Internal Control Policies

Amounts in USD \$	Approvals Required By:											
	Plant Manager Designee (Up To 50% of Authorization)	Plant Controller	Plant Manager	Director of HR	VP of Sales	Director of Finance	Director of Financial Reporting	VP Operations	CFO	CEO	OGC Operations	
inancial												
All non-inventory purchases (Requisitioned or invoiced)												
\$1-\$125,000	A											
\$125,001-\$250,000	A	Α	A			_						
\$250,001-\$500,000		Α	Α			Α		Α				
>\$500,000		Α	Α			Α		Α	Α	Α	I -> \$500,000	
Inventory Purchases	-											
\$1-\$125,000 - Buyer authorized to make purchases	A											
\$125,001-\$250,000	Ä	Α	Α									
\$250,001-\$1,000,000	A	A	Ā			Α		A				
>\$1,000,000	Ä	Ā	Ā			Ā		Ä	Α	A	I -> \$2,500,000	
ψ.,,οοο,,οοο											1 - > 42,000,000	
Compound Purchases (Intercompany Only)												
\$1-\$625,000 - Buyer authorized to make purchases	A	Α										
\$625.001-\$1,250.000	A	A	Α									
\$1,250,001-\$5,000,000	A	A	A			Α		Α				
>\$5,000,000	A	A	A			A		A	Α	A	I -> \$5,000,000	
*Approval limits assume inventory is purchased according to a forecast approved by	Sales and Operations	i.										
Vendor Payments												
Check Runs						Α	Α					
Individual payments, non-recurring, outside ordinary business <\$50,000						Α	Α					
Individual payments, non-recurring, outside ordinary business >\$50,000						Α	Α		Α	Α		
Individual payments >\$50,000						Α	Α		Α	Α		
Capital Expenditures												
Budgeted \$1-\$25,000		Α	Α			Α						
Budgeted \$25,001-\$100,000		Ā	Ā			Ā		A				
Budgeted > \$100,000		Ä	Ä			Â		Ä	Α	A	I -> \$100.000	
•											1 4111,111	
Unbudgeted Cap Ex < \$100,000		Α	Α			Α		Α	Α	I	I	
Unbudgeted Cap Ex. \$100,001-\$250,000		Α	Α			Α		Α	Α	Α	l	
Unbudgeted Cap Ex. > \$250,000		Α	Α			Α		A	A	A	Α	
Non-budgeted Expenditures <\$250K	_	Α	Α			A			Α	A		
Non-budgeted Expenditures >\$250K	+	A	A			A			A A	A	A	
Non-budgeted Expenditures require minimum Director/Dept Head Approval												
Non-budgeted Expenditures require minimum birector/bept riead Approvar												
ales Orders												
Product Sales Quote (inc line items on combined quote)	_				NO== :							
Set pricing policy and price list	_		A		NOTE 1				A			
Discount to standard price <5%		Α .	A		NOTE 1				A			
Discount to standard price >5% < 10%		A	A		NOTE 1				A			
Discount to standard price >10% Credit Terms	_	Α	Α		Α	Α			Α	A	I	

Internal Control Policies

Effective Date: April 1, 2016 (Revision - Oct 28 2016)

Amounts in USD \$	Approvals Required By:												
	Plant Manager Designee (Up To 50% of Authorization)	Plant Controller	Plant Manager	Director of HR	VP of Sales	Director of Finance	Director of Financial Reporting	VP Operations	CFO	CEO	OGC Operations		
New									Α				
Special Terms (l.e > 30 days<60)									Α				
Special Terms (I.e > 60 days)									Α	Α	I		
Marketing													
Public Announcements (Press Releases-General)									Α	Α	All referencing OGC		
Public Announcements (Press Releases-New Products)					Α				Α	Α	All referencing OGC		
Use of Company Names/Logos					Α				Α	Α			
Interviews with media					Α				Α	Α	I		
Trade Shows (annual exhibition plan)					Α	1			Α	Α			
Advertising (campaign)					Α				Α	Α			
Product Management													
Warranty Terms (Product Liability - Non Standard)	_								Α	Α	1		
Warranty Term Modifications								Α	A		·		
Patents & Trademarks (filing)								,	A		1		
Patents & Trademarks (maintenance)									A		•		
Human Resources													
HR Policies & Procedures				A					Α	Α			
Guide to ethical conduct				 					Ä	A			
Replacements <\$100,000 & within 5% of incumbent			Α	A					- î		I -> \$100,000		
Replacements >\$100,000			Ä	Ä					Ä	Α	1-7 \$100,000		
New Hires Budgeted <\$75,000			Ä	Ä									
New Hires Not Budgeted >\$1			Ä	Â					A	Α	I -> \$100,000		
New Hires if operating below planned EBITDA target			Ä	A					A	A	Α		
(contractors follow same process)			A	A					A	A			
Other HR Related Expenditures (relocation, recruitment, etc.)				A					A	A			
Employee Terminations				A					A	A	I		
All Severance Payments >1 Week Per Year (policy)				A					Α	Α	I		
Compensation:													
Sales Commission Agreements					Α		ı		Α	Α			
Sales Commission Targets					Α		ı		Α	Α			
Special Bonuses, all							1		Α	Α			
All C-Level Employment Matters									Α	Α	Α		
All Employment Contracts				Α					Α	Α	A		
All MIP-Related Matters									Α	Α	Α		
Company car policy									Α	Α	I		
All matters involving equity or change of control									Α	Α	A		
	_												
Travel													
Travel policy Implementation/Changes							A		Α	A			
Travel Advances							Α		Α	I			
Contracts (incl. third party suppliers)													
General operating contracts:													
Customer					Α				Α	Α			
Lease - equipment (\$100k/yr and 3 years or less)		Α	Α			Α	1	Α	Note 2	Note 2	Note 2		

Internal Control Policies

Effective Date: April 1, 2016 (Revision - Oct 28 2016)

Effective Date: April 1, 2016 (Revision - Oct 28 2016)	Approvals Required By:												
Amounts in USD \$	Plant Manager Designee (Up To 50% of Authorization)	Plant Controller	Plant Manager	Director of HR	VP of Sales	Director of Finance	Director of Financial Reporting	VP Operations	CFO	CEO	OGC Operations		
Lease - equipment (>\$100k/yr and/or >3 years)		Α	Α			Α		Α	Α	I	Note 2		
Lease - facility						Α		Α	Α	Α	Note 2		
Agent/Distributor Agreements			Α		Α	Α			Α	Α	1		
Consultant / Professional Services		Α	Α			Α			Α	Α	Note 3		
All other contracts		Α	Α			Α			Α				
All other contracts > 5 yrs in duration		Α	Α			Α			Α	Α	Α		
Loan Agreements or any incurrence of indebtedness or guarantee									Α	Α	Α		
Purchase and Sale Agreements (Acquisitions/Divestitures)									Α	Α	Α		
IP License or Cross License (exc. software and hardware)									Α	Α	Α		
Contracts containing non-compete									Α	Α	Α		
Agreements relating to the potential issuance of securities									Α	Α	Α		
Investment banking or similar engagement agreements									Α	Α	Α		
Agreement requiring consent for change in control, unless immaterial									Α	Α	Α		
Agreement relating to insurance outside OGC program									Α	Α	Α		
Any agreement not terminable at will on 90 days notice									Α	Α	Α		
Reserves													
Accounts Receivable (reserve or write-off)							Α		Α	I > \$25,000	I > \$25,000		
Inventory (including reserves, cycle/physical count adjs, write-offs)													
\$1 - \$50,000		Α	Α			Α			ı				
\$50,001-\$250,000		Α	Α			Α			Α	ı	I > \$50,000		
>\$250,000		Α	Α			Α			Α	Α	A		
Other (including but not limited to warranty)													
\$1-\$25,000		Α	Α			Α			1				
\$25,001-\$250,000		Α	Α			Α			Α	1	I > \$50,000		
>\$250,000		Α	Α			Α			Α	Α	A		
Tax													
Letter of Engagement for Outside Tax Counsel				 			Α		Α		A		
Filing of Income tax returns – federal, state, local and foreign							A		A		1		
Notice of Tax Examinations							Ä		Ā		i		
(Customs)							A		A		i		
(income, payroll, sales / VAT, and property)							A		Ā		i		
Settlement of Tax Examinations - for all tax examinations							Ä		Ā		A		
Tax Provision for Audited Financial Statements				+			A		A		A		
Material Tax Elections				 			Ā				Ā		
Transfer and Cross-Charge Agreements			<u> </u>	+			Ā		<u>^</u>		Ā		
Tax Sharing Agreements				++			Ā				Ā		
Penalty or tax payments (excluding VAT and Payroll Taxes)				+			A			Α	Ä		
relially of tax payments (excluding VAT and raylon Taxes)							_ ^				*		
Treasury											_		
Signatory on Bank Accounts - Authorization to Sign Checks/Wire Transfers									A		Α		
\$1-\$50,000						A	A		_				
\$50,001-\$1,000,000						Α	Α		Α	Α	l		
>\$1,000,000						Α	Α		Α	Α	I / A (for non-inventory purchases		
LOC, Bank Guarantees, Bank Fees							Α		Α		Α		
Overdrafts on Current Accounts							Α		Α		Α		
Transfer Pricing				1 1									

Inform: Must be informed of the decision to be taken (i.e. in advance of decision)

Internal Control Policies

Effective Date: April 1, 2016 (Revision - Oct 28 2016)

	Approvals Required By:												
Amounts in USD \$	Plant Manager Designee (Up To 50% of	Plant Controller	Plant Manager	Director of HR	VP of Sales	Director of Finance	Director of Financial Reporting	VP Operations	CFO	CEO	OGC Operations		
	Authorization)												
Policy							Α		Α		l		
Maintenance							Α		Α		I		
Other													
Initiate or settle litigation or gov't or regulatory actions									Α	Α	A		
Charitable contributions													
\$1-\$1,000			Α			Α	Α		ı	I	I		
>\$1,000			Α			Α	Α		Α		I		
Memberships / Sponsorships													
\$1-\$500			Α			Α	Α		I	I	I		
>\$500			Α			Α	Α		Α	I	I		
Political contributions				<u> </u>	•		Not allowed			•			
Accounting & controllers manual (policies)						Α	Α		Α	Α	I		
Plant Disposals (greater of proceeds or NBV)													
\$1-\$50,000		Α	Α			Α	Α	Α	ı				
>\$50,000		Α	Α			Α	Α	Α	Α	ı	I		

Note 1 - Regional Sales Manager for Quebec and Eastern Canada region approves sales quotes and pricing for the specific customers in those regions.

Note 2 - OpenGate approval required for all leases, including equipment and real estate, involving aggregate payment in excess of \$500,000 or having a term in excess of 3 years.