



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 1.19.2021.

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**

X Addition

X Deletion

_____ Supporting Documentation

☐ **Products/Services**

_____ New Addition

_____ Update Only

_____ Supporting Documentation

☐ **States/Territories**

_____ Supporting Documentation

☐ **Price Update**

_____ Supporting Documentation

☐ **Discontinued Products/Services**

_____ Supporting Documentation

☐ **Other** _____

_____ Supporting Documentation

Notes: Contractor may include other notes regarding the contract update here: (attach another page if necessary).

Please see the attached updated list of authorized dealers.

Submitted By: Kelli Jenkins

Title: Trade Manager - Strategic Contracts

Email Address: kelli.jenkins@kimballinternational.com

☐ **Approved by Email:** Date 1/20/2022 | 7:56 AM CST

☐ **Denied by Email:** Date _____

DocuSigned by:
Robert Biegelmann
Region 4 ESC: 30EE15BFEF1C4C6...

DocuSigned by:
Robert Zingelmann
Region 4 ESC: 0B1D33BB0130490...



February 3rd, 2022

Region 4 ESC

Re: National Office Furniture Contract Omnia R191811

As requested, please review the following supporting information regarding our request for acceptance of the March 1, 2022 Pricelist, for the National Office Furniture contract on March 1, 2022. On average, this a 15% increase. This price list update replaces the 10% surcharge that went into effect on December 3, 2021.

The factors driving a request for current pricing are urgent and unrelenting. Below is a summary of recent cost increases we have borne for key elements utilized in the production of furniture for your members:

- Steel Raw Material 169%
- Steel Components 60%
- Aluminum Extrusions 46%
- OSB Board (used in Lounge seating) 85%
- Particleboard 16%
- Seating Foam 29%
- Corrugated Packaging 13%
- Freight 14%

While the cost pressures have been remarkable, we have met them with strategic and intentional actions to mitigate them, including the following:

Material Substitutions

- Using slow moving, lower yielding steel blanks to delay the need to spot-buy material or purchase new higher cost material.
- Substituting/ interchanging OSB and plywood on lounge based on which is lower cost.

Supplier Deviations

- Deviated steel tubes on Footings seating to use slow moving material on hand with electric routing vs. the material outage on parts without the electric routing.
- Deviated several times to a larger steel sheet stock size to obtain material quickly, as well as avoid "slitting" costs to get the larger material to the size we typically use.
- Deviated on hinges for case goods products to save on cost and product outages.



Spot Buys

- Spot-buy on 12ga steel material for Narrate series end trims due to longer lead times from the mill so our supplier can make our orders with less delays.
- Ordered spot-buy of Brazilian Plywood to avoid six figure cost impact of domestic plywood/OSB inflation.

Nearshoring (switch to domestic supplier)

- Nearshored steel top plates for legs on the Footings series to avoid significant container costs and delays.
- Sourcing various solid wood components domestically to offset international transit times and freight costs.

Insourcing (produce internally)

- Insourced various steel components and assemblies to reduce cost and/or maximize reliability in dealing with supplier reliability challenges.
- Insourcing tackboard production.

Hedging Inventory

- Purchased 5 weeks of additional steel inventory on Narrate end trims to avoid potential misses and increased costs.
- Increased Narrate steel component inventory to mitigate rising costs and part outages by 25%.
- Increased steel sheet stock inventory to mitigate rising costs and part outages.

Resourcing/Competitive Bids

- Have raw steel package out to several other suppliers for competitive bidding.
- Have a fixed height leg package out for competitive bidding.
- Several misc. parts being competitively bid due to long lead times at suppliers.
- Re-bidding particleboard, drawer box components, and seating components.

International Shipments

- Expanded the number of Freight Forwarders that we use to execute international shipments. This not only helps us increase capacity but also gives us the ability to use contracted rates vs spot rates which are running much higher with all the supply chain constraints.
- Utilizing the different vendor contracts administered by individual brands across all of Kimball International for the best rates as capacity in lanes or on ship lines become available.

Domestic Shipments

- Expanded our dedicated fleet (JB Hunt) since is a lowest cost provider; provides us the opportunity for more favorable full Truck Load rates
- Added regional carriers and other contract carriers to our truck load capacity to reduce the use of high-cost brokers on the spot market.



- Entered additional LTL national contracts that reassigned regional LTL carriers to more favorable cost models for LTL shipments.

In light of the above conditions, we are requesting that Region 4 ESC/Omnia move to **March 1, 2022 pricing effective March 1, 2022**. As always, we continue to monitor the situation with supply chain disruption and material increases. Should there be a stabilization in the supply chain which decreases the price of key production materials, this decrease will be reflected in the pricing offered to participating agencies.

Sincerely,

Scott Fischer
Trade Manager Distribution
812-630-8048



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National Office Furniture, Inc. (Contractor) hereby provides notice of the following update on this date 4.4.2022.

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

☐ **Products/Services**

_____ New Addition

_____ Update Only

_____ Supporting Documentation

☐ **States/Territories**

_____ Supporting Documentation

☐ **Price Update**

_____ Supporting Documentation

☐ **Discontinued Products/Services**

_____ Supporting Documentation

☒ **Other** Fuel Surcharge

X Supporting Documentation

Notes: Contractor may include other notes regarding the contract update here: (attach another page if necessary).

Current global events have caused extraordinary increases in both inbound and outbound domestic and international freight due to sustained, escalated fuel and transportation costs. A 3% fuel surcharge will take effect Monday, April 4, 2022. A copy of the notification sent to our distribution partners is attached.

Submitted By: Kelli Jenkins

Title: Trade Manager - Strategic Contracts

Email Address: kelli.jenkins@kimballinternational.com

☐ **Approved by Email:** Date 4/4/2022 | 8:34 AM CDT

☐ **Denied by Email:** Date _____

DocuSigned by:
Robert Biegelmann
Region 4 ESC: _____
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Kelli Jenkins

Subject: Upcoming Surcharge for Kimball International



Upcoming Surcharge

Dear Valued Partner,

Current global events have caused extraordinary increases in both inbound and outbound domestic and international freight due to sustained, escalated fuel and transportation costs. As a result, Kimball International will be implementing a 3% **fuel** surcharge effective Monday, April 4, 2022, on all products within the Kimball (including David Edward), National, Etc. and Interwoven brands. This surcharge does not apply to the Poppin brand.

We recognize the impact of these necessary actions. As a valued partner, we strive to arm you with the details in full transparency of the challenges we are facing, confident in our decisions to address and overcome. We will keep you updated as conditions unfold and of any needed adjustments.


The following are key details:

1. The surcharge will appear as a separate line item on all acknowledgements and invoices, calculated as a percentage of the net subtotal of your order on all orders received on/after April 4th.
2. CET will be updated with a reminder regarding the surcharge. While it is not possible to update specific prices at the model level, a notation will be featured in this tool.
3. Continuous improvement and intentional actions to mitigate the escalating cost increases are actively being pursued to help offset the above necessary actions. We will continue to monitor and adjust the surcharge accordingly.

4. The surcharge will NOT be applied to orders in-house prior to April 4th which are acknowledged with standard lead times. Orders placed in advance for future projects, beyond standard lead times, will be assessed the 3% fuel surcharge.

For questions, please contact your local Market Sales Manager. Thank you for your understanding and partnership in this volatile market environment.

Sincerely,



Lisa Schmidt

Senior Director, Trade Marketing

Kimball International





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National Office Furniture, Inc. _____ hereby provides notice of the following update on
(Contractor)
this date 6.17.2022.

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.

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_____ Supporting Documentation

☐ **Price Update**

_____ Supporting Documentation

☐ **Discontinued Products/Services**

_____ Supporting Documentation

☒ **Other** Fuel Surcharge Increase

_____ X _____ Supporting Documentation

Notes: Contractor may include other notes regarding the contract update here: (attach another page if necessary).

Effective July 1, 2022, our surcharge will be increasing from 3% to 9%. It will appear as a separate line item on all
acknowledgments and invoices, calculated as a percentage of the net subtotal of your order on all orders
received on/after July 1st. A copy of the notification sent to our distribution partners is attached.

Submitted By: Kelli Jenkins

Title: Trade Manager - Strategic Contracts

Email Address: kelli.jenkins@kimballinternational.com

☐ **Approved by Email:** Date 6/20/2022 | 3:11 PM CDT

☐ **Denied by Email:** Date _____

DocuSigned by:
Robert Zingelmann
Region 4 ESC: _____
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Upcoming Surcharge

June 17, 2022

Dear Valued Customer,

The surging inflation rate, continued material and labor constraints and escalating fuel costs have impacted us all, both personally and professionally. Kimball International continues to experience unprecedented cost increases for the production and shipping of furniture. In April we implemented a 3% fuel surcharge to help offset these impacts, however continued escalation of fuel as well as material costs persists resulting in a need to adjust the current surcharge.

Thus, we are announcing the following for all Kimball (including David Edward), National, Interwoven, and Etc. brand orders (this excludes Poppin):

1. Effective July 1, 2022, our surcharge will be increasing from 3% to 9%.
2. Our efforts are continuing to mitigate the escalating cost increases through supplier diversification, commodity hedging, nearshoring (domestic supplier), insourcing (make vs buy), and other actions.

Thank you for your continued support of Kimball International.

Sincerely,

A handwritten signature in black ink that reads "Lisa Schmidt".

Lisa Schmidt

Senior Director, Trade Marketing

Kimball International

DocuSigned by:
Region 4 ESC: *Robert Eigelmann*
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July 15th, 2022

Dear Valued Customer,

As industry demand recovers, supply chain imbalances and disruptions continue to drive cost increases with commodities, labor, and freight. The following is a summary of recent cost increases we have borne for key materials utilized in the production and shipment of furniture.

Commodity	Inflation
Steel Raw Material	14%
Steel Components	6%
OSB Board	23%
Aluminum Extrusions	6%
Seating Foam	3%
Particleboard	14%
Corrugated / Packaging	11%
Wages	8%
Freight	5%

Due to the continued escalation and volatility of material, freight, and labor costs, we recently implemented a surcharge of 9% effective on July 1, 2022. Today we are announcing a market price increase effective October 3rd, which is intended to replace the current surcharge.

The average 10% price increase is made up of increases ranging from 0%, 5%, 10% and 12% on all products within the Kimball, National, Etc. and Interwoven brands. These percent increases are the result of the deep analysis we have conducted regarding material and related cost increases.

[For a detailed listing of price increase by brand, product type, and series please click here.](#)

Continuous improvement and intentional actions to mitigate the escalating cost increases, including supplier diversification, commodity hedging, nearshoring (domestic supplier), insourcing (make vs buy), and expanding freight and warehousing capacity are actively being pursued to help offset the above necessary actions.

Thank you for your continued support of Kimball International.

Regards,

A handwritten signature in black ink that reads "Lisa Schmidt".

Lisa Schmidt
Senior Director, Trade Marketing, Workplace & Health
Kimball International

Kimball International Price Increase

EFFECTIVE OCTOBER 3, 2022

The average 10% price increase is outlined as following for the Kimball, National, Etc. and Interwoven brands. These percent increases are the result of the deep analysis we have conducted regarding material and related cost increases, balanced with our goal of maintaining competitive prices and protecting your ability to compete strongly in the marketplace.

We will be implementing a 10% List Price Increase on all series except those noted below:				
	Product Category	0% List Increase	5% List Increase	12% List Increase
Kimball	SEATING			Bingo®, Collage™, Event™, Flip®, Jelsen™, Pep®
	CASEGOODS	Everyspace™		Definition®, Fundamental®, LF™ Series, President™, Transcend®, Xsede®
	TABLES	Everyspace™	Priority™ Height Adjustable, Priority™ Height Desk, Xsede® Adjustable Height Surface/Base, Laminate, Xsede® Adjustable Height Surface/Base, Metal	Collections, Conferencing Solution, Dock®, FiXt®, Riffel™, Scenario™, Teem® Media Cabinet
	SYSTEMS	Narrate®		Cetra™, Interworks® EQ, Xsite®
NATIONAL	SEATING		Reno®, Swift™	Admire®, Fuel®, Mix-It®, Monterrey™, Triumph™ Wood, Whirl®
	CASEGOODS		Tessera™ Height Adjustable, Waveworks® Height Adjustable	Alloy®, Conference Laminate/ Wood, Epicenter®, Escalade®, Roosevelt™, Tarver™
	TABLES		Reno® Non-Wood Tables, Reno® Wood Tables, Swift™ Laminate Tables, Swift™ Wood Tables, Waveworks® Height Adjustable, Naviyd Height Adjustable	Conference Table Base Laminate/ Metal/Wood/Combo, Fold™, Footings™, Maneuver®, Marnia™, Mio™, Myriad™, Staccato®, Strassa™, Wixler®
interwoven™	SEATING			Alpine™, Greer™, Twill™, Wren™
	CASEGOODS	Alterna® (*excluding Solid Surface Worksurfaces – 10% increase)		Sanctuary™
	TABLES			Aidin™, Overbed Tables
ETC.	ETC.			All Etc. Series
	DAVID EDWARD			All David Edward Collection Series



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National Office Furniture, Inc hereby provides notice of the following update on
(Contractor)

this date October 1, 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.

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☒ **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).

National Office Furniture has experienced increases in both raw goods materials and transportation of product and respectfully requests an update to the price list which will occur on October 1, 2021. This update will affect all customers
A copy of the notification to our commercial dealers and a breakdown of costs increases will be attached as a separate document. Any questions, please reach out to Deb Smillie at 765.238.1774

Submitted By: Deb Smillie

Title: Government Market Manager

deb.smillie@kimballinternational.com
Email Address: _____

☐ **Approved by Email:** Date 8/18/2021 | 3:31 PM CDT

☐ **Denied by Email:** Date _____

DocuSigned by:
Robert Zingelmann
Region 4 ESC: _____
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June 25, 2021

To Our Valued Partners,

We are looking forward to activating our new Kimball International multi-branded, go-to-market strategy, Perfect Harmony, in the coming weeks, providing a powerhouse of brands and solutions to serve you and collectively our clients better than ever.

As you are aware, inflationary pressures are increasing dramatically, supply chain imbalances and disruptions across the globe are driving significant cost increases in key commodities and freight. While we continue focused initiatives to identify and activate operational efficiencies, we now find it necessary to implement a price adjustment. Due to heightened inflation, rising freight costs, and significant increases in all commodities-most importantly steel, hardwood, aluminum, foam, upholstery, and corrugate-we are unable to absorb the full impact of these increases.

Effective October 1, 2021:

- Kimball, National, Interwoven, and Etc. products will incur a 5% price increase with the exception of Kimball Narrate, Footprint, Xsede and Alterna Z-Lockers which will incur a 3% price increase
- David Edward products (Anora, Aspen, Chip, Entourage, Flo, Frill, Lolita, Looper, LSM, Otto, Portata, Superkool, Thatcher, Ynot) will incur a 30% price increase
- Poppin products will incur a 6% blended average price increase

New pricing will be reflected in the September release of all electronic specification tools, and our online price lists will be updated no later than September 15, 2021.

Please note that current pricing will be honored for all orders received through Thursday, September 30, 2021.

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 highest level of service in the industry. We look forward to continuing our partnership with you and thank you for your continued support of Kimball International.

Respectfully,

A handwritten signature in black ink, appearing to read "Michael Roch", with a long horizontal flourish extending to the right.

Michael Roch
Senior Vice President of Sales, Workplace
Kimball International

DocuSigned by:
Region 4 ESC: *Robert Eigelmann*
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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%
Steel Components 60%
Aluminum Extrusions 46%
OSB Board 85%
Particleboard 16%

Seating Foam 29%
Corrugated Packaging 13%
Wages 4.5%
Freight 14.1%

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,

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

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

Robert Zingelmann