

## SUMMARY OF MATERIAL MODIFICATIONS

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The Health Flexible Spending Account under the Employer's Section 125 Plan has hereby been amended effective January 1, 2020 to incorporate the changes as a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Although the CARES Act was passed on March 27, 2020, the following amended provisions under the Plan are retroactive to January 1, 2020:

**Item 1: III. Contributions: 5. May I change my elections during the Plan Year?**

*(this provision has been added as the last paragraph within this section as follows):*

Outlined in Notice 2020-29, employers can amend Health Flexible Spending Account plans that began in 2020 to allow for changes to annual elections. These changes permit, under certain circumstances, prospective changes to Health Flexible Spending Account elections as follows:

- employees may revoke a Health Flexible Spending Account election, make a new election, or decrease or increase an existing election on a prospective basis; and

Employers are not required to allow unlimited election changes but may determine the extent to which such changes are permitted and applied. Any change allowed shall not permit a revocation or decrease in election below the amount already disbursed.

**Item 2: IV Benefits: 1. Health Flexible Spending Account** *(the following paragraphs within this section have been amended as follows):*

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our medical plan and save taxes at the same time. In addition, the Health Flexible Spending Account enables you to pay for expenses permitted under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Health Flexible Spending Account allows you to be reimbursed by the Employer for expenses incurred by you, your spouse, and your dependents.

Drug costs, including insulin, and "over the counter" drugs may be reimbursed. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

**Item 3: V Benefit Payments: 2. What happens if I don't spend all Plan contributions during the Plan Year?** *(the following provisions have been added to this section as follows):*

If you have not spent all the amounts in your Health Flexible Spending Account by the end of the Plan Year, you may continue to incur claims for expenses during the "Grace Period." The "Grace Period" extends 2 1/2 months after the end of the Plan Year, during which time you can continue to incur claims and use up all amounts remaining in your Health Flexible Spending Account.

Due to the COVID-19 pandemic, for the grace period ending in 2020 employees may use dollars remaining in the Health Flexible Spending Account as of the last day in the plan year for claims incurred through December 31, 2020.

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**Except as stated above, all Plan provisions remain the same.**

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This Amendment has been approved and adopted by the Plan. It supersedes and/ or changes any previous Amendment(s) in regards to the Plan provisions specified in the Plan Document that governs this Plan. After you review this Amendment, please place a copy of it with your Summary Plan Description for future reference. This signed Amendment shall be attached to and form a part of the Plan Document on the above stated Effective Date.