

## LTD BENEFITS

### ***How Benefits Are Paid***

LTD benefits are paid in combination with other sources of disability income so that your total LTD income from all sources would be no less than 50% of your **eligible base pay**. If you elect the additional LTD buy-up, the total LTD income from all sources would be no less than 60% of your **eligible base pay**.

For example (if you do not elect the additional LTD buy-up):

<b>If Your Income From Other Sources Is:</b>	<b>LTD Coverage Pays:</b>
30% of <b>eligible base pay</b>	20% of <b>eligible base pay</b>
50% or more of <b>eligible base pay</b>	0% of <b>eligible base pay</b>

Any benefits you receive from the LTD Plan will be taxable to you.

### ***Other Sources of Disability Income***

The LTD Plan is designed to work with other sources of disability income to provide your total disability income. The LTD Plan looks at all of your sources of disability income (except disability income from individual insurance you have purchased), and makes up the difference after benefits that you are eligible to receive from other sources are determined, such as:

- Primary disability Social Security benefits (payable to you),
- Workers' Compensation or any similar benefits,
- Any state or federal disability benefits except veteran's benefits, and
- Any Avaya Inc. disability pension benefits you may be eligible to receive at the time your LTD Plan benefits begin.

If the amount of your disability income from other sources increases after you begin receiving benefits from the LTD Plan, your LTD Plan benefits will not be further reduced unless the increase in other benefits is retroactive to the start of your disability.

If you elect to receive your Avaya Inc. disability pension benefit in a lump sum, the LTD Plan will offset the immediate monthly benefit.

### **About Social Security Disability Benefits**

It is important to be aware of the following facts about the LTD Plan and Social Security benefits:

- In order to receive maximum disability benefits, you need to apply for Social Security benefits in your fifth month of disability. Instructions are included in the LTD package. Your LTD Plan benefits will be reduced by your estimated Social Security benefit *even if* you are not actually receiving Social Security disability benefits.
- Only your primary disability Social Security benefits reduce your LTD Plan benefits. Social Security benefits of a spouse or other family member will not affect your benefit.
- If your Social Security benefit is determined after your LTD benefit begins, your LTD benefit will be recalculated retroactively. If this recalculation results in an overpayment, this overpayment is not yours to keep. You *must* repay the difference to the Company within 60 days. You may either make direct payments to the Company or have your monthly LTD payments reduced until the overpayment is recovered.
- If your Social Security benefit is determined after your LTD benefit begins, your LTD benefit will be recalculated retroactively. If this recalculation results in an underpayment, the underpayment will be paid as soon as administratively possible.
- If Social Security denies you benefits, the LTD Plan may require you to file an appeal with Social Security. If you have been notified to file an appeal and you have not done so, your monthly LTD Plan benefits may be reduced by the amount of Social Security benefits you could be receiving had your appeal been successful.
- If you are not eligible for a Social Security Disability Insurance Benefit, Plan benefits will not be offset. However, your LTD Plan benefit will be reduced by your Old Age Insurance Benefit starting as soon as you are eligible to receive it. If you choose not to start your Social Security Old Age Insurance Benefit until later, the **Claims Administrator** (see "Important Contacts") will reduce your LTD benefit by an estimated Social Security Old Age Insurance Benefit amount as soon as you are eligible to receive it.

## ***How You Apply for Benefits***

If you are disabled and are receiving sickness disability benefits, you will receive LTD forms for you and your physician to complete before the end of the period for which benefits are payable under the **Sickness and Accident Disability Benefit Plan**. You may also need to be examined by a recognized health care provider of the **Claims Administrator's** (see "Important Contacts") choice. The **Claims Administrator** will then determine the extent of your disability and your eligibility for LTD benefits. You must apply for LTD benefits within 90 days of the expiration of your benefits under the **Sickness and Accident Disability Benefit Plan**. If you fail to apply for LTD benefits within 90 days following the last day of sickness disability benefits, your case may be determined to be inactive. This may result in a permanent denial of benefits.

## ***Eligibility for Benefits***

To receive LTD benefits, you do not have to be hospitalized or confined to a home, but you must meet the following requirements:

- You must be considered **totally disabled** under the LTD Plan. This may differ from being considered disabled for purposes of the **Sickness and Accident Disability Benefit Plan**, The Avaya Inc. Pension Plan, The Avaya Inc. Pension Plan for Salaried Employees, Workers' Compensation plan or program, Social Security or other disability benefits you might be entitled to under a private insurance plan or program.
- You must have been disabled for 52 weeks and have been receiving benefits under the **Sickness and Accident Disability Benefit Plan**.
- You must be unable to do any job for any employer for which you are qualified, or for which you may reasonably become qualified by training, education or experience, other than one that pays less than 50% of your **eligible base pay** at the time you became disabled.
- At all times during your disability, you must be under a physician's care and follow the recommended course of treatment to receive benefits.
- You will be required to submit proof of your continuing disability to the **Claims Administrator** (see "Important Contacts") from time to time. Failure to do so on a timely basis will cause your benefits to cease.
- The **Claims Administrator** will determine the extent of your disability based on medical evidence, and reserves the right to have a physician of their choice examine you.

### **How Long LTD Benefits Last**

If you are **totally disabled**, LTD benefits begin after you have received 52 weeks of sickness disability benefits under the **Sickness and Accident Disability Benefit Plan**. LTD benefits then continue until the earliest of these events:

- You are no longer **totally disabled** as defined under the LTD Plan,
- You reach the maximum time limit for receiving benefits (based on the chart below), or

<b>Age When Disability Begins</b>	<b>Maximum Duration of LTD Benefits</b>
61 or younger	To age 65
62	2-1/2 years
63	2 years
64	1-1/2 years
65	1 year
66	3/4 year
67	1/2 year
68 or older	1/4 year

- You die.

### **Employment While You Are Disabled**

If you are able to find and accept suitable employment and earn a wage, you may still be entitled to LTD benefits for your disability. In this case, your LTD benefits will be limited to an amount which, when added to your wages and other sources of disability income, will not exceed 75% of your **eligible base pay** upon which your LTD benefits were based.

If, while you are **totally disabled**, you are able to work for an employer other than the Company, in a job that pays 50% or more of your previous **eligible base pay**, you are no longer eligible for benefits under the LTD Plan.

### ***If You Are Disabled Again***

If you recover from your disability and are rehired by a **Participating Company**, and then become disabled again, benefits will be determined as explained below:

- If you work for *fewer than 13 weeks* and become disabled again (as determined under the **Sickness and Accident Disability Benefit Plan**) as a result of sickness or non-job-related injury, LTD benefits will begin immediately.
- If you work for *13 weeks or more* and become disabled again (as determined under the **Sickness and Accident Disability Benefit Plan**) as a result of sickness or non-job-related injury, LTD benefits will not begin again until the end of another 52-week period of sickness disability benefits under the **Sickness and Accident Disability Benefit Plan**.

### ***What Is Not Covered***

The LTD Plan does not cover disabilities caused or contributed to by:

- Your commission of a felony,
- Military service,
- War or any act of war, declared or undeclared,
- Your active participation in a riot, insurrection, rebellion or civil commotion,
- Illness or injury classified as job-related under the **Sickness and Accident Disability Benefit Plan**, or
- Intentional self-inflicted injury while sane or insane.

### ***Additional Health and Welfare Benefits If On LTD***

The following benefits may be continued if you are approved for LTD:

- **Medical benefits.** You may continue existing coverage under The Avaya Inc. Medical Expense Plan as long as you are **totally disabled** in accordance with the LTD Plan. Coverage ends when you are no longer disabled, reach age 65 or die. Please refer to The Avaya Inc. Medical Expense Plan SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).

If you have at least 15 years of **net credited service**, you may be eligible to continue medical coverage under The Avaya Inc. Retiree Medical Expense Plan as long as you are **totally disabled** in accordance with the LTD Plan. Please

refer to The Avaya Inc. Retiree Medical Expense Plan SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).

- *Dental and vision benefits.* You may continue existing coverage under The Avaya Inc. Dental Expense Plan and The Avaya Inc. Vision Care Plan through the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). See the respective SPDs available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).

If you have at least 15 years of **net credited service**, you may be eligible to continue dental coverage under The Avaya Inc. Retiree Dental Expense Plan as long as you are **totally disabled** in accordance with the LTD Plan. Coverage ends when you are no longer disabled or die. Please refer to The Avaya Inc. Retiree Dental Expense Plan SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).

- *Reimbursement Accounts.* In order to maintain access to any unused balances in your Health Care Reimbursement Account, you may continue to make after-tax contributions for the remainder of that Plan Year under your rights through COBRA. You will not be able to make any contributions to the Child/Elder Care Reimbursement Account. Please refer to The Avaya Inc. Reimbursement Account Plans for represented employees SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).
- *Basic Life Insurance.* Basic life insurance continues at no cost to you for up to three years based on your **net credited service**. Please refer to The Avaya Inc. Life Insurance Plan for represented employees SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).
- *Supplementary Life Insurance.* If elected, supplementary life insurance may be continued by paying the required premiums. Please refer to The Avaya Inc. Life Insurance Plan for represented employees SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).
- *Dependent Life Insurance.* If elected, dependent life insurance can be converted into an Individual Policy. Please refer to The Avaya Inc. Life Insurance Plan for represented employees SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).
- *Basic, Supplementary and Dependent Accidental Death & Dismemberment Insurance.* Benefits end the last day of the month in which your LTD benefits become effective. Please refer to The Avaya Inc. Life Insurance Plan for represented employees SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).
- *Long-Term Care Insurance.* You may be able to continue your coverage by paying the required premiums directly to the Insurer. Please refer to The Avaya Inc. Long-Term Care Insurance Plan SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).

- *Group Legal Services.* Your coverage will end on the day your LTD benefits become effective. Please refer to The Avaya Inc. Group Legal Services Plan SPD available at [www.avaya.com/benefitanswers](http://www.avaya.com/benefitanswers).