



**FINANCIAL RISK POLICY
DUAL SIGNATORY AUTHORIZATION AND TRANSACTION LIMITS
VBC HOLDING CORP INC.**

Effective as of January 09, 2023

The Board of Directors (the “Board”) of VBC Holding Corp Inc. (“VBCHC” or the “company”) has adopted this financial risk policy to reflect the Board’s strong commitment to sound corporate governance practices, financial risk mitigation and oversight. This policy aims to enhance transparency, accountability, and risk management while promoting sound corporate governance principles.

By implementing dual signatory authorization controls and transaction limits, the company and its subsidiaries will reduce the risk of unauthorized or excessive financial transactions, ensuring prudent use of company resources and protecting against potential financial misconduct. This policy aligns with best practices in corporate governance and provides a clear framework for mitigating financial risks associated with the C–Suite officers' activities, ultimately contributing to the company's long–term stability and success.

This financial risk policy is not intended to change or interpret any federal or state law or regulation, including the General Corporation Law of the State of Delaware, or the Amended & Restated Certificate of Incorporation or Bylaws of VBCHC. This financial risk policy is subject to modification from time to time by the Board.

I. Purpose

The purpose of this Financial Risk Policy is to establish a framework for mitigating financial risks associated with monetary transactions conducted by the C–Suite officers within the organization. The policy aims to ensure transparency, accountability, and risk controls while providing guidelines for dual signatory authorization and transaction limits.

II. Scope

This policy applies to all C–Suite officers, including the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO), and any other executive positions with financial transaction authority within the organization.



III. Dual Signatory Authorization

3.1. Requirement: All monetary transactions above \$10,000.00 (or any other predetermined threshold) require dual signatory authorization. Dual signatory authorization ensures that no single individual can unilaterally conduct significant financial transactions without independent review and approval.

3.2. Designation: The Chief Financial Officer (CFO) and one additional authorized individual, such as the CEO or another executive approved by the Board of Directors, will be designated as the dual signatories for all financial transactions above the threshold.

3.3. Process:

- a. The initiating C–Suite officer must prepare a written request detailing the transaction, including its purpose, amount, and supporting documentation.
- b. The request, along with all relevant supporting documents, must be submitted to both designated dual signatories for review and approval.
- c. Both dual signatories must independently review the request and approve it based on their assessment of its compliance with the organization's financial risk policies.
- d. Upon receiving dual signatory approval, the transaction can proceed.

IV. Transaction Limits

4.1. Threshold: C–Suite officers are prohibited from conducting monetary transactions above \$10,000.00 (or any other predetermined threshold) without additional approvals.

4.2. Additional Approvals: Any transaction exceeding the threshold requires the following:

- a. Dual signatory authorization, as outlined in section 3 of this policy.
- b. Approval from the Board of Directors or an appointed committee, depending on the organization's governance structure.

4.3. Process:

- a. The initiating C–Suite officer must prepare a written request, including all relevant transaction details and supporting documentation.
- b. The request must be submitted to the dual signatories for review and approval, as described in section 3.3.



- c. If the dual signatories approve the transaction, the request, along with their recommendation, must be submitted to the Board of Directors or the appointed committee for final approval.
- d. The Board of Directors or the appointed committee will review the request and make a decision based on the organization's financial risk policies and the transaction's alignment with strategic objectives.
- e. Upon receiving all necessary approvals, the transaction can proceed.

V. **Exceptions**

Exceptions to this policy may be made in exceptional circumstances, such as emergency situations or time-sensitive transactions. However, any exceptions must be documented, justified, and reported to the Board of Directors or the appointed committee as soon as reasonably practicable.

VI. **Policy Compliance**

6.1. Compliance: All C-Suite officers are responsible for adhering to this policy. Non-compliance may result in disciplinary actions and could be subject to legal consequences.

VII. **Review, Amendment and Waiver of Guidelines**

The Compensation, Nominating & Governance Committee will annually review this financial risk policy and propose any changes it deems appropriate to the Board for consideration. The Board may amend this financial risk policy, or grant waivers in exceptional circumstances, provided that any such modification or waiver may not be a violation of any applicable law, rule or regulation, and, provided further, that any such modification or waiver is appropriately disclosed.