

OTHER IMPORTANT INFORMATION

This section contains administrative information about the Plan and other details required under the terms of a federal law, the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Claim and Appeal Procedures

Claim Procedures

Participants, their beneficiaries (if applicable) or any individual duly authorized by them have the right under ERISA and the Plan to file a written claim for benefits with the Pension Plan Administrator (see "Other Resources"). Claims for pension matters should be sent to the Pension Plan Administrator.

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

- The specific reason(s) for the denial,
- Reference to the specific Plan 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,
- 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,
- Information about the steps to be taken if you, your dependent, or an authorized representative wishes to submit the claim for review, and
- A statement regarding your right to bring an action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended (ERISA), 29 U.S.C. 1132(a).

If the Pension Plan Administrator needs more than 90 days to make a decision, you will receive a notice in writing within the initial 90-day period and explaining why more time is required. An additional 90 days (for a total of 180 days) may be taken if the Pension Plan Administrator sends this notice. The extension notice will show the date by which the decision of the Pension Plan Administrator 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 decision or the Pension Plan Administrator. 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 the Employee Benefits Committee (see "Important Contacts").

The Employee Benefits 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 Employee Benefits 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 Employee Benefits Committee sends this notice.

The decision will be in writing and will include:

- The specific reason(s) for the denial,
- Reference to the specific Plan 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 the Employee Retirement Income Security Act of 1974, as amended (ERISA), 29 U.S.C. 1132(a).

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

Your Rights Under ERISA

The Plan is both a defined benefit pension plan and a welfare plan under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Pension 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 Pension 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 administrator may make a reasonable charge for the copies.

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

Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age (generally age 65) and, if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once every twelve months. The Plan must provide the 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 Pension 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 Pension 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 the Plan, you should contact the Pension 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 Brochure Request Line at 1-800-998-7542, on the Internet at <http://www.dol.gov/dol/ebsa/public/pubs/main.htm>, or by contacting the Employee Benefits Security Administration field office nearest you.

Plan Amendment or Termination

The Board of Directors of Avaya Inc. (or its delegate) reserves the right to modify, suspend, change or terminate the Plan at any time. If the Plan were terminated, you could still have rights to future benefit payments, but you would not earn any further pension rights under the Plan, even if you continued employment with a participating company. Participants may also have certain rights to benefits insured by the Pension Benefit Guaranty Corporation.

If the Plan were terminated, the rights of all affected participants and beneficiaries to pension benefits computed as of the termination date would become nonforfeitable to the extent that there are sufficient assets in the pension trust fund to cover those benefits.

In the event of a Plan termination, Plan assets will be allocated to benefit categories in a particular order. Beginning with the benefit category that has first claim on Plan assets, payment will be made for:

- benefits for retirees or beneficiaries that are or could be in effect as of the beginning of the three-year period ending with the Plan's termination.
- benefits generally guaranteed by the Pension Benefit Guaranty Corporation (PBGC);
- benefits that are nonforfeitable (vested) under the Plan;
- all other benefits under the Plan.

Assets will be allocated to the categories in this order until assets run out.

Following termination of the Plan, any assets in the Disability Trust, after satisfaction of all liabilities for disability pensions under the Plan, may be used to provide other permissible benefits to eligible employees.

Benefits Cannot Be Assigned

Generally, you or your beneficiary cannot assign or transfer amounts payable under the Plan, nor can amounts payable to you under the Plan be used to pay debts or obligations of any nature. However, the Plan is required to comply with court-issued Qualified Domestic Relations Orders (QDROs) and qualified tax levies. See the Domestic Relations Matters Group under "Important Contacts" for details on who to contact if your pension benefit is subject to a QDRO, or to obtain (without charge) a copy of the Plan's procedures governing QDROs.

No Contract of Employment

The Plan does not constitute a contract of employment. Participation in the Plan will not give you the right to remain employed by a participating company.

Top Heavy Rules

If the Plan becomes top heavy, special rules will apply. If the Plan ever becomes top heavy, you will be notified.

Benefit Limitations

Federal regulations under Internal Revenue Code Section 415 limit the amount of benefits that can be paid to any individual from a pension plan. These limitations normally affect only the higher paid employees (or, in some cases, employees retiring at an early age) and are subject to periodic change by the IRS.

Additionally, federal regulations under Internal Revenue Code Section 401(a)(17) limit the annual amount of compensation used in computing the amount of benefit payable under the Plan.

In any event, any amounts to which you may be entitled that are in excess of these limits are paid under The Avaya Inc. Supplemental Pension Plan.

Pension Benefit Guaranty Corporation

Your pension benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people will receive all of the pension benefits they would have received under the Plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the Plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by the law for the year in which the Plan terminates; (2) some or all of benefit increases and new benefits based on Plan provisions that have been in place for fewer than five years at the time the Plan terminates; (3) benefits that are not vested because you have not worked long enough for Avaya; (4) benefits for which you have not met all of the requirements at the time the Plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money the Plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call

the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's Web site on the Internet at <http://www.pbgc.gov>.