

Board Committee Guidelines

Pedernales Electric Cooperative, Inc.

1. The Board of Directors ("Board") of Pedernales Electric Cooperative, Inc. (the "Cooperative") may establish or abolish Standing Committees or Special Policy Committees of the Board (collectively "Committees"). A Committee is composed of a portion of members of the Board of Directors or a gathering of members of the Board of Directors that is formally designated and established by the Board as a Committee of the Board of Directors. Any Standing Committee or Special Policy Committee will be an "executive committee" within the meaning of the Texas Utilities Code §161.077 and Article IV, Section 6 of the Cooperative's Bylaws. Standing Committees and Special Policy Committees are advisory only and are not authorized to bind the Cooperative in any way except as may be expressly authorized by the Board resolution establishing the Committee.
2. A Standing Committee may be established by a vote of at least two-thirds of the directors in attendance at a meeting. A Standing Committee shall exist until such time, if any, as the Standing Committee is abolished by a vote of at least two-thirds of the directors in attendance at a meeting. Each Standing Committee and its charter shall be reviewed and reaffirmed or amended annually, at a Regular or Special Board meeting following the Annual Membership Meeting of the Cooperative. ~~All Board members will be members of each Standing Committee. Each Standing Committee shall be composed of at least three (3) – Each Standing Committee shall directors, including a chairperson, appointed annually by the Board President, have a chairperson appointed annually by the Board President~~ and approved by a majority of the Board, at a Regular or Special Called Board Meeting following the Annual Membership Meeting, or at any other time when a vacancy occurs in the chair. Such The chairperson shall serve in that capacity until a successor is appointed, or until removed by a majority vote of the Board.
3. Each Committee shall adopt a Committee charter and shall have only those powers that are delegated to the Committee in its charter and in the resolution establishing the Committee. Any Committee charter existing at the time of adoption of these guidelines shall remain in force, to the degree consistent with these guidelines, until and unless a superseding charter is adopted.
4. A Special Policy Committee comprising less than the entire Board, but not more than three directors, may be established by a vote of at least two-thirds of the directors in attendance at a meeting, to perform a specific task or tasks assigned by the Board, and shall be abolished after completion of the assigned tasks, or otherwise by a vote of at least two-thirds of the directors in attendance at a meeting. Any resolution creating such a Special Policy Committee shall include a directive to complete specified tasks within an enumerated number of meetings by a date certain, after which the Special Policy Committee shall report its findings or recommendations to the Board and the Board shall consider abolishing the Special Policy Committee. The members of a Special Policy Committee, including a chairperson, shall be appointed by the Board President and approved by a majority of the Board. The President of the Board shall appoint the chairperson of a Special Policy Committee and the President may serve as the chairperson of a Special Policy Committee. The chairperson shall serve in that capacity until a successor is appointed or that person is removed as chairperson by the President of the Board. Each member of a Special Policy Committee shall serve in that capacity until a successor is appointed or until removed by the vote of at least two-thirds of the directors in attendance at a meeting. Two or more members of a Special Policy Committee shall constitute a quorum. The chairperson or any two members of a Special Policy Committee may call a meeting of the Special Policy Committee on such dates and at such times as practical.

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5. Nothing in this policy is intended to or shall have the effect of amending or superseding the Cooperative's Bylaws and Board ~~Meetings Policy~~, including those provisions requiring the keeping of records of meetings.
6. Meetings of all Standing Committees shall occur on the same date fixed ~~monthly~~ by the Board or when called by the chairperson or members of the Committee, with the ~~the chairperson~~ of each Committee presiding over the portion of the meeting at which their Committee's business is heard. No action of the full Board is intended to be taken at any Committee Meeting.
7. Nothing in these Guidelines is intended to rescind the previous adoption by the Board of *Roberts' Rules of Order* in the Board Meetings Policy to govern the conduct of Board meetings, except that insofar as any provision in these guidelines contradicts *Roberts' Rules*, these Guidelines shall control.

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| Procedures Title: | Board Committee Guidelines |
| Last Reviewed: | July 18, 2016 <u>XXX, 2019</u> |
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| Amendment Dates: | July 15, 2013, July 18, 2016 |
| Approver: | PEC Board of Directors |
| Applies to: | PEC Board of Directors |
| Administrator: | Legal Services Department |
| Related Documents | Texas Utilities Code §§ 161.075; 161.077 PEC Bylaws Article IV Board Meetings Policy Decorum Policy Director's Code of Conduct <i>Robert's Rules of Order Newly Revised</i> § 49 (11th ed. Cambridge, Mass.: Perseus Publishing, 2011) |