

YOUR COSTS

Avaya Inc. pays the full cost to provide you with basic life and basic **AD&D** insurance of one times your **total annual pay**. If the value of your **Company-paid basic coverage** for life insurance is more than \$50,000, see “Imputed Income” for important tax information.

If you elect supplementary life, supplementary **AD&D**, dependent life or dependent **AD&D** insurance coverage, you pay the full cost for that coverage through payroll deductions. The type of insurance you elect determines whether you pay the required premiums on a **pre-tax** or **after-tax** basis.

- Premiums for supplementary life and dependent life insurance are deducted from your pay on an **after-tax** basis.
- Premiums for supplementary **AD&D** and dependent **AD&D** insurance are deducted from your pay on a **pre-tax** basis.

Insurance	Deduction	
	Pre-Tax	After-Tax
Supplementary Life		✓
Supplementary AD&D	✓	
Dependent Life		✓
Dependent AD&D	✓	

Your Premium Costs

Your cost for supplementary life, supplementary **AD&D**, dependent life or dependent **AD&D** insurance appears on your pay statement.

The cost to you for your supplementary life insurance is determined by your age as of December 31st of the current plan year, whether or not you are a tobacco user (see “How Premium Costs Are Determined”) and your **total annual pay**.

The cost to you for dependent life insurance for your **lawful spouse** or **domestic partner** is determined by their age as of December 31st of the current plan year. Your cost for dependent life insurance for your **child(ren)** is based solely on the amount of insurance you elect.

Supplementary Life Insurance

Insurance Age	Monthly Cost per \$1,000 of Supplementary Coverage if You Are a...	
	<i>Non-Tobacco User</i>	<i>Tobacco User</i>
Under 30	\$ 0.06	\$ 0.07
30 – 34	0.07	0.08
35 – 39	0.08	0.09
40 - 44	0.13	0.14
45 - 49	0.23	0.25
50 - 54	0.35	0.39
55 - 59	0.47	0.52
60 - 64	0.73	0.81
65 - 69	1.28	1.42
70 - 74	2.07	2.30
75 - 79	3.35	3.73
80 – 84	5.42	6.03
85 – 89	8.77	9.75
90 and over	14.20	15.78

Supplementary AD&D Insurance

The monthly cost for supplementary **AD&D** insurance is \$0.018 per \$1,000 of coverage.

Dependent Life Insurance

Lawful Spouse or Domestic Partner

Insurance Age	Monthly Cost per \$1,000 of Coverage
Under 25	\$0.05
25 - 29	0.06
30 - 34	0.08
35 - 39	0.09
40 - 44	0.10
45 - 49	0.15
50 - 54	0.17
55 - 59	0.32
60 - 64	0.50
65 - 69	0.95
70 - 74	1.55
75 and over	2.06

Children

Coverage Amount	Monthly Cost
\$ 5,000	\$0.35
\$10,000	0.70

Dependent AD&D Insurance

Coverage Amount	Monthly Cost
Lawful Spouse or Domestic Partner:	
\$ 25,000	\$0.28
\$ 50,000	0.56
\$ 75,000	0.84
\$100,000	1.12
Children:	
\$ 5,000	\$0.05
\$ 10,000	0.10

How Premium Costs Are Determined

The cost for supplementary life insurance coverage is determined as follows:

- If you are newly eligible, your cost for supplementary life insurance coverage is based on the option you elect, your **total annual pay** on the day you become eligible (see “Who Is Eligible”), your age as of December 31st of the current Plan Year, and whether or not you have been a tobacco user during the prior 12-month period.
- If you enroll during **annual enrollment**, your cost is based on the option you elect, your **total annual pay**, your age as of December 31st of the year for which you are enrolling and whether or not you have been a tobacco user during the prior 12-month period.
- If you make a change during the year, your cost is based on the option you elect, your **total annual pay**, your age as of December 31st of the current Plan Year and whether or not you have been a tobacco user during the prior 12-month period.

The cost for supplementary **AD&D** insurance is determined as follows:

- If you are newly eligible, your cost for supplementary **AD&D** insurance coverage is based on the option you elect and your **total annual pay** on the day you become eligible (see “Who Is Eligible”).
- If you enroll during **annual enrollment**, your cost is based on the option you elect and your **total annual pay**.
- If you make a change during the year, your cost is based on the option you elect and your **total annual pay**.

Your cost for dependent life insurance for your **lawful spouse** or **domestic partner** is based on their age as of December 31st of the year for which you are enrolling. Your cost for dependent life insurance for your **child(ren)** is based solely on the amount of insurance you elect.

Your cost for dependent **AD&D** insurance is based solely on the amount of insurance you elect for your **eligible dependents**. It is not related to age or your **total annual pay**.

How a Pay Change Affects Cost

If you elect supplementary life and **AD&D** insurance (see “Amount of Coverage Available”), the cost for that coverage is based on the option you elect, your **total**

annual pay and your age (for supplementary life insurance). Your cost will remain the same for the rest of that year even if your **annual rate of pay** changes during the year.

How a Change in Tobacco Status Affects Cost

If you elect supplementary life insurance (see “Amount of Coverage Available”) and your tobacco status changes, call the **Avaya Health and Benefits Decision Center** (see “Important Contacts”). **Tobacco use** constitutes any use of tobacco at any time during the prior 12-month period. A cost adjustment will become effective as early as the first of the month following the change of tobacco status.