



**TIRHANI**  
AUCTIONEERS

# RULES OF AUCTION: ONLINE MOVABLE ASSETS

**Seller:** Absa Boksburg

**Viewing and Dispatch** (1) 8 Top Road, Boksburg and

**Addresses:** (2) 4 Van Dyk Road, Benoni


**GPS:**

**Viewing Date:** 21<sup>st</sup> May 2021 – 24<sup>th</sup> May 2021

**Viewing Time:** 08:30 – 15:30

	Date	Time
<b>Auction Opening:</b>	<b>24<sup>th</sup> May 2021</b>	<b>10:00</b>
<b>Auction Closing:</b>	<b>25<sup>th</sup> May 2021</b>	<b>12:00</b>

## Auction Type

<b>Absolute</b>	<input type="checkbox"/>	<b>Reason for auction (Insolvency, Divorce, etc):</b> Normal and voluntary disposal of goods by the owner
<b>Reserved</b>	<input checked="" type="checkbox"/>	
<b>Sale by Court Order</b>	<input type="checkbox"/>	
<b>Sale in Execution</b>	<input type="checkbox"/>	
<b>Insolvency Auction</b>	<input type="checkbox"/>	
<b>Divorce Auction</b>	<input type="checkbox"/>	
<b>With Additions/Supplemented:</b>	<input type="checkbox"/>	
<b>Auctioneers' Name:</b>	<b>Tirhani Mabunda</b>	
<b>Auctioneers' Contact Number:</b>	011 608 2280	
<b>Signed as correct by the Auctioneer:</b>		

These Rules of Auction comply with Section 45 of the Consumer Protection Act No68, 2008 are available in printed format from The Tirhani Auctioneers Offices at 1 Centex Close, Eastgate Ext 4, Sandton, Gauteng between 08h30 and 16h30, Mondays to Fridays excluding public holidays or can be downloaded from our website [www.tirhani.co.za](http://www.tirhani.co.za)

Tirhani Auctioneers Gauteng cc; Registration No. 2008/016935/23

**Physical Address:** 1 Centex Close/Corner Katherine Street | Eastgate Ext 4 | **SANDTON** | 2090

**Postal Address:** P.O. Box 2591 | **RIVONIA** | 2128 | **Tel:** +27 (0) 11 608 2280 | **Fax:** +27 (0) 86 605 0350

**Website:** [www.tirhani.co.za](http://www.tirhani.co.za) | **Email:** [info@tirhani.co.za](mailto:info@tirhani.co.za)

**Members:** Dr. T.E. Mabunda | Mrs V Mabunda-Jones



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

### A. GENERAL DEFINITIONS

For purposes of clarity, the following definitions are applicable to Tirhani Auctioneers' General Rules of Auction:

<b>"asset/property"</b>	means any asset/property (movable or immovable). <b>"Goods"</b> has the same meaning as <b>"asset"</b> .
<b>"bid"</b>	means a bidder's offer to buy goods/property at an auction, indicated by (a) any sign (raise of a hand, nodding, winking, etc.) to the auctioneer or his/her assistants, or any other communicable gesture, or (b) regulated electronically by the online auction platform. Bids are usually in standardized increments established in agreement during bargaining between the auctioneer and bidders or electronically by the online auction platform.
<b>"bidder"</b>	means a person, natural or juristic, who has registered to purchase <b>"goods/property"</b> at an auction.
<b>"buyer"</b>	means the bidder who is the highest bidder of goods/property or lots offered on auction when bidding on an item closes on the online auction platform or when the auctioneer announces the sale of the item by dropping the hammer/gavel or in any other customary means. <b>"Purchaser"</b> has the same meaning as <b>"buyer"</b> .
<b>"confirmation period"</b>	means the period during which a seller must either confirm or reject an offer made by the highest bidder after the completion of an auction. The highest bidder is bound by the Rules of Auction and shall not have the opportunity to withdraw his/her offer until the seller has confirmed the sale, or the predetermined confirmation period has expired.
<b>"CPA"</b>	means the Consumer Protection Act, No. 68 of 2008 as amended together with Regulations 18-33.
<b>"live auction"</b>	means a competitive disposal process whereby prospective buyers congregate physically on-site and the auctioneer takes bids from the floor using the outcry <b>"bidding" / "chanting"</b> method.
<b>"lot"</b>	means any unit/item or group of units/items of goods/property identified and listed for sale at an auction.
<b>"online auction"</b>	means a digital internet-based auction whereby buyers bid against each other with the auction platform acting as an invisible auctioneer by regulating the entire bidding process and updating bid prices/increments real time until the highest bidder wins at the close of bidding for each lot / item.
<b>"owner"</b>	means a natural or juristic person who is the rightful owner of the assets/property, and who has the right to sell the assets/property, including that person's successors and assigns and an agent of that person.
<b>"purchase price"</b>	means the price offered by the highest bidder and accepted by the online auction platform or announced by the auctioneer at the fall of the hammer/gavel or in any other customary means when bidding closes on an item.
<b>"reserve price"</b>	means the minimum price that a seller is willing to accept for goods/property listed for sale at an auction.
<b>"rules of auction"</b>	means the terms and conditions governing all auctions conducted by Tirhani Auctioneers, consisting of the following sections: (A) Definitions, (B) Compliance, (C) Acknowledgement of the Rules of Auction, (D) General Rules of Auction, (E) Specific Live and Online Auction Rules, (F) Specific Rules of Auction for Online Movable, Immovable and Livestock/Game Assets/Property. The Rules of Auction also incorporate the following annexures, <b>Annexure A</b> : FICA Requirements, <b>Annexure B</b> : Letter of Authority, <b>Annexure C</b> : Bidders Participation Forms, <b>Annexure D</b> : Catalogue of Assets and <b>Annexure E</b> : Offer to Purchase (OTP).
<b>"runner"</b>	notwithstanding the provisions of the <b>"voetstoots"</b> clause defined herein, runner means a vehicle whose engine starts (sometimes by jump starting or the ignition bridging) but may not necessarily be driven off the auction site. Neither the auctioneer nor the seller has any duty to repair, and the act of starting vehicles does not an express or implied guarantee or warranty regarding the condition and fitness of the vehicle for a particular use.
<b>"seller"</b>	means a natural or juristic person who has the right to sell assets on auction, and effectively signs the mandate to sell the goods/property but is not necessarily the owner or rightful holder.
<b>"STC"</b>	means <b>'subject to confirmation'</b> by the seller when the sale of goods/property is not completed at the fall of the hammer in a live auction or at the conclusion of bidding in an online auction because reserve has not been met.
<b>"voetstoots"</b>	means the selling of goods/property in their present condition on auction, <b>"as is"</b> , <b>"where is"</b> , with no express or implied guarantees or warranties regarding the condition and fitness of the goods/property for a particular use. Buyers participate in auctions and bid at their own risk; hence they are advised to inspect the goods/property on offer prior to the commencement of the auction.
<b>"vendor bidding"</b>	means an auction where the owner or auctioneer, or any person on behalf of the owner or auctioneer bids at the auction with the intention to protect the reserve price. For vendor bidding to be legal, it must be announced upfront to bidders and must only be used to bid up to the reserve price but not equal to or exceeding the reserve price.
<b>"webcast auction"</b>	means a simulcast <b>'live on-site'</b> auction with an auctioneer taking bids from the floor and <b>'online'</b> internet buyers bidding real time online.

### B. COMPLIANCE WITH STATUTORY REQUIREMENTS

- i. Tirhani Auctioneers' Rules of Auction are fully compliant with Section 45 [sub-sections 1-5] of the CPA and Regulations 18 - 33. An extract of section 45 of the Act appears below:

#### **Section 45 [ss 1-5]: Auctions**

- (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/property 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 reserved 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.
- (5) Unless notice is given in advance that a sale by auction is subject to a right to bid by or on behalf of the owner or auctioneer; (a) the owner or auctioneer must not bid or employ any person to bid at the sale, (b) the auctioneer must not knowingly accept any bid from a person contemplated in paragraph (a), and (c) the consumer may approach a court to declare the transaction fraudulent, if this subsection has been violated.



## **RULES OF AUCTION FOR ONLINE MOVABLE ASSETS**

- ii. Tirhani Auctioneers also complies with the following statutory requirements:
  - (a) All other applicable laws in respect of selling immovable property by way of auction in accordance with regulation 18 (7) of the CPA.
  - (b) Specific provisions applicable to the categories of auctions provided for in regulations 32 and 33 in respect of selling motor vehicles and livestock, game, and closed auctions in accordance with regulation 18 (8) of the CPA.
- iii. These Rules of Auction meet the requirements of regulation 21 of the CPA and are signed by the auctioneer responsible for the auction.

### **C. ACKNOWLEDGEMENT OF THE RULES OF AUCTION**

- i. These Rules of Auction are the complete and final record of the terms and conditions governing all auctions conducted by Tirhani Auctioneers, and unless any specific warranties, undertakings or representations are set out herein, they are excluded.
- ii. The Rules of Auction in their entirety shall form the basis of the bidding and bargaining carried out between the auctioneer / online auction platform and the bidders and govern the rules of each sale so concluded.
- iii. In the event of a contradiction between the General Rules of Auction and the Specific Rules of Auction, the Specific Rules of Auction will take precedence.
- iv. As per sub-regulation 21 (8) (a) of the CPA, the Rules of Auction do not have to be read out or announced at the auction to be valid, as long as they were made available to the general public prior to the commencement of the auction, (a) at least 24 hours for movable assets, and (b) at least five (5) working days for immovable assets, either in printed format from the auctioneer's place of business or electronically from the auctioneer's website.
- v. The act of not reading or announcing the Rules of Auction in their entirety prior to the commencement of the auction should in no way be construed as an omission or admission that the Rules of Auction are not applicable.
- vi. The act of registering for the auction, signing the bidders' participation form and participation in the auction by any bidder shall be taken as confirmation that the bidder has read, understood, and accepts to be bound by the Rules of Auction.
- vii. The auction and all matters connected with the auction including the Rules of Auction are governed by the laws of the Republic of South Africa and the bidder, including foreign bidders' consent to the jurisdiction of South African courts.
- viii. For purposes of legal proceedings, the bidder shall be deemed to have selected and appointed as his or her domicilium citandi et executandi the address recorded by him or her on the bidder participation form upon registration.
- ix. Tirhani Auctioneers shall be entitled to institute legal proceedings at any Magistrates Court having jurisdiction against the purchaser to recover the settlement contemplated in clauses D (4) (4.3) and (4.4) of the Rules of Auction herein, and any legal costs, disbursements and charges calculated on the basis of an Attorney and own client scale.

### **D. GENERAL RULES OF AUCTION**

#### **1. MANDATORY INFORMATION REQUIRED BY THE CPA AND REGULATIONS**

- 1.1. The auction must be advertised in compliance with regulations 19 and 20 of the CPA, and the advertisement must be placed in such a manner that the general public is given a reasonable opportunity to become aware of the auction, the goods/property on offer and the rules governing the auction.
- 1.2. As per sub regulation 28 (5) of the CPA, bidders must be afforded a reasonable period of time and opportunity to inspect the goods/property on offer prior to the commencement of the auction.
- 1.3. As per section 45 (2) of the CPA, when goods/property 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.
- 1.4. The auction will commence at the published time and it will not be delayed to enable any specific person or more persons in general to take part in the auction.
- 1.5. As per sub-regulation 26 (2) of the CPA, every prospective bidder must, prior to the commencement of an auction, register his or her identity in the bidders' record', providing his or her positive identification, juristic registration documents, and proof of residence in terms of the Financial Intelligence Centre Act (FICA), No. 31 of 2001 published in Notice R1595 in Gazette 24176 of 20 December 2002. The FICA requirements for different categories of natural and juristic entities are contained in **Annexure A** herein.
- 1.6. As per sub-regulation 26 (3) of the CPA, if a person intends to bid on behalf of another person or entity, he or she must produce a letter of authority expressly authorising him or her to bid on behalf of that person, and both that person and the person bidding on his or her behalf must meet the requirements of sub-regulation 26 (2) of the CPA outlined in clause D (1) (1.5) of the Rules of Auction herein. A draft letter of authority is provided herewith marked **Annexure B**.
- 1.7. As per sub-regulation 26 (4) of the CPA, if a person described in clause D (1) (1.6) of the Rules of Auction herein intends to bid on behalf of a company, the letter of authority contemplated therein must appear on the letterhead of the company and must be accompanied by a certified copy of the resolution authorising him or her to do so.
- 1.8. As per sub-regulation 28 (1) of the CPA, all prospective bidders whose names appear in the bidders' record will be issued with bidder's cards with visible bidder numbers for live auctions or unique bidder numbers for online auctions.
- 1.9. As per sub-regulation 26 (5) of the CPA, the bidders' record will be available for public inspection in respect of the names of bidders and bidder's numbers only free of charge, at any time, before and after the auction at the auctioneer's place of business during normal business hours or during the auction at the premises where the auction is being held.
- 1.10. As per sub-regulation 28 (4) of the CPA, the auctioneer will keep a vendor's roll in which all prescribed details of the goods/property offered on auction will be recorded. The vendor's roll will be available for public inspection, at any time, free of charge.
- 1.11. As per sub-regulation 21 (2) (h) of the CPA, the auctioneer has a trust account into which all monies related to the auction are paid for the benefit of the seller, minus the agreed commission and costs.

#### **2. ADMISSION AND REGISTRATION**

- 2.1. The right of admission to an auction is reserved. All persons, including buyers, enter the auction venue at their own risk or register and participate in an online auction at the auctioneer's discretion. The auctioneer, the seller, their agents and employees shall not be liable for any injuries, damages or losses of any nature whatsoever arising from any person's attendance and/or participation in the auction. All persons together with their heirs, executors, administrators or assigns, hereby release the auctioneer, the seller, their agents and their employees and hold them harmless from any duty of care towards them and all claims which may otherwise have accrued to them whether or not any such claim arise through the negligence of any person or from any of the risks, dangers or hazards occurring in the course of their association with the auctioneer and the seller.

Initial Here



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

- 2.2. During registration as contemplated in clause D (1) (1.5) of the Rules of Auction herein, bidders may be charged a refundable deposit determined by the auctioneer, or seller from time to time in accordance with regulation 28 (7) of the CPA.
- 2.3. The deposit will be refunded via EFT within 3 working days after the closing of the auction to bidders who are unsuccessful in purchasing any items at the auction.
- 2.4. All deposits and other monies belonging to bidders and sellers will be held by the auctioneer as per section 65 (2) of the CPA, which requires suppliers to hold and account for consumers' assets in their possession, including any prepayment, deposit, membership fee, or other money, or any other assets belonging to or ordinarily under the control of a consumer.
- 2.5. The auctioneer reserves the right to revoke a bidder's number at any time during the auction in terms of sub-regulation 28 (3) of the CPA, thereby refusing a person the right to continue participating in the auction if such a person behaves or conducts himself/herself in a manner that disrupts the auction.
- 2.6. Repeated disruptive, problematic or unbecoming behaviour by a bidder during or after auctions may result in the imposition of a temporary or permanent ban whereby such a bidder will be prohibited from registering and participating in future Tirhani Auctioneers auctions.

### 3. GENERAL AUCTION PROCEDURES

- 3.1. The auctioneer conducts the auction as an agent on behalf of the seller and accepts no liability whatsoever. In the event of any disputes, the purchaser shall only have a claim against the seller, unless such disputes arise because of the auctioneer's negligence or conduct.
- 3.2. The control of the auction shall be entirely managed by the auctioneer or online auction platform, who/which has the sole right to regulate the bidding process and control the bid increments.
- 3.3. The auction will be conducted per rising bid in South African Rands, unless communicated otherwise to the bidders.
- 3.4. The auctioneer may only sell to bidders registered in terms of clauses D (1) (1.5), (1.6) and (1.7) of the Rules of Auction herein.
- 3.5. No bid will be taken from unregistered persons without bidder numbers as per sub-regulations 24 (h) and 28 (2) of the CPA.
- 3.6. Every bid at an auction shall constitute a firm offer to purchase the goods/property or lots on offer for the amount bid.
- 3.7. In terms of section 55 (1) of the CPA, goods/property are sold "**voetstoots**", "**as is**", "**where is**" in their present condition, with no express or implied guarantees or warranties regarding the condition and fitness of the goods/property for a particular use. For ease of reference, an extract of section 55 (1) of the CPA is reprinted hereunder:

#### **Consumer's rights to safe, good quality goods**

55. (1) *This section does not apply to goods bought at an auction, as contemplated in section 45 of the CPA.*

(2) *Except to the extent contemplated in subsection (6), every consumer has a right to receive goods that—*

(a) *are reasonably suitable for the purposes for which they are generally intended;*

(b) *are of good quality, in good working order and free of any defects;*

(c) *will be useable and durable for a reasonable period of time, having regard to the use to which they would normally be put and to all the surrounding circumstances of their supply; and*

(d) *comply with any applicable standards set under the Standards Act, 1993 (Act No. 29 of 1993), or any other public regulation.*

- 3.8. Subject to the provisions of clause D (3) (3.7) of the Rules of Auction herein, buyers participating at Tirhani Auctioneers' auctions bid at their own risk and are advised to inspect the goods/property on offer prior to the commencement of the auction in accordance with sub-regulation 28 (5) of the CPA. **NEITHER THE SELLER NOR THE AUCTIONEER HAS ANY DUTY TO REPAIR.**
- 3.9. The act of registering and participating in an auction by a bidder shall be taken as confirmation that the bidder has inspected and is satisfied with the condition of the goods/property.
- 3.10. In the event of an auction subject to a reserved or upset price and provided notice has been given in advance in terms of section 45 (4) of the CPA, the seller or the auctioneer, or any other person on behalf of the seller, or the auctioneer, as the case may be, may bid at the auction up to the reserve price but not equal to or exceeding the reserve price.
- 3.11. In the event of an absolute or auction without reserve, the auction will be conducted in accordance with the provisions of sub-regulation 20 (18) and (19) of the CPA. In particular, goods/property will not be offered or sold at an absolute or auction without reserve unless there is a bona fide intention at the time of the advertising and at the time of the auction to sell the goods/property and transfer ownership of the goods/property, regardless of the amount of the highest and last bid, to the highest bidder, without any requirement for a minimum bid, and without allowing competing bids of any type by the seller, or any agent of the seller. In addition, the seller of the goods/property cannot withdraw the goods/property from auction after the auction is opened and there is public solicitation or calling for bids at an absolute or auction without reserve.
- 3.12. Notwithstanding the provisions of clause D (3) (3.11) of the Rules of Auction herein, a secured party or other lien holder or any party who is not the seller is not prohibited from bidding at an auction without reserve, provided such bidding does not constitute, nor is tantamount to the direct or indirect establishment or agreement to the establishment of a reserve price on the goods/property by the seller, or the auctioneer, or anyone aiding or assisting, or acting on behalf of the seller, or the auctioneer.
- 3.13. As per sub-regulation 20 (19) (d) of the CPA, certain goods/property may be offered simultaneously with reserve prices and others offered absolute or without reserve at the same auction, provided non-misleading advertisement makes it clear, through appropriate emphasis, which goods/property are being offered by either method.
- 3.14. In accordance with sub-regulation 28 (6) of the CPA, subject to any reserved price and the acceptance of the highest bid by the owner or the seller, the highest bidder is the purchaser of the goods/property or lots on auction when the online auction platform closes bidding on an item and declares the highest bidder or the auctioneer announces the completion of bidding on an item by the fall of the hammer, or any other customary manner. Should any dispute arise between two or more bidders regarding the identity of the highest bidder and purchaser, the auctioneer shall use his or her discretion to resolve the dispute, including declaring the buyer, re-auctioning the disputed lot or lots or even withdrawing the lot or lots. The decision of the auctioneer shall be final and binding.
- 3.15. Notwithstanding the provisions of clause D (3) (3.14) of the Rules of Auction herein, and subject to the provisions of clause D (3) (3.10) of the Rules of Auction herein, the owner or the seller, reserves the ultimate right, apart from the auctioneer, to fix a minimum bid for acceptance and to decline to sell to the highest or any bidder, or even to accept any lower bid, without giving any reasons.
- 3.16. The auctioneer, with the approval of the owner or the seller, reserves the right, at any time, to stop the auction, to reject any or all bids and to withdraw any goods/property or lots or part thereof from the auction, either before or during the auction, without giving any reasons and without attracting any liability for such action.



## **RULES OF AUCTION FOR ONLINE MOVABLE ASSETS**

- 3.17. Once the reserve price determined by the seller is reached, the auction becomes absolute, and the auctioneer is authorised to sell the goods/property on auction to the highest bidder when bidding on an item closes on the online auction platform or when the auctioneer announces the sale of the item by dropping the hammer/gavel or in any other customary means.
- 3.18. Should the reserve price not be met in terms of regulation 28(6), a **"NO SALE"** sign will appear on the online auction platform or the auctioneer will either announce that the goods/property are unsold or knock the goods/property to the highest bidder provisionally subject to confirmation (STC) by the seller. Only the highest bidder will be entitled to negotiate with the auctioneer and the seller for the final purchase of the goods/property thereafter. If the negotiations do not result in the sale of the goods/property, such goods/property will remain unsold. No negotiations will be entertained with other bidders, unless the seller instructs otherwise.
- 3.19. Goods/property or lots knocked provisionally to the highest bidder subject to approval by the seller in terms of clause D (3) (3.18) of the Rules of Auction herein are deemed not to have been sold in terms of section 45 (3) and sub-regulation 28 (6) of the CPA until the seller has confirmed the offer. However, the highest bidder is bound by the Rules of Auction and shall not have the opportunity to withdraw his bid until the seller has confirmed the sale or the stipulated confirmation period has expired. Negotiations between the highest bidder and the seller may arise during the confirmation period.
- 3.20. Should the seller decide to entertain subsequent bids during the confirmation period, such higher offers will be made to the auctioneer on the same terms and conditions applicable to the auction. Subsequent bidders will have only one opportunity to submit higher offers. The highest bidder of the first instance shall have the sole right of refusal to equal or better subsequent offers, on condition that the right to counter is exercised within 24 hours (excluding public holidays and weekends) after notification by the auctioneer.
- 3.21. In the event of an auction sale requiring the consent of any statutory authority or any Court of Law, then the conclusion of the auction sale is subject to the granting of such consent.

### **4. FINANCIAL ARRANGEMENTS**

- 4.1. Once goods/property or lots have been sold to the purchaser as contemplated in clause D (3) (3.14) of the Rules of Auction herein, the sale of the goods/property or lots is irrevocable and cannot be withdrawn, and the purchaser shall be liable for the settlement of such purchases, and hereby binds himself or herself as surety and principal debtor, subject to the provisions of clauses D (1) (1.5), (1.6) and (1.7) of the Rules of Auction herein, failing which the auctioneer, the seller or the owner, reserves the right to demand payment to recover the amount owing, including any interest, legal costs and collection costs thereof.
- 4.2. Notwithstanding the provisions of section 19 of the CPA regarding the delivery of goods/property, the risk of the goods/property or lots purchased on auction shall pass to the buyer upon the fall of the hammer in a live auction or the close of bidding by the online auction platform in an online auction. However, ownership and title will only be transferred upon full settlement as contemplated in clause D (4) (4.1) of the Rules of Auction herein. No complaints will be entertained thereafter.
- 4.3. Settlement for movable goods/property or lots purchased on auction; including advertised fees and commission, is payable upon dispatch / delivery on the day of the auction. Should the auction finish after banking hours, invoices must be settled by 12h00 the day after the auction or on the first working day after the day of the auction where the day after the auction falls on a weekend or statutory public holiday.
- 4.4. Auctions are cash transactions and not subject to any suspensive conditions such as the granting of finance to the purchaser, or subject to inspection by a specialist. Therefore, bidders intending to finance their purchases must obtain irrevocable approval or guarantee from their sponsors prior to the commencement of the auction, so that they will be able to fulfil the settlement requirements contained in clause D (4) (4.3) of the Rules of Auction herein.
- 4.5. In line with clause D (4) (4.3) herein, payment terms regarding the settlement of purchases in terms of Tirhani Auctioneers' Rules of Auction are strictly cash or EFT, payable in full, without deduction and free of set off for any claim the purchaser may have against the seller or the owner.
- 4.6. Cheques are not accepted as payment for auction transactions, including bank guaranteed cheques and bank cashier's cheques.
- 4.7. All payments must be made in South African ZAR currency, into the specific Trust Account nominated by Tirhani Auctioneers for each auction and provided to the buyer/purchaser upon registration for the specific auction.
- 4.8. In accordance with money laundering regulations and in the interest of security, Tirhani Auctioneers does not accept cash at its auction sites. Cash deposits must be made at the bank and the proof thereof must be presented on site or at Tirhani Auctioneers' premises. Cash payments shall attract a cash deposit fee determined by Tirhani Auctioneers from time to time and provided to the purchaser in the Bidders Participation Form upon registration.
- 4.9. Should the auction be subject to the payment of Value Added Tax (VAT); all bids will be exclusive of VAT and VAT will be added to the bid price at the rate applicable for VAT in South Africa at the time the auction is conducted. The bid price plus the VAT portion, including any advertised fees and commission; where applicable, shall constitute the purchase price and shall be due and payable simultaneously.
- 4.10. Invoices will be made out to buyers/purchasers who are registered bidders in terms of clauses D (1) (1.5), (1.6) and (1.7) of the Rules of Auction herein. No changes to purchase statements will be allowed, and the splitting of invoices among buyers is prohibited. The registered bidder is responsible for the payment of the full invoice.
- 4.11. Without exception, no assets will be released to the buyer/purchaser until the total invoice amount has been paid in full and the funds paid reflect in the statements of the specific Trust Account nominated by Tirhani Auctioneers.
- 4.12. Regarding movable auctions, the refundable deposit payable upon registration for participation in the auction cannot be used a part-payment for the auction invoice. Tirhani Auctioneers will hold the deposit as surety and will only refund it to the buyer once all the purchased lots have been removed from the auction site.
- 4.13. Should the buyer/purchaser default, a forfeit fee not exceeding 10% of the full purchase price or the total costs of advertising and conducting the auction is payable, including any additional costs that may have been reasonably incurred in accordance with regulation 21 (2) (l) of the CPA, whichever is the lesser. In such an event of default by the buyer/purchaser, the refundable registration deposit will be retained and used to set-off the forfeit fee contemplated in this clause D (4) (4.13) of the Rules of Auction herein, or part thereof if the fee is lesser. Should the retained refundable registration deposit be greater, the difference will be refunded to the buyer/purchaser.
- 4.14. Should the seller reject the buyer/purchaser's offer or default for whatever reason, the purchaser will not be charged any fee or commission, and where such fee or commission has already been paid by the buyer/purchaser, such fee or commission will immediately be refunded to the purchaser, including the refundable registration deposit. The parties shall have no further obligations under the Rules of Auction thereafter.



## **RULES OF AUCTION FOR ONLINE MOVABLE ASSETS**

- 4.15. Should the seller's default contemplated in clause D (4) (4.14) of the Rules of Auction herein have any financial implications for Tirhani Auctioneers, the financial implications thereof shall be dealt with in accordance with the auction mandate signed by the auctioneer and the seller.
- 4.16. In the event of any claim by the buyer/purchaser in terms of the goods/property purchased, the buyer/purchaser must take up such claim with the seller and not the auctioneer. The auctioneer acts solely on behalf of the seller and is indemnified against any claim by the buyer/purchaser against the seller. The auctioneer may, at its discretion attempt to mediate any claim or dispute between the buyer/purchaser and the seller.

### **E. ONLINE AUCTION RULES**

#### **1. ONLINE AUCTION RELATED DEFINITIONS**

For purposes of clarity, the following **"online auction"** related definitions are applicable to Tirhani Auctioneers' Online Rules of Auction:

<b>"back-end activity"</b>	means the functionality of the online auction platform which is only accessible to the system administrators containing fields to set parameters such as reserve prices, bid increments, extended bidding, etc.
<b>"bidder anonymity"</b>	means the inbuilt capability of the online auction platform to conceal the identities of competing bidders by only displaying their bidding numbers, thus enabling bidders to participate in the auction without the fear of intimidation that usually happens at live auctions.
<b>"buyer approval"</b>	means the authorisation of bidders to participate in each online auction after signing and returning bidder participation forms and unequivocally accepting the rules of auction and other conditions of sale.
<b>"buyer screening"</b>	means the screening and vetting of potential bidders to collect and process their personal information to ensure that they meet minimum requirements for registration such as FICA compliance and the payment of refundable registration deposits.
<b>"extended bidding"</b>	means the capability of the online auction platform to be programmed to extend the closing time of each lot automatically by a pre-determined time (by 2 minutes for instance) as long as there is still bidding activity until all bids have been placed. <b>"Auto extend"</b> has the same meaning as <b>"extended bidding"</b> .
<b>"forced bid"</b>	unlike <b>"maximum bid"</b> , placing a forced bid forces the online auction system to jump to the amount specified by the bidder automatically, provided such an amount exceeds the current asking price.
<b>"front-end activity"</b>	means the functionality of the online auction platform which is accessible to bidders displaying parameters such as the lots on offer, current bid, asking bid, and pertinent information such as the <b>'Reserve Not Met'</b> red sign which changes to a <b>'Reserve Met'</b> green tick once reserve is met. Bidding activity doesn't necessarily stop when reserve is met as it depends on demand and competition factors.
<b>"maximum bid"</b>	means provision for the placement of a maximum bid by a bidder on the online auction system such that the system automatically places counter bids on behalf of the bidder up to, and not exceeding the set maximum bid. <b>"Max Bid"</b> has the same meaning as <b>"maximum bid"</b> .
<b>"online auction platform"</b>	means the digital internet-based auction system which facilitates timed and webcast online auctions.
<b>"outbid notifications"</b>	means the Internet or mobile applications which have the functionality to send bidders pop up outbid notifications on their computers, tablets or mobile phones via email or SMS whenever a bidder is no longer the highest bidder. Bidders can simply tap on the notification to be immediately taken right back into the bidding action.
<b>"staggered closing"</b>	means the capability of the online auction platform to be programmed to enable lots to close at staggered times at an online auction, thus giving buyers the opportunity to manage their lot baskets better.
<b>"timed online auction"</b>	means scheduled (predetermined) digital internet-based auction whereby buyers bid against each other with the auction platform acting as an invisible auctioneer by regulating the entire bidding process and updating bid prices/increments real time until the highest bidder wins at the close of the auction.
<b>"transparent audit trail"</b>	means the inbuilt transparent auditable capability for the online auction platform to track every bid (including unsuccessful bids) placed by competing bidders from the opening to the closing of each lot, including details such as the bidder's number, bid amount and a real-time record of exactly when each bid was placed.
<b>"webcast online auction"</b>	means a simulcast auction whereby bidders participate live on-site with an auctioneer taking bids from the floor and remote bidding is also enabled real time digitally/online via the internet.

#### **2. REGISTRATION AND REFUNDABLE DEPOSIT FOR ONLINE AUCTIONS**

- 2.1. To register for an online auction, bidders must log in on Tirhani Auctioneers' website ([www.tirhani.co.za](http://www.tirhani.co.za)), create an account and download a Bidder Participation Form for each online auction they intend to register and participate in.
- 2.2. Tirhani Auctioneers determines the quantum of the refundable deposit contemplated in clause D (2) (2.2) of the Rules of Auction herein for each auction based on average unit asset/property value and may even fix separate refundable deposits for different asset categories in the same auction. Once determined, the quantum of the refundable registration deposit is recorded in the Bidder Registration Form (**Annexure A**) and Specific Rules of Auction (**Section F**).
- 2.3. In compliance with sub-regulations 21 (2) (f) of the CPA, Tirhani Auctioneers always opens its online auctions timeously.
- 2.4. The CPA's provision per regulation 24 (l) for auctioneers to auction asset/property according to the sequence they were advertised does not apply to online auctions as bidding opens at once (simultaneously) and close indiscriminately for all lots on offer at an online auction.
- 2.5. The requirement per sub-regulation 28 (1) of the CPA that auctioneers must not take bids from people not registered in the Bidders Record and without Bidders Cards / Numbers does not apply to online auctions as bidding at online auctions is not automatic but is enabled by the auctioneer for approved bidders after screening and registration.



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

### 3. BIDDING RULES FOR TIRHANI AUCTIONEERS' ONLINE AUCTIONS

- 3.1. Tirhani Auctioneers' Rules of Auction in their entirety are applicable to online auctions and shall form the basis of the bidding and competition carried out by the online auction platform which acts as an invisible auctioneer regulating bid increments, updating bid prices real-time and conducting the entire bidding process until the highest bidder wins at the close of the bidding for each item.
- 3.2. In the event of a contradiction between the General Rules of Auction and the Specific Live and Online Auction Rules in section E herein and the Specific Rules of Auction for Online Movable, Immovable and Livestock/Game Assets in section F herein, the Specific Live and Online Auction Rules and the Specific Rules of Auction for Online Movable, Immovable and Livestock/Game Assets will take precedence.
- 3.3. Tirhani Auctioneers' online auction platform has an inbuilt transparent auditable capability for the online auction platform to track every bid (including unsuccessful bids) placed by competing bidders from the opening to the closing of each lot, including details such as the bidder's number, bid amount and a real-time record of the placement of each bid.
- 3.4. By registering for the auction, signing the Bidder's Record and participating in the auction, bidders hereby tacitly authorise Tirhani Auctioneers to use the audit trail for dispute resolution and reporting purposes.
- 3.5. The following bidding rules apply to Tirhani Auctioneers' online auctions:
  - 3.5.1. **RESERVE PRICES:** All lots on Tirhani Auctioneers' online auctions are uploaded with reserve values. Once the reserve value has been reached or surpassed by the bidders, the lot will be deemed to have been sold to the highest bidder and the bidder can no longer withdraw his / her offer.
  - 3.5.2. **FIRM BIDS:** Every bid shall constitute a firm offer to purchase the property on offer for the amount bid. Unlike live auction where the highest bidder is permitted to retract his or her bid before the hammer falls or the auctioneer concludes bidding on a lot in any customary manner, the online auction system automatically declares the highest bidder as the buyer in online auctions, provided the reserve price has been met.
  - 3.5.3. **INCORRECT BIDS:** If a bidder places an incorrect bid, the bidder is entitled to have the incorrect bid removed. The bidder must immediately inform the auctioneers of the incorrect bid and request that this bid be removed. No bids will be modified or removed once the bidding for a lot has closed.
  - 3.5.4. **IRREVOCABLE SALES:** The sale of the property is irrevocable once the online auction platform declares a person as the highest bidder and purchaser of the property as contemplated in clauses D (3) (3.14) and D (4) (4.1) of the Rules of Auction herein.
  - 3.5.5. **EXTENDED BIDDING:** Extended bidding (as defined in the online auction related definitions herein) applies to all Tirhani Auctioneers' online auctions. Therefore, although Tirhani Auctioneers' online auctions are advertised with closing times, the closing time for each lot extends beyond the advertised closing time if bidding activity continues on the lot within the programmed extended bidding period (currently by 2 minutes). Each bid placed during the extended bidding period will trigger an extension of the closing time by the pre-programmed time and this process will repeat until no counter bid is placed for the duration of the extended bidding period. Bidders are advised to monitor the status of their bids vigilantly particularly during the "EXTENDED BIDDING" period as the highest bidder advantage can change within seconds.
  - 3.5.6. **FORCED BIDS:** Unlike "MAXIMUM BID" (as defined in the online auction related definitions herein), placing a forced bid makes the online auction system to jump to the amount specified by the bidder automatically, provided such an amount exceeds the current asking price. Unless the bidder logs a call to report an "INCORRECT BID", any "FORCED BIDS" placed will be processed as "FIRM BIDS".
  - 3.5.7. **STAGGERED CLOSING:** All Tirhani Auctioneers online auctions with multiple lots are programmed with "STAGGERED CLOSING" (as defined in the online auction related definitions herein), thus giving buyers the opportunity to manage their lot baskets better. Tirhani Auctioneers programs "STAGGERED CLOSING" for its online auctions as follows:
    - 3.5.7.1. Small auctions (auctions with less than 50 lots) are programmed with staggered closing of 1 lot every 1 minute.
    - 3.5.7.2. Large auctions (auctions with more than 50 lots) are programmed with staggered closing of 2 lots every 1 minute.
  - 3.5.8. **TECHNICAL GLITCHES:** Should the bidding system fail or go offline for any technical reason whatsoever, the closing of the online auction will be extended by a reasonable time relative to the period the system was offline, with a minimum of 30 minutes. Neither Tirhani Auctioneers nor its technology suppliers shall be held responsible for a missed bid caused by any technical glitches whatsoever.

### F. SPECIFIC RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

#### 1. COMPLIANCE WITH CONSUMER PROTECTION ACT

- 1.1. As per section B of the Rules of Auction herein, Tirhani Auctioneers is fully compliant with the requirements of sections 45, 55 and 65 of the CPA as well as Regulations 18-33.
- 1.2. Tirhani Auctioneers also complies with the specific provisions of regulation 32 of the CPA applicable to motor vehicles auctions.

#### 2. REASON FOR THE AUCTION

The reason for the online movable assets auction on behalf of **ABSA** is normal and voluntary disposal of goods by the owner.

#### 3. TYPE OF AUCTION AND VENDOR BIDDING

**ABSA's** online movable assets auction is "**With Reserve**", and the assets shall be sold to the highest bidder subject to meeting reserve or the **ABSA's** approval.

- 3.1. Although the auction is "**With Reserve**", there will be vendor bidding at **ABSA's** online movable assets auction.
- 3.2. Bidders are hereby given notice in terms of section 45 (4) of the CPA that Tirhani Auctioneers, **ABSA**, or any other person on behalf of Tirhani Auctioneers or **ABSA** may bid at the online movable assets auction to protect the reserve price.

#### 4. ADVERTISEMENT OF THE AUCTION

- 4.1. In accordance with regulations 19 and 20 of the CPA, **ABSA's** online movable assets auction was sufficiently advertised through print, digital, outdoor, and social media platforms in such a manner that the general public has had a reasonable opportunity to become aware of the auction, the assets on offer and the rules governing the auction.
- 4.2. Tirhani Auctioneers complies with the disclosure provisions of sub regulation 20 (2) (i) of the CPA regarding the total costs of conducting auctions including marketing, project management, logistics and administration. Anyone requiring information the total costs of conducting **ABSA's** online movable assets auction can access it free of charge after the auction.



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

### 5. ASSET DESCRIPTION AND VALUATION

- 5.1. As per clause D (3) (3.7) of the Rules of Auction herein, Tirhani Auctioneers auctions assets “voetstoots”, “as is”, “where is” in their present condition, with no express or implied guarantees or warranties regarding the condition and fitness of the assets for a particular use in accordance with section 55 (1) of the CPA which provides per the extract hereunder:

**Consumer's rights to safe, good quality goods**

55. (1) This section does not apply to goods bought at an auction, as contemplated in section 45 of the CPA.

(2) Except to the extent contemplated in subsection (6), every consumer has a right to receive goods that—

- (a) are reasonably suitable for the purposes for which they are generally intended;
- (b) are of good quality, in good working order and free of any defects;
- (c) will be useable and durable for a reasonable period of time, having regard to the use to which they would normally be put and to all the surrounding circumstances of their supply; and
- (d) comply with any applicable standards set under the Standards Act, 1993 (Act No. 29 of 1993), or any other public regulation.

- 5.2. Subject to the provisions of clause D (3) (3.7) of the Rules of Auction herein, buyers participating at **ABSA's** online movable assets auction bid at their own risk and are advised to inspect the assets on offer prior to the commencement of the auction in accordance with sub-regulation 28 (5) of the CPA **NEITHER ABSA NOR THE AUCTIONEER HAS ANY DUTY TO REPAIR.**
- 5.3. As per clause D (3) (3.7) of the Rules of Auction herein, the act of registering and participating in **ABSA's** online movable assets auction by a bidder shall be taken as tacit confirmation that the bidder has inspected and is satisfied with the condition of the assets.
- 5.4. Notwithstanding the provisions of clauses F (5) (5.1), (5.2) and (5.3) of the Rules of Auction herein, Tirhani Auctioneers and **ABSA** endeavour to provide bidders with particulars of the assets on offer at their auctions, including the following:
- 5.4.1. Descriptions and specifications including make, model, mileage, and condition for assets such as motor vehicles.
  - 5.4.2. Provision of trade and retail values for assets.
  - 5.4.3. Disclosure of patent defects or faults for assets.
  - 5.4.4. Classification of assets such as motor vehicles as “**RUNNERS**” and “**NON-RUNNERS**”.
  - 5.4.5. Starting of motor vehicles during auctions or posting video clips of vehicles being started for bidders to download and view.
- 5.5. Tirhani Auctioneers complies with regulation 24 (m) of the CPA, and does not knowingly misrepresent, cause, or permit the misrepresentation of the value, composition, structure, character or quality or manufacture of assets sold on auction. However, neither Tirhani Auctioneers nor **ABSA** will be responsible for any latent defects or faults which the bidder may discover after being declared the highest bidder and purchaser of an asset.
- 5.6. Notwithstanding the good faith endeavours of Tirhani Auctioneers and **ABSA** contained in clause F (5) (5.4) of the Rules of Auction herein, bidders are advised not to rely solely on the disclosures and descriptions provided by Tirhani Auctioneers and **ABSA**. More specifically, bidders must take note of the following disclaimers regarding disclosures and descriptions of assets provided in Tirhani Auctioneers and/or **ABSA's** catalogues and other auction material:
- 5.6.1. It is the bidder's responsibility to ascertain that the descriptions and specifications for assets are correct.
  - 5.6.2. Trade and retail prices provided by Tirhani Auctioneers and **ABSA** or assets such as motor vehicles should be treated as “**GUIDELINES ONLY**”. Tirhani Auctioneers and **ABSA** will not be held liable for any errors whatsoever. Bidders must determine bid prices for assets based on their own assigned value and expert advice.
  - 5.6.3. Reference to a motor vehicle as a “**RUNNER**”, and the act of starting a vehicle or the uploading of a video clip demonstrating the starting of a vehicle at the auction must not be construed as any warranty or guarantee (implied or otherwise) about the mechanical condition and fitness of the vehicle for a particular use.
  - 5.6.4. Even in the event where Tirhani Auctioneers and/or **ABSA** disclose any patent defects or faults, it remains the bidder's responsibility to inspect the assets and determine the actual condition thereof. For this reason, buyers were given the opportunity to view and assess the actual condition of the assets on their own prior to the commencement of the auction.
- 5.7. Considering the provisions of clause F (5) (5.6) of the Rules of Auction herein, bidding for an asset at **ABSA's** online movable assets auction shall be taken as tacit proof and confirmation that the bidder has inspected the asset and is satisfied with its condition. **DO NOT BID FOR ANY ASSET AT ABSA'S ONLINE MOVABLE ASSETS AUCTION UNLESS YOU HAVE INSPECTED IT AND YOU ARE SATISFIED WITH ITS CONDITION. IF YOU BID FOR AN ASSET AND ARE DECLARED THE HIGHEST BIDDER AND PURCHASER OF THE ASSET, PLEASE NOTE THAT NO RETURNS WILL BE ENTERTAINED THEREAFTER, IRRESPECTIVE OF THE CLAIM. THE ONLY RETURNS THAT WILL BE ENTERTAINED ARE FOR ERRONEOUS DESCRIPTIONS SUCH AS WRONG YEAR LISTING, INCORRECT MODEL, OR INCORRECT VARIANT.**

### 6. VIEWING AND INSPECTION OF ASSETS

- 6.1. The assets on offer at **ABSA's** online movable assets auction will be sold on a non-suspensive basis, and the bidder agrees that the sale of the assets shall not be contingent upon any inspection, financing, or any other condition whatsoever as per clause D (4) (4.4) of the Rules of Auction herein.
- 6.2. As per clause D (1) (1.2) of the Rules of Auction herein, bidders were afforded a reasonable period of time and opportunity to inspect the assets on offer prior to the commencement of the auction in accordance with sub regulation 28 (5) of the CPA.
- 6.3. The purchaser admits that he/she has inspected the assets on offer at **ABSA's** online movable assets auction to his/her satisfaction, and that no guarantees or warranties were made by neither Tirhani Auctioneers nor **ABSA's** regarding the condition and fitness of the assets for a particular use.

### 7. REGISTRATION AND BIDDER'S RECORD

- 7.1. Registration requirements, including the refundable deposit and FICA requirements for **ABSA's** online movable assets auction are outlined in the Bidder Participation Form contained in **Annexure C** herein.
- 7.2. As per sub-regulation 26 (5) of the CPA, the Bidders' Record will be available at Tirhani Auctioneers' place of business during normal business hours during **ABSA's** online movable assets auction for public inspection in respect of the names of bidders and bidder's numbers only, at any time, free of charge.

Initial Here



## **RULES OF AUCTION FOR ONLINE MOVABLE ASSETS**

### **8. TIMEOUS COMMENCEMENT OF THE AUCTION AND SALE SEQUENCE**

- 8.1. As per clause D (1) (1.4) of the Rules of Auction herein, **ABSA's** online movable assets auction will commence exactly at 10:00 as published on the Rules of Auction and the Bidder's Participation Form, and it will not be delayed to enable any specific person or more persons in general to take part in the auction.
- 8.2. The CPA's provision per regulation 24 (l) for auctioneers to auction asset/property according to the sequence they were advertised does not apply to online auctions as bidding opens at once (simultaneously) and close indiscriminately for all lots on offer at an online auction.

### **9. RECORDING**

- 9.1. **ABSA's** online movable assets auction will be recorded.
- 9.2. Tirhani Auctioneers' online auction platform has an inbuilt transparent auditable capability for the online auction platform to track every bid (including unsuccessful bids) placed by competing bidders from the opening to the closing of each lot, including details such as the bidder's number, bid amount and a real-time record of the placement of each bid.
- 9.3. By registering for **ABSA's** online movable assets auction, signing the Bidder's Record and participating in the auction, bidders hereby tacitly authorise Tirhani Auctioneers to use the audit trail for dispute resolution and reporting purposes.

### **10. READING / ANNOUNCEMENT OF THE RULES OF AUCTION**

- 10.1. The Rules of Auction in their entirety are downloadable electronically from Tirhani Auctioneers' website on [www.tirhani.co.za](http://www.tirhani.co.za) and available in printed format at Tirhani Auctioneers' place of business on **1 Centex Close, Corner Katherine Street, Sandton**.
- 10.2. As per clause C (iv) of the Rules of Auction herein, the Rules of Auction need not be read out or announced at **ABSA's** online movable assets auction to be valid as they were made available more than 24 hours prior to the commencement of the auction. Only selected clauses of the Rules of the Auction have been highlighted in this section F (Specific Rules of Auction for Online Movable Assets).
- 10.3. The act of only highlighting selected clauses should not be construed as an omission or admission that Rules of Auction in their entirety are not important and applicable to **ABSA's** online movable assets auction.
- 10.4. By registering for **ABSA's** online movable assets auction, completing the Bidder Participation Form and signing the acknowledgement (**Annexure A**), initialling every page of the Rules of Auction and participating in the auction, bidders tacitly confirm that they have read, understood, accepted and agreed to be bound by the Rules of Auction in their entirety.

**NB: DO NOT BID AT ABSA'S ONLINE MOVABLE ASSETS AUCTION UNLESS YOU AGREE TO BE BOUND BY THE RULES OF AUCTION IN THEIR ENTIRETY, AS WELL AS ALL ANNOUNCEMENTS AND UPDATES MADE BY THE AUCTIONEER PRIOR TO THE COMMENCEMENT OF THE ONLINE AUCTION AND DURING THE COURSE OF THE ONLINE AUCTION, WHETHER OR NOT YOU HAVE ACKNOWLEDGED RECEIPT OF SUCH ANNOUNCEMENTS OR UPDATES. YOUR REGISTRATION, PARTICIPATION AND BIDDING AT THE AUCTION SHALL BE TAKEN AS PROOF AND CONFIRMATION THAT YOU HAVE READ, UNDERSTAND AND ACCEPT THE RULES OF AUCTION IN THEIR ENTIRETY; HENCE THEY WILL BECOME FINAL AND IRREVOCABLE UPON YOU BECOMING THE HIGHEST BIDDER AND PURCHASER.**

### **11. SPECIFIC RULES APPLICABLE TO ABSA'S ONLINE MOVABLE ASSETS AUCTION**

- 11.1. Other than the selected clauses of the Rules of the Auction highlighted in this section F (Specific Rules of Auction for Online Movable Assets), all the **"ONLINE AUCTION RULES"** contained in section E of the Rules of Auction herein are applicable to **ABSA's** online movable assets auction.
- 11.2. Notwithstanding that the Rules of Auction in their entirety are important and applicable to **ABSA's** online movable assets auction as stated in sub-section F (10) herein, bidders are advised to specifically familiarize themselves with all the **"ONLINE AUCTION RULES"** contained in section E of the Rules of Auction herein.
- 11.3. In particular bidders must note that the **"EXTENDED BIDDING"** and **"STAGGERED CLOSING"** provisions contained in sub-clauses E (3) (3.5.5) and (3.5.7) of the Rules of Auction herein are applicable to **ABSA's** online movable assets auction.

**NB: ONCE MORE, BIDDERS MUST PAY PARTICULAR ATTENTION TO THE PROVISIONS OF THE ENTIRE SUB-SECTION F (5) OF THESE SPECIFIC RULES OF AUCTION, PARTICULARLY CLAUSE F (5) (5.7) AS TIRHANI AUCTIONEERS AND ABSA'S WILL ENFORCE THE "NO RETURNS" POLICY STRICTLY.**

### **12. PURCHASE PRICE**

The purchase price for items on offer at **ABSA's** online movable assets auction is constituted as follows:

- 12.1. **HIGHEST BID AMOUNT:** The highest bid amount announced by the auctioneer at the completion of bidding on the assets either by the fall of the hammer, or by any other customary manner is the purchase price.
- 12.2. **VALUE ADDED TAX (VAT):** The purchaser shall pay VAT over and above the **HIGHEST BID AMOUNT** at the rate of **15 % VAT**, it being specifically recorded that the purchase price excludes VAT.
- 12.3. **COMMISSION / BUYER'S PREMIUM:** The purchaser shall pay commission / buyer's premium at the rate of **0%** calculated on the **HIGHEST BID AMOUNT**, it being specifically recorded that the purchase price excludes commission / buyer's premium.
- 12.4. **ADMINISTRATION / DOCUMENT FEE:** The purchaser shall pay administration / document fee at the rate of **R2 500 INCLUSIVE OF VAT** added to each lot purchased, it being specifically recorded that the purchase price excludes administration / document fee.

**NB: DO NOT CALCULATE THE PURCHASE PRICE BY YOURSELF. WAIT FOR A PRO-FORMA INVOICE FROM TIRHANI AUCTIONEERS IF YOU HAVE BOUGHT ANY ASSETS TO ENSURE THAT YOU PROCESS THE CORRECT PAYMENT.**

### **13. PAYMENT**

- 13.1. Payment for assets purchased at **ABSA's** online movable assets auction is due by close of business on **Wednesday 26<sup>th</sup> May 2021**.
- 13.2. In accordance with money laundering regulations and for security purposes, Tirhani Auctioneers does not accept cash payments on site. Cash deposits must be made directly at the bank and proof thereof must either be presented on site or transmitted digitally. Cash payments will attract a cash handling fee of **2% plus VAT**.
- 13.3. No assets will be released to the buyer until the total invoice amount has been paid in full and the funds paid in reflect in Tirhani Auctioneers' Trust Account.



## **RULES OF AUCTION FOR ONLINE MOVABLE ASSETS**

- 13.4. Payment for purchases made at this auction must be made into the Trust Account advertised in the auction catalogue and pro-forma invoices. The particulars of the Trust Account are repeated hereunder:

### **BANK DETAILS**

**ACCOUNT NAME :** Tirhani Auctioneers  
**BANK :** ABSA Bank  
**ACCOUNT NO. :** 408 624 6606  
**CLEARANCE CODE :** 632005  
**Ref No. :** YOUR NAME or COMPANY NAME

### **14. FINANCE**

- 14.1. Finance is **AVAILABLE** on the floor. Call Lizette Miller on 072 105 8379 (Auction Finance).  
14.2. When buying on finance, please stick to your budget and factor in all additional costs such as VAT, commission / buyer's premium, and administration / documentation fees.

**NB: DO NOT BID AT ABSA'S ONLINE MOVABLE ASSETS AUCTION UNLESS YOUR FINANCE IS ALREADY APPROVED.**

### **15. OWNERSHIP AND RISK**

- 15.1. Although ownership and title will only transfer upon payment of the full invoice, risk transfers to the buyer upon the fall of the hammer.  
15.2. Therefore, bidders are advised that it is in their interest to settle their invoices promptly and collect their assets immediately.

### **16. DISPATCH / DELIVERY**

- 16.1. Buyers are not permitted to conduct any transaction on **ABSA** or Tirhani Auctioneers' premises. In particular, the re-auctioning of assets by bidders is prohibited within **ABSA** and Tirhani Auctioneers' premises.  
16.2. Dispatch / collection of assets will start on **Wednesday 26<sup>th</sup> May 2021** on business days.  
16.3. Dispatch / collection of assets will open from **08:30 and close at 16:00**.  
16.4. Should dispatch / collection be by appointment, Tirhani Auctioneers' and/or **ABSA** will communicate booking arrangements to buyers.  
16.5. All assets must be collected without fail by **Friday 28 May 2021**.  
16.6. No buyer will be permitted to remove any purchased assets from **ABSA** or Tirhani Auctioneers' premises until all invoices in respect thereof have been fully paid.  
16.7. No assets will be dispatched to the buyer without a release note.  
16.8. No assets will be dispatched without the submission of FICA documents (proof of address and proof of identity).  
16.9. Buyers are responsible for the removal and insurance purchased assets at their own expense.  
16.10. Buyers must provide their own labour and equipment for loading and dispatch purposes. Neither Tirhani Auctioneers nor **ABSA** are responsible for loading assets or providing equipment such as fork-lifts or jump-starting cables during dispatch.  
16.11. Buyers must note that there may not be enough petrol to even reach the nearest filling station in the event of motor vehicles.  
16.12. Buyers are not allowed to repair motor vehicles on **ABSA** or Tirhani Auctioneers' premises.  
16.13. Neither Tirhani Auctioneers nor **ABSA** shall have the responsibility to disconnect utilities such as electric, gas, waste and water lines attached to the purchased asset.  
16.14. The buyer undertakes to sign a document accepting responsibility for the e-tag on the vehicle.  
16.15. If the removal of any lot or part thereof is likely to cause serious damage to **ABSA** or Tirhani Auctioneers' premises in Tirhani Auctioneers' or **ABSA** opinion, and the buyer is either unable or unwilling to rectify such likely damage, Tirhani Auctioneers' or **ABSA** may give notice to the buyer to rescind the sale of such a lot or permit the removal thereof from the premises to proceed subject to such conditions as Tirhani Auctioneers' or **ABSA** may deem fit to impose.  
16.16. Uncollected assets will attract storage fee of **R250.00 + VAT** per lot or item per day up to **Monday 31 May 2021** after the deadline for the dispatch / collection of assets.  
16.17. If the assets are not collected **within 3 working days** after the dispatch / collection date **ABSA** reserves the right to resell the assets to recover the storage fees and any other costs incurred in the resale of the assets.  
16.18. Should the buyer fail to comply with any of the dispatch / collection requirements contained herein, the lot or lots sold to such a buyer or any part thereof may, without further notice, be re-offered for sale, destroyed, or otherwise disposed of in any manner as Tirhani Auctioneers' or **ABSA** may deem fit in their absolute discretion, and any monies paid by the buyer shall be forfeited.  
16.19. Without prejudice to any claims that Tirhani Auctioneers' or **ABSA** may have against the buyer for breach of contract or otherwise, should the buyer/purchaser default, the provisions of clause D (4) (4.14) of the Rules of Auction herein will be invoked. Clause D (4) (4.14) of the Rules of Auction is restated for ease of reference: "Should the buyer/purchaser default, a forfeit fee not exceeding 10% of the full purchase price or the total costs of advertising and conducting the auction is payable, including any additional costs that may have been reasonably incurred in accordance with regulation 21(2)(l) of the CPA, whichever is the lesser. In such an event of default by the buyer/purchaser, the refundable registration deposit will be retained and used to set-off the forfeit fee contemplated in clause D (4) (4.14) of the Rules of Auction herein, or part thereof if the fee is lesser. Should the retained refundable registration deposit be greater, the difference will be refunded to the buyer/purchaser".

**NB: ALL FICA DOCUMENTS PROVIDED TO TIRHANI AUCTIONEERS MUST ALSO BE PROVIDED TO ABSA WHEN BUYERS COLLECT THEIR PURCHASED ASSETS.**



# RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

## ANNEXURE A: FICA REQUIREMENTS

The requirements of the Financial Intelligence Centre Act (FICA) are applicable as follows:

### 1. NATURAL PERSONS

#### 1.1. FICA requirements:

- Copy of South African Identity Document (ID) / Copy of Passport for Foreigners.
- Proof of residential address (less than 3 months old) Utility bills addressed to physical residential (mobile phone accounts not acceptable);
- South African Income Tax reference number, and;
- Confirmation marital status, i.e. ANC or COP.

**NB: Should you not have proof of residential address in your name, please complete an affidavit OR declaration form with the third party confirming that you share a residential address with them and provide the third party's proof of ID and proof of residential address.**

#### 1.2. FICA requirements for married people:

- Marriage certificate – Community of property – Copy of spouse's ID;
- Ante nuptial Contract – Copy of contract;
- Page 1 (and page 2 if necessary) reflecting the registered number and names of both parties, if your marriage is governed by the Laws of another country/state; and
- Name of the country/state governing your marriage, i.e., the country where the Seller was living at the time of the marriage with the intention of staying there permanently.

### 2. JURISTIC ENTITIES

#### 2.1. FICA requirements:

- Person acting on behalf of juristic entities must comply with all the requirements for natural persons, and;
- All directors / members / trustees must also comply with all the requirements for natural persons.

In addition to compliance with all the requirements for natural persons, the following documents must be attached:

##### 2.1.1. Companies/Close Corporations:

- Company CIPC Registration documents (CM1/CM22/CK1/CK2).
- Proof of business address (less than 3 months old).
- Copy of SARS document confirming Income Tax/VAT registration number of the company.
- Resolution on company letterhead, nominating the authorised signatory/representative to bid on the company's behalf.
- Copy of ID and proof of residential address (less than 3 months old) for the representative and director/s of the company.

##### 2.1.2. Companies/Close Corporations:

- Copy of Trust Deed or other founding document (Letters of Authority/Master's Certificate).
- Copy of ID, proof of residential address and contact particulars (less than 3 months) of each of the trustees and beneficiaries of the trust.
- Copy of ID(s) and proof of residential address and contact particulars of person(s) authorized to act on behalf of the Trust.
- Copy of SARS document confirming Income Tax/VAT registration number of the Trust.
- Resolution signed by all Trustees nominating authorised signatory/representative.
- Business Registration Notification Certificate (BRNC).

##### 2.1.3. Incorporated Entities (Clubs / Churches / NGO's)

- Copy of document confirming list of all individuals who exercise control over the entity (Constitution or similar founding document).
- Proof of physical address for the entity (Less than months old).
- Copy of SARS document confirming Income Tax/VAT registration number for the entity (If applicable).
- Resolution signed by all individuals who exercise control over the entity nominating authorised signatory/representative.
- For the authorised signatory/representative and each member or partner, we require Copy of ID and proof of residential address (less than 3 months old).

**NB: Resolution to approve the purchase (and loan application, if applicable) taken before the Offer to Purchase was signed. (The only exception is where it is a cash transaction and all the Trustees have signed the Offer to Purchase.)**

### 3. Prescribed amounts for cash transaction reporting in terms of the Financial Intelligence Centre Act (Act 38 of 2001)

#### 3.1. Section 28B: Cash transaction above prescribed limit

An accountable institution and a reporting institution must, within the prescribed period, report to the Centre the prescribed particulars concerning a transaction concluded with a client if in terms of the transaction an amount of cash in excess of the prescribed amount (b) is received by the accountable institution or reporting institution from the client, or from a person acting on behalf of the client, or from a person on whose behalf the client is acting.

#### 3.2. Regulation 22B: Prescribed amount for cash transaction reporting

The prescribed amount of cash above which a transaction must be reported to the Centre under section 28 of the Act is R24 999.99 or an aggregate of smaller amounts which combine to come to this amount if it appears to the accountable institution or reporting institution concerned that the transaction involving those smaller amounts are linked to be considered fractions of one transaction.



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

### ANNEXURE B: FORMAT OF LETTER OF AUTHORITY

**IF APPLICABLE: THE INFORMATION BELOW SHOULD BE TRANSFERRED TO A COMPANY LETTERHEAD**

**Buyer Details:**

Company Name: \_\_\_\_\_

Authorising Persons Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_

**Date:** .....

Tirhani Auctioneers  
1 Centex Close  
Eastgate Ext 4  
Sandton

Reference: Authority for \_\_\_\_\_

To Whomsoever It May Concern,

I, the undersigned, hereby authorises to the above-mentioned person to purchase at the auction on my/this companies' behalf binding me/this company to the rules of auction and any other conditions specified by the auctioneer on the day of the auction.

(If buying on behalf of a company, attach a certified copy of the company resolution authorising the said person to do so)

Yours sincerely

\_\_\_\_\_  
(Signature)



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

### **ANNEXURE C: BIDDER'S PARTICIPATION FORM: ONLINE MOVABLE AUCTION**

#### **1. WELCOME AND INTRODUCTION**

Dear Bidder

1.1. Welcome to Tirhani Auctioneers' online auction conducted on behalf of **ABSA** as follows:

**AUCTION OPENING DATE: Monday 24 May 2021 AUCTION OPENING TIME: 10:00**

**AUCTION CLOSING DATE: Tuesday 25 May 2021 AUCTION CLOSING TIME: 12:00**

- 1.2. Special welcome to anyone participating in an auction for the first time. We hope you will enjoy the auction experience.
- 1.3. Although online auctions have removed mythical and scary elements such as fast-paced chanting by auctioneers, technological challenges such as computer illiteracy and limited computer ownership are also prohibitive.
- 1.4. Fortunately, Tirhani Auctioneers mitigate technological challenges by tutoring them on the functionality of its online auction system and establishing bidding centers closer to auction site to assist bidders participate in online auctions.
- 1.5. It is advisable for you to do your homework by familiarizing yourself with the Rules of Auction if you wish to participate in **ABSA's** online auction as buying on auction is final and irrevocable once you are declared the highest bidder and purchaser.
- 1.6. Most importantly, inspect the asset/property you wish to buy thoroughly. Stick to your budget and factor in all additional costs such as VAT, buyers' premium / commission (if applicable), administration / documentation fee (if applicable), etc.
- 1.7. We also welcome our regular buyers back.
- 1.8. To register for **ABSA's** online auction, bidders must log in on Tirhani Auctioneers' website ([www.tirhani.co.za](http://www.tirhani.co.za)), create an account and download a Bidder Participation Form.
- 1.9. Happy bidding and good luck.

#### **2. BIDDER'S PERSONAL AND COMPANY INFORMATION**

To enable your participation in this auction, please register by duly completing this Bidder Participation Form, signing the acknowledgement, and initialling every page of the Rules of Auction (General Rules and Specific Rules of Auction).

*\*Indicates mandatory information.*

- 2.1. \*Name: \_\_\_\_\_
- 2.2. \*ID. No.: \_\_\_\_\_
- 2.3. \*Company: \_\_\_\_\_
- 2.4. \*Company Reg. No.: \_\_\_\_\_
- 2.5. \*VAT No.: \_\_\_\_\_
- 2.6. \*Contact Person: \_\_\_\_\_
- 2.7. \*Telephone Nr/s: \_\_\_\_\_
- 2.8. \*Email: \_\_\_\_\_
- 2.9. \*Address: \_\_\_\_\_  
\_\_\_\_\_

#### **FOR OFFICE USE**

**BUYER NUMBER:** \_\_\_\_\_

**DEPOSIT PD:** \_\_\_\_\_

**DEPOSIT RFND:** \_\_\_\_\_

**CHECKED BY:** \_\_\_\_\_

3. \*Are you an employee of the Seller? YES: \_\_\_\_ NO: \_\_\_\_

4. Where did you hear about this auction? \_\_\_\_\_

**(NO ABSA EMPLOYEES ARE ALLOWED TO REGISTER AND BUY AT THE AUCTION)**



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

### 5. REGISTRATION REQUIREMENTS

#### 5.1. REFUNDABLE REGISTRATION DEPOSIT

- 5.1.1. To participate in the online auction, a refundable registration deposit of **R5 000.00 (Five Thousand Rand)** must be deposited into the following bank account:

**Account Name : Tirhani Auctioneers**  
**Bank Name : ABSA Bank**  
**Account Number : 408 624 6606**  
**Clearance Code : 632005**  
**Reference No. : YOUR NAME or COMPANY NAME**

- 5.1.2. Preferably, payments / deposits must be made via **ELECTRONIC FUNDS TRANSFER (EFT)**.

- 5.1.3. Should any **CASH PAYMENTS / DEPOSITS** be made into Tirhani Auctioneers' bank account, please note that a cash handling fee of 2% + VAT will be levied. Should the 2% cash handling fee not be added to the amount of cash paid in / deposited, please note that it will be deducted when your registration deposit is refunded.

**NB: Please note that your Bidder Participation Form to register and participate in the online auction will not be processed unless proof of payment of the Registration Deposit is produced, and the funds thereof have been cleared and reflect in Tirhani Auctioneers' bank account.**

- 5.1.4. Please nominate a bank account into which the registration deposit will be refunded via EFT within 3 working days after the closing of the auction should you be unsuccessful in purchasing any items.

**Bank Name :** \_\_\_\_\_  
**Account Holder Name :** \_\_\_\_\_  
**Account No :** \_\_\_\_\_  
**Account Type :** \_\_\_\_\_  
**Branch Code :** \_\_\_\_\_

**NB: Please ensure that the bank details are clear and accurate for the correct Refund of your Registration Deposit.**



- 5.1.5. Should you successfully purchase any items at the online auction, please note that the registration deposit cannot be used as part-payment for the settlement of your invoice. The registration deposit will only be refunded once you have fully settled all invoices and removed all purchased items from the auction site within the agreed dispatch period.

#### 5.2. FICA REQUIREMENTS

- 5.2.1. As per sub-regulation 26(2) of the CPA, you are required to register your identity in the bidders' record' prior to the commencement of the online auction, providing your positive identification, juristic registration documents, and proof of residence in terms of the Financial Intelligence Centre Act (FICA), No. 31 of 2001 published in Notice R1595 in Gazette 24176 of 20 December 2002.

- 5.2.2. The FICA requirements for different categories of natural and juristic entities are contained in **Annexure A** herein.

**NB: Please note that your Bidder Participation Form to register and participate in the online auction will not be processed unless proof of the following FICA requirements is produced as prescribed in Annexure A herein:**

-  Proof of identification; and  
 Proof of address.



## RULES OF AUCTION FOR ONLINE MOVABLE ASSETS

### 6. ACKNOWLEDGEMENT

By signing this Bidder Participation Form and initialling every page of the Rules of Auction (General Rules and Specific Rules of Auction), I, the undersigned **(FULL NAMES)** \_\_\_\_\_, in my capacity as **(POSITION)** \_\_\_\_\_ of the registered bidder **(NAME)** \_\_\_\_\_ acknowledge that my registration and participation in the online auction is proof and confirmation that I have read, understood, and agree to be bound by the Rules of Auction (General Rules and Specific Rules of Auction). I accept that the Rules of Auction (General Rules and Specific Rules of Auction) are not negotiable and declare as follows:

- ☒ I warrant that I am duly authorized by the registered bidder to participate in this online auction.
- ☒ I acknowledge; on behalf of the registered bidder, that I have read, understood, and agree to be bound by the Rules of Auction (General and Specific Rules of Auction).
- ☒ I acknowledge; on behalf of the registered bidder, that I have read, understood, and agree to be bound by Tirhani Auctioneers' Privacy Policy which are downloadable on the company's website under the "**Documents**" Tab).
- ☒ I confirm that the nominated bank account for the refund of my bidder's deposit is correct.

Signed at **(PLACE)**: \_\_\_\_\_, on this the **(DATE)** \_\_\_\_\_ day of **(MONTH)** \_\_\_\_\_ **(YEAR)** \_\_\_\_\_

**\*Signature:** \_\_\_\_\_

**\*Print Names:** \_\_\_\_\_

### 7. APPROVAL

Once these documents have been received by Tirhani Auctioneers and verified as correct, you will be approved to bid on the auction. You will receive an email notification confirming this. If you have not received such confirmation within 2 working hours after your submission, please contact us on **011-608-2280** or [auction@tirhani.co.za](mailto:auction@tirhani.co.za) or visit our offices at 1 Centex Close, Corner Katherine Street, Eastgate Ext. 4, Sandton or contact any of the persons listed below for assistance (Office Hours).

- ☒ Bernard De Combes +27 (0) 10 880 0858 / +27 (0) 82 327 4578
- ☒ Robyn Brown +27 (0) 11 608 2280 / +27 (0) 79 305 3809



**RULES OF AUCTION FOR ONLINE MOVABLE ASSETS**

**ANNEXURE D: CATALOGUE OF AUCTION ASSETS**

Initial Here

A handwritten signature in black ink, consisting of a stylized 'S' followed by a dot, is written over the 'Initial Here' text.