

VENDOR PARTICIPATION AGREEMENT

Fiscal Year 2026 | Effective April 1, 2026

Purpose: This agreement establishes mutually beneficial best practices governing the procurement of materials between Vanir Installed Sales, LLC and our valued supply partners throughout the fiscal year.

BACKGROUND

Vanir Installed Sales, LLC generates more than 25,000 quote summaries for our customers annually. Each of these summaries incorporates materials procured from our supply partners and relies entirely on the rate sheets mutually agreed upon at the time of estimating. The accuracy of our SKU database — as it relates to your pricing — is critical to the commercial success of both organizations.

Vanir also generates more than 35,000 purchase orders for siding and accessory materials each year. Approximately 46% of the invoices received do not match the corresponding purchase orders. These discrepancies — whether caused by typographical errors, rate misalignments, or product variances — consume thousands of man-hours annually for both parties. Every unresolved discrepancy requires staff on both sides to investigate, reconcile, and ultimately finalize payment or credit. This represents a significant and avoidable drain on shared resources.

Pricing volatility throughout the year — driven by manufacturers increases and market conditions — further compound this challenge. The lag between a manufacturer issuing a price increase, your organization recalculating a selling price, and Vanir adjusting its customer-facing pricing creates a period of exposure that places current and prospective business at risk for both firms. The more efficiently we operate together, the less these inflationary pressures impact on our mutual end users and the broader partnership.

Vanir has evaluated several approaches to reducing or eliminating these inefficiencies. One alternative considered was requesting a lump-sum proposal per project at the time of estimate. While this would benefit Vanir's estimating accuracy, it would require our supply partners to generate approximately 25,000 individual proposals annually — each covering twelve to twenty items. We do not believe this to be a workable solution for our partners.

We are confident that the most effective solution is the maintenance of a synchronized SKU database — organized by Vanir branch location and vendor location — that aligns Vanir SKUs, vendor SKUs, product descriptions, units of measure, and unit pricing. To facilitate this in a structured and scalable manner, Vanir has developed a standardized pricing worksheet for each supply partner. This framework underpins the requirements outlined in this agreement.

REQUIREMENTS

1. Designated Pricing Communication Channel

All binding correspondence related to pricing between Vanir and its supply partners must be directed to: vendorpricing@vanirinstalledsales.com. This channel is the exclusive point of record for all pricing matters.

2. Written Purchase Order Terms & Conditions

Vanir and each supplier must carry out a written agreement governing purchase order terms and conditions. A proposed terms sheet has been attached to this communication for your review, discussion, and signature. Alternatively, Vanir is willing to review and negotiate from your existing terms and conditions, provided mutual agreement is reached in writing.

The intention is to establish a clear, mutually beneficial written agreement that defines the rules and responsibilities of all staff on both sides. The target effective date for executed terms and conditions is on or before April 1, 2026. This agreement will remain in effect for the 2026 calendar year and will automatically renew annually on January 1, 2027, unless cancelled in writing by either party per the terms of the executed agreement.

3. Unit Rate Pricing Agreement

Vanir and each supply partner must reach a written agreement on unit rate pricing organized by SKU. The process and schedule for establishing and maintaining this pricing is as follows:

- a. Annual RFP Distribution — On or about October 15 of each year, Vanir will distribute a Request for Proposal (RFP) pricing worksheet to all known vendors. RFP worksheets must be broken out and detailed by:
 - Vanir branch location
 - Vendor location
 - Special pricing programs — by builder, where applicable
 - Special pricing programs — by manufacturer, where applicable
 - Special pricing programs — by community, where applicable
 - Special pricing programs — by organization (CBUSA), where applicable
 - Bulk pricing — specify quantity required to achieve bulk pricing
- b. RFP Submission Deadline — Completed RFP worksheets must be returned to Vanir no later than October 31 of the year.
- c. Finalization Deadline — Vanir will open discussions and finalize pricing agreements on or before November 30 of the year. Extensions will be considered where delays are caused and verified by manufacturer lead times.
- d. Purchase Order Issuance — Vanir will issue Purchase Orders based exclusively on agreed-upon unit rates matched to our synchronized SKU database and product descriptions. The following conditions apply:

NOTE: *Vanir will pay per purchase order only. Acceptance of a purchase order — whether in writing, verbally, or by delivery of goods — constitutes acceptance of the pricing and product quantities reflected therein.*

NOTE: *Any discrepancies identified within a purchase order must be addressed and resolved at the time of purchase order issuance. Vanir will not honor invoices that do not match an accepted purchase order.*

Payment will be issued by agreed net terms based on the amount reflected on the Vanir purchase order, regardless of invoice or statement amount.

4. Out-of-Cycle Rate Adjustment Process

Vanir recognizes that unforeseen market conditions may necessitate pricing adjustments outside of the standard annual RFP cycle. The following process governs all mid-year rate adjustment requests:

- a. **Submission Window** — Vendors may submit a price adjustment request at any time between April 1 and September 15 of the calendar year. All requests must be submitted to vendorpricing@vanirinstalleddsales.com.
- b. **Vanir's Out-of-Cycle Request Response Protocol** — Upon receipt, Vanir will:
 - Acknowledge receipt of the request via vendorpricing@vanirinstalleddsales.com;
 - Provide the vendor with a current pricing worksheet for review; the vendor will update only the line items or SKUs that require an out-of-cycle price adjustment; and
 - Issue written notice of acceptance or denial — including the effective date — within 24 to 36 hours of receiving the completed vendor worksheet.
- c. **Effective Date** — If a rate adjustment request is accepted, the effective date will correspond to Vanir purchase orders issued on or after that date. All purchase orders issued and accepted prior to the effective date will honor the pricing reflected in the original purchase order.

NEXT STEPS & CLOSING

Several of our supply partners have already completed their RFP worksheets. If you have not received a written acceptance letter from Vanir, please contact vendorpricing@vanirinstalleddsales.com for a status update. If you have not yet completed your RFP worksheet, we ask that you do so at your earliest convenience.

Effective April 1, 2026, Vanir will process payments based exclusively on purchase order pricing. If you receive a purchase order that does not align with your current rate schedule, please notify the assigned Vanir purchasing agent immediately and prior to delivery. Vanir will no longer reconcile invoice discrepancies after the fact. Resolving discrepancies before project completion is in the best interest of both organizations. If pricing needs revision, you will be routed to our vendor pricing portal <https://vanirinstalleddsales.com/vendor-pricing/>.

While this agreement is non-binding in nature, Vanir strongly encourages all supply partners to participate and to meet the milestone deadlines outlined herein. Doing so will allow us to serve you — and our shared customers — more efficiently and cost-effectively.

Our Executive Team welcomes the opportunity to discuss this matter in greater detail. Should you have any questions, require clarification, or wish to propose an alternative approach, please contact:

Jessica Allen | Executive Coordinator

Phone: 919-900-0805 | Email: jessica.allen@vanirinstalleddsales.com

Jessica will coordinate scheduling with Rick Jinkins, President, and/or Maggie Lampe.

We are grateful for your partnership and trust that the framework established through this agreement will produce a stronger, more efficient, and mutually beneficial relationship. We look forward to your continued collaboration.

Respectfully,

Rick Jinkins, President, Vanir Installed Sales, LLC
vendorpricing@vanirinstalleddsales.com