

# G-1 SPECIFICATIONS

(Revised November 2015) revised August 2016 for LSC Communications LLC or one of its subsidiaries (hereinafter referred to as "LSC")

## 1. **Contract Documents**

These General Conditions apply to any manufacturing, installation or construction work performed by Supplier on LSC property (the "Work") and are an integral part of the contract between LSC and Supplier, together with all other specifications, plans, drawings, exhibits and addenda referenced in the contract (collectively, the "Agreement"). Supplier shall bring to the attention of the appropriate LSC Global Strategic Sourcing representative ("GSS") any conflict between the drawings and the specifications before proceeding with that particular phase of the job. The written specifications will take precedence over the drawings in the event of any conflict between those documents, unless otherwise approved by GSS. Supplier shall obligate all subcontractors engaged by Supplier to be bound by these General Conditions but nothing herein shall be construed to create a contractual relationship between any such subcontractor and LSC.

## 2. **Materials and Workmanship**

All materials, parts, components and articles incorporated in the Work shall, unless otherwise specifically provided in the Agreement, be new and of the best available grade and quality for the purpose used. All Work shall be done in a thoroughly first-class and workmanlike manner, shall be neat and orderly, and shall conform to the best trade practices generally accepted in the industry. Supplier shall verify all dimensions, measurements, grades, levels and conditions at the work site, become fully acquainted with the conditions relating to the Work and fully understand the facilities, difficulties and restrictions attending to execution of the Work.

## 3. **Permits**

Supplier shall comply with all applicable laws, ordinances, rules and regulations of governmental agencies and shall procure and pay for all permits (except pollution control permits), certificates of inspections and licenses required by any such law, ordinance, rules and regulations in the performance of the Work. Any required federal, state or local pollution control permits shall be the responsibility of LSC.

## 4. **Installation Coordinator and Supplier's Responsibility**

LSC shall designate one of its employees as its Installation Coordinator with respect to the Work covered hereunder and shall advise Supplier of such designation. The Installation Coordinator shall be Supplier's principal contact and shall coordinate the project and assist Supplier in obtaining the various LSC approvals required by the Agreement. Supplier shall not, under any circumstances, provide labor or material without the prior approval of the Installation Coordinator regardless of the source of the request. The Installation Coordinator has sole responsibility for the authorization of all "extras" and Work outside the scope of the Agreement. Supplier shall refer such requests for such additional Work to the Installation Coordinator, when such requests come from other LSC personnel. For matters outside the responsibility of the Installation Coordinator, the GSS Buyer designated on LSC's Purchase Order will remain the commercial/contractual contact between LSC and Supplier. Notwithstanding the above, Supplier understands it has the full responsibility to supervise and direct the Work, using Supplier's best skill and attention.

Supplier shall be solely responsible for and have control over the means, methods, techniques, sequences and procedures, and for coordinating all portions, of the Work.

## 5. Insurance

Before commencing Work, Supplier shall assure it meets the following insurance requirements:

### Required Coverage

Supplier agrees to maintain the following types of insurance coverage during the term of this Agreement with insurance carriers rated "A VII" or better by the then current edition of Best's Insurance Reports published by A.M. Best Company and licensed to do business in the state(s) in which the Products are produced and the Services are performed:

Workers' Compensation insurance as required by law in the state(s) where the Products are produced and the Services are being performed, including a waiver of subrogation in favor of LSC and, if Supplier is an employment agency and temporary labor service provider, an Alternate Employer's Endorsement;

Employers' Liability and Occupational Disease insurance with limits of \$500,000 per occurrence;

Commercial General Liability insurance with combined single limits of not less than \$2,000,000 per occurrence, including coverage for (1) premises and operations liability; (2) broad form property damage including damage to property in Supplier's care, custody or control; (3) blanket contractual liability; (4) personal and advertising injury; and (5) products and completed operations; If the Supplier is providing catering services, Supplier shall carry Liquor Liability insurance in addition to the General Liability coverage. If the Supplier is providing security services, Supplier shall include an Assault & Battery extension to the General Liability coverage,

If automobiles are used in connection with work to be performed hereunder, Commercial Automobile Liability insurance, covering all owned or rented vehicles, each with combined single limits of not less than \$1,000,000 per occurrence for bodily injury and property damage;

If Professional Services are rendered in the performance of this Agreement, Professional Liability insurance with a limit not less than \$2,000,000 per claim; and

Motor Cargo Liability coverage with a limit not less than \$250,000 per conveyance.

### Additional Requirements

The Commercial General Liability and Automobile Liability policies will name LSC Communications LLC as an additional insured as its interest may appear, and contain a cross liability (severability of interests) clause. The Commercial General Liability and Automobile Liability insurance shall be written on an occurrence basis.

### Insurance Certificates

Supplier shall maintain and could be requested to provide certificates of insurance evidencing such insurance signed by an authorized representative of the insurance company. Supplier's insurance shall be primary and non-contributory to any insurance coverage maintained by LSC. Supplier shall be responsible for deductibles, self-insured retentions and premium payments contained in any of the

foregoing policies. If requested, properly endorsed Certificates of Insurance may be sent to the following address:

LSC Communications LLC  
Risk Management Department  
4101 Winfield Road  
Warrenville, Illinois 60555

### **Subcontractors**

Any subcontractor that Supplier shall retain to perform Services under this Agreement must maintain insurance that meets all requirements of Supplier.

### **Liability**

LSC shall not, because of accepting, rejecting, approving, or receiving any certificate of insurance required hereunder, incur any liability for: the existence, non-existence, form or legal sufficiency of the insurance described on such certificate; the solvency of any insurer; or the payment of losses. No provision under this Section shall be construed or deemed to limit Supplier's obligations under this Agreement to pay damages or other costs and expenses.

### **Supplier's Tools and Equipment**

Supplier's own tools and equipment shall be entirely at Supplier's risk. Loss of LSC property shall be at LSC's risk unless damage is caused by the negligence of contractor or its subcontractors.

## **6. Payment**

Except as otherwise provided in the Agreement, payment shall be made as follows:

On or before the tenth (10th) day of each month Supplier shall invoice for 90% of the contract value of labor and materials in place as of the end of the preceding calendar month, less the aggregate of amounts previously paid to Supplier by LSC; such invoice shall be made to LSC's Accounts Payable Department or other location as directed by GSS. If the Work has been performed as described in such invoice and in accordance with the Agreement, payments shall be made within the time period specified in the Agreement.

If the total contract price exceeds \$5,000.00, each invoice for payment shall be accompanied by Waivers of Mechanics' Liens (partial and/or final) from Supplier, all subcontractors and all material men, and an affidavit by Supplier stating that all expenses incurred to date in connection with the Work have been paid in full.

Prompt payment of the balance of the contract price shall be made (1) when the Work has been completed in accordance with the Agreement and certified by the Installation Coordinator, and (2) when Supplier has in all other respects fully performed its obligations hereunder.

## **7. Changes in the Work**

Supplier agrees to make any and all changes, furnish the materials and perform such extra Work as LSC may require as a reasonable addition to or reduction from the contract price as hereinafter provided. Except for minor modifications in the Work not involving extra cost and not inconsistent with the purpose of the project and except in an emergency endangering life or property, no changes shall be

made or extra Work performed unless authorized by LSC and confirmed by a written Purchase Change Order from LSC. No claim for an addition to the contract price for such Work shall be valid unless so authorized and ordered. Prior to authorizing any change or extra Work, the parties shall reach mutual agreement from the list of the alternative methods stated below how the proposed change or extra Work is to be priced which shall be confirmed by the written Purchase Change Order, on the specific terms of the pricing method so designated. The alternatives for the pricing proposed Work changes are as follows:

Total lump-sum price to LSC, supported by a detailed breakdown of incremental costs and quantities.

Per-unit price to LSC, multiplied by the projected number of units involved in the Work change.

Estimate of total lump-sum price to LSC, with the Work to be done on a cost-plus basis subject to an agreed upon maximum price. When Supplier is ordered to proceed on this basis by the Installation Coordinator, Supplier shall keep and present in such form as directed a detailed and accurate record of all time changes and material costs incurred. Time tickets covering all of the labor and invoices substantiating material costs shall be approved by the Installation Coordinator prior to submission to GSS for payment authorization.

#### **8. Completion of Installation**

Upon completion of the project and before final payment, Supplier shall (1) furnish one complete set of marked drawings showing the sizes and locations of all installations and the as-built conditions of the project as actually completed, and (2) turn over all complete copies (as stated on the Agreement) of all manufacturer's instruction sheets supplied with any installed equipment.

#### **9. Testing**

LSC personnel or equipment manufacturer's representatives shall be permitted to use tools to test, adjust and make any equipment installed by Supplier functional.

#### **10. Exceptions**

All exceptions to the Agreement shall be detailed and accompany the quotations. Exceptions not specifically included in the Agreement will not be honored after the contract has been signed.

#### **11. Failure of Performance**

If Supplier defaults in performing any of the conditions set forth in the Agreement, LSC may, on written notice to Supplier, terminate the Agreement and may enter upon and employ others to finish the Work. In such event, and not to the exclusion of other remedies which may be available to LSC, the costs of finishing the Work shall be deducted from the contract price to the extent the balance thereof is sufficient to pay such costs and Supplier shall pay any excess of such costs to LSC.

#### **12. Safety Guidelines**

Supplier shall adhere to all EHS provisions contained within the LSC Contractor EHS program attachments posted at: [Supplier Info](#).

At all times the Work is in progress, Supplier shall keep on the premises a responsible employee who shall be authorized by Supplier to give and receive information, receive notices and directions and, subject to the provisions of Section 7, agree to necessary changes arising in the course of the Work.

Supplier shall also have a copy of the latest revised plans and specifications available on the premises at all times while the Work is in progress.

Supplier shall during the progress of the Work remove and dispose of the resultant dirt, scrap and debris and shall keep the premises clean. All papers, cardboard boxes, etc., are to be broken up and placed in properly marked refuse containers. On projects of lengthy duration in production areas, the entire work area must be cleaned and all rubbish disposed of daily, Nonproductive areas shall be cleared with rubbish disposed of in periods not exceeding one week. Upon completion of the project, the premises shall be left in a neat and clean condition.

If any equipment to which this contract relates is received by Supplier and shows evidence of damage or defect when uncrated, removed from shipping containers, cleaned or while installing, Supplier's foreman shall notify the Installation Coordinator before any corrective action is taken so that responsibility may be determined and accepted before evidence is lost.

No smoking is permitted in any LSC building except in authorized smoking areas. The use or possession of alcoholic beverages, marijuana, narcotics or other controlled substances or illegal drugs on or off LSC premises on the day(s) Work is performed for LSC is strictly forbidden. No person who has used an alcoholic beverage, marijuana, narcotic or other controlled substance or illegal drug on or off LSC premises or who is under the influence of an alcoholic beverage, marijuana, narcotic or other controlled substance or illegal drug on the day(s) Work is performed for LSC shall enter upon or work on LSC Communications LLC premises.

LSC's Receiving Department will not sign for materials ordered by Supplier from vendors nor in any way be responsible for materials shipped directly to LSC. It shall be Supplier's responsibility to receive and handle materials at Supplier's place of business and have them brought to the job site in the same manner as Supplier's tools. Exceptions to this provision must be approved in advance. The exceptions cover bulky materials needed for the job, requiring special handling or elevator service. Supplier shall arrange in advance with the Installation Coordinator for the necessary facilities or service.

LSC will arrange for and designate adequate sanitary facilities for Supplier's employees, and facilities where such employees change clothes.

LSC reserves the right to inspect all toolboxes or other containers entering or leaving the premises.

Supplier's personnel shall not remove printed products from production areas or LSC premises.

Supplier shall inform business agents of any unions working in the LSC plant that they are not permitted in the plant without advance approval of the Installation Coordinator.