



Request for Contract Update

Pursuant to the terms of contract number R191811 for OMNIA Contractor must notify and receive approval from Region 4 ESC when there is an update in the contract. No request will be officially approved without the prior authorization of Region 4 ESC. Region 4 ESC reserves the right to accept or reject any request.

National Office Furniture, Inc. (Contractor) hereby provides notice of the following update on this date 12/3/2021.

Instructions: Contractor must check all that may apply and shall provide supporting documentation. Requests received without supporting documentation will be returned. This form is not intended for use if there is a material change in operations, such as assignment, bankruptcy, change of ownership, merger, etc. Material changes must be submitted on a "Notice of Material Change to Vendor Contract" form.

Authorized Distributors/Dealers
___ Addition
___ Deletion
___ Supporting Documentation

Price Update
X Supporting Documentation

Products/Services
___ New Addition
___ Update Only
___ Supporting Documentation

Discontinued Products/Services
___ Supporting Documentation

States/Territories
___ Supporting Documentation

Other _____
___ Supporting Documentation

Notes: Contractor may include other notes regarding the contract update here: (attach another page if necessary). Due to ongoing supply chain issues, National Office Furniture has experienced increases in raw goods materials, freight, and wages. We respectfully request the implementation of a 10% surcharge effective 12/3/2021. A copy of the notification to our commercial dealers and a breakdown of costs increases will be attached as a separate document.

Submitted By: Kelli Jenkins

Approved by Email: Date 11/8/2021 | 3:06 PM CST

Title: Trade Manager - Strategic Contracts

Denied by Email: Date _____

Email Address: kelli.jenkins@kimballinternational.com

DocuSigned by:

Region 4 ESC: _____
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Kimball NATIONAL. *Etc.* interwoven **poppin.**

November 3, 2021

Dear Valued Partner,

Ever present in the news, supply chain issues are creating new and persistent raw material, freight, and wage pressures. This inflation is impacting all industries; furniture products have been greatly impacted. Kimball International has a diverse global supply chain and focused initiatives to mitigate costs and drive operational efficiencies; however, we now find it necessary to implement a surcharge on all Kimball, National, Etc., and Interwoven orders.

Effective November 15, 2021, all Kimball (including David Edward), National, Etc., and Interwoven products will incur a 10% surcharge due to the costs of raw materials, freight, and wages. The cost of raw materials used in the manufacturing of our products continue to dramatically increase and the escalating costs of freight and wages impact our products across the board.

Commodity and % of increase:

Steel Raw Material 169%	Seating Foam 29%
Steel Components 60%	Corrugated Packaging 13%
Aluminum Extrusions 46%	Wages 4.5%
OSB Board 85%	Freight 14.1%
Particleboard 16%	

Additional awareness:

- The surcharge will be included as a separate line item on all acknowledgements and invoices, calculated as a percentage of the net subtotal of the order.
- **Please note: this surcharge will NOT apply to the Poppin brand.**

We recognize the challenges of managing surcharges; therefore, we plan to replace this surcharge with a price increase, targeted for March 1, 2022. At which time, pricing will be reflected in the release of electronic specification tools, as well as our online price lists.

Please use this as advanced notice for your project planning. As always, I am available to answer any questions, as our goal is to provide the best level of service during these challenging times. We look forward to continuing our partnership with you and thank you for your support of Kimball International.

Sincerely,

Michael Roch
Sr. Vice President, Sales, Workplace
Kimball International



Kimball NATIONAL. *Etc.* interwoven **poppin**.

October 25, 2021

Dear Valued Partner,

Ever present in the news, supply chain issues are creating new and persistent raw material, freight, and wage pressures. This inflation is impacting all industries, including furniture. Kimball International has a diverse global supply chain and focused initiatives to mitigate costs and drive operational efficiencies; however, we now find it necessary to implement a surcharge on all Kimball, National, Etc., and Interwoven orders.

Effective November 15, 2021, all Kimball (including David Edward), National, Etc., and Interwoven products will incur a 10% surcharge due to the costs of raw materials, freight, and wages.

- The surcharge will be included as a separate line item on all acknowledgements and invoices, calculated as a percentage of the net subtotal of the order.
- All eTools will be updated with a reminder of this surcharge to assist when quoting new business opportunities. Specific prices at the model level will not reflect the updated price; however, a 10% surcharge will be noted in our eTools CET platform.
- Additional communication will be forthcoming regarding the surcharge on orders utilizing Federal + State Government, Healthcare GPOs, and OMNIA contracts.
- **Please note: this surcharge will NOT apply to the Poppin brand.**

We recognize the challenges of managing surcharges; therefore, we plan to replace this surcharge with a price increase, targeted for March 1, 2022. At which time, pricing will be reflected in the release of electronic specification tools, as well as our online price lists.

Please use this as advanced notice for your project planning. As always, your Kimball International Market Sales Manager is available to answer any questions, as our goal is to provide the best level of service during these challenging times. We look forward to continuing our partnership with you and thank you for your support of Kimball International.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Roch".

Michael Roch
Sr. Vice President, Sales, Workplace
Kimball International