



June 1, 2017

Sherry Ramsey
Harford County Public Schools
102 S. Hickory Avenue
Bel Air, MD 21014

Re: Trane Parts on contract 15-JLP-023

Sherry,

Trane is in the process of implementing a new parts pricing and delivery system within the network of offices in North America. As such, some of the traditional reference points used when bidding the 15-JLP-023 contract will change. For example, the original RFP submission for over-the-counter parts used a reference of book less 38%; this would be the price an agency would pay.

With the implantation of the new P21 parts system, we introduced a "list" price reference. So that we maintain pricing parity between the two systems, we needed to establish the relationship between these two metrics; "list" price vs "book" price. That relationship is book less 38% equals list less 22%. The ultimate impact the participating agencies is zero since the two references equate to the same sales price.

As North America's leading HVAC manufacturer, we wanted you to be aware of these improvements and look forward to providing outstanding service to your agencies. Please reach out to me with questions.

Best regards,

A handwritten signature in blue ink, appearing to read "G. Spencer", is written over the typed name.

Greg Spencer

Strategic Cooperative Program Leader