



Auctioneers, Valuers and Appraisers - Established 1964

Michael James Organisation

CAPE TOWN – JOHANNESBURG – PORT ELIZABETH

RULES OF AUCTION

ONLINE IMMOVABLE PROPERTY

COVID-19 PRECAUTIONS APPLY

OPENING DATE & TIME OF ONLINE AUCTION	14 April 2021 @ 10H00
CLOSING DATE & TIME OF ONLINE AUCTION	14 April 2021 @ 13H00
TYPE OF AUCTION	Immovable Property
AUCTION DEPOSIT	R20,000.00
COSTS / FEES	6.5% Buyers Commission (Excluding VAT)
NAME & CONTACT DETAILS OF AUCTION HOUSE	Michael James Organisation, 2 North Street, Northend, Port Elizabeth Phone: (041) 487 3957 Email: online@michaeljames.co.za
NAME OF AUCTIONEER	Andrew James

1 GENERAL

- 1.1 The sale by Auction is subject to confirmation by the Trustees/Liquidators/Executors/Bondholders/Sellers/Attorneys.
- 1.2 The Auctioneer or his agent shall be entitled to bid up at the Auction on behalf of the Seller or as proxy for a registered bidder.
- 1.3 These rules of Auction comply with section 45 of the Consumer Protection Act, Act 68 of 2008 ("the Act") and all regulations promulgated in terms of the Act ("the Regulations").
- 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 an Auction.
 - 1.4.2 When goods are put up for sale by Auction in lots, each lot is, unless proven otherwise, regarded to be the subject of an individual transaction.

- 1.4.3 A sale by Auction is determined when the Auctioneer announces its completion by the fall of the hammer or when the Online bid is closed, or in any other customary manner and until that announcement is made, a bid may be retracted.
- 1.5 The 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 Registered bidders participating in the Online Auction must be aware that the Auction House cannot accommodate for slow or lost internet connections. The Auction house accepts no responsibility for loss of a potential purchase should a bid not be recorded as a result of the bidder being disconnected from the Online Auction.
- 1.7 All monies payable in respect of the purchase price and deposit will be paid into the Seller's duly appointed conveyancer's ("the conveyancer") trust account for the benefit of the Seller in terms of the Conditions of Sale that applies to the public Auction sale ("the Conditions of Sale").
- 1.8 Any commission payable to Michael James Organisation in terms of the Conditions of Sale will be paid into the Michael James Organisation Property Trust account.
- 1.9 The Conditions of Sale will be available for inspection on the Auctioneer's website and at the Auctioneer's offices at least 24 hours prior to the commencement of the Auction.
- 1.10 The Auctioneer will during the Auction announce the reason for the Auction unless that reason is the normal and voluntary disposal of property by the Seller/owner.
- 1.11 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.
- 1.12 The conduct of the Auction is subject to the control of the Auction house who has the sole right to regulate the bidding procedure.
- 1.13 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.
- 1.14 Every prospective bidder must read the Conditions of Sale and must not bid unless he or she has done so.
- 1.15 Every Online 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.
- 1.16 Bidders be aware that each bid amount represents the purchase price only and excludes, *inter alia*, valued added tax (where applicable), transfer duty, Auctioneer's commission and/or all or any other amount payable by operation of law in order to effect the transaction.
- 1.17 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.
- 1.18 In the event of any dispute between the bidders, the decision of the Auction house shall be final and binding.
- 1.19 If the Auction house should make an error the Auction house shall be entitled to correct same.
- 1.20 No bid may be withdrawn after the Online bidding has closed 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.
- 1.21 The highest bidder ("the Purchaser") (and surety, where applicable) shall sign the Conditions of Sale immediately upon request by the Auction house. If the Purchaser fails to furnish the Auction house with the signed Conditions of Sale, the Auction house may declare the transaction cancelled by notice to the Purchaser to that effect and sell the property to the second highest bidder.
- 1.22 This offer shall remain open for acceptance by the Seller or by the Auction house on behalf of the Seller, until expiry of the confirmation period. **The Purchaser and the Auction house acknowledge and agree that this provision is for the benefit of the Seller.**

- 1.23 The Purchaser's offer shall be deemed to have been accepted only when the Seller or the Auction house, 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.
- 1.24 Upon acceptance of the highest bid by the Seller, an enforceable sale agreement shall come into existence as between the Seller and the Purchaser (or where the bidder represents a third party, the third party whom the bidder represents) on the terms and conditions as set out in these Rules and the Conditions of Sale.
- 1.25 Should the Seller reject the Purchaser's offer, the Auction house will repay to the Purchaser any deposit and commission paid to the Auction house in terms of the Conditions of Sale.
- 1.26 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.

2 REGISTRATION/REPRESENTATION OF THIRD PARTIES

- 2.1 Consumers wishing to participate in the Auction must register their identity with the Auction house prior to the commencement of the Auction and as provided in this clause 2.
- 2.2 The Auction house may not accept bids from consumers who are not registered in accordance with these rules of Auction.
- 2.3 Consumers wishing to bid at the Auction must furnish the Auction house, prior to the commencement of the Auction, with their:-
- 2.3.1 name and identity or passport number;
- 2.3.2 physical address, postal address, telephone number, telefax number, cellular number and e-mail address.
- 2.4 Bidders must be aware that the Auction house is required to verify the bidder's identification and address details in accordance with Chapter One of the regulations in terms of the Financial Intelligence Centre Act 2001 published in Notice No. R.1595 in Gazette No. 24176 of 20 December 2002 (the "FICA Regulations"). The FICA Regulations oblige the Auctioneer to obtain the following information and documentation:-
- 2.4.1 an identification document of the bidder; or
- 2.4.2 in the case where the bidder is, for a reason that is acceptable to the Auction house, unable to produce an identification document:-
- 2.4.2.1 another document issued to that bidder, which, taking into account any guidance notes concerning the verification of identities which may apply to the Auction house, is acceptable to the Auction house and bears:- (aa) a photograph of the bidder; (bb) the bidder's full names or initials and surname; (cc) the bidder's date of birth; (dd) the bidder's identity number, and;
- 2.4.2.2 any of the above particulars with information which is obtained from any other independent source, if it is believed to be reasonably necessary taking into account any guidance notes concerning the verification of identities which may apply to the Auction house;
- 2.4.2.2.1 a document issued by the South African Revenue Service bearing the income tax number and the name of the bidder;
- 2.4.2.2.2 a utility bill or other documentation verifying the residential address of the bidder.
- 2.5 It is in the sole discretion of the Auction house to determine whether the information which was provided complies with the requirements stipulated in the FICA requirements.
- 2.6 A consumer who registers for the Auction to bid on behalf of another person (the "Principal") must:-
- 2.6.1.1 fully comply with the provisions set out in clauses 2.1 – 2.4 above;
- 2.6.1.2 produce a letter of authority signed by both the Principal and the bidder in which the Principal expressly authorises the bidder to bid and to conclude a transaction on behalf of the Principal;

- 2.6.1.3 produce the name and identity number, physical address, postal address, telephone number, telefax number and e-mail address of the Principal together with verification as required in clause 2.4 above.

For the sake of clarity it is hereby recorded that both the bidder and the Principal are required to comply with the registration provisions set out in clauses 2.1 – 2.4 hereof.

2.7 In addition to clause 2.4 above, where a bidder is bidding on behalf of a juristic person:-

2.7.1 the letter of authority must appear on the letterhead of the juristic person and must be accompanied by a certified copy of the resolution authorizing the bidder to bid and sign the conditions of sale on behalf of said juristic person;

2.7.2 the bidder is obliged to bind himself/herself as surety on behalf of the juristic person, and providing security for the obligations of the juristic person.

2.8 If the person (or the Principal whom the bidder represents) is not a natural person (referred to hereinafter as the "Entity") the Auction house may refuse to register the bidder (as representative of the Entity) unless the Entity has furnished the Auction house with a suretyship executed:-

2.8.1 by a natural person;

2.8.2 in favour of the Seller and the Auction house;

2.8.3 binding himself/herself as surety with and on behalf of the Entity;

2.8.4 for the due fulfillment by the Entity of its obligations to the Seller and the Auction house in terms of these rules of Auction and in respect of any transaction concluded pursuant to a successful bid.

3 REGISTRATION DEPOSIT

A fully **refundable registration deposit of R20,000.00 (Twenty Thousand Rand)** shall be paid by the Purchaser to the Auction House in order to participate in the Online Auction. Accepted forms of payment are bank transfer (EFT) only. We do NOT accept payment by cheque, credit card, debit card or cash. Should the bidder be unsuccessful at the Auction the registration deposit shall be refunded within three days.

4 DEPOSIT AND AUCTIONEER'S COMMISSION

A deposit of **10% (Ten Percent)** of the purchase price shall be paid at the conclusion of the Online Auction and on request by the Auction house by the Purchaser to the Auction house for the benefit of the Seller, which deposit the Auction house is authorised to pay over to the conveyancer, the Purchaser shall be liable for and pay, in addition to the amounts payable in terms of the Conditions of Sale, Auctioneer's commission of **6.5% (Six point five percent) plus vat thereon.**

5 AUCTION COSTS

In compliance with Regulation 21(2)(l) to the Act, the Auction house hereby notifies that the total costs of advertising and conducting the Auction is as follows:-

5.1 Immovable Property

In relation to immovable property: -

Advertising costs of R6,900,00 (Six Thousand Nine Hundred Rand) VAT inclusive;

4.1.1 Auctioneer's commission in an amount equal to **6.5%** of the purchase consideration;

4.1.2 15% VAT is excluded in the Auctioneer's commission.

The Auction house hereby certifies that the rules of Auction, to the best of their knowledge meets the requirements of the Act and any/all the regulations thereto.

SIGNED BY THE AUCTION HOUSE ON THIS 14th day of April 2021



ANDREW JAMES (MICHAEL JAMES ORGANISATION)

REGISTERED ONLINE 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.

COMPANY NAME (IN FULL) (PTY) LTD / CC / SOLE PROPRIETOR	
REGISTRATION NUMBER	
VAT NUMBER	
PRIVATE CAPACITY (FULL NAME & SURNAME AS PER ID)	
IDENTITY / PASSPORT NUMBER	
NATIONALITY	
CELL NUMBER	
HOME NUMBER	
EMAIL ADDRESS	
POSTAL ADDRESS	PHYSICAL ADDRESS

SIGNATURE / AUTHORISED SIGNATORY