

CoreMedia GmbH

Internal Control Policies

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

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

Note to CoreMedia: Do the categories "Manager", "Department Head", "VP Finance" fit to CoreMedia GmbH's set-up or should these be adapted?

Effective Date: [●] June 2020

Could the VP Finance role here assigned to Klemens Kleminger as CFO?

	Approvals Required By:					
	Manager	Department Head	Chief Revenue Officer (CRO)	Chief Financial Officer (CFO)	CEO	Shareholder
Financial						
All purchases (budgeted item)						
€0-€5,000	A			I		
€5,001-€50,000		A		A	I	
>€50,000				A	A	I > €100K
All purchases (non-budgeted item)						
€0-€5,000		A		A	I	
€5,001-€50,000		A		A	A	I > €50k
*Approval limits assume inventory is purchased according to a forecast approved by Sales and Operations.						
Vendor Payments						
Check Runs				A	A ⁽¹⁾ /I	
Individual payments, non-recurring, outside ordinary business <€50,000				A	A ⁽¹⁾ /I	
Individual payments, non-recurring, outside ordinary business >€50,000				A	A ⁽¹⁾ /I	
Individual payments >€500,000					A	I > €100K A > €500k
Capital Expenditures and capial transfers						
Budgeted €1-€5,000		A		I		
Budgeted €5,001-€100,000				A		
Budgeted > €100,000					A	I
Budgeted >= €500,000						A
Unbudgeted Cap Ex. < €50K					A	
Unbudgeted Cap Ex. > €50K - €150K					A	I
Unbudgeted Cap Ex. > €150K					A	A

Sales Orders						
Product Sales Quote (inc line items on combined quote)						
Set pricing policy and price list					A	
Discount to standard price <10%			A	A	I	
Discount to standard price >10%					A	
Credit Terms						
New					I/A > €100K	
Special Terms (I.e > 45 days<60)				A	I	
Special Terms (I.e > 60 days)					A	
Marketing						
Public Announcements (Press Releases-General with no mention of OGC)					A	I
Public Announcements (Press Releases-New Products)					A	I
Public Announcements (Referencing OGC)					A	A
Use of Company Names/Logos					A	
Interviews with media					A	
Trade Shows (annual exhibition plan)					A	
Advertising (campaign)					A	
Product Management						
Warranty Terms (Product Liability - Non Standard)					A	
Patents & Trademarks (filing)					A	
Patents & Trademarks (maintenance)					A	

CoreMedia GmbH

Internal Control Policies

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

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

Note to CoreMedia: Do the categories "Manager", "Department Head", "VP Finance" fit to CoreMedia GmbH's set-up or should these be adapted?

Could the VP Finance role here assigned to Klemens Kleminger as CFO?

Effective Date: [•] June 2020

	Approvals Required By:					
	Manager	Department Head	Chief Revenue Officer (CRO)	Chief Financial Officer (CFO)	CEO	Shareholder
Human Resources						
Policies and Procedures (Manual)					A	
Replacements <€100,000 & within 5% of incumbent					A	
Replacements >€100,000					A	
New Hires Budgeted <€75,000					A	
New Hires Budgeted >€75,000					A	
New Hires Not Budgeted >€1					A	I > €100k
New Hires if operating below planned EBITDA target					A	
(contractors follow same process)					A	
Other HR Related Expenditures (relocation, recruitment, etc.)				A	I	
Employee Terminations		A		I	I	I
All Severance Payments above Company Policy					A	I
Compensation:						
Sales Commission Agreements		I	A	I	A	
Sales Commission Targets			A		A	
Special Bonuses, all		I		I	A	I
All Leadership Team Employment Matters (MIP)					A	A
All Executive team Employment Contracts					A	A
All Workers Council Related Matters					A	I
All MIP-related Matters					A	A
All matters involving equity or change of control						A
Travel						
Travel policy Implementation/Changes				A	I	
Travel Advances				I/A > €5K		
Contracts (incl. third party suppliers)						
General operating contracts:						
Customer		A			I -> €100K	
Lease (facility or equipment)				A	I -> €100K	I > €250K
Channel partner/Agent/Distributor Agreements		I		I	A	I
Consultant / Professional Services				A	I	A - Note 1
All other contracts				A		
All other contracts > 2 yrs in duration				A	I	A
Loan Agreements or any incurrence of indebtedness or guarantee				I	A	A
Purchase and Sale Agreements (Acquisitions/Divestitures)				I	A	A
IP License or Cross License (exc. software and hardware)				I	A	I
Software and hardware				I	A > €50K	
Contracts containing non-compete				I	A	A
Agreements relating to the potential issuance of securities				I	A	A
Investment banking or similar engagement agreements				I	A	A
Agreement requiring consent for change in control, unless immaterial				I	A	A
Agreement relating to insurance outside OGC program				I	A	A
Any non software agreement not terminable at will on 90 days notice that is greater than € 5000 in annunal cost				I	A	A
Reserves						
Accounts Receivable				A	I	
Inventory				A	I	
Other				A	I	

CoreMedia GmbH

Internal Control Policies

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

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

Note to CoreMedia: Do the categories "Manager", "Department Head", "VP Finance" fit to CoreMedia GmbH's set-up or should these be adapted?

Could the VP Finance role here assigned to Klemens Kleminger as CFO?

Effective Date: [•] June 2020

		Approvals Required By:				
		Manager	Department Head	Chief Revenue Officer (CRO)	Chief Financial Officer (CFO)	CEO
Tax						
	Letter of Engagement for Outside Tax Counsel				A	A
	Filing of Income tax returns – federal, state, local and foreign				A	A
	Notice of Tax Examinations				A	I
	(Customs)				A	A
	(income, payroll, sales / VAT, and property)				A	A
	Settlement of Tax Examinations - for all tax examinations				A	A
	Tax Provision for Audited Financial Statements				A	A
	Material Tax Elections				A	A
	Transfer and Cross-Charge Agreements				A	A
	Tax Sharing Agreements				I	A
	Penalty or tax payments (excluding Sales and Use Taxes, and Payroll Taxes)				I	A
Treasury						
	Signatory on Bank Accounts				I	A
	LOC, Bank Guarantees, Bank Fees				A	A
	Overdrafts on Current Accounts				A	
Other						
	Initiate or settle litigation or gov't or regulatory actions				I	A
	Charitable contributions				I	A
	Political contributions				Not allowed	
	Accounting & controllers manual (policies)				A	A
						I

Note 1 - Purchased from a vendor to serve CoreMedia. Professional Services Contracts >€ 100K/yr or >5 yr term require Shareholder approval.

A⁽¹⁾ Approval by CEO in absence of VP Finance