

**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 2 of Article IV of your SPD is amended, effective January 1, 2021, to modify the fifth paragraph to state:

The term “Medical Expenses” means expenses incurred during the Plan Year by you or your Dependents, for medical care as defined in Code §213(d) and only as allowed to be reimbursed under Code §125 and the regulations and guidance thereunder, but only to the extent that you or other persons incurring the expense are not reimbursed for the expense through insurance or otherwise. If only a portion of the Medical Expense has been reimbursed elsewhere, the Plan may reimburse the remaining portion of the expense if it otherwise meets this definition. Furthermore, you may not be reimbursed for “qualified long-term care services” as defined in Code § 7702B(c) or any premium payments for health care coverage. Medical Expenses are incurred at the time the services to which the expense relates are rendered, regardless of when you are charged for the services. Effective for expenses incurred after December 31, 2019, pursuant to §3702 of the CARES Act, reimbursement of certain over-the-counter drugs and medicine are permitted without prescription and Medical Expenses shall include expenses incurred for menstrual care products (as defined in Code §223(d)(2)(D)). Effective for expenses incurred on or after January 1, 2021, pursuant to IRS Announcement 2021-7 reimbursement of certain COVID-19 personal protective equipment is permitted.

2. Question 3 of Article IV of your SPD is amended, effective January 1, 2021, to modify the eighth paragraph to state:

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Generally, your reimbursements may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns); (b) your taxable compensation for the calendar year; (c) if you are married, your spouse's actual or deemed earned income (a spouse who is a full time student at an educational institution or physically or mentally incapable

of caring for himself/herself has a monthly earned income of \$250 for one dependent or \$500 for two or more dependents). For the 2021 Plan Year only, the dollar limitations set forth under (a) above are increased to \$10,500 (if you are married filing a joint return or you are head of a household) or \$5,250 (if you are married filing separate returns).

3. Article XI of your SPD is amended, effective immediately, to amend the section titled "Extension of Certain Deadlines Due to COVID-19" to the state following at the end:

On February 26, 2021, the Department of Labor issued Employee Benefits Security Administration Disaster Relief Notice 2021-01 which states that the relief provided by "Extension of Certain Timeframes for Employee Benefit Plans, Participants, and Beneficiaries Affected by the COVID-19 Outbreak" ends on the earlier of (a) one year from the date the relevant Participant was first eligible for such relief, or (b) 60 days after the end of the Outbreak Period.

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.