



COMING SOON:
ENHANCEMENTS TO YOUR
ALCATEL-LUCENT SAVINGS/401(k) PLAN
EFFECTIVE APRIL 1, 2014

SUMMARY OF ENHANCEMENTS

Through the Alcatel-Lucent Savings/401(k) Plan,* we strive to offer Plan participants services that will help them achieve their retirement goals as well as diverse, competitive and low-cost investment funds. With this in mind, we are making enhancements to the Plan. Here's a summary of those enhancements:

- **The International Equity Index Fund** will be added as a new investment option to provide you with an efficient, low-cost way to participate in the earnings and growth potential of international stocks.
- **The Retirement Date Funds** will add a new underlying US Large Cap Equity Index Fund to help manage overall cost. In addition, some of the funds' asset mixes will change to further customize the funds for our participant base.
- **Income+ will be added** as a new feature within the Professional Management Program to help you plan for your future income needs if you are close to or already in retirement.

IF YOU TAKE NO ACTION...

These changes will happen automatically. That said, now may be a good a time for you to review your investment strategy, consider your approach to retirement savings, and take advantage of the tools and resources available to you in the Alcatel-Lucent Savings/401(k) Plan.

PLEASE READ THE INFORMATION IN THIS GUIDE CAREFULLY.

*This refers to both the Alcatel-Lucent Savings Plan and the Lucent Technologies Inc. Long Term Savings and Security Plan.



WHY ARE THESE ENHANCEMENTS BEING MADE?

We continuously change and enhance the Plan's tools and resources and the mix of investment funds offered so that the Plan can continue to help you achieve your retirement goals.

WHAT THIS MEANS TO YOU & KEY DATES

All of these changes will happen automatically, so there is no action you will be required to take. However, if you are currently invested in one of the Retirement Date Funds, or you want to invest in the new International Equity Index Fund, you should read this brochure carefully and consider taking action.

WHAT'S HAPPENING?	WHAT CAN YOU DO?	WHEN?
The International Equity Index Fund will be added to the Plan's investment fund lineup		
The International Equity Index Fund will be added to the Plan's investment fund lineup on April 1, 2014.	<ul style="list-style-type: none"> Refer to page 4 as well as the Additional Fund Information section of this brochure to review detailed information about this fund. If you are interested in transferring a balance or changing your investment elections to invest in this fund, log on to your account on or after April 1, 2014 at http://resources.hewitt.com/alcatel-lucent or call the Alcatel-Lucent Benefits Center at 1-888-232-4111 (select the "Retirement and Investments" option) between the hours of 9:00 a.m. and 5:00 p.m. ET, Monday through Friday. 	This fund will be available beginning on April 1, 2014.
The Retirement Date Funds will change		
<p>The following changes will be automatically made to the Retirement Date Funds on April 1, 2014:</p> <ul style="list-style-type: none"> The US Large Cap Equity Index Fund will be introduced into the Retirement Date Funds. The allocation to equities will increase for eight of the 13 Retirement Date Funds to further customize them for our participant base. 	<p>Refer to page 6 as well as the Additional Fund Information section of this brochure to review detailed information about the Retirement Date Funds.</p> <p>If you want to take action before the changes take effect, you may:</p> <ul style="list-style-type: none"> Transfer your current balance (or portion of your balance) in the Retirement Date Funds into any other Plan fund (or funds). Change your investment elections for future contributions (if you are currently contributing to the Plan) from the Retirement Date Funds to any other Plan fund (or funds). <p>To do either of the above before the changes take effect, log on to your account before 4:00 p.m. ET on March 31, 2014 at http://resources.hewitt.com/alcatel-lucent or call the Alcatel-Lucent Benefits Center at 1-888-232-4111 (select the "Retirement and Investments" option) between the hours of 9:00 a.m. and 5:00 p.m. ET, Monday through Friday.</p>	You can take action before the changes to the Retirement Date Funds take effect anytime before 4:00 p.m. ET on March 31, 2014.
Income+ will be added as a feature to the Professional Management Program		
Income+, a feature that can help you plan for your retirement income needs, will be offered to participants enrolled in the Professional Management Program.	<p>Refer to page 9 of this brochure to review further information about this program.</p> <p>If you are interested in enrolling in the Professional Management Program, log on to your account at http://resources.hewitt.com/alcatel-lucent or call the Alcatel-Lucent Benefits Center at 1-888-232-4111 (select the "Retirement and Investments" option and then "Investment Advice") between the hours of 9:00 a.m. and 9:00 p.m. ET, Monday through Friday.</p>	The Income+ feature will be offered beginning on April 1, 2014, but you can enroll in the Professional Management Program at any time.

YOUR INVESTMENT FUNDS

INVESTMENT FUND LINEUP EFFECTIVE APRIL 1, 2014

The Alcatel-Lucent Savings/401(k) Plan's investment fund lineup offers a broad range of choices. By choosing from among the Plan's investment funds, you have the ability to create an investment portfolio with the risk and return characteristics that are right for you. The relative risk and return characteristics for the Plan's investment funds, by asset class, are shown below.

Categories to the left have lower risk/return potential

Categories to the right have higher risk/return potential

FIXED INCOME			REAL ASSETS	US EQUITY			INT'L EQUITY
Money Market Fund	Short Term Bond Fund	Bond Fund	Balanced Real Asset Fund	US LargeCap Value Equity Fund	US Equity Index Fund* US MidCap Equity Fund US SmallCap Equity Fund	US LargeCap Growth Equity Fund	International Equity Index Fund NEW! International Equity Fund

*Previously referred to as the "Equity Index Fund."

The Plan also offers 13 **Retirement Date Funds**, which automatically adjust their portfolio mixes as the funds move toward their target dates and beyond. Funds farthest away from their target dates start out invested almost entirely in equities to emphasize the growth potential you need to build wealth over the long term. As you move toward and into retirement, the fund automatically adjusts the mix of investments to reflect your changing investment objectives.

This spectrum is based on general asset class categories and not on the actual investment funds and their holdings, which may be different than what is depicted here. Risk associated with the investment funds can vary within each particular asset category, and the relative risk of categories may change under certain economic conditions. For a more complete discussion of risk associated with the investment funds, please read the Plan's Fund Fact Sheets before making your investment decisions. The spectrum does not represent actual or implied performance.



TOOLS & RESOURCES

The tools available to you through Aon Hewitt Financial Advisors in partnership with Financial Engines can help you to decide how to invest your Plan account among the various investment funds depending on your retirement goals. **See page 8 for more information on the investment advice and investment management services available to you under the Alcatel-Lucent Savings/401(k) Plan.**

INTERNATIONAL EQUITY INDEX FUND

The International Equity Index Fund's investment goal is to match the return and risk of the MSCI World ex US Index (net dividend). Please read the **Additional Fund Information** section for important information regarding the International Equity Index Fund. That section contains important risk information and fee and expense disclosures that you should read carefully before deciding whether to invest.

Effective April 1, 2014, the Fund will be managed by BlackRock Institutional Trust Company, in a commingled fund.¹

HOW MUCH SHOULD YOU INVEST?

The tools available to you through Aon Hewitt Financial Advisors in partnership with Financial Engines can help you to decide what percentage of your Plan account you may want to allocate to the International Equity Index Fund depending on your retirement goals. **See page 8 for more information on the investment advice and investment management services** available to you under the Alcatel-Lucent Savings/401(k) Plan.



CONSIDER THE INTERNATIONAL EQUITY INDEX FUND IF:

- **You have a greater tolerance for risk or are looking to diversify your portfolio with a fund that has a lower correlation to bonds, and**
- **You want an efficient, low-cost way to participate in the earnings and long-term growth potential of international stocks.**

Note: Going forward, the Plan's "Equity Index Fund" will be referred to as the "US Equity Index Fund" to distinguish between the Plan's two index fund offerings. No other changes are being made to the US Equity Index Fund.

¹A commingled fund is an investment fund created by a bank or trust company for employee benefit plans, such as 401(k) plans, that pools the assets of more than one employee benefit plan or trust for investment purposes. Commingled funds are governed by rules and regulations that apply to banks and trust companies instead of being registered with the SEC. These funds are also referred to as collective investment funds.

INDEX FUNDS VS. ACTIVELY-MANAGED EQUITY FUNDS

The Alcatel-Lucent Savings/401(k) Plan offers both index funds and actively-managed equity funds that can help you build wealth over the long term.

- **Index Funds.** These are funds that do not attempt to “beat the market.” Instead, they try to track an index closely without incurring high expenses.
- **Actively-Managed Funds.** These are funds that will attempt to outperform an index by choosing a combination of stocks that the fund manager believes will perform well.

WHAT'S THE TRADE OFF?

With an index fund, you give up the opportunity to outperform the market, but an index fund tends to be much lower cost.

With actively-managed equity funds, you have a larger range of potential outcomes – meaning that there is the possibility of outperforming, or underperforming, the benchmark – and you pay relatively higher fees and expenses compared to index funds for that opportunity to outperform. Over time, actively managed funds can be expected to outperform their benchmarks net of fees and expenses.

REMEMBER TO DIVERSIFY!

Whether you choose to put your savings in index funds, actively-managed funds or a combination of both, remember that, although it does not guarantee against loss, diversification plays an important role in reaching long-range retirement goals while minimizing risk.



WHY CONSIDER COSTS?

Assume you have 35 years until retirement and savings of \$25,000.

If returns on investments over the next 35 years average 7% and fees and expenses reduce your returns by 0.5%, your account will grow to \$227,000 at retirement, even if there are no further contributions to your account.

If fees and expenses are 1.5%, however, your account will grow to only \$163,000.

The 1% difference in fees and expenses would reduce your account balance at retirement by 28%!

Fees and expenses are only one of several factors that you should consider when investing your Plan account.

Source: US Department of Labor

CHANGES TO THE RETIREMENT DATE FUNDS

Retirement Date Funds provide a simple, diversified, single-fund approach to investing.

The Retirement Date Funds are not an off-the-shelf product. They have been customized by AllianceBernstein L.P. specifically for Alcatel-Lucent Savings/401(k) Plan participants. The design of the Funds takes into consideration information about our Plan's participants, such as age, salary, savings rate and Alcatel-Lucent's other retirement benefits.

Each Retirement Date Fund offers a diversified mix of investments, combining a variety of different underlying equity, bond and inflation-sensitive funds. Each Retirement Date Fund has a date in its name – this is the Fund's "target date." The target date is the approximate year when you might expect to retire and begin gradually withdrawing from your Plan account.

The changes to the Retirement Date Funds are being made to further customize the Funds for the Alcatel-Lucent Savings/401(k) Plan participant base. Effective April 1, 2014, the Retirement Date Funds will combine both index funds and actively-managed funds to manage overall costs while providing a diversified asset mix and the potential for outperformance. Additionally, eight of the 13 Retirement Date Funds will increase their allocations to underlying equity funds.²

If you are not currently invested in a Retirement Date Fund, you may want to read more about how the Retirement Date Funds work to see if they are right for you. Please read the **Additional Fund Information** section for important information regarding the Retirement Date Funds and their new investment mixes. That section also contains important risk information and fee and expense disclosures that you should read carefully before deciding whether to invest.



CHANGES TO THE RETIREMENT DATE FUNDS EFFECTIVE APRIL 1:

- **A new underlying component, the US Large Cap Equity Index Fund, was specifically created for inclusion in the Retirement Date Funds to help manage overall cost.**
- **Eight of the 13 Retirement Date Funds will increase their exposures to equities to help build wealth over the long term and to help reduce the risk of depleting your money during retirement.**

As a result of these changes, investment management fees for the Retirement Date Funds will decrease.

²Effective April 1, 2014, the Retirement Date Income Fund, the Retirement Date 1995 Fund, the Retirement Date 2000 Fund, the Retirement Date 2005 Fund, the Retirement Date 2010 Fund, the Retirement Date 2015 Fund, the Retirement Date 2020 Fund, the Retirement Date 2025 Fund and the Retirement Date 2030 Fund will increase their allocations to equities. Refer to [page 13](#) for fund composition and weights.

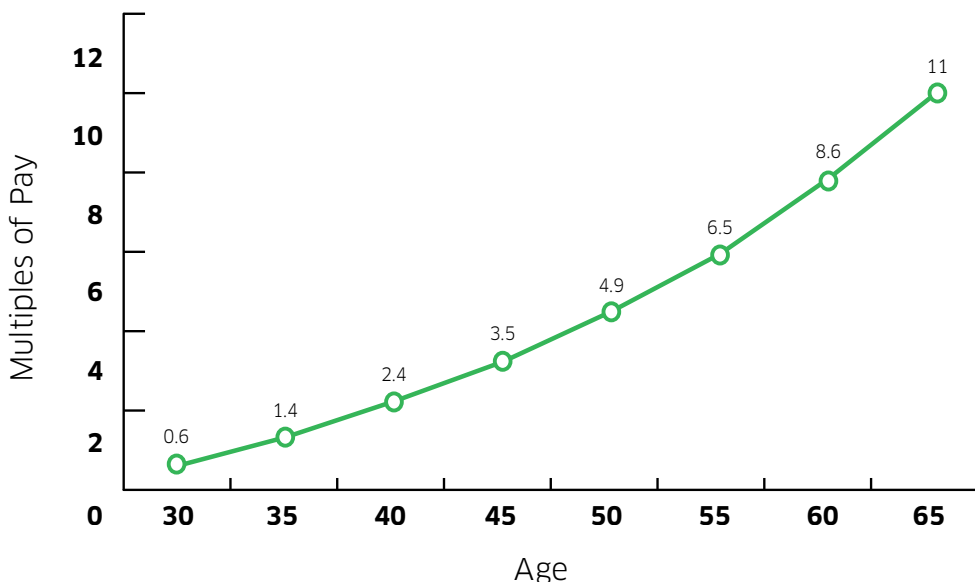
BOOST YOUR RETIREMENT SAVINGS – WHATEVER YOUR AGE

Are You Actively Working?

Research shows that to maintain your lifestyle into retirement, you might need savings of at least 11 times your final year's salary. That's in addition to what you might receive from Social Security.

So, if your pay is \$50,000 a year when you retire, you may need savings of 11 times that amount – or \$550,000. Of course, the exact amount is different for everyone, and depends on your expenses and other factors, including your health.

For example, if you're 50 and have been saving consistently, your total retirement savings would be equal to approximately 4.9 times your current pay if you're working toward a goal of 11 times your final year's salary. Take a look at the graph below to see where you stand and consider whether you want to increase your contributions.



Source: The Real Deal: 2012 Retirement Income Adequacy at Large Companies, published by Aon Hewitt.

Close to Retirement?

If you're currently contributing to a 401(k) plan, either at Alcatel-Lucent or with another employer, and you are over age 50, you may want to consider making catch-up contributions. Catch-up contributions are designed to help you make up any retirement savings shortfall by bumping up the pre-tax amount you can save in the years leading up to retirement. This has the double benefit of helping beef up your retirement savings while deferring taxes.

Already Retired?

If you have other sources of retirement income, such as Social Security or another employer plan account, it's important to consider the tax implications of when and how you access each source. You may wish to consult with a professional tax advisor before taking a payment from the Plan.

THE ALCATEL-LUCENT SAVINGS/401(K) PLAN OFFERS TWO SERVICES THROUGH AON HEWITT FINANCIAL ADVISORS (“AFA”) IN PARTNERSHIP WITH FINANCIAL ENGINES

The Alcatel-Lucent Savings/401(k) Plan offers you services through AFA that can help whether you’re comfortable building your own portfolio or if you would rather it be done for you.

- **Online Advice** – If you are confident making investment decisions and you actively adjust your portfolio to stay on track, then Online Advice may be right for you. The Online Advice service takes into account your specific retirement goals to offer you personalized recommendations about how much to save, which funds to choose, and how much to invest in each of the Plan’s funds. The cost of this service is already included in the Plan’s expenses, so there is no additional cost to you when you use it.
- **Professional Management** – If you want help getting on track and staying there with the option of being highly involved or just occasionally checking in, then Professional Management may be right for you. AFA will provide ongoing monitoring and care of your Plan account – from analyzing your fund choices to selecting a personalized investment mix. Plus, AFA will create your personalized retirement plan, handle the transactions, and update your Plan account to help you stay on track. As part of this service, you’ll be able to speak with an AFA representative to answer your questions. There is an additional fee for this service.

Continue reading the following page to learn about the Income+ feature that will become available April 1, 2014.



FOR MORE INFORMATION

To access the services offered through the Plan, please log on to your account at <http://resources.hewitt.com/alcatel-lucent> and select “Use Retirement Advice Tools.”

Or call the Alcatel-Lucent Benefits Center at 1-888-232-4111 and select the “Retirement and Investments” option and then the “Investment Advice” option to speak with an AFA representative. They’re available between 9:00 a.m. and 9:00 p.m. ET, Monday through Friday.

Alcatel-Lucent has hired Aon Hewitt Financial Advisors to provide investment advisory services to Plan participants. Aon Hewitt Financial Advisors LLC (AFA) has hired Financial Engines Advisors L.L.C. (FEA) to provide sub-advisory services. AFA is a federally registered investment advisor and wholly-owned subsidiary of Hewitt Associates LLC. FEA is a federally registered investment advisor and wholly-owned subsidiary of Financial Engines, Inc. Neither AFA nor FEA guarantees future results.

PROFESSIONAL MANAGEMENT WITH **INCOME+**

AVAILABLE STARTING APRIL 1, 2014

If the Alcatel-Lucent Savings/401(k) Plan is or will be an important source of income in your retirement, **Professional Management with Income+** can help protect that income. It is designed for those over age 60, and you'll get the benefits of Professional Management as well as the optional Income+ feature.

AFA can offer help in the following three areas with Income+:

- **Help with preservation.** As you near retirement, it becomes important to preserve what you've saved, and you may be ready for an investment strategy that balances growth with safety. AFA can manage and monitor your Plan account with this goal in mind.
- **Help with planning.** You can speak to an AFA representative for a Retirement Checkup. You'll discuss when you might be able to retire, what sources of income you'll have in retirement, and how much you may be able to spend.
- **Help with payouts.** If and when you're ready, AFA can arrange monthly payouts from your Plan account that can last throughout your retirement. You'll get *income* plus *flexibility*. AFA seeks to manage your Plan account to create payouts that last into your early 90s. If you think you'll want payouts longer than that and want a lifetime guarantee, you may also consider an optional annuity purchase from outside the Plan.

There is an additional fee for the Professional Management service, which may be used with or without the Income+ feature. Electing Income+ does not increase the cost of the Professional Management program.



WATCH THE MAIL IN MAY!

- **If you are over age 60 and enrolled in the Professional Management program, you will get more information about Income+.**
- **If you are not enrolled in Professional Management, you will receive a personalized Retirement Evaluation assessing your investments and savings, and including your retirement income projection.**

With Aon Hewitt Professional Management with Income+, payouts begin in your retirement at your request. Neither Aon Hewitt Financial Advisors nor Financial Engines guarantees payout amounts or payouts for life. Annuities are issued by an insurance company and not by Aon Hewitt Financial Advisors or Financial Engines. The annuity contract's financial guarantees are solely the responsibility of the issuing insurance company.

INTERNATIONAL EQUITY INDEX FUND

Fund Objective: The goal of the Fund is to match the return and risk of the MSCI World ex US Index (net dividend) (the "Benchmark").

Fund Information:

- Fund Availability in the Plan: 4/1/2014
- Fund Manager (as of 4/1/2014): BlackRock Institutional Trust Company
- Benchmark: MSCI World ex US Index (net dividend)
- Estimated total fees and expenses: 0.11%
- Number of holdings as of 12/31/2013: 1,006
- Short-term trading fee: This Fund carries a short-term trading fee of 2% for units held less than 31 days.

Estimated Annualized Fees and Expenses: Because actual investment management fees, certain Plan costs, and total Plan assets cannot be known in advance, the total fees and expenses charged to the International Equity Index Fund could be different from what is shown below. The cumulative effect of fees and expenses can substantially reduce an investment's return. Fees and expenses are only one of several factors that you should consider when investing your Plan account.

Fund Strategy: The International Equity Index Fund seeks to match the risk and return of the MSCI World ex US Index (net dividend) by investing in the stocks that make up the index. The MSCI World ex US Index (net dividend) consists of securities of companies based primarily outside the United States, including Europe, Canada, Australia and Asia Pacific.

Risk: Stock markets, especially foreign markets, are volatile and can decline in response to activities of individual companies, or adverse issuer, political, regulatory, market or economic developments. Foreign securities and currencies are subject to interest-rate, currency exchange rate, economic and political risks. Unit price and return of the Fund will vary.

FUND NAME	ESTIMATED ANNUALIZED FEES AND EXPENSES (AS A % OF ASSETS INVESTED)			ESTIMATED ANNUALIZED FEES AND EXPENSES (PER \$1,000 INVESTED)		
	Investment Management Fee + Other Fees & Expenses [§] = Total Fees & Expenses			Investment Management Fee + Other Fees & Expenses [§] = Total Fees & Expenses		
INTERNATIONAL EQUITY INDEX FUND	0.05%	0.06%	0.11%	\$0.50	\$0.60	\$1.10

[§]Other Fees and Expenses is comprised of the investment fund's share of Plan-wide audit and legal fees, participant communications costs, fiduciary services costs, investment advice fees, plan administrator costs, recordkeeping fees and trustee/custodial fees. For institutional commingled funds, Other Fees and Expenses also includes administration fees charged by the fund's administrator.

INTERNATIONAL EQUITY INDEX FUND (CONT'D)

Performance Gross of Investment Management Fees as of December 31, 2013:

The performance figures shown below are the results for the MSCI World Equity ex US Fund F, the commingled fund in which the International Equity Index Fund will invest. This performance and benchmark information was provided by BlackRock Institutional Trust Company and is not an indication of how the International Equity Index Fund or the MSCI World Equity ex US Fund F will perform in the future. Performance shown here includes an accrual for fund level administrative costs, but is not reduced to reflect investment management fees, which further decreased the return of the MSCI World Equity ex US Fund F.

Performance for the International Equity Index Fund and its benchmark, as of June 30, 2014, will be available on Your Benefits Resources and in the Quarterly Fund Performance Review in July.

ANNUAL TOTAL RETURNS %	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
MSCI WORLD EQUITY EX US FUND F	20.54	17.61	-11.79	9.24	32.26	-42.51	12.73	25.89	14.69	20.48	39.20
MSCI WORLD EX US INDEX (NET DIVIDEND)	21.02	16.41	-12.21	8.95	33.67	-43.56	12.44	25.71	14.47	20.38	39.42

ANNUALIZED TOTAL RETURNS %	1 YEAR	3 YEAR	5 YEAR	10 YEAR	LIFE*
MSCI WORLD EQUITY EX US FUND F	20.54	7.74	12.56	7.37	9.10
MSCI WORLD EX US INDEX (NET DIVIDEND)	21.02	7.34	12.49	7.07	8.80

*Life of Fund performance is measured from 7/30/2002 (the inception date of the MSCI World Equity ex US Fund F) through 12/31/13.

The returns include the reinvestment of dividends and other earnings. Investment return and principal value of an investment in the International Equity Index Fund will fluctuate, so that units, when redeemed, may be worth more or less than their original cost. An investment cannot be made directly in an index.

RETIREMENT DATE FUNDS

Fund Objective: Retirement Date Funds provide a simple, diversified, single-fund approach to investing. Each Retirement Date Fund offers a diversified mix of investments, combining a variety of different underlying equity, bond and inflation-sensitive funds. Each Retirement Date Fund seeks to maximize total return over time (total return includes capital appreciation and income) consistent with the Fund's investment mix.

Fund Information:

- Fund Availability in the Plan: 4/1/2011
- Fund Manager (since 4/1/2011): AllianceBernstein L.P.
- Benchmark: Custom Benchmark³

Estimated Annualized Fees and Expenses: [See page 14.](#)

Fund Description: Each Retirement Date Fund (except the Retirement Date Income Fund) has a date in its name – the Fund's "target date." The target date is the approximate year when you might expect to retire and begin gradually withdrawing from your Plan account. The Retirement Date Fund's portfolio mix automatically adjusts as the target date approaches. Funds that are farthest away from their target dates start out invested almost entirely in equities – to emphasize the growth potential you need to build wealth over the long term. As you move toward, and into, retirement, the Fund automatically adjusts the mix of investments to reflect changing investment objectives. As structured effective 4/1/14, when the Fund reaches its target date, the investment mix is 53% equities, 10% real assets and 37% bonds. The Fund's final investment mix, 20 years after the target date, is 26% equities, 7% real assets and 67% bonds. Retirement Date Funds include equities beyond their target date to help protect your savings from losing purchasing power due to inflation and to help reduce the risk of your depleting your money during retirement. (Funds that previously reached their target dates or final investment mix had the structure that was in effect at that time.)

Risk: Retirement Date Funds are subject to the volatility of the financial markets, including equity and fixed income investments in the U.S. and abroad and may be subject to risks associated with investing in high yield, small/mid-cap and foreign securities. Investments in Retirement Date Funds are not guaranteed against loss of principal. At any time, your balance in the Fund can be more or less than the original amount you contributed – including at the Fund's target date. Also, investing in a Retirement Date Fund does not guarantee sufficient income in retirement. Unit price, yield and return of the Funds will vary.

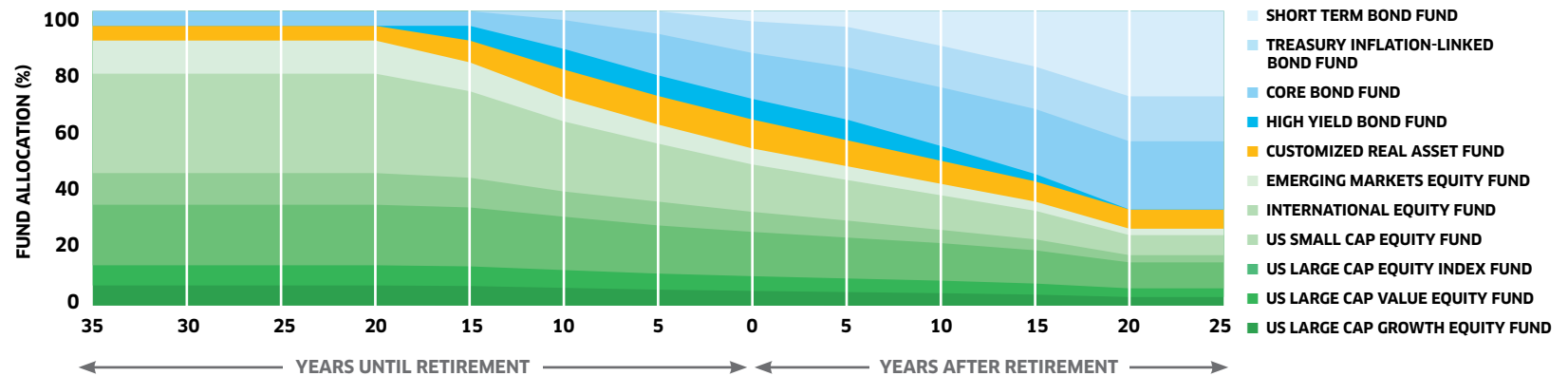
Performance: Performance for the Retirement Date Funds and their benchmarks, as of June 30, 2014, will be available on Your Benefits Resources and in the Quarterly Fund Performance Review in July.

³The benchmark for each Retirement Date Fund is a composite benchmark that has the same target asset allocation as the Fund's target asset allocation and uses index returns to represent performance of the underlying funds. The benchmark returns are calculated by weighting the monthly index returns of each underlying fund's benchmark by the Fund's monthly target allocation for underlying funds. Target allocations adjust quarterly in accordance with the Retirement Date Fund's asset allocation design. Effective April 1, 2014, in the custom benchmark's calculation, the Russell 1000 Index will be used to represent the US Large Cap Equity Index Fund, the Russell 1000 Growth Index will be used to represent the allocation to the US Large Cap Growth Equity Fund, the Russell 1000 Value Index will be used to represent the US Large Cap Value Equity Fund, the Russell 2000 Index will be used to represent the US Small Cap Equity Fund, the MSCI World ex US Index (net dividend) will be used to represent the International Equity Fund, the MSCI Emerging Markets Index will be used to represent the Emerging Markets Equity Fund, the Barclays US TIPS Index will be used to represent the Treasury Inflation-Linked Bond Fund, a separate custom benchmark* will be used to represent the Customized Real Asset Fund, the Citigroup High Yield Market Capped Index will be used to represent the High Yield Bond Fund, the Barclays US Aggregate Index will be used to represent the Core Bond Fund, and the Barclays 1-3 Year Government/Credit Index will be used to represent the Short Term Bond Fund.

*The custom benchmark for the Customized Real Asset Fund is comprised of: 50% MSCI ACW Commodity Producers Index, 25% Dow Jones UBS Commodity Index, and 25% Barclays US TIPS 1-10 Year Index.

RETIREMENT DATE FUNDS (CONT'D)

The following charts show the allocation to each underlying investment fund, effective April 1, 2014, and how the asset mix changes over time.



	YEARS UNTIL RETIREMENT								YEARS AFTER RETIREMENT				
	35	30	25	20	15	10	5	0	5	10	15	20	25
SHORT TERM BOND FUND	–	–	–	–	–	–	–	3.48	5.33	11.78	18.85	28.95	28.95
TREASURY INFLATION-LINKED BOND FUND	–	–	–	–	–	3.05	7.73	10.75	13.75	14.10	14.38	15.25	15.25
CORE BOND FUND	5.00	5.00	5.00	5.00	5.00	9.80	14.10	15.58	17.73	19.93	22.08	23.15	23.15
HIGH YIELD BOND FUND	–	–	–	–	5.00	7.00	7.00	7.00	7.00	5.00	2.50	–	–
CUSTOMIZED REAL ASSET FUND	5.00	5.00	5.00	5.00	7.40	9.60	9.70	9.83	8.83	7.83	6.85	6.53	6.53
EMERGING MARKETS EQUITY FUND	11.25	11.25	11.25	11.25	9.80	8.03	6.48	5.45	4.68	3.90	3.13	2.18	2.18
INTERNATIONAL EQUITY FUND	33.75	33.75	33.75	33.75	29.38	23.78	19.68	16.08	13.78	11.75	9.70	6.80	6.80
US SMALL CAP EQUITY FUND	10.75	10.75	10.75	10.75	10.08	8.55	8.08	6.80	5.78	4.48	3.73	2.45	2.45
US LARGE CAP EQUITY INDEX FUND	20.55	20.55	20.55	20.55	20.01	18.12	16.35	15.03	13.89	12.75	11.28	8.82	8.82
US LARGE CAP VALUE EQUITY FUND	6.85	6.85	6.85	6.85	6.67	6.04	5.45	5.01	4.63	4.25	3.76	2.94	2.94
US LARGE CAP GROWTH EQUITY FUND	6.85	6.85	6.85	6.85	6.67	6.04	5.45	5.01	4.63	4.25	3.76	2.94	2.94
TOTAL BONDS	5	5	5	5	10	20	29	37	44	51	58	67	67
TOTAL REAL ASSETS	5	5	5	5	7	10	10	10	9	8	7	7	7
TOTAL EQUITIES	90	90	90	90	83	71	61	53	47	41	35	26	26

This chart does not represent any particular Retirement Date Fund. It is meant to show how the investment mix of any Retirement Date Fund changes over a lifetime. Numbers may not sum due to rounding.

The US Large Cap Equity Index Fund will be managed by BlackRock Institutional Trust Company effective April 1, 2014.

RETIREMENT DATE FUNDS (CONT'D)

Estimated Annualized Fees and Expenses: As a result of the changes, effective April 1, 2014, investment management fees for the Retirement Date Funds will decrease. Because actual investment management fees, certain Plan costs, and total Plan assets cannot be known in advance, the total fees and expenses charged to the Retirement Date Funds could be different from what is shown below. Fees and expenses are only one of several factors that you should consider when investing your Plan account.

FUND NAME	ESTIMATED ANNUALIZED FEES AND EXPENSES (AS A % OF ASSETS INVESTED)			ESTIMATED ANNUALIZED FEES AND EXPENSES (PER \$1,000 INVESTED)		
	Investment Management Fee	+ Other Fees & Expenses [§]	= Total Fees & Expenses	Investment Management Fee	+ Other Fees & Expenses [§]	= Total Fees & Expenses
RETIREMENT DATE INCOME FUND	0.27%	0.06%	0.33%	\$2.70	\$0.60	\$3.30
RETIREMENT DATE 1995 FUND	0.27%	0.06%	0.33%	\$2.70	\$0.60	\$3.30
RETIREMENT DATE 2000 FUND	0.30%	0.06%	0.36%	\$3.00	\$0.60	\$3.60
RETIREMENT DATE 2005 FUND	0.33%	0.06%	0.39%	\$3.30	\$0.60	\$3.90
RETIREMENT DATE 2010 FUND	0.36%	0.06%	0.42%	\$3.60	\$0.60	\$4.20
RETIREMENT DATE 2015 FUND	0.38%	0.06%	0.44%	\$3.80	\$0.60	\$4.40
RETIREMENT DATE 2020 FUND	0.40%	0.06%	0.46%	\$4.00	\$0.60	\$4.60
RETIREMENT DATE 2025 FUND	0.42%	0.06%	0.48%	\$4.20	\$0.60	\$4.80
RETIREMENT DATE 2030 FUND	0.42%	0.06%	0.48%	\$4.20	\$0.60	\$4.80
RETIREMENT DATE 2035 FUND	0.41%	0.06%	0.47%	\$4.10	\$0.60	\$4.70
RETIREMENT DATE 2040 FUND	0.41%	0.06%	0.47%	\$4.10	\$0.60	\$4.70
RETIREMENT DATE 2045 FUND	0.41%	0.06%	0.47%	\$4.10	\$0.60	\$4.70
RETIREMENT DATE 2050 FUND	0.41%	0.06%	0.47%	\$4.10	\$0.60	\$4.70

[§]Other Fees and Expenses is comprised of the investment fund's share of Plan-wide audit and legal fees, participant communications costs, fiduciary services costs, investment advice fees, plan administrator costs, recordkeeping fees and trustee/custodial fees. For institutional commingled funds, Other Fees and Expenses also includes administration fees charged by the fund's administrator.

WHERE TO GET ADDITIONAL INFORMATION

More detailed information about the Plan's investment funds is contained in the **Fund Fact Sheets**. The most recently available Fund Fact Sheets may be found by visiting the BenefitAnswers Plus website at <http://www.benefitanswersplus.com/FundFactSheets.pdf> or when you view your Plan account at <http://resources.hewitt.com/alcatel-lucent>.

Most recent performance and fee-and-expense information may be found in the **Quarterly Fund Performance Review** available by visiting the BenefitAnswers Plus website at <http://www.benefitanswersplus.com/QuarterlyFundPerformanceReview.pdf> or when you view your account at <http://resources.hewitt.com/alcatel-lucent>.

A glossary of investment-related terms is available by visiting the BenefitAnswers Plus website at <http://www.benefitanswersplus.com/GlossaryofInvestmentTerms.pdf>.

To obtain current month-end performance information, to view your Plan account information, or to enroll in the Plan, log on to <http://resources.hewitt.com/alcatel-lucent> or contact the Alcatel-Lucent Benefits Center at 1-888-232-4111 between 9:00 a.m. and 5:00 p.m. ET, Monday through Friday, to speak with a representative.



YOUR BENEFITS RESOURCES:

Log on to your account at <http://resources.hewitt.com/alcatel-lucent> anytime to view your Alcatel-Lucent Savings/401(k) Plan account balance, make changes to your elections, or to update your beneficiaries.



PHONE REPRESENTATIVES:

Call the Alcatel-Lucent Benefits Center at 1-888-232-4111 (select the "Retirement and Investments" option) between 9:00 a.m. and 5:00 p.m. ET, Monday through Friday, to speak with a representative to get answers about your account or assistance with transactions.



Investment Risk

Investment funds available through the Plan, including the Money Market Fund, are not insured or guaranteed by the FDIC or any other government agency. In addition, although money market funds seek to preserve the value of your investment, it is possible to lose money by investing in the Money Market Fund.

Stock markets, especially foreign markets, are volatile and can decline in response to adverse issuer, political, regulatory, market or economic developments. The stocks of less well-known small and mid-sized companies can be more volatile than those of larger companies. Foreign securities and currencies are subject to interest rate, currency exchange rate, economic and political risks.

In general, the bond market is volatile, and fixed income securities carry interest-rate risk, which means that when interest rates in the market rise, there is generally a corresponding decline in the market values of bonds (and vice versa). This effect is generally more pronounced for longer-term bonds. Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Credit risk is the risk that the issuer of a bond will not be able to make principal and interest payments when they are due. Investment return and principal value of your investment in any of the Plan's investment funds will fluctuate, so that units, when redeemed, may be worth more or less than their original cost.

Limitation of Plan Fiduciaries' Liability and Reservation of Rights

The Plan is intended to be a participant-directed individual account plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and regulations thereunder. This means that fiduciaries of the Plan are relieved of liability for any losses that are the direct and necessary result of investment instructions given by a participant with respect to his/her Plan account.

This document is not meant to interpret, extend or change the Plan document in any way. The Plan document is the controlling document and, in the case of any conflict or discrepancy between the information contained in this document and the terms of the Plan document, the Plan document will govern your rights and benefits. Alcatel-Lucent reserves the right (subject to any applicable collective bargaining agreement) to amend or terminate the Plan at any time and for any reason.

Other Disclosures

Information in this brochure was provided by the funds' investment managers, Aon Hewitt Financial Advisors and Alcatel-Lucent and is the sole responsibility of Alcatel-Lucent.