



Acra Lending Business Travel, Entertainment and Expenses Policy

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Policy Statement

Citadel Servicing Corporation dba Acra Lending and its subsidiaries and / or affiliates (“Acra Lending or the Company”) employees are required to read and be familiar with the terms and conditions of this Policy. This Policy does not, nor is it intended to, contemplate all potential scenarios. Exceptions to the Policy, where applicable, will be subject to the approval of the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) or their designee.

The Company reserves the right to reduce or deny a request for reimbursement or payment for any expense that is deemed either not in compliance with policy or otherwise unreasonable. Failure to comply with the terms and conditions of the Policy may be grounds for disciplinary action, up to and including termination of employment.

Introduction

ACRA LENDING requires every employee to exercise sound judgment when incurring business expenses.

The Business Travel and Entertainment Policy (the “Policy”) provides a practical approach to travel and entertainment expenditures and internal authorization limits, while ensuring compliance with regulatory requirements and adherence to the Company’s policies. Please refer to the ACRA LENDING Code of Ethics for more information on the Compliance policies for the giving and receiving of gifts and entertainment.

The Policy details permitted expenses incurred by employees and consultants as part of their assigned business responsibilities on behalf of the Company. The Policy also provides guidance on the accounting and reimbursement of such expenditures. Generally, employees seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid impropriety or the appearance of impropriety. If a circumstance arises that is not specifically covered in this travel policy, then the most conservative course of action should be taken. Employees should review this policy before spending personal funds for business travel to determine if such expenses are reimbursable. Reimbursement is allowed only when reimbursement has not been, and will not be, received from other sources.

Where approvals and exceptions are required under this policy, absent exigent circumstances, employee shall obtain such approvals or exceptions in advance and in writing (with e-mail being sufficient). Failure to obtain the requisite written pre-approvals or exceptions may result in denial or withholding of reimbursements.

All amounts used within the Policy are in U.S. Dollars, unless otherwise stated.

The Policy cannot anticipate every circumstance or question. As ACRA LENDING continues to grow the need may arise, and ACRA LENDING reserves the right, to revise, supplement, or rescind any policies or any portion of the Policy from time to time as it deems appropriate, in its sole and absolute discretion.

This Policy replaces and supersedes all past policies, guidelines, understandings, standards, written or verbal, expressed or implied.

Business Expenses

ACRA LENDING defines business expenses as those associated with travel, entertainment, and other business-related costs, referred to in this Policy. All expenses must be approved by an Authorized Approver (see Exhibit A) and submitted using the Expenses module within Workday, the Company’s current accounting and human resources platform, or any other platform as the Company may designate.

Corporate Credit Cards

If an ACRA LENDING employee has been issued a Company-authorized corporate credit card (“Corporate Card”), it must be used as the method of payment for all business-related expenses only, including, but not limited to, business travel and entertainment, meals, taxis, conferences, etc. Employees who have not been issued a Corporate Card may use a co-worker’s Corporate Card subject to the co-worker’s express approval. Business charges should not be

made on personal credit cards unless there are extenuating circumstances. During business-related travel, it is acceptable to purchase small incidentals with cash and submit an expense report in Navan or other reimbursement software as designated by the Company, including all receipts, for reimbursement.

Employees should not charge personal expenses on ACRA LENDING Corporate Cards unless the charges are part of a bill that is otherwise being paid for by the Corporate Card or there are other extenuating circumstances. Personal expenses charged to a Corporate Card are subject to reimbursement by the employee who incurred the charges and should be avoided to the extent possible given the cost of accounting for personal charges.

The Corporate Card cannot and may not be used either for cash advances or for cash withdrawals from ATM machines.

Vendor payment

It is ACRA LENDING policy to pay for vendor goods and services via wire transfer, ACH or check upon receipt and approval of an invoice. If a vendor will only accept payment via credit card and no viable alternative vendor exists, pre-approval must be obtained from the CEO or CFO. An invoice or equivalent documentation of the goods/services must still be obtained. A signed vendor assessment form (please refer to the ACRA LENDING Vendor Assessment Policy) and legal review must still be performed prior to engaging the vendor.

Failure to comply with these requirements may result in (i) the denial of payment or reimbursement of the vendor invoice, (ii) subject to reimbursement of the cost by employee, or (iii) the employee's Corporate Card being suspended or terminated.

ACRA LENDING Employee Credit Cards - Other Permitted Usage

In extenuating time-sensitive circumstances, members of the Technology or Facilities teams may use a Corporate Card to purchase supplies or equipment from a local or online retailer after obtaining the following pre-approval:

- Technology purchases must be pre-approved by Chief Technology Officer, Managing Director of IT
- Facilities purchases must be pre-approved by President.
- Purchases over \$1,000 must also get pre-approval from President.

The employee is advised to provide the detailed invoice(s) supporting the purchase to both Tax and Management Company Accounting's Accounts Payable Team prior to the transaction to ensure that tax report considerations are considered in the credit card charge.

Expense Processing

Expense Reports are processed using the Company's HR and Finance platform, Dayforce or other reimbursement technology designated by the Company.

Expense reports are due within 30 days of the receipt of the Corporate Card statement or within 30 days of the incurrence of cash expenses, whichever is sooner. All employees are responsible for providing their expense receipts, marked and organized, in a timely fashion to ensure you are complying with Company policies. Failure to comply with this Policy may, at the discretion of the CEO or CFO, result in employee's Corporate Card being suspended or terminated. Expenses not submitted within the specified time frame may result in the expenses being deemed personal expenses in the absence of an exception by the CEO or CFO.

Entertainment Expenses

The U.S. Internal Revenue Service (“IRS”) defines entertainment as follows: “Entertainment includes any activity generally considered to provide entertainment, amusement, or recreation. Food and beverages that are provided during entertainment events are not considered entertainment if purchased separately from the entertainment, or if the cost of the food and beverages is stated separately from the cost of the entertainment on one or more bills, invoices, or receipts.”¹ Other local tax guidelines should be followed where appropriate.

To qualify as a business expense, entertainment costs must be directly related to the active conduct of business and the Company must have a general expectation of deriving income or a potential business benefit. Entertainment expenses apply only to activities relating to client (or potential client) or other business relationship. All expense reports for entertainment expenses must include the name(s) of all attendee(s), their business affiliation and the relevant business profit or cost center to allocate the cost. Furthermore, the IRS requires individual receipts for meals and for entertainment. If you submit one receipt, please be certain the meals costs and entertainments costs are clearly separated on the receipt. The submission of summary receipts may be rejected, the cost being deemed personal as the Company cannot take the expense as a business deduction for tax purposes.

Activities that occur between or among employees of the Company (e.g., internal team dinners) are not deemed entertainment and are not permitted except as noted below.

Meals

When dining with one or more investor, potential investor, or service provider, etc., the meal must be directly related to the active conduct of business and as noted above, the Company must have a general expectation of deriving income or achieving a potential business benefit. The expense report must state the business affiliation of each person at the meal other than ACRA LENDING employees.

Any meals with ERISA clients or representatives, Government Officials or Union Officials, whether in the U.S. or internationally, are subject to pre-clearance and pre-approval by Compliance Department regardless of amount.

Meals with other business-related parties are subject to the specific limits below but will be subject to a test of “reasonableness,” through a review of expense Policy exceptions:

Meals with business-related parties All amounts referenced within this Policy are in U.S. dollars (local currency equivalents will apply where appropriate), unless otherwise stated. Limits are per person and exclude tax and gratuity. Subject to location.	
Breakfast	\$30
Lunch	\$50
Dinner	\$75

¹ IRS publication 463 (2021)

Permissible entertainment received with a value of less than \$100 per person does not require reporting (unless it is received from a Government Official, Union Official, or ERISA Client/Representative in which case pre-approval is required). All other entertainment received must be reported to the Compliance Department within 30 days.

Other Entertainment

As stated above, entertainment costs must be directly related to the active conduct of business and the Company must have a general expectation of deriving income or a potential business benefit from such expense. Entertainment for any ERISA client or representative, Government Official or Union Official must be pre-approved by Compliance Department regardless of value.

Entertainment for others with a value of greater than \$100 per person requires reporting to Compliance Department within 30 days of the entertainment.

Important additional requirements and limitations apply to Government Officials, Union Officials and ERISA clients. Please refer to the ACRA LENDING Code of Ethics for additional information including pre-clearance requirements for both providing entertainment and being entertained by any of these types of organizations.

Internal Meals and Transportation

Meals in the Office - Applies to lunches not provided by the company and for reimbursement

Meals in the Office (limits are per person and INCLUDE tax, delivery charges, and gratuity)						
	US					
Lunch	\$25					
Dinner	\$45					

Meals Outside the Office

On occasion, ACRA LENDING employees will host a meal outside the office, such as a group lunch or holiday dinner. These meals should be pre-cleared with the CEO or CFO and are subject to the following limits:

Meals Outside the Office Limits per person and exclude tax and gratuity.						
	US					
Breakfast	\$30					
Lunch	\$45					
Dinner	\$75					

** Any group events, including group drinks or other forms of entertainment including only ACRA LENDING employees require pre-approval by an Authorized Approver and will be subject to the overall annual limit of \$400/pp for internal entertainment of which each group head is aware.*

Tips

ACRA LENDING understands the need to tip. Tip amounts should be within reason and generally the maximum permissible tip amount is 20% of the pretax bill. All tip overages may be subject to personal payment in the absence of extenuating circumstances.

Car Service/Taxis

Employees are requested to avoid using private car services unless absolutely necessary and instead use local taxis, UBER/other ridesharing services whenever possible. Use of high-end or private car services (*e.g.*, Executive Charge, Blue Line or Valera) should be restricted to times when dependability is essential (*e.g.* early in the morning to the airport) or there is inclement weather. Employees should use their discretion when using hotel or premium car services for airport pick-ups or hiring a car service for the day to travel between meetings. Many international and hotel car services charge significant premiums for these services and can be very costly. Local taxis are more cost-effective and should be utilized whenever possible. In order to justify a taxi expense prior to 5:00 a.m. or after 7:30 p.m. the employee must have a business reason and not be using the time for any other personal matters, *e.g.*, gym work out. Employees traveling with luggage for business travel are an exception to this Policy.

Details on all taxis, Ubers or ridesharing service trips must be submitted in Navan or other reimbursement technology designated by the Company, including details on “pick up location,” “destination,” “time of service” and the “business reason for the taxi.” If the receipts are not included, or do not contain the necessary information, they will be charged to the employee unless there are extenuating circumstances. If the receipt provided is from a taxi which does not include destination details, this information should be provided separately by employee.

Taxi, Uber, or other ridesharing service waiting time charges will be charged to the employee unless there is a legitimate business reason for the wait time. Excessive waiting time charges are to be avoided. Charges for extra stops of a personal nature are the employee’s responsibility.

Conferences and Training Programs

All conferences and training programs must be pre-approved by an Authorized Approver subject to overall budget.

Business Related Membership Dues

Must be approved by the Company President

E.G.

LinkedIn for Sales

SHRM for HR

Technology and Telecommunications

Subscriptions and Data Services

All subscriptions and data services must be pre-approved by a Managing Director, Chief Technology Officer, communicated to CEO and CFO prior to the execution of a contract and should not be charged to a Corporate Card; payment should be requested through Workday.

Technology Equipment

All purchases of technology equipment must be pre-approved by a Managing Director, Chief Technology Officer.

Gifts

All ACRA LENDING employees are subject to the gift policy as described in the ACRA LENDING Code of Ethics. In general, employees may not accept or provide gifts unless they are within the limits specified in the Code of Ethics. In addition, an Authorized Approver must approve any gift given by anyone at ACRA LENDING to any third party. The provision of gifts to clients, investors, service providers, consultants, or other third parties is generally prohibited unless they are promotional items with a value under \$100 or in accordance with the ACRA LENDING Code of Ethics. The provision of any gift (including promotional items) to an ERISA client/representative, Government Official or Union Official must be pre-cleared with the Compliance Department regardless of amount. The provision of permissible gifts (promotional items under \$100) to other entities does not require pre-clearance or reporting but does require approval by an Authorized Approver. Any exceptions must be pre-cleared in writing.

Miscellaneous

There may be occasional expenses that do not fit into the aforementioned categories in Navan. These include, but are not limited to, flowers or associated gifts for weddings, sickness, or birthdays. These items may be permitted if reasonable, occur infrequently, and are managed by Human Resources subject to pre-approval by the Managing Director Human Resources.

Travel Meals

When traveling, the maximum meal allowance is **\$250 per day, EXCLUDING tax and gratuity**, unless dining with an investor or other business guest. Local currency equivalents apply for travel meals outside the U.S. Current single EE is \$75, subject to location.

Air Travel

The Company's policy is to book the most economical, efficient, and convenient travel for ACRA LENDING business trips. All employees must utilize the lowest available airfare. All travel is to be booked through Navan.

**Except travel between New York and Houston or Dallas as noted below*

Coach Class

Employees are approved for Coach/Economy Class fares in the following circumstances:

- Flights in the U.S of less than 5 hours one-way in duration

Employees are responsible for any costs associated with upgrading the class of service or the cost of upgrade certificates for flights outside of these guidelines. This includes the cost of buying a full-price economy ticket when a discounted economy fare is available, unless pre-approved by an Authorized Approver. In the absence of pre-approval, employees will be responsible for these expenses.

- *For Example:* Navan finds a discounted economy flight for \$500 that's possible to upgrade with an employee's own miles to business class but will cost the standard economy fare of \$1,200. If the upgraded fare is chosen, the employee will be personally responsible for the \$700 difference between the discounted fare and the regular economy fare.

Business Class

Business Class is permitted in the following circumstances for all employees:

- Any one-way flight of 5 hours or more.

First Class

First Class is permitted if a flight that would otherwise be eligible for Business Class (see above) has only two classes of service (Economy and First). It should be clearly noted in Navan or other reimbursement technology that only two classes of service existed on the flight. Pre-Approval by the CEO or CFO is required before booking First Class fares if

three classes of services are available.

Private Planes

ACRA LENDING will not pay for private plane usage unless pre-approved by the CEO or CFO.

Non-Refundable/Restricted Airfares

It may be appropriate to consider booking non-refundable/restricted airfares when travel dates are fixed and unlikely to change, particularly for inter-company business trips. Some restricted airfares permit changes and refunds for a small fee making these generally cheaper than a fully flexible ticket. If you are booking these fares on behalf of an employee, please ensure the business trip is likely to be suitable for these restrictions. These types of fares are probably unsuitable for multi- leg travel.

Train Travel

Coach class should be utilized when traveling domestically in the U.S. unless there is some justifiable business reason for a higher class of service.

Ground Transportation

Rental Cars

The Company does not have a preferred rental car vendor and the best available rate should be chosen. The largest size permissible is an intermediate sized car unless (i) multiple travelers are driving together and require the additional space for passengers, luggage, or meeting materials; or (ii) otherwise pre-approved by an Authorized Approver.

The ACRA LENDING Corporate credit card covers comprehensive collision and damage insurance for US employees when booked with the corporate card. When completing the rental car agreement, please elect liability insurance but decline collision and damage insurance. Liability is not covered by American Express.

Employees hiring rental cars outside of the US, should speak with HR before making a booking to ensure appropriate insurance is purchased.

Personal Automobiles

The Company will reimburse mileage at a standard mileage rate equivalent to allowable deductible rate as issued by local tax authority for business use of an employee's personal automobile. Supporting details showing the mileage for personal vehicles is required. Please include Map-Quest, Google Maps, or equivalent outlining distance driven on business.

Reasonable parking and toll costs will also be reimbursed if accompanied by proper documentation. However, mileage from an employee's home to the office or the office to home on regular business days is non-reimbursable unless an exception is pre-approved by an Authorized Approver. Any collision or liability claim will be covered by the employee's own insurance.

Hotels

All travel should be booked using the new Navan technology.

In the case of multiple night stays the average daily rate will apply to limits above where one or more nights exceed guidelines. Details should be outlined when submitting expense report.

Exceptions to these limits must be pre-approved by an Authorized Approver unless the employee is paying the difference personally.

When an employee is traveling overnight and attending a meeting upon landing, ACRA LENDING will authorize a hotel reservation upon arrival/early check-in. If the traveler is not staying multiple nights in the hotel and is only using the hotel to shower and change, the least expensive accommodation should be booked.

Submission of Expense Reports

Expense reports are due within 30 days of the receipt of the Corporate Card statement or within 30 days of the incurrence of cash expenses, whichever is sooner. All employees are responsible for providing their expense receipts, marked, and organized, in a timely fashion to ensure you are complying with Company policies. Failure to comply with this Policy may result in the employee's Corporate Card being suspended or terminated. Expenses not submitted within the specified time frame may result in the expenses being deemed personal expenses in the absence of an exception by the CEO or CFO.

Please note that all expense reports are subject to secondary review procedures established by ACRA LENDING. Expense reports must include all attendee names, business affiliations and business purpose.

Any expenses not conforming to the Policy will be disallowed and returned to the employee as a personal expense.

Receipts

Receipts are required for all expenses submitted for reimbursement (corporate card statements alone are not acceptable) unless a receipt is not obtainable, in which case it should be noted on the expense report. If there are extenuating circumstances with respect to the lack of a receipt, the CEO or CFO may make an exception.

Hotel stay receipts must be itemized to show daily room rate, taxes, meals, etc.

Receipts for meals should be the detailed receipt not just the amount of the total. It must be itemized, and the total should be broken out to include amounts for meal, tax, tip, etc.

Please refer to the "Car Service/Taxi section" for the receipt requirements.

Repeated submission of expenses without receipts may be rejected and will be the individual's financial responsibility.

Late Night Meals and Transportation

Meals and transportation expenses incurred while traveling outside the office for business are reimbursable and should be charged to correct profit or cost center

Multi-Business Purpose – Expense Allocation

In certain cases, business trips may have more than one business purposes ("Multi-Business Trip"). In these instances, employees should provide a split allocation of expenses based on estimated days spent on a particular business purpose. For example, if an employee has a 5-day business trip and spends an estimated 2 days for one business purpose ("Project A") and spends an estimated 3 days on another business purpose ("Project B"), the employee should provide a split expense allocation of 40% for Project A and 60% to Project B.

If there is a day that has more than one business purpose, employees should provide their best and fair estimate of how many hours were spent on each business purpose. For example, if an employee spent an estimated 3 hours for one business purpose ("Project Y") and spends an estimated 7 hours on another business purpose ("Project Z"), the employee should provide a split expense allocation of 30% for Project Y and 70% to Project Z for that day only.

Out-of-pocket Expense Reimbursement

Employees will be reimbursed for out-of-pocket expenses within approximately 10 business days (excluding weekends and holidays) of the date that an approved expense report is received by ACRA LENDING Accounting. All reimbursements must be submitted through Navan. Reimbursement will be made by Navan directly into employees bank account set up within Navan. Where no bank account is set up, the employee will receive their reimbursement the 2nd payroll via direct deposit of the following month the reimbursement is approve in Nava.

Annex I: Additional Expense Guidelines

Miscellaneous Travel

Frequent Flyer Programs

The Company allows its business travelers to accumulate personal mileage in frequent flyer programs. However, frequent flyer programs should not be the sole basis for choosing a particular airline. These programs may be used so long as they do not interfere with the Company's cost saving initiatives. Please note any mileage program registration or any associated fees are solely the employee's obligation.

Late Cancellations and No-Show Charges

Hotels generally charge a no-show fee, often one night's room rate, if the employee fails to cancel a hotel reservation within the hotel's permitted cancellation policy. No-show fees will be charged back to the employee unless there is a business reason for the late cancellation or no show. The same guidelines apply to car service no-show charges. All exemptions from the personal charge for a cancellation should be obtained from the CEO or CFO and the documentation submitted with the expense report.

Travel Expense Advances

The Company does not issue Travel Expense Advances.

Use of Wi-Fi When Traveling

Employees are permitted to use Wi-Fi when traveling. The cost of the Wi-Fi should be allocated in the same manner as the other charges for the trip.

Additional Permitted Expenses

ACRA LENDING will pay for the following "other" business travel charges:

- Baggage handling
- Reasonable valet and laundry and/or dry-cleaning charges for stays longer than three days.
- Business related and reasonable personal telephone charges (please make calls from mobile devices whenever possible – hotel room phone fees are exorbitant and should be avoided)
- Reasonable charges for use of hotel business center
- Reasonable after-hours travel service emergency call charges
- Other pre-approved business-related expenses

Prohibited Expenses

The following items will not be paid by the Company unless an exception is pre-approved by the Authorized Approver. This is not a comprehensive list and is only a representative guide:

- Memberships to non-business-related activities
- Donations and contributions
- Newspapers and magazines
- In-room movies
- Health club fees while traveling
- Laundry and/or dry-cleaning charges for trips of shorter than three days
- Clothes
- Mini bar expenses
- Toiletries
- Shoeshine
- Traffic tickets
- Towing charges
- Credit card fees

- Any expenses related with adult entertainment. The Company does not support any business-related activity to include or be associated with adult entertainment. This includes entertaining of clients at adult clubs/establishments.
- Expenditures for non-employees. Additional costs for travel, lodging, meal or other travel expenses for spouses or other family members will not be reimbursed unless the individual has a bona fide company purpose for engaging in the travel or attending the event, or an exception is provided by the CEO.
- Other personal expenditures

The following are permitted Authorized Approvers for their respective departments only unless otherwise indicated:

- President, all departments
- Managing Director, Human Resources for all human resource related matters only
- Managing Director, Information Technology for all marketing related matters only
- Managing Director, Marketing for all marketing related matters (*e.g.*, trade shows, etc.)
- Chief Financial Officer, Accounting and Finance for all related matters only

Any approver listed above may ask the business team submitting an invoice to document its approval in Workday prior to providing final approval.