

Alcatel-Lucent Group Life Insurance  
Plan for Retired Employees;  
Alcatel-Lucent Group Term Life  
Insurance Plan

**Summary Plan Description--**

**Former Full-Time Management Employees  
Retiring On Or After January 1, 1999;  
Former Part-Time Management Employees  
Retiring On Or After January 1, 2000;  
Former Business & Technical Associates  
(Including Lucent Business Assistants)  
Retiring On Or After January 1, 2000**

January 2010



## DISCLAIMER

This is a summary of the benefits offered under the Alcatel-Lucent Group Life Insurance Plan for Retired Employees (the "Basic Life Insurance Plan"), a component of the Alcatel-Lucent Retiree Welfare Benefits Plan, and the Alcatel-Lucent Group Term Life Insurance Plan (the "Group Term Life Insurance Plan") (the Basic Life Insurance Plan and the Group Term Life Insurance Plan are sometimes referred to together in this summary as the "Life Insurance Plans" or simply the "Plans"). This summary applies to (i) eligible former full-time management employees retiring on or after January 1, 1999; (ii) eligible former part-time management employees retiring on or after January 1, 2000; and (iii) eligible former Business & Technical Associates (including Lucent Business Assistants) retiring on or after January 1, 2000. It is provided for informational purposes only and is intended to comply with Department of Labor requirements for Summary Plan Descriptions ("SPDs"). More detailed information about the Plans is provided in the official Plan documents, a copy of which can be obtained by writing to the Plan Administrator (see Section J. Important Contacts and Section K. Other Important Information).

This summary is based on the Plans' provisions effective January 1, 2010 and replaces all previous SPDs and other descriptions of benefits provided under the Plans. If there is any conflict between the information in this SPD and the Life Insurance Plan documents, the Life Insurance Plan documents will govern.

### Life Insurance Plans May Be Amended or Terminated

The Company expects to continue the Life Insurance Plans but reserves the right to amend or terminate either or both Plans, in whole or in part, at any time by resolution of its Board of Directors or its properly authorized designee. In addition, the Company does not guarantee the continuation of any life insurance benefits during employment or at or during retirement nor does it guarantee any specific level of benefits or contributions.

Questions regarding your benefits should be addressed as indicated in this SPD (see Section J. Important Contacts). Because of the many detailed provisions of the Life Insurance Plans, no one other than the personnel or entities identified in this SPD (see Section J. Important Contacts) is authorized to advise you as to your benefits. Neither the Company nor the Plans can be bound by statements made by unauthorized personnel or entities. In the event of a conflict between any verbal information provided to you by an authorized resource and information in the official Life Insurance Plan documents, the Life Insurance Plan documents will govern.

January 1, 2010

*This information is intended for eligible retirees under the Alcatel-Lucent Group Life Insurance Plan for Retired Employees and the Alcatel-Lucent Group Term Life Insurance Plan. More detailed information is provided in the official Plan documents, which are controlling.*

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## INTRODUCTION

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The Alcatel-Lucent Group Life Insurance Plan for Retired Employees (the “Basic Life Insurance Plan”), a component of the Alcatel-Lucent Retiree Welfare Benefits Plan, and the Alcatel-Lucent Group Term Life Insurance Plan (the “Group Term Life Insurance Plan”) (the Basic Life Insurance Plan and the Group Term Life Insurance Plan are sometimes referred to together in this summary as the “Life Insurance Plans” or simply the “Plans”) are designed to provide financial assistance to your family upon your death.

If you are an **eligible retiree**, the **Company** automatically provides you with **basic life insurance coverage** of one times your **total annual pay** (see “Who Is Eligible” in **Section B. Joining the Plans**) after you retire. This coverage is reduced annually beginning on the first day of the month after the month in which you turn age 66, but is never less than 50% of your **basic life insurance coverage** (or \$1,500, whichever is greater). **Basic life insurance coverage** is currently provided at no cost to you. (The **Company** expects to continue the Life Insurance Plans but reserves the right to amend or terminate either or both Plans, in whole or in part, at any time by resolution of its Board of Directors or its properly authorized designee. The **Company** does not guarantee the continuation of any life insurance benefits during employment or at or during retirement nor does it guarantee any specific level of benefits or contributions.)

If you were enrolled in **group universal life insurance** coverage while employed with a **participating company**, you may continue such coverage after you retire until the age of 95, provided you pay the full cost for such coverage.

### Special Note to Beneficiaries

While we encourage you to review this entire document to familiarize yourself with the insured person’s benefits under these Plans, the following sections were specially designed to assist you in quickly and easily filing a claim for benefits:

- Claim Procedures for Beneficiaries
- Helping Your Beneficiaries File a Claim.

# Section A. Life Insurance Plans Benefits At-a-Glance

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Here's a summary of some key features of the benefits under the Plans.

Plan Feature	Summary
Eligibility	Generally, you're eligible for <b>basic life insurance coverage</b> if you are an <b>eligible retiree</b> . You're eligible for <b>group universal life insurance coverage</b> if you are an <b>eligible retiree</b> and you were enrolled in <b>group universal life insurance coverage</b> immediately before your retirement.
Enrollment	<p>If you are an <b>eligible retiree</b>, the Basic Life Insurance Plan automatically provides you with <b>basic life insurance coverage</b> when you retire.</p> <p>If you were enrolled in <b>group universal life insurance coverage</b> while employed with a <b>participating company</b>, you remain enrolled in such coverage during retirement provided that you make any required contributions to the cost of such coverage, unless you contact the Alcatel-Lucent Benefits Center to cancel this coverage.</p>
Amount of Coverage	<p>If you are an <b>eligible retiree</b>, the <b>Company</b> provides you with <b>basic life insurance coverage</b> of one times your <b>total annual pay</b>. Beginning on the first day of the month after the month in which you reach age 66, the amount of your <b>basic life insurance coverage</b> is subject to reduction. (See "Basic Life Insurance Coverage" in Section C. Coverage Amounts Under the Plans.)</p> <p>You are eligible for <b>group universal life insurance coverage</b> up to the amount you had at the time of your retirement.</p>

Plan Feature	Summary
Cost	<p>Currently, if you are eligible, the <b>Company</b> pays the full cost to provide you with <b>basic life insurance coverage</b> during retirement. (The <b>Company</b> reserves the right to amend or terminate either or both of the Plans at any time. See <b>Disclaimer</b> inside front cover.)</p> <p>You pay the full cost of your <b>group universal life insurance coverage</b>. If you receive a pension from a <b>Company-sponsored pension plan</b>, you may have the cost of <b>group universal life insurance coverage</b> deducted from your monthly pension check. Alternatively, you may be direct-billed.</p>
When Benefits Are Paid	<p><b>Basic life insurance coverage</b> and/or <b>group universal life insurance coverage</b> is/are payable to your <b>beneficiary(ies)</b> upon your death.</p> <p>Under the Accelerated Benefit Option (ABO), you may be eligible to receive a portion of your basic and/or <b>group universal life insurance</b> benefit while you are still living if you are diagnosed with a terminal illness with a life expectancy of six months or less.</p>
When Coverage Ends	<p>If you are eligible, your <b>basic life insurance coverage</b> continues for life, subject to the <b>Company's</b> reserved right to amend or terminate either or both of the Plans at any time (see <b>Disclaimer</b> inside front cover).</p> <p>Your <b>group universal life insurance coverage</b> continues to age 95 as long as you continue paying for this coverage--again, subject to the <b>Company's</b> reserved right to amend or terminate either or both of the Plans at any time (see <b>Disclaimer</b> inside front cover).</p>

# Section B. Joining the Life Insurance Plans

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## Who Is Eligible

You are an eligible retiree eligible for basic life insurance coverage as described in this SPD if:

- You are a former full-time management employee (other than a former Business & Technical Associate or Lucent Business Assistant):
  - who retired on or after January 1, 1999 and prior to June 30, 2001 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (now called the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and you had 15 years of service as of your date of retirement;
  - who retired on or after June 30, 2001 and prior to January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (now called the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and you had 15 years of service as of June 30, 2001; or
  - who retired on or after January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (renamed, in 2007, the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and--
    - you had 15 years of service as of June 30, 2001, or
    - if you were a former non-represented employee of AGCS who transferred from AGCS effective January 1, 2004, you had 15 years of service with AGCS as of September 30, 2001.
- You are a former part-time management employee, former Business & Technical Associate, or former Lucent Business Assistant\*:

- who retired on or after January 1, 2000 and prior to June 30, 2001 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (now called the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and you had 15 years of service as of your date of retirement;
- who retired on or after June 30, 2001 and prior to January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (now called the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and you had 15 years of service as of June 30, 2001; or
- who retired on or after January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (renamed, in 2007, the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and--
  - you had 15 years of service as of June 30, 2001, or
  - if you were a former non-represented employee of AGCS who transferred from AGCS effective January 1, 2004, you had 15 years of service with AGCS as of September 30, 2001.
- You are a former management employee (full-time or part-time) who retired under the Voluntary Retirement Program that ended on July 13, 2001.

You are eligible for **group universal life insurance** coverage if you satisfy one of the above eligibility criteria and you had group universal life insurance coverage immediately before your retirement.

\*Note: Beginning August 1, 2009, Lucent Business Assistants were re-classified as Business & Technical Associates.

## Enrollment

If you are eligible, the Basic Life Insurance Plan automatically provides you with **basic life insurance coverage** upon your retirement. You do not need to enroll.

If you had **group universal life insurance** coverage immediately before retirement and are under age 95, your coverage automatically continues when you retire - you do not need to enroll - provided that you make any required contributions to the cost of such coverage.

You cannot elect or increase **group universal life insurance** coverage at the time of your retirement. If you wish to cancel or decrease the amount of your **group universal life insurance** coverage during retirement, you must contact the Alcatel-Lucent Benefits Center (see **Section J. Important Contacts**). Reduction or cancellation becomes effective on the first of the month coincident with or next following the month in which your request is received by the Alcatel-Lucent Benefits Center.

Once you have canceled or decreased your **group universal life insurance** coverage, you cannot re-elect or increase coverage.

## Cost

Currently, if you are eligible, the Plans provide **basic life insurance coverage** at no cost to you. (The **Company** does not guarantee the continuation of any life insurance benefits during employment or at or during retirement nor does it guarantee any specific level of benefits or contributions. See **Disclaimer** inside front cover.)

Your cost for **group universal life insurance** coverage depends on your age, your amount of coverage and if you are a **tobacco user**. If you receive a pension from a **Company-sponsored** pension plan, you may have the cost of **group universal life insurance** coverage deducted from your monthly pension check. Alternatively, you may be direct-billed. To have the cost of **group universal life insurance** coverage deducted from your monthly pension check, contact the Alcatel-Lucent Benefits Center.

## Naming a Beneficiary

After your retirement, the **beneficiary(ies)** for your **basic life insurance coverage** and/or **group universal life insurance** coverage are the same as those designated while you were actively employed.

### Who Can I Name as a Beneficiary?

You may name one or more individuals as your **beneficiary(ies)**, or you may designate almost any organization, a trust, or your estate as your **beneficiary(ies)**.

If you name more than one beneficiary, be sure to indicate the share payable to each one. If you do not indicate this, your beneficiaries will share equally.

Generally, death benefits are paid to your **primary beneficiary(ies)**. If none of your **primary beneficiaries** is living when you die, payment will be made in equal shares to your **contingent beneficiaries**, unless you indicated otherwise. If none of your beneficiaries is living when you die or you did not designate a beneficiary, payment will be made to your next surviving relative(s) and considered in this order:

- your spouse or domestic partner,
- your children,
- your parents,
- your brother and sister.

Notwithstanding the foregoing, the insurer may pay all or part of such amount to your estate.

If you assigned your benefits, see “Assigned Benefits” in Section C. Types And Amounts of Coverage Under the Plans.

If you are enrolled in group universal life insurance coverage, any balance in your Cash Fund Account will be added to your life insurance coverage and paid, tax-free, to your beneficiary(ies).

#### How to Change Your Beneficiary

You may change your beneficiary at any time, unless you assign your benefits. You do not need the consent of the beneficiary to make a change.

To change your beneficiary, contact the insurer (see Section J. Important Contacts) for the appropriate form. After you complete the form, return it to the insurer. Your change takes effect on the date you sign the form, even if you are not alive when the insurer receives it.

## Section C. Types And Amounts of Coverage Under The Plans

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### Basic Life Insurance Coverage

If you are an eligible retiree, the Company provides you with basic life insurance coverage during retirement of one times your total annual pay (TAP). Your basic life insurance coverage is reduced, however, beginning at age 66, as described further below.

How TAP is measured differs depending on (i) whether you were paid under a Sales Incentive Plan, and (ii) when you retired. (See "Total annual pay (TAP)" in Section I. Terms You Should Know.)

Beginning on the first day of the month after the month in which you reach age 66, the amount of your basic life insurance coverage is subject to reduction. Your basic life insurance coverage is reduced by 10% beginning on the first of the month following the month in which you turn age 66. Thereafter, your basic life insurance coverage is reduced annually for the next four years (up to the first of the month following the month in which you turn age 70) by the same dollar amount of the initial reduction.

For example, if you had \$40,000 of basic life insurance coverage at age 66, beginning on the first of the month following your 66th birthday, your coverage would reduce \$4,000 per year as follows:

Beginning 1st Day of Month Following Month in which You Turn Age ...	Amount of Reduction	Your Basic Coverage Amount
66	\$4,000	\$36,000
67	\$4,000	\$32,000
68	\$4,000	\$28,000
69	\$4,000	\$24,000
70	\$4,000	\$20,000

After age 70, the amount of your basic life insurance coverage is equal to 50% of the basic life insurance coverage you had at age 66 (\$20,000 is 50% of \$40,000), but

never less than \$1,500. This coverage remains in force for the rest of your life, subject to the **Company's** reserved right to amend or terminate either or both of the Plans. (The **Company** expects to continue the Life Insurance Plans but reserves the right to amend or terminate either or both Plans, in whole or in part, at any time by resolution of the Board of Directors or its properly authorized designee. In addition, the **Company** does not guarantee the continuation of any life insurance benefits during employment or at or during retirement nor does it guarantee any specific level of benefits or contributions.)

### Reducing Basic Life Insurance Coverage

As discussed more fully below, if your **basic life insurance coverage** is greater than \$50,000, the Internal Revenue Service requires the **Company** to report the cost of your **basic life insurance coverage** exceeding \$50,000 on a Form W-2 as "imputed income." (See "Imputed Income" in Section E. Miscellaneous Coverage Information.) You may wish to reduce your coverage to avoid having such imputed income. You may elect at any time to reduce your **basic life insurance coverage** to \$50,000 by contacting the Alcatel-Lucent Benefits Center. However, once you make this election, you cannot revoke it.

### Group Universal Life Insurance Coverage

**Group universal life insurance coverage** is a type of life insurance that provides a death benefit with an investment element in the form of a **Cash Fund Account (described below)**. As life insurance, **group universal life insurance coverage** pays a benefit to your **beneficiary(ies)** in the event of your death, while the coverage is in effect. (See Section D. Payment of Benefits.)

If you have **group universal life insurance coverage** at the time of your retirement, you will have the same amount of **group universal life insurance coverage** when you retire unless you elect to decrease the amount of or to cancel this coverage. To decrease or cancel your **group universal life insurance coverage**, contact the Alcatel-Lucent Benefits Center. If you decrease the amount of or cancel your **group universal life insurance coverage**, the change will take effect on the first of the month coincident with or next following the month in which your reduction or cancellation request is received by the Alcatel-Lucent Benefits Center. You cannot increase or elect this coverage at the time of your retirement.

**Group universal life insurance coverage** may continue to age 95 (subject to the **Company's** reserved right to amend or terminate either or both of the Plans at any time--see **Disclaimer** inside front cover), as long as you continue paying for the coverage. Additional information about your **group universal life insurance coverage** is provided on the specifications page mailed to you by the insurer.

## Cash Fund Account

If you are enrolled in **group universal life insurance** coverage, you have the option of contributing to a **Cash Fund Account**. This is a personal account to which you make fixed dollar contributions via deductions from your pension check or directly to the insurer. The maximum amount you may contribute depends on your age and your coverage amount.

The **Cash Fund Account** earns interest at a rate that is guaranteed by the insurer never to be lower than 4%. Your **Cash Fund Account** is not taxed unless you withdraw more than you contributed. You may withdraw or borrow against the money in your **Cash Fund Account** at any time. The balance in your **Cash Fund Account** may be used to pay for your cost of insurance in retirement or to purchase paid-up insurance. Any balance remaining in your account at the time of your death will be added to your life insurance amount and paid income-tax-free to your **beneficiary(ies)**.

You may withdraw or borrow against the money in your **Cash Fund Account** at any time, subject to the following conditions:

- You may have only one loan outstanding at a time.
- You will be charged interest on the loan, at a rate that is set by the insurer and which shall not change more than once per year as of January 1.
- The amount of the loan must be at least \$200 and cannot exceed your current **Cash Fund Account** balance, reduced by any interest that would have been earned in your **Cash Fund Account** (at the current loan interest rate) through the following January 1st.
- Loans may be repaid in whole or in part at any time but not through payroll deduction. If a loan is repaid in installments, the minimum installment is \$100.

You may also request a full or partial cash withdrawal. The minimum partial cash withdrawal is \$200. The maximum cash withdrawal is the **Cash Fund Account**, just prior to the withdrawal, less any loan and loan interest. When a withdrawal is made, the **Cash Fund Account** will be reduced by the amount of such withdrawal. If the amount in your **Cash Fund Account** (reduced by any loan and loan interest) is less than your monthly cost of group universal life insurance coverage, you might have to make an additional payment to keep your **group universal life insurance** coverage in effect. (See "When Coverage Ends" under Section E. Miscellaneous Coverage Information.)

Contact the insurer (see Section J. Important Contacts) for more information on contributing to a **Cash Fund Account**.

## Paid-Up Benefit

If you are enrolled in **group universal life insurance** coverage, you may elect at any time to terminate such coverage and use all or part of your **Cash Fund Account** (reduced by any loan and loan interest) to purchase a "paid-up benefit" (generally, a reduced life insurance benefit). To purchase a paid-up benefit: (a) the amount of the paid-up benefit cannot exceed the amount of your current **group universal life insurance** coverage (excluding the **Cash Fund Account**); (b) the amount of your current **group universal life insurance** coverage must be at least \$10,000; and (c) you must have sufficient funds in your **Cash Fund Account** to cover the premium needed to purchase the paid-up benefit. If you have funds in your **Cash Fund Account** in excess of the premium needed to purchase the paid-up benefit, those funds will be returned to you in cash.

While you are alive, you may take a full cash withdrawal from your paid-up benefit. You are not permitted to take a partial cash withdrawal or loan from a paid-up benefit.

## Section D. Payment of Benefits

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### Basic and Group Universal Benefits

Basic life insurance coverage and/or group universal life insurance benefits are/is payable to your beneficiary(ies) upon your death. If the amount of each benefit is less than \$5,000, your beneficiary(ies) will receive a check. If the amount of each benefit is \$5,000 or greater, the insurer will put the proceeds into a money market fund established for your beneficiary(ies).

If you are enrolled in group universal life insurance coverage, any balance in your Cash Fund Account will be added to your life insurance coverage and paid, tax-free, to your beneficiary(ies).

### Accelerated Benefit Option

The accelerated benefit option (ABO) allows you to receive a portion of your basic life insurance coverage and/or group universal life insurance benefit if you are diagnosed as being terminally ill with a life expectancy of six or fewer months. The maximum amount is the lower of \$250,000 or 50% of each of your basic life insurance coverage or group universal life insurance benefit. You may use this money in any way you wish.

Here are some guidelines that may affect your eligibility or decision to apply for this benefit:

- You are eligible for the ABO only if your basic life insurance coverage or your group universal life insurance coverage is greater than or equal to \$10,000 and you have not attained age 95.
- You are not eligible for the ABO if you previously assigned your life insurance coverage (see "Assigned Benefits" in Section C. Types and Amounts of Coverage Under the Plans) or if your life insurance beneficiary is determined pursuant to a divorce agreement. (Except in the state of Connecticut, you are not eligible for the ABO with respect to your group universal life insurance coverage if you are required by a government agency to request the ABO in order to apply for, obtain, or keep a governmental benefit or entitlement.)

- If your **basic life insurance coverage** is scheduled to reduce within six months of the date the ABO is approved, the payment will be limited to 50% of the reduced amount of your **basic life insurance coverage**.
- If your **basic life insurance coverage** is scheduled to fully terminate within six months of the date the ABO has been approved, the ABO will not apply to the coverage that is terminating.
- Any **basic life insurance coverage** or **group universal life insurance** benefit eligible for conversion will be reduced by any ABO amount paid under this provision.
- You should ask your professional tax advisor about the taxability of ABO benefits before applying for this benefit.
- ABO benefits may affect your eligibility for benefits under state and federal law.
- The life insurance benefit payable to your **beneficiary(ies)** upon your death will be reduced by any amount paid to you under the ABO.
- You may exercise the ABO only once.

Call the **insurer** to request an ABO form. The **insurer** will review your eligibility for the ABO and decide whether to approve your request for an accelerated benefit. In reviewing your request, the **insurer** may have you examined by doctors of its choice at its expense.

## Assigned Benefits

You may assign your benefit under either or both of the Plans as an irrevocable gift to someone else or as a viatical assignment if the **insurer** consents. You may name that person as the owner of your insurance, even though it is your life that is insured.

If you make an assignment, you give up all present and future rights to the insurance. You cannot revoke the assignment at a later date. The person to whom you assign your insurance has the right to name beneficiaries, reduce the level of **group universal life insurance** coverage or exercise any other privileges under the insurance that would otherwise have been available to you.

Because of the various legal and tax implications involved, you should consult with a lawyer and a tax advisor before making an assignment. If you wish to make an assignment, contact the **insurer** (see **Section J. Important Contacts**).

# Section E. Miscellaneous Coverage Information

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## Imputed Income

The Internal Revenue Service (IRS) requires that the **Company** report the cost of your **basic life insurance coverage** over \$50,000 on a Form W-2 as “imputed income.” Imputed income is not subject to federal income tax withholding, but the **Company** must “withhold” FICA taxes on it.

### Taxes and Imputed Income

You are not taxed on the actual amount of your **basic life insurance coverage**. Instead, the **Company** reports as income to you the amount the IRS considers an appropriate premium for the portion of your **basic life insurance coverage** over \$50,000. The IRS publishes these rates in tables based on your age.

### An Example of How Imputed Income Is Calculated

Suppose you are age 65 and your **basic life insurance coverage** is \$55,000. You’ll pay taxes on the cost of providing you with **basic life insurance coverage** of \$5,000 (the amount of such coverage over \$50,000). The IRS premium rate for someone age 65 is currently \$1.27 per month for each \$1,000 of coverage in excess of \$50,000. The imputed income for \$5,000 of coverage is \$6.35 per month (5 x \$1.27) or \$76.20 per year (5 x \$1.27 x 12).

### Exemptions from Imputed Income

If you are disabled, you might not be required to include the cost of **basic life insurance coverage** in excess of \$50,000 in income. Please consult with your tax advisor.

In addition, under a grandfather provision in the Deficit Reduction Act of 1984, certain **eligible retirees** are exempt from having the cost of group life insurance included as taxable income. This applies to you if you retired on or after January 1, 1984 and were age 55 or older on January 1, 1984 (i.e., you were born before January 1, 1929) and were continuously employed by the **Company** (or a predecessor entity) since 1983. Please consult with your tax advisor.

## When Coverage Ends

### Basic Life Insurance Coverage

Basic life insurance coverage will end as follows:

- If the Basic Life Insurance Plan is terminated, in whole or in part, your affected **basic life insurance coverage** will end; or
- The **Company** discontinues **basic life insurance coverage** for your retiree class, in whole or in part.

### Group Universal Life Insurance Coverage

Group universal life insurance coverage will end if:

- If the Group Term Life Insurance Plan is terminated, in whole or in part, your affected **basic life insurance coverage** will end;
- The **Company** discontinues group universal life insurance for your retiree class, in whole or in part;
- You elect to cancel the insurance (contact the insurer for the cancellation form);
- You reach age 95;
- The amount in your Cash Fund Account (reduced by any loan and loan interest) is less than your monthly cost of group universal life insurance coverage and you fail to make a payment that will cover your monthly cost of group universal life insurance coverage after a 60-day grace period;
- You request and are paid the cash value of any paid-up benefit; or
- The insurer discontinues the group universal life insurance policy upon 31 days notice to the **Company**, at a time when eligible retirees can pay for their coverage through pension deductions and there is a "successor plan" (another life insurance plan for eligible retirees which replaces this policy, other than a non-group individual whole life plan). In this instance, the insurer will pay the value of your Cash Fund Account (reduced by any loan and loan interest) to the succeeding carrier over the next three years in equal monthly installments.

## Converting Coverage to an Individual Policy

### Basic Life Insurance

You may be able to convert all or part of your **basic life insurance coverage** to an individual policy without proof of insurability if:

- You are not eligible for **basic life insurance coverage** in retirement;
- You are eligible for **basic life insurance coverage** in retirement and it has been reduced as a result of your reaching age 66, 67, 68, 69, or 70;
- The **Company** amends the basic life insurance policy under which you are covered so that you are no longer eligible for such coverage (but only if your coverage under the applicable policy had been in effect for at least five (5) years); or
- The **Company** terminates the basic life insurance policy under which you are covered (but only if your coverage under the applicable policy had been in effect for at least five (5) years).

To convert your coverage without proof of insurability, you must request the Notice of Conversion Privilege and sign the conversion application within 91 days after your insurance coverage ends or is reduced. During the first 31 days of the conversion period, your coverage continues. However, your coverage does not continue through the remaining conversion period. If you are interested in converting your coverage, contact the **insurer** (see **Section J. Important Contacts**). The individual policy will be a policy customarily issued by the **insurer** for conversions.

### Group Universal Life Insurance

When your **group universal life insurance coverage** ends, you may be able to convert all or part of your **group universal life insurance coverage** to an individual policy without proof of insurability if:

- The **Company** terminates the Plan offering **group universal life insurance coverage** and replaces it with another life insurance plan for **eligible retirees**, other than a non-group individual whole life plan (but only if your coverage under the applicable policy had been in effect for at least five (5) years); or
- The **Company** amends the **group universal life insurance policy** under which you are covered so that you are no longer eligible for such coverage (but only if your coverage under the applicable policy had been in effect for at least five (5) years).

To convert your coverage without proof of insurability, you must request the Notice of Conversion Privilege and sign the conversion application within 31 days after your

insurance coverage ends. During the 31 days of the conversion period, your coverage continues. If you are interested in converting your coverage, contact the insurer (see **Section J. Important Contacts**).

## Section F. Frequently Asked Questions

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**Can I cover my spouse or children under the Plans?**

No. No dependent coverage is available to retired employees under the Plans.

**Can I apply for group universal life insurance coverage during retirement?**

If you did not have **group universal life insurance** coverage when you retired, you cannot elect this coverage during retirement.

**Can I raise the amount of my group universal life insurance coverage?**

The amount of **group universal life insurance** coverage you are eligible for during retirement is limited to the amount of this coverage you had immediately before retirement. You cannot increase the amount of your **group universal life insurance** coverage during retirement.

**If I decrease my group universal life insurance coverage, can I increase it later?**

Once you decrease the amount of your **group universal life insurance** coverage during retirement, you cannot increase it.

**If I cancel my group universal life insurance coverage, can I reelect coverage?**

Once you cancel your **group universal life insurance** coverage during retirement, you cannot reelect such coverage.

**I am eligible for or am receiving a deferred vested pension -- am I eligible for life insurance coverage?**

Former employees who left the **Company** with a deferred vested pension are not eligible for the basic life insurance benefits under the Basic Life Insurance Plan or group universal life insurance coverage under the Group Term Life Insurance Plan. However, if you had **group universal life insurance** coverage when you left the **Company**, you can continue this coverage by paying your premiums directly to the insurer.

**If I retire under the Account Balance Program of the Alcatel-Lucent Retirement Income Plan, do I have life insurance coverage in retirement?**

Your **basic life insurance coverage** ended upon retirement. However, you can continue any **group universal life coverage** you had prior to retirement by paying the premium directly to the **insurer**.

# Section G. Helping Beneficiaries File a Claim

You can help your beneficiaries quickly and easily receive the maximum benefit amount they are due by filling in the following information.

Name of Insured	
Date of Retirement	
Age at Retirement	
Retirement Plan	
Amount of Basic Life Insurance Coverage*	
Amount of Group Universal Life Insurance	

*\*The amount of basic life insurance coverage is subject to annual reductions beginning as of the first day of the month after the month in which you reach age 66. See "Basic Life Insurance Coverage" under Section C. Types and Amounts of Coverage Under the Plans for more information.*

Fill in the following information only if applicable.

Amount of Benefits Assigned	
Amount of Benefits Received Under the Accelerated Benefit Option	
Coverage Converted	
Date Coverage Converted	
Balance in Cash Fund Account	
Other	

**Note to Beneficiaries:** Basic coverage is subject to an annual reduction beginning as of the first day of the month after the month in which the insured reaches age 66. The insured may have converted these reductions to an individual policy.

# Section H. Claims and Appeals

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Participants, their beneficiaries, or any individual duly authorized by them have the right under ERISA to file a written claim for benefits.

## Types of Claims

The Life Insurance Plans contemplates two types of claims:

- Eligibility claims; and
- Benefits claims.

### Eligibility Claims

An eligibility claim is a claim by you or your authorized representative concerning your right to participate in the Life Insurance Plans.

### Benefits Claims

A benefits claim is exactly what it sounds like – it is a claim for benefits under the terms of the Life Insurance Plans.

## Eligibility Claims

### Filing Deadlines

If you have an eligibility claim, contact the Alcatel-Lucent Benefits Center (see “Important Contacts”). If appropriate, a representative will provide you with an eligibility claim form, called a Claim Initiation Form (“CIF”).

On the CIF, you will be asked to set forth the nature of the claim, all pertinent facts and the reasons why you believe you are entitled to the relief you are requesting. Also, include with your CIF any documentation supporting your claim.

### Where to Send Your Claim Form

Mail your completed CIF and any enclosures to the following address:

Alcatel-Lucent Benefits Review Team  
P.O. Box 1407  
Lincolnshire, IL 60069-1407

If your eligibility claim is coupled with a claim for benefits, send the benefits claim form to the insurer, but also include a copy of it with your eligibility claim submitted to the Benefits Review Team.

### **When You Can Expect To Receive a Decision**

When you file an eligibility claim, the Benefits Review Team reviews the claim and makes a decision to either approve or deny the claim. Generally, you will be notified of the Benefits Review Team's decision within 90 days after its receipt of your claim. The Benefits Review Team may extend the period for making the claim decision by 90 days if it determines that an extension is necessary and notifies you, before the expiration of the initial 90-day period, of the circumstances requiring the extension of time and the date by which it expects to render a decision.

### **What You'll Be Told If Your Eligibility Claim Is Denied**

If your eligibility claim is denied, you will receive a written notice that contains all of the following:

- The specific reason(s) for the denial;
- The specific Plan provisions on which the denial is based;
- A description of any additional material or information needed and an explanation of why it is necessary;
- A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the benefits claim; and
- An explanation of the Life Insurance Plans' claim review procedures, applicable time limits and your rights. If your claim is denied and your appeal is also denied, you have the right to bring a civil action in federal court under ERISA Section 502(a).

### **Appeal Procedures and Deadline**

If your initial eligibility claim is denied by the Benefits Review Team, you or your authorized representative may appeal the denial. Your appeal must be in writing and should be addressed to:

Alcatel-Lucent  
Employee Benefits Committee  
600-700 Mountain Avenue  
Room 7C-415  
Murray Hill, New Jersey 07974

You should include a copy of your initial claim denial notification, the reason(s) for the appeal and relevant documentation with your appeal request.

**You must file your appeal within 60 days from the date on the claim denial letter.** During the 60-day period, you or your authorized representative will be given reasonable access to all documents and information relevant to the claim, and you may request copies free of charge. You can also submit written comments, documents, records and other information relating to the appeal to the Employee Benefits Committee.

Review of your appeal will take into account all comments, documents, records and other information relating to the appeal, without regard to whether the information was submitted to or considered by the Benefits Review Team in connection with the initial claim decision. Your appeal will be reviewed “de novo,” which means you get to “start fresh” with your claim on appeal. In reviewing your appeal, the Employee Benefits Committee will not place deference upon the original decision. Your appeal will be reviewed by an appropriate fiduciary who is not the individual who made the initial decision, who is not subordinate to the initial reviewer and who will give a full and fair review of the claim and the denial.

### **When You Can Expect To Receive a Decision on Appeal**

The Employee Benefits Committee will review your appeal and you will be notified of the decision on appeal within 60 days after receipt of your appeal. The Employee Benefits Committee may extend the period for making the claim decision by 60 days if it determines that an extension is necessary and notifies you, before the expiration of the initial 60-day period, of the circumstances requiring the extension of time and the date by which it expects to render a decision.

### **What You’ll Be Told If Your Eligibility Claim Is Denied on Appeal**

If your eligibility claim is denied on appeal, you will receive a written notice that contains all of the following:

- The specific reason(s) for the denial;
- The specific Plan provisions on which the denial is based;
- A statement about the claimant’s right to bring an action under section 502(a) of the Employee Retirement Income Security Act (ERISA);

- A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the benefits claim; and
- A statement to the effect that “You and the Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor office and your state insurance regulatory agency.”

## Other Options

If the Employee Benefits Committee denies your benefits claim on appeal, you have the right to bring a civil action in federal court under ERISA. This option is available to you only after you have exhausted all of the administrative remedies available to you through the Life Insurance Plans’ claims and appeals process as described in this section.

## Benefits Claims

### Filing a Claim

To report a death, you must call the **insurer** (see “Important Contacts”).

To help ensure you receive the maximum benefit the insured was entitled to, please refer to “Helping Your Beneficiaries File a Claim.” This section may contain information filled out by the insured that will assist you in filing a claim for benefits.

The **insurer** will send you a claim form. The **insurer** can also answer questions about the insured person’s benefits and can help you complete the claim form.

When you file a claim:

- Follow the instructions on the claim form carefully and answer all questions completely;
- Attach an original death certificate; and
- Submit the required paperwork to the address printed on the form.

Your claim will be evaluated to determine if any benefits will be paid. If the claim is approved, payment is made as outlined under “How Benefits Are Paid.” If your claim is denied, you will be advised of the reasons for the denial and may appeal the decision (see, respectively, “What You’ll Be Told If Your Benefits Claim Is Denied” and “Appeal Procedures and Deadline” later in this section).

### Filing Deadlines

Generally, you should submit a claim as soon as possible after the death occurs.

## When You Can Expect To Receive a Decision

When you file a benefits claim, the insurer reviews the claim and makes a decision to either approve or deny the claim. Generally, you will be notified of the insurer's decision with respect to a claim within 90 days after the insurer's receipt of your claim. The insurer may extend the period for making the claim decision by 90 days, if it determines that an extension is necessary and notifies you, before the expiration of the initial 90-day period, of the circumstances requiring the extension of time and the date by which it expects to render a decision.

## What You'll Be Told If Your Claim Is Denied

If your benefits claim is denied, you will receive a written notice that contains all of the following:

- The specific reason(s) for the denial;
- The specific Plan provisions on which the denial is based;
- A description of any additional material or information needed and an explanation of why it is necessary; and
- An explanation of the Plan's claim review procedures, applicable time limits and your rights to bring a civil action under ERISA Section 502(a) following exhaustion of these procedures.

## Appeal Procedures and Deadline

If your initial claim for benefits is denied, you or your authorized representative may appeal that denial. Your appeal must be in writing and should be addressed to:

### Regular Mail:

MetLife  
Group Life Claims  
P.O. Box 6100  
Scranton, PA 18505

### Overnight Mail:

Group Life Claims  
123 Wyoming Ave  
Scranton, PA 18505

You should include a copy of your initial claim denial notification, the reason(s) for the appeal and relevant documentation with your appeal request.

**You must file your appeal within 60 days of the date you receive notice of the denied claim.** During the 60-day period, you or your authorized representative will be given reasonable access to all documents and information relevant to the claim, and you may request copies free of charge. You can also submit written comments, documents, records and other information relating to the appeal to the insurer.

Review of your appeal will take into account all comments, documents, records and other information relating to the appeal, without regard to whether the information was submitted or considered in the initial claim decision. Your appeal will be reviewed “de novo.” That means you get to “start fresh,” and an independent fiduciary at the insurer will review your appeal. In reviewing your appeal, the independent fiduciary will not place deference upon the original decision. Your appeal will be reviewed by an appropriate fiduciary who is not the individual who made the initial decision, who is not subordinate to the initial reviewer and who will give a full and fair review of the claim and the denial.

### **When You Can Expect To Receive a Decision on Appeal**

The insurer will review your appeal and you will be notified of the appeal decision within 60 days after receipt of your appeal.

### **What You’ll Be Told If Your Benefits Claim Is Denied on Appeal**

If your benefits claim is denied on appeal, you will receive a written notice that contains all of the following:

- The specific reason(s) for the denial;
- The specific Plan provisions on which the denial is based;
- A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the benefits claim; and
- A statement to the effect that “You and the Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor office and your state insurance regulatory agency.”

### **Other Options**

If the insurer denies your benefits claim on appeal, you have the right to bring a civil action in federal court under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA). This option is available to you only after you have exhausted all of the administrative remedies available to you through the Life Insurance Plans’ claims and appeals process as described in this section.

## Section I. Terms to Know

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There are several words and phrases that have a specific meaning under the Plans. This section explains those terms so you can better understand your benefits. Many of these terms are printed in **boldface** when they appear to let you know they are defined here.

**Annual rate of pay:** if you were paid every week, your **annual rate of pay** is 52 times your normal weekly base pay. If you were paid once a month, the rate is 12 times your monthly base pay.

**Basic life insurance coverage:** the amount of your basic life insurance that the Company provides at no cost to you if you are an eligible retiree. Generally, this type of insurance has a benefit of one times your **total annual pay**. The amount of your **basic life insurance coverage** begins to reduce on the first day of the month after the month in which you reach age 66.

**Beneficiary(ies):** either your **primary beneficiary(ies)** or your **contingent beneficiary(ies)**.

**Cash Fund Account:** if you are enrolled in **group universal life insurance** coverage, you have the option of contributing to a personal **Cash Fund Account**. This account is not subject to income taxes while your contributions remain in your account. You may take loans and withdrawals from the account. The account earns interest at a rate that may vary each year, although the **insurer** guarantees that it will not be lower than 4%.

**Company:** Alcatel-Lucent USA, Inc.

**Contingent beneficiary:** the person(s) who receives the death benefits under your basic and **group universal life insurance** coverage if none of your **primary beneficiaries** are living when you die.

**Eligible retiree:** Any of:

- A former full-time management employee (other than a former Business & Technical Associate or Lucent Business Assistant):
  - who retired on or after January 1, 1999 and prior to June 30, 2001 from a **participating company** with a service or disability pension under the service

- based program provisions of the Lucent Retirement Income Plan (now known as the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and who had 15 years of service as of his or her date of retirement;
- who retired on or after June 30, 2001 and prior to January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (now called the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and who had 15 years of service as of June 30, 2001; or
  - who retired on or after January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (renamed, in 2007, the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and--
    - who had 15 years of service as of June 30, 2001, or
    - if he or she is a former non-represented employee of AGCS who transferred from AGCS effective January 1, 2004, who had 15 years of service with AGCS as of September 30, 2001.
  - A former part-time management employee, former Business and Technical Associate, or former Lucent Business Assistant:
    - who retired on or after January 1, 2000 and prior to June 30, 2001 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (now known as the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and who had 15 years of service as of his or her date of retirement;
    - who retired on or after June 30, 2001 and prior to January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (now called the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and who had 15 years of service as of June 30, 2001; or
    - who retired on or after January 1, 2004 from a **participating company** with a service or disability pension under the service based program provisions of the Lucent Retirement Income Plan (renamed, in 2007, the Alcatel-Lucent Retirement Income Plan) or with a service or disability pension under the Lucent Technologies Inc. Pension Plan and--

- who had 15 years of service as of June 30, 2001, or
  - if he or she is a former non-represented employee of AGCS who transferred from AGCS effective January 1, 2004, who had 15 years of service with AGCS as of September 30, 2001.
- A former management employee (full-time or part-time) or former Lucent Business Assistant who retired under the Voluntary Retirement Program that ended on July 13, 2001.

**Insurer:** Metropolitan Life Insurance Company.

**Group universal life insurance** (previously referred to as “management supplementary life insurance”): this insurance option offers life insurance coverage of one to ten times **total annual pay**, up to a maximum of \$2 million,\* while you are employed with a **participating company**. In addition, it offers the following:

- Lower rates if you are a **non-tobacco user**
- Continuation of coverage until age 95
- The ability to contribute to a separate **Cash Fund Account**, which features an interest rate of at least 4% and income tax-free growth (unless you withdraw more than you contribute)

\*If you had elected **group universal life insurance** coverage in excess of \$2 million prior to December 31, 2007, you were given the option of continuing **group universal life insurance** coverage at such higher amount.

**Normal retirement date:** the date of your retirement if you retired on or after your 65th birthday but before the end of the month in which your birthday occurred. If you continued to work for the **Company** after the end of the month in which you reach age 65, your **normal retirement date** is the last day of the month in which you reached age 65.

**Participating company/companies:** a company or companies that participate in the **Plans**. As of January 1, 2010, these are:

- Alcatel-Lucent Investment Management Corporation
- Alcatel-Lucent Managed Solutions LLC
- Alcatel-Lucent Management Services Inc.
- Alcatel-Lucent USA Inc.
- Alcatel-Lucent World Services Inc.

- Ascend Communications, Inc.
- LGS Innovations International Inc.
- LGS Innovations LLC
- LGS Integrated Solutions Inc.
- Lucent Technologies GRL LLC
- Lucent Venture Partners Inc.
- Motive, Inc.
- Radio Frequency Systems, Inc.
- Reachview Technologies LLC
- Telica, Inc.

**Primary beneficiary:** the person(s), organization, estate or trust named to receive the death benefits for life insurance if the covered individual dies.

**Tobacco user:** a person who uses tobacco at any time during the 12-month period before enrollment. This includes cigarettes, cigars, pipes, chewing tobacco and snuff. The amount of your life insurance benefit will be reduced if it is determined that you misrepresented yourself as a non-tobacco user when you enrolled in the Plan.

**Total annual pay (TAP):** used to determine the amount of life insurance available to you.

**If you were *not* paid under a Sales Incentive Plan, and:**

- If you retired on or after January 1, 2002:
  - Your total annual pay is your **annual rate of pay** plus target bonus. Total annual pay does not include differentials, overtime pay, extra payments or allowances that are considered temporary.
  - Total annual pay for a calendar year is determined in the prior calendar year (the determination date is established by the **Company** each year on a uniform and non-discriminatory basis), rounded up to the next higher \$1,000.
- If you retired on or after January 1, 2001, but prior to January 1, 2002:

Your total annual pay is the greater of:

- Your **annual rate of pay** at the time of retirement plus any bonuses, incentives and merit awards paid within the 12 months prior to your date of retirement (if these amounts are considered a part of your compensation for the normal work schedule), rounded to the next higher \$1,000. Total annual pay does not include differentials, overtime pay, extra payments or allowances that are considered temporary.
- Your **annual rate of pay** plus target bonus at the time of retirement. Total annual pay does not include differentials, overtime pay, extra payments or allowances that are considered temporary.
- If you retired prior to January 1, 2001:

Your total annual pay is your **annual rate of pay** at the time of retirement plus any bonuses, incentives and merit awards paid within the 12 months prior to your date of retirement (if these amounts are considered a part of your compensation for the normal work schedule), rounded to the next higher \$1,000. Total annual pay does *not* include differentials, overtime pay, extra payments or allowances that are considered temporary.

**If you were paid under a Sales Incentive Plan, and:**

- If you retired on or after January 1, 2005:
  - Your total annual pay is your **annual rate of pay** plus target sales target incentive.
  - Total annual pay for a calendar year is determined in the prior calendar year (the determination date is established by the **Company** each year on a uniform and non-discriminatory basis), rounded up to the next higher \$1,000.
- If you retired prior to January 1, 2005:

Your total annual pay for life insurance purposes is your **annual rate of pay** at the time of retirement plus one third of the incentive compensation paid to you over the 36 months immediately before retirement. Added to this figure are any bonuses outside the incentive plan paid within the last 12 months prior to your retirement when they are considered a part of your compensation for the normal work schedule. The figure is then rounded up to the next higher \$1,000. If you had not been on that incentive plan for 36 months, a portion of your full salary equivalent is assumed as your incentive compensation paid for those months before going on that incentive plan. The incentive plan you are on at your time of retirement is used to determine your monthly rate of pay and your full salary equivalent.

# Section J. Important Contacts

This list of contacts and resources includes information about whom to contact depending on your specific need:

Contact/Service Provided	Address/Telephone Number
<p><b><i>MetLife Recordkeeping Center:</i></b>                      Contact to report a death or other covered loss; to request a Notice of Conversion (basic life insurance coverage), Assignment Form, Declaration of Domestic Partnership, or Beneficiary Form; or to submit a Power of Attorney/Divorce Decree.</p>	<p><b><i>Write to or call:</i></b>                      Metlife Recordkeeping Center                      P.O. Box 14401                      Lexington KY 40512-4401                      1-888-201-4612</p>
<p><b><i>MetLife Group Universal Life (GUL) Insurance Dept. (Group Universal Life Insurance Coverage only):</i></b>                      Contact for all questions related to the GUL product.</p>	<p><b><i>Write to or call:</i></b>                      MetLife                      P.O. Box 14402                      Lexington, KY 40512-4402                      1-800-523-2894</p>
<p><b><i>MetLife National Accounts Division:</i></b>                      All other questions about the Life Insurance Plans or legal actions, excluding claims or appeals under the Life Insurance Plans.</p>	<p><b><i>Write to:</i></b>                      MetLife                      501 U.S. Highway 22                      P.O. Box 6891                      Bridgewater, NJ 08807-0891</p>
<p><b><i>Plan Administrator:</i></b>                      Contact to request Plan documents.</p>	<p><b><i>Write to:</i></b>                      Plan Administrator                      Alcatel-Lucent USA, Inc.                      600 Mountain Avenue                      Room 7C-415                      Murray Hill, NJ 07974</p>

Section J. Important Contacts

Contact/Service Provided	Address/Telephone Number
<p><b><i>Alcatel-Lucent Benefits Center</i></b>                      Handles recordkeeping with respect to coverage and election amounts. Contact to decrease or cancel coverage.</p> <p>Alcatel-Lucent Benefits Center representatives are available Monday through Friday, from 9:00 a.m. to 5:00 p.m., Eastern Time (ET).</p>	<p><b><i>Write, call or log on to:</i></b>                      Alcatel-Lucent Benefits Center                      2300 Discovery Drive                      P.O. Box 785029                      Orlando, FL 32878-5029                      1-888-232-4111</p>
<p><b><i>Your Benefits Resources</i></b></p>	<p><a href="http://resources.hewitt.com/alcatel-lucent">http://resources.hewitt.com/alcatel-lucent</a></p>

## Section K. Other Important Information

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

### Your Rights Under ERISA

You are entitled to certain rights and protection under ERISA. These rights are described in this section.

ERISA provides that all Life Insurance Plan participants are entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, all documents governing the Life Insurance Plans, including insurance contracts, and copies of the latest annual reports (Form 5500 Series) filed by the Life Insurance Plans 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 Life Insurance Plans, including insurance contracts, copies of the latest annual reports (Form 5500 Series), and updated summary plan descriptions. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Life Insurance Plans' annual financial reports. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

In addition to establishing rights for Life Insurance Plan participants, ERISA imposes duties on the people responsible for the operation of the Life Insurance Plans. The people who operate the Plans, called "fiduciaries," have a duty to do so prudently and in the interest of all Life Insurance Plan participants and beneficiaries. No one, including the **Company**, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your ERISA rights.

If your claim for a welfare benefit is denied or ignored, in whole or in part, you must receive a written explanation of the reason for the denial. You have the right 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 Life Insurance Plan documents or the latest annual report from the Life Insurance 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, you may also file suit in federal court if you disagree with the Life Insurance Plan's decision or lack thereof concerning the qualified status of a domestic relations order.

If it should happen that Life Insurance Plan fiduciaries misuse the Life Insurance 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 Plans, you should contact the Alcatel-Lucent Benefits Center, the insurer, or the Plan Administrator (see "Important Contacts"). 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 write to:

Division of Technical Assistance and Inquiries  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue NW  
Washington, D.C. 20210

You may also obtain publications about your rights under ERISA by calling the Employee Benefits Security Administration at 1-866-444-3272 or logging on to the Internet at [www.dol.gov.ebsa](http://www.dol.gov.ebsa).

## Plan Funding and Payment of Benefits

The costs associated with providing you basic life insurance coverage during retirement are paid by the Lucent Technologies Inc. Postretirement Welfare Benefits Trust for Non-Represented Employees. You pay the full cost for any group universal life insurance coverage.

## Life Insurance Plan Documents

This summary plan description was designed to describe the key features of the Life Insurance Plans available to eligible retirees in easy-to-understand terms. However, it is the Life Insurance Plan documents and insurance contracts that determine your rights and the rights of your dependents and/or beneficiaries under the Life Insurance Plans. In all instances, even if this summary plan description and the Life Insurance Plan documents are in conflict, the Life Insurance Plan documents will govern.

## Life Insurance Plans May Be Amended or Terminated

The Company expects to continue the Life Insurance Plans, but reserves the right to amend or terminate the Life Insurance Plans, in whole or in part, at any time by the resolution of the Board of Directors or a properly authorized designee. In addition, the Company does not guarantee the continuation of any life insurance benefits during employment or at or during retirement nor does it guarantee any specific level of benefits or contributions.

## Plan Administrator and the Claims Administrators

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

The Plan Administrator may allocate or delegate its responsibilities for the administration of the plan to others and employ others to carry out or render advice with respect to its responsibilities under each of the Life Insurance Plans, including the discretionary authority to interpret and construe the terms of the Life Insurance Plans, to direct disbursements, and to determine eligibility for Life Insurance Plan benefits.

The Plan Administrator has delegated its responsibility to review claims relating to eligibility to participate in the Life Insurance Plans to the Eligibility Review Committee. The Plan Administrator has delegated its responsibility to review appeals of denied claims relating to eligibility to participate in the Life Insurance Plans to the

Employee Benefit Committee. The Plan Administrator has delegated its responsibility to review all other claims and appeals relating to benefits under the Life Insurance Plans to the insurer. The Plan Administrator has delegated its other administrative responsibilities under the Life Insurance Parties as described in the "Important Contacts" section.

## Administrative Information

<b>Plan Name</b> (basic life insurance coverage)	Alcatel-Lucent Retiree Welfare Benefits Plan. Subplan: Alcatel-Lucent Life Insurance Plan for Retired Employees.
<b>Plan Name</b> (group universal life insurance coverage)	Alcatel-Lucent Group Term Life Insurance Plan
<b>Plan Sponsor</b>	Alcatel-Lucent USA Inc.
<b>Type of Administration</b>	Generally, the Plans are underwritten and administered by the Metropolitan Life Insurance Company. However, enrollment and eligibility are administered by the Alcatel-Lucent Benefits Center.
<b>Plan Administrator</b>	Life Insurance Plans Administrator Alcatel-Lucent 600 Mountain Avenue, Room 7C-415 Murray Hill, New Jersey 07974 1-908-582-7140
<b>Agent for Service of Legal Process</b>	Legal actions regarding a claim should be sent to the applicable Alcatel-Lucent Benefits Center. All other legal actions should be sent to the Plan Administrator or the insurer.
<b>Plan Records and Plan Year</b>	The Plans and all its records are maintained on a calendar year basis, beginning on January 1 and ending on December 31 of each year.
<b>Type of Plan</b>	The Plans are each considered an "employee welfare benefit plan" under the Employee Retirement Income Security Act of 1974, as amended (ERISA).
<b>Plan Numbers</b>	504 (Alcatel-Lucent Retiree Welfare Benefits Plan) 509 (Alcatel-Lucent Group Term Life Insurance Plan)
<b>EIN</b>	22-3408857