

Overview

BuyDIRECT

A Direct Purchase & Sale Plan for Common Shares of Avaya Inc.

The Bank of New York, the Transfer Agent for Avaya Inc., (“Avaya”) offers a Direct Purchase and Sale Plan for the shares of common stock of Avaya. The Plan, ***BuyDIRECT***, provides both registered stockholders and interested first-time investors an affordable alternative for buying and selling Avaya shares.

BuyDIRECT Plan Features:

- **Convenient Direct Share Ownership**

Existing and unsolicited new investors can make an ***initial*** stock purchase directly through the Plan ***without a broker***. Once enrolled, participants can make additional optional cash purchases of Avaya shares.

- **Certificate or Book-Entry Share Ownership**

In lieu of physical certificates you will receive timely statements and confirmations reflecting your transaction history. You may request the issuance of physical certificates at any time by calling toll-free 1-866-22AVAYA or by mail.

- **Share Safekeeping**

You can deposit certificates of Avaya directly into the Plan for safekeeping. You can withdraw or transfer any or all of your shares at any time.

- **Direct Sale**

Some or all of your shares in Avaya can be sold directly through the Plan without having to issue a certificate or arranging the sale through a broker.

BuyDIRECT offers a convenient and flexible way of purchasing and selling shares of Avaya. Although there are fees associated with utilizing certain Plan features (see page 13, “Costs to Participants”), **BuyDIRECT** offers existing stockholders and interested first-time investors an economical way to invest in Avaya.

BuyDIRECT
IS SPONSORED AND ADMINISTERED BY
THE BANK OF NEW YORK,
NOT BY AVAYA INC.

The Bank of New York and Avaya Inc. provide no advice and make no recommendations with respect to any security. Any decision to purchase or sell must be made by each individual Plan participant based on his or her own research and judgment.

Please retain this brochure for future reference.

BuyDIRECT

Summary of Plan Services

for the Shares of Avaya Inc.

The Bank of New York, a leader in the Stock Transfer industry, is pleased to offer ***BuyDIRECT***, a Direct Stock Purchase & Sale Plan. The Plan allows existing shareholders and interested first-time investors a direct, affordable alternative for buying and selling Avaya shares.

Eligibility & Enrollment

Almost everyone is eligible to enroll in ***BuyDIRECT***. Interested investors may participate in the Plan if they already own Avaya stock or non-shareholders may make their initial purchase of the stock directly through the Plan. To receive an enrollment form, simply contact Avaya's Transfer Agent, The Bank of New York, at the toll-free number:

1-866-222-8292

1-610-382-7835

(For International Callers)

Easy Investing

Once enrolled in the Plan, you can make optional cash investments simply and conveniently with minimum brokerage commissions and service charges. Optional cash investments can be made at any time and in variable amounts. With ***BuyDIRECT*** you have the advantage of a full investment program because all shares, both full and fractional, are credited to your account.

Safekeeping of Certificates

If you already own Avaya stock in certificated form, you may deposit the certificates into the Plan for safekeeping. This feature protects your shares against possible loss, theft or accidental destruction and may save you the expense of having to replace your certificates.

Convenient Ways To Sell or Transfer Your Shares

Some or all shares owned by you, whether in book-entry or certificated form, can be easily sold or transferred through the Plan. You can choose to sell or transfer any or all shares held in the Plan with or without issuing new certificates and without having to go through a broker. You can instruct the Bank to issue a certificate in your name for shares held in the Plan at any time.

Plan Costs

The costs for enrolling in the Plan and for executing various Plan transactions involve minimum administrative service fees and/or brokerage commissions.

BuyDIRECT is administered by The Bank of New York, not by Avaya. Please review the "Terms and Conditions" on page 10 and "Costs to Participants" on page 13 for specific Plan features and fee schedules.

BuyDIRECT

Frequently Asked Questions and Answers

for the Shares of Avaya Inc. Common Stock

HOW DO I ENROLL IN THE PLAN?

Registered stockholders and other interested first-time investors can enroll in ***BuyDIRECT*** by simply completing and signing a Plan enrollment form. Enrollment forms and the Plan brochure can be obtained by contacting The Bank of New York (referred to as the “Bank” or the “Plan Administrator”). Both existing stockholders and new investors must complete and sign an enrollment form.

If shares are registered jointly or if the Plan account is to be registered in multiple names, all stockholders in whose name the stock or Plan is registered must sign the enrollment form.

Once enrolled, participation in the Plan continues until terminated by you or by the Plan Administrator. Once completed, the enrollment form and transaction instructions, if any, should be mailed to the Plan Administrator. (See page 9, “Contacting the Plan Administrator” for mailing instructions). *Enrollment in the Plan is voluntary and may not be available in certain countries.*

HOW CAN I PURCHASE ADDITIONAL SHARES?

You can easily purchase additional shares at any time by making optional cash payments. Your optional cash payments, less applicable service charge and brokerage commission, are used to purchase shares of Avaya Inc. common stock for your account. No interest is paid to you on optional cash payments held by the Bank pending investment.

You can make an optional cash payment when joining the Plan by enclosing a check or money order with the enrollment form. Thereafter, optional cash payments should be accompanied by the tear-off bottom portion of your account statement or transaction advice.

For first-time share purchases by non-registered holders, the minimum initial investment amount is \$1,500 for a one-time purchase or \$125 for individuals who elect to make monthly direct purchases by Electronic Funds Transfer (EFT). If the second option is chosen, a minimum of \$125 will be deducted from the holder’s checking or savings account on the 25th day of each month or if such date is not a business day, the deduction will be made on the preceding business day. There is a

one-time service charge of \$10.00 to open up a new account. The minimum amount for any subsequent investments and for initial investments by existing, registered stockholders is \$125. There is a service fee of \$5.00 (\$2.50 for EFT) plus brokerage commission of \$0.12 per share for each cash purchase. The maximum investment amount per transaction is \$10,000 and the maximum annual aggregate investment is \$120,000 per calendar year.

Optional cash payments must be made by check drawn on a US Bank, in US currency, payable to "The Bank of New York — Avaya Plan". Mail the instruction form attached to the bottom of your statement along with your check to the Plan Administrator using the address indicated on page 9. **Third party checks will not be accepted and will be returned to sender.**

In the event that a Participant's Optional Cash Investment check is returned unpaid for any reason or a Participant's designated bank account for EFT does not have sufficient funds for his/her authorized monthly deduction, the Plan Administrator will immediately remove from the Participant's account any shares already purchased upon the prior credit for such funds. The Plan Administrator will thereupon be entitled to sell any such shares to satisfy any uncollected amounts. If the net proceeds of the sale of such shares are insufficient to satisfy the balance of the uncollected amounts, the Plan Administrator reserves the right to sell such additional shares from the Participant's account as may be necessary to satisfy the uncollected balance.

It is the responsibility of the Plan Participant to immediately notify The Bank of New York of any changes in EFT information as it relates to the Plan Participant's authorized monthly deductions. Participants may call (1-866-222-8292) and request a new EFT enrollment form. Changes to EFT information must be submitted to the Bank in writing.

Participants will be charged a fee of \$20.00 for returned checks and failed automatic EFT investments.

Participants should be aware that the common stock price may rise during the period between a request for purchase, its receipt by the Plan Administrator and the ultimate purchase on the open market. The Plan Administrator may, at its own discretion, accept written requests to revoke purchase instructions.

CAN I MAKE AUTOMATED MONTHLY INVESTMENTS?

Yes, once enrolled in the Plan, participants may contact The Bank of New York to arrange for supplemental payments to be made automatically by Electronic Funds Transfer (EFT). EFT payments are deducted monthly from the participants designated account through any qualified financial institution that participates in the Automated Clearing House. Deductions are made on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day. Such payments are subject to the same minimum and maximum investment amounts as well as service fees, brokerage commission and other Terms and Conditions of the Plan. Amounts received will normally be invested on the next investment date after receipt of the funds.

HOW ARE SHARES PURCHASED?

Cash payments from all participants are commingled to purchase shares on the open market on any exchange on which Avaya common stock is traded. Purchases are usually made through BNY ESI & Co., Inc., a wholly owned subsidiary of The Bank of New York Company, Inc. The Bank will credit your account for the full and fractional shares (to four decimal places) purchased on your behalf.

The price per share cannot be determined prior to the purchase. For optional cash payments, purchases are made at least weekly.

A transaction (advice) statement will be sent to you within 5 business days subsequent to each investment showing the purchase price adjusted to reflect the brokerage commission, service fees, and shares credited to your account.

For your convenience, statements and transaction advices have tear-off instruction forms which can be filled out with your certificate issuance, sale, purchase, termination or certificate deposit instructions and mailed to the Bank. For further information, see “Terms and Conditions — page 10” and “Costs to Participants — page 13.”

DOES THE PLAN ALLOW SAFEKEEPING OF CERTIFICATES?

Yes, if you own Avaya stock in certificated form, you may elect to deposit the stock certificates into your Plan account for safekeeping with The Bank of New York. The Bank will credit these shares to your Plan account in book-entry form. You may, however, request a stock certificate from the Bank at any time.

To deposit certificates, send them to the Bank along with your completed, signed Plan Enrollment Form or with the tear-off portion from the bottom of your statement. The certificates and form should be sent via registered mail, return receipt requested and insured for 2% of the value of the shares, to the Plan Administrator.

HOW CAN I SELL MY SHARES?

Under the terms of the plan, you may instruct the Plan Administrator to sell any or all shares held in your account. **Note: In no event will your sale order be executed on the day your order is placed. You should therefore anticipate a difference between the price of the stock on the date you place the order and the price at which the shares are sold.**

• *Sale Orders via IVR System*

The recommended method for placing sale orders is via the Interactive Voice Response (IVR) system. To place a sale order, telephone Shareholder Services at 1-866-222-8292 and enter your social security number or Taxpayer ID at the prompt. Select the menu option for sales. For security purposes, you will be asked to enter your account number. Daily sale orders are generally accepted until 6:00 pm Eastern Time. Sale orders placed via the IVR before 6:00 pm will generally be sold within two business days and in most cases sold the next business day. Sales placed after 6:00 pm will be considered received the next business day*. The IVR is confidential, secure and provides a unique confirmation number for each transaction that you execute.

***Sales are subject to stock exchange holidays, early closings and Plan black-out periods.**

• *Sale Orders by Mail*

You may use the tear-off portion from the Plan statement that you receive from The Bank of New York to sell your shares. Complete and sign the tear-off portion and mail the instructions to the Plan Administrator. Be certain that all listed participants sign the instruction form. You should retain the top portion of your statement for your records. Sale orders received by mail will be executed as promptly as possible after receipt. If you need a replacement statement, please contact Shareholder Services.

HOW ARE SHARES SOLD?

The Plan Administrator aggregates all requests to sell shares then sells the total share amount on the open market through BNY ESI & Co., Inc., a wholly owned subsidiary of The Bank of New York Company, Inc. The shares are sold on any exchange on which the shares of Avaya are listed. Shares are normally sold daily. The selling price will not be known until the sale is completed. The proceeds of the transaction, less applicable taxes withheld, fees or charges, will be mailed to you by first class mail within two business days after the trade settlement date. The trade settlement date is the third business day after the sale order is executed. The sale check will include a notice detailing the trade, as well as Form 1099-B, which should be retained for your tax records.

Participants should be aware that the common stock price may fall during the period between a request for sale, its receipt by the Plan Administrator and the ultimate sale on the open market. Instructions sent to the Plan Administrator to sell shares may not be rescinded.

CAN I REQUEST A CERTIFICATE?

Yes, you may request that the Plan Administrator issue a certificate(s) for some or all of the shares held in your Plan. Simply fill out and sign the request form for issuance of a stock certificate as indicated on bottom portion of your account statement or call the Plan Administrator at 1-866-222-8292.

HOW CAN I TRANSFER SHARES?

You can transfer shares in your Plan account at any time. Transfers can be made in book-entry or certificated form.

Book-to-book transfers, which involve transferring shares from an existing participant account in the Plan to a new participant account should follow the steps listed below.

- Call the Bank's toll-free telephone number 1-866-222-8292 and request a Plan brochure, enrollment form and stock power form. Complete the enrollment and stock power forms providing the full registration name, address and social security or taxpayer ID number of the new participant. The enrollment form must be signed by the new participant(s).
- The completed enrollment form should be sent along with a written request indicating the number of shares (full and fractional) which should be transferred to the new participant. All participants in the current account must sign the instructions and their signatures must be guaranteed by a bank, broker or financial institution that is a member of the Signature Guarantee Medallion program.

HOW CAN I TERMINATE MY PARTICIPATION IN THE PLAN?

You may withdraw from the Plan simply by submitting notice of termination to The Bank of New York. Just complete the bottom portion of any statement or transaction advice with your instructions. Upon termination, you may elect either to receive your shares or to sell them. If you elect to receive them, a certificate for the full shares held in the Plan will be issued and any fractional shares held in the Plan will be sold. You will receive a check for the net proceeds from the sale of any full or fractional shares based on the current market value.

HOW DO I CONTACT THE PLAN ADMINISTRATOR?

BuyDIRECT is administered by The Bank of New York, the Transfer Agent for Avaya. **To obtain enrollment information, including a brochure and enrollment form, or to obtain information concerning your account, please contact the Bank at:**

Toll-free number: **1-866-222-8292**

For international calls: **1-610-382-7835**

or write to:

Avaya Inc.

c/o The Bank of New York

P. O. Box 11033

New York, New York 10286-1033

For sales, liquidations, transfers, withdrawals or optional cash investments, mail instruction form (please use bottom portion of advice or statement) to:

Avaya Inc.

c/o The Bank of New York

P.O. Box 11039

New York, New York 10286-1039

PRIOR TO FORWARDING TRANSACTION INSTRUCTIONS, PLEASE READ THE INFORMATION CONTAINED IN “TERMS AND CONDITIONS” AND “COSTS TO PARTICIPANTS.”

BuyDIRECT

Terms and Conditions of The Plan for the Shares of Avaya Inc. Common Stock

PLEASE REVIEW THIS BROCHURE IN ITS ENTIRETY.

1. Introduction

The purpose of *BuyDIRECT*, the “Plan”, is to provide registered stockholders of Avaya (the “Company” or “Avaya”) and other interested first-time investors with a simple, economical and convenient method of investing in Avaya common stock, par value \$0.01 (the “Common Stock”). The Plan is administered by the Transfer Agent for the Company, The Bank of New York (the “Bank” or “the Plan Administrator”).

Enrollment in the Plan is voluntary and may not be available in certain countries. Persons residing outside the United States should determine whether they are subject to any governmental regulation prohibiting their participation.

2. Optional Cash Payments

Purchases associated with optional cash investments of common stock are made at least weekly. **A service fee will be deducted from the cash investment payment before purchasing common stock.**

Common stock purchased will be credited to each participant’s account in book-entry form (computed to four decimal places). The purchase price per share will be adjusted to include the brokerage commission which is \$0.12 per share.

Cash payments will not be accepted by the Plan Administrator if a participant imposes any restrictions with respect to the number of shares to be purchased, the price at which the shares are to be purchased or the timing of when the purchase is to be made.

There are service fees and brokerage commissions as well as minimum/maximum amounts associated with cash investments, see page 13, “Costs to Participants” and “Minimum/Maximum Cash Investments.”

3. Share Purchases and Sales

All purchases and sales of shares will be made on the open market on any exchange on which the common stock is traded. The participant will receive a confirmation after each purchase and sale transaction. The price per share shall always be the average weighted price for all shares purchased or sold on the same trade date. The net proceeds of the sale are sent by check to the participant following the sale. **A service fee will be deducted from the gross proceeds and the price per share will be adjusted to reflect the brokerage commission.** The Bank of New York shall retain all fees charged to the participant for administering the Plan.

4. Requests for Certificates or Transfer of Shares

Plan Participants may request that a certificate be issued for all or some of the shares held in the Plan at any time. In addition, participants may always request the transfer of Plan shares. Contact the Plan Administrator for instructions.

5. Safekeeping of Certificates

Plan participants may, at any time, use the Plan's safekeeping feature to deposit any Avaya Common Stock certificates in their possession with the Bank. Shares deposited will be credited to the participant's account under the Plan. Thereafter, such shares will be treated in the same manner as shares purchased through the Plan.

Additional Terms and Conditions

Officers and Directors of the Company or affiliates of the Company are not eligible to participate in the Plan.

Other registered shareholders are automatically eligible to participate in the Plan. Initiation of a transaction(s), including optional cash payments, dividend reinvestment, depositing certificates into the Plan and/or selling or purchasing shares shall establish an agency relationship by the participant with The Bank of New York.

The securities held in *BuyDIRECT* accounts for Plan participants are not subject to protection under the Securities Investor Protection Act of 1970.

The terms and conditions of the Plan are governed by the laws of the State of New York.

The Bank of New York and Avaya Inc. provide no advice and make no recommendations with respect to any security. Any decision to purchase or sell must be made by each individual Plan participant based on his or her own research and judgment.

Unless directed otherwise by the Plan Administrator, purchases and sales will be made through BNY ESI & Co., a full-service brokerage and wholly owned subsidiary of The Bank of New York Company, Inc. BNY ESI & Co., Inc. will receive brokerage commissions.

Distribution of Dividends

Any stock dividends payable in Avaya common stock or stock split shares distributed will be credited directly into the participant's Plan account. This includes entitlements on shares calculated from shares held in the Plan as well as shares held in certificated and Direct Registration form. Similarly, any rights or shares to be distributed as a result of any rights agreement would be distributed in a like manner. Transaction processing may be temporarily suspended during such distributions.

Proxy Voting/Annual Meetings

Each participant in the Plan is entitled to receive a Notice of the Annual Meeting, a Proxy Statement, a Proxy Voting Card and the Company's Annual Report to Stockholders. The Proxy Voting Card will detail the full Plan shares held in the participant's Plan account as well as shares held in certificated and Direct Registration form. The participant will vote book-entry and/or certificated shares in the same way.

Tax Reporting

All sales are subject to income tax reporting. It is solely the participant's responsibility to determine the tax consequences of such sales, and service fees. It is suggested that a tax advisor be consulted.

Liability

Neither the Company nor the Plan Administrator will be liable for any act done in good faith or for any good faith omission to act, including, without limitation, any claim of liability arising out of (i) failure to terminate a participant's account, sell shares in the Plan, or invest optional cash payments or dividends without receipt of proper documentation and instructions; (ii) with respect to the prices at which shares are purchased or sold for the participant's account and the time such purchases or sales are made, including price fluctuation in market value after purchases or sales.

The Plan Administrator reserves the right to modify the Plan including the right to terminate the Plan upon notice to Plan participants. In addition, the Plan Administrator reserves the right to interpret and regulate the Plan as it deems necessary or desirable in connection with its operation.

COSTS TO PARTICIPANTS

The administrative service fees and brokerage commission payable by a participant for each type of transaction are as follows and are considered part of the “Terms and Conditions” of the Plan:

Initial Enrollment	\$ 10.00
<i>A one-time service charge to open up a new first-time investor account</i>	
Optional Cash Investments	\$ 5.00
– plus brokerage commission per share	\$ 0.12
Automated Monthly Investments via EFT	\$ 2.50
– plus brokerage commission per share	\$ 0.12
Sale of Shares	\$ 15.00
plus brokerage commission per share	\$ 0.12
Deposit of Certificates	No Fee
Book to Book Transfers	
To transfer shares to another existing participant	No Fee

Fees are subject to change at any time.

Minimum and Maximum Cash Investments

Initial minimum investment non-holders:

One-time purchase	\$ 1,500
Electronic Funds Transfer (per month)	\$ 125
Minimum optional cash payment	\$ 125
Maximum optional cash payment per investment	\$10,000
Maximum aggregate investment per calendar year	\$120,000

The Bank of New York

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**PLEASE REVIEW THIS BROCHURE
IN ITS ENTIRETY.**

BuyDIRECTSM

***A Direct Purchase
and Sale Plan for***

**Avaya Inc.
Common Stock**

***BuyDIRECT* is sponsored and administered
by The Bank of New York, not by Avaya
Inc. Shares held in *BuyDIRECT* are not
subject to protection under the Securities
Investor Protection Act of 1970.**

SM*BuyDIRECT* is a service mark of The Bank of New York