

IMPORTANT BENEFITS NOTICE

- I. **Changes to Flexible Spending Accounts (“FSA”) Rules under the Lumen Health Care Plan**
- And
- II. **Extension of Time to File a Claim or Appeal for all the Lumen-sponsored Health and Welfare Plans, as well as the Pension and 401(k) Plans**

This is to advise you of changes Lumen has made to the **Flexible Spending Accounts (“FSAs”)** under the **Lumen Health Care Plan** (the “Plan”) in connection with the recently enacted Consolidated Appropriations Act (CAA). As a reminder, in [March 2020](#) in response to COVID-19, Lumen amended the FSAs under the Plan to adopt the relief provided by the Internal Revenue Service (IRS). Similarly, the CAA allows the following additional material changes to be made to the FSAs. In Section II below, the extension of time periods to make claims or appeals is explained.

I. 2020 FSA Balances Carryover to December 31, 2021.

Health Care FSA (HCFSA)

Due to the pandemic, many employees delayed their health care visits or expenses and, therefore, may have been unable to use or exhaust the balance in their 2020 Health Care FSA by the current Plan deadline of **March 15, 2021**. Therefore, due to the CAA changes, the 2020 Health Care FSA balance will not be forfeited at the customary expiration date, March 15, 2021, but instead, the time period in which to use and exhaust any 2020 Health Care FSA carryover balance will be extended to **December 31, 2021**, allowing employees to access those 2020 Health Care FSA contributions.

Dependent Day Care FSA (DCFSA)

Similarly, while the Dependent Day Care FSA prior to CAA wasn't permitted under IRS rules to carryover a balance from a prior year, because of the changes, employees now have the ability to carryover their 2020 Dependent Day Care FSA balance and, the time period in which to use and exhaust any 2020 carryover balance will also be extended to **December 31, 2021**.

HCFSA and DCFSA Mid-Year Election Changes.

The Plan has complied with regulatory guidance allowing greater election flexibility and mid-year elections changes. The CAA allows this same flexibility to make prospective mid-year election changes with respect to employee's elections under the Plan and their FSA elections (to increase, reduce or end an election). The CAA specifically allows this flexibility to continue through the 2021 Plan Year.

Example: For Plan Year 2021, I enrolled in a DCFSA and/or HCFSA; however, due to certain circumstances, I have to change my contribution. Therefore, I wish to increase, reduce or end the amount of my contribution election.

You can elect to **reduce** your HCFSA or DCFSA contribution as long as the new goal amount is not less than the amount that has already been deducted from your paycheck's year to date (YTD) amount, which you can find listed on your most current pay statement.

Increases in HCFSA or DCFSA contribution will be implemented on a prospective basis. Please refer to the Payroll & Benefits schedule and check your paycheck for the bi-weekly deduction based on the new contribution. The schedule is available on the Company intranet and the Health and Life website.

You can elect to **end** your HCFSA or DCFSA contribution on a prospective basis to stop any future bi-weekly deductions. The new goal amount will be the year to date (YTD) amount at the time the change was received and processed.

This flexibility is only permitted through December 31, 2021

Contact the Lumen Health and Life Service Center at 866-935-5011, Monday – Friday, 7:30-5:30 Mountain time. Refer to the Payroll and Benefits schedule to determine when your FSA deductions will process.

II. For All the Lumen-Sponsored Health & Welfare Plans, the Lumen Combined Pension Plan and the Lumen 401(k) Savings Plan:

Time to File a Claim or Appeal- Temporary Suspension Has Been Extended

You were previously advised by SMM issued in 2020, that the time deadlines by which a participant has to file a claim or appeal for benefits was extended through Feb. 28, 2021. The Company-sponsored benefit Plans recognize that the announced National Emergency, resulting from COVID-19, continues and may continue to impact your ability to file a claim or appeal. In light of the ongoing National Emergency and consistent with regulatory guidance, the Plan will disregard the period from March 1, 2020 until sixty (60) days after the announced end of the National Emergency or the date further conveyed through regulatory guidance as part of the period you would have to submit your claim or appeal.

In effect, this extends the time period you have to submit your claim or appeal for a benefit by not counting the days in the disregarded period as part of the applicable submission time frame. For more information on Plan Claims and Appeals Procedures, or on Deadlines, consult the General Information SPD or the specific Plan SPD- See Section: Timing of Benefit Determinations on Health Claims and Appeals. You can find all the Plan SPDs on the [Summary Plan Descriptions](#) page on InsideLink.

SMM. This document is intended to serve as a “Summary of Material Modifications” (the “SMM”) pursuant to the requirements of Section 104 of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). This SMM notifies you of certain important coverage changes to the **Lumen Health Care Plan** and the **Flexible Spending Accounts** under the Plan. It is also intended to advise that with regard to **all the Company-sponsored Benefit Plans** that are subject to ERISA, the time period you have to submit your claim or appeal for a benefit is extended. Please keep this SMM with your Summary Plan Description for the Plan for future reference. This document summarizes only certain provisions of the Plan. If there is any conflict between the terms of the Plan documents and this SMM, the terms of the Plan documents will govern.

Right to Amend

The Company and its delegate, the Lumen Plan Design Committee, each has reserved the right in its sole discretion, to change, modify, discontinue or terminate the Plan and/or any of the benefits under the Plan and/or contribution levels, with respect to all participants classes, retired or otherwise, and their beneficiaries at any time without prior notice or consultation, subject to applicable law, specific written agreement and the terms of the Plan Document. The Lumen Employee Benefits Committee, as the Plan Administrator, may adopt, at any time, rules and procedures that it determines to be necessary or desirable with respect to the operation of the Plan.