

	<b>GILES CHEMICAL ~ A DIVISION OF PREMIER CHEMICAL LLC</b>		
	<b>COMPANY PROCEDURE</b>		
	<b>Purchase Authorization Limits</b>	Page : 1 of 2	Revision : 1 <sup>st</sup> Date : 10/20/07
	Author: <b>Darrell Clark and Paul Teleki</b>		Report #:

**Personnel responsible:**

All

**Safety:**

This Procedure does not require any special Safety Precautions or PPE's.

**Summary:**

The intent of the Procedure is to spell out clearly the Purchase Authorization limits associated with the different job levels and authorization requirement for higher expenditures.

**Procedure**

- Each Manager; CSR Manager, Controller, Human Resource Manager, Marketing/Business Manager, President, Plant Manager, Director of Manufacturing, Satellite Plant Managers, Process Engineer, Safety & Quality Manager, Maintenance Manager, Repack Manager has the authority to authorize PO's up to \$500.
- PO purchases above \$500 and up to \$ 2,500 have to be authorized by the next Management level. The Plant Manager must approve those purchases by his direct area Manager Report. The CSR Manager, Marketing/Business Manager and Controller must have those purchases approved by the President. The Director of Manufacturing must approve those purchases by the Plant Manager, Repack Manager and Satellite Managers.
- Any PO purchase above \$ 2,500 must be authorized by the appropriate Managers with a final approval authorization by the President.
- Raw Materials - MgO and Sulfuric Acid - for the Main Plant must be approved by the Plant Manager. Satellite Plants can order raw materials without authorization; however each time an order is placed the Satellite Manager must send an E-mail the Director of Manufacturing; the Director of Manufacturing will keep a copy on file.
- Petroleum based packaging materials will be authorized by the Marketing/Business Manager. Each Area Manager will follow approved purchasing procedures for other packaging materials.
- Emergency Spare Parts up to \$ 5,000 can be authorized by the Plant Manager or the Director of Manufacturing; however, within four (4) hours of the purchase an E-mail must be sent to the President. A copy of the E-mail must be attached to all distributed copies of the PO.
- Non Emergency Spare parts above \$2,500 have to be authorized through the normal authorization levels and final authorization by the President. If the President is not available to sign approvals then an E-mail documenting consent of purchase must be attached to all distributed PO copies.
- All AFE's have to be authorized through the normal authorization levels and final authorization by the President and Premier Corporate.
- Properly authorized AFE's do not need line item authorization. (In case it appears that the project will be overspent follow the AFE procedure guide lines)
- Expenditure Projects, even if they are captured on an AFE, must be processed in accordance with the normal project authorization process with final authorization by the President.



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Page : 2 of 2

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	EMPLOYEE	TITLE	SIGNATURE	DATE
1		Plant Manager		
2		A - Lead Operator		
3		A - Material Handler		
4		A - Assistant		
5		B - Lead Operator		
6		B - Material Handler		
7		B - Assistant		
8		C - Lead Operator		
9		C - Material Handler		
10		C - Assistant		
11		D - Lead Operator		
12		D - Material Handler		
13		D - Assistant		
14		Day - Warehouse		
15		Night - Warehouse		
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