

Summary of Material Modifications Alcatel-Lucent Retirement Income Plan

This notice, called a Summary of Material Modifications (“SMM”), advises you of changes in the information presented in your Summary Plan Description (sometimes called an “SPD”) for the Alcatel USA, Inc. Consolidated Retirement plan (the “CRP”) and any predecessor plan in which you might have participated that was merged into the CRP. The CRP was merged into the Lucent Retirement Income Plan, which was thereafter renamed the Alcatel-Lucent Retirement Income Plan (the “Pension Plan”). The CRP forms a part of the Pension Plan.

Please do two things:

1. Read this notice, and
2. Retain a copy of this notice for your records.

The changes are as follows:

1. NEW RECORDKEEPER

Effective January 2, 2015, Aon Hewitt became the new recordkeeper for the Pension Plan. Accordingly, references in your SPD to the “HR Service Center” and the “PSC,” including contact information, are obsolete. Information about your Pension Plan benefit is accessible, and pension transactions can be initiated, online through the Your Benefits Resources (YBR)™ website at <http://resources.hewitt.com/alcatel-lucent>, 24 hours a day, seven days a week. If you need to speak with a customer service representative, the Alcatel-Lucent Benefits Center is available to you from 9:00 a.m. to 5:00 p.m., ET, Monday through Friday. Call 1-888-232-4111 and select “Retirement and Investments.” For your convenience, an updated list of “Important Contacts” for the Pension Plan is attached.

2. NEW CONTACT INFORMATION FOR QDRO ADMINISTRATION AND FOR THE PLAN ADMINISTRATOR, AND NEW ROOM NUMBER FOR THE EMPLOYEE BENEFITS COMMITTEE

Contact information for the Pension Plan Administrator has changed as has contact information with respect to the administration of “qualified domestic relations orders” (QDROs). Also, the room number for the Alcatel-Lucent Employee Benefits Committee (the EBC) has changed. New contact information is shown in the attached updated list of “Important Contacts” for the Pension Plan.

3. WRITTEN CONSENT OF SPOUSE/DOMESTIC PARTNER NO LONGER REQUIRED TO ELECT A JOINT-AND-75% CONTINGENT ANNUITY OR A JOINT-AND-100% CONTINGENT ANNUITY

Note: If you are already receiving payment of your Pension Plan benefit, this change does not apply to you.

Effective January 1, 2015, if, at the time you seek to commence receiving your benefit under the Pension Plan, you are married or have a domestic partner who is recognized as such by the filing of a Domestic Partner Certification for Alcatel-Lucent’s health and welfare plans, you no longer are required to obtain the written consent of your Spouse (as defined in the Pension Plan) or domestic partner in order to receive payment in the form of a Joint and 75% Contingent Annuity (also sometimes referred to as a “qualified optional survivor annuity” (QOSA)) or Joint and 100% Contingent Annuity.

4. NEW (INCREASED) THRESHOLD FOR AUTOMATIC CASH-OUTS

Effective January 1, 2015, the threshold for automatic payments from the Pension Plan (payments not requiring your written consent and, if applicable, the written consent of your Spouse) has been increased from \$1,000 to \$5,000. What this means is that, commencing January 1, 2015, if the present value of the pension benefit payable to you under the Plan after termination of your employment with Alcatel-Lucent is \$5,000 or less, it will be paid to you as follows:

- If the present value of your pension benefit is more than \$1,000 but less than \$5,000, it will automatically be rolled over to an Individual Retirement Account (IRA) at the IRA-provider selected by the Plan Administrator (unless you elect to have your benefit paid directly to you or unless you instruct the Alcatel-Lucent Benefits Center to make a rollover distribution of your Pension Plan benefit to an individual retirement account/annuity (IRA) or other tax-qualified plan selected by you).
- If the present value of your pension benefit is \$1,000 or less, it will automatically be paid directly to you (unless you instruct the Alcatel-Lucent Benefits Center to make a rollover distribution of your Pension Plan benefit to an individual retirement account/annuity (IRA) or other tax-qualified plan selected by you).

5. UPDATED LIST OF PARTICIPATING COMPANIES

Effective April 1, 2014, the following companies are Participating Companies with respect the Pension Plan:

- Alcatel-Lucent Investment Management Corporation
- Alcatel-Lucent USA Inc.

Important Contacts

Here is a list of important contacts for the Alcatel-Lucent Retirement Income Plan:

Contact/Service Provided	Address
Alcatel-Lucent Benefits Center— Service-center for the Pension Plan; maintains information regarding your Pension Plan benefit; processes Plan-related transactions such as benefit commencement	Online through the Your Benefits Resources (YBR)™ website at http://resources.hewitt.com/alcatel-lucent , 24 hours a day, seven days a week. By phone from 9:00 a.m. to 5:00 p.m., ET, Monday through Friday. Call 1-888-232-4111 and select “Retirement and Investments.”
Employee Benefits Committee— Serves as final review committee for all Pension Plan benefit appeals (other than Disability Pension benefit appeals).	Employee Benefits Committee Alcatel-Lucent 600-700 Mountain Avenue Room 6C-402A Murray Hill, NJ 07974 USA
Law Division— Authorized agent for service of all legal papers (including subpoenas) for the Pension Plan, the Employee Benefits Committee, and the Plan Administrator.	Alcatel-Lucent Law Division Alcatel-Lucent 600-700 Mountain Avenue Room 3A-206 Murray Hill, NJ 07974 USA
Plan Administrator— Administers the Pension Plan; adjudicates claims for benefits; responsible for certain disclosure to Plan Participants regarding their benefits.	Pension Plan Administrator Alcatel-Lucent 600-700 Mountain Avenue Room 6C-402A Murray Hill, NJ 07974 USA
QDRO Administrator— Handles matters relating to domestic relations orders affecting, or purporting to affect, Pension Plan benefits.	Send all draft or court certified orders to: Alcatel-Lucent QDRO/QMCSO Center P.O. Box 1433 Lincolnshire, IL 60069-1433 USA Fax: 1-847-883-9313 For information or if you have questions: visit the Qualified Order Center website at www.qocenter.com , email your questions to QOCenter@aonhewitt.com , or contact the Alcatel-Lucent Benefits Center (see above).