SUMMARY OF MATERIAL MODIFICATIONS

For

NRECA Retirement Security Plan

System Name: ASSOCIATED ELECTRIC CO-OP

RUS/Subgroup Number: 01-26073-001

This Summary of Material Modifications (SMM) describes changes to the Retirement Security Plan ("the Plan") sponsored by the National Rural Electric Cooperative Association (NRECA). This SMM supplements the Plan's Summary Plan Description (SPD). Read this SMM carefully and keep it with your SPD for future reference. If you have questions about these changes, please see your benefits administrator.

The following changes have been made to the Plan:

I. Beneficiary Designations

Effective January 1, 2026, the Plan was amended to change how default beneficiaries are handled in the case of divorce. The Plan allows a participant to designate one or more beneficiaries to receive their Plan benefit in the event of their death, subject to the requirements of the Plan. For married participants, their spouse is automatically designated as primary beneficiary.

When an individual who was a participant in the Plan as of January 1, 2026, has divorced or becomes divorced, any prior designation of their former spouse as beneficiary is automatically revoked. In these cases, the contingent beneficiary, if any, becomes primary beneficiary. If no other beneficiary is named, then the Plan's default beneficiary rules apply. A former spouse may be named as a beneficiary following divorce by submitting a new beneficiary designation. A former spouse will be treated as a beneficiary to the extent provided under a qualified domestic relations order (QDRO).

To the extent this SMM does not modify or clarify language or provisions of the SPD, the language and provisions in the SPD remain the same and control. All other rules, provisions, definitions, and benefit amounts of the Plan SPD 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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Plan Sponsor's Employer Identification Number: 53-0116145
Plan Number: 333