available investment options. All allocations to investment options must be in 1% increments.

To change your investment election for future contributions, access NetBenefits at [www.401k.com](http://www.401k.com) or call the Avaya 401(k) Plan Service Center.

### ***Investment Fund Transfer (Exchange)***

You may transfer (exchange) all or part of your existing investments among one or more of the available options as often as daily. All exchanges must be in \$1 or 1% (of your account balance) increments.

To exchange existing balances among investment options, access NetBenefits at [www.401k.com](http://www.401k.com), or call the Avaya 401(k) Plan Service Center.

Fund exchange requests received before the New York Stock Exchange close on that business day (generally, 4:00 p.m. Eastern) will generally be effective after the close of business that day. To cancel a pending exchange, you must call the Avaya 401(k) Plan Service Center and request your cancellation with a representative before the New York Stock Exchange close that same day. Fund exchange requests received on or after the New York Stock Exchange close (generally, 4:00 p.m. Eastern), or any time on a holiday or weekend, will be effective after market close on the next business day. To cancel a pending exchange, you must call the Avaya 401(k) Plan Service Center and request your cancellation with a representative before the New York Stock Exchange close the next business day.

*Special Limits:* Your ability to invest in any of the funds offered under the Plan may be limited. For example, funds may prohibit market timing and excessive trading activities. These funds may adopt rules that limit your ability to exchange in and out of the fund. If a fund determines that you have violated its rules, your ability to invest in that fund may be restricted. For information about any potential prohibitions and restrictions, you should review the Fund Fact Sheet available at [www.401k.com](http://www.401k.com).

### ***The Trustee May Suspend Transactions***

The Trustee maintains a cash balance for certain investment options to provide monies for fund exchanges, loans, withdrawals and distributions. The amount of cash balance for an investment option may be revised in response to anticipated changes in the cash needs for that investment option.

If the cash balance for an investment option is not sufficient due to unusual participant activity, the Trustee may:

- Temporarily stop taking fund exchange instructions relating to the investment option, and/or
- For a period of time, suspend the following transactions for that investment option:
  - Fund exchanges,
  - Loans,
  - Withdrawals, and
  - Distributions.

## UNION-SPONSORED TRUSTS

### ***IBEW Sponsored Trust for Savings***

If you are eligible to participate in the Plan and your job is represented by the IBEW, you may direct your payroll deductions on an after-tax basis into the IBEW Sponsored Trust for Savings (the “IBEW Trust”) instead of the ASP. If you participate in the IBEW Trust, all provisions of the ASP are available to you *except* the pre-tax savings and loan provisions. In addition, the following conditions apply.

- Your payroll deductions will be in accordance with the contribution amounts for the ASP.
- Your entire balance in the IBEW Trust may be transferred to any or all funds available under the ASP (in 10% increments) by contacting the plan administrator for the IBEW Trust (see “Other Resources”).
- Your entire balance in the ASP attributable to after-tax contributions may be transferred to the IBEW Trust by contacting the Avaya 401(k) Plan Service Center (see “Important Contacts”).
- Company matching contributions are invested in the ASP. You should make an investment election for these contributions in the ASP by contacting the Avaya 401(k) Plan Service Center.
- Any balance attributable to your contributions invested in the IBEW Trust may be withdrawn under the ASP provisions for a non-hardship non-suspension or non-hardship suspension withdrawal (see “Withdrawals During Employment”) by contacting the plan administrator for the IBEW Trust.
- Balances attributable to your investments in the IBEW Trust are not eligible for consideration under the loan feature of the ASP.
- If you separate from service and you have any balances invested in the IBEW Trust attributable to your contributions, you must contact the plan administrator for the IBEW Trust regarding a distribution of these balances.

### ***CWA Sponsored Trust for Savings***

If you have a balance in the Communications Workers of America Sponsored Trust for Savings (the “CWA Trust”), you may elect to have your *entire balance* transferred to the ASP and invested among the funds in 10% increments. To request a transfer, contact the plan administrator of the CWA Trust at 1-800-987-0721.

## VESTING

Vesting refers to your ownership of the money in your ASP account. If you are vested in an amount, then you own that money, even if you no longer work for a participating company.

You are always 100% vested in your contributions to the ASP -- including pre-tax, after-tax, catch-up and roll-in contributions -- plus any investment earnings on these contributions.

If you are employed by a participating company on or after November 13, 2009, you will be 100% vested in your Company contributions.

### ***Old Vesting Requirements***

Between January 1, 2004 and November 12, 2009, you needed to earn three years of vesting service to be 100% vested in your Company contributions. Generally, you earned one year of vesting service for each calendar year in which you completed at least 1,000 hours of service. Vesting service was counted from your hire date (or from the year of your 18th birthday, if you are hired before age 18) until the date you retire or leave the Company.

### ***Restoring Forfeited Company Contributions***

If your employment terminated before November 13, 2009 and you were not vested in your Company contributions, you forfeited your Company contributions. If you are rehired, you may be eligible to have the forfeited amounts restored. To do so, you must be rehired before you have five or more consecutive one-year breaks in service and you must repay any distribution you received within five years of the date you are re-employed. Call the Avaya 401(k) Plan Service Center for information concerning how to have your account restored, including if you have taken a distribution from the ASP, the amount you must pay back and how to pay it back. If you are rehired after five or more consecutive one-year breaks in service, you are not eligible to have any forfeited amounts restored to your account.



## RECEIVING YOUR ASP MONEY

### ***Loans***

Although the ASP is designed to help you save for your retirement, you may access the money in your account through the Plan's loan feature. You may take a loan if you are a Plan participant, even if you are no longer an active employee of Avaya. You may have one principal residential loan and one general purpose loan outstanding at any time. A principal residential loan is any loan used to acquire a dwelling unit that will within a reasonable time be used as your principal residence. A general purpose loan is any loan that is not a principal residential loan.

An ASP loan is *not* a taxable distribution because you repay the borrowed amount, plus interest, to your Plan account through payroll deductions or periodic repayments on an after-tax basis. However, if you fall behind schedule with your loan repayment and default on your loan, the outstanding balance is reported as taxable income to the IRS.

Remember, while requesting a loan from you ASP account may be convenient, it could result in a loss of potential investment earnings and create a setback in your retirement savings.

Note: Your balances in the IBEW Trust or the CWA Trust are *not* considered under the loan feature of the ASP.

### ***What You Can Borrow***

The minimum loan amount is \$1,000. The maximum total loans you can have at one time is the lesser of: 50% of your vested ASP account balance, or \$50,000 minus your highest outstanding loan balance during the previous 12 months. There is a one-time processing fee of \$50 for each loan.

To determine the amount you may borrow or to apply for a loan, go to NetBenefits at **[www.401k.com](http://www.401k.com)** or call the Avaya 401(k) Plan Service Center.

If you have invested all or part of your account in the BrokerageLink® option, amounts invested in that option are taken into account when determining your maximum loan amount. However, those assets are not available to fund your loan amount unless you move the assets into one of the other investment options.

### **Interest on Your Loan**

The interest rate on your loan is the prime rate in effect as of the last business day of the month before the month in which the loan is initiated. The interest rate on your loan remains fixed throughout the term of your loan.

## **Loan Term**

For a general purpose loan, the minimum term is one year and the maximum term is 56 months. For a principal residential loan, the minimum term is one year and the maximum term is 15 years. You may pre-pay your loan in full at any time without penalty. Please call the Avaya 401(k) Plan Service Center if you want to pre-pay your loan.

## **Repaying a Loan**

Generally, you repay your loan in equal installments over the term of the loan through after-tax payroll deductions or through periodic repayments if you are not receiving a paycheck from Avaya.

All loan repayments plus interests to your account are invested according to your latest investment elections on file. If you don't have any investment election on file, or if you elected to invest your contributions in the IBEW-Sponsored Trust for Savings, repayments are invested in the appropriate default investment option.

Repayment of your loan will be affected if you take an unpaid leave of absence (other than a military leave) or are unable to make repayments by payroll deduction (e.g., while on a leave of absence or receiving workers' compensation), as follows:

- While you are receiving workers' compensation or on an approved unpaid leave of absence, generally loan repayments will be suspended for up to 12 months. If you choose, you may continue to repay your loan by sending checks directly to Fidelity during your leave.
- If you return to work within 12 months, loan repayments will automatically resume by after-tax payroll deduction in equal installments over the remaining loan repayment period.
- If your absence is longer than 12 months, your loan will default at the end of 12 months of leave of absence unless you (1) begin making loan payments by sending checks directly to Fidelity in equal installments over the remaining loan repayment period, or (2) repay the full amount of your outstanding loan.
- If your loan is not fully repaid at the end of 56 months for a general purpose loan (or 15 years for a principal residential loan), you must repay the balance in a lump sum or it will default.
- If you go on a military leave of absence while you have an outstanding loan, those loan payments are suspended for the entire period of your military leave, unless you choose to continue making loan payments. When you return from a military leave, you must contact the Avaya 401(k) Service Center to discuss your options for resuming loan payments. If you resume loan payments, your loan term will be extended by the period your loan was suspended while you were on military leave.

## **Renegotiating Your Loan**

Generally, you may renegotiate or change the initial terms of your loan after you receive the money *only if* your compensation has been reduced due to demotion or sickness or accident disability.

To renegotiate your loan, call the Avaya 401(k) Plan Service Center. An Avaya 401(k) Plan Service Center representative will verify the circumstances for your renegotiation and contact you with details about your renegotiated loan. You cannot renegotiate an outstanding loan more than once a year.

The maximum term of your renegotiated loan cannot exceed 56 months from the *original* loan date of your general purpose loan or 15 years from the *original* loan date of your principal residential loan.

## **Time Restriction Between Loans**

There is a 15 day wait to apply for a new loan after the payoff of a prior loan.

Any time restriction between processing loans (e.g., a second loan cannot be processed until six months after the initial processing date of the first loan) will be indicated for each applicable loan.

## **Repaying Your Loan When No Longer on Payroll**

If you terminate employment and still have a loan outstanding, you may (1) continue to make loan payments by check (coupon payment) or through electronic funds transfer from your bank account, (2) pre-pay the entire outstanding balance, or (3) allow the loan to default and become taxable to you.

## **Defaulting on Your Loan**

Your loan will default if:

- You are actively employed and do not make payments for 90 days after the payment due date or more.
- You do not repay your loan within 56 months years from the original loan date for a general purpose loan or 15 years from the original loan date for a principal residential loan.
- You do not continue loan repayments or repay your outstanding loan balance within 120 days after you terminate employment (including retiring with a service pension).
- You are on a leave of absence (other than a military leave of absence) and you do not resume making loan repayments or repay your outstanding loan balance by the last day of the 12th month of your unpaid leave of absence.

- You terminate employment and take a full distribution of your Plan account balance without repaying the loan.

If your loan is in threat of default, the Avaya 401(k) Plan Service Center will notify you of the outstanding loan amount due, the date by which it must be paid and where to send the payment. If you default on a loan, the unpaid balance is reported to the IRS as a taxable distribution. See the “Tax Information” Section for the tax rules for taxable distributions.

### ***Withdrawals During Employment***

The ASP allows the following types of withdrawals before you terminate employment to help you meet immediate financial needs:

- Age 59½
- Non-hardship, non-suspension
- Non-hardship, suspension
- Hardship
- Special company contributions

The amount you may withdraw from your ASP account is subject to Plan and IRS rules. The rules vary by the type of withdrawal. When you take any in-service (partial) withdrawal, money will be taken from your investment options (except for your BrokerageLink® option) on a pro-rata basis. For example, if you take an in-service withdrawal of \$1,000 and your account is invested 50% in the DoubleLine Total Return Bond Fund Class I and 50% in the RTC Mult Manager Fund II, your \$1,000 withdrawal will be withdrawn \$500 from the DoubleLine Total Return Bond Fund Class I and \$500 from the RTC Mult Manager Fund II. Additionally, money for any withdrawal will be taken from your money types, or sources, (i.e., pre-tax, after-tax, rollover, etc.) based on a predetermined order, or hierarchy, and that hierarchy varies depending on the type of withdrawal you request. Please note that no funds will be withdrawn from your BrokerageLink® option. Instead, you must transfer funds from your BrokerageLink® option to the other investment options if the amount of your withdrawal exceeds the full amount available from those other investment options.

Before you request any type of withdrawal from your ASP account, you should consider the tax consequences. Because tax laws are complex, you are encouraged to consult a professional tax advisor prior to doing so. If you decide to request the withdrawal, call the Avaya 401(k) Plan Service Center.

Note that periodic withdrawals are also available after you terminate employment. See the “Distribution of Your Account” section for more information.

### **Age 59½ Withdrawals**

If you are at least age 59½, you may take an age 59½ withdrawal of your entire ASP account balance without a required suspension of your contributions.

You may take an unlimited number of non-hardship withdrawals in a year. For any non-hardship withdrawal, your minimum withdrawal is the lesser of \$300 or the amount of your account balance available for withdrawal.

### **Non-Hardship, Non-Suspension Withdrawals**

You may request a non-hardship, non-suspension withdrawal if you are under age 59½ and have the following types of money in your account –

- Prior company contributions
- After-tax unmatched contributions
- After-tax matched contributions that have been in the plan for at least 2 years
- Company matching and automatic contributions that have been in the plan for at least 2 years
- Rollover contributions

You may take up to two non-hardships, non-suspension withdrawals in a year. For any non-hardship withdrawal, your minimum withdrawal is the lesser of \$300 or the amount of your account balance available for withdrawal.

### **Non-Hardship, Suspension Withdrawals**

You may request a non-hardship, suspension withdrawal if you are under age 59½, are not eligible for a non-hardship, non-suspension withdrawal and have the following types of money in your account –

- After-tax matched contributions that have been in the plan for less than 2 years
- Company matching and automatic contributions that have been in the plan for less than 2 years

If you receive non-hardship, suspension withdrawal, your contributions and Company matching contributions will be suspended for six months.

You may take up to three non-hardship withdrawals in a year. For any non-hardship withdrawal, your minimum withdrawal is the lesser of \$300 or the amount of your account balance available for withdrawal.

### **Hardship Withdrawals**

If you are not at least 59½ and are not eligible for any other withdrawal, you may withdraw your pre-tax contributions and pre-1989 earnings on them *only* if:

- You have an immediate and heavy financial need that cannot be met by other financial resources, including a loan or a non-hardship withdrawal (you must exhaust these resources before you can take a hardship withdrawal).
- Your immediate and heavy financial need is to:
  - Pay severe, uninsured medical expenses incurred by you, your spouse or your eligible dependents,
  - Purchase your principal residence (not including mortgage payments),
  - Pay post-secondary education tuition and related expenses for you, your spouse or your dependents,
  - Prevent foreclosure on, or eviction from, your principal residence,
  - Repair or renovate your home due to damage resulting from a fire, natural disaster or similar unforeseeable event,
  - Pay extraordinary legal expenses, or
  - Pay for funeral expenses for members of your immediate family.
- You provide acceptable proof of your financial hardship.
- You cannot withdraw pre-tax funds that exceed the amount of your hardship need plus the amount of your potential tax liability on such withdrawal.
- You must receive your hardship withdrawal in cash only.
- Your contributions and the Company's matching contributions are suspended for six months when you receive a hardship withdrawal.

### **Special Company Contributions Withdrawal**

Special company contributions were contributions of Lucent common stock made between August 1998 and August 1999 to participants in the Lucent Technologies Inc. Savings Plan. You may request a withdrawal of your special company contributions at any time, subject to the Plan's minimum withdrawal requirement of \$300. If you withdraw your special company contributions, your contributions will not be suspended.

## DISTRIBUTION OF YOUR ACCOUNT

### ***Your Distribution Options***

If your employment ends (except due to death) and your account is more than \$1,000, you may leave your money in the Plan or elect:

- A lump sum payment payable to you,
- A rollover to another employer's plan or IRA, or
- Discretionary withdrawals, which allow you to request unlimited withdrawals. The minimum amount for a withdrawal is \$500 or your remaining ASP account balance, whichever is less. When you take a discretionary withdrawal, money will be taken from all your investment options (except for your BrokerageLink<sup>®</sup> option) on a pro-rata basis. For example, if you take a discretionary withdrawal of \$1,000 and your account is invested 50% in the DoubleLine Total Return Bond Fund Class I and 50% in the RTC Multi Manager Fund II, your \$1,000 withdrawal will be withdrawn \$500 from the DoubleLine Total Return Bond Fund Class I and \$500 from the RTC Multi Manager Fund II. Additionally, money for any withdrawal will be taken from your money types, or sources, (i.e., pre-tax, after-tax, rollover, etc.) based on a predetermined order, or hierarchy. Please note that no funds will be withdrawn from your BrokerageLink<sup>®</sup> option. Instead, you must transfer funds from your BrokerageLink<sup>®</sup> option to the other investment options if the amount of your withdrawal exceeds the full amount available from those other investment options.

If your employment ends (except due to death) and your account is \$1,000 or less, you may elect a lump sum payable to you or a rollover to another employer's plan or IRA. If you do not make a distribution election, your account will be paid to you as a lump sum taxable distribution as soon as administratively feasible.

If you die, your beneficiary (or beneficiaries) may elect to receive your ASP account in a lump sum payment or a direct rollover to an IRA.

The earliest you can request your distribution is 45 days after the effective date of your severance from employment.

### ***Minimum Required Distribution Rules***

Terminated employees must start receiving annual distributions, known as minimum required distributions ("MRDs") from the Plan beginning with the calendar year in which they reach age 70½. You can defer your first MRD payment until April 1 of the calendar year following the calendar year in which you reach age 70½.

Before the date your first MRD payment must be paid, you will receive a letter from the Avaya 401(k) Plan Service Center describing the MRD process and your available options. That letter will also include any forms that you need to complete.



## TAX INFORMATION

A major advantage of the ASP is that you will defer income taxes on your pre-tax contributions, catch up contributions, company matching contributions, roll-in contributions and all investment earnings while that money is in the Plan. However, you must pay taxes on that money when you receive a withdrawal or distribution from the ASP.

Remember, you will not owe any taxes on your after-tax contributions because you already paid taxes on them before they went into your ASP account. However, this does not mean that your entire after-tax contribution account is not taxed; you will owe taxes on the investment earnings on your after-tax contributions.

Depending on where you live, you also may owe state and local taxes on your distribution.

Special tax treatment may apply if your distribution qualifies as a lump sum. Tax laws are complex and change from time to time. You should consult a tax professional for specific advice about your personal financial situation before you receive a withdrawal or distribution. The information in this section provides only general tax information. The Company cannot give tax advice. Also, before you request a withdrawal or distribution from the ASP, you should review the Special Federal Tax Notice Regarding Plan Payments in your distribution package. Copies of that notice also are available on NetBenefits at [www.401k.com](http://www.401k.com) and upon request from the Avaya 401(k) Plan Service Center.

### ***Mandatory Withholding***

The Plan is required by law to withhold 20% of your withdrawal or distribution (excluding after-tax contributions) if you do not elect to directly roll your payment over into another qualified plan or an IRA. Generally, the taxable portion of your payment qualifies as an eligible rollover, and can be rolled over into an IRA or another employer's qualified plan that accepts rollovers. The 20% tax withholding from your payment is sent to the IRS to be credited against your taxes.

A hardship withdrawal is not an eligible rollover distribution and is not subject to the 20% withholding. However, you may elect to have additional tax withholding for your hardship withdrawal and may want to do so because hardships withdrawals are taxable distributions.

### ***Additional 10% Tax if You Are Under Age 59½***

If you receive a distribution from the ASP *before* you reach age 59½, you may have to pay an additional 10% tax on your payment. This tax is in addition to any other federal, state or local taxes you may owe on your payment.

The additional 10% tax does *not* apply if the payment is:

- Rolled over into an IRA or another employer's qualified plan within 60 days,
- Paid to you because you terminated your employment with Avaya or a participating company during or after the year you reach age 55,
- Paid to you in equal (or almost equal) payments over your life or life expectancy,
- Used to pay certain medical expenses,
- Paid to your beneficiary or estate after your death,
- Paid to your spouse or former spouse, child or other dependent pursuant to a Qualified Domestic Relations Order ("QDRO"), or
- Paid to you because you retire due to disability.

### ***IRS Publications***

You can find more specific information on the tax treatment of payments from qualified retirement plans in:

- IRS Publication 575, Pension and Annuity Income
- IRS Publication 590, Individual Retirement Arrangements
- IRS Form 5329 which addresses the additional 10% tax
- IRS Form 4972 which addresses special tax treatment for lump sum distributions

These publications are available from your local IRS office, by calling 1-800-TAX-FORM or logging on to the Internal Revenue Service Web site at <http://www.irs.gov>.

## **EFFECT OF EMPLOYMENT STATUS AND OTHER CHANGES ON ASP PARTICIPATION**

There are a number of life- and work-related events that may impact your participation in the ASP. This section describes how these different events are handled under the ASP.

### ***If You Change Your Employment Status***

If you are no longer an eligible employee due to a status change, your contributions and eligibility for company matching contributions stop on the date your status change occurs. If you become eligible to participate in the Avaya Inc. Savings Plan for Salaried Employees (the "ASPSE") due to your status change, your elections under this plan will be carried over to the ASPSE. This means that you do not need to enroll in the ASPSE. Your balance and your contribution elections in the ASP will be transferred to the ASPSE in accordance with procedures in effect at the time of your transfer.

### ***If Your Employment Terminates***

As soon as administratively feasible after your employment terminates but at least 45 days after termination, you are eligible to request a distribution from your vested ASP account.

If you terminate employment and still have a loan outstanding, you can: (1) continue to make loan payments by check or through electronic funds transfer from your bank account, (2) pre-pay the entire outstanding balance, or (3) allow the loan to default and become taxable to you.

### ***If You Transfer***

If you transfer to another participating company, it will *not* affect your ASP participation. If you are assigned to an Avaya affiliate that is not a participating company, you can no longer contribute to the ASP, but can do everything else an active employee can do (e.g., take a loan or in-service withdrawal).

### ***If You Are Rehired***

You restart your contributions to the Plan. If you were not vested upon termination and you forfeited your company contributions, the forfeited amounts may be restored to your account when you are rehired, depending on the length of your break in service, whether you took a distribution from the Plan and whether you repay that distribution.

If your rehire date is within 30 days of your termination date, your contribution election will automatically restart. If your rehire date is more than 30 days after your termination

date, you must make a new contribution election by logging on to [www.401k.com](http://www.401k.com) or calling the Avaya 401(k) Plan Service Center at 877-208-0783.

### ***If You Become Disabled***

Your ASP participation may be affected if you are absent due to a disability, or sever from service due to a disability.

If you are absent due to a disability, your contributions continue while you are receiving benefits under the Avaya Inc. Sickness and Accident Disability Benefit Plan, unless your disability benefits are not large enough to cover all of the necessary deductions. You may stop, start or change the contribution amounts or investment of your contributions at any time while receiving disability benefits or when you return to work.

When you become eligible for long-term disability benefits, you are considered separated from service due to a permanent disability. This means that your contributions stop, you become immediately vested and you can request a distribution.

No contributions are taken from amounts paid as workers' compensation.

### ***If You Take a Leave of Absence***

During an unpaid leave of absence your contributions and company matching contributions are suspended. If you have a loan, certain rules apply to how repayments are handled during your leave of absence. See "Repaying Your Loan" for more information. Otherwise, you may make all other transactions available to active participants.

### ***Resuming Contributions Upon Return***

The length of your leave of absence determines whether or not contributions resume automatically when you return to active status:

- If you return *within* 12 months of the date your leave began, contributions automatically resume at the same level and following the same investment directions in effect before your leave.
- If your leave is *longer than* 12 months, your contributions do *not* automatically resume when you return to work. This means if you want to begin making contributions to the ASP, you must re-enroll.

Regardless of the length of your leave, you *cannot* make up the missed contributions except as indicated below. When you return from a leave, you should check your contribution elections through NetBenefits at [www.401k.com](http://www.401k.com) or by calling 1-877-209-0783.

## **Military Leave of Absence**

If you are a participant in the ASP when you start U.S. military service, including service in the National Guard, and you apply to be re-employed by Avaya or a participating company within specific time limits after your military service ends, you can make contributions to the ASP for the period of your military service. These make-up contributions are in addition to any contributions you may make under the other provisions of the ASP.

Any make-up contributions you make may not exceed the amount you otherwise would have been allowed to make to the ASP, assuming you were continuously employed by the Company during your military service. Any make-up contributions must be made within five years after the date of your re-employment with a participating company. But if your military service lasted under 1-2/3 years, make-up contributions must be made within the period of three times the length of your military service, starting on your date of re-employment with Avaya or a participating company.

You generally will not be eligible for make-up contributions if your military service lasts for more than five years.

## ***If You Die***

If you die, your total Plan account balance will be paid to your beneficiary (ies). Your beneficiary (ies) should contact the Avaya Pension Service Center at 1-800-750-7300 to report your death. The Avaya Pension Service Center will coordinate the processing of all your death benefits. Once complete documentation has been received, the Avaya Pension Service Center will direct the Avaya 401(k) Plan Service Center to pay each beneficiary his or her share of your Plan account.

Tax considerations may apply to distributions to beneficiaries. Your Plan account is included in your estate after your death, and may be subject to federal estate taxes. You should consider speaking with a professional tax advisor regarding your individual situation. Also see the Special Federal Tax Notice Regarding Plan Payments” for important tax information regarding these distributions.

## IMPORTANT CONTACTS

Here is a list of resources for the ASP.

### **Avaya 401(k) Plan Service Center**

Aside from this summary, your primary source of ASP information is the Avaya 401(k) Plan Service Center at Fidelity Investments. This resource handles most transactions and information about the ASP.

### **By Phone**

You can reach the Avaya 401(k) Plan Service Center by phone, as follows:

<b>Domestic Employees</b>	<b>International Assignees</b>
Call 1-877-208-0783 to access the VRS or to speak with a service representative. You may access the VRS from any phone 24 hours a day, virtually seven days a week.  If you need or want to speak to a service representative, you may call any business day from 8:30 a.m. to 12:00 midnight, Eastern time.	Visit <a href="http://www.att.com/traveler">http://www.att.com/traveler</a> or call AT&T Direct at 1-800-331-1140 for your country code. After you call the correct country code number, call 1-877-208-0783 to access the VRS. The VRS is available 24 hours a day, seven days a week.  If you need or want to speak to a service representative, you may call any business day from 8:30 a.m. to 12:00 midnight, Eastern time.

Hearing impaired employees may call 1-800-610-4015 to reach a telecommunications device for the deaf (TDD).

### **On-line**

You can access the Avaya 401(k) Plan Service Center on-line using NetBenefits at **[www.401k.com](http://www.401k.com)**.

## By Mail

You may send forms, applications and other written correspondence to the Avaya 401(k) Plan Service Center by regular mail or overnight mail, as follows:

<b>Regular Mail</b>	<b>Overnight Mail</b>
Fidelity Investments Avaya 401(k) Plan Service Center PO Box 770003 Cincinnati, OH 45277-0065	Fidelity Investments Avaya 401(k) Plan Service Center 100 Crosby Parkway, KC1F-L Covington, KY 41015

## Other Resources

The following sources have specific responsibilities, as explained below:

<b>Contact/Service Provided</b>	<b>Address/Telephone Number</b>
<b>Domestic Relations Matters Group:</b> Handles matters relating to Qualified Domestic Relations Orders (“QDROs”), subpoenas and interrogatories regarding ASP information.	Avaya Inc. Qualified Order Team P.O. Box 1433 Lincolnshire, IL 60069-1433 QDRO FAX line - 847-883-9313  Toll Free: 866-310-8042
<b>Avaya Pension Service Center:</b> Report a participant’s death. Authorizes payments to beneficiaries. Makes permanent address changes for retired employees.	Avaya Pension Service Center PO Box 56225 Jacksonville, FL 32244-6225 Toll Free: 1-800-750-7300 TDD: 1-877-369-7596
<b>Plan Administrator:</b> Decides claims for benefits. Contact to request ASP documents.	Savings Plan Administrator Avaya Inc. 4655 Great America Parkway Santa Clara, CA 95054
<b>Savings Plan Committee:</b> Decides appeals of denied claims and interprets ASP provisions. Selects and monitors investment options.	Savings Plan Committee Avaya Inc. 4655 Great America Parkway Santa Clara, CA 95054  Youravaya401k@avaya.com

<b>Contact/Service Provided</b>	<b>Address/Telephone Number</b>
<p><b>Plan Trustee:</b>  Manages the trust fund and pays all ASP benefits from the funds in the trust.</p>	Fidelity Management Trust Company 82 Devonshire Street Boston, MA 02109
<p><b>IBEW Sponsored Trust Plan Administrator:</b>  Manages the IBEW Sponsored Trust and handles transfers to the ASP.</p>	IBEW Scarborough Alliance Corporation 1 Bridge St. Irvington, NY 10533 1-800-223-7608
<p><b>CWA Sponsored Trust Plan Administrator:</b>  Manages the CWA Sponsored Trust and handles transfers to the ASP.</p>	1-800-987-0721 www.cwasrt.com



## OTHER IMPORTANT INFORMATION

This section contains administrative information about the ASP and other details required under the terms of ERISA.

### ***Claim and Appeal Procedures***

#### **Claim Procedures**

If you or your beneficiary feel that you are not receiving a ASP benefit that you should, you or any individual duly authorized have the right under ERISA and the ASP to file a written claim for benefits with the Plan Administrator (see “Other Resources”). An oral claim or requires for review is not acceptable. If you do not file a claim or follow the claim procedures, you are giving up legal rights.

If a claim for benefits is denied in whole or in part, the claimant will receive a written notice of the Savings Plan Administrator’s decision within 90 days after the Plan Administrator received the claim. The written notice will include:

- The specific reason(s) for the denial,
- Reference to the specific ASP provisions on which the denial was based,
- A description of any additional material or information necessary for the claimant to complete the claim and an explanation of why the material or information is necessary,
- An explanation that a full and fair review by the Savings Plan Committee of the decision denying the claim may be requested by you or your authorized representative by filing with the Committee, within 60 days after such notice has been received, a written request for such review,
- An explanation that if such request is so filed, you or your authorized representative may review relevant documents and submit issues and comments in writing within the same 60-day period specified in paragraph above, and
- A statement regarding your right to bring a civil action under Section 502(a) of ERISA following a denial upon appeal

If the Plan Administrator needs more than 90 days to make a decision, he or she will notify you in writing within the initial 90-day period and explain why more time is required. An additional 90 days (for a total of 180 days) may be taken if the Plan Administrator sends this notice. The extension notice will show the date by which the Plan Administrator’s decision will be sent.

If a claim for benefits is denied in whole or in part, an appeal process is available to you. You, your dependents or your authorized representative may appeal in writing within 60 days after the denial is received.

## Appeal Procedures

A claimant can appeal a denied claim. If you wish to file an appeal, you must do so in writing within 60 days of receiving notification of the Plan Administrator's decision. In connection with preparing your appeal, you or your representative can request, free of charge, copies of all documents, records, and other information relevant to your claim. If you believe an error has occurred, you can support your request by giving the reason you think there is an error. Also, whenever possible, send copies of any documents or records that support your appeal. Whether or not you can provide such additional information, your claim will be reconsidered after your request is received. Send a written request for review of any denied claim directly to the Secretary of Savings Plan Committee (see "Important Contacts").

The Savings Plan Committee will conduct a review and make a final decision within 60 days after receiving the written request for review.

If special circumstances cause the Savings Plan Committee to need more than 60 days to make a decision, a representative will notify you in writing within the initial 60-day period and explain why more time is required. An additional 60 days (for a total of 120 days) may be taken if the Savings Plan Committee sends this notice.

The decision will be in writing and will explain the specific reasons that your claim was denied, specific reference to pertinent ASP provisions on which the denial was based, a statement that you will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim, and a statement regarding your right to bring an action under Section 502(a) of ERISA.

The Savings Plan Committee shall serve as the final review committee under the Plan. However, you or your beneficiary may have additional rights under ERISA. Applicable law and the ASP's provisions require you to pursue all your claim and appeal rights on a timely basis *before* seeking any other legal recourse regarding claims for benefits.

The Savings Plan Committee and the Plan Administrator have the full discretionary authority and power to control and manage all aspects of the ASP, to determine eligibility for benefits, to interpret and construe all terms and provisions of the ASP, to determine questions of fact and law, and to adopt rules for the administration of the ASP as they may deem appropriate in accordance with the terms of the ASP and all applicable laws.

You may, at your expense, have an attorney or other representative act on your behalf, but the Plan Administrator reserves the right to require a written authorization from you for a person to act on your behalf.

The time periods for the Plan Administrator to review your claim and your request for a review (if any) under the procedures described in this SPD both begin to run on the date the Plan Administrator actually receives your written claim or review request, as applicable. In both cases, the time period begins to run regardless of whether you submit information that you want considered by the Plan Administrator.

If you file your claim within the required time, complete the entire Claims and Appeals Procedures and the Plan Administrator denies your claim after you request a review, you may challenge the denial in court.

Any legal action with respect to the Plan must be filed in the federal court for New Jersey. If federal law is not controlling, the Plan will be interpreted and enforced in accordance with the laws of the State of New Jersey, except that the state law will be applied without regard to any conflicts of law or choice of law provisions.

### ***Statement of ERISA Rights***

As a participant in the ASP, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

#### **Receive Information About Your Plan and Benefits**

Examine, without charge, at the Plan Administrator's office and at other specified locations, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Receive at least once a quarter either by mail or online, a statement of your total account balance and whether you are vested in that balance. The Plan must provide this statement free of charge.

#### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of

you and other Plan participants and beneficiaries. No one, including your employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

### **Assistance with Your Questions**

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the Employee Benefits Security Administration's publication hotline at 1-866-444-3272, on the Internet at <http://www.dol.gov/ebsa/publications/main.html>, or by contacting the Employee Benefits Security Administration field office nearest you.

### ***Benefits Cannot Be Assigned***

Generally, you or your beneficiary cannot assign or transfer amounts under the ASP nor can amounts credited to your Plan account be used to pay your debts or obligations of

any nature, unless you first elect a withdrawal from your account. However, the ASP is required to comply with court-issued QDROs and qualified federal tax levies.

### ***Benefits Not Guaranteed by PBGC***

The ASP is a defined contribution plan. Therefore, benefits under the Plan are *not* insured or guaranteed by the Pension Benefit Guaranty Corporation (PBGC).

### ***ASP Expenses***

Participants' ASP accounts pay plan expenses, including any investment manager fees, trustee fees, and recordkeeping fees and expenses. Investment management fees are disclosed in the applicable investment Fund Fact Sheet located on NetBenefits at [www.401k.com](http://www.401k.com).

### ***ASP Funding and Payment of Benefits***

Funds are held for participants in the Plan and the participants' beneficiaries. The Trustee pays all benefits under the ASP from the available funds in the trust. Company matching contributions and employee contributions to the Plan go into a trust fund managed under the terms of a trust agreement by the Plan's Trustee.

### ***ASP Documents Govern***

This SPD is designed to describe the ASP in easy-to-understand terms. It is shorter and less technical than the legal ASP document. However, the ASP document determines your rights and the rights of your beneficiaries under the Plan. In all instances, the ASP document governs.

### ***Union Agreement***

The benefits described in this summary plan description reflect the provisions of the Plan as outlined in various bargaining agreements between the Company and the unions representing employees of the Company. Copies of these agreements are distributed or made available to those employees covered by the agreements and to any other employee who submits a written request for a copy to the Plan Administrator. A reasonable duplication charge may be made for copies furnished in response to such written request.

### ***ASP May Be Amended or Terminated***

The company expects to continue the ASP, but reserves the right to amend or terminate the ASP at any time by the resolution of the Board of Directors or properly authorized designee, subject to the terms of applicable collective bargaining agreements. If the ASP is terminated, you will be 100% vested in your ASP account. The Company does

not guarantee the continuation of any ASP benefits during employment or at or during retirement nor does it guarantee any specific level of benefits or contributions.

## ADMINISTRATIVE INFORMATION

<b>Plan Name</b>	The official Plan name is the Avaya Inc. Savings Plan. (The Plan is also referred to as the “ASP or the “Plan”.)
<b>Plan Sponsor</b>	Avaya Inc. 4655 Great America Parkway Santa Clara, CA 95054
<b>Participating Employers</b>	Subsidiaries and affiliates for Avaya Inc. that have adopted the ASP are participating employers. You may find out if an employer is a participating employer or request a list of the participating employers by writing to the Plan Administrator.
<b>Type of Administration</b>	The ASP is administered by the Savings Plan Committee (the “Committee”) and the Plan Administrator appointed by the Committee to assist in the day-to-day administration. The Committee is responsible for selecting and monitoring the Plan’s investment options.
<b>Plan Administrator and Agent for Service of Legal Process</b>	The Plan Administrator is the agent for service of legal process. The address and telephone number of the Plan Administrator are: Savings Plan Administrator Avaya Inc. 4655 Great America Parkway Santa Clara, CA 95054  Legal process may also be served on the Trustee.
<b>Plan Records and Plan Year</b>	The ASP and all its records are maintained on a calendar year basis, beginning on January 1st and ending on December 31st of each year.
<b>Type of Plan</b>	The ASP is an “employee pension benefit plan,” a “defined contribution plan,” an “individual account plan,” a “401(k) plan” and a “404(c) plan” under ERISA.
<b>Employer Identification Number</b>	The Employer Identification Number assigned by the IRS to Avaya Inc. is 22-3713430.
<b>Plan Number</b>	The Plan number assigned by Avaya to this Plan is 004.
<b>Source of Payments</b>	The assets of the Plan are held in trust and benefits are paid from the trust. The trustee of the Plan’s trust is: Fidelity Management Trust Company 82 Devonshire Street #11D Boston, MA 02109