

VOCUS COMMUNICATIONS LIMITED

ABN 96 084 115 499

DELEGATED AUTHORITY POLICY

Adopted by the Board with effect from 6/7/10

1. GENERAL PURPOSE

1.1 Objective

The Delegated Authority Policy is a policy that has been established by the board of directors of the Company (**Board**) to:

- Set out matters specifically reserved for determination by the Board and those matters delegated to management;
- Set out matters reserved for specific roles in the company;
- Establish expense approval limits by role.

The functions exercised by the Board and those delegated to management are subject to ongoing review to ensure that the division of functions remains appropriate.

1.2 Matters Reserved for the Board

The matters specifically reserved for the Board under this Policy include decisions about company strategy and policies, as well as matters involving amounts over specified limits (which varies depending upon the nature of the transaction). The Board, or the Nomination & Remuneration Committee, also has authority for succession planning and remuneration for the Chief Executive Officer (or equivalent) and his direct reports.

Budgets and/or forecasts may only be approved or changed by the Board.

Changes to the Company's capital structure, any issue of shares or options or any acquisition are reserved for the Board.

The Board reserves to itself all matters with the potential to have a material impact on the reputation of the Company.

1.3 Matters Delegated to Management

Other than as expressly provided in this policy, all matters not specifically reserved for the Board and necessary for the day to day management of the Company, and the implementation of corporate objectives, are delegated to management. Executive management can sub delegate where appropriate.

For example, delegations to management include procedures for the authorisation and signing of Company contracts and authorisations to relevant executives in relation to expenditure.

Comprehensive guidelines have been developed and approved by the Board on management delegated authority. As these guidelines relate to the internal operations of the Company, specific details have not been set out in this Policy.

1.4 Reporting by Management to the Board

As part of the framework established by this Policy, management is required to report regularly to the Board concerning the authority exercised and matters which come, or may come within, the scope of matters reserved for the Board.

The reports by management cover a range of matters, including sub delegations, litigation activity, financial performance and risk management.

All written customer or staff complaints, must be tabled at the Board meeting following receipt of such complaints.

2. EXPENDITURE APPROVAL POLICY

The following rules detail the Expenditure Approval Policy for items not detailed in the approved budget. Note all amounts are in AUD or the AUD equivalent applies.

2.1 Approval by Board

Board Approval

- Capital Expenditure above \$200,000
- Disposal of Assets above \$50,000
- Staff Hires and salary changes as defined by the Nomination & Remuneration Committee
- Opening of new bank accounts

- Derivative trading or hedging of foreign exchange

2.2 **Approval by CEO**

CEO Approval limits

- Capital Expenditure below \$200,000
- Disposal of Assets below \$50,000
- Staff Hires and salary changes as defined by the Nomination & Remuneration Committee
- All operating expenditure incurred in the ordinary course and within approved operating Budget
- Or commitments to do any of the above.

For the avoidance of doubt, the above limits do not apply for items which have previously been approved by the Board as part of the annual operating Budget.

2.3 **Execution of Contracts**

- (a) All customer service orders entered into in the ordinary course must be signed by the CEO or the CFO.
- (b) All supplier invoices and expense claim forms must have a Vocus Purchase Authorisation form attached and are to be approved by the department head and then either the CEO or CFO before payment.

2.4 **Absence of CEO**

The General Manager – Corporate Strategy may approve as above in place of the CEO if the CEO is absent on leave.

3. **BANK AUTHORITIES**

The following authorities for bank transactions shall be established with the Companies Bank:

3.1 **Authority to transfer funds up to \$200,000:**

Any transfer of funds up to a maximum of \$200,000 must be authorised by any two of:

- (a) the CEO;
- (b) General Manager – Corporate Strategy;
- (c) Jon Brett;
- (d) or the CFO

whether by cheque or via secure banking device.

3.2 **Authority to transfer funds of \$200,000 or above:**

Any transfer of funds in excess of \$200,000 must be authorised by any two of:

- (a) the CEO;
- (b) General Manager – Corporate Strategy;
- (c) Jon Brett;
- (d) or CFO

and have the prior approval of the Board.

4. COMMUNICATIONS ON BEHALF OF THE COMPANY

4.1 **Verbal communications**

Any verbal communications with media, regulatory bodies, or other entities which may have a material effect on the Company, are limited to:

- The Chairman, or
- The CEO

4.2 **Written communications**

Any written communication with media, regulatory bodies, or other entities which may have a material effect on the Company, is to be approved by the Risk Management & Audit Committee and the CEO, or his delegate, prior to release. Approval from two Risk Management & Audit Committee members is sufficient. Draft written communications are to be emailed to the Risk Management & Audit Committee members. If no response is received in 48 hours the draft is deemed approved.

If a written communication is required by law or regulatory body, in a period of less than 48 hours, the Company Secretary, CEO or Chairman may authorise its release. The Company Secretary, CEO or Chairman must circulate any proposed announcement to the Board prior to release to allow the Board to comment in so far as possible within the timeframe permitted.

5. TEMPORARY DELEGATION OF AUTHORITY

Any role may temporarily delegate their authority to another role, in case of illness or vacation. The board and executive must be informed of the delegation and the period for which it will be in force.

6. REVIEW

The Board will review the contents of, and compliance with, this Policy regularly.