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For any feedback to the process, or the document, please contact Global ITO Quality Leader

**Applicability:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Applicable Product Lines Applicable to Tollgate Process?** | | | | |
| Subsea Production Systems (SPS) | | |  |  |
|  | Trees | Controls | Drilling | Yes (details in section 2.0) |
|  | MCS | Projects | Services & Offshore | No |
|  | | | Wellstream |  |
|  |  |

**Document Revision Chart:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Rev** | **Section modified and revision description** | **Issue date** | **Expiry date** | **Author(s)** |
| 1.0 | Created to outline the process relating to authority to sign documents on behalf of various GE legal entities for Subsea Systems transactions | 22.01.2016 | 22.01.2019 | Lizette Smit |
| 1.1 | Document fully reviewed with all references to SFDC changed to DM. Document content transferred onto QMS current template QT-SS-GLO-001 Rev 3.1. | 16:05:2017 | 16:05:2020 | David Bennett |

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# Purpose

The purpose of this work instruction is to outline the process relating to authority to sign documents on behalf of various GE legal entities for Subsea Systems & Drilling transactions to ensure compliance with both legal and tax requirements and Delegation of Authority process.

Full compliance to this work instruction / procedure is required by one month after publication on the QMS (Documentum)

# Scope & Applicability (including Tollgate deliverable if applicable)

This Work Instruction is applicable to the ITO function across Subsea Systems & Drilling, including all Product Lines, P&Ls and Sites.

# Process Overview / Instruction

## Entity Selection

For all opportunities, the Tender Manager or equivalent commercial role must coordinate with his/her designated tax and/or commercial finance representative to confirm that the legal entity selected is appropriate for the transaction. Selecting an inappropriate entity might lead to significant tax and financial exposure.

## Signature Authority

Each GE entity has a director or Board of Directors and in some cases a set of Officers appointed by the entity’s Director(s). Either the directors, or in the case of officers, all have authority to bind the entity by contractual agreement to the extent provided in the articles or by-laws, or other organizing document of the entity and in any board resolution granting such authority. Typically, such persons are empowered to sign any contract, lease, license, assignment, bond or other obligation, conveyance, power of attorney, guarantee, proxy, court pleading, release, or any other instrument related to the business, component or function to which he/she is assigned; provided, however, that there are some restrictions on signature authority for financial and tax documents, certain intellectual property documents and real estate agreements and by the shareholder(s).

An up to date list of directors can be requested from the Regional Legal Counsel.

A director or officer is permitted to delegate signature authority and empower others to execute contracts and other documents that he would otherwise be entitled to execute on behalf of an entity. Such authority is normally granted by issuance of a power of attorney, though can be delegated in board resolutions.

3.2.1 Power of Attorney (POA)

Signature authority may also be granted through issuance of a POA. A POA may be issued either by a director or officer of an entity. Typically, a POA will be granted only on a transactional basis, for a specific deal or purpose. It is possible to grant a broad POA for signature authority, but issuance of a broad POA requires extensive tax and legal review.

If a POA is required because (i) no authorized signer is available or (ii) the other contracting party demands written evidence of signature authority, application for issuance of the POA must be made as follows:

* **GE O&G legal entity** POA via the link below:

<http://supportcentral.ge.com/ProcessMaps/form_new_request.asp?prod_id=39150&form_id=236072&node_id=405696&map_id=&reference_id=&reference_type>=

* **GEII or GEIOC** POA via the link below:

<http://supportcentral.ge.com/ProcessMaps/form_new_request.asp?prod_id=33778&form_id=126169&node_id=78262&map_id=&reference_id=&reference_type>

* All other, please contact assigned legal counsel for the P&L to which the document relates and request assistance.

Note: Only authorized employees of the legal entity that is a party to the document to be signed are allowed to sign the document. In addition, employees signing a document pursuant to a POA are authorized to sign the document only after all the applicable business process requirements have been met, as detailed in Section 3.3 Limitations.

3.2.2 Delegation of Authority

DOA is an internal authorisation that grants certain internal managerial authority of a company normally vested in the officers and directors to other employees in the company to facilitate the management of the company.

Delegations of Authority are effective internal management tools, but they do not vest the holder of a DOA with any power to lawfully exercise corporate power with respect to counterparties or third parties in civil law jurisdictions.

A DOA does, however, confer signing authority in most common-law jurisdictions under the legal concept of apparent authority; unless a POA is specifically requested from a third party or evidence of signing authority is requested. If more information is needed on DOA, please consult local legal counsel.

* **The following commercial roles have DoA**
* Tender Manager or equivalent
* Regional / CoE Commercial /Sales / P&L Leader
* P&L Commercial Leader

3.2.3 When to use what

|  |  |
| --- | --- |
| **Power of Attorney** | **Delegation of Authority** |
| * A legally binding contract that went through the SS Deal Management process * This would include, but is by no means limited to: * New contracts * New frame agreements * Variation orders to existing contracts where original T&Cs are changed or new T&Cs introduced. * Call-offs under frame agreements where original T&Cs are changed, new T&Cs introduced or any changes to pricing/schedule. * MOU   ­­ | * Proposal submitted to a customer that is fully approved through Subsea Systems Deal Management process. * Acceptance of the following documents when issued under an approved, valid Frame Agreement or Master Services Agreement (where there are no changes to the original FA/MSA): * Purchase Order * Work Authorization * Call-offs * Contracts issued with Subsea Systems’ standard T&Cs   or   * Any other document related to an opportunity that went through the Express Risk Path in SS Deal Management Process * Non-disclosure Agreements (NDA) that are standard or in accordance with the “Guidelines for NDAs” via the link below. <http://supportcentral.ge.com/products/sup_products.asp?prod_id=50451> |

**If in doubt, contact local or regional legal counsel.**

## Limitations

Prior to executing any document on behalf of a GE entity, the signatory must ensure that all required business processes have been followed and any required internal approvals have already been obtained and documented, including, but not limited to, all applicable Risk Checklist approvals (manual or automated) under Deal Management. Approval of risk items per an applicable checklist is a separate approval process, which does not govern signature authority. For example, SS&D CEO approval of a DoA risk item does not require mandatory SS&D CEO signature of the contract. Once all required approvals have been obtained for a document, any authorized signer may execute the document.

## Process definition –Power of Attorney

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Process Start/Stop** | Commercial Finance/ Tax | | Tender Manager / Commercial equivalent | | P&L Legal Counsel | |  | |
| **Process Step Connector** |
| **Decision Point** |
| **Ultimate Step Responsibility** |
| **Key Step Contributor** |
| **Ref** | **Activity** | **Responsibility** | | | | | **Additional Requirements** | | **Links** |
|  |  | R1 | R2 | | R3 | | Any additional explanation or references | | Hyperlink to Related Reference Docs |
| 3.4.1 | Determine legal entity |  |  | |  | | Commercial finance/tax to confirm correct legal entity. | |  |
| 3.4.2 | Determine whether DoA is sufficient or if POA is required |  |  | |  | | Refer to table 3.2.3  Liaise with legal counsel if in doubt | |  |
| 3.4.3 | Signature based on **DoA** – determine signatory |  |  | |  | |  | |  |
| 3.4.4 | Sign Document |  |  | |  | |  | |  |
| 3.4.5 | Determined that a **POA** is required for signature. – request a POA using the links referenced. |  |  | |  | |  | | **GE O&G legal entity POA:**  <http://supportcentral.ge.com/ProcessMaps/form_new_request.asp?prod_id=39150&form_id=236072&node_id=405696&map_id=&reference_id=&reference_type>=  **GEII or GEIOC POA:**  <http://supportcentral.ge.com/ProcessMaps/form_new_request.asp?prod_id=33778&form_id=126169&node_id=78262&map_id=&reference_id=&reference_type> |
| 3.4.6 | Tender Manager / Commercial Equivalent uploads a copy of the PoA to DM |  |  | |  | | Upload a copy of the POA to the Opportunity in DM (Notes & Attachments) | |  |
| 3.4.7 | Sign document |  |  | |  | |  | |  |
|  |  |  |  | |  | |  | |  |
|  |  |  |  | |  | |  | |  |

# Roles & Responsibilities

|  |  |
| --- | --- |
| **Key Role** | **Responsibility** |
| Commercial Finance | Ensure correct GE legal entity is selected for the transaction |
| Tender Manager/Equivalent Commercial role | Determine who can sign the contract and request POA if necessary.  Upload a copy of the POA to Opportunity in DM |
| Legal Counsel | A copy of the issued POA must be attached to the opportunity in DM under the section: Notes & Attachments |

# Quality Records

This section captures which documents are produced by the processes covered by the above described procedure/work instruction/method that should be considered Quality Records.

The following is a summary of records produced by this work instruction that shall be maintained and controlled according to the requirements of [OGQ-0102 - Record Control](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d167&showRendition=true). All records shall be in line with Records location map relevant for the Site/Organization.

* A copy of the issued POA must be attached to the opportunity in DM under the section: Notes & Attachments

|  |  |  |
| --- | --- | --- |
| Record | Owner | Storage location |
| Power of Attorney | Tender Manager /Commercial | Support Central/Deal Machine |

# References, Terms, Definitions & Acronyms

## References

|  |  |  |
| --- | --- | --- |
| **Number** | **Name** | **Training Material & Quiz** |
| n/a | [GE O&G QMS Lexicon](http://supportcentral.ge.com/@lexicon) | n/a |
| n/a | [Subsea Systems & Drilling QMS Lexicon](http://libraries.ge.com/download?fileid=697340101101&entity_id=55721334101&sid=101) | n/a |
| [OGQ-0102](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d167&showRendition=true) | [O&G Record Control Procedure](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d167&showRendition=true) | [OGQ-0102TM](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea8063d169&showRendition=true) |
| [OGQ-0111](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea807c31c6&showRendition=true) | [Inquiry to Order](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea807c31c6&showRendition=true) | [OGQ-0111TM](http://edms.pw.ge.com/dctmquality/home/components/drl/drl.jsp?objectId=0900f5ea807f09ab&showRendition=true) |
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## Terms, Definitions & Acronyms

Italicized terms have been defined in [GE O&G QMS Lexicon](http://supportcentral.ge.com/@lexicon) for Terms, Definitions and Acronyms. In case of conflict with [GE O&G QMS Lexicon](http://supportcentral.ge.com/@lexicon), QMS Lexicon will take precedence.

|  |  |  |
| --- | --- | --- |
| **Acronym** | **Term** | **Definition** |
| DoA | Delegation of Authority | Delegation of Authority means division of authority and powers |
| FA | Frame Agreement | A form of collaboration agreement that involves the establishment of a common protocol and set of standard terms |
| GE | General Electric |  |
| GEII | General Electric International Inc |  |
| GEIOC | General Electric International Operations Company |  |
| ITO | Inquiry to Order | Commercial organisation |
| MSA | Master Service Agreement | See FA above |
| MOU | Memorandum of Understanding |  |
| NDA | Non-Disclosure Agreement | A [legal](https://en.wikipedia.org/wiki/Law) [contract](https://en.wikipedia.org/wiki/Contract) between at least two [parties](https://en.wikipedia.org/wiki/Party_(law)) that outlines confidential material, knowledge, or information that the parties wish to share with one another for certain purposes, but wish to restrict access to or by third parties |
| P&L | Profit & Loss | Refers to a Tier 2 or Tier 3 business in GE |
| POA | Power of Attorney | A written authorization to represent or act on another's behalf |
| SAM | Signature Authority Matrix | Permission to execute transactions up to limits established |
| DM | Deal Machine | Business Opportunity Management System |
| SS&D | Subsea Systems & Drilling | Product Company / Tier 2 business |
| SS&D CEO | Subsea Systems Chief Executive Officer |  |

Appendix

N/A

End of Document.