



Stonehenge Auctions (Pty) Ltd

Auction Rules

Stonehenge Auctions (Pty) Ltd

Reg nr: 2014/128383/07

Vat Reg nr: 4530266941

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RULES OF AUCTION

1 INTERPRETATION

In these rules of auction -

- 1.1 clause headings shall not be used in its interpretation;
- 1.2 unless the context clearly indicates a contrary intention -
 - 1.2.1 an expression which denotes -
 - 1.2.1.1 any gender includes the other gender;
 - 1.2.1.2 a natural person includes an artificial person and vice versa;
 - 1.2.1.3 the singular includes the plural and vice versa;
 - 1.2.2 the following expressions shall bear the following meanings and related expressions bear corresponding meanings –
 - 1.2.2.1 “Act” – the Consumer Protection Act, Act 68 of 2008, as amended from time to time;
 - 1.2.2.2 “auction” – the auction to be conducted on the date and at the venue stipulated hereinabove;
 - 1.2.2.3 “auction house” – Stonehenge Auctions Proprietary Limited (registration number 2014/128383/07);
 - 1.2.2.4 “auctioneer” – the auctioneer referred to hereinabove, acting in his capacity as duly authorised representative of the auction house;
 - 1.2.2.5 “bidder” – any person registered to bid at the auction;
 - 1.2.2.6 “bidder’s record” – the bidder’s record recording the identity of all the bidders at the auction as contemplated in Regulation 26 of the Act;

- 1.2.2.7 “mandate agreement” – the mandate agreement executed between the auction house and the seller in terms of which, inter alia, the seller granted to the auction house the sole and exclusive mandate to market and sell the property on its behalf;
- 1.2.2.8 “Regulations” – the Regulations that have been published in terms of the Act;
- 1.2.2.9 “rules of auction” – these rules of auction;
- 1.2.2.10 “sale agreement” – the offer/sale agreement to be executed between the seller, the auction house and the highest bidder upon the fall of the hammer, in terms of which, inter alia, the terms and conditions upon which the highest bidder offers to purchase the relevant property from the seller is recorded and regulated;
- 1.2.2.11 “seller” – the person on whose behalf the relevant property/ies is/are being sold by the auctioneer and who has signed the declaration contemplated in Regulation 27 of the Act stating that he is the rightful owner or holder of the relevant property/ies and submitted same to the auctioneer;
- 1.2.2.12 “VAT” – value added tax as defined in the VAT Act;
- 1.2.2.13 “VAT Act” – the Value Added Tax Act, Act 89 of 1991, as amended from time to time;
- 1.2.2.14 “vendor’s roll” – the vendor’s roll in which all the details of the auction are recorded as contemplated in Regulation 28(4) of the Act;
- 1.2.3 any word or expression to which a meaning has been assigned in the Act shall have the same meaning in the rules of auction;

1.2.4 a reference to –

1.2.4.1 “business day” shall be construed as being any day other than a Saturday, Sunday or public holiday in the Republic of South Africa;

1.2.4.2 “business hours” shall be construed as being the hours between 08h30 and 17h00 on any business day.

2 RULES OF AUCTION

2.1 Each bidder must read these rules of auction and must not bid unless he/she/it has done so.

2.2 The rules of auction need not be read at the auction if –

2.2.1 they were made available twenty four hours prior to the commencement of the auction;

2.2.2 in the case of a livestock or game auction as contemplated in Regulation 33 of the Act, they are the same as for previous auctions and are generally available on the auction house or the auctioneer’s website, or at the auction house or the auctioneer’s business premises during business hours; or

2.2.3 in the case of a closed auction, they were made available to all persons to whom an invitation to take part in that auction was issued.

2.3 The sale by auction is subject to a reserve price.

2.4 The auction house, the auctioneer and/or the auction house’s agent shall be entitled to bid up to the reserve price on behalf of the seller, but shall not be entitled to make a bid exceeding the reserve price.

2.5 The rules of auction comply with section 45 of the Act and the Regulations.

2.6 As provided for in section 45(2) of the Act, when properties 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.

- 2.7 The auction will commence at the published time and will not be delayed to allow any specific person or more persons in general to take part in the auction.
- 2.8 Anyone that intends to bid at the auction must register his/her/its identity on the bidder's record prior to the commencement of the auction. Such registration must meet the requirements of Chapter 1 of the regulations in terms of the Financial Intelligence Centre Act, Act 38 of 2001, as amended from time to time, in respect of the establishment and verification of identity of the person, and the person must sign the registration entry.
- 2.9 A person ("the representative") who attends the auction to bid on behalf of another person ("the principal") must produce a letter of authority that expressly authorises the representative to bid on behalf of the principal and the representative and the principal must meet the requirements set out in clause 2.8. Where the representative is bidding on behalf of a company or a close corporation or a trust, the representative must, prior to the auction, furnish the auction house with a currently dated letter on the letterhead of such company or close corporation or trust (whichever is applicable) (which letter in the case of a trust must be signed by all the trustees of such trust) and must be accompanied by a certified copy of the resolution by the board of directors of the company or members of the close corporation or all the trustees of the trust (whichever is applicable) authorising the representative to represent such company, close corporation or trust, whichever is applicable, at the auction and to bid on its behalf.
- 2.10 The bidder's record and the vendor's roll will be made available for inspection at the offices of the auction house during business hours, without the charge of a fee. The bidders' record will also be available for inspection at the auction.
- 2.11 The auction house has a trust account which is audited in terms of the Estate Agency Affairs Act, Act 112 of 1976, as amended from time to time and into which all monies will be paid for the benefit of the seller, minus the agreed commission.

- 2.12 The auctioneer will during the auction announce the reason for the auction unless the reason is the normal and voluntary disposal of property by the seller.
- 2.13 The conduct of the auction is subject to the control of the auctioneer who has the sole right to regulate the bidding procedure.
- 2.14 The sale shall be by the rise and fall of the hammer and the property shall be sold to the highest bidder subject to these rules of auction and the sale agreement.
- 2.15 If no bid equals or exceeds the reserve price, the property may be withdrawn from the auction, however, the seller shall be entitled to instruct the auctioneer to accept any lower bid.
- 2.16 Should any dispute arise between the bidders and/or any of the bidders and the auctioneer, the decision of the auctioneer shall be final and binding.
- 2.17 Any error by the auctioneer may be corrected by him.
- 2.18 No bid may be withdrawn after the fall of the hammer until the expiry of the offer period that is provided for in the sale agreement being five business days after the date on which the relevant purchaser signs the sale agreement, during which time the offer shall be open for acceptance by the seller or his agent (or the auction house on the seller's behalf) and if the offer is accepted, the sale shall be deemed to be a sale by auction for purposes of the Act.
- 2.19 The highest bidder shall sign the sale agreement immediately on the fall of the hammer.