



Atavus Group Ltd.

Advancing the Entertainment Experience TM

Corporate Credit Card Policy & Procedures



1) INTRODUCTION

This document sets out policy covering the allocation and use of Corporate Credit Cards by employees of the Atavus Group Limited or its subsidiaries. The purpose of this policy is to communicate eligibility, usage and payment of expenditure requirements for the corporate credit card. The document also outlines procedures for acquitting and processing monthly Cardholder Statements

2) ALLOCATION OF CORPORATE CREDIT CARDS

Corporate credit cards will only be issued to senior managers who are able to demonstrate that the issuance of a card will aid in the effective and efficient exercise of their official duties.

Factors that will influence the decision to issue a card to a particular manager include:

- The nature and extent of minor purchases of goods and services that may be undertaken, including internet purchases.
- The frequency and nature of travel that may be undertaken in the course of official duties.
- The need to meet the cost of official “out of pocket” expenses, including certain approved entertainment/hospitality cost.

Each application for the issue of a corporate credit card must be in writing and is to include:

- The applicant’s surname and initials (to be shown on the card)
- The applicant’s position title
- Justification for issue that adequately explains the rationale for use of card
- Proposed credit limit based on anticipated usage of the card and
- The likely expenditure to be incurred
- Applications are to be submitted to the **Chief Financial Officer** who will assess the merits of the application and either approve or reject the application.
- No corporate credit card is to be issued that will permit cash to be withdrawn from the credit card (i.e. Cash Advances are prohibited)

REGISTRA OF CREDIT CARDS

The Finance or Accounts Manager will maintain a **Register of Card Holders**. This register will record the details listed below:

- Document signed by the card holder acknowledging receipt of the card
- Document signed by the card holder acknowledging RESPONSIBILITIES OF USE
- The name of each card holder and position in company
- Card account number
- Credit limit
- Card expiration date
- Statement dates and acquittal/reconciliation due dates (when established)



3) **CARD HOLDER RESPONSIBILITIES** (Print this Page and Return to Accounts with Signature)

When taking delivery of a card each cardholder is to be provided with this **Statement of Responsibilities** that is to be signed by the cardholder to acknowledge their understanding of the conditions under which the credit card is to be used. The cardholder is to retain a copy of this statement. It is the responsibility of Card Holder to observe the following conditions:

- Managers issued with a corporate credit card are in a position of trust in regards to the use of company funds. All expenditure charged to a credit card is **subject to examination and approval by a delegated officer** to ensure its appropriateness and compliance with the policy conditions, as outlined herein.
- Improper use of that trust will result in the card being withdrawn and render the cardholder liable to disciplinary and possible legal action.
- Credit cards are only to be used for official business purposes as outlined in this policy. Where inappropriate expenditure occurs, the value of the expenditure may be recovered from the cardholder.
- Credit cards are only to be used by the person whose name appears on the card except in case of Executive Officer who may delegate use of their cards to a subordinate such as secretary or assistant.
- In all cases, the cardholder is personally responsible and accountable for the safe keeping of the card. Cards are to be kept secure and protected against any improper use.
- In the event a card is lost or stolen, the cardholder must report the loss immediately to card provider. The Accounts Manager is also to be advised at the earliest opportunity.
- Any PIN that has been issued with the card must not be disclosed or carried with the card.
- Monthly Cardholder Statements are to be acquitted and reconciled within 10 days of the Statement Date. As part of the acquittal process the cardholder is to certify that all charges shown are correct and were incurred for official purposes. Repeated failure to acquit monthly statements in a timely fashion may result in the credit card being cancelled.
- All transaction receipts for merchant purchases together with supporting Tax Invoices are to be retained and submitted by the cardholder when acquitting monthly Cardholder Statements.
- Where no documentation is available to support a particular transaction, the cardholder will be required to prove a declaration detailing the nature of the expense.
- Credit limits are not to be exceeded. Cardholders should monitor expenditure and available credit to ensure sufficient funds are available before a transaction
- Deposits are not to be made to the card account by the cardholder; as this is a specific and restricted function of the accounts department.
- In the event of termination of employment cardholders will immediately return the credit card and ensure the credit card account is properly reconciled and acquitted.
- Personal purchases of any type are strictly prohibited.
- Tipping via company credit card is prohibited for Non-Executives Cardholder.

Name of Card Holder: _____ Signature: _____

Card Number: _____/_____/_____/_____ Date of Issuance: _____



4) ACCEPTABLE USE OF CORPORATE CREDIT CARDS

Listed below are examples of the type of official expenditure that can be incurred using a Corporate Credit Card:

- Travel related expenses, including; **accommodation, taxi fares, parking expenses, actual cost of meals** (up to the limits specified within the *Staff Travel Policy*) and **hire cars** (including the purchase of fuel)
- Costs incurred while **traveling overseas** on approved official business
- Prepayment of **courses/conference fees**
- Payment of **subscriptions** (including overseas subscriptions)
- Infrequent purchase of low value / routine business related **consumables items**
- Cost of official “out of pocket” expenses including certain approved **entertainment /hospitality costs**) however in the case of a non executive cardholder, the approval of the Chief Operating Officer must be obtained **prior** to incurring any such expense.

Special Note – When paying by credit card it is not appropriate to add a “tip” to the value of the account being paid. This represents an additional expense to the company that could have otherwise been avoided. Tipping is a personal practice and must therefore come from personal resources.

Internet Purchasing

In making Internet purchases the cardholder should exercise caution. A credit card payment should only be made where the provider has encryption on website – this can be established by checking if there is a padlock image at the bottom of the browser when visiting the merchant’s site. Encryption ensures that information sent (e.g. the Credit Card Number) cannot be intercepted over the Internet.

Cardholders using the Internet must carefully scrutinize their credit card statements for any suspicious transactions. If a suspicious transaction is noted the bank needs to be notified within ten (10) days from the date of the statement. If a transaction is found to be invalid the company will not be held liable for the payment. A copy of all online transactions (including Tax Invoices) should be printed out as proof of purchase to facilitate validation of amounts listed on statements.

5) ACQUITTAL OF MONTHLY CARDHOLDER STATEMENTS

Cardholder Statements itemizing transaction activity are issued on a monthly basis. Statements are received by the Finance or Accounts Manager, for distribution to cardholders. Cardholders must reconcile and acquit their monthly statement within 10 days of the Statement Date. *(Repeated failure to acquit monthly statements in a timely fashion may result in the credit card being cancelled).*

As part of the acquittal process the cardholder is to:

- Examine each transaction and attach supporting transaction dockets and Invoices. Where documentation in support of a transaction is not available the cardholder should notate (on the statement) the reason and describe the nature of the expense; highlight any



transactions “in dispute” and so notify the Accounts Manager, who will pursue such charges with the Bank

- Attach a copy of the approved “Authority to Travel” form and “Travel Expense Claim” form where a transaction relates to travel for which approval has been granted under the *Staff Travel Policy*
- Where a transaction relates to entertainment/hospitality expenses make notations on the statement as to the nature of the expense/s incurred, the purpose and details of the individuals to whom the expense relates both employees and non employees
- Certify the Statement, in the space provided, that all charges shown are correct, were incurred for official purposes and are in accordance with policy; and return the certified statement to the Accounts Manager

The Finance or Accounts Manager will ensure that all cardholder statements are returned in a timely fashion and are properly supported, annotated and certified. Any expenditure that looks to be questionable in terms of its business nature is to be highlighted for the attention of the delegated approving officer.

The Finance or Accounts Manager will then cause a “Corporate Card Reconciliation” form to be prepared for each statement that allocates expenditure shown across the relevant accounting codes. Cardholder Statement (together with the completed form) will then be forwarded to the appropriate delegated officer (see Expenditure Approval Process below).

Where overseas travel is involved a copy of the EXCOM’s approval to travel overseas should be attached.

Following approval by the delegated officer, original cardholder statements (together with supporting transaction dockets, invoices and the reconciliation form) are to be sent to the Accounts Manager. A copy of this documentation is to be retained and placed on file within the Finance department.

5.1 EXPENDITURE APPROVAL PROCESS

Delegated approving officers are to examine the nature of the expenditure shown on Cardholder’s statements, in particular, entertainment /hospitality expenses, and if satisfied that all is in order, formally approve the cardholder statement in the space provided. To satisfy CCSU requirements the delegated officer should also sign the CCSU reconciliation form in the space marked “Approved By”.

Please note: An officer other than the cardholder must approve expenditure charged to the cardholder’s credit card account. In the case of the Chief Cancer Officer, credit card expenditure is to be examined and approved by the Chief Operating officer or another senior manager delegated to undertake this expenditure approval role.

If any employee uses a company credit card for personal purchases in violation of this policy, the cost of such purchase(s) will be considered an advance of future wages payable to that employee, and will be recovered in full from the employee's next paycheck; any balance remaining will be deducted in full from subsequent paychecks until the wage advance is fully repaid. Such



deductions may take the employee's pay below minimum wage for the pay period(s) in question. If an employee uses a company credit card for any other type of unauthorized transaction in violation of this policy, i.e., incurs financial liability on the Company's part that is not within the scope of the employee's duties or the employee's authorization to make business-related purchases, the cost of such purchase(s) or transaction will be the financial responsibility of that employee, and the employee will be expected to reimburse the Company via deductions from pay until the unauthorized amount is fully repaid. Such deductions will be in the amount of the unauthorized purchase(s), but if a deduction for such amount would take the employee below minimum wage for the workweek in question, the deductions will be in two or more equal increments that will not take the employee's pay below minimum wage for any workweek involved. In addition to financial responsibility and liability for wage deductions, any purchases an employee makes with a company credit card in violation of this policy will result in disciplinary action, up to and possibly including termination of employment, depending upon the severity and repeat nature of the offense.

Agreement for Wage Deductions Associated with Improper Use of Company-Issued Credit Cards (Print this Page and Return to Accounts with Signature)

I, (_____), hereby certify that I understand and agree to abide by the Company's policy regarding use of company-issued credit cards, a copy of which I have received, and which has been explained to me. I agree that if I make any personal purchases (i.e., transactions for the benefit of anyone or anything other than the Company) in violation of that policy, the amount of such purchases is an advance of future wages payable to me, that the Company may deduct that amount from my next paycheck, and that if there is a balance remaining after such deduction, the Company may deduct the balance of the wage advance from my future paychecks until the amount is repaid in full. I further agree that if I make any non-personal transactions in violation of the policy in question, i.e., incur financial liability on the Company's part that is not within the scope of my duties or my authorization to make business-related purchases, I am financially responsible for any such expenses and agree to reimburse the Company via wage deductions for such amounts until the unauthorized amounts are fully repaid. Such deductions will be in the amount of the unauthorized purchase(s), but if such amount would take my pay below minimum wage for the workweek in question, the deductions will be in two or more equal increments that will not take my pay below minimum wage for any workweek involved.

Name of Card Holder: _____ Signature: _____

Card Number: _____/_____/_____/_____ Date of Issuance: _____

