03/01/24

VILLAGE OF BARRINGTON

ORDINANCE NO. 2024-4389

AN ORDINANCE AUTHORIZING
THE SALE OF PERSONAL PROPERTY
OWNED BY THE VILLAGE OF BARRINGTON

ADOPTED BY

THE CORPORATE AUTHORITIES

OF THE

VILLAGE OF BARRINGTON, ILLINOIS

ON THE 8 DAY OF April, 2024

Published in pamphlet form by the Corporate Authorities of the Village of Barrington, Cook and Lake Counties, Illinois, this 9 day of April, 2024.

ORDINANCE NO. 2024-4389

AN ORDINANCE AUTHORIZING
THE SALE OF PERSONAL PROPERTY
OWNED BY THE VILLAGE OF BARRINGTON

WHEREAS, Article VII, Section 10 of the Constitution of the State of Illinois, and Chapter 5 ILCS 220/1 et seq., authorize and encourage intergovernmental cooperation; and

WHEREAS, the Village is authorized by Illinois statutes to sell, by various means, personal property which has been determined by a majority of the Corporate Authorities of the Village to no longer be necessary or useful to the Village; and

WHEREAS, in the opinion of at least a majority of the Corporate Authorities of the Village of Barrington, it is no longer necessary, useful, or in the best interest of the Village of Barrington to retain ownership of the personal property described on Exhibit A which is attached hereto and thereby made a part hereof; and

WHEREAS, it has been determined by the Corporate Authorities of the Village of Barrington that it is in the best interests of the Village and its residents to sell said personal property by internet auction through GovDeals (www.govdeals.com) or through the alternative methods, all as specified herein:

NOW THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Barrington, Cook and Lake Counties, Illinois, in exercise of the authority of the Village as a Home Rule unit, that:

SECTION 1: Pursuant to Chapter 65, ILCS 5/11-76-4, the Corporate Authorities of the Village of Barrington find that the items of personal property described on Exhibit A are now owned by the Village of Barrington, but are no longer necessary or useful to the Village of Barrington, and the best interests of the Village of Barrington will be served by the sale thereof.

SECTION 2: The Village Manager, or his designee, is hereby authorized to direct the sale of the personal property described on Exhibit A, all such sales to be "AS IS, WHERE IS, EXCLUDING ANY WARRANTIES", by internet auction(s) conducted by GovDeals (www.govdeals.com), and the Village Manager, or his designee, is further authorized to take all steps necessary and/or appropriate to effectuate and implement such sales consistent with the terms and conditions of this Ordinance, as follows:

Internet auction through Gov Deals, Inc.:

(a) By directing Gov Deals, Inc. to advertise the sale of the subject personal property through area newspapers, direct mailings, the Internet, and other channels of communications deemed appropriate prior to the date of said auction, provided that such advertisements shall specify that the items offered are each subject to a minimum required bid and that "all sales are and shall be AS IS, WHERE IS, EXCLUDING ANY WARRANTIES".

(b) By the execution and delivery to Gov Deals, Inc. of an agreement, substantially in the form set forth in the current Gov Deals Sellers Agreement and On-Line Sales Terms and Conditions, in substantially the form attached hereto as Group Exhibit B and thereby made a part hereof, providing for the sale of said personal property through Internet auction(s) conducted by Gov Deals, Inc.

(c) No bid shall be accepted for the sale of an item of personal property which is less than the minimum required bid price established by the Village Manager, or his designee, unless the Village Manager, or his designee, so authorizes at the time of the auction.

(d) Upon payment in full of the auctioned price for the aforesaid items of personal property by the highest bidder, the Village Manager, or his designee, is authorized to convey and transfer the title and ownership of said personal property to the successful bidder.

(e) Payment in full of the purchase price shall be made by cash, money order, cashier's or certified check payable to the Village of Barrington and delivery of said advertised item of personal property shall be at a time and place as determined by the Village Manager, or his designee.

SECTION 3: In the event any of the subject items of personal property are not sold through GovDeals, Inc. (www.govdeals.com) after a reasonable period of time, the Village

Manager is hereby authorized to direct, at his discretion, as he deems appropriate, the sale of the personal property that has a monetary value through any other available means, including but not limited to, a private unadvertised sale, at the minimum price specified on Exhibit A. Upon the Village's receipt of payment in full of the price determined by the separate sale of each of the items of personal property listed on Exhibit A, the Village Manager is authorized to convey and transfer ownership of each such item(s) of personal property to the respective purchaser, provided, however, the sale of each and every such item is and shall be and remain "AS IS, WHERE IS, EXCLUDING ALL WARRANTIES". The Village Manager is further authorized to dispose of as scrap, as a donation or otherwise as junk, any item(s) which the Village Manager determines, after two or more attempted methods of sale, to have only a deminimis cash value because of the age, obsolescence, and/or any other condition of such item(s).

SECTION 4: If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance or any part thereof is, for any reason, held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance, or any part thereof. The Corporate Authorities hereby declare that they would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

SECTION 5: This Ordinance shall be effective immediately after its passage, approval and publication in pamphlet form.

SECTION 6: The Village Clerk is directed to immediately publish this Ordinance in pamphlet form.

PASSED THIS 8 DAY OF April, 2024, BY ROLL CALL VOTE AS FOLLOWS:

AYES: Trustee Lohrmeyer, Sheleen Wrobel, Duncan, Honan, Rissi & President Darch

NAYS: None

ABSENT: None

ABSTAIN: None

RECUSE: None

APPROVED THIS 8 OF April, 2024

Karen Y Darch

Karen Darch, Village President

ATTESTED AND FILED THIS
8TH DAY OF APRIL, 2024

Tony Ciganek

Tony Ciganek, Village Clerk

(SEAL)

PUBLISHED IN PAMPHLET FORM THIS 9 DAY OF April, 2024.

EXHIBIT A

LIST OF SURPLUS PROPERTY TO BE SOLD

Vehicles and Trailers												
Description	Year	Make	Model	VIN (If Applicable)	Type of Sale	Reason for Sale	Notes	Asset Number at Auction	Minimum Required Bid	Garage Number	Predicted Sale Price	Actual Sale Price
Car	2007	Dodge	Charger	2B3LA43H77H844028	Auction	Surplus	ex-police chief		$1,000	206	$2,000-$4,000	
Car	2011	Infiniti	M56X	JN1AY1AR6BM570289	Auction	Surplus	ex-detective		$1,000	166	$6,000-$8,000	
Truck	1998	Chevrolet	K2500	1GCGK24R3WZ211792	Auction	Surplus	snow plow		$1,000	333	$2,000-$3,000	
Truck	2008	Ford	F-350	1FDWF37Y78EE22136	Auction	Surplus	4x4 Snow Plow		$1,000	335	$2,000-$4,000	
Truck	2008	Ford	F-350	1FTWF30568EB43457	Auction	Surplus	flat bed, 2WD		$1,000	316	$4,000-$5,000	
Tractor	2008	John Deere	1445	TC1445D081433	Auction	Surplus	snow plow, spreader, mower deck, snow thrower		$1,000	339	$2,000-$3,000	
Tractor	2009	John Deere	1445	TC1445D090642	Auction	Surplus	snow plow, spreader, snow thrower		$1,000	343	$2,000-$3,000	
Tractor	2015	Toro	Groundmaster 7210	315000567	Auction	Surplus	V-plow, snow thrower		$1,000	341	$2,000-$3,000	
Cargo Trailer	2007	Wells Cargo	TW101	1WC200D1571119918	Auction	Surplus	Old type III Barricade Trailer		$500	351	$1,000	
Sign Trailer	2017	Wanco	WVTMM	5F12S1015H1003391	Auction	Surplus	Insurance Total Accident damaged		$1,000	444	$2,000-$3,000	
Cab & Chassis	2004	International	7400	1HTWDAAR74J092096	Auction	Surplus	Failed Engine		$1,000	307	$2,000-$3,000	

Equipment												
Description	Year	Make	Model	VIN (If Applicable)	Type of Sale	Reason for Sale	Notes	Asset Number at Auction	Minimum Required Bid	Garage Number	Predicted Sale Price	Actual Sale Price
Tailgate	2023	Ford	F-250	N/A	Auction	Surplus	Take off from #313		$10			
Tailgate	2023	Ford	F-250	N/A	Auction	Surplus	Take off from #313		$10			
Tailgate	2023	Ford	F-350	N/A	Auction	Surplus	Take off from #321		$10			
Step Bumper	2023	Ford	F-350	N/A	Auction	Surplus	Take off from #321		$10			
Step Bumper	2023	Ford	F-350	N/A	Auction	Surplus	Take off from #324		$10			
Step Bumper	2023	Ford	F-350	N/A	Auction	Surplus	Take off from #324		$10			
International Parts		International		N/A	Auction	Surplus	New Old Stock		$10			
Wiper Blades		Various		N/A	Auction	Surplus	New Old Stock		$10			
Pavement Roller with trailer				N/A	Auction	Surplus			$10			
Floor Mount Drill Press				N/A	Auction	Surplus						
Tire Mounting Machine		Coats	5065EX	N/A	Auction	Surplus						
Miscellaneous lot #1				N/A	Auction	Surplus						
Miscellaneous lot #2				N/A	Auction	Surplus						
Miscellaneous lot #3				N/A	Auction	Surplus						
Miscellaneous lot #4				N/A	Auction	Surplus						
Miscellaneous lot #5				N/A	Auction	Surplus						
Miscellaneous lot #6				N/A	Auction	Surplus						

EXHIBIT B

GovDeals DOCUMENTS

GovDeals

Sellers Agreement

This Agreement is between GovDeals, Inc. ("GovDeals"), a Delaware corporation having its principal place of business at 5907 Carmichael Place, Montgomery, Alabama, 36117 and the Village of Barrington ("Client"), having its principal place of business at 200 South Hough Street – Barrington, Illinois 60010.

1.0 **Description of Services:** GovDeals provides a means for sellers to list items for sale and for potential buyers to bid upon these items via an Internet-based auction system. Although GovDeals may provide software and applications to the Client to make the listing of items easier, GovDeals is not a party to the actual sale and has no control over the listed information or the ability of the buyer and seller to complete the transaction.

2.0 **GovDeals Responsibilities:** In addition to the operation of an Internet auction server, GovDeals will provide the Client with the following services during the term of the Agreement:

- **2.1** Access to a web-based application ("GovDeals Auction Server") that will help the Client maintain information about assets and submit them to auction. The GovDeals Auction Server will:
  - **2.1.1** Accept descriptive information concerning an asset;
  - **2.1.2** Allow different auction phases based upon dates and times to be specified;
  - **2.1.3** Permit the assignment of certain buyer restrictions during each auction phase; and
  - **2.1.4** Facilitate requests for credits regarding transactions that were not completed.
- **2.2** Training and support services to implement the GovDeals service, which will include:
  - **2.2.1** Familiarization with the nature and operation of the GovDeals Auction Server;
  - **2.2.2** Guidance in the initial entry of assets;
  - **2.2.3** Procedures for taking and posting pictures of assets; and
  - **2.2.4** Assistance in the development of an implementation plan and schedule.

  At GovDeals option, training and support services will be provided either on-site or via telephone and the Internet.
- **2.3** A customer support desk available via telephone or e-mail between the hours of 8:00 a.m. and 6:00 p.m., Eastern Time, Monday through Friday, except announced holidays.
- **2.4** Marketing of the on-line auction service to promote use of the site by potential buyers.

3.0 **Client Responsibilities:** To promote a successful operation and increase the benefits from using GovDeals auction capabilities, the Client agrees to:

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3.1 Provide on-site support and resources required to access the GovDeals Auction Server via the Internet;

3.2 Make sufficient personnel related to surplus property disposal available for training, implementation, and initial data entry;

3.3 Cooperate with marketing campaigns, including providing a mailing list of prior auction customers, if available; and

3.4 Utilize GovDeals Auction Server and on-line auction capabilities during the term of this Agreement by:

3.4.1 Listing assets for sale on the GovDeals auction service;

3.4.2 Completing sales transactions for assets sold via this service;

3.4.3 Not selling through some other means any item for which it has received a winning bid via GovDeals for the specific purpose of avoiding the GovDeals fee; and

3.4.4 Not engaging, directly or indirectly, in any activities intended to manipulate or interfere with the bidding process.

4.0 **Fees:** For any item that is sold as a result of posting it to the GovDeals web site, the following fees apply:

4.1 Where a single auction item does not yield greater than $100,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5%) of the winning bid, but not less than $5.00.

4.2 Where a single auction item yields greater than $100,000, but does not yield greater than $500,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5%) of the winning bid up to $100,000 plus five and one-half percent (5.5%) of the winning bid that is in excess of $100,000 up to $500,000.

4.3 Where a single auction item yields greater than $500,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5) of $100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of $400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the amount in excess of $500,000 of the winning bid.

4.4 On occasion, and apart from initial training, Clients request GovDeals to supply on-site assistance to quickly move large amounts of items that have accumulated over a period of time. For this service, and upon mutual agreement between GovDeals and the client, an additional fee will be charged over and above the normal fee schedule shown in 4.1, 4.2 and 4.3 above. For this mutually agreed upon additional fee, GovDeals will go to the Client's site and record asset descriptions, take pictures, load assets to the auction site, and set auction dates. Assets must be arranged in such a manner as to allow GovDeals personnel access to the assets for recording descriptions and taking pictures. If assets are not arranged in the proper manner, Client will provide personnel to assist the GovDeals representatives in arranging the assets for proper presentation. In order to exercise this option, Client must request and agree to the additional fee in writing. This fee does not apply to assets used in the initial training and will not apply when the Client processes its own assets.

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5.0 Payment:

5.1 GovDeals will invoice Client for fees on a periodic basis. Client agrees to remit payment to GovDeals within thirty (30) calendar days, unless an applicable prompt payment act or similar legislation specifies a different time period.

5.2 Client shall promptly, but not more than sixty (60) calendar days after the sale date, notify GovDeals of any transaction that was not consummated. The fees for said transaction shall be credited to the Client during the next invoice period.

6.0 Term of Agreement: This Agreement shall commence on the date it is signed by the second party to do so and will continue for a period of twelve months unless otherwise terminated upon sixty days written notice by either party. This Agreement shall be automatically extended for additional one-year periods, unless either party notifies the other in writing of its intent not to renew at least sixty days prior to the anniversary date. Either party may request a re-negotiation of the terms hereof during a period sixty days prior to the anniversary date of this Agreement. Any charges owed either party prior to terminating the agreement will remain payable.

7.0 Right to Sell and Content: Client will only post items to the GovDeals auction site that the Client has the legal right to sell or dispose of to qualified buyers. Any information posted will be accurate to the best of Client's ability and not contain anything of a pornographic or objectionable nature. Client agrees to only use links to digital pictures of associated assets as provided for in the GovDeals software, and will not create links to any other site, text or other information without the written consent of GovDeals.

8.0 Online Sales - Terms and Conditions: Attached hereto are model Online Sales – Terms and Conditions for use by client. At any time during the term of this Agreement, Client may modify the Terms and Conditions. Said substitution modification must be submitted to GovDeals in writing for posting to the GovDeals auction site. The Terms and Conditions posted to the GovDeals auction site shall not modify, amend or affect the provisions of this Agreement.

9.0 Information and Security:

9.1 Client agrees that GovDeals is not responsible for the accuracy of information provided to it by seller(s) and/or buyer(s). GovDeals will use reasonable efforts to protect information that is on its web site from inappropriate use and loss.

9.2 Client grants GovDeals a non-exclusive, non-transferable, irrevocable, and royalty-free right to exercise any copyright or publicity rights Client may have in the information it posts to the GovDeals server(s). GovDeals agrees to use this information only for its intended purpose in support of this Agreement.

10.0 Interference: Client will not use any programs, routines, or applications in connection with GovDeals that will interfere with the operation of the software or site. Specifically, the Client will only communicate with the GovDeals Auction Server by using software and applications that GovDeals provides or specifically approves in writing.

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11.0 Proprietary Intellectual Property Exclusivity and Confidentiality: The proprietary Internet-based auction system, environment, and components (collectively, the "System") provided by GovDeals under this Agreement are, and will remain, the exclusive property of GovDeals. GovDeals retains and reserves all rights to the proprietary intellectual property, including, but not limited to, all copyrights and trademarks of and to the System. GovDeals is providing the Client hereunder with a license for said System solely for its own use.

Client may not subcontract, sell, lease, transfer, assign or otherwise share said System with any third party. Client acknowledges that the System constitutes the proprietary and confidential property of GovDeals and agrees not to directly or indirectly use, employ, divulge, disclose, transfer, or communicate to any person, firm, corporation or other entity, in any manner whatsoever, any of the System or documentation/information provided by GovDeals. In the event of termination of this Agreement, Client shall promptly return to GovDeals or at the option of GovDeals destroy, all documentation/information regarding the System.

12.0 Warranty Disclaimer: GovDeals does not warrant error-free or uninterrupted use of the GovDeals service. The GovDeals web sites, services, software and applications are provided without warranty, express or implied, including, but not limited to, any implied warranties for merchantability or fitness for a particular purpose. GovDeals, its directors, officers, employees, agents and/or affiliates shall not be liable for any loss of profit and/or any direct, indirect, special, incidental or consequential damages resulting from the services offered herein.

13.0 Governance: This Agreement will be governed, interpreted, construed and enforced in accordance with the laws of the State of Illinois.

14.0 Counterparts: This Agreement may be executed in two or more counterparts, each of which after execution and delivery shall be deemed an original, but all of which shall constitute one and the same instrument.

15.0 Non-Exclusive Engagement: This Agreement is not exclusive. The Client may utilize other disposal approaches, including traditional auctioneer services and sealed bids in addition to GovDeals services. However, it is understood and agreed that the Client will not simultaneously utilize other disposal approaches and GovDeals while an asset is listed on a GovDeals auction.

16.0 Entire Agreement: This Agreement represents the entire understanding between the parties with respect to its subject matter.

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#440
Signed new agreement

THE ABOVE AGREEMENT IS ACCEPTED AND AGREED TO.

GovDeals:
By: Robert L DeBardelaben
Name: Robert L. DeBardelaben
Title: President
Date: 9/30/08

Village of Barrington:
By: Karen Darch
Name: Karen Darch
Title: Village President
Date: 9/8/08

Sellers Agreement Mailing Address and Contact :
Attention: Sales Support
5907 Carmichael Place
Montgomery, AL 36117
Fax Number: (334) 387-0519

Primary Contact Person:
Name: Jim Breitzman
Title: Fleet Supervisor
Telephone Number: (847) 381-7903
Fax Number: (847) 382-3030
e-mail: jbreitzman@barrington-il.gov

Primary Contact Person:
(Contract development)
Name: Carson McCord
Title: Senior Sales Rep.
Telephone Number: (615) 846-1150
Fax Number: (615) 846-1154
e-mail: cmccord@govdeals.com

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GovDeals

Sellers Agreement
Online Sales – Terms and Conditions

Village of Barrington

Barrington, Illinois

Online Sales – Terms and Conditions

All bidders and other participants of this auction agree that they have read and fully understand these terms and agree to be bound thereby.

Guaranty Waiver. All property is offered for sale **"AS IS, WHERE IS."** The **Village of Barrington (Seller)** makes no warranty, guaranty or representation of any kind, expressed or implied, as to the merchantability or fitness for any purpose of the property offered for sale. The Buyer is not entitled to any payment for loss of profit or any other money damages – special, direct, indirect, or consequential.

Description Warranty. Seller warrants to the Buyer that the property offered for sale will conform to its description. Any claim for misdescription must be made prior to removal of the property. If **Seller** confirms that the property does not conform to the description, **Seller** will keep the property and refund any money paid. The liability of the **Village of Barrington** shall not exceed the actual purchase price of the property. Please note that upon removal of the property, **all sales are final.**

Personal and property risk. Persons attending during exhibition, sale or removal of goods assume all risks of damage of or loss to person and property and specifically release the seller and **GovDeals** from liability therefore.

Inspection. Most items offered for sale are used and may contain defects not immediately detectable. Bidders may inspect the property prior to bidding. Bidders must adhere to the inspection dates and times indicated in the item description. See special instructions on each auction page for inspection details.

Consideration of Bid. The Village of Barrington reserves the right to reject any and all bids and to withdraw from sale any of the items listed.

Buyer's Certificate. Successful bidders will receive a Buyer's Certificate by email from **GovDeals.**

Payment. Payment in full is due not later than **5 business days** from the time and date of the Buyer's Certificate. Acceptable forms of payment are:

- U. S. Currency
- Certified Cashiers Check
- Money Order

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- Company Check (with Bank Letter guaranteeing funds – mandatory)

Checks shall be made payable to: **Village of Barrington**. Payments shall be made at the location listed in the Buyer's Certificate.

Escrow Payment. When the purchase price (of a single item or the aggregate purchase price of multiple items) totals $5,000 or greater, the Seller may require a down payment from the winning Buyer. This non-refundable fee will be 20% of the total purchase price. When the Seller exercises this option, the Buyer will have 48-hours from the time of issuance of the Buyers Certificate, to comply with this requirement. If Buyer fails to comply with this requirement within the stated time frame, the Seller can declare Buyer in default, bar them from further bidding and have them removed from the GovDeals system. If Buyer is in default, Seller may negotiate with next closest bidder, re-list at another auction and/or pursue all legal proceedings. All monies collected in escrow, will be deducted from total monies due at time of final payment.

Removal. All items must be removed within **10 business days** from the time and date of issuance of the Buyer's Certificate. Purchases will be released only upon receipt of payment as specified. Successful bidders are responsible for loading and removal and any and all property awarded to them from the place where the property is located as indicated on the website and in the Buyer's Certificate. The Buyer will make all arrangements and perform all work necessary, including packing, loading and transportation of the property. Under no circumstances will **Village of Barrington** assume responsibility for packing, loading or shipping. See special instructions on each auction page for removal details. A daily storage fee of $10.00 may be charged for any item not removed within the 10 business days allowed and stated on the Buyer's Certificate.

Vehicle Titles. Seller will issue a title or certificate upon receipt of payment. Titles may be subject to any restrictions as indicated in the item description on the website. Open titles cannot be issued. The **Village of Barrington** will not issue replacement titles.

Default. Default shall include (1) failure to observe these terms and conditions; (2) failure to make good and timely payment; or (3) failure to remove all items within the specified time. Default may result in termination of the contract and suspension from participation in all future sales until the default has been cured. If the Buyer fails in the performance of their obligations, **Seller** may exercise such rights and may pursue such remedies as are provided by law. **Seller** reserves the right to reclaim and resell all items not removed by Buyer thirty (30) days from the expiration of specified removal date.

Acceptance of Terms and Conditions. By submitting a bid, the bidder agrees that they have read, fully understand and accept these Terms and Conditions of Online Sales, and agree to pay for and remove the property, if the bid is accepted, by the dates and times specified. These Terms and Conditions are displayed at the top of each page of each item listed on GovDeals.

State/Local Sales and/or Use Tax. Buyers may be subject to payment of State and/or local sales and/or use tax. Buyers are responsible for contacting the appropriate tax office, completing any forms, and paying any taxes that may be imposed.

Sales to Employees. Employees of the **Village of Barrington** may **NOT** bid on the property listed for auction.

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GovDeals

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2.1.1 Accept descriptive information concerning an asset;

2.1.2 Allow different auction phases based upon dates and times to be specified;

2.1.3 Permit the assignment of certain buyer restrictions during each auction phase; and

2.1.4 Facilitate requests for credits regarding transactions that were not completed.

2.2 Training and support services to implement the GovDeals service, which will include:

2.2.1 Familiarization with the nature and operation of the GovDeals Auction Server;

2.2.2 Guidance in the initial entry of assets;

2.2.3 Procedures for taking and posting pictures of assets; and

2.2.4 Assistance in the development of an implementation plan and schedule.

At GovDeals option, training and support services will be provided either on-site or via telephone and the Internet.

2.3 A customer support desk available via telephone or e-mail between the hours of 8:00 a.m. and 6:00 p.m., Eastern Time, Monday through Friday, except announced holidays.

2.4 Marketing of the on-line auction service to promote use of the site by potential buyers.

3.0 **Client Responsibilities:** To promote a successful operation and increase the benefits from using GovDeals auction capabilities, the Client agrees to:

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3.1 Provide on-site support and resources required to access the GovDeals Auction Server via the Internet;

3.2 Make sufficient personnel related to surplus property disposal available for training, implementation, and initial data entry;

3.3 Cooperate with marketing campaigns, including providing a mailing list of prior auction customers, if available; and

3.4 Utilize GovDeals Auction Server and on-line auction capabilities during the term of this Agreement by:

3.4.1 Listing assets for sale on the GovDeals auction service;

3.4.2 Completing sales transactions for assets sold via this service;

3.4.3 Not selling through some other means any item for which it has received a winning bid via GovDeals for the specific purpose of avoiding the GovDeals fee; and

3.4.4 Not engaging, directly or indirectly, in any activities intended to manipulate or interfere with the bidding process.

4.0 Fees: For any item that is sold as a result of posting it to the GovDeals web site, the following fees apply:

4.1 Where a single auction item does not yield greater than $100,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5%) of the winning bid, but not less than $5.00.

4.2 Where a single auction item yields greater than $100,000, but does not yield greater than $500,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5%) of the winning bid up to $100,000 plus five and one-half percent (5.5%) of the winning bid that is in excess of $100,000 up to $500,000.

4.3 Where a single auction item yields greater than $500,000 in a winning bid, Client agrees to pay GovDeals a fee of seven and one-half percent (7.5) of $100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of $400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the amount in excess of $500,000 of the winning bid.

4.4 On occasion, and apart from initial training, Clients request GovDeals to supply on-site assistance to quickly move large amounts of items that have accumulated over a period of time. For this service, and upon mutual agreement between GovDeals and the client, an additional fee will be charged over and above the normal fee schedule shown in 4.1, 4.2 and 4.3 above. For this mutually agreed upon additional fee, GovDeals will go to the Client's site and record asset descriptions, take pictures, load assets to the auction site, and set auction dates. Assets must be arranged in such a manner as to allow GovDeals personnel access to the assets for recording descriptions and taking pictures. If assets are not arranged in the proper manner, Client will provide personnel to assist the GovDeals representatives in arranging the assets for proper presentation. In order to exercise this option, Client must request and agree to the additional fee in writing. This fee does not apply to assets used in the initial training and will not apply when the Client processes its own assets.

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5.0 Payment:

5.1 GovDeals will invoice Client for fees on a periodic basis. Client agrees to remit payment to GovDeals within thirty (30) calendar days, unless an applicable prompt payment act or similar legislation specifies a different time period.

5.2 Client shall promptly, but not more than sixty (60) calendar days after the sale date, notify GovDeals of any transaction that was not consummated. The fees for said transaction shall be credited to the Client during the next invoice period.

6.0 Term of Agreement: This Agreement shall commence on the date it is signed by the second party to do so and will continue for a period of twelve months unless otherwise terminated upon sixty days written notice by either party. This Agreement shall be automatically extended for additional one-year periods, unless either party notifies the other in writing of its intent not to renew at least sixty days prior to the anniversary date. Either party may request a re-negotiation of the terms hereof during a period sixty days prior to the anniversary date of this Agreement. Any charges owed either party prior to terminating the agreement will remain payable.

7.0 Right to Sell and Content: Client will only post items to the GovDeals auction site that the Client has the legal right to sell or dispose of to qualified buyers. Any information posted will be accurate to the best of Client's ability and not contain anything of a pornographic or objectionable nature. Client agrees to only use links to digital pictures of associated assets as provided for in the GovDeals software, and will not create links to any other site, text or other information without the written consent of GovDeals.

8.0 Online Sales - Terms and Conditions: Attached hereto are model Online Sales – Terms and Conditions for use by client. At any time during the term of this Agreement, Client may modify the Terms and Conditions. Said substitution modification must be submitted to GovDeals in writing for posting to the GovDeals auction site. The Terms and Conditions posted to the GovDeals auction site shall not modify, amend or affect the provisions of this Agreement.

9.0 Information and Security:

9.1 Client agrees that GovDeals is not responsible for the accuracy of information provided to it by seller(s) and/or buyer(s). GovDeals will use reasonable efforts to protect information that is on its web site from inappropriate use and loss.

9.2 Client grants GovDeals a non-exclusive, non-transferable, irrevocable, and royalty-free right to exercise any copyright or publicity rights Client may have in the information it posts to the GovDeals server(s). GovDeals agrees to use this information only for its intended purpose in support of this Agreement.

10.0 Interference: Client will not use any programs, routines, or applications in connection with GovDeals that will interfere with the operation of the software or site. Specifically, the Client will only communicate with the GovDeals Auction Server by using software and applications that GovDeals provides or specifically approves in writing.

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11.0 Proprietary Intellectual Property Exclusivity and Confidentiality: The proprietary Internet-based auction system, environment, and components (collectively, the "System") provided by GovDeals under this Agreement are, and will remain, the exclusive property of GovDeals. GovDeals retains and reserves all rights to the proprietary intellectual property, including, but not limited to, all copyrights and trademarks of and to the System. GovDeals is providing the Client hereunder with a license for said System solely for its own use.

Client may not subcontract, sell, lease, transfer, assign or otherwise share said System with any third party. Client acknowledges that the System constitutes the proprietary and confidential property of GovDeals and agrees not to directly or indirectly use, employ, divulge, disclose, transfer, or communicate to any person, firm, corporation or other entity, in any manner whatsoever, any of the System or documentation/information provided by GovDeals. In the event of termination of this Agreement, Client shall promptly return to GovDeals or at the option of GovDeals destroy, all documentation/information regarding the System.

12.0 Warranty Disclaimer: GovDeals does not warrant error-free or uninterrupted use of the GovDeals service. The GovDeals web sites, services, software and applications are provided without warranty, express or implied, including, but not limited to, any implied warranties for merchantability or fitness for a particular purpose. GovDeals, its directors, officers, employees, agents and/or affiliates shall not be liable for any loss of profit and/or any direct, indirect, special, incidental or consequential damages resulting from the services offered herein.

13.0 Governance: This Agreement will be governed, interpreted, construed and enforced in accordance with the laws of the State of Illinois.

14.0 Counterparts: This Agreement may be executed in two or more counterparts, each of which after execution and delivery shall be deemed an original, but all of which shall constitute one and the same instrument.

15.0 Non-Exclusive Engagement: This Agreement is not exclusive. The Client may utilize other disposal approaches, including traditional auctioneer services and sealed bids in addition to GovDeals services. However, it is understood and agreed that the Client will not simultaneously utilize other disposal approaches and GovDeals while an asset is listed on a GovDeals auction.

16.0 Entire Agreement: This Agreement represents the entire understanding between the parties with respect to its subject matter.

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