

## 1. What is the cost of retiree health care?

The cost of retiree health care is based on a percentage of your pension annuity, and varies based on your age and whether you have individual or family coverage.\* For plan year 2010, please be guided by the following (please note that these percentages and eligibility for coverage may be subject to change in future plan years):

	<b>Under age 65</b>	<b>Age 65 or older</b>
<b>Individual coverage</b>	8.5% of pension	5.5% of pension
<b>Family coverage</b>	17% of pension	11% of pension

\*Retirees with HMO coverage may pay amounts in addition to what is shown in the chart above, depending upon the actual cost of the HMO that they select.

## 2. What will happen to my LTSSP (401K) loan if I accept SVTP?

You may make monthly payments by coupon or through an automatic electronic funds transfer (EFT) from your checking account. Contact the LTSSP administrator for additional information.

## 3. What happens to my Health Care Reimbursement Account (HCRA) if I accept the SVTP?

Expenses incurred before participation ends can be submitted until 4/15 of the following year. You may choose to continue your HCRA coverage on an after tax basis through COBRA. Call the provider (Ceridian) at 1-877-799-8820 for more information.

## 4. What happens to my Child/Elder Care Reimbursement Account (CECRA) if I accept the SVTP?

Contributions end when you leave payroll. Expenses incurred through the end of the calendar year can be submitted until 4/15 of the following year. There is no continuation offered through COBRA.

## 5. If I accept the SVTP what happens with the Employee Stock Purchase Plan?

The Employee Stock Purchase Plan was suspended a number of years ago. For information please contact the administrator (UBS) at 1-888-584-7268.

## 6. Can I convert my Supplemental Life Insurance to another policy?

For information regarding your supplemental life options please contact the provider (MetLife) at 1-888-201-4612.

**7. If I take the SVTP am I entitled to the 2009 Performance Award?**

Installers will be eligible for the 2009 based on paragraphs 4, 5 and 6 of the Lucent Performance Award Plan and should receive the award within 75 days of the end of the plan year.

**8. If I was not married at the time I retired but subsequently get married is my spouse covered under the Pension Death Benefit?**

- The Death Benefit is payable to the lawful spouse at the time of death.
- If the Participant was not married at the time of retirement OR was married to someone else, the Death Benefit is payable to the lawful spouse at the time of DEATH.
- The spouse must be living with the Participant at the time of death (unless they are separate due to the Participant living in a nursing home or being hospitalized).

**9. Will I still be entitled to the 400 Employee Stock Options Grant that the company gave us if I accept the SVTP?**

No. In order to be entitled to the Options you must be an active employee on March 18, 2010 for the 1<sup>st</sup> 200 to be vested and an active employee on March 18, 2011 for the additional 200 options to vest.

**10. I am a former AGCS employee. Will the 5+5 apply towards my AGCS pension?**

No. The 5+5 is only for pension eligibility towards your Alcatel-Lucent Pension and is not for any other purpose.

**11. Will I be paid for my unused carry over vacation?**

Eligible employees who accept the SVTP will be paid in lieu of any unused vacation days, floating holidays and excused workdays to which they are eligible, including carry over days.

Please note that employees who are on an approved Sickness and/or Accident Disability Leave and elect to Waive their sickness or accident benefits are not eligible for any vacation, floating holiday or excused workdays.