

NRECA GROUP BENEFITS PROGRAM SUMMARY OF MATERIAL MODIFICATIONS

For

NRECA Group Term Life and AD&D Insurance Plan

EFFECTIVE: January 1, 2025

System name: ASSOCIATED ELECTRIC CO-OP

RUS/Subgroup Number: 01-26073-001

This Summary of Material Modifications (SMM) describes changes to the National Rural Electric Cooperative Association (NRECA) Group Term Life and AD&D Insurance Plan (the Plan) and supplements the Plan's Summary Plan Description (SPD), also known as the Benefits Booklet. The effective date of these changes is noted above, unless otherwise noted. You should read this SMM carefully and keep this SMM with your SPD for future reference. If you have questions about these changes, please see your benefits administrator.

Summary of Changes for your Group Term Life and AD&D Insurance Plan SPD:

Chapter 10: General Information

The section titled "State Notices" has been updated as follows:

The paragraph within the subsection titled "Notice for Residents of Louisiana" has been updated as follows:

The term also includes Your grandchildren residing with You. The age limit for children and grandchildren will not be less than 26, regardless of the child's or grandchild's marital status, student status or full-time employment status. Your natural child, adopted child, stepchild or grandchild under age 26 will not need to be supported by You to qualify as a Child under this insurance. In addition, marital status will not prevent or cease the continuation of insurance for a mentally or physically disabled child or grandchild past the age limit.

The subsection titled "Notice for Residents of Minnesota" has been updated to add the following new subsections:

General Provisions

If You reside in Minnesota the suicide provision is as follows:

Suicide

If You commit suicide within 1 year from the date Life Insurance for You takes effect, MetLife will not pay such insurance and MetLife's liability will be limited as follows:

- any premium paid by You will be returned to the Beneficiary.
- any premium paid by the Policyholder will be returned to the Policyholder.

If You commit suicide within 1 year from the date an increase in Your Life Insurance takes effect, MetLife will pay to the Beneficiary the amount of Insurance in effect on the day before the increase.

Any premium You paid for the increase will be returned to the Beneficiary. Any premium paid by the Policyholder for the increase will be returned to the Policyholder.

If a Dependent commits suicide within 1 year from the date any Life Insurance on such Dependent takes effect, MetLife will not pay such insurance and MetLife's liability will be limited as follows:

- any premium paid by You will be returned to the Beneficiary.
- any premium paid by the Policyholder will be returned to the Policyholder.

If such Dependent commits suicide within 1 year from the date an increase in any Life Insurance on such Dependent takes effect, MetLife will pay to the Beneficiary the amount of Insurance in effect on the day before the increase. Any premium You paid for the increase will be returned to the Beneficiary. Any premium paid by the Policyholder for the increase will be returned to the Policyholder.

The subsection titled "Notice for Residents of Missouri" has been updated to add the following new subsection:

Life Insurance

General Provisions

If You reside in Missouri the suicide provision is as follows:

"suicide or attempted suicide while sane"

Suicide

If You commit suicide within 1 year from the date Life Insurance for You takes effect MetLife will not pay such insurance and MetLife's liability will be limited as follows:

- any premium paid by You will be returned to the Beneficiary.
- any premium paid by the Policyholder will be returned to the Policyholder.

If You commit suicide within 1 year from the date an increase in Your Life Insurance takes effect, MetLife will pay to the Beneficiary the amount of Insurance in effect on the day before the increase. Any premium You paid for the increase will be returned to the Beneficiary. Any premium paid by the Policyholder for the increase will be returned to the Policyholder.

The "Notice for Residents of North Dakota" has been updated to add the following subsection:

General Provisions

If You reside in North Dakota the suicide provision is as follows:

Suicide

If You commit suicide within 1 year from the date Life Insurance for You takes effect, MetLife will not pay such insurance and MetLife's liability will be limited as follows:

- any premium paid by You will be returned to the Beneficiary.
- any premium paid by the Policyholder will be returned to the Policyholder.

The mailing address for The Texas Department of Insurance in “Notice for Residents of Texas” has been updated as follows:

Mail: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX, 78711-2030

The subsection titled “Notice for Residents of Utah” has been updated as follows:

The Association was established to provide protection in the unlikely event that your life, health, or annuity insurance company becomes financially unable to meet its obligations and is taken over by its insurance regulatory agency. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with Utah law, with funding from assessments paid by other insurance companies. (For the purposes of this notice, the terms “insurance company” and “insurer” include health maintenance organizations (HMOs) and limited health plans.)

The basic protections provided by the Association are:

- Life Insurance
 - \$500,000 in death benefits
 - \$200,000 in cash surrender or withdrawal values
- Accident and Health Insurance
 - \$500,000 for health benefit plans
 - \$500,000 in long-term care insurance benefits
 - \$500,000 in disability income insurance benefits
 - \$500,000 in other types of health insurance benefits
- Annuities
 - \$250,000 in the present value of annuity benefits in aggregate, including any net cash surrender and net cash withdrawal values

The maximum amount of protection for each individual, regardless of the number of policies or contracts, is \$500,000. Special rules may apply with regard to health benefit plans.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. Coverage is conditioned on residency in this state and there are substantial limitations and exclusions. For a complete description of coverage, consult Utah Code, Title 3 IA, Chapter 28. There are also various residency requirements and other limitations under Utah law.

Benefits provided by a long-term care rider to a life insurance or annuity contract shall be considered the same type of benefit as the base life insurance policy or annuity contract to which it relates.

Insurance companies and agents are prohibited by Utah law to use the existence of the Association or its coverage to encourage you to purchase insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between Utah law and this notice, Utah law will control.

To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association's website at www.ulhiga.org or contact:

Utah Life and Health Insurance Guaranty Assoc.
466 South 500 East, Suite 100
Salt Lake City, UT 84102
(801) 320-9955

Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
(801) 957-9200

A written complaint about misuse of this Notice or the improper use of the existence of the Association may be filed with the Utah Insurance Department at the above address.

For Utah Residents (Dependent Life or Voluntary Accidental Death and Dismemberment Insurance):

The age limit for children will not be less than 26, regardless of the child's student status or full-time employment status. Your natural child, adopted child or stepchild under age 26 will not need to be supported by You to qualify as a Child under this insurance. The term includes an unmarried child who is incapable of self-sustaining employment because of a mental or physical disability as defined by applicable law and who has been continuously covered under an Accidental Death and Dismemberment plan since reaching age 26, with no break in coverage of more than 63 days, and who otherwise qualifies as a Child except for the age limit. Proof of such disability must be sent to MetLife within 31 days after:

- The date the Child attains the limiting age in order to continue coverage; or
- You enroll a Child to be covered under this provision;

and at reasonable intervals after such date, but no more often than annually after the two-year period immediately following the date the Child qualifies for coverage under this provision. The Additional Requirement will not apply to a mentally or physically handicapped Child who has been continuously handicapped since a date before the Child reached the limiting age under this certificate and for whom satisfactory Proof of such handicap has been provided.

The mailing address for The Bureau of Insurance in the subsection titled "Notice for Residents of Virginia" has been updated as follows:

Bureau of Insurance
Life and Health Division
P.O. Box 1157
Richmond, VA 23218-1157

The subsection titled "Notice for Residents of Washington" has been updated to add the following subsection:

Life Insurance

General Provisions

The suicide provision is not applicable to residents of Washington.

No further changes have been made to your Plan's SPD.

All other rules, provisions, definitions and benefit amounts of the SPD and Plan remain the same. If the terms of this SMM and the SPD conflict with any terms of the governing Plan document, then the terms of the governing Plan document will control in all cases.

Plan Sponsor: National Rural Electric Cooperative Association
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