

SUMMARY OF MATERIAL MODIFICATIONS

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 and Dependent Care Flexible Spending Account that began in 2020 to allow for changes to annual elections. These changes permit, under certain circumstances, prospective changes to Health Flexible Spending Account and Dependent Care 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
- employees may revoke a Dependent Care Flexible Spending Account election, make a new election, or decrease or increase an existing election on a prospective basis.

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.

The most that you can contribute to your Health Flexible Spending Account each Plan Year is \$2,750 for 2020. After 2020, the dollar limit may increase for cost of living adjustments. In addition, you will be eligible to carryover amounts left in your Health Flexible Spending Account. This means that amounts you do not use during a Plan Year can be carried over to the next Plan Year and used for expenses incurred in the next Plan Year. You may carry over amounts up to a maximum of \$550. Amounts carried over do not affect the maximum amount of salary redirection contributions for the Plan Year to which they are carried over. Unused amounts are those remaining after expenses have been reimbursed during the runout period.

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These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Amounts in excess of \$550 will be forfeited. The Plan is allowed, but not required, to treat claims as being paid first from the current year amounts, then from the carryover amounts. For Plan Years starting in 2020 the carryover maximum will adjust annually due to inflation. Moving forward the indexed amount will equal 20% of the FSA maximum amount allowed.

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

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.