

AMERICAN ELECTRIC POWER COMPANY, INC.

Board Policy on Recouping Incentive Compensation

This policy applies to Covered Employees (as defined below) and relates to incentive compensation paid or payable to such Covered Employees, whether under the Company's Long Term Incentive Compensation Plan (LTIP), under any annual incentive compensation plan, or otherwise.

This Policy applies to all executive officers of the Company as well as all other employees of the Company or any of its subsidiaries at salary grade 15 or equivalent and higher, regulated operating company presidents and officer direct reports to the Company's Chief Executive Officer (collectively, the "Covered Employees").

The Board believes, subject to the exercise of its discretion based on the facts and circumstances of a particular case, that incentive compensation should be reimbursed to the Company if, in the Board's determination:

- Such incentive compensation was received by a Covered Employee where the payment or the award was predicated upon the achievement of financial or other results that were subsequently materially restated or corrected, and
- Any such incentive compensation would have been materially lower had the achievement been calculated on such restated or corrected financial or other results.

The HR Committee has directed the Company to design and administer all of the Company's incentive compensation programs in a manner that provides for the Company's ability to obtain such reimbursement. The Company will seek reimbursement, if and to the extent that, in the Board's view, such reimbursement is warranted by the facts and circumstances of the particular case or if the applicable legal requirements impose more stringent requirements on the Company to obtain reimbursement of such compensation. The Company may also retain any deferred compensation previously credited to the Covered Employee if, when, and to the extent that it otherwise would become payable. This right to reimbursement is in addition to, and not in substitution for, any and all other rights the Company might have to pursue reimbursement or such other remedies against a Covered Employee for misconduct in the course of employment by the Company or otherwise based on applicable legal considerations.