

**SUMMARY OF MATERIAL MODIFICATIONS
for the**

Powell Industries, Inc. Employee Welfare Plan
(Name of Plan)

**I
INTRODUCTION**

This is a Summary of Material Modifications regarding the Powell Industries, Inc. Employee Welfare Plan ("Plan"). This is merely a summary of the most important changes to the Plan and information contained in the Summary Plan Description ("SPD") previously provided to you. It supplements and amends that SPD so you should retain a copy of this document with your copy of the SPD. If you have any questions, contact the Administrator. If there is any discrepancy between the terms of the Plan, as modified, and this Summary of Material Modifications, the provisions of the Plan will control.

**II
SUMMARY OF CHANGES**

This amendment is effective January 1, 2020.

You may now request reimbursement for the purchase of "over the counter" drugs without a prescription.

You may now request reimbursement of the purchase of menstrual care products, including tampons, pads, and other products.

You may now request reimbursement of telehealth services.

You may now request reimbursement for the purchase of personal protective equipment, such as masks, hand sanitizer, sanitizing wipes and any other equipment for the primary purpose of preventing the spread of COVID-19. For plan year 2020, you may have a change in status for health insurance (including medical, dental or vision) coverage:

- You may elect to enroll in medical health coverage on a prospective basis if you declined it during our enrollment period.
- You may elect to revoke your existing coverage and change it to another coverage option we offer (individual to family coverage, for example).
- You may elect to revoke your coverage with our insurance and enroll in coverage provided by another provider, including on the Health Exchange. However, you must sign a form stating that you will be obtaining coverage through other means.

For plan year 2021, you may have a change in status for health insurance (including medical, dental or vision) coverage:

- You may elect to enroll in medical health coverage on a prospective basis if you declined it during our enrollment period.
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- You may elect to revoke your existing coverage and change it to another coverage option we offer (individual to family coverage, for example).
- You may elect to revoke your coverage with our insurance and enroll in coverage provided by another provider, including on the Health Exchange. However, you must sign a form stating that you will be obtaining coverage through other means.

For plan year 2020, you may have a change in status for your Health Flexible Spending Account as described below.

- You may elect to contribute to your Health Flexible Spending Account if you declined to do so during the enrollment period.
- You may elect to increase your Health Flexible Spending Account, up to the maximum that we allow *(fill in amount)*.
- You may elect to decrease the amount you contribute to your Health Flexible Spending Account on a prospective basis *(however, it may not be less than the amount you have already contributed to the plan or have already been reimbursed, if greater)*.

For plan year 2020, you may have a change in status for Dependent Care Flexible Spending Account:

- You may elect to contribute to your Dependent Care Flexible Spending Account if you declined to do so during the enrollment period.
- You may elect to increase your Dependent Care Flexible Spending Account, up to the maximum that we allow *(fill in amount)*.
- You may elect to decrease the amount you contribute to your Dependent Care Flexible Spending Account on a prospective basis *(however, it may not be less than the amount you have already contributed to the plan or have already been reimbursed, if greater)*.

For plan year 2021, you may have a change in status for your Health Flexible Spending Account as described below.

- You may elect to contribute to your Health Flexible Spending Account if you declined to do so during the enrollment period.
- You may elect to increase your Health Flexible Spending Account, up to the maximum that we allow *(fill in amount)*.
- You may elect to decrease the amount you contribute to your Health Flexible Spending Account on a prospective basis *(however, it may not be less than the amount you have already contributed to the plan or have already been reimbursed, if greater)*.

For plan year 2021, you may have a change in status for Dependent Care Flexible Spending Account:

- You may elect to contribute to your Dependent Care Flexible Spending Account if you declined to do so during the enrollment period.
- You may elect to increase your Dependent Care Flexible Spending Account, up to the maximum that we allow *(fill in amount)*.
- You may elect to decrease the amount you contribute to your Dependent Care Flexible Spending Account on a prospective basis *(however, it may not be less than the amount you have already contributed to the plan or have already been reimbursed, if greater)*.

For the 2020 plan year, you may carryover amounts up to \$550 that are left in your Health Flexible Spending Account. This means that amounts you did not use during the 2020 Plan Year can be carried over to the 2021 Plan Year and used for expenses incurred in the 2021 Plan Year. *[You can only carry over amounts if you participate in the Plan for the next Plan Year.]* This amount will be adjusted in future plan years.

For the 2020 (and 2021) plan year, you may carryover amounts that are left in your Health [or Dependent Care] Flexible Spending Accounts. This means that amounts you did not use during the 2020 Plan Year can be carried over to the 2021 Plan Year and used for expenses incurred in the 2021 Plan Year.

If you did not spend all the amounts in your *[Health Flexible Spending Account]*, *[Dependent Care Flexible Spending Account]* by the end of the 2019 Plan Year, you may continue to incur claims for expenses for a 2019 plan

year for twelve months after the end of the plan year. This will also be available for the 2020 plan year and the 2021 plan year.

For 2021, the law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Your reimbursements may not exceed the lesser of: (a) \$10,500 (if you are married filing a joint return or you are head of a household) or \$5,250 (if you are married filing separate returns).

If you terminate employment in 2020/2021, and you did not spend all the amounts in your Health Flexible Spending Account by your date of termination, you may continue to request reimbursement for claims until the end of the 2020/2021 Plan Year.

For 2020, you can claim dependent care expenses for children until they turn age 14. If you have unused funds from 2020 you can claim dependent care expenses for children until they turn age 14 in 2021.

The deadlines for submitting claims, notifying the plan administrator of certain HIPAA special enrollment rights or certain COBRA qualifying events, electing COBRA coverage and making COBRA payments and making appeals, will be extended due to the pandemic. Your Administrator will provide you with details.