

**NUECES ELECTRIC COOPERATIVE, INC.
BOARD POLICY**

SECTION I-Corporate Entity		POLICY NO. I-6
Scope:	Board Policy	
Subject:	Liability Insurance & Indemnification of Directors, Officers & Employees	

I. OBJECTIVE

To establish the policy concerning the provisions of liability insurance and indemnification of all Directors, officers, and employees of the Cooperative.

11. POLICY

The Board of Directors of Nueces Electric Cooperative, Inc., hereby adopts the following policy:

A. Indemnification:

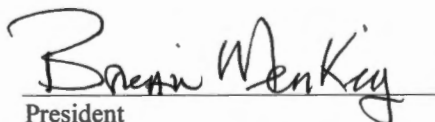
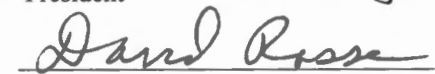
All Directors, officers, employees and all former Directors, officers and employees of NEC shall be entitled to be indemnified by NEC against all expenses actually and necessarily incurred by them or any of them in connection with the defense of any action, suit, or proceeding in which they or any of them are made parties or a party by reason of being a director, officer or employee of NEC, except in relation to matters as to which any such director, officer, or employee or former director, officer, or employee shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty. This indemnity shall not apply to any director, officer, or employee, or former director, officer, or employee adjudged to have committed any act of omission or commission outside the scope of the person's duties and responsibilities as director, officer, or employee of NEC. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under any bylaw, agreements, vote of members, or otherwise.

B. Directors, Officers and Employee Liability Insurance:

Liability insurance coverage in the amount of \$5,000,000.00 shall be provided covering NEC and its directors, officers and employees for incidents arising out of the business and employment relationship of the directors, officers and employees with NEC. Liability insurance may not apply to any director, officer or employee or former director, officer or employee adjudged to have committed any act of omission or commission outside the scope of the person's duties and responsibilities as director, officer, or employee of NEC. Premiums for such liability insurance shall be paid by NEC; proof of insurance coverage shall be furnished in the board packet following payment and any changes thereto.

This policy supersedes all previously established policies and all other material in conflict with its provisions.

Approved by the Board of Directors this 26th day of November 2024.


President

Secretary