

PAC Committee Guidelines for Appointment of Members

As the terms of members of the Plan Administration Committee ("PAC") expire, new members are required by the retirement plan documents to be appointed by the Plan Sponsor, the Board of Directors of the Cooperative. Currently, each member's term expires on December 31st of any given year. By November 1st of each year, the Chair of the PAC will notify all members of the Executive Team that a position will be available as of December 31 on the PAC. Each Executive Team member may then select a candidate from within their departments to be submitted for consideration by November 15th.

The candidates should be a member of management (manager, director) or other exempt employee, in good standing with the Cooperative, who have some experience, background, or strong interest in an area that relates to retirement plan administration. Each candidate will be confirmed to have no disciplinary actions and submitted to the CEO for his consideration, selection and recommendation to the Board for action at the December board meeting.

In the event that a current member of the PAC resigns from the PAC or terminates employment with PEC at some time during the year other than the date that their term expires then the above procedure will be followed as soon as administratively feasible.

Pedernales Electric Cooperative, Inc.

**Employees' 401(k) Savings Plan
Employees Defined Benefit Retirement Plan**

**Plan Administration Committee
Statement of Responsibilities**

December 2015

The Pedernales Electric Cooperative, Inc. Plan Administrative Committee (“Committee”), the fiduciary committee for the Pedernales Electric Cooperative, Inc. Employees’ 401(k) Savings Plan (“401(k) Plan”) and the Pedernales Electric Cooperative, Inc. Employees Defined Benefit Retirement Plan (“Pension Plan”) (collectively referred to as “Plans”), has identified the following to be its responsibilities. Some of these responsibilities are handled on a day-to-day basis by employees and staff of Pedernales Electric Cooperative, Inc. and service providers and monitored by the Committee.

1	Adopt investment structure and investment policy (k)	X
2	Adopt asset allocation and investment policy (p)	X
3	Monitor and adjust investment structure and policy (k)	X
4	Monitor and adjust asset allocation and investment policy (p)	X
5	Select a Qualified Default Investment Alternative (k)	X
6	Select, Monitor and adjust investments and inv. managers	X
7	Select and monitor record keeper/ administrator	X
8	Manage participant communications	X*
9	Direct asset custodian on plan investments	X
10	Direct asset custodian on plan asset disbursements	X*
11	Select and monitor investment consultant	X
12	Determine investment fees and expenses and monitor	X
13	Determine benefit admin fees and expenses and monitor	X*
14	Understand Provider fees 408(b)(2)	X*
15	Disclose fees and expenses to participants 404(a)(5)	X*
16	Handle participant appeals	X
17	Manage Qualified Domestic Relations Orders	X*
18	Vote proxies	X
19	Report periodically to the Board	X

(k) -- pertains to 401(k) Plan

(p) -- pertains to Pension Plan

* Staff and services providers handle day-to-day

2022 Current Plan Administration Committee Members

7 out of 7 roles current filled.

Employee Name	Title	Nomination	Exhaustion	2nd Term Ends	Need BOD Approval	DB Plan
Bernie Dawson	Quality Assurance, Lead	12/26/2013	12/31/2016	12/31/2022	1/1/2023	Yes
Tim Nance	VP, Member Relations	5/16/2016	12/31/2017	12/31/2023	1/1/2023	Yes
DiAnn Hamilton	Electrical Distribution Design & Planning Manager	5/15/2020	12/31/2023			Yes
Michael Hanson	Director, Regional Operation	01/01/2022	01/01/2025			No
Seth Stoppelmoor	Cyber Security Manager	01/01/2022	01/01/2025			No
Rachael Smith	HR Benefits Manager	7/22/2019	Permanent by title			No
Janelle Smith	Finance Manager	1/1/2021	Permanent by title			No

2023 Replacements Needed

Employee Name	Title	Nomination	End Date	Reason
Tim Nance	VP, Member Relations	06/16/2016	11/07/2022	Retirement

2023 Recommend Nominees

Action	Employee Name	Title	DB Plan
Reconfirmation	Bernie Dawson	Quality Assurance, Lead	Yes
New Appointment	DeLisa Evers	Director, Member Relations Support Services	Yes