

NRECA GROUP BENEFITS PROGRAM SUMMARY OF MATERIAL MODIFICATIONS

For

NRECA Group Term Life and AD&D Insurance Plan

EFFECTIVE: January 1, 2017

System name: OZARK BORDER ELECTRIC COOPERATIVE

RUS/Subgroup Number: 01-26033-002

Employer Tax Identification Number: 43-0445644

This Summary of Material Modifications (SMM) describes changes to the National Rural Electric Cooperative Association Group Term Life Insurance 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 for your Group Term Life and AD&D Insurance Plan SPD:

Introduction:

The following statement “For California Residents” was added to the introduction page of the Summary Plan Description.

For California Residents: Review this certificate carefully. If you are 65 or older on your effective date, under California law (Cal. Ins. Code § 786 effective 7/1/2015) you may return this Summary Plan Description to your cooperatives Benefits Administrator within 30 days from the date you receive it and they will refund any premium you paid. In this case, the Summary Plan Description will be considered to never have been issued. If you are age 60 or older and paid more than one month's premium at enrollment, you will receive a prorated premium refund if you cancel within 30 days.

Chapter 2: Group Term Life and AD&D Plan Highlights

The “Schedule of Covered Losses for Basic AD&D Insurance, Additional Basic AD&D Insurance Coverage Features, Rehabilitative Physical Therapy” section of the chart has been updated:

Additional Basic AD&D Insurance Coverage Features

Benefit*	Amount	Benefit Minimum	Benefit Maximum
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Benefit*	Amount	Benefit Minimum	Benefit Maximum
Rehabilitative Physical Therapy	Actual charges for up to 10% of the Full Amount	N/A	\$25,000

The “Schedule of Covered Losses for Basic AD&D Insurance, Additional Basic AD&D Insurance Coverage Features” section of the chart has been updated to add 3rd Degree Burn as an additional benefit:

Additional Basic AD&D Insurance Coverage Features

Benefit*	Amount	Benefit Minimum	Benefit Maximum
3 rd Degree Burn	A percentage of the Full amount equal to the % of body surface suffering 3 rd degree burn	N/A	Overall Maximum

Chapter 3: Eligibility and Participation Information

The “Date Insurance Takes Effect” section has been updated as follows:

Rules for Contributory Insurance

If you request contributory insurance **before** the date you become eligible for the life insurance coverage you are requesting, such insurance will take effect as follows:

- If you are **not required** to give evidence of your insurability (see the section titled *Evidence of Insurability*), such insurance will take effect on the date you become eligible, provided you are actively at work on that date. You are not required to give evidence of your insurability for Basic Life Insurance and AD&D Insurance **during your initial enrollment opportunity.**
- If you are required to give evidence of your insurability and MetLife determines that you are insurable, such insurance will take effect on the date MetLife states in writing, provided you are actively at work on that date. AD&D Insurance does not require evidence of your insurability, but such insurance will not take effect until the day your Basic Life Insurance takes effect.

If you request contributory insurance **within 31 days after** the date you become eligible for such insurance, such insurance will take effect as follows:

- Upon enrollment, you are eligible for up to 2x salary of Supplemental Life Insurance coverage without completing a statement of health (SOH) form.
- If you are **not** required to give evidence of your insurability, such insurance benefit will take effect on the later of:
 - The date you become eligible for such insurance; or

- The date you enroll provided you are actively at work on that date.
- You are not required to give evidence of your insurability for Basic Life Insurance and AD&D Insurance **during your initial enrollment opportunity.**

The “Enrollment During Any Subsequent Annual Enrollment Period” has been updated to add the following new section:

Increase in Insurance Coverage

An increase in insurance coverage due to a change in class of eligible employee or due to an increase in Your earnings will take effect on the date of such change in class of eligible employees or such change in earnings, provided that You are either Actively at Work, on sick leave, on FMLA leave or on leave with pay when either such change occurs.

If on the date of the change in class of eligible employees or the increase in earnings, You are not Actively at Work, not on sick leave, not on FMLA leave, and not on leave with pay, then the increase in insurance coverage will take effect when You become Actively at Work, on sick leave, on FMLA leave or on leave with pay.

Chapter 5: Term Life Benefits

The “Benefit Payment” section has been updated with new language for Total Control Account as follows:

In the event of your death, your beneficiary receives a benefit that is a multiple of your actual Base Annual pay in effect at the time of your death.

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 “Term Life Benefits” section for MetLife Will Preparation Benefit has been updated as follows:

MetLife Will Preparation Benefit

You will be eligible to use your MetLife Will Preparation benefit, provided by **participating** Hyatt Legal Plan **attorneys**, once your **Basic** Life Insurance benefit becomes effective.

When you use the Hyatt Legal Plan’s network, the Will Preparation benefit fully covers the following legal fees:

- Telephone and office consultations to discuss the preparation or updating of your will or your spouse’s will;

- Preparation of the will(s);
- Updating of the will(s);
- Preparation of codicils; and
- Documents such as living wills, powers of attorney.

There is no limit to the number of wills or updates to your will(s) or your spouse's will(s) that are covered under this benefit.

The following services are **not** covered under this Will Preparation Benefit:

- Tax planning;
- Non-attorney fees; and
- A living trust, which is a trust that takes effect during a person's lifetime.

You may use an attorney outside of the Hyatt Legal Plans' network and receive reimbursement of a pre-determined amount for attorneys' fees for preparation of your will(s). Further information is available through Hyatt Legal Plans.

Program details and contact information can be obtained from your benefits administrator or by visiting the document library: [Cooperative.com > Help & Resources > Documents for Employees > Insurance Plan Documents](#).

The "Term Life Benefits" section has been updated to add the following sections:

Grief Counseling Services

MetLife offers grief counseling services for employees and their dependents to help cope with major losses. Individuals have access to a work/life counselor. They simply call a dedicated 24/7 toll-free number to speak with a licensed professional experienced in helping individuals who have suffered a loss. Sessions can either take place in-person, or by phone. Individuals can have up to five (5) grief counseling sessions per major loss. Losses include not just death, and can include divorce, job loss, financial hardship, terminal illness or the loss of a pet.

If further assistance is desired, the counselor will help you find services that are appropriate to your situation, preferences, finances and health insurance coverage.

Funeral Planning Services to Help Cope With Loss

MetLife offers funeral planning services ranging from planning for a loss to support following a loss to help in finding closure. These services are designed to simplify the process for you and your family.

Services offered:

- Locate funeral homes in your area
- Obtain funeral cost estimates from providers in your area; compare cost information, services offered and funeral planning options
- Identify other service providers such as florists, caterers and hotels
- Locate back-up care for children or elderly
- Locate cemetery options, including information on monument types
- Identify monument and headstone vendors
- Locate Social Security and Veterans Affairs offices

Specialists can also provide information on important tasks such as notifying the Social Security Administration, banks and utilities.

Help Is Just a Phone Call Away

To contact a professional grief counselor or to access helpful funeral planning related information and resources call 1-855-609-9989 or log on to <https://grieffounseling.harrisrothenberg.net/default.aspx> (Username: MetLife, Password: grief).

Chapter 6: AD&D Insurance Benefits

The “AD&D Insurance Benefits” Total Control Account has been updated as follows:

Total Control Account

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 “AD&D Insurance Benefits” has been updated to add the following sections:

Third-Degree Burn(s)

This benefit will pay a percentage of the Full Amount of Basic AD&D coverage equal to the percentage of body surface suffering third-degree burns for a covered loss.

AXA Travel Assistance Program – through MetLife

Protection When You Travel

Travel Assistance is a valuable benefit that is provided and administered by AXA Assistance USA, Inc. through an arrangement with MetLife. This service offers you and your dependents medical, travel, and concierge services, 24 hours a day, 365 days a year, while traveling internationally or domestically. With one quick toll-free phone (1-800-454-3679) call to the alarm center, you will receive assistance in obtaining the help you need through more than 600,000 pre-qualified providers worldwide. Best of all, you are automatically eligible for the Travel Assistance services with your MetLife Basic Accidental Death & Dismemberment coverage.

Travel and Financial Services Include:

- General travel information about visa, passport, inoculation requirements and local customs
- Telephone interpretation
- 24-hour pre-departure information (weather, currency, holidays)
- Emergency cash/bail assistance/legal referrals
- Lost document and luggage assistance

Medical Assistance Services Include:

- Physician/hospital/dental referrals
- Hospital admission validation
- Evacuation and repatriation
- Prescription transfer
- Transportation to join patient
- Return of mortal remains

Identity Theft Solutions Provides You and Your Dependents With:

- Education and Protection including: the identity theft risk & prevention tool kit and resolution guide.
- Personal Guidance including: Filing and obtaining police and credit reports, contacting creditor fraud departments, taking inventory of lost or stolen items and more.

You do not have to be traveling to take advantage of this benefit; you can access it whether you are home or away. Concierge Services Travel Assistance includes concierge assistance designed to fulfill various travel and entertainment requests as well as arrangements for business related services.

Concierge Services for upcoming and current travel include:

- Restaurant, shopping, hotel and airline recommendations/ reservations
- Destination transport (rental car/limousine, etc.) information and reservations
- Destination Information
- Sporting, theater, night life and event information, recommendations and information
- Golf course information, referrals, recommendations and tee times
- City Calendar and Event Schedules
- Private Drivers and Guides
- Driving Directions

Traveling Abroad

The Mobile Assist Service provides you with information to help you avoid expensive mobile telephone charges when traveling internationally. This service offers a detailed guide which includes essential apps, resources and helpful hints on using a mobile phone internationally.

Exclusions:

The AXA Travel Assistance Program is available for participants in traveling status. Whenever a trip exceeds 120 days, the participant is no longer considered to be in traveling status and is therefore no longer eligible for the services. Also, AXA Assistance USA will not evacuate or repatriate participants without medical authorization; with mild lesions, simple injuries such as sprains, simple fractures or mild sickness which can be treated by local doctors and do not prevent the member from continuing his/her trip or returning home; or with infections under treatment and not yet healed. Benefits will not be paid for any loss or injury that is caused by or is the result from: pregnancy and childbirth except for complications of pregnancy, and mental and nervous disorders unless hospitalized. Reimbursements for non--medical services such as hotel, restaurant, taxi expenses or baggage loss while traveling are

not covered. The maximum benefit per person for costs associated with evacuations, repatriations or the return of mortal remains is US\$500,000. Treatment must be authorized and arranged by AXA Assistance's designated personnel to be eligible for benefits under this program. All services must be provided and arranged by AXA Assistance USA, Inc. No claims for reimbursement will be accepted. 1 Travel Assistance and Identity Theft Solutions services are administered by AXA Assistance USA, Inc. Certain benefits provided under the Travel Assistance program are underwritten by Certain Underwriters at Lloyd's London (not incorporated) through Lloyd's Illinois, Inc. Neither AXA Assistance USA Inc. nor the Lloyd's entities are affiliated with MetLife, and the services and benefits they provide are separate and apart.

Chapter 10: General Information

The "State Notices" section has been updated to add the notice for the State of California:

Notice for Residents of California:

FOR CALIFORNIA RESIDENTS: REVIEW THIS CERTIFICATE CAREFULLY. IF YOU ARE 65 OR OLDER ON YOUR EFFECTIVE DATE OF THIS CERTIFICATE, YOU MAY RETURN IT TO US WITHIN 30 DAYS FROM THE DATE YOU RECEIVE IT AND WE WILL REFUND ANY PREMIUM YOU PAID. IN THIS CASE, THIS CERTIFICATE WILL BE CONSIDERED TO NEVER HAVE BEEN ISSUED.

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

Notice for Residents of Indiana:

Questions regarding your policy or coverage should be directed to:

Metropolitan Life Insurance Company
1.800.438.6388

Notice for Residents of Wisconsin:

Keep This Notice With Your Insurance Papers

Problems with your insurance? If You are having problems with Your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve Your problem.

MetLife
Attn: Corporate Consumer Relations Department
200 Park Avenue
New York, New York 10166
800.438.6388

The "State Notices" section has been updated to add the notice for the State of Utah:

Notice for Residents of Utah

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 handicap 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 handicap must be sent to Us 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 was been provided.

No further changes have been made to your Group Term Life and AD&D Insurance Plan 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
Plan Sponsor's Employer Identification Number: 53-0116145
Plan Number: 501

NRECA GROUP BENEFITS PROGRAM SUMMARY OF MATERIAL MODIFICATIONS

For

NRECA Retired Life Insurance Plan

EFFECTIVE: JANUARY 1, 2015

System name: OZARK BORDER ELECTRIC COOPERATIVE

RUS/Subgroup Number: 01-26033-002

Employer Tax Identification Number: 43-0445644

This Summary of Material Modifications (SMM) describes changes to the National Rural Electric Cooperative Association Retired Life Insurance 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 for Chapter 8 of your Group Term Life Insurance Plan SPD:

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Benefit Payment

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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.

Chapter 8: General Information

The “State Notices” section has been updated to add the notice for the State of California:

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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 was been provided.

No further changes have been made your Retired Life Insurance Plan 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
Plan Sponsor's Employer Identification Number: 53-0116145
Plan Number: 501