

RULES OF THE AUCTION

AUCTION WITH RESERVE

General

All auctions will start exactly at the advertised time.

Auction details, property details, date and time, and any corrections (if applicable), will be announced at the auction.

Online-bidding at www.MarietjieKeetAuctioneers.co.za will be allowed.

The live auction may be broadcast via live streaming.

Registration

1. Kindly make sure that you have registered at the front desk and received your bidding number and due diligence pack as a prospective bidder cannot participate in the bidding process if not registered as a bidder and in possession of a bidder's number.
2. It is important that all **registered bidders must (i) thoroughly inspect the property, (ii) read the offer to purchase, and (iii) comply with all FICA requirements (provide proof of identity and residence) before the bidding starts and must not bid unless he or she has done so.**
3. In terms of Section 55 (1) of the Consumer Protection Act, Act 68 of 2008, the **"cooling off period" does not apply to goods bought on auction.**
4. Those who are **married within community of property** must note that your husband or wife must also be present at the auction in order to sign the offer to purchase, should you be the highest bidder.
5. A person who attends the auction to bid on behalf of another person, a company or a CC, must produce a letter of authority that authorises him/her to bid on behalf of that person or entity. A trust must already be registered and in possession of a *Letters of Authority* of the Master of the High Court.

Auction

6. We are selling per rising bid. Currency is South African Rand.
7. On the fall of the hammer, the highest bidder (the "Purchaser") is bound to his Agreement of Sale
8. The Seller (the applicable status will be announced):
 - 8.1 **is a VAT vendor** which means that VAT, calculated at 14% of the purchase price, will be payable; or
 - 8.2 **is not a VAT vendor** which means that normal duties will be payable to the Receiver of Revenue.
9. The **Purchaser shall not be held liable** for any arrears at the municipality or body corporate (if applicable).
10. This is an **Auction with Reserve**. In terms of section 45 (4)(a) in a 'reserve auction' the Seller reserves the right to accept or reject the highest bid over his 'reserve price'. The reserve price has been determined which means that a reserve price has been set by the Seller and communicated to the Auctioneer.
 - 10.1 **If the Reserve price is met**, the auction becomes absolute and the property is sold to the highest bidder and an Agreement of Sale is concluded (**Regulation 28(8) of the CPA**).
 - 10.2 In the event that the highest bid **falls short** of the Reserve price, the Auctioneer will, in terms of **regulation 28(6)** of the CPA, knock the property "subject to confirmation" in order to allow the Seller to confirm or reject the highest bidder's offer during the acceptance period. The acceptance period in this instance

is 2 (two) business days. Therefore, the Seller will have 2 (two) business days in which to accept or reject the Offer to Purchase.

- 10.3 Should any subsequent bid be received from a third party during such acceptance period, the new third party bidder will register in terms of the original auction rules and will have only one opportunity to submit a higher bid. Should a higher bid be submitted, the highest bidder of the first instance shall have the sole right of refusal to equal or better such subsequent bid obtained.
- 10.4 The Offer to Purchase shall be deemed to have been accepted when the Seller signs the Offer to Purchase.
11. The highest bidder or his representative with a written Power of Attorney, shall complete and sign the Agreement of Sale or Offer to Purchase on the fall of the hammer at the Auctioneer's front desk.
12. The Purchaser may not alter, amend or withdraw the Agreement of Sale or the Offer to Purchase.

Auctioneer

13. The conducting of the auction is subject to the control of the Auctioneer of the day who has the sole right to regulate the bidding procedure.
14. In terms of **section 45(4)(b) of the CPA**, the Seller or his/her agent shall be entitled to bid up to the reserve price on behalf of the owner, but shall not be entitled to make a bid equal to or exceeding the reserve price.

Payments

15. The Purchaser shall be liable for the following 3 (three) payments:
 - 15.1 The **Purchase price**, payable into the trust account of the Conveyancer appointed by the Seller. Although the Purchaser has **60 days** to deliver guarantees to the conveyancer, guarantees are only for the convenience of the purchaser. If the Purchaser does not get a loan at the bank, the Purchaser shall still be liable for payment.
 - 15.2 The **Auctioneer's commission** (calculated at 10% of the purchase price) plus VAT, payable into the trust account of the auctioneers attorneys. The Purchaser shall make payment:
 - Where the Reserve price is met: Within 2 (two) business days from date of the Auction; or
 - Where the Reserve price was not met and an offer to purchase was made by the Purchaser: Within 2 (two) business days after date of signature, by the Seller, of the Offer to Purchase.
 - 15.3 **Transfer costs** at the Conveyancing attorneys.
16. **The Vendor's role** will be available at the Auction House for a period of 3 (three) years, calculated from date of auction.
17. On the fall of the hammer, the auction formally comes to an end. In the event that the Auctioneer concludes with the words: "sold subject to confirmation by the Seller", these words will be regarded as uttered in a customary manner to complete the sale (**Regulation 28(6)** of the CPA) and the auction will come to an end after the said words.
18. The rules of the auction meet the requirements as set out in the Consumer Protection Act.

Time will be given for questions.

The **Rules of the Auction** forms an important part of the Auction sale.