

GovDeals

Financial Settlement Services (FSS) Addendum

This Addendum is between GovDeals, Inc. (GovDeals), having its principal place of business at 5907 Carmichael Place, Montgomery, Alabama 36117, and CITY of Lakewood (Client) having its principal place of business at 12650 Detroit Ave, Lakewood, OH 44107

It is understood the Client elects GovDeals to collect all proceeds due the Client from the winning bidder and remit the proceeds to the Client less the GovDeals fee. Optionally, the Client may elect to not have GovDeals withhold the fee by electing the appropriate section on the following page of this exhibit.

GovDeals will charge the winning bidder a "Buyer's Premium", therefore, the Client is not allowed to charge the winning bidder an additional "Buyer's Premium".

GovDeals will collect all proceeds from the winning bidder, including the "Buyer's Premium" through PayPal, credit card or wire transfer. This is the only means of payment by the bidder.

The Client will not release an asset to the winning bidder until the Client has received verification from GovDeals that payment has been received from the winning bidder. Prior to an item being released to the winning bidder, the Client will ensure the winning bidder or his/her agent has signed a "Bill of Sale" containing the following notation: "Asset is sold as is, where is and without warranty. Once the asset is removed from the seller's premises there is no refund of monies previously paid". The Bill of Sale must be printed from the Client Asset Server (CAS). Any other "Bill of Sale" used by the Client must be submitted to GovDeals for approval.

No proceeds will be remitted to the Client for any asset sold without verification of payment from GovDeals and verification from the Client the item has been picked up by the winning bidder. Approved payment from the winning bidder through PayPal, credit card or wire transfer will be noted in CAS. It is the Client's responsibility to notify GovDeals when an item has been picked up, which is accomplished by the Client accessing CAS and selecting the "Picked Up" option from the "Paid, not picked up" report.

GovDeals will remit all proceeds collected, less the "Buyer's Premium" and the GovDeals fee to the Client on a weekly basis for all assets marked in CAS as 'Picked Up'. However, if you choose to be invoiced for the GovDeals' fee, GovDeals will remit all proceeds collected, less the "Buyer's Premium" only. All proceeds will be remitted electronically by Automatic Clearing House (ACH) unless elected on the following page of this exhibit to receive a paper check. Whether proceeds are remitted electronically via ACH or via paper check, a detailed backup will be submitted to the Client to support the amount remitted.

Under no circumstance will the Client collect any proceeds directly from the winning bidder and if requested to do so, the Client should refer the winning bidder directly to GovDeals for payment instructions.

GovDeals will absorb all costs of Charge Backs by PayPal or a credit card company where an item is released to the winning bidder after the Client receives proper payment notification from GovDeals, GovDeals receives proper pickup notification from the Client and the Client obtained and retained a signed "Bill of Sale" from the winning bidder.

GovDeals will refund proceeds collected to the winning bidder in those rare occasions where the winning bidder pays for an asset but never picks it up and subsequently convinces PayPal or the credit card company to withdraw the amount from GovDeals' bank account. It is the Client's responsibility to request a credit on the asset paid for but not picked up as soon as the allowable pick up time passes. By taking the credit, it insures GovDeals will not charge the Client a fee and will allow the Client to resell the asset. If the asset is mistakenly placed in 'picked up' status by the Client and GovDeals has remitted payment, the Client agrees to refund this amount back to GovDeals.

A GovDeals' Client Services Representative or a GovDeals Help Desk Representative will train the Client on how to effectively use the Financial Settlement Services feature and provide ongoing support as needed. There are no additional costs to the Client for training and support.

GovDeals is covered by a Crime Insurance Policy with a limit of \$5,000,000, which will protect the Client against any loss of funds.

Financial Settlement Services (FSS) Election and Information

Please complete payment instructions below:

If client elects FSS, this section must be completed when submitting the signed MOU back to GovDeals.

Accounting Contact: John Hribar, Acctg Mgr
 (Person to receive checks and invoices) Name and Title

E-Mail Address: John.Hribar@lakewoodoh.net

Phone Number: 216-529-5665

(Please choose only one option for payment)

If payment will be made by ACH, please provide the following information:

Name of Bank	Key Bank
County of Bank	Cuyahoga
Name of Client: (Name on bank account)	City of Lakewood
Bank Routing Number	[REDACTED]
Bank Account Number	[REDACTED]
Checking/Savings	checking

OR:

If payment will be made by paper check, please provide the following information:

Make check payable to: _____
 Client's Legal Name

Mail check to: _____
 Street Address / P.O. Box Number

City, State and Zip Code

Approved for GovDeals:
[Signature]
 President 1-10-18
 Title Date

Approved for Clients:
[Signature]
 Purchasing Mgr 1-9-18
 Title Date

Please check here only if Client elects to NOT allow GovDeals to deduct the GovDeals fees from proceeds due the client.

Approved As To Legal Form:
[Signature]
 Asst Director of Law, City of Lakewood

****If the Client chooses to pay the full 7.5% fee, they will have access to the Tiered Fee Reduction Schedule.**

Please choose one fee option your government would like to use from the Pricing Schedule.

Option A: Client elects to collect all proceeds from the buyer:

Option A1 Option A2

OR

Option B: Client elects for GovDeals to collect all proceeds from the buyer:

Option B1 Option B2 Option B3 Option B4

Client Name: City of Lakewood

Contact Name: Kim E. Smith

Phone Number: 214-529-6075 Email: Kim.smith@lakewoodoh.net

Approved As To Legal Form:
Kimberly M. Somerville
Director of Law, City of Lakewood