

InfraREIT, Inc.
Conflicts Committee Charter

(Adopted by the Board on January 29, 2015)

This Charter governs the Conflicts Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of InfraREIT, Inc. (the “**Company**”), the general partner of InfraREIT Partners, L.P. (the “**Partnership**”).

Capitalized terms used but not defined herein shall have the meanings set forth in the Second Amended and Restated Agreement of Limited Partnership of the Partnership (as may be amended from time to time, the “**Partnership Agreement**”).

Purpose

The purpose of this Charter is to document the scope of the authority and responsibilities of the Committee. The primary purpose of the Committee is to (i) review specific matters that the Board believes may involve conflicts of interest, (ii) advise the Board on actions to be taken by the Partnership or the Company upon the request of the Board, and (iii) carry out any other duties related to conflict matters delegated to the Committee by the Board. This Charter is not intended to bind the Board in any particular circumstance or to affect the Board’s obligations or authority under the Bylaws, New York Stock Exchange rules or applicable laws and regulations.

Membership

The Committee shall be comprised exclusively of three or more members of the Board, each of whom satisfies the independence standards required of directors who serve on the Audit Committee of the Board under the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder and by the rules of the New York Stock Exchange or other national exchange on which the Company’s securities are listed. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the full Board through the Compensation, Nominating and Corporate Governance Committee.

The members of the Committee shall be appointed by the Board, and shall serve until their successors are duly elected and qualified (or until their earlier death, resignation or removal). The Board, through the Compensation, Nominating and Corporate Governance Committee, shall have the authority at any time to change the members of the Committee. The Chair of the Committee shall be designated by the Board. Should the Chair of the Committee be absent or unavailable for a meeting, the members of the Committee may designate a member to preside at the meeting by majority vote of the Committee membership.

Meetings and Structure

The Committee shall meet in person or telephonically as it may determine necessary to meet its responsibilities set forth herein. Notice of meetings shall be given to all Committee members, or may be waived, in the same manner as prescribed for meetings of the Board. At least three of the members of this Committee at the time in office shall constitute a quorum at any meeting of the Committee for the transaction of business. However, where only three members are present at such meeting and one such member is recused from such meeting, then two members shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of the members present at a meeting at which a quorum is present. The Committee may act without a meeting if a consent in

writing or by electronic transmission to such action is given by each member of the Committee and is filed with the minutes of proceedings of the Committee. The Committee may determine that certain actions should require either a greater percentage or a unanimous vote of the Committee. The Chair will establish the agenda of each Committee meeting with the assistance of other Committee members or appropriate members of management of the Company. Each Committee member is free to raise at any Committee meeting subjects that are not on the agenda for that meeting. All decisions and resolutions of the Committee shall be reported in the minutes of its meetings, which shall state the date, time and place of the meeting (or the date of the written consent in lieu of a meeting), the persons present at the meeting, the resolutions put to a vote (or the subject of a written consent) and the results of such voting (or written consent). The minutes of all meetings of the Committee shall be kept at the principal office of the Company.

The Committee may request any officer of the Company, any officer of the Company's external manager, or any representative of the Company's independent or internal auditors, legal counsel or other advisors to attend a meeting of the Committee or to meet with any members or representatives of the Committee. It is anticipated that the Committee shall meet in executive session as part of each meeting; the sole attendees of such executive sessions shall be members of the Committee.

Resources and Authority

The Committee shall act on an informed basis, in good faith, and in the subjective belief that any action taken by the Committee is in the best interests of the shareholders of the Company. In connection with the Committee's resolution of any conflict of interest, the Committee is authorized to consider (A) the relative interests of any Person to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interest; (B) any customary or accepted industry practices and any customary or historical dealings with a particular Person; (C) any applicable generally accepted accounting practices or principles; and (D) such additional factors as the Committee determines in its sole discretion to be relevant, reasonable or appropriate under the circumstances.

The Committee shall have the authority to act within the scope of its responsibility. The Committee shall have full authority to (i) review any matter brought to its attention with full access to all books, records, facilities and personnel of the Company, the Partnership and its subsidiaries, and (ii) retain and terminate (or obtain the advice of) any independent legal counsel, financial or other advisor or any other expert as the Committee deems necessary or appropriate for the Committee to fulfill its responsibilities.

The Company must provide appropriate funding, as determined by the Committee, for payment of (i) reasonable compensation to any advisor retained by the Committee and (ii) ordinary administrative expenses of the Committee necessary or appropriate for carrying out its responsibilities.

The Committee shall act on an informed basis and in accordance with the applicable standards of conduct set forth in the Partnership Agreement and the Bylaws of the Company.

With respect to any contribution of assets to the Partnership in exchange for equity interests in the Partnership, the Committee, in determining whether the appropriate number of equity interests are being issued, may take into account, among other things, the fair market value

of the assets, the liquidated and contingent liabilities assumed, the tax basis in the assets (if known), the extent to which tax-only allocations to the transferor will protect the existing partners of the Partnership against a low tax basis, and such other factors as the Committee deems relevant under the circumstances.

The Committee shall have and may exercise all the powers of the Board, except as may be prohibited by law or as provided otherwise by the Partnership Agreement or the Bylaws, with respect to all matters encompassed by this charter and within its scope of authority.

Responsibilities

The following shall be the principal responsibilities of the Committee:

- Conflicts of Interest Policy. The Committee shall oversee and administer the Company's Conflicts of Interest Policy, which policy shall be adopted by the Board (the "**Policy**"). The Committee shall periodically review and recommend changes to the Policy to the Board for its consideration and approval.
- Conflicts of Interest Resolution. The Committee shall evaluate any potential conflict of interest between the Company, the Partnership or any subsidiary of the Partnership, on the one hand, and Hunt Utility Services, LLC, Sharyland Utilities L.P., Hunt Transmission Services, L.L.C., or any of their Affiliates other than the Company or the Partnership on the other hand, that is required to be submitted to it for approval in accordance with the Policy or is otherwise submitted to it for consideration by the Board and shall render any required approval to the Board.
- Other Delegated Responsibilities. The Committee shall also carry out such other duties as may be delegated to it by the Board from time to time.
- Committee Performance Evaluation. The Committee shall develop criteria for evaluation of its performance consistent with the responsibilities set forth in this Charter and evaluate its performance on an annual basis. The Committee shall report the results of such evaluation to the Board on an annual basis.
- Review of Charter. The Committee shall review and assess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board.