

Holy Cross Energy Corporate Policies

Development of Corporate Policies

Policy Number: 1.1

Original Effective Date: November 18, 2015

Revised Dates: October 1, 2019

1. OBJECTIVE

1.1 To establish the basis for the development, distribution and periodic review of Corporate Policies ("Corporate Policy" or "Policy").

2. POLICY

2.1 The Board of Directors ("Board") of Holy Cross Electric Association, Inc., a/k/a Holy Cross Energy ("Holy Cross"), shall formally consider and approve Corporate Policies that express the Board's expectations and standards regarding Board, Director and management conduct, and organizational performance.

2.1.1 The President and Chief Executive Officer ("CEO") shall, in consultation with Holy Cross's corporate attorney, develop recommendations for new and amended Policies or deletion of any Policies to be presented to the Board, as appropriate. Each Policy shall be reviewed at least once every three years by the President and CEO who shall recommend revisions or changes, as appropriate.

2.1.2 All Policies shall be maintained in an up-to-date Policy Manual or list that is provided to each Board member.

2.1.3 Each Policy shall specify the person or persons responsible for carrying out the Policy.

2.1.4 Each Policy shall identify the effective date and the revision dates.

2.1.5 Any Board member may propose a new Policy or amendment to a current Policy at any time to the Chair of the Board ("Chair").

2.1.6 In the event there is a conflict between any Policy and state, federal or local law, the Articles of Incorporation, the Bylaws, and any applicable tariffs, rules, regulations or other requirements, then such other law, the Bylaws, the Articles of Incorporation, tariffs, rules, regulations or other requirements shall prevail over the Policy.

2.1.7 In the event there is a conflict between any Policy and any administrative or employee policy, the Policy shall prevail over the administrative or employee policy.

3. RESPONSIBILITY

3.1 The Chair shall be responsible for the administration of and compliance with this Policy.