

U.A. Local No. 393 Benefit Funds

PLUMBERS, STEAMFITTERS & REFRIGERATION FITTERS

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June 2021

NOTICE OF MATERIAL MODIFICATIONS to the U.A. LOCAL NO. 393 DEPENDENT CARE ASSISTANCE FLEXIBLE SPENDING ACCOUNT PLAN (As revised January 1, 2019)

TO: All Participants of the U.A. Local No. 393 Dependent Care Assistance Flexible Spending Account Plan

FROM: The Trustees of the Plan

This document is a Summary of Material Modifications (“Summary”) intended to notify you of important changes made to the U.A. Local No. 393 Dependent Care Assistance Flexible Spending Account Plan (“the Plan”). You should take the time to read this summary carefully and keep it with the copy of the Plan Document that was previously provided to you. Please note that, in the event of conflict between this Summary and the terms of the Plan, the terms of the Plan will govern. If you have any questions about these changes you should call the Plan Administrator at the number above or the member advocate at (408) 225-3030 ext. 26.

The Trustees of the Plan have made the following changes to the Plan Rules:

Mid-Year Elections

In light of participants' limited access to routine health care and school closures due to COVID-19 that have affected dependent care needs, the Plan is allowing mid-year election changes for the 2021 Plan Year only. This means that you may revoke an election, make an election, or change any existing election for the 2021 Plan Year.

If you are interested in making a change, please contact the UA Local Union 393 office for an election form at (408) 225-3030, 6150 Cottle Road, San Jose, CA 95123.

Extension of Grace Period

Currently the Plan requires all money contributed to your Dependent Care Assistance Flexible Spending Account to be used in that Plan Year or by the Grace Period, March 15th of the following year. The Grace Period ending March 15, 2021 is extended to December 31, 2021; and the Grace Period ending March 15, 2022 is extended to December 31, 2022.

This means you may apply any unused amounts remaining in your Dependent Care Assistance Flexible Spending Account as of December 31, 2020 to reimburse your eligible dependent care expenses incurred through December 31, 2021. Additionally, you may apply any unused amounts remaining in your Dependent Care Assistance Flexible Spending Account as of December 31, 2021 to reimburse your eligible dependent care expenses incurred through December 31, 2022.

Exclusion from Gross Income

Effective January 1, 2021, any amounts that would have been excluded from your income if used during the 2020 or 2021 plan year but which were used during the extended grace period, will continue to remain excluded from your gross income.