

March 1, 2021

### **Summary of Material Modifications to the Plan**

The purpose of this notice is to highlight important temporary changes to the BNSF Group Benefits Plan (the Plan) for the 2021 plan year.

The changes, which are described more fully below, are pursuant to the Consolidated Appropriations Act (CAA) signed into law on December 27, 2020 and relate to the “Cafeteria Plan” section of the Plan.

#### **Mid-Year Election Changes for Health Care Flexible Spending Account (Health Care FSA) and Dependent Care Reimbursement Account (DCRA)**

Through December 31, 2021, you may modify your Health Care Flexible Spending Account (Health Care FSA) contribution and/or Dependent Care Reimbursement Account (DCRA) contribution for the 2021 Plan year. This is intended to provide relief to Cafeteria Plan participants who have experienced a change in costs due to the COVID-19 crisis. You can increase, decrease or stop your Health Care FSA and/or increase, decrease, or stop your DCRA contribution.

If you make an election to decrease or stop your annual Health Care FSA or DCRA contribution,

- 1) Your new 2021 election cannot be less than what you have already contributed in 2021 (you cannot receive a refund of contributions already made), and
- 2) Your new 2021 annual contribution amount plus any rollover from 2020 cannot be less than the amount of reimbursements you have received in 2021.

If you wish to make an election change, please contact the BNSF Benefits Center at 1-833-277-8051. Your election change will be effective as soon as administratively practicable.

#### **Increase in Allowable Rollover Amount for General Purpose and Limited Purpose Health Care FSA**

If you did not use all the 2020 dollars in your Health Care FSA during 2020, any remaining balance over \$25 will automatically roll over into the 2021 calendar year’s account for employees who are active at the time of the rollover. This is a significant increase over the \$500 participants could rollover from 2019 into 2020.

Special note about money you contributed to your Health Care FSA during 2019: Any 2019 funds rolled from 2019 to 2020 that are still in your account will be forfeited if not claimed by March 31, 2021. Any claim towards these 2019 contributions must have an incurred date between January 1, 2019 and December 31, 2019.

Any remaining, unclaimed 2020 balance less than \$25 will be forfeited.

#### **Rollovers Allowed for Dependent Care Reimbursement Account (DCRA)**

We’re adding a temporary rollover feature to the DCRA, for unused balances from the 2020 DCRA plan year to 2021, for employees who are active at the time of the rollover. If you did not use all the dollars in your DCRA during 2020, any remaining balance over \$25 will automatically roll over into the 2021 calendar year’s account. Any remaining, unclaimed balance less than \$25 will be forfeited.

The accommodations described above do not allow you to use dollars allocated to your Health Care FSA to pay claims incurred under the DCRA, or vice versa. Dollars allocated to one FSA can only be used to reimburse expenses associated with that FSA.

**Change to eligible dependents for Dependent Care Reimbursement Account (DCRA)**

Typically, the DCRA may reimburse claims you incur for care for a child before that child turns age 13. Due to a temporary change in the law, if you were enrolled in the DCRA for the 2020 plan year, and if in that plan year your child attained age 13, the limiting age for the child – for purposes of treating dependent care claims related to that child as eligible claims – is increased from age 13 to age 14 (i.e., the DCRA can reimburse claims for the child’s care even though the child reached age 13, but has not yet reached age 14).

In addition, if you had a residual balance in your DCRA at the end of the 2020 plan year, and your child attained or attains age 13 in the next plan year, the child’s limiting age is also treated as age 14, but only to the extent of your residual balance left over from the prior plan year.

Example: The DCRA operates on a calendar year basis. You participated in the DCRA for the 2020 plan year. Your child attained age 13 in 2020. You may submit claims for the child’s dependent care incurred in 2020 after the child turned 13.

Same facts, except you had a residual balance in your DCRA at the end of the 2020 plan year. The residual balance is available to you under the DCRA’s new temporary rollover feature. The DCRA may reimburse your claims incurred for the care of your child in 2021, up until the child turns 14.

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This communication serves as a Summary of Material Modifications (SMM) to the Summary Plan Descriptions (SPDs) for various programs included in the BNSF Group Benefits Plan. Complete details of the plans are included in the official plan documents and contracts. If any information conflicts with the legal documents or contracts, the documents or contracts will govern in every instance. In addition, BNSF reserves the right to change or terminate the BNSF Group Benefits Plan, individual programs or any provisions of any program at any time.