

**125 PLAN
DEPENDENT CARE ASSISTANCE PROGRAM
SUMMARY OF MATERIAL MODIFICATIONS**

System Name/Plan Sponsor: Associated Electric Cooperative, Inc.

RUS/Subgroup Numbers: 26073- 001, 002, 005, 006, 007, 008, 009, 010, 011, 012

Plan Number: 535

EFFECTIVE DATE OF CHANGE: January 1, 2021

Whenever a material change is made to an employee benefit plan, the law which regulates such plans requires that the sponsoring employer provide eligible participants with information concerning the change(s). The information in this Summary of Material Modifications (SMM) summarizes the change(s) to your Dependent Care Assistance Program (DCAP), which is part of your 125 Plan. To make sure you always refer to the most current information regarding your 125 Plan, you should keep a copy of this SMM with your Summary Plan Description for the 125 Plan.

Pursuant to the Consolidated Appropriations Act, 2021, enacted December 21, 2020, the IRS Notice 2021-15 released on February 18, 2021, and the American Rescue Plan Act of 2021, enacted on March 11, 2021, this Plan allows participants to make DCAP changes as determined by your Employer, as follows:

- Extend the **grace period** to incur DCAP expenses to 12-months (rather than a 2-1/2 months) after the 2020 plan year.

All other rules, provisions, definitions, and benefit of the DCAP Plan remain the same.

It is important for you to understand your benefits. If you have any questions regarding this change or your DCAP Plan, please see your benefits administrator or contact the NRECA Member Contact Center at 1-866-NRECA-99 (1-866-673-2299).