

AT
THE
SPEED
OF
IDEAS

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March 11, 2011

Ralph V. Maly
Communication Workers of America
501 Third Street NW
Washington, DC 20001

Re: Alcatel-Lucent Performance Plan Results for fiscal year 2010

Dear Ralph,

This letter is to notify the CWA of the Fiscal Year 2010 results for the Alcatel-Lucent Performance Plan for CWA-represented employees. Under the collective bargaining agreements, the 2010 Alcatel-Lucent Performance Award targets were \$652 for the Alcatel-Lucent Award and \$652 for the Business Group Award for a total target of \$1,304. Since no measures were negotiated for the Business Group Award, under the CBA, the company measures also apply to the Business Group Award.

Based on Alcatel-Lucent's performance in FY2010, Alcatel-Lucent's Board of Directors has authorized an aggregate target incentive to be paid under the Management Annual Incentive Plan which equates to an Alcatel-Lucent Award of \$384.68 and a Business Group Award of \$384.68 (or a total award of \$769.36) under the Alcatel-Lucent Performance Plan for represented employees.

Paragraphs 4, 5, and 6 of the Alcatel-Lucent Performance Plan apply and payments will be made the week of March 14, 2011.

If you have any questions on this matter please contact me at 908-582-6772.

Sincerely,



Stephen Muscat
U.S. Workforce Relations

Copy to:
W. L. Schecter

..... Alcatel-Lucent 