CENTRIC
INFRASTRUCTURE GROUP

Business Expense, Travel, Fleet Card, & Purchase Card Policy

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Business Travel & Expense Policy

Overview

To provide employees of Centric Services, Inc. or Centric Fiber, LLC; both subsidiaries of Centric Infrastructure Group, LLC which is referred to throughout this document as the "Company" with guidelines on Business Travel & Expenses and usage of Company issued Fleet and Purchase Cards.

Introduction

The Company will pay, either directly or through reimbursement, for reasonable business expenses incurred by employees working for the benefit of the Company. Employees are expected to use good judgment and prudence with respect to the use of Company funds for business expenses and should ensure that these expenses are appropriate to the occasion and directly related to current Company business. When in doubt employees should discuss expenses with their manager to ensure alignment on the purpose and reasonableness.

While the types of expenses incurred will vary according to the nature of the assignment these expenses are considered as business related only if they are those that are usual or customary within the experience of a particular business community or made with the intention of securing a business benefit. All business expenses and requests for reimbursement therefore must meet the reporting and documentation requirements discussed in this policy consistent with the payment method. Expenses can be paid by the employee with cash, on an employee's personal credit card, on a Company issued credit card (Fleet Card or Purchase card, "P-card"), or invoiced directly to the Company.

Questions regarding the Company's expense reimbursement policy or the tax treatment of any travel, meals, entertainment, meeting, or gift expense should be referred to Human Resources and/or the Corporate Controller.

Expense Reporting

All business expenses must be reported correctly and on a timely basis regardless of the method used by the employee to make payment for the expenses. Whenever possible expenses should be applied to a project in the reporting system.

Employees are expected to keep a detailed record of expenses and submit receipts of all expenses along with any other additional required information to support the expenses and confirm Company benefit and purpose. Detailed records shall include the receipt, type of the expense, person/s present, date/s, and other details as specified in the remainder of this policy.

Expense Documentation Requirements

In addition to receipts or invoices, employees must provide detailed information when completing expense / mileage reports, based on the nature of the expense and the type of report. Employees should include all required specific information and include any applicable narrative or comments.

Types of Expenses and the Associated Requirements:

Meals and Entertainment

Meals can be purchased by the Company for the employee when that employee is outside of their working region or approved ahead of time by their manager.

Types of Meals:

Individual meals under $25:

- Purchased via Out-of-Pocket or P-Card should be claimed in the reporting system with a detailed receipt, showing food, drink, taxes, tip, etc. Also, the purpose should be noted in the system (e.g., “lunch in Austin supporting Durango interiors”).

- Per Railroad Commission (RRC) guidelines, meals under $25 can be fully submitted as a reasonable expense and recovered in rates for the Company's regulated entities.

Individual meals that exceed $25:

- Purchased via Out-of-Pocket or P-Card should be claimed through the reporting system as an expense with a detailed receipt, showing food, drink, taxes, tip, etc. Also, the purpose should be noted (e.g., "lunch in Austin supporting Durango interiors").
- Since the expense exceeds the RRC meal guidance, the Accounting Dept will split the expense recognizing $25 of the cost as a recoverable expense and the remainder will be held as non-recoverable expense.

Shared Meals (including meals ordered in for the office):

- Shared meals must be paid for by the most senior employee based on the org chart at the time of the meal.
- When possible shared meals should be purchased via P-Card.
- Out-of-Pocket should be claimed for reimbursement through the reporting system as an expense, a detailed receipt is required (showing food, drink, taxes, tip, etc.) and must include the names of attendees and/or departments in the purpose area of the expense system.
- P-Card shall be reported in the reporting system including names of attendees (in purpose area of system) and requires a detailed receipt (showing food, drink, taxes, tip, etc.).
- The category for shared meal expenses should be chosen based on dividing the entire expense by the number of attendees. For example, a shared meal that included six people cost a total of $168 including taxes and tip. The category chosen should be "Meals over $25 per person" as the cost per attendee was $28 per person ($168 / 6 people = $28).

Other Meal and Entertainment Guidance:

- Alcohol purchases are prohibited by the Railroad Commission of Texas and therefore should not be included or combined with recoverable expenses. It is recommended that employees request

the restaurant to split the alcoholic drinks from the rest of the bill and charge separately.

- Per Company policy, alcohol shall be limited to two (2) drinks per person per dinner. Alcohol shall not be consumed at breakfast or lunch. If alcohol is purchased, it must be separated from other expenses and highlighted as alcohol expense. Accounting will then code these alcohol expenses as non-recoverable in RRC filings.
- The most senior employee present **MUST** pay for all expenses.
- The tip amount is limited to a maximum of 20% of the pre-tax cost
- Any entertainment beyond a meal, i.e., tickets to a movie or concert, needs to be approved ahead of time by an employee's manager and align with the overall intent of business expenses.

Fuel

The Company will pay for fuel in Company vehicles, Company equipment used at a jobsite, and for rental cars while on business travel. Fuel for Company vehicles and Company equipment on a jobsite should be purchased with a Fleet card whenever possible.

- Fleet card purchases do not require any reporting from the employee. The accounting team will be provided reports from the fleet card provider that will include the required information to support the Company's reporting requirements.
- Out-of-Pocket should be claimed for reimbursement through the reporting system with a detailed receipt (showing station, gallons, and cost).
- P-Card shall be reported in the reporting system and requires a detailed receipt (showing station, gallons, and cost).

Mileage and Tolls

Use of a personal vehicle for Company purposes will be reimbursed and should be claimed through the expense reporting system based on mileage driven. Use of a personal vehicle for Company purposes is only reimbursed via mileage, employees should not also claim fuel, maintenance, etc. related to a personal vehicle as these are accounted for in the mileage reimbursement rate.

Mileage

- Actual miles traveled in your personal vehicle for Company business will be reimbursed at the current IRS mileage rate. The reporting system requires noting the starting and ending point for your travel. The system will automatically generate the distance. Per employment guidelines, the starting point should be the employee's office. Only home-based employees should use their home address as a starting point.

Tolls

- Tolls incurred in your personal vehicle for Company business will be reimbursed per actual expenses and must be reported in the expense reporting system with detailed support from the tolling authority of the charges.

Other Business Transportation

Airfare

- Economy level airfare required for business will be paid by the Company. Manager approval is required prior to booking.
    - Airfare above economy (e.g., Business Class) requires a written email exception and must be approved by the CEO, COO, CFO, or CTO and then submitted in the expense reporting system with the receipt.
- Regardless of purchase method (Out-of-pocket or P-Card) a passenger receipt verifying airfare date/s, rate, and detailed proof of payment is required in the Company's expense reporting system.

Car Rental

- Car rental required for business travel will be paid by the Company. Manager approval is required prior to booking.
- Regardless of purchase method (Out-of-pocket or P-Card) a rental trip receipt verifying dates, rate, and detailed proof of payment is required to be submitted in the Company's expense reporting system
- Centric Infrastructure Group has a corporate agreement with Enterprise Rental-A-Car. The Company's agreement may offer the

best rate and should be used if so, otherwise employees can book with any rental car company.

Taxi/Ride Hailing services (e.g., Uber or Lyft)

- Taxi or ride hailing services will be paid by the Company when on Company business (e.g., airport to hotel)
- Driver tips can be incurred, however, should be limited to 20% of the pre-tax cost.
- Regardless of purchase method (Out-of-pocket or P-Card) a passenger receipt verifying transport date and detailed proof of payment is required in the Company's expense reporting system

Parking

- Reasonable parking incurred while on Company business will be paid by the Company. For example, parking at the Houston airport while on business travel.
- Regardless of purchase method (Out-of-pocket or P-Card) a receipt verifying date and detailed proof of payment is required in the Company's expense reporting system.

Hotel

The Company will pay for hotel nights when an employee is to work outside of their region for more than one day. Manager approval is required prior to booking.

Hotel nights under $175/night (including taxes):

- Purchased via Out-of-Pocket or P-Card should be claimed in the reporting system with a detailed receipt, showing hotel folio receipt detailing date/s, rates, taxes, and method of payment. Also, the purpose should be noted in the system (e.g., "two-night hotel stay for XYZ sales conference").
- Per Railroad Commission (RRC) guidelines, hotels under $175 (including taxes) can be fully submitted as a recoverable expense.

Hotel nights that exceed $175/night (including taxes):

- Purchased via Out-of-Pocket or P-Card should be claimed through the reporting system as an expense with a detailed hotel folio receipt

detailing date/s, rates, taxes, and method of payment. Also, the purpose should be noted (e.g., "two-night hotel stay for XYZ sales conference").

- Since the expense exceeds the RRC meal guidance, the Accounting Dept will split the expense recognizing $175 of the cost as a recoverable expense and the remainder will be held as non-recoverable.

Supplies & Services

Whenever possible employees should request that vendors invoice the Company directly, rather than incurring out-of-pocket or P-card expenses for office supplies and services.

If not possible for the vendor to invoice the Company directly, reasonable office supplies and services costs will be covered.

Regardless of purchase method (Out-of-pocket or P-Card) a receipt verifying date, nature of transaction or purpose (i.e. printer cartridges, kitchen supplies, etc.) and detailed proof of payment is required in the Company's expense reporting system.

Handwritten receipts

Handwritten receipts are normally not acceptable unless:

1. the amount of expense is less than $5 or,
2. the merchant or vendor normally uses such receipts (cab drivers, tips for hotel staff, etc.).

Handwritten receipts must include the name of the vendor, location, date, and dollar amount. When a receipt is not available, a full explanation of the expense and the reason for the missing receipt is required. Actual bills/receipts must be submitted whenever possible; photocopies will be acceptable only with a detailed explanation as to why the original is unavailable.

Fleet Card Usage

Employees who drive a Company vehicle will be issued a Fleet card to use for fuel purchases. Only fuel purchases for Company vehicles should be made with this card.

No receipt tracking is required for fleet cards as the fleet card provider will be provide monthly reporting per vehicle, per card to Accounting. Abnormal spending will be flagged to managers for review.

Responsibilities of Fleet Card holders:
1. Ensure physical security of your fleet card and protect the number
2. Only use fleet card for fuel purchases
3. Fleet cards cannot be used for personal fuel purchases
4. Immediately report lost or stolen cards to Accounting
5. Upon resignation or termination of employment surrender card

Any abuse or violation of the of Fleet card usage, e.g., using the Fleet card to fill up your personal vehicle gas tank, will be subject to disciplinary action up to and including termination.

Purchase Card (P-Card) Usage

Employees who travel for or incur Company expenses on a regular basis will be issued a P-Card. The Company is billed directly and makes payments directly to the bank for these cards. The employee is held responsible for the proper use, record keeping, and reporting for the P-Card.

Responsibilities of P-Card holders:
1. Ensure physical security of your card and protect the number
2. Use of your P-Card should be consistent with this Business & Travel Expense Policy
3. P-Cards cannot be used for personal purchases
4. Seek guidance from HR or the Corporate Controller on use of P-Card when necessary
5. Immediately report lost or stolen cards to Accounting
6. Upon resignation or termination of employment surrender card

Any abuse or violation of the of P-Card usage will be subject to disciplinary action up to and including termination.

Responsibilities of Managers as Expense Reviewers/Approvers:

1. Review expenses for validity.
2. Ensure reporting is adequate based on this policy including adequate receipts and descriptions for your employees' expenses.
3. Approve valid expenses timely after submission.
4. Monitor employees spend to ensure appropriate use of this policy
5. Seek guidance from HR or the Corporate Controller on use of P-Card when necessary
6. Report any violations of this policy to HR

Violations of This Policy

Violations of this policy are considered a serious matter and will be dealt with according to the nature of the violation.

Violations include but are not limited to:

- Missing or altering receipts
- Using Company issued Fleet Cards or P-Cards for personal use
- Using Company issued Fleet Cards or P-Cards for improper or unapproved purchases
- Repeatedly submitting incomplete, inaccurate, or late expense reports
- Falsifying any aspect of expense reporting
- Splitting of purchases to avoid authority levels and/or card limits

Outstanding expenses (from the use of employee's cash, personal credit card or mileage on personal vehicles) submitted for reimbursement 60 days or more from the date of being incurred may not be reimbursed.

In addition to possible disciplinary action, employees who use Company issued Fleet Cards or P-Cards for personal use or to purchase items that are not legitimate or authorized business expenses will be required to repay the Company and/or agree to have those amounts deducted from

one or more paychecks until the entire amount is recovered. Employees who misuse Company issued cards, or who fail to follow the expense reporting requirements will face disciplinary action, up to and including termination of employment.

EMPLOYEE ACKNOWLEDGMENT AND RECEIPT

I hereby acknowledge receipt of the Centric Infrastructure Group ("Company") Business Expenses, Travel, Fleet Card, & Purchase Card Policy and I agree that it is my responsibility to read and comply with the guidelines in this policy. The policies and procedures presented in this policy may vary based on applicable federal and state law.

I further agree to abide by the Company policies and understand that my failure to do so may subject me to corrective action up to and including termination of my employment. I understand and agree that the policies stated in this policy are subject to change at the sole discretion of the Company, as are all other policies, procedures, benefits, and other programs.

I further understand that the Company's Business Expense, Travel, Fleet Card, & Purchase Card Policy and/or any other policies and practices do not constitute an expressed or implied contract between myself and the Company. I agree that my employment is at will, my compensation is for no fixed term, and may be terminated by myself or by the Company at any time, with or without cause and/or notice.

_____ _____

Employee's Printed Name Date

_____

Employee's Signature

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE