

2006  
TERM CONTRACT  
FOR SCRAP TIRES

Location:  
NATIONWIDE

Please Fill Out and Fax to:  
(480) 367-1450  
Attn: BRIAN ASHLEY

# GOVERNMENT LIQUIDATION, LLC REQUEST FOR PROPOSAL

TO (Buyer's Name and Address)	DATE: DECEMBER 13, 2003
<b>LOCATION OF PROPERTY: 70 – 95 LOCATIONS NATIONWIDE (INCLUDING ALASKA)</b>	
<b>TYPE OF PROPERTY BEING OFFERED BY COMMODITY:</b>  <b>VEHICULAR AND AIRCRAFT RUBBER TIRES. ALSO INCLUDES RUBBER SCRAP, NOT OTHERWISE CLASSIFIABLE. THE POOL OF TIRES CONSISTS OF NEW, USED SERVICEABLE AND SCRAP TIRES.</b>	
<b>PRICE (BASED ON ESTIMATED ANNUAL GENERATION OF 34,368,000 LBS)</b> \$ _____	
<b>DELIVERY TERMS</b> All Property Will Be Removed From GL's Location within _5_ Working Days After Payment.	
<b>CONTRACT TERMS</b> ESTIMATED MONTHLY GENERATION: 2,864,000 LBS ESTIMATED ANNUAL GENERATION: 34,368,000 lbs	
<b>SPECIAL TERMS</b> <b>REGIONAL PROPOSALS WILL BE CONSIDERED. INNOVATIVE SOLUTIONS, FOR NATIONWIDE OR REGION-SPECIFIC TERM CONTRACTS ARE ENCOURAGED. SEE TERM CONTRACT FOR ADDITIONAL TERMS.</b>	
<b>PAYMENT TERMS</b> 20% DOWN PAYMENT OF WINNING BID PAYMENT IS DUE BY THE 5 <sup>TH</sup> DAY OF EACH MONTH	
<b>GL POINT OF CONTACT</b> BRIAN ASHLEY (480) 367-1300	
REQUEST FOR PROPOSALS DUE: JANUARY 9, 2006 Fax to GL at: (480) 367-1450, Attn: BRIAN ASHLEY	

# TERM CONTRACT AGREEMENT

Between  
[Company]

AND

**Government Liquidation, LLC**

---

This Agreement, entered into on this \_\_\_\_\_ day of December, 2005, between Government Liquidation, LLC ("GL") and \_\_\_\_\_ ("Company"), will be in effect from March 1<sup>st</sup>, 2006 through March 1st, 2007 a period of one year.

## TERMS AND CONDITIONS:

Company agrees to purchase all specified scrap rubber tires from specific sites nationwide. Inventory will consist of: **VEHICULAR AND AIRCRAFT RUBBER TIRES. ALSO INCLUDES RUBBER SCRAP, NOT OTHERWISE CLASSIFIABLE.** Company specifically understands that the terms of this Agreement rely upon them for the removal of all items during the Agreement period.

NOTE: TIRES DO NOT REQUIRE MUTILATION.

1. All sales are on an "as is," "where is," and "with all faults" basis with no warranties. No returns, exchanges, or refunds.
2. All property will be displayed in the best possible manner for viewing. GL is not responsible for moving assets to facilitate viewing.
3. GL is obligated to collect sales tax or use tax as appropriate.
4. Company is responsible for loading, securing, and transporting purchased property, to include all costs and risks associated with removal. Unless otherwise stated, GL will provide a free tailgate loading but will NOT guarantee a specific loading time. In consideration for the receipt of this loading service at no cost, Company must agree to release, hold harmless and waive any and all claims, causes of action, damages (including consequential damages and/or loss of use) or liabilities of whatsoever kind or nature against GL, its members, officers, agents, employees, successors and assigns arising from or related to, directly or indirectly, such loading service. Company understands that GL will accommodate loading of the items and agrees to release GL of any and all damages resulting in the "free loading" of goods.
5. Purchaser will be Notified by SV Representative when Removal is Required
6. Property must be Removed within Three (3) Workdays after Oral Notification or Five (5) Workdays after Written Notification
7. Empty Containers must be in a Safe Condition w/ Current State Inspection Certificates
8. Purchaser must Authorize the Government to Tow the Containers from Staging Area to Loading Area and Return to the Staging Area
9. Trucks must be Weighed Light and Heavy at DRMO
10. Only US Citizens will be Allowed to Enter the Loading/Staging Area. Proof of Citizenship Required (Valid Passport or Birth Certificate)
11. A 24-Hour Notice is Required Prior to Removal of Property.
12. Company is responsible for the shipping of all items purchased.
13. No reselling will be allowed on GL premises.

14. Certain pieces of property may contain residual chemicals, non-friable asbestos, petroleum products, ozone depleting substances or other materials.
15. Company hereby agrees to defend, indemnify and hold harmless GL from and against any and all damages, costs, claims or liability (including reasonable attorneys' fees) for any injuries to persons or property of any type whatsoever, occurring during removal of property.
16. Some items may be subject to export restrictions imposed by applicable United States Laws and Regulations. Company is responsible for compliance and should become aware of requirements and associated penalties for failure to comply.
17. In the event any dispute occurs relative to any issue associated with this Agreement, GL shall have the sole and exclusive authority to resolve and/or make all final determinations with respect thereto.
18. BUYERS MUST ADHERE TO ALL STATE AND LOCAL REGULATIONS IN DISPOSING/STORAGE OF TIRES OBTAINED FROM GL.

**PAYMENT AND REMOVAL:**

Company agrees to pay, in exchange for the receipt of the described goods, the rate of \$\_\_\_\_\_ per piece by the 5<sup>th</sup> of each month. Company will be given an additional\_\_5\_\_ working days to arrange removal. Payment must be made by credit card, wire transfer, cashier's check, certified check, or money order. With the exception of credit card and wire transfer, payment for this Agreement may be made when picking up the goods. Sales tax will be charged unless proof of exemption is provided at the time the Agreement is executed and proof provided that the exemption is valid through the life of the Agreement.

**SURETY:**

GL does not guarantee the quantity or quality of the goods to be sold within the terms of this Agreement. Company agrees to hold GL harmless, in all cases and causes, in the event the abundance of commodity becomes less than expectation during the Agreement.

**GOOD FAITH:**

This Agreement is in effect for the period described above. It is an exclusive Agreement between GL and Company in that GL acknowledges they will not sell a similar commodity to any other customer at this site and during the period of the Agreement.

**[COMPANY]**

**GOVERNMENT LIQUIDATION, LLC**

\_\_\_\_\_  
By:

\_\_\_\_\_  
By:

Dated: \_\_\_\_\_