

MEMORANDUM

TO: Prospective Bidders

FROM: Great American Group
21860 Burbank Blvd., Suite 300 South
Woodland Hills, CA 91367

SUBJECT: Hawthorne Army Depot
Sealed Bid Sale
Closes Wednesday, September 30 at 12:00pm (PDT)

DATE: September 21, 2009

INSTRUCTIONS and TERMS & CONDITIONS OF SEALED BID

1. **The Sealed Bid** Great American Group (hereinafter referred to as “GAG”), contracted with Hawthorne Army Depot, the United States Army, (hereinafter referred to as “HWAD”) in liquidation of certain surplus Machinery and Equipment (hereinafter referred to as the “Assets”), in a Sealed Bid Sale (hereinafter referred to as the “Sale”). The Assets are described in further detail in the documents attached (hereto as “Exhibit A”).
2. **Bid Deadline & Acceptance** GAG must receive all bids on or before **Wednesday, September 30, 2009 at 12:00pm (PDT)**. GAG reserves the right to extend such bid deadline at its sole discretion. Bids received after this deadline may not be considered. A successful bidder will be advised by telephone or email of acceptance of its bid on **October 2, 2009**.
3. **Bid Package** This Bid Package includes the following documents:
 - a. Instructions and Terms & Conditions for Bidding
 - b. Bid Form
 - c. Exhibit A – Equipment Listing

Submission of a bid on any Asset means that the bidder accepts all of the terms and conditions for of all of the documents in the Bid Package. Any conflict, actual or perceived, between the documents shall be resolved by GAG at their sole discretion.

4. **Discrepancies** If the bidder should find any discrepancies in, or omissions from the Sealed Bid Package, or attached documents, or should the bidder be in doubt as to its meaning, the bidder shall at once notify Roy Gamityan, Great American Group, 21860 Burbank Blvd, Suite 300 South, Woodland Hills, CA 91367, (818) 884-3737, ext. 1321, email: rgamityan@greatamerican.com and ask for clarification or interpretation prior to



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submitting a bid. Any clarifications or interpretation will be sent in writing to all bidders requesting this Bid Package. A buyer's lack of understanding after bidding will in no way negate, erase, or adjust the buyer's submitted bid.

5. **Inspections** All prospective bidders are **urged** to examine the Assets subject to this Sale prior to submitting their bid. Due to the nature of this highly secured United States Army Depot, all inspections will be conducted **BY APPOINTMENT ONLY** on Monday, September 21 through Thursday, September 24. A valid driver's license for domestic buyers and valid passport by foreign buyers will be required to gain entrance to Area 50, NO EXCEPTIONS.
 6. **Submission of Bid** Bids must be completed and tendered to GAG on the bid form provided ("Bid Form"). Except as otherwise permitted by this Bid Package, all bids submitted must be unconditional and without alteration to the Bid Form. All bidders must complete, execute and return to GAG. **Bids may be mailed, faxed or emailed to Roy Gamityan, Great American Group, 21860 Burbank Blvd., Suite 300 South, Woodland Hills, CA 91367; FAX to (818) 884-3561, email: rgamityan@greatamerican.com.**
- GAG must receive all bids on or before Wednesday, September 30, 2009 at 12:00pm (PDT).**
7. **Tie Bids** In the event of a tie bid, the tied bidders only will be contacted immediately by telephone and asked to adjust their bids. Bidders agree to be reachable at the telephone number shown on the enclosed Bid Form on **Thursday, October 1, 2009 at 1:00pm (PDT)** so that the bidder may be contacted and given the opportunity to submit another bid. Adjusted bids will be acceptable verbally from an authorized representative. If GAG is unable to contact a bidder by telephone at any time on the above date, the bidder forfeits the opportunity to adjust its bid. Verbal bids must be confirmed in writing within twenty-four (24) hours of submission.
 8. **Bids are Irrevocable** By submitting a bid, the bidder is making an irrevocable offer to purchase the Asset(s) bid upon. The bidder acknowledges and agrees that by submission of its bid, it is accepting the terms and conditions set forth in these Instructions and Terms and Conditions of this Sealed Bid and none other. Upon submission of a bid, the offers contained therein are irrevocable.
 9. **Award of Bids** GAG will announce the winning bidders on **Friday, October 2, 2009**.
 10. **Reservation of Rights** GAG as Agent, in its sole discretion, reserves the right to discontinue, cancel or postpone the Sale for any reason. GAG furthermore reserves the right to accept any bid submitted in accordance with these instructions, whether or not it is the highest bid for the Assets, to waive any technical defects therein, and to reject any or all bids. Any bid conditioned upon any change in any of the documents provided in the Bid Package, either by way of addition or deletion, can be summarily rejected by



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GAG, at its sole discretion. It is expressly understood that GA reserves the right to accept or reject any and all bids at its sole discretion.

11. **Balance Closing** Within Seventy-Two (72) hours of notification to a bidder of the acceptance of its bid for any Asset, such bidder shall forward the balance of the invoice, including applicable sales tax, 15% Buyer's Premium, and Loading Fees, to GAG payable by Cashiers Check or Wire Transfer. In addition, to the extent required by law, the bidder shall pay at that time in addition to the purchase price all applicable sales or use taxes which may arise from the bidder's purchase of the Assets. Dealers who purchase for resale must provide a hard copy of their resale permit numbers in order to avoid imposition of applicable sales taxes as well as a completed local sales tax form. Promptly following its receipt of the balance of the purchase price for the inventory purchased, GAG will execute and deliver to the purchaser a bill of sale with respect to the Assets purchased.

12. **Removal of Assets** Each bidder further discharges, relinquishes and releases GAG and their respective agents and representatives from any and all damages, losses, liabilities, claims, costs or expenses suffered or incurred by the bidder which may arise from the removal of the Assets. All loading will be provided by Day & Zimmerman on Monday through Thursday ONLY from 6:30am to 5:00pm. No holidays. The bidder agrees that it is the bidder's obligation to remove any Asset purchased from the facilities by **November 30, 2009**. Each bidder further agrees that (i) it shall be liable for any damage or injury occasioned by the removal of any Asset; (ii) it shall remove all purchased lots, and agree not to abandon any items; and (iii) the bidder shall indemnify, defend and hold harmless HWAD and GAG and their respective agents and representatives from any and all damages, losses, liabilities, claims, costs, suits or expenses asserted against or incurred by any of the foregoing in connection with the removal of such Assets. As a condition of the Sale of such Assets to the bidder, the bidder shall maintain such general liability, casualty and workman's compensation insurance covering activities with respect to the removal of the asset purchased. Risk of loss of the goods shall pass to Buyer at the time of payment. Seller shall not be responsible for disassembly of any machines or parts. Removal of assets will be done by a controlled loading process and by appointment only. All truck drivers will be required to attend a safety meeting prior to driving onto Area 50 located on the base.

13. **Sale "As-Is" Disclaimer** THE ASSETS ARE BEING OFFERED "AS IS," "WHERE IS," "WITH ALL DEFECTS," "WITHOUT COMPLETENESS" AND "WITHOUT ANY WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES AS TO MERCHANTABILITY OR AS TO FITNESS FOR ANY PURPOSE." WHILE GAG HAS ATTEMPTED TO PROVIDE ACCURATE INFORMATION TO ALL PROSPECTIVE BIDDERS, GAG DOES NOT REPRESENT, WARRANT OR INSURE THE ACCURACY OR COMPLETENESS OF ANY INFORMATION OR ITS SOURCES OF INFORMATION CONTAINED IN THE BID PACKAGE OR IN ANY OTHER MATERIAL DISSEMINATED TO BIDDERS. FAILURE OF WINNING BIDDER TO PHYSICALLY INSPECT THE INVENTORY SHALL NOT BE



GROUND FORS FOR REVOCATION OR RENEGOTIATION OF BID. ALL SALES ARE FINAL! NO REFUNDS, NO EXCHANGES, NO ADJUSTMENTS!

14. **Definitions** The term “Buyer” as used herein shall mean the individual, firm, partnership, corporation, limited liability company or entity to whom the invoice is addressed. The term “Seller” as used herein shall mean Great American Group, LLC.

15. **Complete Contract** This sales order contains the complete agreement between Buyer and Seller, and no course of dealing or usage of trade or actual course of performance shall be relevant to explain or supplement any term used herein, and all different terms and conditions proposed by Buyer are hereby expressly rejected. Any oral agreement between the parties with respect to the subject matter hereof shall be null and void. If Buyer shall use its own purchase order form or other form to order from Seller, such form shall be used for convenience only and shall evidence Buyer’s unconditional agreement to these terms and conditions. Any additional terms or conditions contained therein are objected to by Seller. Seller’s failure to object to specific provisions contained in Buyer’s orders or other communications shall not be deemed a waiver of the terms and conditions herein. Agreement to these terms and conditions can be made by any commercially reasonable means, including Buyer’s return of a duplicate copy of this sales order or Buyer’s acceptance of goods covered herein. Acceptance by Buyer of goods covered herein shall conclusively be deemed Buyer’s acceptance of the terms and conditions of this sales order. No additional or other terms shall be binding upon Seller unless accepted in writing by Seller.

16. **Warranty Disclaimer** SELLER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES AND REMEDIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. All sales are final, on an “as is - where is,” “in place,” “with all faults,” “without completeness” basis, with no conditions or warranties whether expressed, implied, statutory or otherwise. Buyer affirms they have not inspected or inspected all items, shall be deemed to have relied entirely upon its own inspections and or investigations, and waives any claims against Seller or HWAD as to the quality of the items sold or the accuracy, completeness, genuineness, authenticity, description, weight, count or measure of any items or listings specified herein. In the event a buyer chooses to purchase without inspecting, the buyer has waived the right to inspect.

17. **Limitation of Liability** SELLER’S LIABILITY HEREUNDER SHALL BE LIMITED TO SELLER’S INVOICED PRICE FOR THE GOODS PURCHASED AND PAID FOR. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY OTHER PERSON FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES RELATING TO THE GOODS COVERED HEREBY, WHETHER BASED ON CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE.



18. **Cancellation; Modification; Suspension** Cancellation, modification, suspension or delay in shipment of Buyer's order shall not be accepted on terms which will not fully indemnify and reimburse Seller against loss; such indemnity to include recovery of all direct costs incurred, including normal indirect and overhead charges and a profit.
19. **Force Majeure** Seller shall not be liable for any delay in performance or nonperformance on the part of Seller, directly or indirectly caused by fire, explosion, accidents, flood, labor trouble or shortage, war, act or regulation of any government, inability to obtain suitable material, equipment, fuel, power or transportation, or act of God, arising from contingencies, happenings or causes beyond the control of Seller.
20. **SPECIAL TERMS** A 15% Buyer's Premium will be applied to all bids, prior to local sales tax if applicable. All Items are subject to a loading fee of \$150 per ton by Day & Zimmerman contracted by the United States Army for the Hawthorne Army Depot which will be added to each invoice. NO EXCEPTIONS!



HWAD – Hawthorne, NV

SEALED BID FORM

**TO: Roy Gamityan
Great American Group
Hawthorne Army Depot - Sealed Bid Sale
21860 Burbank Blvd., Suite 300 South
Woodland Hills, CA 91367
Fax: (818) 884-3561
rgamityan@greatamerican.com**

In accordance with the “Instructions and Terms and Conditions of Sealed Bid,” we hereby submit the following offer to purchase the Asset(s) described below according to the terms and conditions set forth in the documents contained in the Sealed Bid Package. In the event we are the successful bidder, we will comply with the terms and conditions contained in the Sealed Bid Package, which are incorporated herein by reference and made a part hereof.

If you need more pages to list your bids, please make additional copies of Page 7.

We hereby offer to purchase the Inventory described in Exhibit A for the prices listed below:

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

Buyer Initial

Date



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LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

LOT # _____ \$ _____

Buyer Initial

Date



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Note: Nevada Sales Tax will be added to the sum of the successful bid price. Dealers purchasing for resale must provide a copy of the Tax resale certificate and completed local reseller's form in order to avoid paying sales tax.

Date

Company

Name

Signature of Bidder

Title or position of Signor

Street Address

City

State

Zip

Business Phone

Cell Phone

Facsimile

E-mail

SPECIAL TERMS: A 15% Buyer's Premium will be applied to all bids, prior to local sales tax as applicable. All Items are subject to a loading fee of \$150 per ton by Day & Zimmerman contracted by The United States Army for the Hawthorne Army Depot which will be added to the invoice. NO EXCEPTIONS! *The lot list containing weights and number of pieces in each lot (for shipping purposes) is available at www.greatamerican.com.*

I acknowledge and agree to the Terms & Conditions as listed in this document.

Signed

Dated



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Page 8 of 11

Exhibit A – Equipment List

Item Description

31. BRYANT swing arm type hollow spindle internal chucking grinder, Model 24lrs31, 10” Diameter Thru-Hole, 31” Swing, 16” Stroke, (2) 4-Jaw Chucks, Coolant, Taper Capacity, 3.5” Dia. X 24” Long Spindle, S/N: M-4750, EQUIPMENT ID 341504137, BLDG 28; 20,800 LBS, 1 PIECE (RIGGING FEES \$1,560.00)
40. CENTURY-DETROIT BABCOCK & WILCOX Hollow Spindle Internal Grinder, Model CD-1458, 16” Diameter Thru Hole, 13” Maximum Dia. Hole Grind, 70” Wheelhead Travel (Longitudinal), 13” Wheelhead Travel (Cross Slide), 16.25” Max Hole Thru Workhead Journal, 16-200 IPM Workhead Speeds, 0.0005” Cross Slide Feed, 10 HP Wheelhead Motor, 50 HP, Workhead Motor, S/N: 7090918, EQUIPMENT ID 341522533, BLDG 29; 74,803 LBS, 13 PIECES (RIGGING FEES \$5,610.23)
124. NILES High Speed Gun Boring Lathe, 480” Max. Boring Depth and Workpiece Length, 11” Dia. Maximum Boring Bar Capacity, 50” Work Diameter, 112’ Bed Length, Spindle Speeds: 30-1000 RPM, (2) 4-Jaw Chucks, (3) 30” 3-Jaw Steady Rests, (4) Bar Supports, Spotting Carriage, Boring Bar Tailstock, 150 HP Main Drive Motor, S/N: 24095, EQUIPMENT ID 341634114, BLD 47; 208,966 LBS, 25 PIECES (RIGGING FEES \$15,672.45)
155. ROCKFORD Double Housing Planer Mill, Model CMD, (2) 30/15 HP Horizontal Side Heads, (1) 30/15 HP Vertical Head, 192” Table Travel, 48” Under Cross Rail, 50” Between Housings, 36” x 192” T-slotted table, Speeds: 36-880 RPM, #50 Taper, Power Quill Feeds, Power Draw Bar, Power Rail Elevation, Pendant, S/N: 119-CMB-45, EQUIPMENT ID 341800363, BLDG 48; 73,222 LBS, 5 PIECES (RIGGING FEES \$5,491.65)
175. HPM, Model CU2X Hydraulic Deep Draw Presses, 700 Ton Capacity, 4 Post, Single Action, Ejector, 36” X 36” Bolster, 200 HP Main Motor, S/N 51-21, EQUIPMENT ID 344202244, BLDG 4; 101,957 LBS, 14 PIECES (RIGGING FEES \$7,646.78)
185. Bliss, Model HS1500-H50-48 Deep Draw Hydraulic Presses, 1500 Ton Capacity, 50” X 48” Bed, 36” Stroke, 48” Shut Height, 84” Open Height, 75 Ton Stripping Capacity, Hydraulic Ejector, 125 HP Main Motor, S/N CN 2101, EQUIPMENT ID 344206157, BLDG 5; 237,740 LBS, 15 PIECES (RIGGING FEES \$17,830.50)



189. Bliss, Model HS1500-H50-48 Deep Draw Hydraulic Presses, 1500 Ton Capacity, 50" X 48" Bed, 36" Stroke, 48" Shut Height, 84" Open Height, 75 Ton Stripping Capacity, Hydraulic Ejector, 125 HP Main Motor, S/N CN 2103, EQUIPMENT ID 344206160, BLDG 6; 240,420 LBS, 16 PIECES (RIGGING FEES \$18,031.50)
192. HPM, Model CU2X Hydraulic Deep Draw Presses, 700 Ton Capacity, 4 Post, Single Action, Ejector, 36" X 36" Bolster, 200 HP Main Motor, S/N 53-31, EQUIPMENT ID 344206174, BLDG 6; 115,990 LBS, 10 PIECES (RIGGING FEES \$8,699.25)
194. Bliss, Model SE2-2000 Straight Side Double Crank Deep Draw Presses, 2000 Ton Capacity, 132" X 66" Bed, 48" Stroke, 116" Shut Height, 300 HP Main Motor, S/N 30106-2, EQUIPMENT ID 344309692, BLDG 9; 958,720 LBS, 53 PIECES (RIGGING FEES FOR TRUCK LOADS \$71,904.00)
218. BLISS, E.W., CO. HS2000H55-66 - 2000 TON, SS SINGLE ACTION, 36in STR., EJECTOR, RETRACTOR, 56in X 66in BOLSTER & RISER, S/N CN2092, EQUIPMENT ID 344206172, BLDG 10; 326,636 LBS, 17 PIECES (\$24,497.70)
329. Wilson, Model 37CT18 C-Frame Press, Vertical, 18 Ton Capacity, Hydraulic, 12" Stroke, S/N 1046001, EQUIPMENT ID 344206891, BLDG 11; 2,200 LBS, 1 PIECE (RIGGING FEE \$165)
378. US Baird, Model 33 Multi-Slide, Wire/Metal Ribbon, 3/32" Capacity, 2-1/2" Wide Ribbon Capacity, Variable Speed, 7.5 HP, EQUIPMENT ID 344702009, BLDG 24; 8,100 LBS, 1 PIECE (RIGGING FEE \$607.50)
426. Kenematics Deburring Machines, 2" Wide Part Guide, Automatic with Vibratory Feed, S/N 588-4, EQUIPMENT ID 342600577, BLDG 26; 2,600 LBS, 1 PIECE (RIGGING FEE \$195.00).
427. Kenematics Deburring Machines, 2" Wide Part Guide, Automatic with Vibratory Feed, S/N 588-3, EQUIPMENT ID 342600576, BLDG 26; 2,500 LBS, 1 PIECE (RIGGING FEE \$187.50)
428. Kenematics Deburring Machines, 2" Wide Part Guide, Automatic with Vibratory Feed, S/N 588-1, EQUIPMENT ID 342600574, BLDG 26; 6,000 LBS, 1 PIECE (RIGGING FEE \$450.00)



437. Bliss, Model SE2-2000 Straight Side Double Crank Deep Draw Presses, 2000 Ton Capacity, 132" X 66" Bed, 48" Stroke, 116" Shut Height, 300 HP Main Motor, S/N 30106-1, EQUIPMENT ID 344309694, BLDG 1; 960,163 LBS, 58 PIECES (RIGGING FEE FOR TRUCK LOADS \$72,012.23)

438. Bliss, Model SE2-2000 Straight Side Double Crank Deep Draw Presses, 2000 Ton Capacity, 132" X 66" Bed, 48" Stroke, 116" Shut Height, 300 HP Main Motor, S/N 30106-5, EQUIPMENT ID 344309695, BLDG 14; 966,470 LBS, 49 PIECES (RIGGING FEES FOR TRUCK LOADS \$72,485.25)

439. Bliss, Model SE2-2000 Straight Side Double Crank Deep Draw Presses, 2000 Ton Capacity, 132" X 66" Bed, 48" Stroke, 116" Shut Height, 300 HP Main Motor, S/N 30106-4, EQUIPMENT ID 34430969 , BLDG 24; 960,147 LBS, 48 PIECES (RIGGING FEES FOR TRUCK LOADS \$72,011.03)

440. Bliss, Model SE2-2000 Straight Side Double Crank Deep Draw Presses, 2000 Ton Capacity, 132" X 66" Bed, 48" Stroke, 116" Shut Height, 300 HP Main Motor, S/N 30106-3, EQUIPMENT ID 344309693, BLDG 51; 979,490 LBS, 57 PIECES (RIGGING FEES FOR TRUCK LOADS \$73,461.75)

