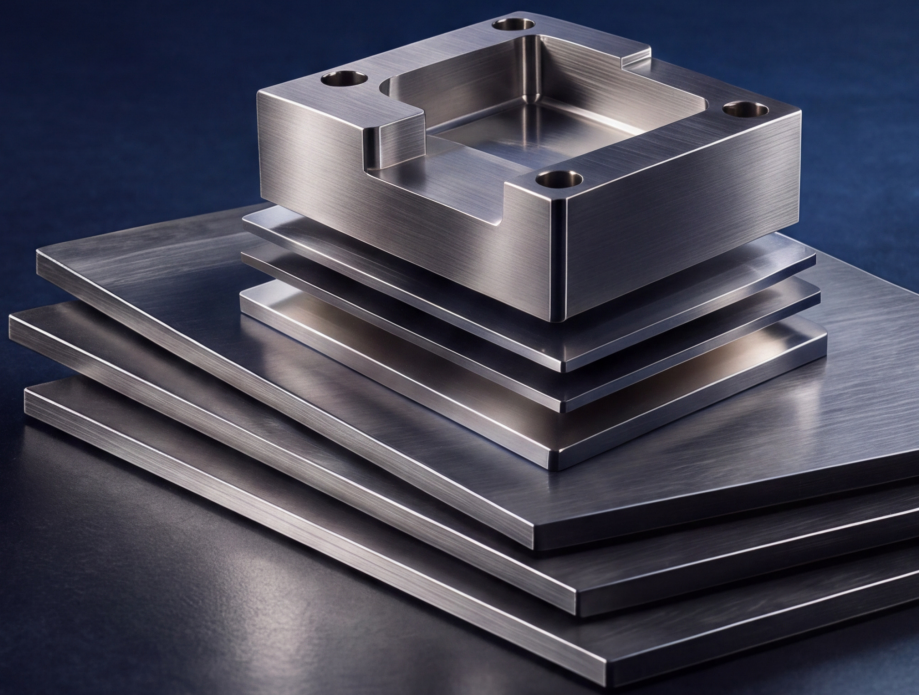
THE MACHINE
BLUE BOOK

FIELD GUIDE 02 / SELLER EDITION

Beyond the Net

What you keep. What you owe.
What you sign.



PROCEEDS / CONTRACTS / HANDOVER

The number is not the whole deal.

A practical field guide for an owner selling machinery, equipment or a production asset.

An offer says, **“$80,000 net to you.”** It sounds complete. It may describe only one part of the transaction.

01 / PROCEEDS

What remains?

Define the starting price, deductions, separately paid costs and financing payoff.

02 / TERMS

What binds?

Match important promises to the actual agreement, schedules and written changes.

03 / RELEASE

What moves?

Separate payment, inspection, possession, ownership, risk and removal.

Use the guide in three passes.

Read pages 3-17. Record the asset, proceeds and charges on pages 18-20. Compare offers and map the paper on pages 21-22, then document timing and release checks on pages 23-25.

Scope and use

Independent educational information, not an appraisal, brokerage service, or transaction-specific legal, tax, insurance, financial or safety advice. Examples are jurisdiction-specific. Apply the governing agreement and obtain qualified advice for the transaction.

RESOURCE **Explore independent machinery research** VIEW RESEARCH →

First, identify the arrangement.

The same machine can produce very different offers because the parties take on different work and risk.

ROUTE	WHAT TO ESTABLISH
Dealer purchase	Firm purchase price, contingencies, payment and pickup. A later resale margin is not automatically your commission.
Broker or representative	Whom they represent, their authority, compensation, expenses, reporting and settlement obligations.
Consignment	Ownership, location, insurance, deductions, price-change authority, payout conditions and unsold return.
Auction	Applicable format, reserve instructions, seller charges, buyer charges, withdrawal exposure and payout.
Direct sale	Buyer verification, advertising, inspection, payment and removal work you retain.
Trade-in or package	Cash-equivalent offer, linked purchase, financing and price allocation across multiple assets.

BASIS: TRANSACTION QUESTIONS; S1-S2 / SOURCES PP26-27

Net of what, exactly?

Ask for the commercial meaning of the number before comparing it with another offer.

After commission is not necessarily after every cost.	List the expenses already included and the ones you must still pay separately. Ask whether there are minimum fees, taxes on services, preparation charges or later adjustments.
An estimate is not a firm purchase commitment.	Label the number: marketing estimate, conditional minimum, firm offer or actual settlement. Record the conditions and expiry date.
Seller settlement is not cash remaining after debt.	A lender payoff reduces the cash you retain, but is not an intermediary fee. Keep debt, transaction expenses and seller income-tax review in separate lines.
The buyer invoice is not automatically your sale-price basis.	Buyer fees and taxes may sit outside the proceeds calculation. Ask what each percentage is applied to and avoid counting the same amount twice.

Ask for a worked settlement example.

Use your machine, the proposed selling route and the agreement's actual deductions. Keep unpriced items visibly unknown.

BASIS: COMMERCIAL COMPARISON FRAMEWORK; S2, S10 / PP26-27

The larger headline can leave less.

Hypothetical arithmetic only. These are not market prices, typical fees or predicted sale outcomes.

SAME COST SCOPE	OFFER A	OFFER B
Stated seller amount	$80,000 after commission only	$75,000 firm purchase price
Separate seller-paid removal and restoration costs	$8,000	$0 under the assumed written scope
Comparable proceeds before financing payoff and income tax	**$72,000**	**$75,000**

$3,000

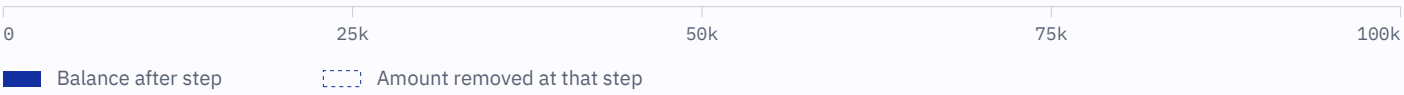
More retained by B on these assumptions.
Timing, conditions and unknowns still matter.

The point is scope, not a preferred sales route. A dealer, broker, auction or direct sale may be the right choice for different circumstances. Compare the obligations as carefully as the price.

Follow the money to your account.

Illustrative figures. Each bar shows the balance remaining after the named step, not the size of the deduction.

STEP	CHANGE	BALANCE
Starting sale-price basis	START $100,000	**$100,000**
Less authorized commission	– $10,000	**$90,000**
Less authorized settlement deductions	– $2,000	**$88,000**
Less separately paid selling costs	– $8,000	**$80,000**
Comparable proceeds before financing payoff	SUBTOTAL	**$80,000**
Less financing payoff	– $25,000	**$55,000**
Cash remaining before seller income tax	FINAL	$55,000



Unknown costs are not zero. Do not subtract an included fee twice. A buyer premium is not automatically a seller deduction, and debt payoff is not a commission.

ILLUSTRATIVE FRAMEWORK; TAX DISTINCTION INFORMED BY S10 / P27

A percentage is only the beginning.

For every charge, identify the basis, authorizer, cap, timing and supporting evidence.

PRICE BASIS

Commission and fees

Fixed amount or percentage? Of which price? Minimum fee? Tax on the service? Already included in the stated net?

EXPENSE CONTROL

Preparation and services

Who approves inspection, repair, photography, storage or transport? Are related-party services and markups disclosed?

IF IT DOES NOT SELL

Unsold and default costs

Check relisting, withdrawal, return, storage and buyer-default treatment. A failed sale may still leave costs.

EVIDENCE

Settlement reconciliation

Request the price basis, each authorized deduction, supporting records and the resulting payment calculation.

BASIS: QUESTIONS INFORMED BY S2; NO UNIVERSAL FEE CLAIM / P26

Know who can change the deal.

Control over price, timing and buyer selection belongs in the comparison, not in a footnote.

QUESTION	EVIDENCE OR CLARIFICATION
What is the price evidence?	Separate asking prices, verified sale observations, appraisals and offers. Record date, condition and installed configuration.
Who can accept less?	Document the reserve, minimum, negotiation authority and approval required for a reduction.
Can you sell elsewhere?	Read exclusivity, renewal, existing-buyer exceptions, termination and any later commission exposure.
What happens if it stays unsold?	Define storage, remarketing, price review, collection and return responsibility.
What does speed cost or save?	Compare time to payment, access to the space, carrying cost and the conditions attached to certainty.

BASIS: OFFER-COMPARISON QUESTIONS; S1-S2 / P26

What they said. What you signed.

Give commercially important promises an exact place in the complete agreement.

PROMISE	FIND IT IN THE PAPER
“That is net to you.”	Included costs, allowed deductions, contingencies, payer and payment deadline.
“We cover removal.”	Scope, contractor, load-out, access, insurance and facility restoration.
“You can inspect it.”	Place, method, prerequisites, scope, timing, notice and any agreed response.
“We will pay you promptly.”	Trigger, amount, receipt requirement and conditions such as buyer collection or documents.

Read the complete contract set.	Identify the entities and authority, incorporated terms, schedules, notices, governing law, document priority and amendment method. Keep dated copies. Do not invent a universal priority order between an invoice, purchase order and signed agreement.

An absent or conflicting promise needs clarification and appropriate professional review. This guide does not decide whether a particular oral statement or clause is enforceable.

S2: DOCUMENT PRIORITY AND ENTIRE-AGREEMENT EXAMPLE / P26

Twenty-four hours after what?

A useful deadline identifies the obligation, trigger, clock, evidence and consequence.

SEPARATE CLOCK	WHAT STARTS IT?
Deposit	Invoice issuance or receipt? Signing? Sale confirmation? Another agreed event?
Final payment	Initiation, receipt, bank confirmation, document delivery or another agreed event?
Inspection	Before sale, before shipment, after arrival or after agreed setup? What is available to test?
Acceptance / rejection	Is there a separate process? What actions, notices or missed deadlines matter?
Defect / damage notice	Which issue, which recipient, what method and what reporting period?
Removal	Calendar or business days? Loaded, collected or completely off-site by the deadline?
Seller payout	Closing of the sale, buyer payment, confirmed funds, document delivery or another agreed condition?

Record the time zone and treatment of weekends and holidays. One deadline does not automatically start, replace or extend another.

BASIS: CONTRACT TIMING; S3-S7 / PP26-27

The parking lot is not the test floor.

These are distinct events. The agreement must identify the event that actually matters.

01 **Arrival**

Carrier reaches the property or checks in.

02 **Unloaded**

Machine leaves the trailer.

03 **Placed**

Machine reaches the agreed location.

04 **Ready to test**

Agreed access, setup and utilities are available.

05 **Test / record**

The agreed test occurs or the separate acceptance record is completed.

Agree the sequence. Do not assume a right to delay payment.

Payment can be due before inspection under applicable terms. Inspection, return rights, acceptance and notice requirements are separate questions. Florida examples are discussed in the source notes, not offered as universal rules.

S3-S7 / FLORIDA EXAMPLES; APPLY THE ACTUAL GOVERNING LAW / PP26-27

A screenshot is not settlement.

Define the payment evidence and release conditions with the parties, your bank and relevant advisers.

COUNTERPARTY

Verify the chain

Identify the buyer, invoicing party, collecting party, payer and payee. Verify the legal entities and authorized contacts.

TRANSFER

Confirm the evidence

Distinguish a payment instruction, remittance advice and bank-confirmed receipt. Confirm the agreed release evidence with your bank.

CHANGE REQUEST

Use a trusted channel

Independently verify changed bank instructions. Do not rely on the telephone number supplied in a suspicious email.

RELEASE

Define the conditions

Record deposits, holds, disputes and release authority. Do not release from a screenshot, email or unverified payment notice.

If a payment diversion is suspected, contact the financial institution immediately. The FBI also provides reporting guidance through IC3.

S11 / FBI BUSINESS EMAIL COMPROMISE GUIDANCE / P27

Own it. Identify it. Clear the release.

Selling a machine and being able to transfer the promised rights are not the same question.

Identify the exact asset and owner.	Use manufacturer, model, serial number, location and legal owner. Establish authority to sell and specify what is included.
Check financing and other claims.	Ask about leases, specific or blanket security interests, payoff statements and required approvals. A sale does not automatically resolve every encumbrance.
Plan the payoff and any shortfall.	Record who receives the funds, the validity period of the payoff figure, any shortfall and the release documents required. Get professional help with transaction-specific clearance.
Clarify consignment and custody.	Who owns and insures the machine while another party holds it? Obtain advice about creditor or insolvency exposure where relevant.

> **Keep the categories separate.**
>
> Financing payoff is not a broker fee. Cash remaining is not necessarily taxable gain or profit. Obtain the relevant accounting and legal advice.

S8-S10 / SECURITY, CONSIGNMENT AND TAX EXAMPLES / P27

Describe the machine you are selling.

Good evidence protects the comparison and helps prevent a dispute about what was promised.

EVIDENCE	RECORD OR DEFINE
Identity and configuration	Serial number, control system, installed options and included peripherals. Do not substitute a generic model specification for the actual unit.
Condition and known issues	Dated photos, maintenance records, disclosed faults and limits of available evidence.
Inspection and tests	Authorized scope, qualified personnel, access, safety controls and who receives the record.
Inspection-to-removal changes	Continued production, repair, dismantling or changes to included equipment. Agree what must remain unchanged.
Promises and return terms	Identify any expressly offered warranty or return privilege. Do not assume one exists merely because inspection is allowed.

S1 / ACCURATE DESCRIPTION; RETURN PRIVILEGE IS CONDITIONAL / P26

Removal is a project, not a word.

Use qualified specialists. This page helps allocate responsibilities; it does not provide rigging, lifting or electrical instructions.

WORK PACKAGE	WHO, SCOPE AND EVIDENCE
Prepare / disconnect	Qualified trades, fluids, shutdown, access and required approvals.
Rig / load	Contractor, scope, load-out, access constraints and required insurance.
Transport	Carrier, packaging, permits if relevant, collection date and condition record.
Restore the site	Foundations, floor, anchors, services, waste and landlord obligations.
Late collection	Access window, storage, delayed removal and escalation route.

Four handoff points need separate treatment.

Possession, ownership, risk of loss and insurance coverage may move at different times. Identify the relevant terms and obtain insurance advice about gaps.

BASIS: RESPONSIBILITY ALLOCATION; S2 / P26

Write down the uncomfortable cases.

A clear agreement explains what happens when the expected sale does not go to plan.

SCENARIO	QUESTION BEFORE COMMITTING
Buyer does not pay	Who collects, resells or cancels? What costs remain and what happens to any deposit?
You need to withdraw	What notice, fee, expense or commission exposure applies?
Machine stays unsold	Who pays storage or remarketing? Who can reduce the price, and when must the machine be collected or returned?
You find your own buyer	What does exclusivity cover? Are earlier contacts or self-found buyers excluded?
Someone disputes condition	Who receives notice, preserves evidence, arranges access and handles the agreed response?
A deadline is missed	What notice, cure, remedy or dispute route applies? Who can agree a written extension?

BASIS: CONTRACT REVIEW QUESTIONS; S2 / P26

The iron is not the entire asset.

Close the smaller gaps before they become expensive surprises at handover.

INCLUDED

Accessories and rights

List tooling, workholding, feeders, chip/coolant equipment, transformers, manuals and backups. Verify software and service-transfer permissions.

PRIVATE

Programs and data

Remove confidential customer data through an approved process. Preserve required records and machine-operability backups. Keep completed worksheets private.

LINKED

Closure or replacement

Coordinate landlord deadlines, production continuity, trade-ins, new-machine arrival and multiple-asset dependencies.

CROSS-BORDER

Specialist review

Define currency, taxes, duties and agreed delivery rules. Check export and sanctions requirements with qualified advisers where relevant.

These are screening questions, not a complete compliance, tax or safety checklist. International editions require local review rather than translation alone.

RESOURCE

Return to the machinery research tasks

VIEW TASKS →

CROSS-BORDER SCREENING: S12-S13 / P27

Asset and evidence record

Identify the actual asset, its authority chain and the evidence that will travel with the transaction.

Legal owner / selling authority

Current location / custody

Manufacturer / model / serial number / control system

Sale route / asset count / package allocation reference

Included equipment, tooling, software and records

Excluded items and retained rights

Known condition, issues, dated evidence and record references

Inspection / test scope, status and responsible party

Software, licensing, backups and confidential-data status

Continuation page or additional-asset references

Your settlement bridge

Keep unknowns visible. Reconcile every total to the agreement and the line-item charge schedule.

Asset / offer / arrangement reference

LINE	AMOUNT / CURRENCY	CLAUSE / STATUS
Agreed price or proceeds basis		
Commission, if not already included		
Authorized settlement deductions total		
Settlement payable to seller		
Separately paid seller costs total		
Tax, withholding, escrow or holdback, if advised or required		
Comparable proceeds before financing payoff and seller income tax		
Financing payoff / shortfall		
Cash remaining before seller income tax		

Unknown amounts, conditions or approvals still needed

Comparable proceeds = stated seller amount less separate seller-paid costs, before financing payoff and seller income-tax consequences. Do not subtract included costs twice.

Line-item charge schedule

Do not hide costs inside one total. Record each charge, its authority and whether it is included or separate.

CHARGE	AMOUNT / RATE	BASIS / AUTHORITY	SCOPE	EVIDENCE / STATUS

Authorized total carried to Settlement Bridge

Continuation schedule / unresolved charge reference

Use additional copies when needed. A blank amount is unknown, not zero. Record taxes on services, minimums, markups and later adjustments separately when they apply.

Compare three offers on one basis

Comparable proceeds means stated seller amount less separate seller-paid costs, before financing payoff and seller income tax.

LINE	OFFER A	OFFER B	OFFER C
Counterparty / route			
Offer status: estimate / conditional / firm			
Stated price / currency			
Already included costs			
Separate seller-paid costs			
Comparable proceeds			
Payment trigger / deadline			
Removal / restoration scope			
Exclusivity / termination / self-found buyer			
Unsold / withdrawal / storage exposure			
Expiration / open conditions			

What still prevents a like-for-like comparison?

Promise-to-paper contract map

Map the complete contract set first, then connect important promises to the controlling paper.

Parties / legal entities

Effective date / document set / version

Governing law / notice address and method

Document priority / amendment method

PROMISE 01

What was promised?

Agreement / clause / version

Exceptions, deductions or conditions

Status / responsible party / next action

PROMISE 02

What was promised?

Agreement / clause / version

Exceptions, deductions or conditions

Status / responsible party / next action

Duplicate this page for additional promises. Retain the complete contract set and properly incorporated schedules or amendments. Do not assume a sales email overrides conflicting terms.

Transaction clock and evidence log

Give each financial or decision event its own trigger, proof, deadline and control path.

TRIGGER / EVIDENCE	DEADLINE / TIME BASIS	NOTICE / CONTROL PATH
Deposit		
Final payment		
Inspection		
Acceptance / rejection		
Defect / damage notice		
Seller payout		

Continuation log / unresolved timing reference

Handover timing and responsibility matrix

Possession, ownership, risk, insurance and physical removal can change at different times.

TRIGGER / EVIDENCE	DATE / TIME / TIME ZONE	PARTY / CONDITION / OPEN ISSUE
Possession transfer		
Ownership / title transfer		
Risk-of-loss transfer		
Insurance responsibility / coverage		
Collection / removal		
Site restoration / final access		

Continuation log / insurance or removal reference

Payment, release and handover checkpoint

Select one status for every line. A status entry is not a legal, financial, insurance or safety certification.

CONTROL	STATUS	EVIDENCE / OPEN-ITEM REFERENCE
Asset, owner and selling authority identified.	Select status	
Required payoff approvals and release documents addressed.	Select status	
Payment evidence checked against agreed release conditions.	Select status	
Condition and included equipment recorded at handover.	Select status	
Possession, ownership, risk and insurance timing recorded.	Select status	
Qualified removal team, access and site responsibilities confirmed.	Select status	
Software rights, manuals, backups and confidential data addressed.	Select status	

Authorized by / role	**Release decision / condition**	**Recorded date / time / time zone**

Evidence, examples and limits

Source review: 15 October 2026. Follow the applicable agreement and obtain relevant professional advice.

S1 **MDNA Code of Ethics**

Accurate descriptions; any return privilege is conditional on the sale terms.

S2 **Ritchie Bros. Seller Terms, August 2026**

Sections A.18 and B.1.2 through B.1.6 illustrate contract-set, deduction, payout and responsibility questions. One provider, not an industry rule.

S3 **Florida Statutes section 672.512**

Payment before inspection and separate rights or remedies; statutory exceptions apply.

S4 **Florida Statutes section 672.513**

Default inspection rules, agreement qualifications and exceptions.

S5 **Florida Statutes section 672.602**

Timely rejection and seasonable notice, with related duties.

S6 **Florida Statutes section 672.606**

Examples of acts or conduct that can constitute acceptance.

S7 **Florida Statutes section 672.607**

Effect of acceptance and the buyer's related duties, subject to the actual facts and agreement.

Florida statutes are jurisdiction-specific examples, not universal transaction rules. The governing agreement, other law and the actual facts may change the result.

Authority, tax, payment and cross-border screening

These sources support limited screening questions. They do not replace transaction-specific professional advice.

S8 **Florida Statutes section 679.3151**

Continuation of security interests in collateral and identifiable proceeds, subject to authorization, exceptions and related law.

S9 **Florida Statutes section 679.319**

Consignee rights and title in certain creditor contexts; classification and exceptions require specific review.

S10 **IRS Publication 544, Sales and Other Dispositions of Assets**

Federal tax framework for amount realized, adjusted basis, gain and loss. Current instructions and professional advice control.

S11 **FBI Business Email Compromise**

Independent verification of changed payment requests, immediate bank contact and IC3 reporting guidance.

S12 **U.S. Consolidated Screening List**

Official screening resource consolidating multiple U.S. government export screening lists.

S13 **OFAC Sanctions Programs and Country Information**

Official sanctions-program and country-information starting point; scope and licensing questions require current review.

Figures on pages 5 and 6 are invented examples, not observed market prices or fee benchmarks. Worksheets make no calculations and submit nothing remotely. Keep completed records in approved storage. Cover art is AI-generated editorial illustration, not a real machine or engineering drawing.

State law is not one rulebook.

A practical route to the applicable rules, not a 50-state legal survey or a transaction-specific opinion.

The UCC is a model commercial-law framework, not federal law. State enactments and other applicable law matter. The four-state reference table on page 29 covers only payment before inspection and inspection rights. It does not select the law for your transaction. [A1]

01 / IDENTIFY

Read the complete contract set.

Record the parties, sale route, governing-law clause, dispute forum and incorporated terms. Do not assume the machine location alone answers the governing-law question.

02 / SEPARATE

Keep different rights on different clocks.

Payment, inspection, acceptance, rejection, notice, risk and removal are distinct questions. Record each trigger and the supporting evidence on worksheets 05-08.

03 / CHECK

Read the current enacted text.

Use the actual state citation and its exceptions. A similar section number or a UCC model provision is not proof that the same outcome applies everywhere.

> **Do not force every jurisdiction into the same template.**
>
> Louisiana, for example, addresses inspection in Civil Code article 2604. Use a jurisdiction-specific review rather than importing Florida section numbers. Cross-border sales need a separate applicable-law review; this appendix does not assess international sales conventions or foreign law. [A8]

Get qualified advice where applicable law, competing contract terms, liens, consignment, warranties, remedies or a disputed deadline could materially change the deal. The guide is educational, not legal clearance to pay, withhold payment or release a machine.

One question. Four state references.

Payment before inspection and the right to inspect: related subjects, not interchangeable deadlines.

Jurisdiction	Payment before inspection	Right to inspect
Florida Florida Statutes	**Section 672.512** READ TEXT [S3]	**Section 672.513** READ TEXT [S4]
New York Uniform Commercial Code	**Section 2-512** READ TEXT [A2]	**Section 2-513** READ TEXT [A3]
Ohio Revised Code	**Section 1302.56** READ TEXT [A4]	**Section 1302.57** READ TEXT [A5]
Pennsylvania 13 Pa.C.S.	**Section 2512** READ TEXT [A6]	**Section 2513** READ TEXT [A7]

If the contract requires payment first

The listed payment provisions address that situation and contain exceptions. They also distinguish payment under that provision from acceptance of the goods.

If you are relying on an inspection right

The listed inspection provisions state defaults subject to agreement and exceptions. They address matters such as COD terms, documents of title, and inspection place or method.

Practical consequence: do not invent a universal 24-hour inspection grace period or assume a right to inspect automatically postpones payment. Read both provisions with the agreement and get advice before acting on a disputed deadline.

Open the source. Check the scope.

Primary-source reading list. Reviewed 15 October 2026. Click a reference to inspect the text.

A1 **Uniform Law Commission: UCC overview**
Model-code background and Article 2 sales context; not a governing statute for a specific transaction.

S3 **Florida Statutes section 672.512**
Payment before inspection; see the exceptions and the separate effect of payment.

S4 **Florida Statutes section 672.513**
Inspection defaults, agreement qualifications, exceptions, place and method.

A2 **New York UCC section 2-512**
Payment before inspection; exceptions and effect of payment.

A3 **New York UCC section 2-513**
Inspection defaults, agreement qualifications, exceptions, place and method.

A4 **Ohio Revised Code section 1302.56**
Ohio numbering for UCC 2-512; payment before inspection.

A5 **Ohio Revised Code section 1302.57**
Ohio numbering for UCC 2-513; inspection defaults and exceptions.

A6 **Pennsylvania, 13 Pa.C.S. section 2512**
Payment before inspection. The linked official Title 13 text also contains section 2513.

A7 **Pennsylvania, 13 Pa.C.S. section 2513**
Inspection defaults and exceptions. In the official Title 13 text, search for section 2513.

A8 **Louisiana Civil Code article 2604**
A separate Civil Code reference for a reasonable opportunity to inspect conformity.

A1-A8 supplement, rather than replace, S1-S13 on pages 26-27. S3-S4 are repeated here for comparison. These sources do not establish what a particular contract means, whether a remedy is available, or whether release is safe. Read current text, related provisions and applicable advice.

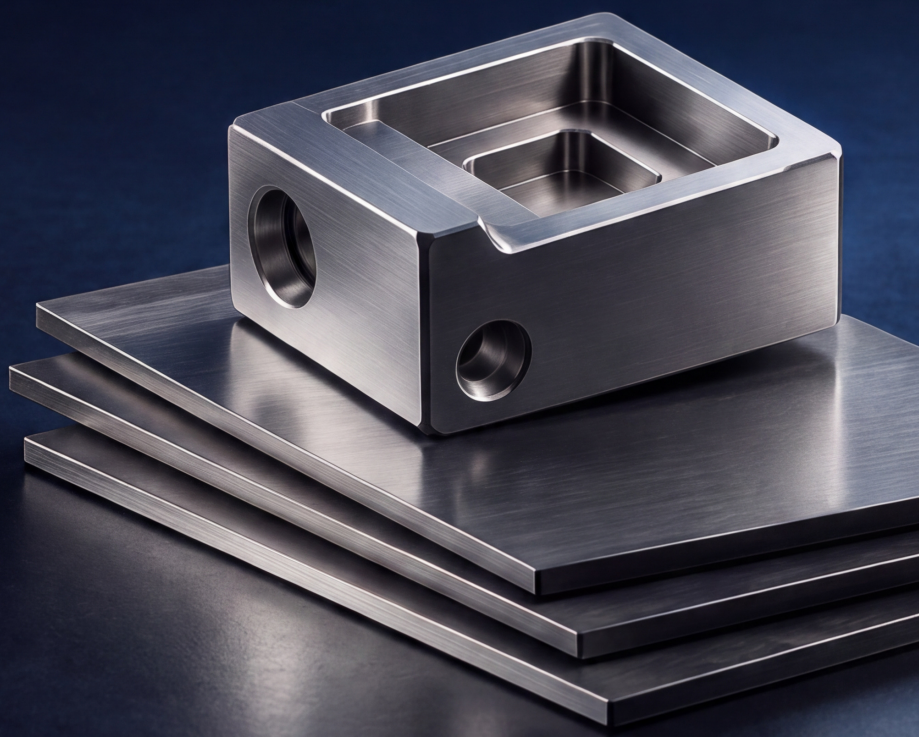
THE MACHINE
BLUE BOOK

FIELD GUIDE 02 / SELLER EDITION

Know what you keep.

Understand the number.
Define the commitment.
Document the handover.

Independent machinery knowledge.
A clearer view of the whole transaction.



themachinebluebook.com

SELLER EDITION / OCTOBER 2026