

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 matching 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. 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 or contact the Avaya 401(k) Plan Service Center to obtain a fund prospectus and other educational material.

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 the Code of Federal Regulation 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 or your beneficiary.

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.

Prior to January 16, 2008, the default investment for the Avaya 401(k) Plan was the Stable Value Fund, meaning if you did not select investments for your 401(k) Plan account, contributions were automatically invested in the Stable Value Fund. Beginning January 16, 2008, the following chart represents the default investments for the Avaya 401(k) Plan.

Your Birthday Is:	Default Investment Option
1983 or later	Vanguard Target Retirement 2050 Fund
1/1/1978 to 12/31/1982	Vanguard Target Retirement 2045 Fund
1/1/1973 to 12/31/1977	Vanguard Target Retirement 2040 Fund
1/1/1968 to 12/31/1972	Vanguard Target Retirement 2035 Fund
1/1/1963 to 12/31/1967	Vanguard Target Retirement 2030 Fund
1/1/1958 to 12/31/1962	Vanguard Target Retirement 2025 Fund
1/1/1953 to 12/31/1957	Vanguard Target Retirement 2020 Fund
1/1/1948 to 12/31/1952	Vanguard Target Retirement 2015 Fund
1/1/1943 to 12/31/1947	Vanguard Target Retirement 2010 Fund
1/1/1937 to 12/31/1942	Vanguard Target Retirement 2005 Fund
Before 1937	Vanguard Target Retirement Income Fund

To help you select which funds may be right for you and help you determine the time you may need to spend monitoring them, the funds in the Plan have been arranged into “tiers.” 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.

Although this arrangement of funds is designed to help you decide which combination of funds may be right for you, it’s simply a guideline. For some participants it may make sense to stick to one tier – for others it may make sense to select a variety of funds across several tiers. The choice is yours.

	Tier 1 Vanguard Target Retirement Funds	Tier 2 Core Funds	Tier 3 Brokerage Link
Amount of Time & Effort by You	Low level	Moderate level	High level
Brief Description	Vanguard assembles and manages a mix of stocks, bonds, and short-term reserves appropriate for your stage of retirement planning. These funds automatically change asset allocations as you approach retirement.	These funds cover a broad spectrum of investments. Unlike Tier 1 Target Retirement Funds, 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.	This is the brokerage account within the ASP. It is designed to provide a broad range of investment products for a participant who wants the highest degree of flexibility in selecting investments.

Tier 1 – Target Retirement Funds

Investing for retirement can be challenging, especially if you're not an experienced investor. To help provide a convenient investment strategy, the 401(k) Plan offers the Vanguard Target Retirement Funds as investment options.

With Target Retirement Funds, 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 20 years. You might consider investing in Vanguard Target Retirement 2025 Fund. It's that simple. And with 11 Target Retirement Funds to choose from, there's one to fit your plans, whatever your age.

A single Target Retirement Fund can help give you an efficient, well-diversified portfolio — designed and managed according to your stage in life. Just keep in mind that although Target Retirement Funds can help simplify investment selection, all mutual fund 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 up to seven broadly diversified Vanguard funds and is subject to the risks associated with those underlying funds. Target Retirement Funds can include a mix of U.S. stocks, European and Pacific stocks, U.S. bonds, and money market instruments.

As the fund approaches its target date, your investment risk level will gradually decrease as you near and enter your target retirement date. You'll never have to adjust your investment mix; investment professionals do it all for you automatically according to a predetermined schedule.

Although this approach may mean less work and worry 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.

The following chart summarizes the age range and investment mix for each Target Retirement Fund:

Your Age at Year-End	Potential Fund Choice	Investment Mix*
18–24	Target Retirement 2050 Fund**	90% stocks, 10% bonds
25–29	Target Retirement 2045 Fund**	90% stocks, 10% bonds
30–34	Target Retirement 2040 Fund**	90% stocks, 10% bonds
35–39	Target Retirement 2035 Fund**	90% stocks, 10% bonds
40–44	Target Retirement 2030 Fund	90% stocks, 10% bonds
45–49	Target Retirement 2025 Fund	82.5% stocks, 17.5% bonds
50–54	Target Retirement 2020 Fund	75% stocks, 25% bonds
55–59	Target Retirement 2015 Fund	66.7% stocks, 33.3% bonds
60–64	Target Retirement 2010 Fund	60% stocks, 40% bonds
65–70	Target Retirement 2005 Fund	50% stocks, 50% bonds
70+	Target Retirement Income Fund	30% stocks, 65% bonds, 5% short-term

*Approximate allocation targets for each fund as of October 31, 2006. Allocations for the date-specific funds will shift (from stocks to bonds and short-term reserves) over time based on an assumed retirement age of 65.

**The target allocation of the funds dated 2035 through 2050 are currently identical; however, as time passes, each fund will gradually shift toward a more conservative allocation depending on the maturity date of the fund.

The options under this tier may require a relatively low level of time and effort by you.

Vanguard Target Retirement Income Fund. This is a growth and income mutual fund that seeks to provide current income and some capital appreciation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors currently in retirement. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2005 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an

asset allocation strategy designed for investors planning to retire in or within a few years of 2005. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2005, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2010 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2010. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2010, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2015 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2015. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2015, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2020 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2020. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2020, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2025 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years

of 2025. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2025, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities.

Vanguard Target Retirement 2030 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2030. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2030, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2035 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2035. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2035, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2040 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2040. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2040, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2045 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2045. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2045, the fund's asset allocation should become similar to that of the

Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Vanguard Target Retirement 2050 Fund. This is a growth and income mutual fund that seeks to provide growth of capital and current income consistent with its current asset allocation. The fund invests in other Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire in or within a few years of 2050. The fund's asset allocation will become more conservative over time. Within 5 to 10 years after 2050, the fund's asset allocation should become similar to that of the Target Retirement Income Fund. The fund is subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in bonds, small-cap, and foreign securities. Share price and return will vary.

Tier 2 – Core Funds

If you prefer to mix and match the funds in your 401(k) 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 Funds, 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.

Stable Value Fund. The Stable Value Fund is a capital preservation and income fund. The fund uses book value accounting, which allows for very little fluctuation in principal. It is a relatively low-risk investment vehicle. This fund seeks to provide stability of principal with a consistent rate of return.

The fund invests in a diversified portfolio of bonds, including U.S. Treasury and agency securities, corporate bonds, mortgage-backed securities, and asset-backed securities. The fund may also invest in investment contracts issued by banks and insurance companies and may own a limited amount of high-quality, foreign-denominated bonds. The use of interest rate futures is permitted for the management of market risk and to maintain liquidity.

Bond Fund. The Bond Fund is an income fund which invests in a broad array of bonds/fixed income securities and whose value will fluctuate based on changes in market interest rates (not a mutual fund). The fund invests in a diversified portfolio consisting primarily of investment grade bonds, including U.S. Treasury and agency securities, corporate bonds, mortgage-backed securities, and asset-backed securities, although the fund may invest up to 15% of its assets in foreign denominated bonds and bonds of lower-rated fixed-income securities. The fund also uses interest rate futures to manage market risk and to maintain liquidity. Approximately 10% of the fund's assets

will be invested in the PIMCO Total Return Fund – Institutional Class. The underlying investments for the portfolio are subject to change. Unit price, yield, and return will vary.

Dodge & Cox Stock Fund. The Dodge & Cox Stock Fund is a domestic equity mutual fund that seeks to provide long-term growth of principal and income. A secondary objective is to provide reasonable current income. The fund primarily invests in a broadly diversified portfolio of common stocks. In selecting investments, the fund invests in companies that appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth. The fund focuses on the underlying financial condition and prospects of individual companies, including future earnings, cash flow, and dividends. Companies are also selected with an emphasis on financial strength and sound economic condition. Share price and return will vary.

Legg Mason Partners Aggressive Growth Fund — FI Class. This fund is a large-capitalization equity mutual fund, which uses a “value approach” to investing. This fund seeks to increase the value of your investment through long-term growth of capital. The fund primarily invests in a broadly diversified portfolio of common stocks. In selecting investments, the fund invests in companies that appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth. The fund focuses on the underlying financial condition and prospects of individual companies, including future earnings, cash flow, and dividends. Companies are also selected with an emphasis on financial strength and sound economic condition. Share price and return will vary.

Legg Mason Partners Aggressive Growth Fund — Class Y. This fund is a growth mutual fund that seeks to provide capital appreciation. The fund invests primarily in common stocks of companies that the manager believes are experiencing, or will experience, growth in earnings that exceeds the average rate of earnings growth of the companies which comprise the S&P 500® Index. The fund may also invest in the securities of large, well-known companies which offer prospects of long-term earnings growth. However, because higher earnings growth rates can potentially be achieved by small to medium size companies, a significant portion of the fund’s assets are invested in the securities of such companies. Investments in smaller companies may involve greater risk than those in larger, better-known companies. The fund may also invest up to 10% of its assets (at the time of investment) in foreign securities. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes the political and economic uncertainties of foreign countries, as well as the risk of currency fluctuations. Share price and return will vary.

U.S. Mid-Cap Fund. This fund is a U.S. mid-cap fund (not a mutual fund) that seeks high returns that reflect the growth potential of mid-sized U.S. companies by investing in mid-cap mutual funds. The fund invests its assets in a diversified portfolio of U.S.-based companies with medium market capitalizations (those with market capitalizations

similar to companies in the Russell Midcap® Index or the S&P® MidCap 400 Index). The fund will invest approximately 40% of its assets in the T. Rowe Price Mid-Cap Growth Fund, 40% of its assets in Hotchkis & Wiley Mid-Cap Value Fund, and 20% of its assets in the Vanguard Mid-Cap Index Fund. The underlying investments selected for the portfolio are subject change. Unit price and return will vary.

Vanguard Institutional Total Stock Market Index Fund. This fund is a stock index mutual fund that seeks to provide the potential for long-term growth of capital by matching the performance and risk of the Morgan Stanley Capital International (MSCI) US Broad Market Index. The fund invests in a large sample of stocks that match certain characteristics of the MSCI US Broad Market Index, such as industry weightings, market capitalization, and dividend yield. The overall risk level of the fund is moderate to aggressive. Share price and return will vary.

U.S. Small-Cap Fund. This fund is a U.S. small-cap (not a mutual fund) that seeks high returns that reflect the growth potential of small-sized U.S. companies by investing in small-cap mutual funds. The fund invests its assets in a diversified portfolio of U.S.-based companies with small market capitalizations (those with market capitalizations similar to companies in the Russell 2000® Index or the S&P Small-cap 600 Index). The fund seeks high returns that reflect the growth potential of small-sized U.S. companies by investing in small-cap mutual funds. The fund will invest approximately 40% of its assets in the LSV Small-Cap Value Fund, 40% of its assets in the Wasatch Small-Cap Growth Fund, and 20% of its assets in the Vanguard Small-Cap Index Fund. The underlying investments selected for the portfolio are subject change. Unit price and return will vary.

International Equity Fund. This is a diversified fund (not a mutual fund) that invests primarily in stocks of companies based outside the United States. The fund seeks to provide long-term capital appreciation. It is evaluated against the MSCI Europe, Australasia, and Far East Index (EAFE Index). The fund will normally invest in opportunities outside the United States (including American Depositary Receipts and U.S.-registered securities and companies that target markets outside the United States). The emphasis is generally on strong, well-managed companies in Europe, Canada, Australia, and the Far East. The fund may also invest up to 10% in the stocks of companies organized or headquartered in emerging market companies, and the fund may also invest up to 15% in the stocks of smaller capitalization companies. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuations. If you move money out of this fund before being invested at least 30 days in the fund, the fund will deduct a short-term trading fee from your account equal to 2% of the value of the money moved. Unit price and return will vary.

Tier 3 – BrokerageLink

This tier provides the opportunity for participants to invest a portion of their Plan account through a Fidelity BrokerageLink account. A BrokerageLink account is not automatically created for you. Participants interested in opening up 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. See your Plan's fact sheet 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.

Resources

Financial Engines provides two programs to Avaya 401(k) participants to help maximize your retirement savings — and these programs take the current fund lineup into consideration. For more information, call Fidelity Workplace Retirement Services at 1-877-401-5762.

Personal Online Advisor. If you're already actively managing your Avaya 401(k) account, Personal Online Advisor may be right for you. This easy-to-use Web site offers objective, professional advice to help you refine your investment strategy. Log in for a personalized forecast showing how much your investments may be worth when you retire, and see a step-by-step action plan with specific investment recommendations. You can also fine-tune your strategy by exploring different contributions, risk levels, and retirement goals. To get started, log in to Fidelity

NetBenefits at www.401k.com and click “Get Personalized Help from Financial Engines.”

Personal Asset Manager. With the Personal Asset Manager program, a team of professionals at Financial Engines analyzes the investments available in the Avaya 401(k) Plan and selects a personalized mix designed for you.

Financial Engines works with Fidelity to handle all the transactions to put your new investment strategy into action and continues to manage your account over time to help keep you on track. You get peace of mind knowing that professionals are managing your investments. With Personal Asset Manager, it doesn't take a lot of time or money to get the benefit of professional investment management. Financial Engines' fee is 0.60% of your account balance per year — less than one percent. That's about \$5 a month for each \$10,000 in your account. The fee is deducted directly from your Avaya 401(k) Plan account, so there's no bill to pay and no reduction in your take-home pay. And you can cancel at any time if you aren't satisfied. Just call Fidelity Workplace Retirement Services at 1-877-401-5762 business days between 8:30 a.m. and 8:00 p.m. Eastern time.

For more information about these Financial Engines programs, call Fidelity Workplace Retirement Services at 1-877-401-5762 any business day between 8:30 a.m. and 8:00 p.m. Eastern time to speak with a Retirement Specialist, who can answer your questions and connect you to a Financial Engines representative.

Additional Information About Investment Options

You can request the following information concerning the investment options from NetBenefits 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 shares or 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.

Accounting for Your Investments: Shares vs. Units

If your ASP account is invested in a mutual fund investment option, your ownership in that investment is in “shares.” The value of one share of a mutual fund is its net asset value, or NAV. The NAV is determined by dividing the daily closing price of all the mutual fund’s holdings by the number of shares in the fund. You can track the NAV of a mutual fund in the business section of many newspapers.

If your ASP account is invested in any of the other investment options, your ownership in these funds is in “units.” Unitization means the share price of any underlying investment within the funds has been converted to a unit price. A unitized fund is a fund that is composed of underlying investments and a percentage of short-term investments. Unitization allows the underlying investments to be purchased, exchanged and redeemed on a daily basis with flexibility. In addition, unitization permits matching and combining of all participant cash flows and holdings.

Valuing Your ASP Account

All funds in the ASP are valued daily regardless of whether reported in units or shares. 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.

Investment Change for Future Contributions

If you are contributing to the ASP, you may change the way future contributions are invested. 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 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% increments.

To exchange existing balances among investment options, access NetBenefits, or call the Avaya 401(k) Plan Service Center.

The time your exchange is confirmed with NetBenefits or the Avaya 401(k) Plan Service Center determines when the exchange is effective. If your exchange is confirmed before the closing time for the New York Stock Exchange on that business day

(generally, 4:00 p.m. Eastern), your exchange is effective after the close of business that day. If you want to cancel a pending exchange, you must call the Avaya 401(k) Plan Service Center and confirm your cancellation with a representative before the closing time for the New York Stock Exchange that same day. If your exchange is confirmed at or after the closing time for the New York Stock Exchange on a business day (generally, 4:00 p.m. Eastern), or any time on a holiday or weekend, your exchange will be effective after the close of business on the next business day. If you want to cancel a pending exchange, you must call the Avaya 401(k) Plan Service Center and confirm your cancellation with a representative before the closing time for the New York Stock Exchange the next business day.

Special Limits: Your ability to invest in any of the funds offered under the Savings Plan may be limited. For example, many of the funds 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's prospectus.

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.