



## Request for Contract Update

Pursuant to the terms of contract number R191802 for Allsteel 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.

Allsteel hereby provides notice of the following update on  
(Contractor)

this date May 5, 2020.

**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**  
\_\_\_\_ 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).  
Allsteel is requesting to update pricing and add a surcharge on Allsteel and Gunlocke brands.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Submitted By: Christine McCormick

**Approved by Email:** Date 5/6/2020 | 1:19 PM PDT

Title: Public Sector Contract Analyst

**Denied by Email:** Date \_\_\_\_\_

Email Address: mccormickcd@hnicorp.com

DocuSigned by:  
**Region 4 ESC** Robert Engelmann  
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May 5, 2020

ATTN: Robert Zingelmann  
 Chief Financial Officer  
 Region 4 – Education Service Center  
 7145 West Tidwell Road  
 Houston, TX 77092

RE: Allsteel Inc. request for price adjustment for Region 4 Furniture, Installation and Related Services  
 Contract R191802

Dear Mr. Zingelmann:

Allsteel remains focused on controlling costs and furnishing the industry's best product lines at the most competitive prices to you. Several external market factors impact our pricing, including economic inflation and general labor cost increases.

We have and will continue to aggressively manage and minimize the impacts of these items to our cost structure through ongoing productivity projects and cost-savings initiatives.

The above actions only partially offset the material increases we have incurred, and therefore we will implement a 2.5% price adjustment effective June 6, 2020 to keep pace with base inflationary pressures. The 2.5% core adjustment encompasses both furniture and architectural product lines for Allsteel, including previously approved specially engineered products, varying slightly depending on product line and type. Orders at current pricing will be accepted until 9pm CDT 30 days after the April 2020 List Pricer goes into effect.

We would also like to update the Gunlocke pricing to the January 1, 2020 List pricers. These products are increasing as follows:

Category		0%	+3%	+10%
Casegoods		Silea <sup>EH</sup> , Medley <sup>EH</sup> , Trio <sup>EH</sup>	Credentials	
	Conference		Briefing, Letchworth, Medley, Saranac, Trio	Converge
Tables	Training		Briefing, Trio	
	Occasional		Briefing, Calm	Cylinder/Cube, Kenna
Seating	Lounge		Calm, Ciji, Iris, Urbana	

Allsteel®

Swivel		Avoca, Edition, Genesee, Geneva, Olla, Washington	Attract
Guest	LIV	Bank of England, Calia, Camille, Lily, Metta, Multi, Savor, Tia	Stretto
Stool	LIV	Convo, Multi, Tia, Trillia	

Additionally, the China-imposed tariffs have created an unavoidable increase in Allsteel and Gunlocke's raw material pricing on certain imported goods and materials. Because of this we are requesting to apply the following surcharge amounts on all furniture products as outlined below:

- Allsteel – 3.125%
- Gunlocke – 1.5%

Overall, we remain focused on assuring our pricing practices allow us to compete successfully in the market.

Thank you for your continued business and opportunity to provide Region 4 customers quality Allsteel and Gunlocke products.

If you have any questions, please do not hesitate to contact me at [allsteelgovcontracts@allsteeloffice.com](mailto:allsteelgovcontracts@allsteeloffice.com).

Sincerely,

Christine McCormick  
Public Sector Analyst