GRAY & SON/MARYLAND PAVING MGMT, INC. GROUP HEALTH PLAN
SUMMARY OF MATERIAL MODIFICATIONS

TO: Participants in the Gray & Son/Maryland Paving Mgmt, Inc. Group Health Plan

FROM: Plan Administrator

DATE: April 23, 2021

RE: Summary of Material Modifications

This Summary of Material Modifications ("SMM") amends certain provisions of your Summary Plan Description ("SPD") for the Gray & Son/Maryland Paving Mgmt, Inc. Group Health Plan (the "Plan") to revise the Plan's Health FSA to provide for coverage of certain newly eligible expenses and to make some additional temporary changes that are required or permitted because of the current COVID-19 National Emergency. Please review this SMM carefully to familiarize yourself with the changes, and save it with your SPD (or attach it to any paper copy of your SPD). Except as otherwise provided in this SMM, the changes described in this SMM are effective April 1, 2020.

1. New Eligible Health FSA Expenses. Effective April 1, 2020, the Plan's health care flexible spending account (Health FSA) feature is amended to provide for reimbursement of the following additional eligible expenses for you and your eligible child, spouse or dependent (as determined under the terms of the Health FSA):

- Expenses for over-the-counter medicine that you pay at any time during the current plan year are now eligible for reimbursement under the Health FSA regardless of whether the medicine has been prescribed for you (or your eligible spouse, child or dependent). Previously, over-the-counter medicine was covered only if it was provided based on a prescription. Note that, even though a prescription is no longer required for over-the-counter medicine to be reimbursed, the Health FSA still does not reimburse expenses for over-the-counter items that do not qualify as medicine under Internal Revenue Service rules (such as vitamins or nutritional supplements).
- Expenses for menstrual care products that you (or your eligible spouse, child or dependent) pay at any time during the current plan year are now eligible for reimbursement under the Health FSA. For this purposes, "menstrual care product" means a tampon, pad, liner, cup, sponge, or similar product used by individuals with respect to menstruation.
- Expenses for personal protective equipment such as masks, hand sanitizers and sanitizing wipes, for use by you, your spouse or your dependents for the primary purpose of preventing the spread of the Coronavirus Disease 2019.

2. Special Election Change Rules. The following new subsection (g), which allows employees to make certain benefit election changes during the Plan Year that began April 1, 2020 that would not normally be permitted, is added to the end of the "Participation" section of your SPD:

(g) Special Election Changes. Because of the COVID-19 pandemic, during the Plan Year that began April 1, 2020 only, you may elect to enroll in a health care flexible spending account under the Plan (Health FSA) or to increase or decrease contributions to a Health FSA if you are already enrolled.

If you make a change to your Health FSA contributions based on the above rules, that change will affect the maximum amount available under the Health FSA for the rest of the Plan Year. In such cases, the maximum amount available for expenses incurred during the rest of the Plan Year (on or after the effective date of the change in contributions) will be calculated by adding (1) the contributions (if any) credited to your Health FSA plus any carryover contributions through the effective date of your change in contributions, to (2) the total contributions scheduled to be made to your Health FSA for the rest of the Plan Year based on your new contribution election and subtracting (3) all reimbursements made during any portion of the Plan Year. The maximum reimbursement amount available for expenses incurred before the effective date of your change in contributions will continue to be based on the limit that applied before your election change. For example, if you originally elected to contribute $1,200 ($100 per month) to a Health FSA for the Plan Year, halfway through the year (after you have contributed $600), you elect to increase your contributions to $200 per month, your maximum reimbursement amounts for the first six months of the Plan Year would still be $1,200, based on your original election, but your maximum reimbursement amount for expenses incurred during the second half of the year would be $1,800 (based on the $600 contributed before the change plus the $1,200 you are expected to contribute for the remaining six months). Remember that, in all cases, the amount available for reimbursement is always reduced by all previous reimbursements for the same plan year, regardless of when the reimbursement was made.

If you wish to change your Health FSA election to reduce contributions, note that your election change will be limited as needed to ensure that your total expected contributions for the remainder of the Plan Year will be, together with all your previous contributions for the Plan Year, enough to cover at least the amount already reimbursed by the Health FSA on the date the election is to be implemented, as determined by the Administrator.

Election changes under this subsection (g) may be limited based on uniform and consistent administrative rules established by the Employer. You will be informed if any of these rules affect your requested election change. Your new elections will take effect as soon as practicable after the date you complete and submit any required election change form or process and after the changes are approved by the Plan Administrator, and will be effective for the balance of the Plan Year in which the new election becomes effective or, for all other coverage, until you make another change to the applicable benefits in accordance with Plan procedures.

3. Health FSA Carryover Inflation Adjustments. Effective starting with the Health FSA plan year beginning in 2020, the Plan's maximum carryover contribution is increasing. The carryover contribution feature previously provided that up to $500 in unused balance remaining in your Health FSA at the end of a Plan Year could be carried over to the next Plan Year, so that you can access that amount to use for eligible expenses incurred during the next Plan Year. The IRS now allows for this maximum carryover amount to be adjusted each year for inflation. For the Health FSA Plan Year starting in 2020, the maximum amount permitted by the IRS to be carried over at the end of the 2020 Plan Year to the next Plan Year is increasing to $550 and the Plan's maximum carryover contribution amount is increasing to that amount. For later Plan Years, the maximum carryover contribution amount will be adjusted to match the new maximum amount announced by the IRS that applies for each Plan Year.

4. Full FSA Carryover. For the Plan Year ending March 31, 2021 only, if you are covered under the Plan's health care flexible spending account (Health FSA) on the last day of the Plan year and you have an Unused Balance remaining credited to a your Health FSA, that Unused Balance will automatically be carried over to the next Plan Year and will be available to pay expenses incurred during the next Plan Year (the "Carryover Plan Year"). For purposes of this paragraph, your Unused Balance on any specified date is equal to the total amount actually contributed to your Health FSA for the Plan Year through that date minus any reimbursements paid through the applicable FSA through that date.

Unless the Administrator announces a different deadline for submitting claims for reimbursement, as a result of this change, requests for reimbursement under a Health FSA for expenses incurred during the Carryover Plan Year described above must be submitted no later than 12 months after the deadline that would otherwise apply for that Plan Year under the normal terms of the Plan.

5. Temporary Deadline Extensions. Effective March 1, 2020, certain time periods described in your SPD (and in COBRA notices or other Plan materials) have been extended because of the National Emergency declared with regard to the COVID-19 (coronavirus) pandemic.

Specifically, the Plan will comply with all applicable requirements of the guidance issued by the Employee Benefits Security Administration and the Internal Revenue Service (the "Agencies") on May 4, 2020, which extended certain time frames relating to special enrollment rights, COBRA continuation coverage and claims, appeals and external review procedures for employee benefit plans. To comply with that guidance, the Plan will not count any days during the "Outbreak Period" (as defined below) in determining if any person has satisfied a requirement relating to the following time periods or deadlines:

(1) The 30-day period (or 60-day period, if applicable) for requesting a special enrollment (as described in part (f) of the "Participation" section of your SPD);

(2) The 60-day period for a COBRA qualified beneficiary to elect COBRA continuation coverage, as described in a COBRA qualifying event notice or other materials provided on behalf of the Plan;

(3) Any time period for a COBRA Qualified Beneficiary to make a COBRA premium payment (including any COBRA "grace period"), as described in a COBRA qualifying event notice or other materials provided on behalf of the Plan;

(4) The time period for individuals to notify the plan of a COBRA qualifying event or determination of disability under ERISA; as described in your SPD or in a COBRA qualifying event notice or other materials provided on behalf of the Plan;

(5) Any deadline for filing a claim for a benefit offered under the Plan that is subject to ERISA (as described in the "Claims Procedures" section and other parts of your SPD (such as the health FSA section) or in a Benefit Booklet);

(6) Any deadline under the Plan's Claims Procedures for an individual to request an internal appeal of any adverse claim determination;

(7) The deadline for an individual to request external review following an adverse benefit determination, as described in the External Review language in the "Claims Procedures" section of your SPD; and

(8) The deadline for a claimant to provide additional information needed to complete a request for external review, as described in the External Review language in the "Claims Procedures" section of your SPD.

For purposes of the Plan and this SMM, the "Outbreak Period" is the period beginning on the later of (i) March 1, 2020 or (ii) the "Applicable Event Date" (as defined in the chart below) and ending on the earlier of (a) 60 days after the announced end of the National Emergency Period that began on March 1, 2020 relating to the COVID-19 outbreak (or on any other date that is announced by the Agencies) or (b) one year from the Applicable Event Date. For purposes of the above time periods or deadlines that would otherwise apply under the Plan without this SMM, days before the Outbreak Period and days beginning after the Outbreak Period will be combined in determining if the applicable time period requirement has been satisfied, but all days during the Outbreak Period will be ignored. For example, if a 30-day special enrollment period began 25 days before the Outbreak Period, that special enrollment period would remain open for the entire Outbreak Period and would end five days after the end of the Outbreak Period.

Event	Event type	Applicable Event Date
(1)	Special enrollment event	First day of 30-day or 60-day special enrollment period
(2)	Initial COBRA election	First day of 60-day COBRA election period
(3)	Initial COBRA payment Monthly COBRA payment	First day of 45-day initial payment period First day of 30-day payment grace period
(4)	COBRA qualifying event notice	First day of 60-day period for providing notice
(5)	Initial claim	Date of claim
(6)	Internal or external appeal	Date of receipt of claim denial
(7)	Request for external review	Date of notice of adverse determination on appeal
(8)	Perfection of external appeal	Date of receipt of notice of need for information

Note that these special Outbreak Period rules simply extend certain time periods and do not change any related provisions of the Plan. For example, enrollment based on a special enrollment period election will become effective as described in the SPD based on the date the request for enrollment is made. For special enrollment periods that are not based on the birth, adoption or placement for adoption of a child, that means coverage becomes effective no later than the start of the next month after the request is made. So, waiting until later in the extended special enrollment period to request enrollment will also mean that enrollment is delayed as well.

6. COVID-19 Testing Coverage. Effective March 18, 2020 and continuing as long as the public health emergency relating to the coronavirus pandemic continues (as determined by the Secretary of Health and Human Services), the following benefits are covered under the Plan's medical coverage for any covered person, based on the special rules described below:

- COVID-19 (Coronavirus) Testing: Expenses for any FDA-approved test for the detection of SARS-CoV-2 or the diagnosis of the virus that causes COVID–19; and

- COVID-19 (Coronavirus) Testing Provider Visits: Expenses for a health care provider visits, including in-person office visits and telehealth visits and emergency room or urgent care center visits, that result in an order for or the administration of a COVID-19 test, including any items or services provided as part of the visit that are related to the administration or furnishing of a COVID-19 test or determining the need for such a test.

The above benefits will be covered by the medical Plan without regard to whether the covered person has satisfied any deductible that would otherwise apply and without any copayment or coinsurance requirements being imposed on the covered person.

For COVID-19 Testing provided by an in-network provider and COVID-19 Testing Provider Visits with an in-network provider, you will not be responsible for paying any amount for those expenses. If you use an out-of-network provider for these services, the medical Plan will pay the out-of-network provider no less than the amount required by applicable law.

If a health care provider visit does not result in a COVID-19 test being administered or ordered, note that the visit will be subject to the normal terms of the Plan, so it may be subject to a deductible and/or copayment or coinsurance requirements. Also, if a provider visit involves other services that are not related to an evaluation for a COVID-19 test, those other services may be subject to the normal terms of the Plan.

7. COBRA Notice Changes. Effective immediately, the COBRA Notice section of your SPD is revised to replace the current "**Are there other coverage options besides COBRA continuation coverage?**" question and answer with the following questions and answers:

Are there other coverage options besides COBRA continuation coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicare, Medicaid, Children's Health Insurance Program (CHIP), or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at **www.healthcare.gov**.

Can I enroll in Medicare instead of COBRA continuation coverage after my group health plan coverage ends?

In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the Medicare initial enrollment period, you have an 8-month special enrollment period (https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods) to sign up for Medicare Part A or B, beginning on the earlier of

- The month after your employment ends; or
- The month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and later enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your

continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA continuation coverage will pay second. Certain plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.

For more information visit https://www.medicare.gov/medicare-and-you

8. Notwithstanding any provisions of this SPD to the contrary, the Plan will comply with the COBRA premium assistance provisions of the American Rescue Plan Act of 2021, including any notice requirements, to the extent they apply to continuation coverage available under the Plan. If you have any questions, please contact the Plan Administrator at the address or phone number provided at the end of this SMM.

9. New Benefits Booklets. Any new Benefits Booklets which have been, or will be, distributed to you are part of your SPD.

If you have questions about these Plan changes, this SMM, or your SPD, please contact the Plan Administrator at the following address or at (410)771-4311:

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