

ELIGIBILITY AND PARTICIPATION

Eligibility

You are eligible to participate in the Plan if you are employed by a participating company and are one of the following:

- An employee in a bargaining unit represented by a union which has agreed to the Plan;
- A non-salaried employee temporarily promoted to a salaried position for one year or less; or
- Classified as a business assistant by a participating company and continuously employed by a participating company since before January 1, 1999.

You are not eligible to participate if you are:

- A non-resident alien employed outside the United States, unless you were covered by a predecessor plan on September 30, 1980;
- A person who is not paid from the U.S. payroll of a participating company (except for employees of Avaya of Puerto Rico, Inc.);
- An active participant in any other pension plan generally similar to the Plan and maintained by Avaya Inc., another participating company, any other Avaya Inc. subsidiary or any former affiliate or interchange company;
- A person who provides services to a participating company, but who is not engaged as an employee of a participating company;
- A person who is employed by an independent company (such as an employment agency); or
- An individual who renders services pursuant to an agreement excluding participation in the Plan.

When Participation Begins

If you were a participant in the Lucent Plan on September 30, 2000, and became an employee of an Avaya Inc. entity on October 1, 2000, you automatically became a participant in the Plan on October 1, 2000.

Otherwise, you become a participant in the Plan on the later of:

- The date you become eligible for the Plan;

- The date you reach age 21; or
- The day after the end of an eligibility year during which you are credited with 1,000 hours of service.

Hours of Service

You are credited with an hour of service for each hour you are paid (or entitled to payment) by a participating company or any other controlled group company, including absences such as vacation, holidays, illness, disability or jury duty. If a record of your actual hours of service is not kept, you are credited with 50 hours of service for any week in which you complete one or more hours of service. In addition, you receive credit to prevent a break in service for two kinds of unpaid leave. You can get credit for up to 501 hours (a) if you are not working because of childbirth, adoption, or infant care (whether you are the father or mother), or (b) you are on leave under the Family and Medical Leave Act of 1993. Although this special credit may prevent you from having a break in service, it will not count towards initial eligibility for the Plan.

Eligibility Year

An eligibility year is a 12-consecutive-month period ending on any anniversary of your date of hire or rehire.

When Participation Begins If You Are Rehired

If your employment terminates and you are rehired by a participating company in a position eligible for the Plan, assuming you are at least age 21, then:

- If you were a Plan participant before your employment ended and you did not have a break in vesting service, you will become a participant on the date you are rehired.
- If you were a Plan participant before your employment ended and you have a break in vesting service of at least one year but less than five years, you will become a participant retroactive to the date you are rehired after you earn 1,000 hours of service in an eligibility year.
- If you were not a Plan participant before your employment ended or if you are rehired after a break in vesting service that is five years or more, you become a participant on the day after the end of an eligibility year during which you earn at least 1,000 hours of service.

For vesting service rules, see “When Pension Benefits are Payable -- Deferred Vested Pension.”