

OFFICIAL RULES AND CONDITIONS OF SALE

(in terms of article 45 of Act 68 of 2008 with regulations 18-38)

AUCTIONS HELD BY ANDRÉ KOCK & SEUN/SON BK.

WHEREAS auctions held by André Kock & Seun BK (the AUCTIONEER) pertaining to the selling of livestock (hereinafter referred to as GOODS) shall in all material times hereto be subjected to the terms and conditions of sale set forth hereinafter which terms and conditions shall be binding on all buyers, sellers or anyone present. **AND WHEREAS** the AUCTIONEER reserves the right to amend and/or supplement these terms and conditions by giving verbal notice before or during the auction, and/or by amending, and/or or supplementing the terms and conditions applicable to this agreement, and/or the relevant part thereof.

NOW AND THEREFORE THE PARTIES UNDERTAKE AS FOLLOWS:

1. These conditions of sale do not affect the rights or responsibilities that was brought about between the AUCTIONEER and the seller.
 2. The AUCTIONEER has the right to bid on behalf of the owner of the GOODS as well as on behalf of André Kock & Seun BK.
 3. When GOODS are offered to be sold at the auction in lots, each lot should be deemed a separate transaction, unless proven otherwise.
 4. Any person acting on behalf of a Company, Private Corporation, Trust, Firm, Organisation or Corporation (meaning "another person"), **WILL** have written authorisation that proves that he/she has the authority to act on behalf of somebody else and the authorisation should contain the following:
 - 4.1. When the buyer is bidding on behalf of another buyer, the authorisation must be stated on an official header of the original buyer which must be accompanied by a certified Resolution from the buyer to empower him as such;
 - 4.2. The total amount of how much can be spend;
 - 4.3. The goods and/or livestock to be bought must be specified;
 - 4.4. The maximum price to be paid for the specified goods and/or livestock must reflect and taken into account the Rand-per-Kilogram price excluding VAT.
 5. All buyers must register his or her principal's (where applicable) identity in terms of Chapter 1 of the Financial Intelligence Centre Act 28 of 2001 as verification of their identity which must be signed accordingly. The buyer will sign the principal's invoice on behalf of the real buyer to reflect both their identities on the invoice documentation.
 6. No bids will be accepted from any bidder that has not followed the correct procedures to register in accordance to the terms of Regulation 26 and whose name or identity does not appear on the bidder's records.
- The AUCTIONEER hereby declares to pay all monies due, minus the agreed upon commission and other expenses, into his trust account when the AUCTIONEER is not the owner of legitimate holder or owner of the goods and/or livestock.
7. The AUCTIONEER will announce the rules of the auction during the event if the sale of the goods is sold under normal circumstances and voluntary by the owner.
 8. The buyers' records referred to in Regulation 26 and the venture in terms of Regulation 28 (4) is available for inspection during normal business hours.
 9. The AUCTIONEER is the organiser of the bidding processes and will use his own discretion in case where any discrepancies arises. Subject to the AUCTIONEER'S discretion, he has the right to reject any bid coupled with a reserve price of GOODS put in place by the seller. The GOODS will then be sold to the highest bidder.
 10. All sales shall be strictly CASH unless the buyer can prove that a legal buyers' agreement was reached before the auction between him and the auctioneer.
 11. If auction credit was granted to a buyer that has not entered into a buyers' agreement before the auction, it is stipulated that the terms and conditions relevant to the AUCTIONEER'S buyers' agreement as if it was agreed upon. However, no GOODS will be removed before such an agreement with all its terms and agreements was agreed to and duly signed.
 12. If the AUCTIONEER granted credit to the buyer before or during the auction and the buyer refuses or neglect to sign a buyers' agreement, the granted credit will expire with immediate effect. The buyer then must pay cash before the GOODS are removed from the auction area. If the GOODS have already been removed, the AUCTIONEER has the same rights as referred to in paragraph 16. All monies owed by the buyer should then be paid plus prime interest retrospectively to the date of the auction and the AUCTIONEER can capitalise on the interest monthly.
 13. No GOODS may be removed from the area before the buyer who won the bid, issued a 'BUYERS' invoice which were duly signed, and/or the agreement conditions mentioned in ad paragraphs 13 and 14 have been fulfilled.
 14. Should the buyer remove the GOODS without honouring the conditions as mentioned in paragraphs 13 and 14, and/or if he paid per cheque and the cheque is returned or not accepted by a bank, the AUCTIONEER has the right to impound the GOODS straight away for it to be re-auctioned at the sole cost and risk of the buyer. The net proceeds of this auction, after deduction of all costs and safekeeping of impounded GOODS, as well as any cost incurred by the AUCTIONEER, will be credited to the buyer's account with the express understanding that he stays responsible for any outstanding monies including interest as mentioned in ad paragraph 14 which has absolutely no effect on the conditions addressed in ad paragraphs 33 and 34.
 15. If the opposite is proven, the buyer acknowledges the goods are sold *voetstoots* and that the AUCTIONEER shall not be bound by any guarantee of whatsoever nature completed before the sale.
 16. The AUCTIONEER shall not be responsible for any damage caused by or to the GOODS while under his supervision or the supervision of his employees, irrespective of whether such damages was caused by negligence on the part of AUCTIONEER and/or his employees of whatsoever nature. For the purpose hereof, damage also means and/or includes infection and/or any ailment of whatsoever nature to any livestock which may have arisen during and/or or before the sale.
 17. From the moment of acceptance of the buyers offer by the auctioneer, all risks shall automatically pass to the buyer.
 18. Any person bringing wild or dangerous animals to the auction area, will be held responsible for any injuries or damages caused to any person or property. The AUCTIONEER cannot be held responsible for any such incidents and is unconditionally indemnified from any such incidents or injuries.
 19. No *BONA FIDE* mistake made by the AUCTIONEER shall be binding on the AUCTIONEER, seller or buyer.
 20. Any entries made by die AUCTIONEER in the auction documents shall be conclusive evidence of GOODS sold and/or bought at the auction.
 21. The right of admission to auctions are held by the AUCTIONEER and he can refuse entry to the auction area at his sole behest without giving specific reasons.
 22. All persons entering the auctions area, do so at their own risk and the AUCTIONEER does not take any responsibility for any damages and/or injuries to property and people on the premises even though it might have been caused by the negligence of the AUCTIONEER or his employees.

23. If the seller gives the buyer a postponement of payment, it is done at the seller's own risk if it does not harm the AUCTIONEER'S right of selling conditions, and/or imperilling the AUCTIONEER'S agreement rights. Moreover, the foregoing shall not vary the conditions of sale and/or changes to the agreement to sell. Both the seller and buyer expressly and confirm that they are bound by the stipulations, terms and conditions as stated in this agreement.
24. No rights of debt comparisons between the seller and buyer or between the buyer and AUCTIONEER would be recognised and the seller expressly negate his right to apply any such comparisons. The seller is responsible to pay the AUCTIONEER for GOODS bought even if a dispute between the two parties has arisen. This buyer retains the right to take legal action against the seller.
 - 24.1. The AUCTIONEER undertakes to pay the seller the amount gotten for GOODS on sale. The AUCTIONEER has the right to calculate his commission at a legal premium rate as agreed upon in writing as well as bring into account other monies that are due to him by the seller.
 - 24.2. The seller unconditionally safeguards the AUCTIONEER against any possible claims the buyer of the GOODS might instigate against the AUCTIONEER because of guarantees of representation made by the seller to the buyer.
 - 24.3. The seller guarantees that he is the owner of the goods on sale and if not so, that the owner gave him permission and authorisation to sell and later transfer the propriety rights to the seller. If he does not have the necessary powers, he must undertake to honour all responsibilities towards the AUCTIONEER as if he was the owner or had authority.
 - 24.4. A seller of GOODS who did not have authorisation from the owner to sell GOODS indemnify the AUCTIONEER unconditionally against any claims which the rightful owner or buyer might start have against the AUCTIONEER after the transaction without first obtaining the necessary authorisation.
25. Nevertheless, the AUCTIONEER does not guarantee the buyer property rights of taking possession or safekeeping of the goods.
26. The seller must immediately, after the sale of the goods, sign the AUCTIONEER'S SELLER'S invoice as explained in paragraph 24.1.
27. The AUCTIONEER has the right to decline to sell anything on behalf of a seller at the auction.
28. When the AUCTIONEER pays the amount of sale of the GOODS to the seller, he cedes to the seller all rights, title and all interest claims benefited from the sale of the goods as well as any beneficial rights that he might have over the GOODS to the AUCTIONEER if the buyer has credit to pay for the goods.
29. Bestowing to article 49(2) of Act 12 of 1975, the SELLER gives permission that the livestock sold by him at the auction, shall be sold by the AUCTIONEER together with other animals to be sold at the auction.
30. Ownership of the GOODS are reserved until payment of the full outstanding purchase prices are paid and all risk of whatever nature in and to the GOODS, shall pass to the buyer on acceptance of the buyer's offer by die AUCTIONEER.
31. From the moment of acceptance of the buyer's offer, the seller transfers all rights to the GOODS over go the AUCTIONEER if the BUYER has settled for credit like explained in paragraphs 13 and 14. By doing this, the seller and buyer of the goods agree that the right to the property, are transferred to the AUCTIONEER even though the buyer might already have been in the physical possession of the goods.
32. The buyer confirms that the AUCTIONEER keeps possession of the GOODS until payment of the full purchase price, interest and other costs are paid for and is not further seen as security for the conditions of sale. The seller will transfer his/her rights over to the AUCTIONEER as well as the title and bookkeeping records.
33. The BUYER hereby undertake as follows:
 - 33.1.1. he must give the AUCTIONEER, within three days hereof, a written demand to the BUYER for a complete list of debtors with their full names, addresses, their professions and an indication of how much is owed to them, details on any other monies owed, title deeds and conditions regarding any open account of credit.
 - 33.1.2. to present on demand bank drafts, promises, cheques, title deeds and any other securities as referred to in sub paragraph 34.1.1, ceded and handed over, properly endorsed to the AUCTIONEER in such a manner the he becomes the rightful owner of the GOODS and has the right to force payment from the buyer;
 - 33.1.3. to give permission and the right to the AUCTIONEER or his representative to have access during normal business hours, to any documents, correspondence, receipts, books, negotiations and any information regarding any debtors.;
 - 33.1.4. give permission to the AUCTIONEER to have access to all information about any debtors to collect such debt
 - 33.2. With this, the buyer gives his permission to the AUCTIONEER to inform debtors of the cession.
 - 33.3. The AUCTIONEER hereby accepts the mentioned cession.
34. The terms and conditions in the AUCTIONEER'S deed of sale, of which a copy is available on request at the auction, is binding on all BUYERS whatever agreement he signed to bid at the auction. The BUYER is bound by the agreement and may request to sign such documentation if he did not do so before the auction.
35. Each buyer must furnish his full physical and postal address to the AUCTIONEER and if he is buying on behalf of a third party, firm, partnership trust or judicial body, also the full address if such principal.
36. If the BUYER should request the auctioneer to arrange for the safe keeping of the GOODS and/or transportation thereof, he shall be pay the costs involved together with any interest as referred to in paragraph 14 to the AUCTIONEER on request. If such arrangements are made with a third party, the AUCTIONEER undertakes as the agent of the BUYER and the BUYER shall be responsible to such third party for the relevant costs. The BUYER indemnifies the AUCTIONEER against any claim which the third party may have against the AUCTIONEER. The arrangements, safe keeping and transport are the sole risk of the BUYER and the AUCTIONEER shall not be liable for any damages to the GOODS or the destruction and/or deterioration and of depreciation of the GOODS for any reason whatsoever.
37. The BUYER is responsible to the AUCTIONEER as joint principal debtor *IN SOLIDUM* for the payment of the amount paid for the GOODS.
38. When the AUCTIONEER knows that the actual buyer is a third party, firm, partnership trust or judicial body that committed to a deed of sale with the BUYER present at the auction, the third party, firm, partnership trust or judicial body is deemed to be the actual buyer whether or not their respective names appear on the BUYER'S INVOICE.
39. It is neither the duty nor the responsibility of the AUCTIONEER to supply any documents such as registration certificates, permits service certificates, transfer documents, health certificates or any other documents relating to the GOODS to the BUYER or to see or to arrange for the supply thereof.
40. If there is a difference between the definition of these rules and conditions of sale in the English translation of the rules, the rules and conditions of sale remain the same as if there is no English translation.

I hereby declare that I, according my knowledge, comply with all the rules as documented in Regulation 21 regarding auctions held by **ANDRÉ KOCK & SEUN/SON BK**.