



SUMMARY OF DELEGATIONS TO THE CEO AND SENIOR EXECUTIVES

THE CHIEF EXECUTIVE OFFICER

Matters delegated by the Board of Adacel Technologies Limited to the Chief Executive Officer or equivalent are specifically, but not limited to:

Strategic

- Delegation of specific authorities to the senior executives
- Development of the strategic plan and underlying business unit strategies
- Consolidation and presentation to the Board of the Budget and Operating Plan
- Participate as a member of Board committees as delegated
- Provide unrestricted availability to the Audit committee

Financial

- Ultimate responsibility for authorisation of expenditure required to attain the planned profit
- Submission of tenders with onerous conditions or exceeding levels set by the Board for approval by Directors
- Ensuring contracts and orders are unambiguous and do not involve the Company in unacceptable risk
- The final scrutiny and action on major contracts and all variation to such contracts
- Submission to the Board capital expenditure exceeding levels set by the Board
- Approve research and development projects up to levels set by the Board
- Submission to the Board of research and development projects over levels set by the Board
- Approve budget extensions for research and development projects
- Approve the extension of customer credit facilities as per agreed Adacel conditions
- Approve conditions for contracts on deferred terms in writing
- Approve expenditure over agreed limits for business units

Operational

- Monitor research and development projects via responsible senior executives
- Participate in review of research and development projects with review committee
- Approval of patents prior to lodgment
- Handling enquires for information about the affairs of the company – including, where appropriate, media and press contact/releases and delegation/approval of responsibility for specific staff to act in a technical capacity or for presentation of papers/speaking engagements for conferences, seminars, etc
- Approval for participation in trade exhibitions
- Final approval on any proposed negotiations relating to any manufacturing and/or distributorship agreement
- Authorisation of the Company Quality Policy Manual and delegation of responsibility and authority to senior executives to carry out their functions in compliance with the Quality Policy requirements

ROLE AND RESPONSIBILITIES OF SENIOR EXECUTIVES

The activities delegated by the Board to the senior executives are undertaken by the Chief Executive Officer or equivalent and senior executives reporting to the CEO or equivalent. The responsibilities of the CEO or equivalent are more strategically focussed, while the responsibilities of the senior executives are more operationally focussed.

Chief Executive Officer: Role and Responsibilities

The role and responsibilities of the Chief Executive Officer or equivalent include:

Vision and strategy

- Developing and agreeing with the Board the corporate vision and strategy for the company
- Communicating the vision and strategy to stakeholders

Identifying new opportunities

- Reviewing and identifying market opportunities, and matching opportunities with Adacel's strengths, technology and Intellectual Property
- Reviewing and developing the company's process for commercialising Intellectual Property

Leading the technology effort

- Establishing the technology direction for the company
- Setting the appropriate standards for quality assurance and component development

Leading the key development projects that create the business of tomorrow

- Leadership of the two or three most critical development projects that will create new businesses in the medium term

Assist with communication with capital markets

- Assist the Board in building awareness and understanding of Adacel's strategy and opportunities within capital markets

Senior Executive Roles and Responsibilities

Execution of strategy

- Oversee implementation of the company's vision and strategy

Achievement of sales, profit, and cash targets

- Ensure operational management understands, owns and works to a profit and cash plan for the current year

Management of people

- Oversee the recruitment and development of senior managers and staff and their ongoing performance

Management of processes and operations

- Ensure Adacel processes and operations are effective and efficient