



To: Sutphen Dealer Principals

From: Drew Sutphen

Date: February 28, 2023

RE: Cummins Announces New X10 Engine and X15 Next Generation Engine

To recap today's meeting, in the middle of February, Cummins announced its new X10 engine and Next Generation X15 engine launching in North America in 2026. The announcement of the new engines coincides with the notice that production of the L9, X12 and X15 engines will cease at the end of 2025.

We are closely working with Cummins to understand the impact and collect as many details as possible from our engine partner.

Unfortunately, at the moment, Cummins does not have critical information needed including general cost, size, weight, or configuration of the new engines. This lack of details creates an uncertain situation for Sutphen as we plan future apparatus manufacturing.

Because of Cummins' notice and Sutphen's lead times, we are in the position to take immediate and impactful action. Effective immediately Sutphen will turn off the L9 engine option in SQS2. Dealers will need to print all cost sheets that have been officially proposed and send those cost sheets to your STM.

In cases where apparatus orders are received and the specified engine model does not align with Sutphen and Cummins' production schedules, further discussion will be had with customers to move them into an available engine model. These changes will need to be reflected and approved on a Sutphen change order.

For example, if the X10 pricing is more expensive than a proposed X12, dealers will need to work with customers to recoup the gap between the X12 and X10 price.

On March 15, when the price increase goes into effect, the X10 will be available to select in SQS2. Engine configurator pricing is based on estimates and is also subject to be increased and charged to the customer.

In order to ensure that a potential gap is covered, all dealers must provide a proposal for every order they are trying to sell.



New proposals will be valid through March 14, 2023. Effective March 15, 2023, proposal durations will revert back to the standard 30 days.

A dated proposal page must be turned in with every order.

The Sutphen purchase agreements have also been updated. Effective immediately, any previous version of purchase agreements are null and void.

If the customer requires the issuance of a purchase order in lieu of the Sutphen contract, the purchase order **must reference the Sutphen proposal dated MM/DD/YYYY.**

You can find an updated proposal page template on the dealer portal along with updated contracts to reflect the information needed.

It will be the dealer's responsibility to have forthright, transparent, and proactive conversations with customers while working through the X10 engine introduction and X15 engine transformation.

We ask that throughout this process, you work closely with your STM. We are all in an incredibly unique and difficult situation. We appreciate your understanding in advance.

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