

OVK INTERNET AUCTION CONDITIONS OF SALE

Oos Vrystaat Kaap OPERATIONS LIMITED

Registration No. 1999/004069/06

(hereinafter referred to as "OVK")

19 Dan Pienaar Street. Ladybrand, 9745

Telephone: 051 923 4500

TERMS AND CONDITIONS OF INTERNET AUCTION SALES: LIVESTOCK

The following terms and conditions shall govern all bids, purchases and sales of livestock made during internet Auctions which are conducted by OVK:

1. Interpretation

For the purposes of these terms and conditions:

- 1.1 "Auction" means an Internet Auction Sale conducted by OVK;
- 1.2 "Auction" With Reserve" means the Seller and/or OVK shall have the discretion to decide whether to accept or reject a bid, including the highest bid;
- 1.3 "Auction Without Reserve" means the highest bid concludes the sale provided any Reserve Price which applies to the Auction of that Lot has been achieved and/or exceeded;
- 1.4 "Authorised Amount" means the maximum amount a Bidder is authorised to spend at an Auction;
- 1.5 "Authorisation Code" means a code that has been issued to a Registered User by OVK to enable him to place a bid at an Auction;
- 1.6 "Bidder" means a Registered User who has been issued an Authorisation Code and advised of an Authorised Amount and who submits a bid in respect of any Lot;
- 1.7 "Commencement Time" means, in respect of the Auction of all Lots, the commencement time of the Auction as specified on the Web Page;
- 1.8 "Cut-off Time" means, in respect of the Auction of all Lot's, the termination time of the Auction, as specified on the Web Page;
- 1.9 "Conditions of Auction" means the Auction Conditions of Sale as are contained in this document, read in conjunction with any additional terms and conditions of Auction which may be published on the Web Page in general or in respect of each Lot;
- 1.10 "Domicilium address" means the physical address as provided by the Bidder on the application form to be a Registered User, which address shall be used for the service of all notices and process that may be issued in terms hereof;
- 1.11 "Livestock" means any animal that is offered for sale at an auction;
- 1.12 "Lot" means the livestock which is offered for Auction in respect of any lot number as designated in OVK's web page for that Auction;
- 1.13 "Law" means the law applicable in South Africa at any particular time.
- 1.14 "The Purchaser" means the successful Bidder in respect of any Lot;
- 1.15 "Registered User" means a person who has been issued a Username, Account Number and Pin Number by OVK;
- 1.16 "Reserved Price" means the minimum price of a Lot as advised by the Seller to OVK that must be achieved and/or exceeded before the electronic bidding system will accept a bid at any given moment during the Auction.
- 1.17 "Start Price" means the price determined by OVK which may escalate during the Auction,

for the sole purpose of eliciting bids from Bidders from the Commencement Time until the Cut-off time and it does not mean a Reserved Price.

1.18 "Transaction date" means, the date on which the item is Auctioned;

1.19 "Web Page" means OVK's Online Web Page.

2. The Auction is conducted under the control of OVK, as the auctioneers, as follows:

2.1 Only a Bidder may validly place bids at an Auction. It is the responsibility of all Registered Users and Bidders to keep their Authorisation Code secret. Any bid shall be irrefutably deemed to have been submitted by the Registered User to whom that Authorisation Code was issued by OVK and shall be binding upon that Registered User.

2.2 A bid shall constitute an irrevocable offer to purchase the Lot in respect of which that bid is submitted, and shall only be validly placed if the Bidder's electronic bid message is actually received by, and recorded on, OVK's website on which the Auction is conducted.

2.3 The Auction of a Lot shall occur as from the Commencement Time until the Cut-off Time.

2.4 Prior to bidding it is the responsibility of each Bidder to confirm whether a Lot is Auctioned With Reserve or Without Reserve. OVK will advertise this fact in the column alongside each 'Lot' number.

2.5 The sale of a Lot Auctioned with Reserve will be concluded as follows:

2.5.1 Within 24 hours of the Cut-off time the Seller and/or OVK will notify the Bidder who Submitted the highest bid that his bid is in fact the highest bid;

2.5.2 Thereafter notification of acceptance or rejection of that bid will be communicated to The Bidder by OVK, per email, within 5 working days of the Auction;

2.5.3 Until receipt of the notice of acceptance or rejection the bid shall continue to Constitute an irrevocable offer for the purchase of that Lot.

2.6 The sale of a Lot Auctioned Without Reserve will automatically be concluded to the highest Bidder for that Lot at the Cut-off Time provided an offer has been made. Within 24 hours of the Cut-off time OVK will, per email, notify the Purchaser.

2.7 The sale of a Lot Auctioned with a Reserved Price will automatically be concluded to the highest Bidder for that Lot at the Cut-off Time, provided any Reserve Price which applies to the Auction of that Lot been achieved and/or exceeded. Within 24 hours of the Cut-off time OVK will, per email, notify the Purchaser.

2.8 The agreement of sale shall be deemed to have occurred in each instance at the premises of OVK, 19 Dan Pienaar Street, Ladybrand, 9745.

2.9 The Purchaser shall be responsible to arrange for the item to be removed from the premises of the Seller within 24 hours after OVK has informed the Purchaser, via e-mail, that his/her bid was successful and the requirements of clause 7 below has been complied with. After the 24 hour period the Purchaser will be responsible for the following costs, including but not limited to marketing costs, and sustenance costs of the Livestock such as food and water. Should the Purchaser fail to remove the Livestock within the 24 hour period, OVK reserves the right to re-auction the Livestock and claim damages from the Purchaser.

2.10 It is the responsibility of Bidders to verify whether their bid is successful and although

OVK will, by email, confirm the sale of Lot's to a successful Bidder, any failure to do so will not invalidate the sale.

2.11 All communications which are addressed by OVK to the email address which was used by the Bidder shall irrefutably be deemed to have been received by the Bidder upon sending same.

2.12 All matters affecting the Auction and the sale arising therefrom shall be determined by the laws of the Republic of South Africa.

2.13 OVK will be entitled in its sole discretion to suspend or cancel the Auction prior to the Cut-off Time.

2.14 OVK and the Seller shall NOT be bound by any mistake made by OVK. OVK may, upon discovering the mistake, cancel the sale and re-Auction the Lot. OVK will however immediately upon realizing the mistake publish the mistake via a notice and correct the mistake as best as OVK can.

2.15 Nobody shall have any right of recourse against OVK with regard to the exercise of OVK's power/discretion as contemplated in clause 2.13 above, or the correction of a mistake as contemplated in clause 2.14 above.

3. Save as is expressly stated in these Terms and Conditions of Sale, all Livestock are sold "voetstoots" as they stand. Without derogating from the generality of a foregoing, OVK shall not be held liable for or in respect of:

3.1 any statements contained in catalogues and/or advertisements; and

3.2 any information supplied with regard to the lot for sale;

3.3 any guarantee/warranty or misrepresentation, made with regard to the item; and

3.4 any defect, whether latent or patent, in the item not known to OVK; and

3.5 any information regarding the quality, age, condition, reproduction status or ability, fertility, health, mass, date of copulation, breeding or genealogy supplied by the Seller or any misinterpretation thereof by the Seller.

4. Any person who bids, does so in his personal capacity, unless OVK prior to the Auction accepts the power of attorney or other written authority given to such person by his principal. If a dispute arises at any stage with regard to the existence or validity of such power of attorney or authority, the person who made a bid shall, without derogating from any right OVK or the Seller may have against his principal, immediately become personally liable for any amount owing as a result of such bid. Should it transpire that the principal can also be held liable, the liability of the Bidder and the principal shall be joint and several.

5.1 The Purchaser acknowledges that no employee or representative of OVK is entitled to furnish any guarantee or warranty or make any representations whatsoever on behalf of OVK with regard to the item offered for sale, or in any other respect whatsoever. The Purchaser acknowledges further that any information given with regard to the item offered for sale is given by or on behalf of the Seller. The Purchaser's rights of recourse, if any, shall be exercised solely against the Seller.

5.2 The Seller warrants that he/she is the legal owner of the Livestock and that the Seller has the necessary authority to offer the Livestock for sale at the auction. The Seller confirms that the

Livestock is marked with the necessary identifications marks confirming ownership and hereby indemnifies OVK against any losses or claims in this regard.

6. The Purchaser shall pay to OVK the purchase price plus VAT together with any other amount due by the Purchaser, upon the Transaction Date.

7.No items may be removed from the Seller's premises before:

7.1 The Purchaser has complied with the requirements of clause 6 and the payment reflects in OVK's bank account; and

7.2 OVK has given written confirmation to the Purchaser authorising the Purchaser to remove the said Livestock.

7.3 OVK has given permission to all the relevant parties that the said item may be removed, once the requirements of 7.1 has been complied with. Should the item be released by the Seller before said permission is given by OVK, the item is released at the sole risk of the Seller.

8.The Seller hereby undertakes not to release the sold items ('lot') without the specific instructions of OVK to the Seller, to release it. OVK will confirm that payment was received by them and that the items may be released. If the Seller release the sold items ('lot') without the specific instructions of OVK, the Seller do it at his own risk and will the Seller be responsible for any loss suffered by OVK or him/herself.

9.All persons who submit bids at the Auction do so at their own risk and they exempt and indemnify OVK against any loss or damage of whatsoever nature and howsoever caused, and whether attributable to the negligence, recklessness or otherwise of the Seller, Purchaser or OVK, its employees and agents.

10.1 Unless otherwise agreed in writing by OVK, the Seller shall be liable for OVK's commission relating to all sales concluded before, during or after the Auction. Where OVK and the Seller have not expressly agreed in writing to a rate of commission prior to the sale, OVK's normal commission rate as determined from time to time by OVK, shall apply. The Seller authorises OVK to deduct the said commission before making payment to the Seller of any proceeds of any sale. The commission of any Lot which is sold will be deemed to be earned at the Cut-off Time. If the Purchaser, for what ever reason, decides not to proceed with the purchase of the 'Lot' after the bid was awarded to him, the Purchaser will be liable to pay the commission to OVK.

10.2 Should the Seller at the time of the auction owe an amount to OVK, from whatever the cause of action may be, OVK reserves the right to first credit such an outstanding amount, where after the difference, should there be any, will be paid to the Seller.

11.1 Ownership transfers from the Seller to the Purchaser upon full payment reflecting in OVK's bank account. Risk passes from the Seller to the Purchaser upon acceptance of the bid.

11.2 Loading, transport, insurance and/or care of the livestock, will be carried out at the sole cost of the Purchaser. If the Purchaser requires any permits, removal certificate or identification documents in this regard it shall be for the account of the Purchaser.

11.3 OVK shall not be liable for any loss or damage of whatsoever nature by either the Seller or the Purchaser, whether direct or indirect, consequential or otherwise, sustained as a result of any act or omission, whether negligent, reckless or otherwise on the part of OVK, its employees or agents, and the Seller and The Purchaser exempt and indemnify OVK accordingly.

12. OVK will be entitled to charge interest on any amount due by the Purchaser to OVK in terms hereof calculated at the maximum permissible rate of interest in terms of the National Credit Act 34/2005 from time to time, which interest shall be charged daily and compounded monthly on the balance outstanding from time to time until the amount due has been repaid in full.

13. Neither The Purchaser nor the Seller shall be entitled to claim set-off or any deduction with regard to any amount owing to OVK or to each other in terms hereof or flowing from the Auction or any cancellation thereof. Should the Seller cancel the Auction, for whatever reason, the Seller will be liable to OVK for all costs, losses and expenses occurred up to the date of cancellation.

14. All legal costs, including collection commission, incurred by OVK as a result of any non-compliance by the Seller or by the Purchaser with any of their respective obligations in terms hereof, may be recovered by OVK from the said defaulting party on the scale as between attorney-and-own-client.

15. No relaxation or indulgence granted by OVK to The Purchaser or the Seller shall be deemed to be a waiver of any of OVK's rights in terms hereof and such relaxation or indulgence shall not be deemed to be or construed as a novation hereof.

16. A certificate signed by any of OVK's Directors, General Managers, Company Secretary, Manager: Client Finance or Client Finance Manager, whose appointment as such OVK shall not be required to prove, which sets out the amount of the indebtedness of The Purchaser or the Seller to OVK, and the applicable maximum permissible rate of interest in terms of the National Credit Act, shall constitute prima facie proof that such amount is due and payable, and shall be sufficient proof of the existence of the indebtedness set out in such certificate, the amount due, the ruling rate of interest from time to time which is certified therein, and the fact that such amount is liquid and due and payable, and has not yet been paid.

17. Disputes

17.1 Any dispute arising out of or pursuant to the Auction or to these Terms and Conditions; or the interpretation hereof; or any matter arising out of the termination or the rectification of any sale which is concluded at the Auction shall be submitted for either legal action in a competent court with jurisdiction or shall be submitted to informal arbitration, with all the relevant parties consent, on the following basis-

- i. the Arbitrator shall be, if the matter in dispute is principally
 - 17.1.1.1 a legal matter, a practising Advocate or Attorney of Bloemfontein, Free State of at least fifteen (15) years standing;
 - 17.1.1.2 an accounting matter, a practising Chartered Accountant of at least fifteen (15) years standing;
 - 17.1.1.3 any other matter, any independent person; agreed upon between the parties to dispute.
- ii. If the parties to the dispute fail within seven (7) days after the dispute has been declared to agree whether the dispute is principally a legal, accounting or other matter, or fail to agree upon the appointment of an arbitrator, at the request of either party to the dispute the arbitrator shall be appointed by the President for the time being of the Attorneys Association of the Free State or the Chairman for the time being of the Bloemfontein Bar Council.

- 17.2 The parties to the dispute shall use their best endeavours to ensure that the arbitration is held and concluded and a decision handed down within 14 days after the dispute has been declared.
- 17.3 The dispute in question will be declared by means of the party raising the dispute giving to the other parties written notice thereof. The date upon which such notice is delivered to the addressee's Domicilium Address will be known as "the dispute date" and the written notice shall contain a summary of the issues in dispute and the contentions relative thereto of the party raising the dispute.
- 17.4 The parties to whom the dispute notice has been given must within seven (7) days after the dispute date lodge with the arbitrator and the other parties to the dispute, their written representations setting out their versions of the facts and contentions in regard to the dispute. Failing the timeous lodgement by the defendant of its written representations, the claimant shall be entitled to apply to the arbitrator for the hearing to proceed as soon as possible thereafter regardless of whether the defendant's written representations have been submitted.
- 17.5 The person/s appointed in terms of this clause to determine the dispute ("the arbitrator") will be entitled to apply his own expert knowledge in determining the dispute.
- 17.6 Any hearing by the arbitrator will be at such venue or venues as shall be selected by him.
- 17.7 The arbitrator will be vested with entire discretion as to the procedure and manner to be followed in arriving at his decision.
- 17.8 In determining the dispute, the arbitrator shall apply the laws of the Republic of South Africa.
- 17.9 The arbitrator's decision will be final and binding on the parties effected thereby and shall carried into effect and may be made an Order of any competent Court at the instance of any of the parties.
- 17.10 The arbitrator may determine who shall be liable for his fees and may make such award as regards the legal costs incurred in the determination proceedings as he in his sole discretion might deem appropriate. If the arbitrator makes no such determination, his fees must be shared equally by the parties to the dispute.
- 17.11 If the arbitrator requires his fees to be guaranteed the parties to the dispute shall each be required to provide guarantees therefore acceptable to the arbitrator in such amounts and subject to such conditions as the arbitrator may reasonably require. If any party (the defaulting party) fails to provide such guarantee the remaining party(ties) shall be entitled to do so and to claim from the defaulting party any amount paid to the arbitrator in terms of the guarantee provided on behalf of the defaulting party.
- 17.12 This clause is severable from the rest of this Agreement and will remain in effect even if this Agreement is terminated, lapses or is declared invalid, for any reason.