

SUTPHEN CORPORATION SALES TECHNICAL BULLETIN

FUTURE PURCHASE AND “TAG ON” ORDERS

OVERVIEW

In the past, we have used the U.S. Bureau of Labor Statistics, Producer Price Index to calculate the selling price of a vehicle based on the past price of a similar unit. This is no longer an accurate measure of the future selling price of a vehicle.

Effective immediately, please use the verbiage below for “Future Purchase and Tag-Ons”

FUTURE PURCHASES AND “TAG ON” ORDERS

Sutphen Corporation will accept “tag on” orders to this bid proposal for a period not to exceed three (3) years from the bid opening date. Sutphen Corporation will honor the priced quoted for a period of 90 days from the date of the Bid opening. For the remainder of the year (275 days), Sutphen Corporation agrees to an economic price escalation of 1.5%. Future years beyond the initial first year Sutphen Corporation will agree to an economic price escalation of 3% as a normal course of business. Items outside the normal course will include changes legislated by Federal, State or Local Governments that impact the cost to manufacture the truck. In addition, changes to NFPA 1901 that require additional cost will be borne by the purchaser. These may include, but are not limited to changes that affect the major vendors of the fire apparatus industry such as pump manufacturer, seat manufacturer, electrical power supplies (generators) and power-train (engine & transmission).

Sutphen will honor the “tag on” order from any municipality within the United States or Canada.

CONFIGURATION OF TAG ON ORDERS

In many cases the entity wishing to “tag on” to an existing order may require their apparatus to be configured differently from the original proposed apparatus. Sutphen will allow changes to the configuration within good engineering guidelines. The changes will be subject to current pricing in effect at the time of order. For example, a different engine may be required. This will be considered a “change order” and the purchase price will be adjusted up or down depending on the current option price.

If you have any questions or concerns, please contact your designated Sales Applications Engineer.