JMWOOD
AUCTION COMPANY, INC.
THE EQUIPMENT AUCTIONEERS

3475 ASHLEY ROAD, MONTGOMERY, ALABAMA 36108

AUCTION SALES AGREEMENT

January 6, 2017

Baldwin County Commission
312 Courthouse Square, Suite 12
Bay Minette, Alabama 36507

RE: Auction Agreement

Dear Commissioner;

We want to thank you for allowing **J.M. WOOD AUCTION COMPANY, INC.** the opportunity of submitting a proposal on the auction of your surplus equipment. We believe our method and services as an Auction Company are necessary for you to achieve the profitable and professional disposal you expect. The following is a breakdown of services provided with this Auction Agreement.

- **Auction Locations and Date:** Our permanent all-weather auction facilities are in Montgomery, Alabama and Columbia, South Carolina. We also host auctions at other locations periodically throughout the year. Auction dates will be referenced and agreed upon by Baldwin County on the inventory sheet delivered to Baldwin County before each auction.

- **Traditional Auction Marketing:** J.M. Wood Auction will promote and feature your equipment in our full color auction magazine. A personalized mailing list will be selected from our database of over 100,000 domestic and international buyers. We will select potential buyers to market to by targeting recent buying patterns, trending industries, and regional activity. Your auction will be promoted in numerous industry specific trade magazines as well as in over (300) newspapers reaching a broad range of potential buyers.

- **Online Auction Marketing:** Our team will go to work immediately posting your inventory with multiple photos and inspections on JMWood.com. Our website is an essential tool in reaching thousands of buyers who visit our site daily. Your inventory will also be posted on numerous worldwide industry related sites in front of millions of buyers searching for equipment for their operations in countries across the globe. Your equipment will also be featured in J.M. Wood Auction's award winning social media marketing campaign consisting of outlets such as Face book, Twitter, YouTube and more. Both Facebook and Constant Contact have recognized J.M. Wood Auction as one of their annual top performing marketing companies.

- **Auction Delivery, Pre-Auction Services and Set Up:** We encourage you to schedule delivery of your equipment to the auction facility as soon as possible. This allows adequate time for pre-auction services such as detailed inspection reports, photography, video, clean-up, and repairs. J.M. Wood Auction will provide the seller with a detailed report on any repairs and clean-up deemed necessary to make the equipment bring the maximum dollar. No repairs will be made without prior consent from seller. J.M Wood Auction will coordinate an on-site detailed clean-up service on the equipment listed on the sellers (Exhibit "A"). J.M. Wood Auction will have representatives aggressively marketing your equipment and answering questions from prospective buyers prior to the auction.

- **Auction Day:** With over 40 years in the auction business, it is in our blood. We live for auction day and it is exciting! When you arrive at one of our world class drive through auction facilities you will find a team of professionals that know and love their job. A detailed auction catalog with lot numbers will be presented to all the pre-approved buyers on hand. The equipment will be paraded past the auction theatre full of attendees and broadcast live on the internet as well. We will furnish all personnel to conduct the auction, collect proceeds, and assist in load-out.

- **Online Auction Bidding:** JMWoodLive.com is our exclusive proprietary online bidding service. Since its inception, we have registered tens of thousands of pre-approved national and international buyers. Multiple photos of the exterior, interior and components of every item will be posted for online buyers. In addition, we provide detailed inspection services on any equipment the prospective buyer may need.

- **Buyer Services:** Prior to the auction, J.M. Wood Auction provides the buyer with detailed inspection services, financing options and logistical estimates. After the auction, we will coordinate logistics as well as dismantle and containerize equipment headed to the port.

- **Post Auction and Payment Terms:** J.M. Wood Auction will furnish a computerized statement of each item sold. We will issue seller a check for full settlement within 8 banking days after the date of auction. Any service fees incurred such as clean-up or repairs will be deducted from seller's net proceeds.

- **Liens and Encumbrances:** Auctioneer acts as Sellers agent. Seller guarantees they are sole owner of items being sold and states that items are free of all mortgages liens and encumbrances. Seller agrees to disclose all specific liens, blanket liens, mortgages, taxes, encumbrances or claims of any sort and states they are not connected to claim by Bankrupt Court or IRS. In the event, such claim should exist Seller agrees to pay all legal expense incurred by Auctioneer to protect and defend clear title. Seller hereby authorizes J.M. Wood Auction Co., Inc. (hereby known as Auctioneer) at the absolute discretion of Auctioneer to carry out title searches in respect of the equipment at the expense of Seller, but in no case, shall Auctioneer have a duty to conduct, nor be responsible for the results of any such title search. In event of encumbrances, payment will be made jointly to Seller and Lien holder. If proceeds do not exceed encumbrance, Seller is responsible for balance remaining to lien holder to ensure clear title. Brenda S. Wood has power of attorney to sign for, receive, transfer or negotiate titles and bill of sales on auction items. Seller agrees to deliver bill of sales, tag receipts and current transferable titles or necessary documents to Auctioneer. Seller understands Auctioneer will not make payment until such document have been delivered.

Auction Agreement

- This is a contract beginning February 20, 2017 and continuing until February 19, 2018 at that time the contract will automatically renew for an additional two years (in one year increments) unless cancelled by either party with a 30-day written notice prior to contract renewal. J.M. Wood Auction will give a financial guarantee on any item requested by Baldwin County. A straight commission rate of **6% Absolute** will be charged to gross sales of items consigned by Baldwin County. Auctioneer will pay for all freight charges for the movement of the equipment to any of our auction sites.

We would like to thank you for allowing **J.M. WOOD AUCTION COMPANY, INC.** to present this proposal to you and we look forward to conducting your auction.

"WE TURN EQUIPMENT INTO CASH!!"

Date: 1/17/17

Baldwin County Representative:

Date: 1/16/17

J.M. Wood Auction Representative:

THIS DOCUMENT IS CONFIDENTAL; IT CONTAINS PROPRIETARY INFORMATION THAT IS INTENDED ONLY FOR USE BY AUTHORIZED J.M. WOOD AUCTION CO., INC. REPRESENTATIVES AND AUCTIONEERS. THIS DOCUMENT MAY NOT BE COPIED OR SHARED WITH ANY PARTY OTHER THAN J.M. WOOD AUCTION CO., INC. UNAUTHORIZED USE IS STRICTLY PROHIBITED.