

PARTICIPATING IN THE PLANS

Who Is Eligible

You are eligible to enroll if you are a regular, active, full-time or part-time, salaried employee who works for a **Participating Company**.

In addition to your own medical, dental, vision or hearing expenses, you also can use your Reimbursement Account(s) to cover any eligible expenses.

Individuals who are not paid from the U.S. payroll of a **Participating Company**, who are employed by an independent company (such as an employment agency) or whose services are rendered pursuant to an agreement excluding participation in benefit plans, are not eligible to participate in the Reimbursement Account Plans.

How to Enroll

What you need to do to enroll for coverage depends on whether you are:

- A newly **eligible employee**,
- An employee changing your existing coverage during an **annual enrollment** period, or
- An employee changing your existing coverage level during the year due to a **qualified status change** (see “If You Have a Qualified Status Change”).

Newly Eligible Employees

An enrollment letter will be sent to your home address when you first become eligible to participate in the Reimbursement Account Plans. The letter will include information about the Reimbursement Accounts, how to enroll and the date by which you must make your elections. You can make your enrollment elections online by logging onto the Avaya Healthy Decisions Web Site at www.AvayaHealthyDecisions.com or by calling the **Avaya Health and Benefits Decision Center** (see “Important Contacts”).

Annual Enrollment

During **annual enrollment**, you will have an opportunity to select the benefits that best meet your needs for the coming year. **Annual enrollment** is held once a year, usually in the fall.

You will receive enrollment information that will explain how to make your **annual enrollment** elections, including elections for the **HCRA** and the **CECRA**. If you want to

continue participating in one or both of these accounts for any year after the year of your initial enrollment, you *must re-enroll each year* during **annual enrollment**. Your elections do *not* automatically continue from one year to the next.

Elections made during **annual enrollment** are effective on the first day of the following calendar year.

You have several enrollment choices. You may:

- Enroll in the Health Care Reimbursement Account (**HCRA**) *only*,
- Enroll in the Child/Elder Care Reimbursement Account (**CECRA**) *only*,
- Enroll in *both* Reimbursement Accounts, or
- Choose *not to participate* in either Reimbursement Account.

You also must indicate the amount you want to contribute to your Reimbursement Account(s).

Confirmation Statements

A confirmation statement will be generated after you enroll or change benefits during **annual enrollment** or at any other time during the year. Be sure to review the information carefully and report any discrepancies immediately to the **Avaya Health and Benefits Decision Center** (see “Important Contacts”).

If You Do Not Enroll

If you do not make any elections during the **annual enrollment** period, you will not have an opportunity to enroll in either account until the next **annual enrollment** or unless you have a **qualified status change**. This means you will *not* be covered under the **HCRA** or the **CECRA** for the current year. You must wait until the next **annual enrollment** to enroll.

If You and Your Spouse Both Work for Avaya Inc.

If you and your **lawful spouse** both work for Avaya Inc. and are eligible to enroll in the Reimbursement Accounts, here is what happens:

- Each of you may have your own **HCRA**. Each of you may contribute up to the \$4,000 Plan Year maximum to your **HCRA**.

- Each of you may have your own **CECRA**. However, your combined total annual contribution including the Company match (“Company Match for the CECRA”) will be subject to IRS limitations (see “Special Rules for the CECRA”).

About Participation

If you elect to participate in the Reimbursement Accounts for a given Plan Year, your elections will remain in effect through December 31st of that Plan Year only. If you want to continue participating for any year after the year of your initial enrollment, you *must re-enroll each year* during **annual enrollment**. Your elections do *not* automatically continue from one year to the next.

You do *not* need to be enrolled for other benefits through Avaya Inc. in order to enroll for the **HCRA** or the **CECRA**.

When Participation Begins

You can participate in the Reimbursement Accounts during any Plan Year *only if* you enroll as follows:

- *For newly eligible employees:* If you enroll by the date specified in your enrollment letter, your participation for that year begins as of your first day of work as an **eligible employee** (see “Who Is Eligible”). Your contributions generally begin as of the following pay period. If you do not enroll within 31 days, you may not elect to participate until the next **annual enrollment**. You cannot enroll after the last payroll file has run in mid-November.
- *Following a **Qualified Status Change**:* If you elect to increase, decrease or stop **HCRA** or **CECRA** contributions within 31 days of a **qualified status change**, your change takes effect as of the following pay period. If you do not change your election within 31 days of the **qualified status change**, you must wait until the next **annual enrollment**.
- *During **Annual Enrollment**:* If you enroll or re-enroll during **annual enrollment**, your participation for the next Plan Year begins on the first day of the following calendar year.

For any year after the year of your initial enrollment, *you must re-enroll each year during **annual enrollment** if you want to continue your participation*. For more information, see “If You Have a Qualified Status Change” and “Annual Enrollment.”