

Summary of Material Modifications (SMM)

To: All Eligible Employees

From: Vermeer Human Resources

Date: October 31, 2025

Subject: Increase in Dependent Care Assistance Program (DCAP) Contribution Limit

This notice serves as a Summary of Material Modifications (SMM) to the Vermeer Manufacturing Company Section 125 Cafeteria Plan. Please read it carefully and keep it with your Summary Plan Description (SPD) for permanent reference.

What's Changing?

Effective **January 1, 2026**, the maximum annual contribution limit for the Dependent Care Assistance Program (DCAP) will increase from **\$5,000 to \$7,500** per household. This change is in accordance with recent federal legislation which amended Section 129 of the Internal Revenue Code.

New Contribution Limits:

- **\$7,500** per calendar year for employees who are single or married filing jointly.
- **\$3,750** per calendar year for employees who are married filing separately.

What You Need to Do:

If you wish to adjust your DCAP election for the 2026 plan year, you may do so during the upcoming open enrollment period. Additional details will be provided in your open enrollment materials.

Questions?

If you have any questions about this change or how it may affect your benefits, please contact Team Member Support at hr@vermeer.com or 641-621-8767.