

SUMMARY OF MATERIAL MODIFICATION

PORTLAND PUBLIC SCHOOLS TRUST

FLEXIBLE SPENDING ACCOUNT

This is a Summary of Material Modification (SMM) regarding the PORTLAND PUBLIC SCHOOLS TRUST Flexible Spending Account (FSA). This Summary of Material Modification supplements and amends the Summary Plan Description (SPD) previously provided to you. You should retain this document with your copy of the SPD.

Description of Modification(s)

Per the Relief Bill, formally known as Consolidated Appropriations ACT, 2021, your Employer has chosen to implement the following temporary provision(s) as indicated below:

RB – Carryover Provision: Unused amounts in a Participant’s Health FSA and/or DCAP Components at the end of the Plan Year will carry forward and remain available to reimburse eligible healthcare and dependent care expenses incurred through next Plan Year.

- This RB – Carryover Provision is a temporary change to the existing plan rules and is applicable to Plan Years 1/1/2020 through 12/31/2020 and 1/1/2021 through 12/31/2021 as follows:
 - Unlimited unused Health FSA and/or DCAP amounts may carryover from Plan Year 1/1/2020 through 12/31/2020 into the next Plan Year.
 - Unlimited unused Health FSA and/or DCAP amounts may carryover from Plan Year 1/1/2021 through 12/31/2021 into the next Plan Year.
- Carryover Condition continues to apply as indicated in the FSA Summary Plan Description (SPD). However, the Carryover Condition does not apply to DCAP.
- During the run-out period for the Plan Years indicated above, potential carryover amounts may be used either for prior-year or current-year claims.
- Unused carryover amounts remaining at termination and cessation of eligibility will generally result in a loss of carryover eligibility unless coverage is continued (if applicable).
- Once the temporary RB – Carryover Provision expires, the plan rules will default back to the plan design prior to amending the plan as follows:
 - Carryover will no longer be allowed for DCAP and will be subject to the “FSA Use-It-or-Lose-It” rule as explained in the FSA plan documents.
 - If Carryover for Health FSA was allowed under the plan design, unused amounts in excess of the maximum dollar amount per IRS regulation will be forfeited.

If you have questions, please contact the Human Resources/Benefits Representative with PORTLAND PUBLIC SCHOOLS TRUST. These changes are the only changes to the original plan documents and the remainder of the plan documents continue in full force.