

**SUMMARY OF MATERIAL MODIFICATIONS  
for the  
NORTHERN MICHIGAN UNIVERSITY  
FLEXIBLE BENEFITS PLAN**

**I  
INTRODUCTION**

This is a Summary of Material Modifications (“SMM”) regarding the Northern Michigan University Flexible Benefits Plan (the “Plan”). This is merely a summary of the most important changes to the Plan and information contained in the Summary Plan Description (“SPD”) previously provided to you. It supplements and amends that SPD so you should retain a copy of this document with your copy of the SPD. If you have any questions, contact the Administrator. If there is any discrepancy between the terms of the Plan, as modified, and this SMM, the provisions of the Plan will control.

**II  
SUMMARY OF CHANGES**

1. Question 5 of Article III of your SPD is amended, effective January 1, 2021, to add the following paragraph at the end:

*Temporary mid-year election rights for 2021*

Section 214(e) of Division EE of the Consolidated Appropriations Act, 2021 (the “Act”) grants employers the ability to provide relief for participants of Code §125 cafeteria plans. Section 214(e) of the Act is designed to provide temporary flexibility for employers and employees and assist with the national response to the 2019 novel coronavirus outbreak (COVID-19). In accordance with Section 214(e) of the Act, during the Plan Year ending in 2021 only, a Participant may make an election to prospectively modify the amount (but not in excess of any applicable dollar limitation) of such Participant’s contributions to the Health Flexible Spending Account and/or Dependent Care Flexible Spending Account (without regard to any change in status) subject to the following: (1) the election shall not violate any other statute or regulation applicable to the Plan; and (2) no Participant is permitted to elect to revoke or decrease either the Health Flexible Spending Account or Dependent Care Flexible Spending Account amounts below the amount already disbursed/reimbursed from the applicable account.

2. Question 2 of Article IV of your SPD is amended, effective immediately, to add the following paragraph after the second paragraph (starting “You may roll over . . .”) and before the third paragraph (starting “For purposes of the . . .”):

Section 214(b) of the Act permits a cafeteria plan which includes a health flexible spending arrangement to permit participants to carryover any

unused benefits or contributions remaining in any such flexible spending arrangement from the plan year ending in 2021 to the plan year ending in 2022. Accordingly, for the Plan Year ending in 2021 only, a Participant in the Health Flexible Spending Account will be able to carryover all unused amounts in the Health Flexible Spending Account remaining at the end of the 2021 Plan Year to pay or reimburse the Participant for Medical Expenses incurred during the 2022 Plan Year. This paragraph modifies the otherwise applicable 20% Maximum set forth in the immediately prior paragraph for carryovers from the 2021 Plan Year into the 2022 Plan Year only.

3. Question 2 of Article V of your SPD is amended, effective January 1, 2021, to add the following paragraph after the third paragraph (starting “Internal Revenue Service Notice 2020-29 . . .”) and before the fourth paragraph (starting “For the Health Flexible Spending Account . . .”):

Section 214(c) of the Act permits a cafeteria plan which includes a dependent care flexible spending account to extend the grace period for spending unused benefits or contributions remaining in any such flexible spending account from the plan year ending in 2020. Accordingly, the Plan shall permit Employees with unused amounts remaining in the Dependent Care Flexible Spending Account as of the end of the Grace Period ending in 2021, to apply those unused amounts to pay or reimburse Employment-Related Dependent Care Expenses incurred through December 31, 2021.

PLEASE ADDRESS ANY QUESTIONS YOU MAY HAVE TO THE PLAN ADMINISTRATOR: The Administrator is Northern Michigan University whose address is 1401 Presque Isle Avenue, Marquette, Michigan 49855, whose telephone number is 906-227-1030, and whose EIN is 38-6029206. The plan number is 520.

The claims administrator is WageWorks, Inc., whose address is P.O. Box 14054, Lexington, KY 40512, and whose telephone number is 800-950-0105.