



TO: Sutphen Sales Representatives

FROM: Sutphen Corporation

DATE: August 18, 2023

RE: Dealer-Supplied Options Processing

Effective immediately, Sutphen will retain a 15% processing fee for moving options over from Sutphen-supplied to Dealer-supplied.

This means if options are entered into the configurator as Sutphen-supplied, and then asked to be moved over to Dealer-supplied after the order has been submitted, Sutphen will retain 15% of the value of those options as a processing fee for completing the manual Change Order and Shop Order work required to make those changes. The fee will be retained on the same Change Order Cost Adjust lines that the options are moved over on - completed by your Sutphen Project Manager.

The intent of this policy is to cover the time required for Sutphen team members to complete the work, and to encourage Dealers to place options they know will be Dealer-supplied into the configurator correctly in the Dealer-supplied section at the end of the configuration. If you need help navigating the configurator, please reach out to your Sutphen Sales Territory Manager for assistance.

If you're working on a Co-Op sale and find yourself approaching the 25% contract-price threshold for Non-Published-Options, those rare instances can be handled on a case-by-case basis. Again, please contact your Sutphen Sales Territory Manager for assistance.

There will be certain situations where it's mutually agreeable and beneficial to both Sutphen and the Dealership to move a particular option from Sutphen-supplied to Dealer-supplied after the initial configuration has been submitted. In those instances, the processing fee will not apply.

Most internal team members across our facilities have already begun using this practice over the past year. We wanted to take the opportunity now to officially align and send out this memo to the dealer network, laying out the change and explaining its purpose in full as we lock it in moving forward.