

Fair Auction Company Terms and Conditions of Consignment

Fair Auction Company, LLC 45681 Oakbrook Ct. Unit 110 Sterling VA
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Contract Created for: (Name and Consignor Code) _____

This document confirms our agreement for you (the "Consignor") to consign your personal property with us, Fair Auction Company, LLC ("FAC"), for sale in an Online Auction. All Property accepted shall be referred to in this agreement as "Property." The Property will be offered for sale subject to the following terms our General Terms and Conditions of Sale, which are posted on our website with each auction catalog, found at www.fairauctionco.com.

1. Property Consigned to Auction:

You, as the Consignor, grant FAC the exclusive right to sell the Property provided at public auction. You, as the Consignor, agree and warrant to us and to the purchaser that you are the sole owner of the Property you are consigning and that you have the right to consign the Property for sale; that the Property is currently and through the sale kept, free and clear of all liens, claims and encumbrances of others; that good title to and right to possession of the Property will pass to the purchaser free of all liens, claims and encumbrances; and that all the Property is authentic. All Property will be sold to the high bidder, unless an Auction Price Reserve was not met or minimum bid was not achieved. A listing of your lots and copy of the catalog may be mailed to you at your written discretion. Requests for paper auction catalogs must be made in writing in an email or on this form.

For Warehouse Auctions, the Consignor is responsible for all shipping and moving costs associated in the arrival of their items at the auction house. The minimum charge for consignment pickup is \$175, and may be higher for extraordinary circumstances.

For Onsite Auctions, the Consignor agrees that all of the Property to be sold at auction will be in the following designated area of the Building/Structure or location for cataloging by the date written below. No Property will be added or subtracted from this designated area on or after this date and no Property will not be used or altered from its present condition.

_____ Location _____ Date _____

2. Insurance:

The Consignor is responsible for property insurance while your items are in FAC's possession. We do not offer property insurance. By signing this agreement, you release Fair Auction Company, LLC, its partners and auctioneers from liability for any damages caused by any event, including theft, negligence, accident, fire, water, wind or other acts of nature or God which may lead to the destruction or inability of any item to be sold at auction, and you release Fair Auction Company, LLC from any claims arising from any pre-sale estimate or monetary evaluation. FAC does not offer legally binding appraisals or guarantee a selling price of any Property.

3. Protection and Accessibility of Consignments:

For Onsite Auctions not secured at our Sterling Location, the Consignor is responsible for safe access and control of consignments at all times. All doors, windows and entry points must be locked and safely secured to prevent any loss or damage of the property while it remains live for bidding and sale. The Consignor agrees to make available the consignments so FAC may do their work during normal business hours. The Consignor has no authority to require FAC to work or catalog at a time which is not mentioned in writing on this contract. Consignors shall not be present at the location of the onsite auction during the scheduled cataloging, photography process or pickup unless expressly requested in writing. FAC reserves the right to change cataloging dates with written notice.

Planned Cataloging and Photography Date(s) _____

4. Auction Scheduling:

FAC reserves the right to determine in our sole discretion the date or dates of an auction and the manner of conducting the Sale. Property consigned for auction is currently scheduled to be held on or about _____. This date shall not be changed by the Consignor. FAC may require moving the auction back due to weather or economic events.

5. Commission and Fees:

Standard Sales Commission Schedule:
Minimum Commission Per Lot: \$5.00
On amounts between \$15 and \$250: 35%
On amounts between \$251 and \$500: 30%
On amounts between \$501 and \$1500: 25%
On amounts between \$1501 and \$5000: 20%
On amounts \$5001 and above: \$10%

Our minimum commission per onsite auction or sale as a total shall be \$1,495. The standard start bid for our auctions is \$5.00 per lot, but can be lowered or raised per lot should FAC see fit. By signing this document, you agree to pay the commission fee to FAC based upon the commission schedule above applied to the hammer price of each item sold regardless of the end result of the sale.

This commission includes our normal advertising via regular email marketing, and various online bidder collection sources. It does not include extended advertising to local newspapers, additional online campaigns outside our mailing list or base customer following. Extended marketing efforts are available and should be discussed before entering into this agreement as it may affect the end commission rate.

FAC will charge a buyers premium to the Purchaser, (or, Buyer) on top of the hammer price of each item sold. The premium will vary depending on the format of the auction but the current standard is 15%. This does not effect the agreement between the Consignor and FAC.

If the Building/Structure/Property or Real Estate in which the Onsite Auction takes place is for sale, and the new buyer is found through the FAC website or marketing efforts, then FAC will be paid a referral fee of no less than \$250, or 1% of the total selling price, whichever is greater, (maximum of \$5000).

If an item must be detailed, cleaned or otherwise repaired before an auction, a minimum of \$15 per item fee will be charged to the Consignment order at end of the auction. The Consignor has the right to refuse extra cleaning and detailing. Restoration services are available for an additional fee. Detailing, restoration and any additional labor costs shall be discussed and agreed upon in writing.

6. Auction Price Reserve:

A reserve price is the minimum price a seller is willing to accept for an item. Any reserve will include the auctioneer's commission, at the determined rate above. Any and all items that the consignor wishes to have sold by FAC are sold without a reserve price, unless under the conditions that the reserve is 1. Agreed to be viable by FAC and 2. Expressed in writing no later than the signing of this contract. For any item or items that do not sell above the set reserve price, the commission is the same as the sales commission on the highest bid price achieved during auction bidding, unless mutually agreed to by FAC and the Consignor. Reserves MUST be recorded in writing as an attachment to this document at the time of signing in order to be applied. If an item does not reach its reserve, FAC is not required to attempt to re-sell the item, but may choose to if the logistics or benefit is such to do so.

Reserves Requested? Yes No Consignor Initials _____

7. Shill Bidding:

Consigners are strictly prohibited from bidding on their own items at auction, including to increase the bid amount, and doing so may result in criminal action under Virginia State Law, being banned from bidding at FAC, and the withdrawing of consigned items from any current or future auction. FAC reserves the right to halt an auction in the event shill bidding is actively occurring.

8. Unsold Property:

For Warehouse Auctions, it is the Consignor's responsibility to contact FAC and make arrangements to retrieve the unsold Property ASAP after an auction has ended. Unsold property is considered abandoned by the the Consignor 14 days after the conclusion of the sale, unless an agreement has been made for retrieval at a later date. Any unsold items remaining in the warehouse after 14 days will automatically incur a donation fee. The minimum charge is \$25 per unsold lot with a higher rate for larger items. FAC will not be liable for any loss or damage to any unsold property. For Onsite Auctions, FAC is not responsible for the removal of unsold items or debris remaining in the Building/Structure/Property after the auction takes place, unless previously agreed to in writing for an additional fee.

9. Withdraw:

Once the Property has been consigned to FAC and is under the control of FAC, the Consignor cannot withdraw the Property at any point of time. The resulting course of action if an item is withdrawn by a consignor before the end of the auction is the total and complete halting of said auction, as a whole. The minimum commission will still be due to FAC for any auction halted by result of the consignors actions. The commission will be due to FAC by the end of the scheduled auction time.

10. Cataloging and Presentation:

We reserve the right to photograph and catalog, describe and group the Property in the manner we see fit and may divide or combine the property into one or more separate lots. The Consignor agrees that FAC will not be responsible for losses to the Consignor caused by errors in cataloging or describing the property. Consignors may request changes or edits to the auction catalog and/or additional photos, but FAC will not be required to make such changes if they are outside the acceptable range of work pertaining to our agreement, including false, deceptive or irrelative information. FAC will use all reasonable efforts to list the consigned Property on our website available for online bidding as soon as possible, but reserves the right to list the Property up to the day of the selling auction.

11. Non-Payment:

We have advanced techniques to capture payment even in the common event a buyer is unable to attend a pickup day. Settlement of a sale may be differed until any item has been paid for. In the unlikely but possible event of a total non-paying bidder, FAC reserves the right to cancel the sale and attempt to resell it.

12. Claims by Buyers:

If, within 30 days from the auction close, the buyer of any Property demonstrates to FAC's satisfaction that the property purchased is not authentic or is materially different from its catalogue description or other FAC representations, FAC may, in its sole discretion, delay payment to the consignor (if not yet paid to the consignor), rescind the sale, and refund the full purchase price to the buyer. If the Consignor has been paid, consignor will remit to FAC the proceeds previously received for the rescinded sale.

13. Settlement of Sale:

Proceeds realized from the Sale will be applied in the following order: (1) to the payment of the auction commission, (2) to offset any debt incurred on sold items, purchase made by the Consignor, or moving costs, (3) other amounts due to us or any of our affiliated companies, including without limitation fees incurred from any expertization or appraisal services, and commissions set by websites on which we offer consigned items for sale. (4) The net proceeds from the sale of the Property realized will be mailed to you within 30 banking days after the sale proceeds are collected. Consignor checks will be mailed via USPS unless otherwise agreed upon between FAC and the consignor in writing. The consignor has no claim or ownership to sold, then abandoned property once FAC has completed the auction.

The Consignor hereby signs and agrees to all the terms and conditions specified in this agreement:

_____ Date: _____

Consignor

Fair Auction Co. Representative

List of items with Detailing or Reserves

Reserve/Detail	Description	Additional sheet used? <input type="checkbox"/>

Consignor Information:

Name _____ Phone _____ Email _____

Address _____ City _____ State _____ Zip _____

Special instructions regarding payment delivery: _____