Auctioneers, Valuers and Appraisers - Established 1964

Michael James Organisation

CAPE TOWN – JOHANNESBURG – PORT ELIZABETH

RULES OF AUCTION

DATE OF AUCTION	**TBC**
TYPE OF AUCTION	**Immovable Property**
PLACE OF AUCTION	**Onsite – 48 Willow Drive, Fort Gale, Umtata Ext 8**
TIME OF AUCTION	**10h00**
NAME & CONTACT DETAILS OF AUCTION HOUSE	**Michael James Organisation, 2 North Street, North End**
NAME & CONTACT DETAILS OF AUCTIONEER	**Andrew James** **Tel: (041) 487 3957** **E-mail: info@michaeljames.co.za**

1 **GENERAL**

1.1 The sale by public auction is subject to confirmation by the Trustees/Liquidators/Executors/ Bondholders.

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 a public auction.

1.4.2 When goods are put up for sale by public auction in lots, each lot is, unless proven otherwise, regarded to be the subject of an individual transaction.

1.4.3 A sale by public auction is determined when the auctioneer announces its completion by the fall of the hammer, or in any other manner in which the auctioneer deems it complete and until such time, a bid may be retracted.

1.5 The public 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 All monies payable in respect of the purchase price and deposit will be paid into the seller's duly appointed conveyancer's ("the conveyance") 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").

1.7 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.

1.8 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 and will also be available for inspection at the auction. The auctioneer is in law entitled to proceed with the auction without reading out the Conditions of Sale, if no bidders object.

1.9 The auctioneer will during the public auction announce the reason for the public auction unless that reason is the normal and voluntary disposal of property by the seller/owner.

1.10 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. The bidders' record will be available for inspection at the public auction.

1.11 The conduct of the public auction is subject to the control of the auctioneer who has the sole right to regulate the bidding procedure.

1.12 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.

1.13 Every prospective bidder must read the Conditions of Sale and must not bid unless he or she has done so.

1.14 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, in their absolute discretion to withdraw the property from sale prior to acceptance by the seller.

1.15 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.

1.16 If no bid equals or exceeds the reserve price, the property may be withdrawn from the public auction. The seller shall be entitled to instruct the auctioneer to accept any lower bid.

1.17 In the event of any dispute between the bidders, the decision of the auctioneer shall be final and binding.

1.18 If the auctioneer should make an error he shall be entitled to correct same.

1.19 No bid may be withdrawn after the fall of the hammer 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.

1.20 The highest bidder ("the purchaser") (and surety, where applicable) shall sign the Conditions of Sale immediately on the fall of the hammer. If the Purchaser fails to furnish the auctioneer with the signed Conditions of Sale, the auctioneer may declare the transaction cancelled by notice to the Purchaser to that effect and sell the property to the second highest bidder.

1.21 This 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 and the auctioneer acknowledge and agree that this provision is for the benefit of the seller**.

1.22 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 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.

1.23 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.

1.24 Should the seller reject the purchaser's offer, the auctioneer will repay to the purchaser any deposit and commission paid to the auctioneer in terms of the Conditions of Sale.

1.25 In the event of the sale requiring the consent of any statutory authority or any court of law, then this public 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 auctioneer prior to the commencement of the auction and as provided in this clause 2.

2.2 The auctioneer 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 auctioneer, 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 be aware that the auctioneer 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 auctioneer, 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 auctioneer, is acceptable to the auctioneer 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 auctioneer;

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 auctioneer to determine whether the information which was provided complies with the requirements stipulated in the FICA requirements.

2.6 A consumer who attends 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 auctioneer may refuse to register the bidder (as representative of the Entity) unless the Entity has furnished the auctioneer with a suretyship executed:-

2.8.1 by a natural person;

2.8.2 in favour of the Seller and the auctioneer;

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 auctioneer in terms of these rules of auction and in respect of any transaction concluded pursuant to a successful bid.

3 DEPOSIT AND AUCTIONEER'S COMMISSION

A cash deposit of **10% (Ten Percent)** of the purchase price shall be paid on the fall of the hammer by the purchaser to the auctioneer for the benefit of the seller, which deposit the auctioneer is authorized 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 **7% (Seven Percent) plus vat thereon.**

4 AUCTION COSTS

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

4.1 <u>Immovable Property</u>

In relation to immovable property: -

Advertising costs – To be paid by the Sellers.

4.1.1 Auctioneer's commission in an amount equal to **7%** of the purchase consideration;

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

5 **PRIVACY POLICY**

By participating in an auction / engaging our services, you consent to the processing of your personal information for purposes related thereto in line with the Protection of Personal Information Act 4 of 2013, and furthermore in line with our Privacy Policy (readily available on our website or upon request).

The auctioneer hereby certifies that the rules of auction, to the best of his knowledge meet the requirements of the Act and any/all the regulations thereto.

SIGNED BY THE AUCTIONEER ON THIS 27th July 2026

_____

ANDREW JAMES

REGISTERED 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

NAME (PRIVATE CAPACITY / COMPANY): _____

IDENTITY NUMBER / REGISTRATION NUMBER: _____

VAT NUMBER: _____

ADDRESS: _____

_____

HOME TEL: _____ WORK TEL: _____

CELL NO: _____ FAX NO: _____

E-MAIL ADD: _____

_____SIGNATURE