

**XCHANGE**

**RESELLER**

**GUIDE 2015**

## Why Join XCHANGE?



### **INCREASE SALES BY ALWAYS HAVE STOCK**

In retail stock is king because you can't sell it if you do not have it in stock. There are many sales lost because items are not in stock. Many times it is not the fault of the Reseller. Many suppliers have to manage their cashflows and inventory to ensure they have just enough products. Unfortunately, none of us can predict the future and it always seems to be the product that you don't have in stock that the customer standing in front of you wants. With XCHANGE the product are available all the time and you fetch them only after you have a sale. Just have everything always in stock inceases sales.

### **BOOST PROFITS BY ELIMINATING SHIPPING COSTS**



Shipping costs can turn a profitable sale into a loss. With XCHANGE, because all products are on-demand and delivered via the internet, there is no shipping costs. This savings goes directly to the bottom line.

### **BOOST PROFITS BY REDUCING WAREHOUSING COSTS**



Your warehouse for storing software boxes you can now use that space for something else and in essence increase the size of your warehouse by moving your software to the digital logistics space as opposed to physical space.

### **BOOST PROFITS BY ELIMINATING RE-STOCKING COSTS**

Any reseller who has dealt with updating software boxes knows that it can be a time-consuming, money-losing and cumbersome process. With XCHANGE there is no returning of old versions for current ones. Because the products remain as licenses codes, any customer buying a license code get the very latest versions. This enormous saving goes straight to the bottom line.

## INCREASE PRODUCTS OFFERINGS

Resellers have to be very careful about stocking levels. When you purchase boxes of software you are generally confident that these products will turn in a timely fashion and for those product where you are not so confident you may choose to list but not stock and only buy on special order. Many times it is the special order items that sell when you least expect them. They always involve long delays and can cause customers to choose alternatives, purchase at a store that has stock or even directly from the manufacturer. With XCHANGE, because there is no stocking there is less need to curate products offerings. We believe Reseller need to now let the customers filter the products and not be an artificial valve between customers and products.

## ELIMINATE SHRINKAGE AND BREAKAGE



Shrinkage and breakage is an unfortunate part of retail life. Most retailers build in a certain percentage expectation for this while others employ ever more sophisticated counter measures with IP cameras, scanners, security personnel and more. With XCHANGE you do not take possession of the software until you have made a sale, so there is no risk of 'merchandise' disappearing from inventory. This fact alone is guaranteed to add to your bottom line not so much for the actual shrinkage but also because there is no need for counter measures.

## REDUCE YOUR CARBON FOOTPRINT

Software in boxes tend to be small and we certainly do not mean to suggest that boxes of software are responsible for serious environmental problems. However, boxes software requires paper, CD/DVDs, shrinkwrap and extensive transportation - many times including long trips by air from Europe to North America. With XCHANGE now approaching 100,000 licenses sold, we can be proud to say that we have save a lot of paper and plastic from going into software packaging. This is certainly a very good thing.

## YOUR COMPETITORS HAVE PROBABLY JOINED



XCHANGE was recognized at the 2015 NAMM show with a Best Of Show Award as the company to watch. The largest retailers in USA and Canada are relying on XCHANGE to handle their digital logistics business which lends a lot of credibility to the platform. However, scores of smaller retailers are doing very good business on XCHANGE also, and this list is growing everyday. You certainly do not want to be the last one on this train.

# XCHANGE MARKET PLATFORM

## WHAT IS XCHANGE?



XCHANGE is one of the most exciting and dynamic sectors of the musical instruments retail business. Over the last two years, XCHANGE has registered over 250% annual growth as more and more music retailers discover that they can add profits to the bottom line without the usual inventory costs.

With XCHANGE you can add hundreds of software items to your product mix and only buy them when you have made a sale. This is a dreamy win-win situation for every retailer. The only work that needs to be done is you must gain Reseller Rights from Vendors on XCHANGE and then add the products to your website to inform your customers.

## REGISTRATION

The first step in the process is registering for XCHANGE. This is done via an online form. In this form you will enter key information about your business, your banking information and your trade references. This information becomes part of your profile and will be used by Vendors to assess your eligibility for Reseller Rights. XCHANGE cannot grant these rights, only the individual vendors can grant them to individual Resellers.

For this reason, you must complete this form as thoroughly as you can and with the best trade references you have. You must have a Tax ID number, a mailing address that is not a PO Box, the name of the owner of the company or signing officers, your basic banking information, key company contact personnel and as mentioned before your trade references. If the form is incomplete this makes it virtually impossible to be granted access to the system.

## XCHANGE CONTRACT

Once your completed form is submitted, you will be assessed to determine your eligibility for using this business-to-business marketplace. We owe it to our Vendors and Resellers to ensure that only legitimate Resellers are allowed to use the system. If you successfully emerge from the XCHANGE assessment process, you will receive XCHANGE Reseller Contract for the signing officers of the company to sign.

## Frequently Asked Questions

### WHAT ARE THE STEPS TO JOIN XCHANGE?

1. Register here: [https://www.xchangemarket.net/XCH/xchr\\_register.asp](https://www.xchangemarket.net/XCH/xchr_register.asp)
2. Complete the form. Please Note: All fields must be completed to prevent delays in processing your application. References must include Company Name and a contact person with e-mail address and phone number.
3. Reference checks completed XCHANGE Administration.
4. Standard XCHANGE Agreement is sent to Reseller.
5. Reseller returns a signed copy of the contract.
6. Login ID and Password are sent to the Reseller.
7. Account is accessed by the Reseller and Dealership Requests are sent.

### WHAT DOES IT COST?

Currently, XCHANGE is completely FREE to Resellers. As a Reseller, you will not be charged any activation fees, transaction fees or maintenance fees.

### HOW LONG DOES THE SIGN-UP PROCESS TAKE?

Sign-up process should not take long provided the information on the sign-up form is complete and references respond. Dealers should have the referring company as their first reference.

### ARE THERE ANY RESELLER TRAININGS?

Yes. XCHANGE is a very easy system to use. The Quick Start Guide for Resellers is only a two page PDF that could be read in just a few minutes. Should the dealer have further questions or require assistance, the XCHANGE Team will be more than happy to assist.

### WHO IS MY MAIN RESELLER CONTACT AT XCHANGE?

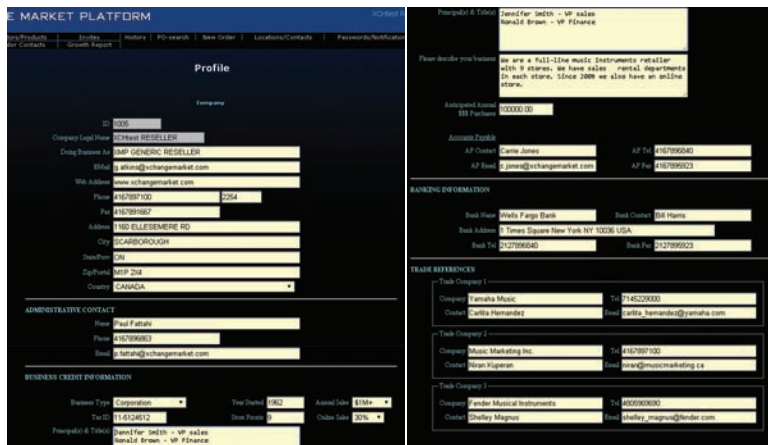
Sales, Marketing and General Inquires should be directed to: Paul Fattahi  
Director of Sales & Marketing Tel: 416 789-6849 [p.fattahi@xchangemarket.com](mailto:p.fattahi@xchangemarket.com)

### CAN I LINK XCHANGE TO MY POS SYSTEM?



Yes. This process requires some programming but several Resellers have linked their systems to XCHANGE. The advantages are that the activity on XCHANGE is mirrored on your own local point-of-sale or Accounting system. This service is generally reserved for high volume users of XCHANGE.

## Reseller Profile



This is an example of the registration form. This must be completed in order for your application to be successfully assessed. When you begin using XCHANGE, the first step is requesting Reseller Rights from individual Vendors. When you make these requests, the Vendor will be able to see your profile.

If your profile is incomplete or missing vital information it will make it very difficult for that Vendor to give you Reseller Rights. Please remember that granting you these rights enable you to access the Vendor's inventory at any time. Vendors are very careful about who they grant permission to and as such the burden is on you to put your best profile forward.

## Passwords & Notifications



This page allows you to manage your password. You can also set notification emails here. You can put multiple emails here for the appropriate people in your business.

# Requesting Reseller Rights

Price List	Vendors/Products	Invoice	History	PD search	New Order	Locations/Contacts	Passwords/Notifications	Profile	Logout
	Vendor Contacts	Growth Report							
Vendors/Products									
(for Vendor/Brand images click <a href="#">here!</a> )									
Item Code	Our SKU	Internal SKU	Product	Description	MSRP	MAP	OS/Price		
ACOUSTICA INC.									
Click HERE to send a dealership request.									
Acoustica									
ACTA-2		1017-9	CD / DVD Label Maker	CD / DVD Label Maker	21.95	21.95	n/a		
ACTA-31		1017-11	Spin It Again	Convert Life Cassettes to CD / MP3	34.95	34.95	n/a		
ACTA-39		1017-10	Pianissimo	Grand Piano Virtual Instruments for PC	60.95	60.95	n/a		
Micraff									
ACTA-90		1017-8	Micraff Pro Studio 7	Professional Multi-Track Recording Suite	164.95	164.95	n/a		
Micraff 7									
ACTA-72		1017-12	Micraff 7	Multi-Track Recording Workstation	89.95	89.95	n/a		
ALFRED MUSIC COMPANY INC.									
[ Dealership granted ] <a href="#">YES</a> Our Vend ID: <input type="text"/> <input type="button" value="Set"/>									
Gamban									
13-000000	[Y]	1113-9	Classic Pipe Organs	6 Historic Pipe Organs with 75 stops	99.95	79.00	<a href="#">View</a>		
13-000000	[Y]	1113-11	Gamban Harps	Innovative Virtual Harp Collection	99.95	79.00	<a href="#">View</a>		
13-000000	[Y]	1113-12	Instant Orchestras	Orchestra Full Cinematic Orchestration	179.95	149.00	<a href="#">View</a>		
13-000000	[Y]	1113-14	Personal Orchestras 4	150 High-Quality Orchestral Instruments	149.95	129.00	<a href="#">View</a>		
13-000000	[Y]	1113-10	Concert & Marching Band	Superior Band Instrument Sound Collection	149.95	129.00	<a href="#">View</a>		
13-000000	[Y]	1113-13	Jazz Big Band 3	60 Unique Jazz Instruments	149.95	129.00	<a href="#">View</a>		
13-000000	[Y]	1113-16	World Instruments	350 Instruments From Around The World	149.95	129.00	<a href="#">View</a>		
MakeMusic									
13-000000		1113-2	Final 2014 Academic	Version for students teachers	350.00	249.00	n/a		

XCHANGE is a digital marketplace with thousands of products that you can add to your product mix. The beauty of this system is that you can add products to your store without adding inventory. This allows you to offer a very convenient place for customers to buy software digitally as they will have a place where they can one-stop-shop and get the massive amount of choice, not possible on a manufacturers web page.

As a Reseller on XCHANGE your goal should be to offer as many products as you can professionally represent to your customers. To add products and brands you must apply for Reseller Rights. To do this you go to the Vendors/Products page and scroll to the Vendor you want. Press the 'Send Dealership Request' button and complete it with your contact information. The Vendor will receive these requests and decide if to grant your Reseller rights. Remember that these rights are not granted by XCHANGE. Only the individual Vendor can grant your rights to resell their products.

Once these rights are granted, you can then proceed to sell permitted software to your customers. One of the first things you should do is add these products to your web page. XCHANGE has web content [images & text] for many of the products in ZIP files on the price list page. These are accessible via the 'Vendor/Brand Images' link in the Vendors/Products page. You can give this content to your web programmers.

## Vendor Invitations

Price List	Vendors/Products	Invites	History	PO search	New Order	Locations/Contacts	Passwords/Notifications	Profile	Logout
	Vendor Contacts	Growth Report							
<b>Invites to Become a Dealer</b>									
Invite Received	Vendor	Status							
2/4/2015 2:54:04 AM	PSOUND	<a href="#">Accept</a>							
2/2/2015 4:44:27 PM	SECRETS OF THE PROS	COMPLETED							
1/12/2015 3:54:18 PM	MVP LOOPS	<a href="#">Accept</a>							
12/19/2014 11:02:05 AM	McDSP	COMPLETED							
12/8/2014 2:45:44 PM	XCH test 2014winter	COMPLETED							
7/10/2014 9:30:24 AM	SAMPLE LOGIC LLC	<a href="#">Accept</a>							
3/27/2014 12:40:51 PM	XCH test vend for LOCALIZATION (JPY)	COMPLETED							
2/26/2014 6:21:50 PM	NTS AUDIO LABS	<a href="#">Accept</a>							
2/18/2014 3:02:13 PM	ALFRED MUSIC COMPANY INC.	COMPLETED							
2/5/2014 9:26:38 AM	DIGITAL 1 AUDIO, INC. [PCD]	COMPLETED							
2/3/2014 1:22:08 PM	XCHtest VENDOR	COMPLETED							

In some cases, you do not have to wait for Vendors to grant you rights, some Vendors may choose to invite you to accept Reseller Rights for their products. These invitation will generate an email notification. Once received, you would log into XCHANGE and respond to these invitations. If you choose to accept the Vendor's invitation by positively responding to it, this will trigger a notification to the Vendor who will then grant you Reseller Rights to their XCHANGE portal.

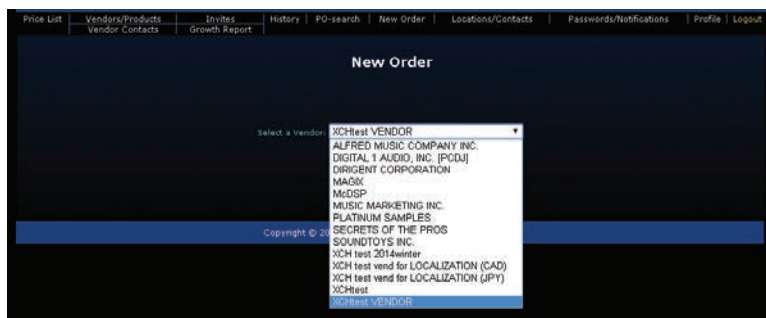
## Vendor Contacts

Price List	Vendors/Products	Invites	History	PO search	New Order	Locations/Contacts	Passwords/Notifications	Profile	Logout
	Vendor Contacts	Growth Report							
<b>Vendor Contacts (approved)</b>									
Vendor	Main Tel	Vendor Support Contact (Email and/or Phone #)							
ALFRED MUSIC COMPANY INC.		<a href="mailto:sales@alfred.com">sales@alfred.com</a>							
DIGITAL 1 AUDIO, INC. [PCD]		<a href="http://www.pcd.com/helpdesk/">http://www.pcd.com/helpdesk/</a>							
MAGIX		<a href="http://pro.magix.com/en/support.614.html">http://pro.magix.com/en/support.614.html</a>							
McDSP		<a href="mailto:support@mcmsp.com">support@mcmsp.com</a>							
MUSIC MARKETING INC.		<a href="http://www.musicmarketing.ca/support.php">www.musicmarketing.ca/support.php</a>							
PLATINUM SAMPLES		<a href="mailto:support@platinumsamples.com">support@platinumsamples.com</a>							
SECRETS OF THE PROS		<a href="http://secrets-of-the-pros.com/sota/Contact">http://secrets-of-the-pros.com/sota/Contact</a>							
SOUNDTOYS INC.		<a href="mailto:support@soundtoys.com">support@soundtoys.com</a>							
XCH test 2014winter									
XCH test vend for LOCALIZATION (CAD)		<a href="mailto:support@company.com">support@company.com</a>							
XCH test vend for LOCALIZATION (JPY)		<a href="http://www.xchangemarket.com">www.xchangemarket.com</a>							
XCHtest									
XCHtest VENDOR		416-789-7100 ext 2254							

All the contacts for each approved Vendor is conveniently placed on a single page. This allows you to contact a Vendor should you encounter any difficulty associated with regular retail business. To reiterate, this page only shows Vendors who have agreed to grant you Reseller rights. Contact information for Vendors not connected to your portal will not be shown. If you want to contact Vendors not shown you must use the Send Dealership Request process to contact them.



## Placing a New Order



After you have been granted Reseller Rights from a Vendor you can proceed to purchase products directly on XCHANGE. These products are going to be delivered immediately as serial numbers and not physical products. No physical products will be shipped at all. You do not have to contact the vendor before placing your order. You will receive a serial number and a URL that the customer must use to register the software and download it to their computer.

These purchases are completed by you and you do not need to wait for the Vendor to send you a serial number. You will be able to get everything yourself, on your own, 24/7 and satisfy your customers instantly.

### THE ORDER PROCESS

The first step is to go to the New Order screen and select the company you want to buy from. You can only buy from one company at a time. Once you have selected the Vendor from the Approved Vendor list, you will continue to the purchase order form.

This form is the typical order form and it is fairly straightforward. You will select the item that you want from the Vendor's item list. If you are a store chain, you can choose the location that the sale originates from. And you must enter a Purchase Order number.

A small minority of Resellers do not use sequential and unique Purchase Order numbers. This can wreak havoc on an accounting system, especially when it comes time to reconcile accounts. For many reasons, only use real purchase order numbers generated from your own accounting system. This is the best long-term business practice. And, of course, the PO number is mandatory.

## Order Form

\*\*\* ALL SALES ARE FINAL \*\*\*

There will be NO REFUNDS or EXCHANGES accepted.  
 It is the sole responsibility of the purchaser to ensure that the correct products are ordered.

Vendor: XMCTest VENDOR			
Customer: XCTest RESELLER 1160 ELLESMERE RD SCARBOROUGH, ON, M1P 2X4 CANADA	Ship To: GR LOS ANGELES STORE	DOC#: New	Ord.Date
Purchase Order #	Store #	Terms: PP	

Item Code	Qty (max=3)	Price	Amount
drums: (promo)/Cool Drums \$50.00	1 USD	50.00	50.00
<b>Total:</b>			<b>50.00</b>

Notes:

Once you have selected the product, you will see the wholesale price. This is the price you will pay for this product. It is critical that you do not proceed if this price is not correct. By completing and processing the sale you are bound by the terms and conditions of the XCHANGE system. There are no refunds on completed purchases and no discounts on the purchase price displayed. You have to be 100% sure that this is exactly what you need and that this is exactly what you expected to pay for it.

The order process works in two stages. The first stage reserves the product and presents you with a screen showing the details of the purchase. This is followed by a second stage initiated by hitting the 'Process' button. This second stage completes the purchase and delivers the product serial number. Please be aware that this serial number is what you purchased. This is a very important and valuable string of letters and numbers. Protect it like you would protect physical inventory.

The serial number will be accompanied by a URL. This is also critical and matches the product. These two pieces of information are required by your customer to get the software. You will send these to your customer. The customer will then place the URL into his/her browser, follow the registration instructions and will be taken to the download area for the product. The customer will then download the software and have it installed for use within minutes. You have sold software and delivered it digitally. Congratulations and welcome to the digital logistics world.

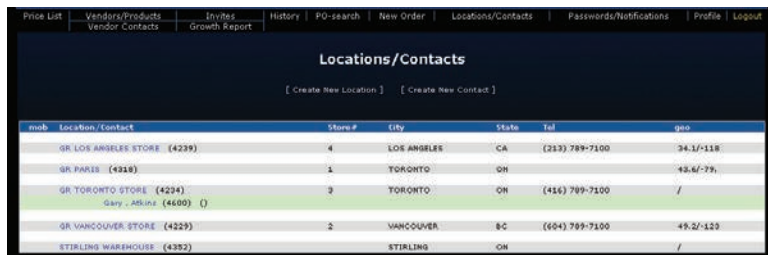
## Growth Performance Page



XCHANGE has powerful, real-time reporting that gives instant status reports on your software business. You can generally track sales for the last 24 months with a graphics representation of sales trends. This info is here 24/7.

You will find that this segment of your business is more profitable than most and holds the potential for the most growth as more and more software products enter the XCHANGE Market Platform. Therefore, we have built in useful ways to track your business on XCHANGE that are meant to inspire more growth and more profits.

## Locations & Contacts



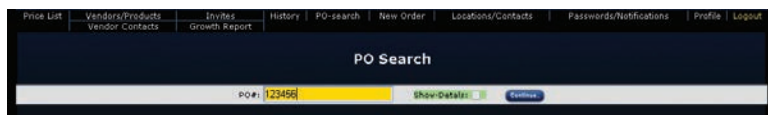
The screenshot shows the 'Locations/Contacts' page with a navigation bar at the top containing links: Price List, Vendors/Products, Vendor Contacts, Invites, Growth Report, History, PO-search, New Order, Locations/Contacts, Passwords/Notifications, Profile, and Logout. The main content area is titled 'Locations/Contacts' and includes links for 'Create New Location' and 'Create New Contact'. Below is a table listing store locations.

mob	Location/Contact	Store #	City	State	Tel	fax
	GR LOS ANGELES STORE (4239)	4	LOS ANGELES	CA	(213) 789-7100	34.1/-118
	GR PARIS (4216)	1	TORONTO	OH		43.4/-79
	GR TORONTO STORE (4224) Gary, Atkins (4600) ()	3	TORONTO	OH	(416) 789-7100	/
	GR VANCOUVER STORE (4225)	2	VANCOUVER	BC	(604) 789-7100	49.2/-123
	STERLING WAREHOUSE (4392)		STIRLING	ON		/

This page is for registering the different store locations and personnel in your business. This allows you to assign purchases to the appropriate location where necessary and the creation of additional logins for each location. This means that an employee at Store 5 can make purchases with their unique login which is different from the Master Login for the store or the logins of Store 15.

You have to be very careful with this feature especially if you have staff that leave the store. These logins have to be very actively managed to protect your business from fraudulent purchases. However, in cases where trust is not a issue, it allows multiple persons to make purchases for a single Reseller with each purchase tied to a specific location.

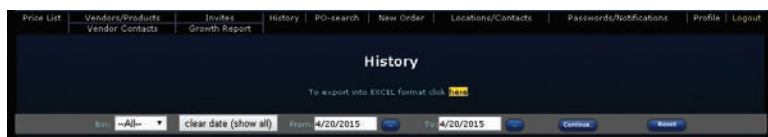
## PO Search



The PO Search interface features a navigation bar with links: Price List, Vendors/Products, Vendor Contacts, Invoicing, Growth Report, History, PO search, New Order, Locations/Contacts, Passwords/Notifications, Profile, and Logout. The main content area is titled "PO Search" and contains a search bar with the text "PO # 123456". To the right of the search bar are two buttons: "Show Details" and "Continue".

This page allows you to search for a PO number and find the relevant order document under which it was processed.

## History Lookup



The History Lookup interface features a navigation bar with links: Price List, Vendors/Products, Vendor Contacts, Invoicing, Growth Report, History, PO search, New Order, Locations/Contacts, Passwords/Notifications, Profile, and Logout. The main content area is titled "History" and contains a sub-header "To export into EXCEL format click [here](#)". Below this is a date range selector with a dropdown menu set to "All", a "clear date (show all)" button, and date inputs for "From 4/20/2015" and "To 4/20/2015". To the right of the date inputs are two buttons: "Continue" and "Reset".

This page allows you to view all orders between two dates. This is very important when managing accounting and sales history tasks.

## 403 Error

### Server Error

**403 - Forbidden: Access is denied.**

You do not have permission to view this directory or page using the credentials that you supplied.

If you are using Safari you will likely get this message. Use Google Chrome browser and this message will go away.