

SALE OF GOVERNMENT PROPERTY AMENDMENT OF INVITATION FOR BIDS/MODIFICATION OF CONTRACT			
1. AMENDMENT TO INVITATION FOR BIDS NO.:		2. EFFECTIVE DATE	PAGE 1 OF 2 PAGES
SUPPLEMENTAL AGREEMENT NO.: 1		8/3/05	
3. ISSUED BY DEFENSE REUTILIZATION AND MARKETING SERVICE INTERNATIONAL SALES OFFICE, ATTN:DRMS-BBS 74 N WASHINGTON STREET BATTLE CREEK MI 49017-3092		NAME AND ADDRESS WHERE BIDS ARE RECEIVED DEFENSE REUTILIZATION AND MARKETING SERVICE INTERNATIONAL SALES OFFICE, ATTN:DRMS-BBS 74 N WASHINGTON STREET BATTLE CREEK MI 49017-3092	
<input type="checkbox"/> AMENDMENT OF INVITATION FOR BIDS NO. (See Item 6)	DATED	<input checked="" type="checkbox"/> MODIFICATION OF CONTRACT NO. (See Item 8) 99-4001-0002	DATE 6/09/05
6. THIS BLOCK APPLIES ONLY TO AMENDMENTS OF INVITATIONS FOR BIDS The above numbered invitation for bids is amended as set forth in Item 9. Bidders must acknowledge receipt of this amendment unless indicated otherwise in Item 11 prior to the hour and date specified in the invitation for bids, or as amended, by one of the following methods: (a) By signing and returning <u>0</u> copies of this amendment; (b) By acknowledging receipt of this amendment on each copy of the bid submitted; or (c) By separate letter or telegram which includes a reference to the invitation for bids and amendment number. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE ISSUING OFFICE PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR BID. If by virtue of this amendment you desire to change a bid already submitted, such change may be made by telegram or letter, provided such telegram or letter makes reference to the invitation for bids and this amendment, and is received prior to the opening hour and date specified.			
7. ACCOUNTING AND APPROPRIATION DATA (If required)			
8. THIS APPLIES ONLY TO MODIFICATION OF CONTRACTS This Supplemental Agreement is entered into pursuant to authority of Mutual Agreement			
9. DESCRIPTION OF AMENDMENT/MODIFICATION (Except as provided below all terms and conditions of the document referenced in Item 5 remain in full force and effect) Whereas Contract 99-4001-0002 was entered into on June 9, 2005 by and between the United States of America, hereinafter referred to as the Government, and LIQUIDITY SERVICES, INC, hereinafter referred to as the Contractor, and DOD Surplus, LLC formed by the contractor to serve as the entity that processes DRMS assets, hereinafter referred to as the purchaser, and Whereas the contract involved the following item in Invitation For Bid 99-4001: 0001: All scrap material located in the continental United States (other than Tennessee and the Carolinas) or in Alaska that is demilitarization code A, B, E, or Q or that is subject to demilitarization as a condition of sale other than material and items in the list of excluded SCLs and FSCs set forth in Part IV. Contract performance is 7 years with three one year renewal option periods.			
THE HOUR AND DATE FOR RECEIPT OF BIDS <input type="checkbox"/> IS NOT EXTENDED, <input type="checkbox"/> IS EXTENDED UNTIL _____ O'CLOCK (LOCAL TIME) DATE			
10. BIDDER/PURCHASER NAME AND ADDRESS (Include ZIP Code) LIQUIDITY SERVICES INC 2131 K Street NW, 4 th Floor Washington, DC 20037		11. <input type="checkbox"/> BIDDER IS NOT REQUIRED TO SIGN THIS DOCUMENT <input checked="" type="checkbox"/> PURCHASE IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN ORIGINAL AND <u>0</u> COPIES TO THE ISSUING OFFICE	
12. SIGNATURE FOR BIDDER/PURCHASER BY (SIGNATURE OF PERSON AUTHORIZED TO SIGN)		15. UNITED STATES OF AMERICA BY (SIGNATURE OF CONTRACTING OFFICER)	
13. NAME & TITLE OF SIGNER (Type or print) (b) (6) WILLIAM P. ANGRICK III CEO		14. DATE SIGNED 8-3-2005	
16. NAME OF CONTRACTING OFFICER (b) (6) GREGORY E. ORTIZ		17. DATE SIGNED 8/3/2005	

DRMS CONTRACT NUMBER 99-4001-0002
Supplemental Agreement 1
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WHEREAS, Article One, Section 6, states in pertinent part that:

(A) Formation of Purchaser.

Upon award of the contract, the Contractor shall cause the formation of a single purpose Subchapter S corporation or limited liability company (the "Purchaser"), ... to perform the contract as provided herein .

(B) Covenant of Contractor.

Contractor hereby covenants and agrees that, from and after the date of award and until completion of the Wind-Up, Purchaser will remain a single purpose Subchapter S corporation or limited liability company, the sole purpose of which is to perform this contract

WHEREAS, in the interest of achieving cost savings for both the Contractor and the Agency, the parties hereto mutually agree to modify Article One, Section 6, to allow the Contractor to utilize, without limitation, the resources, operations, assets, and personnel of the Subchapter S Purchaser entity formed by Surplus Acquisition Venture, LLC, under DRMS Sales Contract No. 99-0001-0002.

NOW, THEREFORE, it is mutually agreed between the parties hereto to this modification that:

1.) Article One, Section 6, is hereby modified to permit and allow the Subchapter S Purchaser entity formed by the Contractor under this contract to utilize, without limitation, the resources, operations, assets, and personnel of the Subchapter S Purchaser entity formed by Surplus Acquisition Venture, LLC, under DRMS Sales Contract No. 99-0001-0002;

2.) The Contractor acknowledges and agrees that actual costs incurred by the utilization of dual purpose resources, operations, assets, and personnel of the Subchapter S corporation will be allocated to the two Subchapter S corporations formed under the two respective contracts and thereby insure costs are properly accounted for under the two respective contracts;

3.) All other applicable terms and conditions of the contract remain in effect, including but not limited to, Articles Two (2) through Twenty-Three (23); and

4.) This modification will become effective upon the date of the last affixed signature to this modification .

/////////////////NOTHING FOLLOWS////////////////////////////////////

(b) (6)

WILLIAM P. ANGRICK, III
CEO, LIQUIDITY SERVICES, INC.