

**NRECA GROUP BENEFITS PROGRAM  
SUMMARY OF MATERIAL MODIFICATIONS**

**For  
NRECA Long Term Disability Plan**

**EFFECTIVE: JANUARY 1, 2014**

**System name: COLES-MOULTRIE ELECTRIC COOPERATIVE**

**RUS/Subgroup Number: 01-14008-003**

**Employer Tax Identification Number: 37-0223453**

This Summary of Material Modifications (SMM) describes changes to the National Rural Electric Cooperative Association (NRECA) Long Term Disability Plan (Plan) and supplements the Summary Plan Description (SPD) –also known as the Benefits Booklet. The effective date of each of these changes 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 these changes and clarifications, please see your Benefits Administrator.

**Summary of Changes for Chapter 3, Chapter 4, Chapter 5 and Chapter 10 of your Long Term Disability Plan SPD:**

**Chapter 3 – Eligibility and Participation Information**

“Additional Eligibility Requirements” section is replaced in its entirety as follows:

In addition to meeting the eligibility requirements noted above as a full-time employee, you must also:

- Be expected to work at least 1,000 hours for your employer as an active employee during your first 12 months of employment;
- Have worked at least 1,000 hours for your employer each subsequent calendar year; or
- Have worked at another co-op within the past six months and met the other criteria noted in the bullets above.

A co-op means for purposes of the 3<sup>rd</sup> bullet above:

- Your employer
- Any member co-op of NRECA (even if the co-op doesn't participate in NRECA plans)
- An employer that is an affiliate of a member co-op
- An employer that has since become a member co-op of NRECA
- An employer that has since merged with, been consolidated with or been liquidated into a current member co-op of NRECA

**Part-time employees must work 1,000 hours before they are eligible to participate in the Plan.**

You must also satisfy the Active Work Requirement (see “Definitions”).

**For more information about Additional Eligibility Requirements, please see Chapter 3 of your Long Term Disability Plan SPD. No further changes have been made to Chapter 3 of your SPD.**

#### **Chapter 4 – Long Term Disability Benefits**

“Disability Benefit Amounts” section is revised as follows:

Benefits are based on a thirty (30) day month, and will be prorated accordingly for a partial month.

“Maximum Benefit” section is revised as follows:

Due to the compensation limit imposed by the IRC, effective January 1, 1994, no more than \$260,000 (in 2014 and adjusted from time-to-time for inflation) of annual Earnings may be considered when the Plan calculates your benefit. However, a supplemental insurance policy outside the NRECA Group Benefits Trust has been established which will provide benefits to the extent an Employee’s salary exceeds the compensation limit. This supplemental insurance policy is provided under the NRECA Excess Long Term Disability Plan.

The combined monthly benefit maximum from this Plan and the supplemental insurance policy (under the NRECA Excess Long Term Disability Plan) is \$15,000.

**For more information about Disability Benefit Amounts and Maximum Benefit, please see Chapter 4 of your Long Term Disability Plan SPD. No further changes have been made to Chapter 4 of your SPD.**

#### **Chapter 5 – Applying for Long Term Disability Benefits**

No claim for Disability shall in any event be approved by CBA if notification of Disability and application are not provided to CBA within 12 months of the onset of the Disability.

**For more information about Applying for Long Term Disability Benefits, please see Chapter 5 of your NRECA Long Term Disability Plan SPD. No further changes have been made to Chapter 5 of your SPD.**

#### **Chapter 10 - Definitions**

**Own Occupation**—Any similar job that involves Material and Substantial duties of the same general nature as your regular job at your Employer when your Disability begins. It does not mean the specific job you are performing for a specific Employer or at a specific location.

**For more information about Definitions, please see Chapter 10 of your NRECA Long Term Disability Plan SPD. No further changes have been made to Chapter 10 of your SPD.**

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

**Plan Sponsor:** National Rural Electric Cooperative Association  
4301 Wilson Boulevard, Arlington, VA 22203-1860  
**Plan Sponsor’s Employer Identification Number:** 53-0116145  
**Plan Number:** 501