

# TIMED ONLINE AUCTION

## RULES AND PROCEDURES

### RESIDENTIAL / INDUSTRIAL / COMMERCIAL

1. The Rules of the Auction meet the requirements of the **Consumer Protection Act, Act 68 of 2008** ("the Act") to the best of the Auctioneers knowledge.
2. The property will be sold **subject to reserve to the highest bidder** and subject to confirmation by the Seller who has **3 calendar days ("Confirmation Period") to accept or reject the offer**. No bid may be withdrawn after the Auction ends and the highest bidder's ("Purchaser's") offer shall remain open for acceptance by the Seller or the Auctioneer on behalf of the Seller until expiry of the Confirmation Period.
3. The Auction is subject to the control of the Auctioneer who has the sole right to regulate the bidding.
4. Each timed online Auction conducted by Empire Auctions has a **specific starting date and starting time as well as a specific completion time and completion date**. Timed Auctions will be held over a number of days and are subject to a reserve or upset price, unless otherwise indicated. An Auction is deemed to have commenced once the first bid is made. Auctions will not be delayed to enable any specific person or more persons in general to take part in the Auction. **Where bids are submitted close to the end of the Auction the auctioneer can decide to extend the Auction to afford all bidders enough time to submit their bids.**
5. **A prospective bidder cannot participate in a timed online Auction if not registered as a bidder.** The registration process includes:
  - (i) copy of the prospective bidder's SA ID or Passport;
  - (ii) proof of residence (utility bill or TV licence etc);
  - (iii) contact details (cell no and email);
  - (iv) confirmation that these Rules and Procedures have been read and understood.
6. **All registered bidders must read the offer to purchase ("OTP") before the start of the Auction and must only bid unless he or she has done so.** By making an offer on any property offered by Empire Auctions as a timed online Auction, the bidder warrants that he/she understands that making an offer is entering into a bidding process.
7. Bidding shall be in increments of South African Rands.
8. The VAT status of the property will be displayed on the website.
9. **The Auctioneer or his bona fide agent shall be entitled to bid up to the reserve price on behalf of the Seller, but not be entitled to make a bid equal to or exceeding the reserve price.**
10. Any error by the Auctioneer shall be entitled to be corrected by him/her.
11. **No "nominee bids" will be accepted.** Any agent/representative purchasing on behalf of a principal must provide a copy of the required written mandate/resolution/proxy at time of registering for the auction and must comply with the requirements of Regulation 26(3) of the Act.
12. In the event of any dispute between the bidders, the Auctioneer's decision shall be final and binding.
13. The Purchaser shall not be held liable for any arrears unless otherwise stipulated in the OTP.
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 to withdraw the property from sale prior to acceptance by the Seller.
15. 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.
16. The sale shall be deemed to be a sale for purposes of the Act.
17. **The Purchaser hereby nominates Empire Auctions Properties (Pty) Ltd as its agent for the purpose of receiving and accepting notification of acceptance of this offer.** SEP
18. 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 OTP within a reasonable time.
19. In the event of the sale requiring the consent of any statutory authority or any court of law, then this Auction sale is subject to the granting of such consent.
20. **Upon signature of the OTP by the Purchaser**, the Purchaser will pay to the Auctioneer over and above the bid price, **Auctioneer's commission equal to 10% (ten per centum) of the bid price** thereon. Such commission paid to Empire Auctions is non-refundable upon acceptance of the OTP by the Seller.
21. Auctioneer's commission shall be by the Purchaser (by EFT into the Auctioneer's nominated Trust account) in order to secure the bid.
22. **The balance of the full purchase price** of the property must be paid by the Purchaser by way of bank guarantees acceptable to the Seller, within **30 (thirty) calendar days after acceptance** of the OTP by the Seller or the Auctioneer.
23. Section 45 (1) to (4) of the Act are brought to the registered bidders' attention: "Auctions 45. (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 an Auction. (2) **When goods are put up for sale by Auction in lots, each lot is, unless there is evidence to the contrary, regarded to be the subject of a separate transaction.** (3) A sale by Auction is complete when the Auctioneer announces its completion by the fall of the hammer, or in any other customary manner, and until that announcement is made, a bid may be retracted. (4) Notice must be given in advance that a sale by Auction is subject to (a) a reserve or upset price; or (b) a right to bid by or on behalf of the owner or Auctioneer, in which case the owner or Auctioneer, or any one person on behalf of the owner or Auctioneer, as the case may be, may bid at the Auction."
24. Section 55 (1) expressly states that the **cooling off period does not apply to goods bought on Auction**: "Consumer's rights safe, good quality goods 55. (1) this section does not apply to goods bought at an Auction, as contemplated in Section 45."