

SICKNESS AND ACCIDENT DEATH BENEFITS

In addition to any survivor annuity benefits that may be paid, the Plan also may provide sickness and accident death benefits to qualified beneficiaries. If you are an active employee on or after July 2, 2006, you are not eligible for these benefits. Employees of Avaya of Puerto Rico, Inc. are not eligible (and never were eligible) for these benefits.

If a participant died before July 2, 2006 and while an active employee, that participant's qualified beneficiaries are eligible for the Plan's sickness and accident death benefit. If you terminated employment before July 2, 2006 and are eligible to receive a service or disability pension, your qualified beneficiaries are eligible for the Plan's sickness death benefit when you die.

Amount of Sickness and Accident Death Benefits

Under the death benefit provisions, your qualified beneficiary may receive:

- *Sickness death benefit.* The sickness death benefit equals one year's pay excluding overtime. The sickness death benefit is paid if you die due to an illness or off-the-job accident while you are an active employee or while you are receiving a service or disability pension.
- *Accident death benefit.* The accident death benefit may be up to three years' pay excluding overtime. The accident death benefit may be paid if you die as an active employee as the result of an on-the-job accident. To qualify for this benefit, there must be evidence, satisfactory to the Benefit Claim and Appeal Committee (BCAC), that your injuries resulting from that accident were the sole cause of your death.
- *Final expenses benefit:* If you die, are eligible for a sickness or accident death benefit and either you do not have a beneficiary who qualifies for those death benefits or the amount of death benefits awarded is less than the maximum, then a final expenses benefit also may be paid for:
 - Necessary expenses relating to your death, and
 - If you die due to sickness, necessary expenses for your burial (not to exceed \$500).

Sickness and accident death benefits are reduced by like benefits paid from Workers' Compensation (or similar laws) for the same illness or injury.

Payment of Sickness and Accident Death Benefits

Generally, the death benefit (whether sickness or accident) is paid to your mandatory beneficiary. If you have more than one mandatory beneficiary (see below) when you

die, the BCAC, at its discretion, determines whether to pay the full benefit to one beneficiary or to divide it equally, or in some other proportion, among your mandatory beneficiaries.

If you do not have any mandatory beneficiary when you die, death benefits may be paid to one or more discretionary beneficiaries. The BCAC, at its discretion, determines whether to pay a death benefit to a discretionary beneficiary, and if so, the amount of the benefit to be paid. The BCAC will base its decision on its determination of whether the discretionary beneficiary was dependent on you, and the extent of the discretionary beneficiary's financial need.

The death benefit will be paid at the discretion of the BCAC in a lump sum or in installments over a period of up to five years after your death. If the death benefit is paid as installments, the unpaid balance after the first installment payment is credited with interest of 5% a year.

A claim for death benefits received more than one year after your death will not be accepted. In addition, no death benefit will be paid if a claim (or suit) for damages based on your death is brought against any participating company or interchange company.

Beneficiaries

A mandatory beneficiary for purposes of the sickness and accident death benefits is your:

- Spouse who is living with you when you die,
- Unmarried dependent children up to age 23 (or over age 22 if the child is disabled and incapable of self-support), or
- Dependent parents living with you or in a separate household provided in the vicinity of your home.

A discretionary beneficiary for purposes of the sickness and accident death benefit is your relatives (other than your mandatory beneficiaries) who the BCAC determines were dependent on you for financial support before your death and who demonstrate an acceptable financial need after your death.