

# Hufcor Holdings, Inc.

## Board Governance Approval Authority Matrix

### Legend (see Notes below)

R - Recommend: Responsible for preparation of options and lead recommendation

D - Decide: Makes the decision

A - Approved: Must approve/agree to the decision, has a veto right and can force development of new or alternative options for review

AA - Approval has been delegated by Board to the Audit Committee of the Board of Directors

I - Inform: Must be informed of the decision taken - may be consulted for input by Recommend lead as appropriate

Category	Decision	CEO and/or CFO	Board	Investors (Note 2)
<b>Governance</b>	Define CEO and BOD roles and responsibilities; charter creation and enforcement	R	R/D	A
	Define BOD structure; BOD member selection; BOD committees (inc. members); Code of Ethics and/or Conflicts Manual	R	R/D	A
	Define BOD agenda, logistics including meeting schedules, reporting, agenda and authority levels	R	R/D	
	Define Internal Control Policies	R/D	A	
	Define Management team's way of working and roles and responsibilities	R/D	I	
	Develop investment horizon and blueprint	I	R/D	I
	Develop annual plans and budget	R/D	A	I
	Define KPIs and key milestones developed to track business performance and target delivery levels	R/D	A	I
<b>Strategy and Operations</b>	Develop and implement corporate vision and key strategies	R/D	A	I
	Develop annual operating plans and budgets, quarterly targets, key initiative and underlying KPIs/tracking metrics	R/D	A	I
	Manage revisions of plans and reforecasting	R/D	A	I
	Prioritize areas for performance improvement	R/D	A	
	Manage changes in operations footprint, especially geography	R/D	A	
	Approve acquisitions or disposals - including post deal claims, adjustments and settlements	R	D	A
	Set and manage a multi year product roadmap updated annually (inc. restructure, introductions, retirements and modifications)	R/D	I	
	Develop Product and Service delivery roadmaps and development schedules	R/D	I	
<b>Debt Management</b>	Determine debt structure and protocols	R	D	A
	Manage day-to-day interactions with debt holders and manage debt compliance	R/D		I
	Manage repayments or refinancing with debt holders	R	D	A
	Resolve issues with debt holders and non-compliance with covenants	R	D	A
<b>Risk Management</b>	Manage/assess (ongoing) risk (part of Strategic planning exercise)	R	D	
	Implement or change of insurance policies or coverages	R	D	A
<b>Organization</b>	Set & Manage HR Strategy & Policy	R/D	A	
	Manage CEO/COO/EVP/CFO compensation	R	R/D/A	I
	Manage management team compensation	R/D	A	
	Manage changes to management team	R	R/D	
	Implement and manage employee equity/stock option/profit sharing or EPP plans	R	R/D	A
	Materially change headcount/organizational structure	R/D	A	
	Approve human and capital resource allocation, all expenditures and commitments (extra budget required)	R	D	

**Legend (see Notes below)**

R - Recommend: Responsible for preparation of options and lead recommendation

D - Decide: Makes the decision

A - Approved: Must approve/agree to the decision, has a veto right and can force development of new or alternative options for review

AA - Approval has been delegated by Board to the Audit Committee of the Board of Directors

I - Inform: Must be informed of the decision taken - may be consulted for input by Recommend lead as appropriate

	Hire external consultants and advisors (extra budget required)	R/D	A	
<b>Financial/ Controlling</b>	Manage balance sheet optimization - significant changes in assumptions or practices	R/D	A	
	Manage changes in operating principals	R/D	A	
	Manage major asset disposal or liquidation (Line closure, facility closure and others using good judgment)	R/D	A	
	Commence and settle material litigation (excluding A/R collections)	R/D	A	
	Change corporate or legal structure/bylaws	R	D	A
	Set and manage tax policy and approach	R/D	A	A
	Approve exclusive or materially restrictive contracts	R/D	A	
	Contracts or other financial commitments in excess of \$1 million	R/D	A	
	Manage changes in accounting or reporting principles	R	D/AA	
	Appoint, evaluate, compensate, oversee and if needed terminate the independent auditors	R	D/AA	
	Determine scope of all audit and non-audit related services	R	D/AA	
	Ensure compliance with all legal and regulatory requirements of the business	R	D	
	Ensure compliance with Code of Ethics or Conflicts Manual	R	D	
	Review and approve audited annual financial statements	R/D	AA	
	Manage internal accounting and financial and disclosure controls	R/D	AA	
	Establish bank accounts or make changes to signatories or signing levels	R/D	I	

**Note 1:** Items on this governance matrix are subject to additional approvals outlined in the approved Internal Control Policies. In the event of any conflict, this Governance Matrix shall control.

**Note 2:** Entries in this column are not intended to replace or alter the formal corporate governance provisions or requirements of the Delaware General Corporation Law, the Company's Charter Documents or any contracts among the Company's stockholders/investors. Rather, they are intended to further clarify the role of the Company's investors in the company's oversight, whether such role is as a member of the Board of Directors, as a shareholder or otherwise.

**Investors are OPC Management**