

DELEGATION OF AUTHORITY POLICY

This Policy applies to all direct and indirect subsidiaries of [COMPANY]. It identifies the matter approval and signature authority with respect to

- A) Contracts;
- B) Capital Work Orders;
- C) Other Documents and Actions; and
- D) Hiring, Compensation & Severance

Guidance on reading and complying with this policy:

- Unless otherwise noted, other than Additional Approvals, only one approval is needed;
- Board means the Board of Managers of [COMPANY]
- [Senior Leadership] approval is limited to the [Senior Leadership] member(s) responsible for affected business, operation &/or function;
- Director approval is limited to the business, site or functional director(s) whose business, site or function is affected;
- Corporate Counsel approval may be given by any lawyer in the Legal Department, but General Counsel approval is limited to the General Counsel;
- As this policy applies to all direct and indirect subsidiaries of [COMPANY], the person signing a contract or document should take care to ensure that he has legal authority to execute the document on behalf of the [COMPANY] legal entity at issue (e.g., as an employee or officer of such legal entity or as designated by a power of attorney); and
- Questions about legal authority or any other questions about this policy should be directed to the Legal Department.

This policy may be amended by the CEO unless said amendment would change the authority vested in the Board, in which case the Board must approve the amendment.

A. Contract Approval & Signature Authority

Those authorized to approve contracts may execute the contract documents or delegate, in writing, their signature authority to another [COMPANY] employee to do so. Sub-delegation of signature authority is prohibited. Authority to approve a contract may not be delegated.

Contract means any commitment, verbal or written, for the sale, purchase, or lease of goods or services binding [COMPANY] or any agreement obligating [COMPANY] to do or not do specified acts, and is not limited to documents entitled "contract." Contract includes, for example, purchase orders whether issued by [COMPANY] or by a customer. Generally, a letter of intent to enter into a contract, whether or not binding, is subject to the same contract approval and signature authority as would be the final contract itself. The same level of authority is required to amend contracts as it is to approve them initially. A contract may fit into more than one of the categories below, in which case the levels of authority and additional approvals for all the applicable categories must be met.

Value is the amount [COMPANY] is expected to pay or receive over the term of the contract and is noted on the chart in US dollars.

Term is the length of the agreement without regard to cancellation or renewal options and is noted on the chart in years.

As is indicated more specifically in the chart, generally any contract that has a value of \$500,000 or greater or a term of three years or more requires approval from someone in the Legal Department.

Type of Contract/ Contract Provision	Board	CEO	[Senior Leadership]	Director	Additional Approvals
Acquisition of an entity, business or division ¹	X				General Counsel; CFO
Borrow money or incur debt, other than issuance of letters of credit		X			CFO; Corporate Counsel
Collective bargaining			X		VP of HR; Corporate Counsel
Confidentiality/ Non- disclosure		X	X ²		Corporate Counsel; VP of Technology ³ ; CEO ⁴
Deferred purchase price		≥\$1M or >5 years	<\$1M or ≤5 years		CFO; Corporate Counsel
Consignment of inventory – ours or a supplier's		≥\$1M or >5 years	<\$1M or ≤5 years	≤\$250k or <3 years	Corporate Counsel; CFO; Director of Regulatory Management ⁵
Distributor			X		Corporate Counsel; Director of Global Sales & Marketing

¹ Letter of intent related thereto may be approved by CEO

² Not required where CEO approval has been obtained and the contract relates to the acquisition or divestiture of business assets

³ Required for contracts where confidential technical information will be shared other than contracts related to the acquisition or divestiture of business assets

⁴ Required for all contracts related to acquisition or divestiture of business assets

⁵ Limited to consignment of our inventory

Type of Contract/ Contract Provision	Board	CEO	[Senior Leadership]	Director	Additional Approvals
Guaranty (assurance of debt or other obligation) by [COMPANY]		X			Corporate Counsel; CFO
Hedging		X			CFO
Insurance policies		X			Treasurer
Intellectual property licensing, other than software agreements		\geq \$1M or >5 yrs	<\$1M or \leq 5 yrs		Corporate Counsel; VP of Technology ⁶
Lease of equipment or materials		>\$1M or >5 yrs	<\$1M or \leq 5 yrs	<\$250k or <3 yrs	Corporate Counsel ⁷ ; CFO ⁸
Lease of real property		X			CFO; Corporate Counsel
Letter of credit – issuance or acceptance					CFO or Treasurer
Lien on [COMPANY] assets other than those to secure the purchase price of the assets		\geq \$1M or >5 yrs	<\$1M or \leq 5 yrs	\leq \$250k or <3 yrs	Corporate Counsel; CFO

⁶ VP of Technology approval not required when IP license is in connection with sale of [COMPANY] product and in the ordinary course of business

⁷ Required for all leases \geq 3 years or \geq \$500k

⁸ Required for all leases \geq 3 years

Type of Contract/ Contract Provision	Board	CEO	[Senior Leadership]	Director	Additional Approvals
Prohibiting dividends or the pledge of assets	X	X			Corporate Counsel; CFO
Purchase of raw materials		≥\$1M or >5 yrs	<\$1M or ≤5 yrs	≤\$500k or <3 yrs	Corporate Counsel ⁹
Purchase of real property		X			CFO; Corporate Counsel
Purchase of goods (including equipment or other materials) or services, excluding purchase of raw materials		≥\$1M or >5 yrs	<\$1M or ≤5 yrs	≤\$250k or <3 yrs	Corporate Counsel ¹⁰
Quality agreement or questionnaire				Business Director	Corporate Counsel
Sale of assets, including real property, other than inventory in the ordinary course of business	>\$1M	≤\$1M			CFO; Corporate Counsel
Sale of goods (including equipment or other materials) or services		≥\$1M or >5 yrs	<\$1M or ≤5 yrs	≤\$250k or <3 yrs	Corporate Counsel ¹¹
Sales agency or sales representative			X		Director of Global Sales & Marketing; Corporate Counsel

⁹ Required for all leases ≥3 years or ≥\$500k

¹⁰ Required for all leases ≥3 years or ≥\$500k

¹¹ Required for all leases ≥3 years or ≥\$500k

Type of Contract/ Contract Provision	Board	CEO	[Senior Leadership]	Director	Additional Approvals
Settlement, release of claims or consent decrees		≥\$500k	<\$500k		General Counsel; Director of Regulatory Management ¹²
“Take or pay” by [COMPANY]		≥\$1M or >5 yrs	<\$1M or ≤5 yrs	≤\$250k or <3 yrs	Corporate Counsel; CFO
Toll manufacturing		≥\$1M or >5 yrs	<\$1M or ≤5 yrs		Corporate Counsel; Director of Regulatory Management ¹³ ; VP of Operations ¹⁴
Warehousing			X		Corporate Counsel; CFO; Director of Regulatory Management
Waste management		≥\$1M or >5 yrs	<\$1M or ≤5 yrs	≤\$500k or <3 yrs	Director of Regulatory Management; Corporate Counsel ¹⁵

B. Capital Work Orders

Board approval of capital work orders >\$1M is required. The Capital Work Order Procedure, which may be amended by the CEO, governs all other approval authority levels. Please consult the tables in the Capital Work Order Procedure for approval levels.

Contracts related to capital projects must be approved in accordance with the Contract Approval section of this Delegation of Authority.

¹² Required for all such documents relating to EHS issues

¹³ Required for all contracts where another party is toll manufacturing for [COMPANY]

¹⁴ Required for all contracts where [COMPANY] is the toll manufacturer

¹⁵ Required for all leases ≥3 years or ≥\$500k

C. Approval of Certain Documents and Actions

Those authorized to approve the documents/actions may execute the documents or delegate, in writing, their authority to do so. Unless otherwise noted, other than Additional Approval, only one approval is needed. For example, either the CEO or the responsible [Senior Leadership] Member, in addition to the General Counsel and Director of Regulatory Management, may approve a permit application.

Type of Document/Action	Board	CEO	[Senior Leadership]	Additional Approval
Amendment or termination of ERISA plans		X		Corporate Counsel; VP of HR
Asset or inventory adjustments			X	CFO ¹⁶ ; Controller ¹⁷
Bad debt/receivable adjustments			X	CFO ¹⁸ ; Treasurer ¹⁹
Certification of employment practices, including but not limited to equal employment opportunity (“EEO”), affirmative action, and fair labor standards				VP of HR
Charitable donations	>\$150k annually	≤\$150k annually		
Creation of new bank accounts		X		CFO

¹⁶ Required if value ≥\$10,000

¹⁷ Authorized to approve values <\$10,000

¹⁸ Required if value ≥\$10,000

¹⁹ Authorised to approve values <\$10,000

Type of Document/Action	Board	CEO	[Senior Leadership]	Additional Approval
Creation of subsidiaries or new legal entities		X		CFO; General Counsel
Gifts or hospitality, given to or received from government officials		X		General Counsel
Gifts or hospitality, given or received, other than to or from government officials	x ²⁰	X	X	General Counsel ²¹
Permit applications and renewals		X	X	Corporate Counsel; Director of Regulatory Management
Press releases			X	VP of HR; Corporate Counsel; CFO ²²
Rebates, non-contractual		X		CFO; Corporate Counsel
Tax payments		X		CFO

²⁰ Audit Committee approves for board members and CEO; CEO approves for [Senior Leadership] members; responsible [Senior Leadership] member approves for all other employees

²¹ Required if value to recipient and/or his family \geq \$250

²² Not required for press releases limited to price increase announcements

D. Hiring, Compensation and Severance

All marked boxes must approve the hiring, compensation (including salary increases and bonuses) or severance action.

Level of Employee	Board	CEO	[Senior Leadership]²³	Additional Approval
CEO/President	X			General Counsel ²⁴
Direct reports of CEO	X	X		VP of HR; General Counsel ²⁵
All salaried employees and incremental hourly employees		X	X	VP of HR; General Counsel ²⁶
Hourly employees (replacement for existing position)			X	VP of HR; General Counsel ²⁷

²³ Limited to [Senior Leadership] member(s) ultimately responsible for budgeting employee

²⁴ Severance only

²⁵ Severance only

²⁶ Severance only

²⁷ Severance only