

## **RULES OF AUCTION**

**All bidders must be FICA compliant in regulations with the Consumer Protection Act (Act 68 of 2008) as well as section 45 of the Act.**

- Powells are fully compliant with the regulations of the Consumer Protection Act (Act 68 of 2008) as well as section 45 of the Act. A copy of the regulations can be found at <http://www.info.gov.za/view/DownloadFileAction?id=99961> Any reference to “the Act” in these Rules of Auction, refer specifically to the Consumer Protection Act (Act 68 of 2008).
- Powells have a trust account into which monies will be paid for the benefit of the Seller, minus the agreed commission, as required in terms of section 21(2)(h) of the Regulations to the Act.
- Any reference to the Seller, herein contained, is as the registered owner, or legally entitled, through a court order, to dispose of the immovable property(s) which property(s) have been advertised and form part of this auction.
- The auction will commence at the published time and will not be delayed to allow any specific person or more persons to take part in the auction.
- A person who places a bid on the auction may bid on behalf of another person, real or Juristic, will be represented as a proxy on behalf of the relevant person (i.e. On behalf of a company, Close Corporation, Trust, Consortium or any Juristic person) must produce a letter of authority that expressly authorizes him or her to bid on behalf of that person and must comply with regulation 26.3 of the Consumer Protection Act.
- In the event that the above letter of authority is not produced as contemplated above then the bidder shall be deemed to be the purchaser in his/her private capacity, and will be responsible in his or hers personal capacity in accordance with the conditions of sale.
- The sale by auction is subject to a reserve price or otherwise stated.
- The auctioneer or his agent shall be entitled to bid up to a percentage of the valuation or the reserve price on behalf of the owner, but shall not be entitled to make a bid equal to or exceeding the reserve price.
- The Auctioneer shall at all times act in good faith in an open and transparent manner and in accordance with the Code of Conduct as prescribed by the South African Institute of Auctioneers (SAIA)
- The auction shall state the reason for the auction, i.e. Liquidation, Insolvent or Deceased Estate or voluntary disposal of property by the Seller.
- Any person intending to bid on the auction must register his or her identity on the bidder’s record prior to the commencement of the 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 complete the registration form, and send through the required documentation.

- The bidder's record, as contemplated in Regulation 26 of the Act, and the vendor roll, contemplated in Regulation 28(4) of the Act, are available for inspection during normal hours without the charge of a fee and will also be available for inspection at the auction.
- The conduct of the auction is subject to the control of the auctioneer who has the sole right to regulate the bidding procedure.
- The sale ends at the date and time stipulated and shall be sold to the highest bidder subject to the auction rules and the Conditions of Sale.
- Every prospective bidder must have read or be familiar with the Conditions of Sale and must not bid unless he or she has done so. A bid shall constitute proof that the bidder has acquainted him/herself with the property and that the property is deemed to be sold on an 'as is where is' basis
- 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.
- If no bid equals or exceeds the reserve price, the property may be withdrawn from the auction. The seller shall be entitled to instruct the auctioneer to accept any lower bid.
- In the event of any dispute between the bidders, the decision of the auctioneer shall be final and binding.
- Any error by the auctioneer shall be entitled to be corrected by him.
- The offer shall be open for acceptance by the Seller or his agent during the confirmation period provided for in the Conditions of Sale, and if the offer is accepted, the sale shall be deemed to be a sale by auction for purposes of the Act.
- The highest bidder ("the Purchaser") shall sign the Conditions of within 24 hours of receipt.
- The purchaser's 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'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.
- 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.
- In the event of the sale requiring the consent of any statutory or any court of law, then this auction sale is subject to the granting of such consent.
- Auctioneer's Commission. The purchaser is liable for the auctioneer's commission of 15% (Fifteen per centum) based on the price of the property / Item achieved on the auction, plus VAT thereon. The Purchaser will bear the cost of the auctioneer's commission.