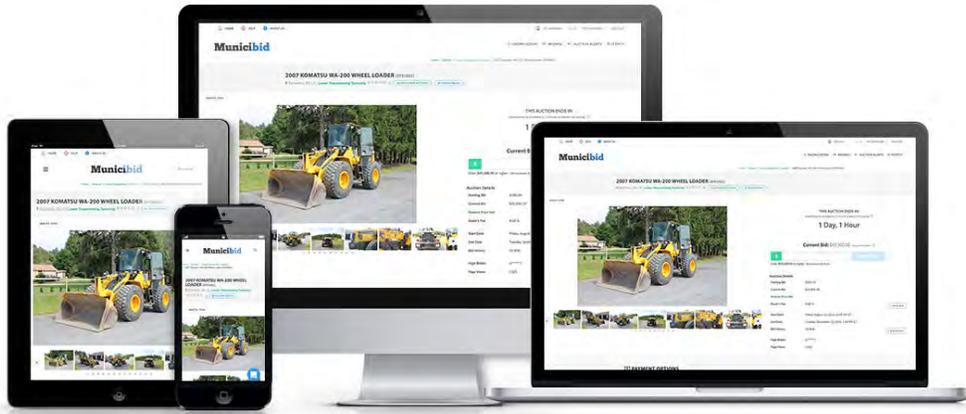


Municibid

Online Government Auctions

A **Better Way** to Sell Your Surplus!



Municibid.com, LLC
1608 Walnut St, Floor 12
Philadelphia, PA 19103
www.municibid.com
800.531.6074

Proposal

Online Auction Services

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I. Executive Summary

Thank you for the opportunity to provide the following proposal and thank you for your consideration.

Municibid is an online auction platform that government agencies use to sell surplus and forfeitures to the public. We designed and developed Municibid with the aim of maximizing the results of each individual auction item, improving speed to market, elevating revenue return, and helping agencies quickly reduce inventory. To accomplish this, we have implemented design components, technology, tools and notifications, and more, all calculated to promote and market auction items and deliver the best possible results for our customers.

Since 2006, the ease-of-use and auction results delivered to clients like you have allowed Municibid to solidify our position as a trusted industry leader in online government auctions.

When you work with Municibid, you and your bidders will receive a highly personalized approach—you'll experience quick, friendly, and efficient service. When you choose Municibid, we are confident you will receive all of the online auction services you're looking for. Indeed, we deliver our clients significant advantages and benefits:

- **We promote your surplus for free**, both locally and nationally, via our **thorough, proactive marketing program** that delivers better net results.
- Municibid provides effective, highly efficient, user-friendly online experience that leads to better net results.
- Municibid's **looks and works great across all devices, including mobile**, because of its responsive design and technology—over 60% of bidders bid on mobile devices.
- Clients and bidders receive the **absolute best customer service and support** through various mediums: Municibid Messenger Live Chat, Online Support Portal, Email, Phone.
- You'll also appreciate the simplicity of our pricing model. Simply put, **your organization will keep 100% of the proceeds from your auctions.**

We welcome the opportunity to answer any questions you or your colleagues might have. Thank you again for this opportunity and for your consideration of Municibid.

"We have been **impressed with the ease and support in listing items on Municibid**. We have sold a fire truck and several automobiles through Municibid **at a price much greater than anticipated**. The support from Municibid staff is nothing but top shelf. Municibid is certainly a great value to the City . . ."

-Joseph Padulla, Chief Procurement Officer, City of Waltham, MA

"[Municibid] **increased the exposure for all of the municipal vehicles and equipment** that East Norriton Township has sold and have **increased the revenue received in most cases by 30%-50%.... The pool of potential buyers is greatly increased** and reaches an audience that the newspaper does not. And it **doesn't cost the municipality a penny** to place an item up for auction."

-East Norriton Township, PA, ELGL Reader Comment

I. Experience & Qualifications

Twelve Years Delivering Online Government Auctions

Municibid is a convenient and easy-to-use online auction website that enables government agencies to sell their surplus and forfeitures to the public. We have been providing online auction services to government agencies continuously since 2006. **We currently serve more than 2,000 government organizations throughout the U.S. and Canada with an average of 30 agencies making the switch to Municibid every month.**

Background in Government

As folks who've worked in government and understand it well, we are passionate about helping **government agencies sell their surplus successfully**. Municibid.com, LLC (PA LLC) was founded in 2006 by Greg Berry. Greg was a town councilor, and he saw how government agencies (including his own) were struggling to sell surplus items and forfeitures for their market value instead of the pennies on the dollar they were receiving. The issue was that few people knew the items were for sale, and the processes for bidding were confusing and intimidating to the general public.

Greg knew he could solve that problem by **exposing the items to a larger audience and providing an easy-to-use, convenient platform to facilitate bidding**. He created Municibid.com and was able to convince several agencies to try it. Once they did, they were thrilled with the results; their **items sold at prices never before achieved**. Greg took these results and testimonials on the road, and Municibid has been growing substantially each year since.

Success & Continuous Growth

Municibid's significant growth over the years has allowed Municibid to become a trusted leader in the online government auctions space. We are proud to have **helped the agencies we serve put over \$40 million dollars back into their budgets** during the last three years. And we are equally proud to maintain a **99% successful sale rate** based on item marketability and sellers' sale price expectations.

The graphic in figure 1 demonstrates the cumulative sellers using Municibid from 2006 to 2017 and illustrates our substantial growth year over year.

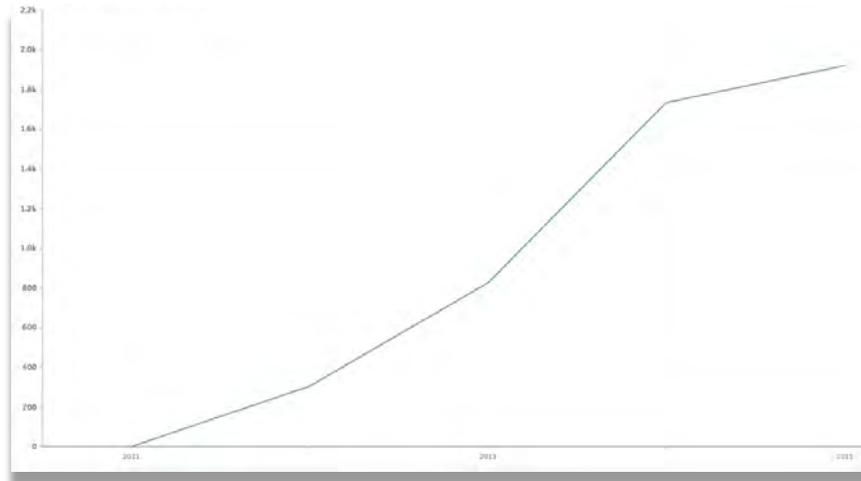


Figure 2. Metrics from Baton Rouge prove our ability to grow and produce robust results in new geographic areas. Notice the sharp upward trajectory of bidders. And these aren't merely registered users; these are people who actually placed bids on Baton Rouge's items.

"The City Parish is very pleased with the results of the online auction process and the partnership we have with Municibid. This was a new process for us and these results confirm we made the best choice in choosing Municibid as our online expert to guide us during the transition implementing the online auction method." - Patti Wallace, Director of Purchasing City of Baton Rouge, LA

We have delivered extraordinary results for selling agencies all over the country. We can do the same for you!

Industry Recognition

Municibid has established significant standing and won recognition in the industry over the last 12 years. In 2016, *Government Technology News* recognized Municibid's success and continued growth by naming us one of the **"Top 100" companies focused on government customers.** And in 2016, Municibid was named #14 in *ELGL Choice Awards*, **"Top 50 Local Government Companies."**



Moreover, Municibid's Founder & CEO, Greg Berry, has been recognized as a leader in business by several institutions. He was named as one of the **top 40 business leaders in Philadelphia under the age of 40** by the *Philadelphia Business Journal* and achieved the *NASBITE Certified Global Business Professional* certification. Greg has also been awarded **"40 under 40" by Construction Equipment Magazine** for facilitating a better way for governments and equipment buyers to sell and buy construction equipment.



II. Online System Functionality

A. Overview of System

Municibid is an online auction platform that government agencies use to sell surplus and forfeitures to the public. Only government agencies can auction items on Municibid, and bidding is open to the public across the United States and Canada.

We designed and developed Municibid with the aim of maximizing the results of each individual auction item, improving speed to market, elevating revenue return, and helping agencies quickly reduce inventory. To accomplish this, we have implemented design components, technology, tools and notifications, and more, all calculated to promote and market auction items and deliver the best possible results.

Designed to work beautifully on any device

With the ever-growing base of users who access websites from mobile devices (including over 60% of bidders on Municibid), it is important to have a website that looks and works great on any device. Municibid is leading the way with mobile accessibility by providing a fully responsive, mobile-friendly site design.

Municibid is accessible 24/7/365 from all standard web browsers on any device including PC, Mac, iOS (iPhone/iPad), Android, etc.

Up-to-date technology to deliver 99.999% uptime

Municibid.com is fully redundant and has failover and load balancing technology in place to maintain optimal performance. All data, records, and reports are stored forever and are backed up several times daily. Municibid's uptime is 99.999%, backed by the world's leading datacenter, Rackspace, and our service level agreement (SLA) with them.

Tools & notifications for ease of use and heightened customer experience

Municibid provides a number of tools to help agencies manage their auctions more easily and help bidders find what they are looking for. Among the tools offered are:

- Multiple ways for bidders to search.
- Real-time updates.
- A variety of alerts and notifications all designed to ensure that bidders don't miss an opportunity to bid and don't overlook items they're looking for.
- Incredibly flexible reporting and detailed metrics so you find all of the data and information you're looking for.

B. Approach

Online storefront

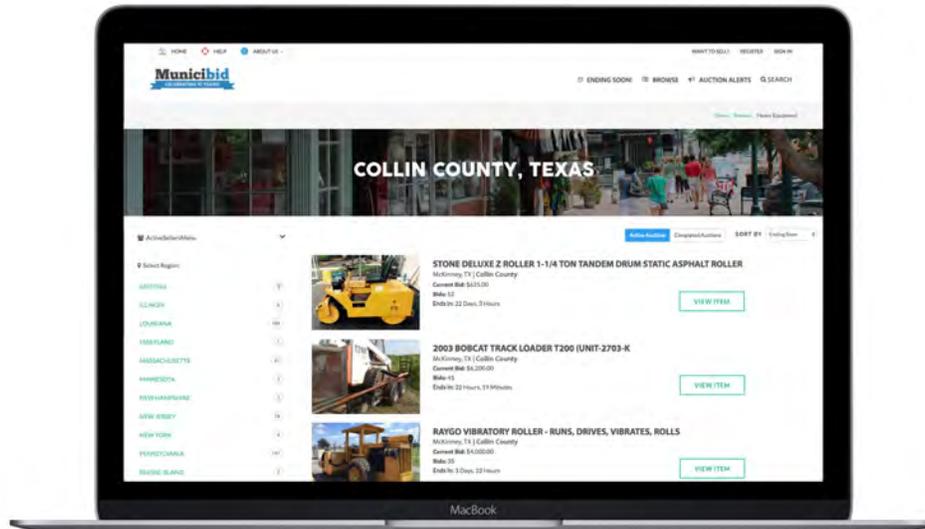


Figure 3. Your agency will have its own online storefront.

With Municibid, your agency will have its own URL and online storefront (figure 3) that bidders will access to bid on your auction items. Your storefront will show only your active auction items—no other selling agency’s items will appear on this page. You’ll also be able include a link to your Municibid storefront on your organization’s website.

You will have full control of your auctions—when an item is removed, how each item is described, the images used, auction open/close times, etc. Municibid’s advanced technology delivers all the functionality you’re looking for.

Agency staff will be able to:

- Post items for sale (including digital photos) in a few simple steps
- Revise, repost, and withdraw auction items
- Generate a wide array of reports with ease
- Respond to bidder questions
- View real-time auction activity
- Get quick and efficient help from our team
- And more!

Bidders will be able to:

- Bid on items and watch auction activity in real time
- Search for items and sellers; refine searches as needed
- Receive notifications and alerts

- Receive fast, friendly support from our team
- And more!

Our approach is much easier than that of some of our competitors. For one, our process is so simple that there’s no learning curve, and it only takes a few steps to list an item. Also, it eliminates a step in the overall process, which saves time. Your staff will not need to gather all the photos, information, and items and send them to us in a separate process; instead, your staff can list items directly onto Municibid themselves.

Website protections to eliminate fraudulent activity

Municibid takes several measures to eliminate fraudulent activity on our website. Bid rigging, shill bidding, bid siphoning, and bid sniping are not possible on Municibid. Municibid only allows bidders with a valid United States or Canadian address and credit card to bid on Municibid, and we store the IP addresses of every user login. Figure 4 explains our protections against specific types of fraudulent activity.

Potential Fraudulent Activity	Municibid Protections
Bid rigging	All bidders who place a bid are required to enter credit card information with a valid address. We send a report of all auction bidders and activity for each auction item at the close of the sale. Municibid does not allow employees to bid on auction items.
Offensive and defensive shill feedback	Activity that is not possible on Municibid. Only sellers can provide feedback on winning bidders. Winning bidders can only provide feedback to the agency they won the item from.
Transaction interference	Bidders are not able to email each other, nor can they see who they are bidding against.
Shill bidding	All those who place a bid are required to enter credit card information with a valid address. We send a report of all auction bidders and activity for each auction item at the close of the sale. Municibid does not allow employees to bid on auction items.
Bid siphoning	A practice that isn’t applicable to Municibid.
Bid sniping	Municibid has bid-sniping protection built into every auction. This prevents people or software from placing a bid at the very last second and locking out other bidders. On Municibid, if a bid is received in the final two minutes, the auction will extend an additional two minutes from that point on until no further bids are received.
Other security methods used to deter interference with the bidding process.	Our platform is open and transparent with respect to bidding activity and auction data. You will have full access to all auction related information, at all times. You will also be automatically notified when an invoice is marked “paid,” eliminating counterfeit receipts for payments of bills of sale. Municibid has never had a counterfeit receipt for payment of bills of sale.

Figure 4. Protections against fraudulent activity.

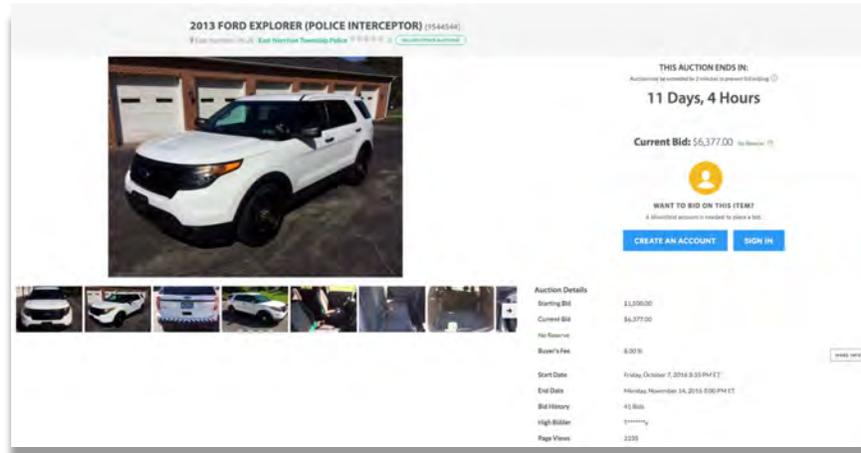


Figure 6. Auction Item pages look and work great on any web browser or device and display all essential auction information. You can include an unlimited number of item photos and even a YouTube video. We can help with videos by editing and embedding them in your listings.

Auction Item pages include:

- Item title, listing number, and custom seller asset ID (if applicable)
- Item description, payment details, and bidding instructions
- “Watch Item” option
- Current bid and bid history (bidder’s ID is masked)
- Reserve amount (if set) and reserve met/unmet indicator
- Auction start and end date/time
- Item photos (unlimited)
- Attachments such as PDFs, if desired
- YouTube videos, if desired
- Seller’s name and the option for bidders to follow the seller
- VIN Code verification information (when VIN is supplied)
- Item location
- Questions/Answers
- Number of page views for the auction item
- Municibid Messenger—our live chat tool
- Auction Item pages can also include: Seller Terms & Conditions, Waivers, Specific Forms, Restrictions

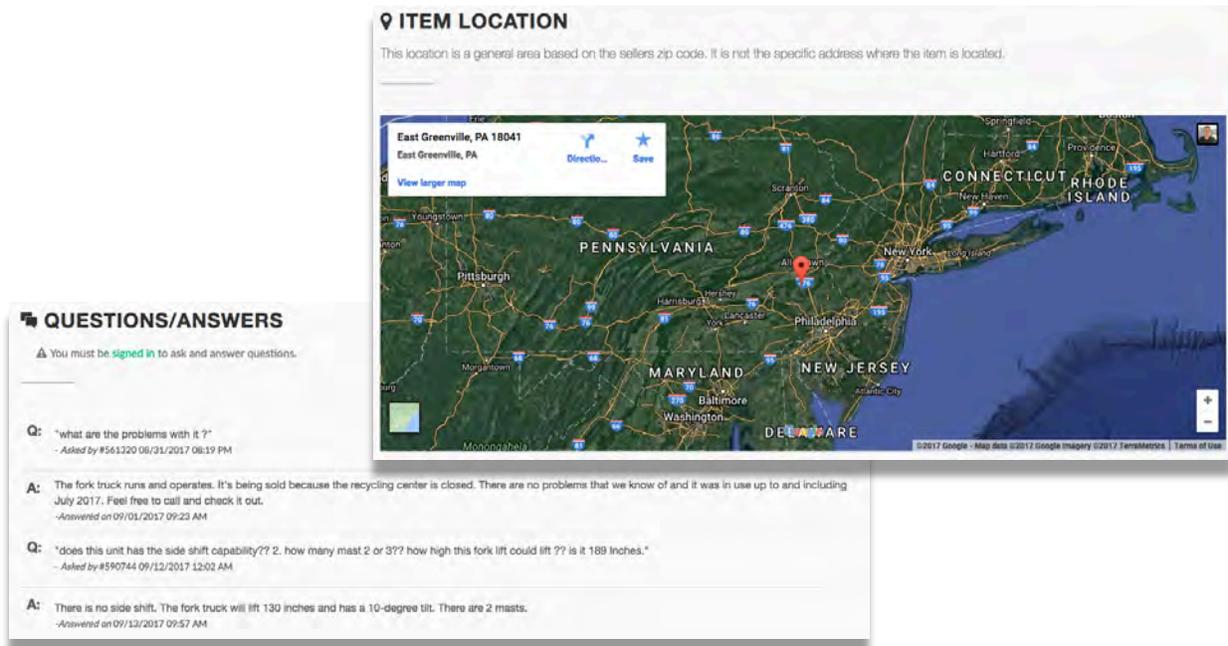


Figure 7. Auction Item pages include Question/Answer section and Item Location. Item Location information includes addresses and turn-by-turn Google directions and map. The Question/Answer section displays all inquiries by bidders and your responses.

2. Listing/Changing Auction Items

The following pages show just how easy and intuitive it is to list, revise, relist and list similar items on Municibid. While we intentionally designed Municibid to be intuitive and easy to use, we also offer a step-by-step tutorial that includes tips and hints and live user assistance on every Municibid web page.

List Auction Items

Municibid is highly intuitive and user friendly. Listing an item is simple and straightforward. The following figures show the simple process users follow to post an item.



Step 1, Get started. To begin, log in, and click "Sell."

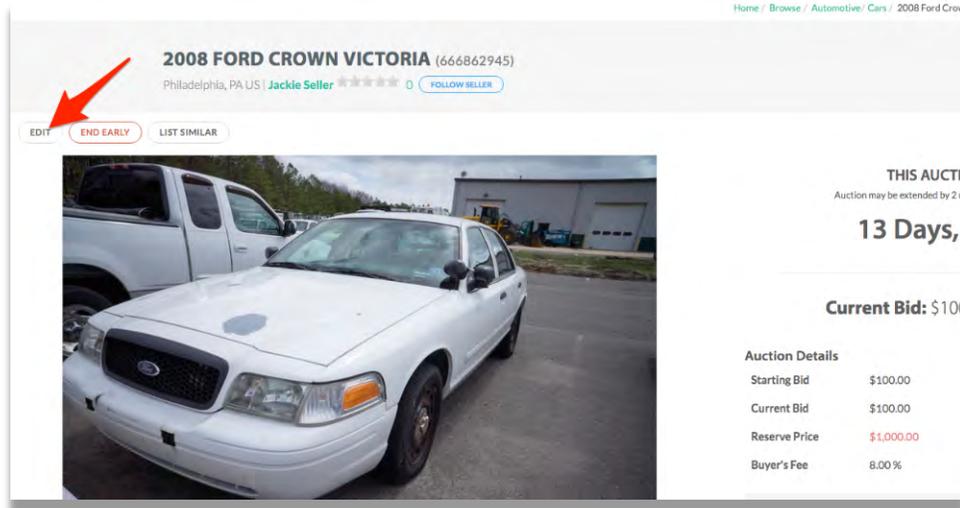


Figure 8. Revise item from the Auction Item or My Account Page. *Editing involves just a few simple steps: 1) Click "Edit," 2) Make desired changes, 3) Click "Save."*

Withdraw an Item

Municibid gives sellers peace of mind knowing that they can end an auction early if necessary. To end an auction before the scheduled auction end date/time, sellers need only contact Municibid support. We will properly notify any bidders and remove the item from auction.

Relist & List Similar Auction Items

Municibid makes it easy to relist a closed auction and list an auction item that is similar to other items currently being auctioned (figure 9). Sellers can relist any item that ended unsuccessfully (received no bids or didn't meet the reserve) and can create a similar listing for any auction item.

"List similar" is best used when sellers want to create a new listing for a similar item—for example, if they have multiple Ford, Crown Victorias to sell with different years and specs. "Relist" is best when the seller wants to try again with an item because it didn't receive a qualifying bid. Relisted items can be easily edited once posted.

- Relisted items maintain their original listing number and previous records of that item (e.g., bid history, start/end date) are overwritten.
- Creating a similar listing generates a new listing number and produces a duplicate copy of the item—bid history is not carried over.

5. Engagement with Bidders—Alerts, Notifications & More

Real-Time Updates

We want to give your items the best possible chance of being successful. To achieve this, one area we focus on is promoting bidding activity on auction items. With many online auction providers, users have to refresh the page to see the most recent time left, high bid amount, number of bids, and current high bidder. With Municibid Real-time Updates (figure 15), users don't have to refresh. Municibid makes it live.

Sellers and bidders see the clock countdown the time remaining on the auction and live updates of the current high bid, number of bids, and current high bidder as each new bid is placed. Bidders can also see in real time when they've been outbid—this entices them to place another bid.

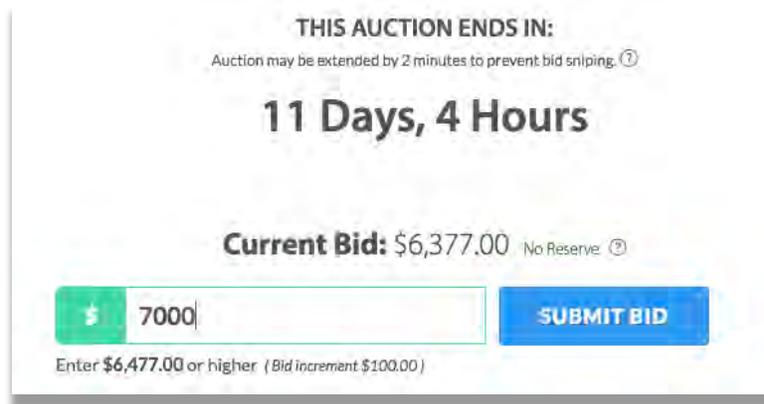


Figure 15. Municibid Auction Item pages update live, in real time, showing the most current information. *The Municibid Real-Time Updates feature appears on all pages that display information about auction items including the My Account, browse, and home pages.*

Municibid Messenger

Municibid Messenger is an easy and powerful online chat tool and an effective marketing tool.

Support. The Municibid Messenger online chat tool enables both sellers and bidders to communicate with Municibid. To start a conversation with one of our experts, sellers and bidders simply click on the chat icon located at the bottom of every Municibid web page. Users can even attach files as part of their chat and view any/all previous conversations.



Marketing. While in its simplest form Municibid Messenger it is an outstanding support chat tool, we are also able to harness it as a powerful marketing tool for your auction items. See our marketing discussion section III, page 31.

Alerts & Notifications

Municibid provides a variety of alerts and notifications to ensure that bidders stay engaged and informed.

Auction Alerts

Municibid Auction Alerts help us ensure that bidders never miss another deal and that an agency's auctions receive the greatest number of bids possible (figure 16).

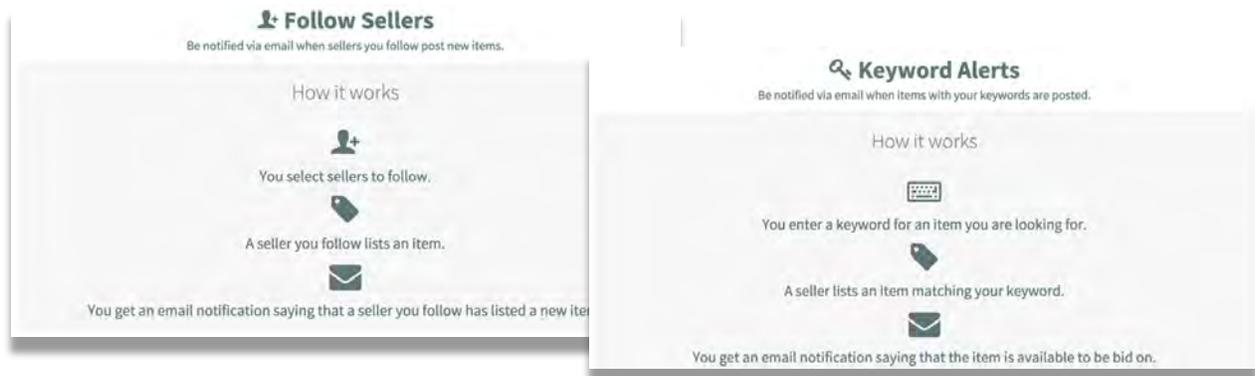


Figure 16. Follow Sellers & Keyword Alerts keep potential bidders engaged. Auction Alerts send daily notifications to potential bidders, letting them know when a seller they're following has posted a new item or when a new item that meets their keyword subscriptions is posted.

Follow Sellers. When bidders choose to follow a seller, they're automatically notified when the seller lists items and can easily view the seller's other ongoing auctions.

Keyword Alerts. When bidders input keywords, they're automatically notified when items matching keywords are posted are listed.

Auction Watch List. Municibid enables bidders to add items to their Watch List with ease. Once they do, they receive auction updates until the auction ends.

Morning Reminder Email

Bidders who have bid on items closing that day receive a friendly email reminding them that the auction item they've bid on is closing soon.

Municibid Sales Invoice #5479375

Date Created: 7/11/2015 10:48 AM

Seller: City of Baton Rouge

Buyer: Chris Kinchen (covingtonsales)

Seller Address
City of Baton Rouge
15202 South Choctaw Extension
Baton Rouge, LA 70819 US

Buyer's Billing Address
Chris Kinchen
7868 Florida Blvd.
P.O. Box
Denham Springs, LA 70727 US

Comments : Payment in full is due not later than 3 working days from the date of the end of the auction. For instructions and to make payment, please visit: www.municibid.com/pay

Description	Unit Price	Quantity	Total	
2008 KUBOTA M1055 4X4 TRACTOR 3177-T 2008 TRACTOR SLOPE MOWER TIGER 3177-T (5382688)	\$26,700.00	1	\$26,700.00	Exempt
2008 KUBOTA M1055 4X4 TRACTOR 3178-T 2008 TRACTOR SLOPE MOWER TIGER 3178-T (5383744)	\$27,000.00	1	\$27,000.00	Exempt
Wire Transfer	(\$53,700.00)	1	(\$53,700.00)	Exempt
		Subtotal	\$0.00	
		Sales Tax	\$0.00	
		Total Due	0	

Payment History

7/17/2015 10:49:03 AM	Manual Payment \$0.00 APPROVED
7/17/2015 10:49:01 AM	Manual Payment \$0.00 APPROVED

Figure 18. Paid Invoice. Once we receive payment, we email a "paid" invoice to the bidder and to you. Bidders show this invoice when they pick up their items.

During the payment period, authorized personnel from your organization can access the "My Account" section of the website to follow invoice payment status. We will submit collected and cleared auction proceeds to you within ten business days of close of the auction or as required.

Zero-tolerance default policy. Municibid has a zero-tolerance policy for defaulting bidders. Municibid reminds bidders each time they bid (and when they register) that bidding is a legally binding agreement. If bidders win and do not pay for or pick up the items won, they will be banned from bidding on Municibid, they will not receive a refund of buyer's fee, and they may be subject to legal action by Municibid and/or the selling agency.

If a bidder defaults, the seller may offer the item to the next highest bidder, via Municibid or relist the item for auction. If the seller decides to offer the item to the next highest bidder, the seller contacts Municibid and we communicate with the next highest bidder to run the auction through our system so everything is documented.

7. Reporting

Municibid includes powerful reporting tools that will give you quick and easy access to all the reports your agency needs and desires. All reports are available online 24/7/365 via your My Municibid Portal on Municibid and via Municibid Metrics.

My Municibid Portal

My Municibid portal (accessible when you are logged into Municibid) offers accurate and detailed records of sale activities in real-time. Through My Municibid, you can see active listings, scheduled listings, saved drafts of listings, successful listings, unsuccessful listings, and all ended listings (see **figure 19**).

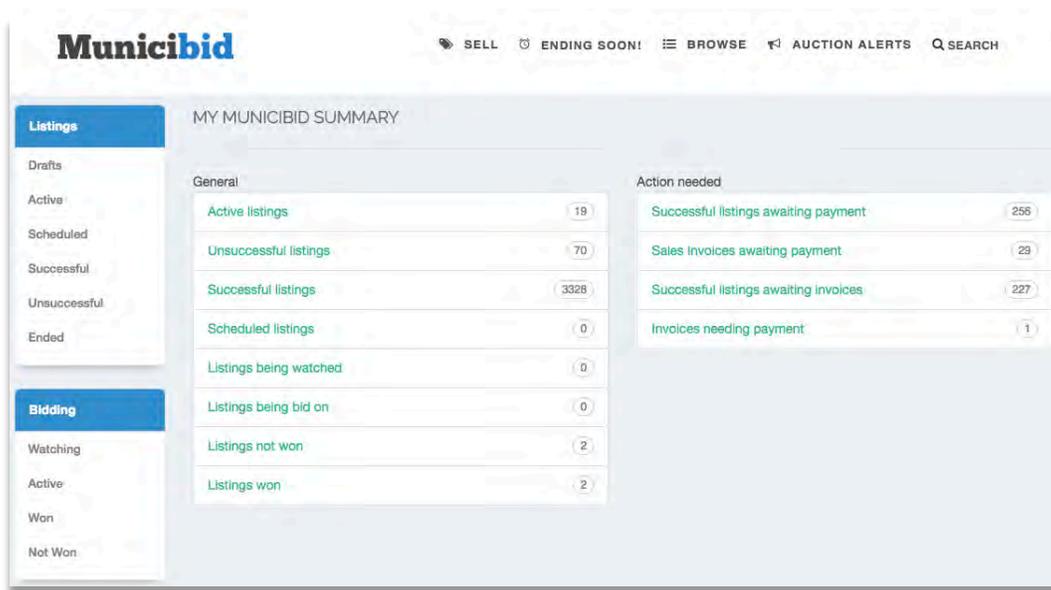


Figure 19. All reports are available online 24/7/365 via your My Municibid portal. Your staff can use My Municibid to view the status of all current auctions.

Municibid Metrics

Your business intelligence reporting tool, Municibid Metrics (accessible via a custom URL that will be provided to you), gives you quick and easy access to unlimited reporting on any and all data relating to your auction activity. It provides the reports and data needed (whenever needed) to gain valuable insights into your auction and sales activity. The screenshots below show just how flexible, powerful, and useful our reports can be.

III. Marketing Program—Free & Professional

To deliver the absolute best results for you, marketing must both be targeted toward new bidders and aimed at successfully engaging existing bidders. No one does more to achieve those goals than Municibid. Indeed, the success of our business is completely aligned with the results of our clients' auctions.

The Municibid Marketing Program is designed to quickly get the word out to the public locally, regionally, and nationally. It has proven to be highly effective and bring enormous exposure to our clients' auction items.

The steps of our marketing program are as follows:

- 1. Identify and Educate.** Identify local media outlets and key strategic contacts and introduce them to Municibid. Present the benefits of using Municibid: increase efficiency, generate more non-tax revenue by selling surplus for more money, engender goodwill from the public, etc.
- 2. Advertise Locally.** Identify relevant local and regional advertising outlets and run advertisements that point people to your online storefront.
- 3. Media Blitz.** Work closely with you to get the word out to residents through community newsletters, your website, social media accounts, community TV/radio (if available), and other means.
- 4. Activate Social Media Networks.** Execute paid social media campaigns via our highly active social media channels, especially Facebook, to engage local/regional people and prospective bidders' interests. We run contests and drawings to encourage sharing of auction postings.
- 5. Advertise Nationally.** Advertise items nationally in relevant industry publications.
- 6. Initiate Radius Marketing.** Utilize our Radius Marketing Program to notify other government agencies within a certain mile radius (or throughout the entire U.S.) about auction items that they may find relevant.
- 7. Ongoing Engagement.** Keep municibid.com website visitors constantly engaged with our alerting tools (Auction Alerts, Seller Follow, and Deals Near Me) and our Municibid Messenger online chat tool.

Marketing Approach & Samples

The average person sees hundreds to thousands of advertisements per day. Municibid Marketing cuts through the noise by getting suppliers items in front of relevant buyers. We will market your items using a properly funded, targeted approach using several proven methods, mediums, and channels on a local, regional, and national level.

These channels and mediums include:

- a. Social Media Marketing
- b. Item-Specific Industry Websites
- c. Municibid Messenger Chat Tool
- d. Email Marketing
- e. Search Engine Optimization

- f. Print Advertisements
- g. Direct Mail
- h. Public Relations

Our approach to each of the above-listed marketing efforts is detailed on the following pages.

a. Social Media Marketing & Engagement

Bidders are on social media and so is Municibid. Social media is an important and highly effective marketing channel that other online auction providers simply ignore or are not using effectively.

	Facebook	Instagram	LinkedIn	Twitter
Municibid	101,000	11,100	2,737	1,353
PublicSurplus / Public Group	No presence	No presence	No presence	No presence
RB EquipmentOne	11,829	No presence	671	67
GovDeals	11,400	12	83	1,596

Figure 25. A sampling of social media platform followers for various online auction providers.

Municibid continues to grow and strengthen our social media presence. Our followers are very active and highly engaged. **We encourage you to compare the social media profiles and activity of all responding providers.**

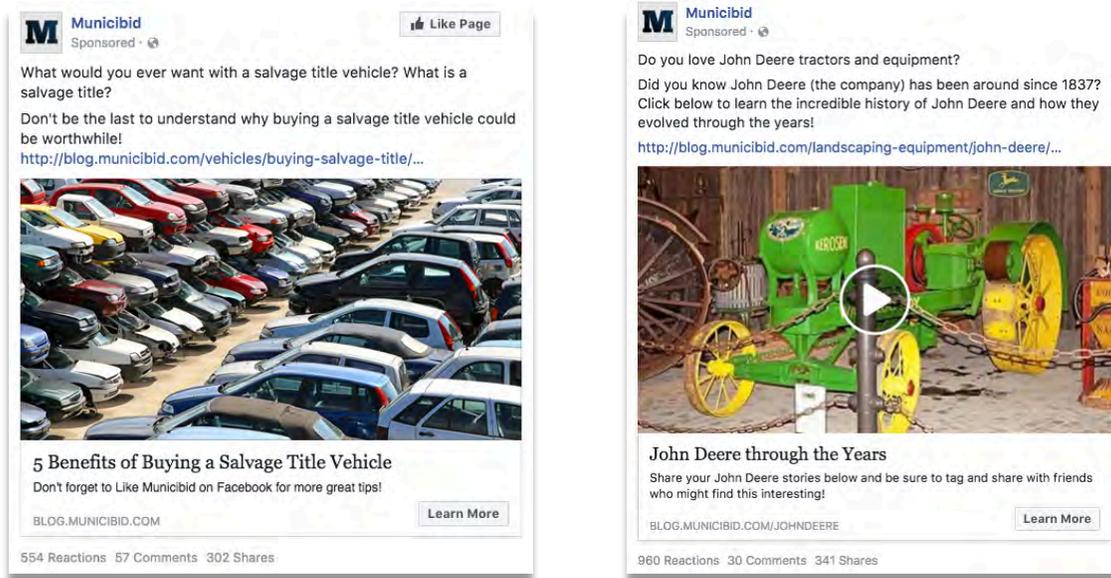


Figure 26. Samples of our Facebook paid advertisements.

Our paid and organic social media advertising and promotions are highly targeted and extremely effective in bringing significant exposure to your auction items (see figure 26 for samples and figure 27 for a snapshot of actual advertising results). We are able to target audiences based on a number of factors such as interests and geographic location.