

Conflict of Interest Policy – Board of Directors PEDERNALES ELECTRIC COOPERATIVE, INC.

Conflict of Interest Certification and Disclosure Form

As defined in the Pedernales Electric Cooperative, Inc. Conflict of Interest Policy (Policy), the undersigned Official states:

1. I affirm that I have received or have access to, have read, and understand the most current version of the Policy;
2. I agree to comply with the Policy;
3. Based upon my good faith belief, to the best of my knowledge, and except as disclosed below, I certify that I currently comply with the Policy;
4. I disclose the following information or facts regarding any Potential Conflict or any actual income, employment, compensation, Conflicting Interest Transaction, Business Opportunity, or pecuniary benefit, or other information or fact, that could impact my compliance with the Policy:

I am a minority owner and employee of J.L. Powers & Associates ("JLPA"), which provides administrative services to numerous independent consultants.

One of JLPA's independent consultants provides services to a real estate developer that may interact with the Cooperative regarding its line extension policy. Although those PEC-related interactions have no financial implications for me personally, in an abundance of caution, I will recuse myself from participating in any consideration of the Cooperative's line extension policy as long as that relationship remains in place.

Additionally, JLPA performs consulting work for Texas Disposal Services ("TDS"), a solid waste utility provider. JLPA's work is limited to residential accounts and does not involve commercial accounts which are distinct. PEC is a commercial account. JLPA is not compensated by TDS on the basis of any of its contracts or on its success in securing contracts. It is my understanding that TDS provides commercial services to two Cooperative facilities and may seek to provide additional commercial services in the future. I do not have an interest in either of the existing contracts, and will not have an interest in any future work performed by TDS for the Cooperative. Should any matter relating to TDS come before the Board of Directors or PEC, I will disclose and recuse myself from participating in that matter before PEC.

Should I become aware of any other PEC-related interactions involving JLPA's clients or independent consultants, I will disclose and recuse myself from participating in issues involving that PEC-related interaction.

5. Upon discovering any information or fact regarding any Potential Conflict or any actual income, employment, compensation, Conflicting Interest Transaction, Business Opportunity, or pecuniary benefit, or other information or fact, that could impact my compliance, or another Official's compliance, with the Policy, I agree to disclose this information or fact to the Cooperative's President or Chief Executive Officer; and

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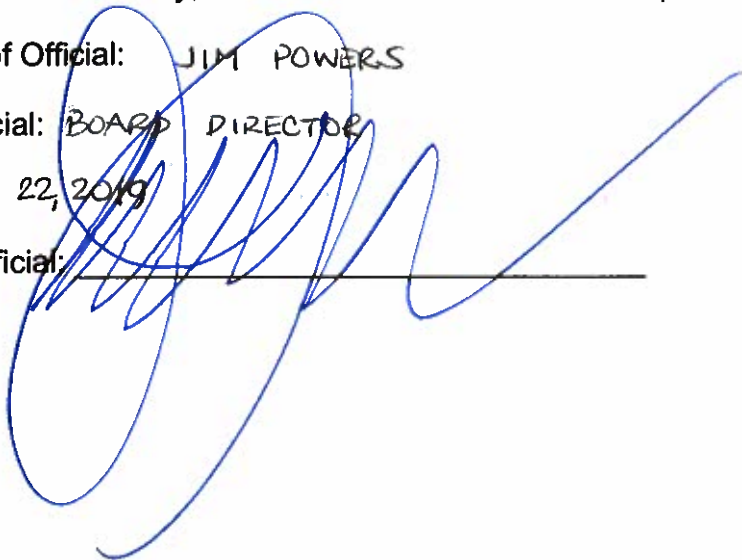
Upon not complying with the Policy, I agree to any sanction, disqualification, removal, or other action taken under the Policy, consistent with law and the Cooperative Bylaws.

Printed Name of Official: JIM POWERS

Position of Official: BOARD DIRECTOR

Date: JUNE 22, 2019

Signature of Official:

A large, stylized handwritten signature in blue ink is written over a horizontal line. The signature is cursive and appears to read 'Jim Powers'.

Affirmation Directors' Code of Conduct

I, the undersigned, have received, read, understand and will comply with PEC's Directors' Code of Conduct.



Signature

JIM POWERS
Printed name

JUNE 22, 2019
Date

Board of Directors - Director Affirmation 2019

special called Board Meetings during each period from Annual Meeting to Annual Meeting; and obtain the Credentialed Cooperative Director (CCD) designation from NRECA within the first year after election to the Board; attend state and national association meetings and Director continuing education training as needed to maintain current knowledge and improve awareness of potential risks to the Cooperative;

- (n) Not be employed by another Director, or be employed by an entity over which another Director exercises substantial control.
- (o) Execute and provide the relevant documents, waivers, or other materials reasonably needed to verify satisfaction of these qualifications, including criminal background checks to be performed by the Cooperative. A person subject to this provision shall not be requested or required to provide personal or business tax returns, financial or business records, or non-public, personal details unless legal counsel has justified and certified in writing and the majority of disinterested Qualifications Committee have determined by record vote that conformity with Director Qualifications cannot be determined without such records. If such certification is made and the records are provided, the Cooperative and its agents shall not publicly disclose such records except with the consent of the person providing them, or in the course of a legal proceeding or as required by law.
- (p) While a Director, act in good faith and represent the best interests of the cooperative as a whole, representing all members on an impartial basis.


Signature

JIM POWERS
Print Name

JUNE 22, 2019
Date

STATE OF TEXAS §
 §
COUNTY OF HAYS §

This instrument was acknowledged before me on June 22, 2019 by
SUSANNE GREENSETH

Board of Directors - Director Affirmation 2019

Susanne G. Greeneth
Signature

LEGAL ASSISTANT 2
Title
Notary Public, State of Texas

My commission expires: MAY 28, 2021

