

NRECA GROUP BENEFITS PROGRAM SUMMARY OF MATERIAL MODIFICATIONS

For NRECA Business Travel Accident Plan

EFFECTIVE: January 1, 2017

System name: OZARK BORDER ELECTRIC COOPERATIVE

RUS/Subgroup Number: 01-26033-003

Employer Tax Identification Number: 43-0445644

This Summary of Material Modifications (SMM) describes changes to the National Rural Electric Cooperative Association Business Travel Accident Plan (the Plan) and supplements the Plan's Summary Plan Description (SPD) – also known as the Benefits Booklet. The effective date of this change is noted above. You should read this SMM very carefully and retain this SMM with your SPD for future reference. If you have any questions regarding this change, please see your Benefits Administrator.

Summary of Changes to your Business Travel Accident (BTA) Plan SPD:

Chapter 3: Eligibility and Participation Information

The “Who is Eligible” section has been updated to clarify that you are eligible to participate in the BTA Insurance Plan if you are an Active Full-Time Employee.

Chapter 4: Your Benefits During a Leave of Absence

The “Annual Benefits Enrollment” section has been removed.

The “Paying for Benefits During Your Leave of Absence, Workers’ Compensation” has been updated as follows:

Workers’ compensation may be compensated or uncompensated leave. If your period of workers’ compensation is compensated (see the section in this chapter titled *Compensated and Uncompensated Leave of Absence*), then you are eligible to continue your benefits. If you do not receive compensation during your period of workers’ compensation, **your coverage will end on the date your employment terminates.**

Chapter 5: Business Travel Accident Insurance Benefits

The “24-Hour Business Travel, Board of Directors Business Travel” was modified to add the following definition “Traveling on Business”:

Traveling on Business means, for the purpose of a Covered Accident, that a Director is traveling to, returning from or attending:

- A meeting of the Employer’s Board of Directors or other similar function requiring the Director’s attendance as a Board member, for the purpose of furthering the business of the Employer;

- A business trip taken at the Employer's specific request, for the purpose of furthering the business of the Employer; or

Any business trip for which the Director is able to receive reimbursement from the Employer for expenses or for services which he/she performed, for the purpose of furthering the business of the Employer.

Chapter 7: General Information

The "Beneficiary, Benefit Payment" section has been updated with the following:

If the benefit amount payable to you or your beneficiary is \$5,000 or more, the claim will be paid by MetLife's establishment of a Total Control Account (TCA). The TCA is a settlement option or method used to pay claims in full. MetLife establishes an interest-bearing account that provides you or your beneficiary with immediate access to the entire amount of the insurance proceeds. MetLife pays interest on the balance in the TCA from the date the TCA is established and the account provides for a guaranteed minimum rate. You or your beneficiary can access the TCA balance at any time without charge or penalty, simply by writing drafts from the TCA in amounts of \$250 or more. You or your beneficiary may withdraw the entire amount of the benefit payment immediately from the TCA if desired. Please note the TCA is not a bank account and is not a checking, savings or money market account.

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

Notice For Residents of Arkansas:

If you have a question concerning your coverage or a claim, first contact the **Employer** or group account administrator. If, after doing so, you still have a concern, you may call the toll free telephone number shown on the Certificate Face Page.

If you are still concerned after contacting both the **Employer** and MetLife, you should feel free to contact:

Notice for Residents of Idaho:

If You have a question concerning Your coverage or a claim, first contact the **Employer** or group account administrator. If, after doing so, You still have a concern, You may call the toll free telephone number shown on the Certificate Face Page.

If You are still concerned after contacting both the **Employer** and MetLife, You should feel free to contact:

Idaho Department of Insurance
Consumer Affairs
700 West State Street, 3rd Floor
PO Box 83720
Boise, Idaho 83720-0043

1-800-721-3272 (for calls placed within Idaho) or 208-334-4250 or
www.DOI.Idaho.gov

Notice For Residents of Utah:

Notice of Protection Provided by

Utah Life and Health Insurance Guaranty Association

This notice provides a brief summary of the Utah Life and Health Insurance Guaranty Association (“the Association”) and the protection it provides for **Employers**. This safety net was created under Utah law, which determines who and what is covered and the amounts of coverage.

Appendix A: Key Terms

The “Traveling on Business” definition has been updated as follows:

Traveling on Business means, for the purposes of a Covered Accident that you are on a business trip requested, authorized or consented to by the Employer, for the purpose of furthering the business of the Employer and at the expense of the Employer. Traveling on Business starts when you leave from your residence, regular place of employment or other location (whichever occurs last), for the purpose of traveling to the destination of the business trip. The business trip ends when you return to or arrive at your residence or your regular place of employment (whichever occurs first).

No further changes have been made to your BTA 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
4301 Wilson Boulevard, Arlington, VA 22203-1860
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