



Delegation of Authority Policy 3D Signatures Inc. (the “Company”)

Purpose

The Delegation of Authority Policy is a policy that has been established by the Board of Directors of the Company 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.

Matters reserved for the Board

Matters specifically reserved for the Board include:

- Decisions about Company strategy and policies
- Matters involving financial amounts above a certain limit
- Approval of contracts and obligations above a specified limit
- Succession planning for Board positions and the position of the President and CEO
- Approval of or changes to the annual budget
- All matters with the potential to have a material impact on the reputation of the Company

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. Management may sub-delegate where appropriate. The Company’s policies and procedures provide guidance on the execution of specific roles and responsibilities.

Management shall be responsible for:

- Ensuring that the Company's day-to-day operations are carried out in accordance with all legal and regulatory requirements
- Ensure that the Company's policies, practices and decisions are undertaken in a manner that is prudent, equitable and consistent with commonly accepted business practices and professional ethics
- Ensure that the Company's assets are protected, adequately maintained and not placed at unnecessary risk
- Ensure that Board approved priorities are reflected
- Ensure that budgeting is based on internationally financial reporting standards and that budgets are balanced
- Promote a healthy work environment for staff that is consistent with the Company's values
- Represent the Company externally to the community, government, media and other stakeholders in ways that enhance the public image and credibility of the Company

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
- Reports by management shall cover such areas as quality performance, financial performance, risk management, human resource issues and other items related to Company operations
- Management must report to the Board on a regular basis on serious occurrences

Expenditure Approval Policy

Board approval shall be required for

- All capital and/or operating expenditures in excess of \$100,000
- Disposal of assets in excess of \$100,000
- Executive hires or contracts outside of the approved budget
- Opening of new bank accounts

The President and CEO shall approve

- All budgeted capital and/or operating expenditures up to \$100,000
- Disposal of assets up to \$100,000
- Executive hires or contracts within the approved budget
- All operating expenditures incurred in the ordinary course of business and within the approved operating budget
- The Company shall have a banking policy that confirms approved signatories for all contracts, purchase orders, cheques and expenditures

Communication on behalf of the Company

Any verbal or written communication with media, regulatory bodies, or other entities that may have an impact on the Company are limited to those as set out under the Disclosure and Trading Policy

Temporary Delegation of Authority

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

Review

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