Form C

Exception to Proposal, Terms, Conditions, and Solutions Request

Company Name: PropertyRoom.com, Inc.

Any exceptions to the terms, conditions, specifications, or proposal forms contained in this RFP must be noted in writing and included with the Proposer's response. The Proposer acknowledges that the exceptions listed may or may not be accepted by NJPA or included in the final contract. NJPA will make reasonable efforts to accommodate the listed exceptions and may clarify the exceptions in the appropriate section below.

<table>
<thead>
<tr>
<th>Section/page</th>
<th>Term, Condition, or Specification</th>
<th>Exception</th>
<th>NJPA Accepts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No exceptions.</td>
<td></td>
</tr>
</tbody>
</table>

Proposer’s Signature: [Signature] Date: 4/11/2016

NJPA’s clarification on exceptions listed above:
SURPLUS AUCTION SERVICES WITH RELATED SOLUTIONS

In compliance with the Request for Proposal (RFP) for SURPLUS AUCTION SERVICES WITH RELATED SOLUTIONS, the undersigned warrants that the Proposer has examined this RFP and, being familiar with all of the instructions, terms and conditions, general and technical specifications, sales and service expectations, and any special terms, agrees to furnish the defined products and related services in full compliance with all terms and conditions of this RFP, any applicable amendments of this RFP, and all Proposer’s response documentation. The Proposer further understands that it accepts the full responsibility as the sole source of solutions proposed in this RFP response and that the Proposer accepts responsibility for any subcontractors used to fulfill this proposal.

Company Name: PropertyRoom.com, Inc. Date: 4/11/2010

Company Address: 5257 Buckeystown Pike, Suite 475

City: Frederick State: MD Zip: 21704

Contact Person: Donald Nemer Title: Senior Vice President of Sales

Authorized Signature: Andrew J. Nash (Name printed or typed)
(Top portion of this form will be completed by NJPA if the vendor is awarded a contract. The vendor should complete the vendor authorized signatures as part of the RFP response.)

NJPA Contract #: 041316-PRC

Proposer’s full legal name: PropertyRoom.com, Inc.

Based on NJPA’s evaluation of your proposal, you have been awarded a contract. As an awarded vendor, you agree to provide the products and services contained in your proposal and to meet all of the terms and conditions set forth in this RFP, in any amendments to this RFP, and in any exceptions that are accepted by NJPA.

The effective date of the Contract will be June 22, 2016 and will expire on June 22, 2020 (no later than the later of four years from the expiration date of the currently awarded contract or four years from the date that the NJPA Chief Procurement Officer awards the Contract). This Contract may be extended for a fifth year at NJPA’s discretion.

NJPA Authorized Signatures:

Jeremy Schwartz
(NAME PRINTED OR TYPED)

Chad Coquette
(NAME PRINTED OR TYPED)

Awarded on May 19, 2016

NJPA Contract # 041316-PRC

Vendor Authorized Signatures:

The Vendor hereby accepts this Contract award, including all accepted exceptions and amendments.

Vendor Name: PropertyRoom.com, Inc.

Authorized Signatory’s Title: President & CEO

Vendor Authorized Signature: [Signature]
(NAME PRINTED OR TYPED)

Executed on May 20, 2016

NJPA Contract # 041316-PRC
PROPOSER ASSURANCE OF COMPLIANCE

Proposal Affidavit Signature Page

PROPOSER’S AFFIDAVIT

The undersigned, authorized representative of the entity submitting the foregoing proposal (the “Proposer”), swears that the following statements are true to the best of his or her knowledge.

1. The Proposer is submitting its proposal under its true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, the Proposer possesses, or will possess before delivering any products and related services, all applicable licenses necessary for such delivery to NJPA members agencies. The undersigned affirms that he or she is authorized to act on behalf of, and to legally bind the Proposer to the terms in this Contract.

2. The Proposer, or any person representing the Proposer, has not directly or indirectly entered into any agreement or arrangement with any other vendor or supplier, any official or employee of NJPA, or any person, firm, or corporation under contract with NJPA, in an effort to influence the pricing, terms, or conditions relating to this RFP in any way that adversely affects the free and open competition for a Contract award under this RFP.

3. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request, and other documents in this solicitation and affirms that any and all exceptions have been noted in writing and have been included with the Proposer’s RFP response.

4. The Proposer will, if awarded a Contract, provide to NJPA Members the /products and services in accordance with the terms, conditions, and scope of this RFP, with the Proposer-offered specifications, and with the other documents in this solicitation.

5. The Proposer agrees to deliver products and services through valid contracts, purchase orders, or means that are acceptable to NJPA Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to NJPA Members under an awarded Contract.

6. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.

7. The Proposer understands that NJPA will reject RFP proposals that are marked “confidential” (or “nonpublic,” etc.), either substantially or in their entirety. Under Minnesota Statute §13.591, Subd. 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals generally become public data. Minnesota Statute §13.37 permits only certain narrowly defined data to be considered a “trade secret,” and thus nonpublic data under Minnesota’s Data Practices Act.

8. The Proposer understands that it is the Proposer’s duty to protect information that it considers nonpublic, and it agrees to defend and indemnify NJPA for reasonable measures that NJPA takes to uphold such a data designation.

[The rest of this page has been left intentionally blank. Signature page below]
By signing below, Proposer is acknowledging that he or she has read, understands, and agrees to comply with the terms and conditions specified above.

Company Name: PropertyRoom.com, Inc.

Address: 5257 Buckeystown Pike, Suite 475

City/State/Zip: Frederick, MD 21704

Telephone Number: 240.751.9123

E-mail Address: donaldnemen@propertyroom.com

Authorized Signature: [Signature]

Authorized Name (printed): Andrew J. Nash

Title: President & CEO

Date: 4/11/2016

Notarized

KATHRYN MARIE COLES
NOTARY PUBLIC
MONTGOMERY COUNTY
STATE OF MARYLAND
MY COMMISSION EXPIRES
JUNE 29, 2016

Subscribed and sworn to before me this 11th day of April, 2016

Notary Public in and for the County of Montgomery State of MD

My commission expires: June 29, 2016

Signature: [Signature]
Form P

PROPOSER QUESTIONNAIRE
Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry-Specific Questions

Proposer Name: PropertyRoom.com, Inc.

Questionnaire completed by: Kathryn Coles

Payment Terms and Financing Options

1) What are your payment terms (e.g., net 10, net 30)?
   As an online auction company, PropertyRoom.com retains a commission percentage of each auction; therefore the client will not have to remit payment to us under any terms.
   PropertyRoom.com employs the same standard reconciliation and payment process for 100% of its client agencies. Once a month, PropertyRoom.com reconciles all auction items closed and paid for the previous calendar month and prepares payment to client agencies. We mail checks for client net proceeds to each of our client agencies based on the reconciliation for the previous calendar month auction results.

2) Do you provide leasing or financing options, especially those options that schools and governmental entities may need to use in order to make certain acquisitions?
   PropertyRoom.com provides service solutions that are revenue-generating opportunities for client agencies. This frees up any need to find money in the agency’s budget in order to utilize our services.
   With our monthly net proceeds remittance process, there is no need for leasing or financing options in order to utilize our service solutions. We will remit net proceeds to client agencies on a monthly basis.

3) Briefly describe your proposed order process. Please include enough detail to support your ability to report quarterly sales to NJPA. For example, indicate whether your dealer network is included in your response and whether each dealer (or some other entity) will process the NJPA Members’ purchase orders.
   At PropertyRoom.com we offer an online auction platform and we offer a range of services depending on clients’ needs. Our range of services vary from a technology enabled auction listing service to a full and complete turnkey auction services solution that includes pick-up/haul away of assets, auditing services, authentication services and computer / tablet / smart phone, etc. disk wiping and/or destruction services. As we offer services and not products, the ordering process is either potential clients reaching out to us and our Sales Team doing active outreach to prospective clients agencies who may find our service solutions beneficial.
   On our website, we offer an electronic outreach form where potential clients can fill in their information so that one of our Sales Team Members can contact them with more details. The appropriate Sales Team member will then reach out and learn about the potential client’s interests and needs and work cooperatively to find a solution.
   Our CRM database holds the information on each client agency account and all related sub-accounts. We do not have a dealer network for our services. We maintain the account management for all clients even when working with a subcontractor. We internally track any clients that have signed up using NJPA as the contract vehicle and cross reference our list when preparing the quarterly sales report to NJPA.

4) Do you accept the P-card procurement and payment process? If so, is there any additional cost to NJPA Members for using this process?
As an online auction company, PropertyRoom.com retains a commission percentage of each auction; therefore the client will not have to remit payment to us nor use a P-card under any circumstances.

**Warranty**

5) Describe in detail your manufacture warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may include in your response a copy of your warranties, but at a minimum please also answer the following questions.

- Do your warranties cover all products, parts, and labor?
- Do your warranties impose usage restrictions or other limitations that adversely affect coverage?
- Do your warranties cover the expense of technicians’ travel time and mileage to perform warranty repairs?
- Are there any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs? How will NJPA Members in these regions be provided service for warranty repair?
- Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?
- What are your proposed exchange and return programs and policies?

PropertyRoom.com provides a web-based system of online auction solutions for our agency clients and it can be accessed using any regular web based browser. There are no warranties applicable for our services.

6) Describe any service contract options for the items included in your proposal.

There is no service agreement applicable for the types of service solutions we offer. PropertyRoom.com operates all systems in a virtualized environment, and we are not restricted by hardware. The client agencies only need to be able to access our web-based system via a regular internet search engine.

**Pricing, Delivery, Audits, and Administrative Fee**

7) Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the NJPA discounted price) on all of the items that you want NJPA to consider as part of your RFP response. Provide a SKU for each item in your proposal. (Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract. See the body of the RFP and the Price and Product Change Request Form for more detail.)

We do not have SKUs for our service solutions proposed in this RFP response. We do not charge a listing fee for each auction listing on our website. We keep a commission percentage of the Winning Bid of an item. We also do not charge training fees, start-up costs, Advertising costs to our client agencies, or fees for our value added services (for example on our Portables Auction Service, we pick up assets, audit, image, write descriptions, authenticate, perform disk erasure, provide refurbishment on certain items, etc. These value added services are included in our auction commission.) Please see below for our pricing breakdown by service level proposed in this RFP response.

<table>
<thead>
<tr>
<th>Portables Auction Service – Fee Breakdown</th>
<th>PR.com Standard Pricing</th>
<th>NJPA Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 PropertyRoom.com Auction Commission % for non-bicycle assets</td>
<td>50% of the Winning Bid</td>
<td>50% of the first $1,500 of the Winning Bid and 25% of the Winning Bid portion that exceeds $1,500.</td>
</tr>
<tr>
<td>2 PropertyRoom.com Auction Commission % for bicycle assets</td>
<td>85% of the Winning Bid</td>
<td>85% of the Winning Bid</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Notes</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3</td>
<td>Payment Processing Cost (&quot;PP Cost&quot;) e.g., credit card fees</td>
<td>3% of the Sales Price (includes Winning Bid plus shipping &amp; handling, shipping insurance and sales tax paid by a buyer)</td>
</tr>
<tr>
<td>4</td>
<td>Shipping Fee</td>
<td>If assets are transported via common carrier and not picked by Contractor, a shipping fee will apply</td>
</tr>
<tr>
<td>5</td>
<td>Fuel Surcharge</td>
<td>See table below</td>
</tr>
</tbody>
</table>

If quarterly retail diesel prices, as published by the U.S. Energy Information Administration, rise above the level shown in the table below, a fuel surcharge ("Fuel Surcharge") will be deducted from Client Net Proceeds for each Portable Manifest that we haul away. There is no Fuel Surcharge on items shipped to us.

**Fuel Surcharge Schedule**

<table>
<thead>
<tr>
<th>Retail Diesel (per gal)</th>
<th>Fuel Surcharge*</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.50</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>$2.50 to $2.99</td>
<td>$ 12.40</td>
</tr>
<tr>
<td>$3.00 to $3.49</td>
<td>$ 24.80</td>
</tr>
<tr>
<td>$3.50 to $3.99</td>
<td>$ 37.20</td>
</tr>
<tr>
<td>$4.00 to $4.49</td>
<td>$ 49.60**</td>
</tr>
</tbody>
</table>

* Divides across locations and/or sub-accounts picked up same day
** Table continues at same rate of $12.40 increments per $0.50 per gal change in Retail Diesel.

**In-Place Auction Service – Fee Breakdown**

<table>
<thead>
<tr>
<th>Description</th>
<th>PR.com Standard Pricing</th>
<th>NJPA Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 PropertyRoom.com Auction Commission %</td>
<td>5% of the Winning Bid</td>
<td>2.5% of the Winning Bid</td>
</tr>
</tbody>
</table>

**Haul-Away Auction Service – Fee Breakdown**

<table>
<thead>
<tr>
<th>Description</th>
<th>PR.com Standard Pricing</th>
<th>NJPA Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 PropertyRoom.com Auction Commission %</td>
<td>12.5% of the Winning Bid</td>
<td>12.5% of the Winning Bid</td>
</tr>
<tr>
<td>2 Light Tow</td>
<td>$10 for every $10 miles over the 1st 30 free miles</td>
<td>$10 for every $10 miles over the 1st 30 free miles</td>
</tr>
<tr>
<td>3 Medium Tow</td>
<td>Billed at cost by subcontractor</td>
<td>Billed at cost by subcontractor</td>
</tr>
<tr>
<td>4 Heavy Tow</td>
<td>Billed at cost by subcontractor</td>
<td>Billed at cost by subcontractor</td>
</tr>
<tr>
<td>5 Re-list / Re-run</td>
<td>Three listings included and $35.00 per additional re-list on 4th attempt due to any type of client imposed bidding restriction</td>
<td>Three listings included and $35.00 per additional re-list on 4th attempt due to any type of client imposed bidding restriction</td>
</tr>
<tr>
<td>6 Storage - light &amp; medium duty</td>
<td>$5.00 / day over 30 days past pickup date</td>
<td>$5.00 / day over 30 days past pickup date for client imposed issue (e.g., reserve price not met or title issue)</td>
</tr>
<tr>
<td>7 Storage - heavy duty</td>
<td>$8.00 / day over 30 days past</td>
<td>$8.00 / day over 30 days past pickup date</td>
</tr>
<tr>
<td>Pickup Date</td>
<td>De-identification</td>
<td>$20.00 / quarter hour</td>
</tr>
<tr>
<td>------------</td>
<td>-------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Decal Removal</td>
<td>$45.00</td>
<td>$45.00</td>
</tr>
</tbody>
</table>

### Impound Auction Service – Fee Breakdown

<table>
<thead>
<tr>
<th>Service</th>
<th>PR.com Standard Pricing</th>
<th>NJPA Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. PropertyRoom.com Auction Commission %</td>
<td>12.5% of the Winning Bid</td>
<td>12.5% of the Winning Bid</td>
</tr>
<tr>
<td>2. Light Tow</td>
<td>$10 for every $10 miles over the 1st 30 free miles</td>
<td>$10 for every $10 miles over the 1st 30 free miles</td>
</tr>
<tr>
<td>3. Medium Tow</td>
<td>Billed at cost by subcontractor</td>
<td>Billed at cost by subcontractor</td>
</tr>
<tr>
<td>4. Heavy Tow</td>
<td>Billed at cost by subcontractor</td>
<td>Billed at cost by subcontractor</td>
</tr>
<tr>
<td>5. Re-list / Re-run</td>
<td>Three listings included and $35.00 per additional re-list on 4th attempt due to any type of client imposed bidding restriction</td>
<td>Three listings included and $35.00 per additional re-list on 4th attempt due to any type of client imposed bidding restriction</td>
</tr>
<tr>
<td>6. Owner Storage Fees</td>
<td>$7.50 / day</td>
<td>$7.50 / day</td>
</tr>
<tr>
<td>7. Citizen Storage Fees</td>
<td>$15.00 / day</td>
<td>$8.00 / day</td>
</tr>
<tr>
<td>8. De-identification</td>
<td>$20.00 / quarter hour</td>
<td>$20.00 / quarter hour</td>
</tr>
<tr>
<td>9. Decal Removal</td>
<td>$45.00</td>
<td>$45.00</td>
</tr>
</tbody>
</table>

### Firearms Auction Service – Fee Breakdown

<table>
<thead>
<tr>
<th>Service</th>
<th>PR.com Standard Pricing</th>
<th>NJPA Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. PropertyRoom.com Auction Commission %</td>
<td>50% of the Winning Bid</td>
<td>50% of the first $1,500 of the Winning Bid and 25% of the Winning Bid portion that exceeds $1,500.</td>
</tr>
<tr>
<td>2. Payment Processing Cost (&quot;PP Cost&quot;) e.g., credit card fees</td>
<td>3% of the Sales Price (includes Winning Bid plus shipping &amp; handling, shipping insurance and sales tax paid by a buyer)</td>
<td>3% of the Sales Price (includes Winning Bid plus shipping &amp; handling, shipping insurance and sales tax paid by a buyer)</td>
</tr>
</tbody>
</table>

8) Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents a 50% percent discount from the MSRP or your published list.

**Our discount range is approximately 25% of our standard pricing.**

9) The pricing offered in this proposal is

   a. the same as the Proposer typically offers to an individual municipality, university, or school district.

   b. the same as the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.

   **x** c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.
10) Describe any quantity or volume discounts or rebate programs that you offer.

We do not offer any volume rebates or quantity discounts. We provide a service and are not offering products to members under this contract.

Our pricing structure is already discounted to our government, educational and non-profit client agencies. For example, when we negotiated with one of our larger subcontractors for haul-away services of vehicle and large equipment assets, we absorbed some of the usual and customary fees levied by local auction companies including towing for the first thirty (30) miles and cleaning and preparation fees for vehicles. These services are bundled in our contractor commission percentage of the winning bid for these vehicles.

11) Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.

All of our fees are noted in the pricing section of this proposal. Our main commission is a percentage of the winning bid, but we also detail any potential fees depending on the service level requested.

In our Haul-Away Services solution for client vehicle and large equipment assets, we note in our pricing that medium and heavy models that may require additional tow equipment beyond a standard vehicle transporters. These will be billed at cost based on quotes received from local tow providers under our subcontractor.

12) Identify any total cost of acquisition costs that are NOT included in the pricing submitted with your response. This cost includes all additional charges that are not directly identified as freight or shipping charges. For example, list costs for items like installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.

Any additional fees that may occur for services will come from PropertyRoom.com. Our pricing breakdown does mention a shipping cost for our Pack & Ship program to clients using our Portables Auction Service where we do not pick up the assets. We have discounted rates with a national courier service and pass these discounts onto our clients. Depending on what clients are shipping to us, we won’t now the cost ahead of time since fees are based on weight. We split the cost of shipping items to us from client locations and identify this in our reporting to client agencies.

13) If delivery or shipping is an additional cost to the NJPA Member, describe in detail the complete shipping and delivery program.

Our buyers are responsible for the costs of delivery/shipping of sold assets. (NJPA Members are not.)

14) Specifically describe those shipping and delivery programs for Alaska, Hawaii, Canada, or any offshore delivery.

Our buyers are responsible for the costs of delivery/shipping of sold assets. (NJPA Members are not.)

15) Describe any unique distribution and/or delivery methods or options offered in your proposal.

PropertyRoom.com provides multiple service solutions nationwide, but there are no products for delivery. We provide our services nationwide and work with clients and potential clients to find the best solution for all.

16) Please specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with NJPA. This process includes ensuring that NJPA Members obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to NJPA.

PropertyRoom.com maintains the account management for all clients even when working with a subcontractor. We are the Primary and Sole Point of Contact with our clients and control all client payments. We internally track all clients that have utilized NJPA as the contract vehicle and note it in our CRM database which holds all the information on each client.
PropertyRoom.com's contract administrator cross references the NJPA client list when preparing the quarterly sales report to NJPA to ensure all clients under NJPA are included.

17) Identify a proposed administrative fee that you will pay to NJPA for facilitating, managing, and promoting the NJPA Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor’s sales under the Contract; it is not a line item addition to the Member’s cost of goods.

We propose a 2% administrative fee payable to NJPA and calculated as a percentage of our net service revenue we receive from agreements executed under the NJPA national contract awarded as a result of this RFP.

**Industry-Specific Questions**

18) What is your US market share for the solutions that you are proposing in this response?

With more than 3,000 law enforcement clients, PropertyRoom.com is the leading full service internet auction services company serving the law enforcement community in the United States. The other 1,000+ client accounts we serve are federal, state, county, and municipal government agencies including City and State Administrative Services, Drug Task Forces and Fire, Fleet, IT, and Public Works departments.

19) What is your Canadian market share (if any) for the solutions that you are proposing in this response?

While we currently auction and sell assets to and from Canada, we do not currently provide auction services to government agencies in Canada. As one of our Haul Away Auction Services’ subcontractors has a large geographic footprint with multiple Canadian auction lot/vehicle storage locations, we are able to provide Haul Away Auction services to NJPA member agencies in Canada. In the event we work with NJPA member agencies in Canada, we will find the best solution possible to provide them with auction services.

20) Identify the role of any subcontractors or third parties that will be involved in implementing your proposal.

We utilize subcontractors for certain aspects of our Haul-Away vehicle and large equipment assets online auction services (ranging from hauling/storage/asset intake to hauling/storage/asset intake/auction. We also utilize a subcontractor to facilitate our Firearms Auction Services.

21) Indicate which category of auction service (A through D) that you provide: A) online auction services, B) on-site live auction services, C) live streaming auction services, or D) any combination of auction services. Supply enough detail to substantiate that the Proposer properly fits within the indicated category.

PropertyRoom.com provides multiple solutions under Category A.) online auction services. We offer an online auction platform and a range of services depending on clients’ needs. Our range of services varies from a technology enabled auction listing service to a full and complete turnkey services solution that includes pick-up/haul away of assets, auditing services, refurbishment services, authentication services and computer / tablet/phone, etc. data erasure and/or destruction services.

Signature: 

Date: 4/11/2016