

**2026 Supplemental Notice  
To Summary Plan Description  
Regarding the Cafeteria Plan - Dependent Care Assistance Program (DCAP) Limit Increase**

**Instructions**

The following should be included with your Summary Plan Description. These important changes will be applied to the Flexible Benefit Plan and modify information currently found in the Employer Cafeteria Plan Summary Plan Description (“SPD”).

Congress recently passed the *One Big Beautiful Bill Act* (“OBBA”) which includes an important change to the annual limits for the Dependent Care Assistance Program (“DCAP”) offered under our Cafeteria Plan. Effective January 1, 2026, the IRS limit on the amount you may contribute to a Dependent Care Flexible Spending Account (Dependent Care FSA) has been increased. The new limit is not indexed for inflation and is a permanent change.

**New Limits**

Effective **January 1, 2026**, the maximum amount that may be excluded from income under Internal Revenue Code §129 for dependent care assistance is:

- **\$7,500 per calendar year** for single individuals and married couples filing jointly
- **\$3,750 per calendar year** for married individuals filing separately.

These amounts represent an increase from the current statutory limit of \$5,000 (\$2,500 if married filing separately).

**Higher Contribution Limit:** You can now contribute more money to your Dependent Care FSA to pay for eligible care expenses for your qualifying dependents.

**Eligible Expenses:** Funds can still be used for expenses like daycare, preschool, after-school programs, summer camps, and adult daycare.

**Impact on Our Cafeteria Plan**

- Beginning **with the 2026 plan year (or the first plan year beginning on or after January 1, 2026, if your plan operates on a non-calendar year basis)**, you may elect to contribute up to the new maximum limit, subject to plan terms.
- Contributions in excess of these amounts will be taxable.
- You may need to review your current elections and determine if adjustments are appropriate when the next open enrollment period begins.

We are still waiting for guidance on whether a mid-year election change will be allowed to take advantage of the higher limits.

**Next Steps for Participants**

1. Review your anticipated dependent care expenses for the upcoming plan year.
2. Watch for Flexible Spending Account enrollment materials for the plan year beginning in 2026, which will reflect the new limits.
3. If you have questions on how this change impacts your tax situation, please consult with your tax advisor.