



Michael James
Organisation

Auctioneers, Valuers and Appraisers
Commercial & Residential Property, Movable & Immovable
Asset Disposal, Business and Real Estate Broking since 1964

RULES OF AUCTION

PLACE OF AUCTION: _____

DATE & TIME OF AUCTION: _____

- 1.1 The sale by public auction is subject to a set reserve price.
- 1.2 The auctioneer or his agent shall be entitled to bid up to the reserve price on behalf of the owner/seller, however, shall not be entitled to make a bid equal to or exceeding the reserve price.
- 1.3 These "rules of auction" comply with section 45 of the Consumer Protection Act, Act 68 of 2008 ("the Act").
- 1.4 The following provisions are brought to the attention of the purchaser: Section 45 subsection (1), (2) and (3) of the Act provides that:
 - 1.4.1 In this section, "auction" includes a sale in execution of or pursuant to a court order to the extent that the order contemplates that the sale is to be conducted by a public auction.
 - 1.4.2 When goods are put up for sale by public auction in lots, each lot is, unless proven otherwise, regarded to be the subject of an individual transaction.
 - 1.4.3 A sale by public auction is determined when the auctioneer announces its completion by the fall of the hammer, or in any other manner in which the auctioneer deems it complete and until such time, a bid may be retracted.
- 1.5 The public auction will commence at the time published and will not be delayed to allow any specific person or more persons to take part in the auction.
- 1.6 A person who attends the public auction to bid on behalf of another person must produce a letter of authority that expressly authorizes him or her to bid on behalf of that person. In order for a person to bid on behalf of a company a letter authorizing him/her to do so must be received by the auctioneer prior to the commencement of the public auction this letter must be on the letterhead of the company together with an accompanied certified copy of the resolution of the said company.
- 1.7 All money will be paid into the Michael James Organisation trust account for the benefit of the seller, less any commission payable to Michael James Organisation in terms of the Conditions of Sale that applies to the public auction sale ("the Conditions of Sale"),
- 1.8 The auctioneer will during the public auction announce the reason for the public auction unless that reason is the normal and voluntary disposal of property by the seller/owner.

- 1.9 In order to bid at the public auction any person intending to bid must register his or her identity on the relevant documents (being known as a bidder's record) prior to the commencement of the public auction and such registration must meet the requirements of FICA (Financial Intelligence Centre Act, 2001) in respect of the establishment and verification of identity of the person and the person must sign the registration entry.
- 1.10 The bidder's record and the vendor roll will be made available for inspection at the offices of Michael James Organisation during normal business hours without the charge of a fee. The bidders' record will be available for inspection at the public auction.
- 1.11 The conduct of the public auction is subject to the control of the auctioneer who has the sole right to regulate the bidding procedure.
- 1.12 The sale shall be by the rise and the property shall be sold to the highest bidder subject to the public auction rules and the Conditions of Sale.
- 1.13 Every prospective bidder must read the Conditions of Sale and must not bid unless he or she has done so.
- 1.14 Every bid shall constitute an offer to purchase the property for the amount bid, which the seller or the auctioneer may accept or reject in their absolute discretion. The seller and the auctioneer are entitled, in their absolute discretion to withdraw the property from sale prior to acceptance by the seller.
- 1.15 If no bid equals or exceeds the reserve price, the property may be withdrawn from the public auction. The seller shall be entitled to instruct the auctioneer to accept any lower bid.
- 1.16 In the event of any dispute between the bidders, the decision of the auctioneer shall be final and binding.
- 1.17 If the auctioneer should make an error he shall be entitled to correct same.
- 1.18 No bid may be withdrawn after the fall of the hammer until the expiry of the confirmation period that is provided for in the Conditions of Sale, during which time the offer shall be open for acceptance by the seller or his agent and if the offer is accepted, the sale shall be deemed to be sale by public auction for purposes of the Act.
- 1.19 The highest bidder ("the purchaser") shall sign the Conditions of Sale immediately on the fall of the hammer.
- 1.20 This offer shall remain open for acceptance by the seller or by the auctioneer on behalf of the seller, until expiry of the confirmation period. **The purchaser and the auctioneer acknowledge and agree that this provision is for the benefit of the seller.**
- 1.21 The purchaser's offer shall be deemed to have been accepted only when the seller or the auctioneer, whichever may be applicable, has signed the Conditions of Sale on behalf of the seller in the space provided at the end of the Conditions of Sale and the Seller shall not be required to notify the purchaser of the acceptance of its offer prior to expiry of the confirmation period.

- 1.22 Should the seller reject the purchaser's offer, the auctioneer will repay to the purchaser any deposit and commission paid to it in terms of the Conditions of Sale.
- 1.23 In the event of the sale requiring the consent of any statutory authority or any court of law, then this public auction sale is subject to the granting of such consent.

2. **AUCTIONEER'S COMMISSION**

- 2.1 The purchaser shall be liable for and pay, in addition to the amount payable in terms of the Conditions of Sale, auctioneer's commission of _____% of his bid, plus VAT thereon, which commission shall be payable into the trust account of the auctioneer immediately upon the seller signing the Conditions of Sale as acceptance of the purchaser's bid.

I hereby certify that the auction rules to the best of my knowledge meet the requirements of draft regulations 27

AUCTIONEER

AUCTIONEER FULL NAMES: Michael Richard James
ADDRESS: 63 Victoria Street, Somerset West
CONTACT NUMBER: 021 851 7007

REGISTERED BIDDER:

I have read and understood the rules of auction and have no objection to the rules of auction not being read out at the auction, to be valid

NAME: _____

ADDRESS: _____

HOME TEL: _____ WORK TEL: _____

CEL NO: _____ FAX NO: _____

E-MAIL ADD: _____

SIGNATURE