

**SUMMARY OF MATERIAL MODIFICATION
TO THE
LE MOYNE COLLEGE FLEXIBLE SPENDING ACCOUNT
SUMMARY PLAN DESCRIPTION**

This Summary of Material Modification describes changes to the Summary Plan Description for the Le Moyne College Flexible Spending Account (the “Plan”). These changes are required in order for the Plan to continue in compliance with the health care reform law (the “Affordable Care Act”). All of these changes are effective as of the Plan Year beginning on January 1, 2014, and do not affect the terms and provisions of the Plan in effect during any prior Plan Year. After reading this Summary of Material Modification, you should attach it to your copy of the Summary Plan Description.

Summary of Material Modifications

Condition for Participation

No employee may participate in the Health Care Expense Account portion of the Plan unless he is among the employees to whom the Employer makes available group health plan coverage which meets certain requirements under the Affordable Care Act (“ACA”).

Participation Date

An employee will not be eligible to participate in the Plan unless he: (i) works at least thirty five (35) hours per week for the employer (the “hours requirement”); and (ii) satisfies the Plan’s other substantive eligibility requirements (including the requirements described above). A substantive eligibility requirement is a requirement that is not based solely on the lapse of a time period (e.g., length of employment) or some other requirement that has the same effect. An employee may commence participation on the first day of the month following the date he satisfies all applicable requirements. **However, the following rules apply when an employee’s work schedule is such that it is not certain whether he will be reasonably expected to satisfy the hours requirement.**

- If he is a newly hired employee and he works an average of at least thirty five (35) hours per week during the 12 consecutive month period commencing on the first day of the month coinciding with or immediately following his date of hire (his “initial measurement period”), he can participate in the Plan during the 12 consecutive months beginning with the second month following his initial measurement period (if he continues to satisfy the Plan’s other substantive eligibility requirements).
- Whether or not he is a newly hired employee, if he works an average of at least thirty five (35) hours per week for the employer during the 12 consecutive months beginning on the first day of any November (the “standard measurement period”), he can participate in the Plan during the 12 consecutive month period beginning on the first day of the Plan Year

following that standard measurement period (if he continues to satisfy the Plan's other substantive eligibility requirements).

- If his employment changes during his initial measurement period or a standard measurement period such that, thereafter, he is reasonably expected to satisfy the hours requirement, he can participate in the Plan on the first day of the month following the change (and until he no longer satisfies the Plan's substantive eligibility requirements).
- An employee will not be considered a newly hired employee once he has been an employee for a full standard measurement period, unless he: (i) stops providing services to the employer for a period of at least 26 consecutive weeks; and (ii) later starts providing services for the employer again (in which case he will be considered a newly hired employee when he starts providing services again).
- All hours for which an employee is paid are considered hours worked. If an employee is on an unpaid leave during a measurement period on account of jury duty or an unpaid leave subject to the Family and Medical Leave Act of 1993 (FMLA) or the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), the period of unpaid leave will be excluded when determining whether he averaged the required number of hours during that measurement period.

The employer will notify an employee before, or as soon as administratively practical after, the employee satisfies the requirements for eligibility.

Health Care Expense Account Carry Over

Any contributions that remain credited to a participant's Health Care Expense Account as of the end of any Plan Year beginning on or after January 1, 2014 (after payment of all timely and valid claims made on his Health Care Expense Account incurred during such Plan Year) shall be carried over into his Health Care Expense Account (and be available for payment or reimbursement of health care expenses incurred in) the following Plan Year; provided that: (i) he is a participant the following Plan Year; and (ii) no more than \$500 may be carried over into the following Plan Year.