



2925 Huntleigh Drive +1.919.981.8000 Main
Raleigh, NC 27604 USA lmcompanies.com

ELECTRONIC PAYMENT OPTION & SUPPLIER FILE UPDATE

November 21, 2016

Dear Valued Supplier:

ELECTRONIC PAYMENT OPTION

We are pleased to announce that **L&M Companies Inc.** is now offering our valued suppliers the opportunity to receive future payments electronically, rather than by check. Your payments will be deposited into the checking account of your choice. In addition to having the money deposited electronically, you will also be notified of the deposit either by fax or e-mail. The fax or e-mail will provide you with all the information that would normally be on your check stub. An ACH Authorization form is attached. We hope that you will complete it and enroll in this effort aimed making both of our organizations more efficient!

SUPPLIER FILE UPDATE

We are also updating our supplier files at this time to ensure compliance with the Food Safety Modernization Act (FSMA) as well as L&M policies and procedures. We ask that you provide us with the following:

1. Completed and signed Safe Produce Guarantee (Attached)
2. Completed W-9 form (Attached)
3. Completed Supplier Food Safety & Contact Information Form (Attached)
4. Certificate of liability insurance showing L&M Companies Inc. as the certificate holder
 - a. We require a valid Certificate of General Liability Insurance from all our suppliers with a minimum of \$2,000,000 coverage for each occurrence.
 - b. Please contact your insurance company and have them add L&M Companies, Inc., 2925 Huntleigh Drive, Ste 204, Raleigh NC 27604, as a Certificate Holder so that renewal certificates are automatically sent. This is the easiest and least time consuming way to ensure that your company maintains compliance.
 - c. Valid certificates can also be faxed to 919-875-4042 or emailed to Vendor.Setup@LMCompanies.com
5. Completed ACH authorization form

Please scan and e-mail the above-listed information to:

Vendor.Setup@LMCompanies.com

We value your business and look forward to continuing to work with you!

Sincerely,

Michael J. McGee
VP Finance
L&M Companies

Attachments



Safe Produce Guarantee

_____ (“Supplier”) hereby guarantees the following with respect to the crops (produce) grown, packed, and shipped to L&M Companies, Inc. (“L&M”). The produce has been grown by Supplier or under its supervision or control whenever possible.

1. When the produce has not been grown by Supplier or under its supervision or control, Supplier has received a “Safe Produce Guarantee” identical in all material respects to this guarantee from the shipper or grower.
2. The produce complies with the provisions of the Federal Food, Drug & Cosmetic 21 CFR (**The Act**) and as such, is not adulterated within the meaning of the section 402 of the Act, is not misbranded, and contains no unsafe or nonconforming additives.
3. Supplier warrants that produce has been grown in compliance with the applicable sections of the “Standards for growing, Harvesting, Packing and Holding of Produce for Human Consumption” (**The Produce Safety Rule**) as defined in part 112 of the Act. For product that is not covered under The Produce Safety Rule as defined in section 112.1 (b) (1), supplier warrants that produce has been grown using Good Agricultural Practices (GAP) as defined by FDA’s publication “Guide to Minimize Microbial Food Safety Hazards for Fruits and Vegetables”.
4. If applicable, domestic and foreign facilities are registered with FDA as required under section 415 of the Act. Supplier warrants that product from registered facilities are packed in compliance with the applicable sections of the “Current Good Manufacturing Practice and Risk-Based Preventative Controls for Human Food” (**The Preventative Controls Rule**) as defined in part 117 of the Act.
5. Supplier has documented food safety programs in place, and agrees to maintain 3rd party food safety certifications from recognized certification bodies covering farming and packing operations, and to provide L&M with a copy of the certificate and reports upon request.
6. Any pesticides or chemicals used on the produce comply with the rules and regulations of the US Food and Drug Administration, Department of Agriculture, the US Department of Health and Human Services and any appropriate State Department of Food Agriculture. Only pesticide chemicals authorized by all applicable state and federal regulations have been used at authorized times and in conformity with the instructions, registration and label of the supplier.
7. Supplier confirms that none of the following have been used in the production of fruits and vegetables sold to L&M:
 - genetically modified seeds, organisms, or materials
 - irradiation
 - biosolids
8. Supplier confirms that it and/or its growers have a “Lot Traceback / Recall Program” (**Recall Program**) in place that contains, at a minimum, procedures recommended by the US Food and Drug Administration Department of Health and Human Services, in its general industry guidelines in the Federal Code of Regulations section 21 CFR 7.59. The program must include 1) a written contingency plan for use in initiating and effecting a recall, including periodic mock recalls, 2) use of sufficient coding so that it is possible to make positive lot identifications in order to facilitate

trace back and an effective recall and 3) product distribution records that facilitate location of products that need to be recalled. These records must be maintained for a period of at least one year.

9. Supplier acknowledges that L&M relies upon this guarantee as a material inducement in purchasing produce from Supplier. Supplier is responsible for and hereby indemnifies and holds harmless L&M, its employees, officers, directors, agents, successors and assigns from and against any and all claims, damages and liabilities asserted by third parties, both governmental and private, arising from or because of Supplier's noncompliance with or violation of this Guarantee.
10. Supplier shall not be liable or responsible for acts that occur after receipt of product by L&M.

Country of Origin Labeling

Existing Country of Origin Labeling (COOL) law states that the country of origin declaration may be provided by means of a stamp, label, mark, placard, or other clear and visible sign on the individual commodity or the package containing the commodity at the final point of sale to consumers. Supplier hereby agrees to comply with the following guidelines:

- **Shipping Containers**
 - The country of origin and method of production declaration must be printed or labeled on the outside of each box in accordance with USDA's regulations.
- **Packaged Product**
 - The country of origin and method of production declaration that complies with the COOL law as interpreted by USDA's final regulations must be printed or otherwise affixed directly on the package.
- **Unpackaged Product**
 - The country of origin and method of production declaration that complies with the mandatory COOL law as interpreted by USDA's final regulations must be affixed directly on every piece of product with a PLU sticker.
- **Bill of Lading**
 - For each produce item listed on your Bill of Lading document, Country of Origin shall be clearly declared.

Supplier Company Name

Authorized Company Official Signature

Printed Name

Date

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	
	☐ Individual/sole proprietor or single-member LLC	
	☐ C Corporation	
	☐ S Corporation	
	☐ Partnership	
☐ Trust/estate		
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____		
Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.		
☐ Other (see instructions) ► _____		
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):		
Exempt payee code (if any) _____		
Exemption from FATCA reporting code (if any) _____		
(Applies to accounts maintained outside the U.S.)		
5 Address (number, street, and apt. or suite no.) See instructions.		
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)												
Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later.												
Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.												
Social security number												
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or												
Employer identification number												
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Part II Certification
Under penalties of perjury, I certify that:
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ►	Date ►
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.



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SUPPLIER FOOD SAFETY & CONTACT INFORMATION

Accounts Receivable Contact Information

Company Name:						
Physical Address:						
Remittance Address:						
Pickup/Shed Address:						
Accts Receivable Contact:						
Phone Number:						
Fax Number:						
Email Address:						
Vendor Type	Supplier	Grower	Whse	Expense	Broker	MISC
1099 Requested	Yes		No			

Food Safety Recall / Traceback Contact Information

	PRIMARY CONTACT	SECONDARY CONTACT
Food Safety Contact Name:		
Title:		
Phone Number:		
After Hours Cell Phone Number:		
Fax Number:		
Email Address:		

[illegible]



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To receive payments electronically, you must print, complete the form below, attach a voided check and return **all forms** via email to Vendor.Setup@LMCompanies.com, **Fax 919-875-4042** or by USPS to the address above.

Payee Information	
Payee Name:	SSN or Federal ID #:
Remit Address(es) for applicable accounts:	

Bank Information	
Bank Name:	
Name on Account:	
Account #:	
Routing #:	

E-MAIL ADDRESS for payment notification.

☐ E-mail Address:	
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I, _____, authorize L&M Companies Inc. to initiate electronic credit entries, and if necessary, debit entries and adjustments for any credit entries in error to the account listed above.

(Signature)

(Date)

(Title)

Office Use Only

Verified By: _____ Date: _____ Contact: _____

Remarks: _____