

ELIGIBILITY AND PARTICIPATION

Eligibility for the Service Based Program

No new participant will be added in the Service Based Program after 2003. Before 2004, you were eligible to participate in the Service Based Program if you were a salaried employee (an employee whose position is not subject to automatic wage progression) who worked for a Lucent Technologies participating company on September 30, 2000, became an Avaya employee on October 1, 2000 (or transferred from Lucent Technologies to Avaya during the transition period between October 1 and December 31, 2000), and were:

- Hired or rehired before January 1, 1999 and on the active payroll of a participating company on December 31, 1998;
- Covered by the Service Based Program when you began an approved leave of absence and you returned to the active payroll by the end of your leave;
- Rehired on or after January 1, 1999 and you were eligible for an immediate bridge of prior service, which had a continuous service date associated with it of December 31, 1998 or earlier;
- Rehired on or after January 1, 1999 and you were service pension eligible under the Service Based Program, or service pension eligible under the provisions of The Avaya Inc. Pension Plan at the time of your prior termination;
- Transferred from a position covered by The Avaya Inc. Pension Plan into a position covered by the Plan on or after January 1, 1999 and when you transferred:
 - Your continuous service date was before January 1, 1999, or
 - You were service pension eligible under the terms of The Avaya Inc. Pension Plan;
- Hired into Lucent's Data Network Systems Group organization on or after June 1, 1998 and on or before December 31, 1998 *and* you had prior Lucent service, or you were covered by the Mandatory Portability Agreement (MPA) and you did not waive coverage under the MPA;
- Employed by an employer acquired on or after October 1, 1996 (or you were hired by the acquired organization after the acquisition date) and you transferred on or before December 31, 1998 to a position covered by the Plan;

- Previously directly transferred before January 1, 1999 from a position covered by the Plan to a non-participating Avaya subsidiary and you subsequently directly transfer to a position covered by the Plan on or after January 1, 1999; or
- If you were an employee who directly transferred on or after January 1, 1998 and before January 1, 1999 from a position covered by the Plan to an acquired company or non-participating Avaya subsidiary, you are again covered by the Plan effective January 1, 1999.

You *are not* eligible to participate in the Service Based Program if you are any of the following:

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