

TERMS OF SALE

Daley-Hodkin LLC (the "Auctioneer") hereby sells all of the machinery and equipment, (the "Assets") of Automated Distribution Systems LP located in Edison, New Jersey ("ADS"). **All of the Assets are offered "AS IS" and "WHERE IS" without any representation or warranty whatsoever, either expressed or implied, including but not limited to representations or warranties as to quality, quiet enjoyment, condition, OSHA safety equipment, description, merchantability or fitness for any particular purpose.**

All bidders must register with www.bidspotter.com to become eligible to bid. Bidding will be available to all registered parties from 9:00 AM on Thursday, April 24 through 2:00 PM on April 29, 2008. Following conclusion of all online bidding, all bids will be reviewed and successful purchasers will be notified. **Payment of the balance in full must for all accepted bids must be made within forty eight hours after receipt of confirmation of a successful bid and prior to the removal of any of the Asset(s) purchased.**

All payments shall consist of cash, cashier's check, cash equivalent or other certified funds made payable to Daley-Hodkin LLC. Signed checks will be accepted only if accompanied by a bank letter drawn on a bank, which is reasonably acceptable to the Auctioneer, and which states that the bank will **guarantee payment** up to a specified amount (**THIS LETTER MUST CONTAIN THE WORDS "GUARANTEE PAYMENT"**). Signed checks delivered to the Auctioneer by the Buyer, omitting the dollar amounts will be completed and deposited by the Auctioneer at the conclusion of the auction sale.

A thirteen (13%) percent buyer's premium will be added to the purchase price of each lot and will be included in your invoice.

The Auctioneer reserves the right to sell in bulk, consecutive lot number order, or in any order he deems suitable. To be successful, the cumulative total of the individual bids must exceed the bulk bid(s) by five (5%) percent. In the event of any disputed bid the Auctioneer reserves the right to put the disputed lot up for rebid. The auction sheets and records of sale as set forth by the Auctioneer must be accepted as final by all purchasers. The Auctioneer is not bound by any actions or statements made by any person other than himself. In the event the Auctioneer is unable to release any lot to a purchaser, the extent of the Auctioneer's liability will be to refund any funds collected from the purchaser against that lot.

Removal of the Assets must be completed in accordance with the terms stated by the Auctioneer. All of the Assets must be removed by the purchaser at its own risk and expense and in compliance with all applicable laws, regulations or ordinances including State and Federal Environmental laws. No allowances or adjustment of any kind will be made once the Asset purchased is removed from the sale premises. **Removal will be by appointment and all Assets must be removed from the premises by Tuesday, May 20, 2008.** The Auctioneer, at his discretion, may modify any of the above referenced removal deadlines.

Any Asset which is not removed by the final removal date shall be deemed abandoned and forfeited. If the purchaser fails to comply with the terms of final payment and/or removal, the Auctioneer reserves the right to resell the lot(s) concerned, without notice to the purchaser and any payments will be forfeited. The purchaser will remain liable for any deficiency as well as expenses incurred in connection with the resale or removal of any abandoned and forfeited Asset.

All purchasers and their agents involved in the removal of the Assets may, at the Auctioneer's discretion, be required to provide a **Certificate of Insurance naming Daley-Hodkin LLC and Automated Distribution Systems LP as loss payee with a minimum coverage of one million (\$1,000,000) dollars.** All purchasers are required to disconnect and cap electrical and water lines in a professional and reasonable manner. Failure to do so will result in the purchaser being held responsible for any costs or damages incurred.

All information, materials and reports either verbal or printed that have been provided by the Auctioneer are correct to the best of our knowledge and in no other way is accuracy of same guaranteed by the Auctioneer. Purchasers shall rely on their own due diligence and inspection.

ADS reserves the right to confirm or reject any and all bids.

NEW JERSEY: Applicable sales tax must be paid to the Auctioneer on all purchases including the buyer's premium. Exceptions: Properly completed New Jersey Resale Certificates, Exemption Certificates or Resale Certificates for non-New Jersey vendors will be accepted from qualified buyers. Businesses that manufacture, sell or service tangible personal property may make tax-exempt purchases for resale as prescribed by the New Jersey State sales tax code. New Jersey Resale Certificates for non-New Jersey vendors will be accepted provided they have a registration number with another state and that the person making the removal provides photograph identification. Sales tax will be collected on all other out of state purchases. This sales tax will be refunded directly to the purchaser upon receipt of a properly completed bill of lading from a common carrier showing out of state delivery of the Assets purchased if received prior to the 15th day of the next month. Otherwise, refunds must be obtained directly from the New Jersey Sales Tax Bureau. IRS regulations require us to report all cash payments, as defined by the IRS, exceeding \$10,000 from any purchaser for one or more related transactions.

Any disputes, controversies or claims arising out of these Terms of Sale shall be irrevocably and unconditionally submitted to arbitration pursuant to the rules of the American Arbitration Association and the customs and practices applying to arbitration in the State of New Jersey. The decision of the Arbitrator shall be final, binding and non-appealable. The prevailing party shall be entitled to collect any costs and expenses incurred in connection with such arbitration, including without limitation, all reasonable legal fees and expenses.

These terms supersede any other posted or printed Terms of Sale By registration on BidSpotter.com, prospective purchasers are deemed to have full knowledge of the Terms of Sale. Modification or waiver of any portion of these Terms of Sale or additional terms and conditions of sale may be made by the Auctioneer at any time and said modification shall not affect any other portion of the Terms of Sale. A successful bid is considered acceptance of the above terms and is a binding contract.