

FAQs for New e-Parts Site

What is e-Parts and why should I participate?

Q. What is e-Parts?

- e-Parts is an on-line parts ordering tool for your customers.

Q. What software do I use?

- We (the LBP's and Liebert) have worked out a licensing agreement with a company call Alps Controls (Pittsburgh based) whom developed this software platform.

Q. Where does the software reside?

- Alps Controls serves up the platform.
- Alps uses a colocation company to house the servers.

Q. Do I need any special hardware or software?

- No, this is a web based tool. All you need is a URL Domain name.

Q. Where do I get and who owns the domain name?

- e-Parts Services can help you and purchase your domain name or you can purchase it.
- You will own the name. Either way it is just a matter of payment and keeping it active.
- If Alps purchases it you will be billed at the quarterly accounting you will receive (see Payment and accounting section for quarterly accounting).

Q. Who picks the domain name?

- You do as long as it is an available domain.

Q. Is this a public website?

- Yes and No. The URL is public where you can see the sites home page, however, the public cannot see any parts or pricing without a login / subscription.

Q. How does someone get a subscription or login?

- You will be in control of approving / issuing customers logs within your own territory.
- There are a few register buttons on your home page where customers can register with their information; that info is then sent to you electronically for your approval and then the customer will get a welcome e-mail with a temporary password.

Why should I participate in e-Parts?

Q. Why should I get involved in e-Parts?

- The customers expect LBP's to be leaders.
- The customers want it to be convenient to get parts.
- The e-commerce revolution is upon us.
- We as the ALLR need to protect our margins.
- The ALLR's need to protect the 3rd party and aftermarket parts people from stealing our business.
- If we all get involved we can ensure better parts availability for our customers.
- Increase your parts business (clearly it's the highest profit margin in our offering).
- Get closer to your customers.
- On and on.....

Product Offering

Q. Will the website offer Liebert parts only or other branded products as well?

- e-Parts will offer all the Liebert Thermal Parts at first and possibly expand the offering in the future.
- Alps also has sales contracts with approximately 120 other manufacturers that specialize in HVAC peripherals that our customers have access to.

Q. What about Alps products on our sites that are competitive?

- Each manufacturer can be turned on or off in the admin section. Or, you can hide them altogether or view but not purchase.

Q. Since Alps has other customers do they get access to Liebert parts as well?

- No. Our contract says we are the only ones who can display or sell Liebert parts.

Product Offering (continued)

Q. What if I have other manufacturers that I would like to sell parts via this platform?

- e-Parts is O/K with adding manufacturers to your site. However you will need to negotiate with them and the manufacturer.
- The chosen manufacturer has to be able to abide by the established drop ship parameters.

Transactions

Q. How is a transaction handled?

- The customer's transaction is like most e-commerce sites like Amazon with exception that our sites are subscription based so the public cannot access our sites without being a registered user.
- Registered customers will select items and add to a shopping cart.
- Once a customer is ready to process the order, it will automatically be sent to the LBP for approval.
- Once LBP approves the order, the order is sent to e-Parts. e-Parts will email customer an automated message to notify customer that their order was completed and is being processed.

Q. What happens if there are Liebert parts and non-Liebert parts on the same order?

- The order will be split (Liebert and non -Liebert), LBP will approve the Liebert order and e-Parts will approve the non-Liebert order.
- Depending on the manufacturer they have selected the parts order will be distributed to each vendor to fulfill. However, the customer will get one consolidated invoice from e-Parts LLC.

Q. Will LBP get copy/acknowledgement of every order placed with e-Parts?

- Yes, every order to every vendor can be tracked. It will be a built-in reporting feature.

Q. Where does the product ship from?

- Liebert parts ship from the local LBP in the territory where the ship to address is located. (The sites are zip code driven.) Non-Liebert parts will be drop - shipped from the manufacturer. Non-Liebert parts ship direct from manufacturer unless otherwise stated. If a LBP firm sells a non- Liebert part from their inventory it's their responsibility to ship the part.

Transactions (Continued)

Q. What if a customer wants to buy a part not listed on the e-Parts website (a non-Liebert part(s)? Can they still buy it?

- Yes, non-Liebert parts are considered any parts not available on the website. (In Shopping Cart section, see non-catalogue product to cart link.)

Q. Who receives credit for the sale of a part on each order?

- LBP will receive sales credit for Liebert parts as it is paid today.
- The LBP will receive 90% of the gross margin as described in the contract for all non-Liebert parts.
- Non - Liebert parts profit is based on who is supplying that part i.e. Alps or the LBP.

Q. What is the profit %? How is it calculated?

- For Liebert parts you set the customers pricing and bill e-Parts for the product. Therefore you set the amount of profit on Liebert parts.
- If the customer orders a non-Liebert part e-Parts pays you 90% of the gross margin as per the contract.

Q. Does e-Parts get paid on our sales?

- Yes. They get 2.5% on Liebert parts.
- e-Parts gets 10% of the gross margin on non-Liebert parts.
- Non-catalogued (non-Liebert) parts will depend on who is supplying the part i.e. Alps or the LBP.

Q. Does LBP bill freight charges to e-Parts?

- Yes, unless LBP uses e-Parts UPS account in which case UPS bills e-Parts directly.

Invoicing

Q. Can customer pay via credit card?

- Yes, customers may pay by credit card on invoice arrival (post-ship). There is not a Pre-pay option available at this time, but will be implemented in the near future.

Q. If a customer pays via credit card is there a fee?

- The credit fees are 3.5% (of the total value of invoice) and are not directly passed to the customers. These credit card transaction costs are tallied by e-Parts and invoiced to the offices, not customers.

Q. Who handles invoices?

- LBP ships the part(s), invoices e-Parts, then e-Parts invoices the customer. e-Parts receives payment from customer, e-Parts pays LBP.

Q. How is pricing set for customer?

- e-Parts follows the pricing parameters set forth by the manufacturer. On the site, the LBP has the ability to publicize the manufacturer's part numbers and pricing that they choose. There are set pricing templates by customer for each of us.

Q. Discount levels

- Discount levels will be set for every customer and can be adjusted as needed on every order. On website, there will be a link where a discount change can be made on a per order basis (one time PO change on one part).

Freight

Q. Who issues the freight carrier the account number?

- You have the option to use your freight number or you can use e-Parts number (which has a better rate), or the LBP can use its own.

{This will depend on what part is being ordered; Alps parts are shipped by Alps or the manufacturer. Liebert parts are shipped the way your firm has always shipped. However you can choose to use Alps freight carrier as they have a better negotiated rate}.

Q. How is freight calculated on a transaction when a customer wants to place an order?

- Freight is based on UPS/FedEx rates and is determined at the time the order will be invoiced.

Q. Who pays the freight?

- The end user pays the freight. This is an additional line cost (separate from the quoted price).

Q. How are freight costs determined?

- Customer agrees to prices salesperson quotes. Additional costs include taxes and freight unless customer is tax exempt. Vendor may use LBP's UPS account for freight. e-Parts will bill customer using LBP's freight account number.
- Freight is not calculated until orders ships and invoiced to e-Parts.

Warranty>Returns (Liebert Parts)

Q. How do we handle Liebert warranty parts?

- If a customer orders a part online and it fails under warranty they can request an e-parts RMA (return material authorization) against the order to which the failed part was purchased.
- LBP reviews and approves the RMA if applicable. If the RMA is acceptable, the LBP shall approve and add return/packaging information to the RMA notes, so their customer can return the failed part to them.
- LBP submits LSCA with Liebert and ships the failed part to the factory after LSCA approval.
- Liebert credits LBP, LBP credits e-Parts Services, e-Parts Services credits the customer.

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Q. What if parts are thrown away after the fact?

- Standard LSCA Policy – Failed part shall be returned to Liebert.

How do we handle Liebert part returns (new/unused)?

- If a customer orders a wrong part online or no longer needs a part that was ordered, they can request an e-parts RMA (return material authorization) against the order to which the new/unused part was purchased.
- LBP reviews and approves the RMA if applicable.
 - If the part was fulfilled from local stock (or if the part was fulfilled directly from the factory, but the LBP would like to add the returned part to their stock) and the RMA is acceptable,
 - The LBP shall approve and add return/packing information (along with restocking fee if applicable) to the RMA notes. The customer shall return the failed part to the LBP and the LBP can credit their customer (less any restocking fee if applicable).
 - If the part was fulfilled directly from the factory (and the LBP does not want to add the returned part to their stock) and the RMA is acceptable,
 - The LBP will first submit an RGA with Liebert.
 - Liebert will review/approve if acceptable and send RGA# (along with restocking fee information if applicable).
 - The LBP shall approve and add return/packaging information (as well as the RGA# and restocking fee if applicable) to the RMA notes.
 - Liebert receives part and credits LBP, LBP credits e-Parts Services, and e-Parts Services credits the customer.

Q. How will incorrectly shipped non-Liebert parts get returned?

- Customer fills out RMA on the site and submits to e-Parts who then transfers to the manufacturer. And then communication between two parties is handled by e-Parts.

Q. What if a customer returns a part bought via credit card; do they get the 3% back?

- No refunds on transaction fees. (Liebert is responsible for the transaction fees).

Q. What happens if the wrong item is shipped? How is a return managed?

- RMA's are processed directly from the website. A link on the site will take customer to the RMA form that the customer must complete. Once completed the customer will submit the RMA and from there e-Parts receives it and works with LBP to process the return. If it's a Liebert part, the LBP will review and approve. If it's a non-Liebert part, e-Parts will review and approve the return. The LBP will confirm that the info on the RMA is correct (serial no, part no's, etc.) and the RMA will be processed. The LBP will either cancel order or send out replacement part to be sent to customer at their discretion. If the part was shipped directly from the manufacturer, a re-stocking fee may apply as dictated by the manufacturer. In many cases, it is a 25% re-stocking fee.

Q. How much time is given to customers to process a claim?

- Claims are to be completed and processed by the customer via the website. Or, a written claim must be submitted within 10 days of customers' receipt of the goods.

{Per the above, this depends on the reason for the return. Each part has its own warranty policy and the RMA form has a few mandatory fields that a customer needs to fill out for review by Alps or the LBP}.

- Outside of Liebert parts, usually 30 days after purchase.

Training/Maintenance

Q. Who will facilitate the e-Parts website training?

- Luke Colacito with the e-Parts team will conduct training.

Q. Where will training take place?

- TBD but possibly in Columbus, OH.
- Luke Colacito will work with the participating LBP's and set up regional training dates.

Q. Who will provide the marketing collateral and product specs?

And where does it originate?

- There are a few items that the LBP will either provide or have e-Parts create. These are main banners and other home page advertising. All parts manuals and spec sheets are on line and will be provided by the manufacturers.

Q. Who will maintain the database and all of its contents?

- When there is a price or product update, it is Liebert's responsibility to inform e-Parts.
- The LBP's are responsible for managing customer logins, passwords and activity.

Customer Service

Q. Who handles customer service?

- e-Parts handles website related inquiries.
- The local LBP handles Liebert orders, technical and customer service related inquiries.
- e-Parts handles non Liebert part inquiries.
- There is an area that has your parts department contact information i.e. Name, Photo, e-mail, phone and address.

Q. Do calls go to a specific person?

- If it's a Liebert part inquiry or question the customer will be directed to call the local LBP.
- If it is a non-Liebert part or question concerning the system, e-Parts has a customer service team of about 5-7 people.

Customer Service (Continued)

Q. Can end user instant message customer support on the website with order inquiries?

- There is an instant messaging application called "Intercom" that is being looked into for this purpose. But at this time, customer service will be handled via phone and email.

Security

Q. How is our company's data that we put on the website secured?

- e-Parts utilizes a comprehensive third party information security program called "InfoSec."

Q. With the data breaches happening these days, how is my customers' payment card data secured?

- e-Parts uses "CardConnect", a third party payments technology company that is Payment Application Best Practices (PABP) compliant under Visa's Payment Application Best Practice program which are derived from the Payment Card Industry Data Security Standard and the PCI DSS Security Audit Procedures.
- No credit card information is stored.

Credit Terms

Q. What are the credit terms?

- 30 days. Unless otherwise agreed upon by the LBP and consent of e-Parts .

Q. How is an end user with bad credit handled?

- e-Parts and LBP have the ability to control the terms and credit limits.
- They will agree on credit limits and pursue delinquent accounts as needed. Orders from customers with bad credit will not be put through.

Q. Who sets the credit limits and terms?

- The LBP is responsible for setting limits.

Q. Non-payment is considered bad debit based on mutual agreement.

- If it is a Liebert part the LBP is 100% responsible. If it is an Alps part we share 50% and 50%.

Reporting

Q. How can I track the success of the website?

- There will be sales reports and visibility to those using website. Salespeople can track who is using the site and how often via the activity report.

Q. When are they updated?

- Reports are automatically updated as activity occurs.

Q. Can I export them to excel?

- The export tool is not currently available. This will be worked on for future use.

Q. Do I require a username/password to access the reports?

- Yes. You need Administration rights.

Q. What reports can the customer run?

- The customer can run aging reports, past order reports and view previously ordered parts.

Q. Can I manipulate the reports?

- Yes. LBP's can filter out the information in the reports they want to see.

Q. Are the sales reports public to everyone?

- Only to the user that is registered to use the site and logged in.

Q. Who do I call if data in a report is inaccurate? What about if data is missing?

- Contact e-Parts administration team.

Q. If we don't see a report we need how do we create custom reports?

- You do not have access to Report Writer or the main database tables. Therefore only Alps can do this. There may be a cost depending on the complexity.