

Appendix 3 (Live)

Bonhams

Appendix 3 (Live Auctions)

DEFINITIONS AND GLOSSARY

Where these Definitions and Glossary are incorporated, the following words and phrases used have (unless the context otherwise requires) the meanings given to them below. The Glossary is to assist you to understand words and phrases which have a specific legal meaning with which you may not be familiar.

LIST OF DEFINITIONS

“Account” the bank account of *Bonhams* into which all sums received in respect of the *Purchase Price* of any *Lot* will be paid.

“Additional Premium” a premium, calculated in accordance with the *Notice to Bidders*, to cover *Bonhams’ Expenses* relating to the payment of royalties under the Artist’s Resale Right Regulations 2006, as amended, which is payable by the *Buyer* to *Bonhams* on any *Lot* marked [AR] which sells for a *Hammer Price* which together with the *Buyer’s Premium* (but excluding any VAT) equals or exceeds 1000 pounds.

“Auctioneer” the representative of *Bonhams* conducting the *Sale*.

“Bidder” a person who has completed a *Bidding Form*.

“Bidding Form” our Bidding Registration Form, our Absentee Bidding Form or our Telephone Bidding Form.

“Bonhams” Bonhams 1793 Limited or its successors or assigns. *Bonhams* is also referred to in the *Buyer’s Agreement*, the *Conditions of Business* and the *Notices to Bidders* by the words “we”, “us” and “our”.

“Book” a printed *Book* offered for *Sale* at a specialist *Book Sale*.

“Business” includes any trade, *Business* and profession.

“Buyer” the person to whom a *Lot* is knocked down by the *Auctioneer*. The *Buyer* is also referred to in the *Contract for Sale* and the *Buyer’s Agreement* by the words “you” and “your”.

“Buyer’s Agreement” the contract entered into by *Bonhams* with the *Buyer*.

“Buyer’s Premium” the sum calculated on the *Hammer Price* at the rates stated in the *Notice to Bidders*.

“Catalogue” the *Catalogue* or *e-catalogue* relating to the relevant *Sale*, including any representation of the *Catalogue* published on our *Website*.

“Commission” the *Commission* payable by the *Seller* to *Bonhams* calculated at the rates stated in the *Contract Form*.

“Condition Report” a report on the physical condition of a *Lot* provided to a *Bidder* or potential *Bidder* by *Bonhams* on behalf of the *Seller*.

“Conditions of Business” the terms of the contract between the *Seller* and *Bonhams*.

“Conditions of Sale” the *Notice to Bidders*, *Contract for Sale*, *Buyer’s Agreement* and *Definitions and Glossary*.

“Consignment Fee” a fee payable to *Bonhams* by the *Seller* calculated at rates set out in the *Conditions of Business*.

“Consumer” a natural person who is acting for the relevant purpose outside his trade, *Business* or profession.

“Contract Form” the *Contract Form*, or vehicle *Entry* form, as applicable, signed by or on behalf of the *Seller* listing the *Lots* to be offered for sale by *Bonhams*.

“Contract for Sale” the *Sale* contract entered into by the *Seller* with the *Buyer*.

“Contractual Description” the only *Description* of the *Lot* (being that part of the *Entry* about the *Lot* in the *Catalogue* which is in bold letters), and any photograph (except for the colour) to which the *Seller* undertakes in the *Contract of Sale* the *Lot* corresponds.

“Description” any statement or representation in any way descriptive of the *Lot*, including any statement or representation relating to its authorship, attribution, condition, provenance, authenticity, style, period, age, suitability, quality, origin, value, estimated selling price (including the *Hammer Price*).

“Entry” a written statement in the *Catalogue* identifying the *Lot* and its *Lot* number which may contain a *Description* and illustration(s) relating to the *Lot*.

“Estimate” a statement of our opinion of the range within which the hammer is likely to fall.

“Expenses” charges and *Expenses* paid or payable by *Bonhams* in respect of the *Lot* including legal *Expenses*, banking charges and *Expenses* incurred as a result of an electronic transfer of money, charges and *Expenses* for loss and damage cover, insurance, *Catalogue* and other reproductions and illustrations, any customs duties, advertising, packing or shipping costs, reproductions rights’ fees, taxes, levies, costs of testing, searches or enquiries, preparation of the *Lot* for *Sale*, storage charges, removal charges, removal charges or costs of collection from the *Seller* as the *Seller’s* agents or from a defaulting *Buyer*, plus VAT if applicable.

“Forgery” an imitation intended by the maker or any other person to deceive as to authorship, attribution, origin, authenticity, style, date, age, period, provenance, culture, source or composition, which at the date of the *Sale* had a value materially less than it would have had if the *Lot* had not been such an imitation, and which is not stated to be such an imitation in any description of the *Lot*. A *Lot* will not be a *Forgery* by reason of any damage to, and/or restoration and/or modification work (including repainting or over painting) having been carried out on the *Lot*, where that damage, restoration or modification work (as the case may be) does not substantially affect the identity of the *Lot* as one conforming to the description of the *Lot*.

“Guarantee” the obligation undertaken personally by *Bonhams* to the *Buyer* in respect of any *Forgery* and, in the case of specialist *Stamp Sales* and/or specialist *Book Sales*, a *Lot* made up of a *Stamp* or *Stamps* or a *Book* or *Books* as set out in the *Buyer’s Agreement*.

“Hammer Price” the price in the currency in which the *Sale* is conducted at which a *Lot* is knocked down by the *Auctioneer*.

“Hybrid Sale” a *Live Sale* conducted by an *Auctioneer* but in a closed auction room not open to the public, except for pre-*Sale* viewing by appointment with *Bonhams*.

“Live Sale” a *Sale* conducted by an *Auctioneer*, open to the public for both viewing and attendance at the *Sale*.

“Loss and Damage Warranty” means the warranty described in paragraph 8.2 of the *Conditions of Business*.

“Loss and Damage Warranty Fee” means the fee

described in paragraph 8.2.3 of the *Conditions of Business*.

“Lot” any item consigned to *Bonhams* with a view to its *Sale* at auction or by private treaty (and reference to any *Lot* will include, unless the context otherwise requires, reference to individual items comprised in a group of two or more items offered for *Sale* as one *Lot*).

“Motoring Catalogue Fee” a fee payable by the *Seller* to *Bonhams* in consideration of the additional work undertaken by *Bonhams* in respect of the cataloguing of motor vehicles and in respect of the promotion of *Sales* of motor vehicles.

“New Bond Street” means *Bonhams’* saleroom at 101 New Bond Street, London W1S 1SR.

“Notional Charges” the amount of *Commission* and VAT which would have been payable if the *Lot* had been sold at the *Notional Price*.

“Notional Fee” the sum on which the *Consignment Fee* payable to *Bonhams* by the *Seller* is based and which is calculated according to the formula set out in the *Conditions of Business*.

“Notional Price” the latest in time of the average of the high and low *Estimates* given by us to you or stated in the *Catalogue* or, if no such *Estimates* have been given or stated, the *Reserve* applicable to the *Lot*.

“Notice to Bidders” the notice printed at the back or front of our *Catalogues*.

“Online Sale” a *Sale* conducted online only with no *Auctioneer*, with discretionary pre-*Sale* viewing by appointment with *Bonhams*.

“Purchase Price” the aggregate of the *Hammer Price* and VAT on the *Hammer Price* (where applicable), the *Buyer’s Premium* and VAT on the *Buyer’s Premium* and any *Expenses*.

“Reserve” the minimum price at which a *Lot* may be sold (whether at auction or by private treaty).

“Sale” the auction *Sale*, whether by *Live auction*, a *Hybrid auction* or in an *Online Sale*, at which a *Lot* is to be offered for *Sale* by *Bonhams*.

“Sale Proceeds” the net amount due to the *Seller* from the *Sale* of a *Lot*, being the *Hammer Price* less the *Commission*, any VAT chargeable thereon, *Expenses* and any other amount due to us in whatever capacity and howsoever arising.

“Seller” the person who offers the *Lot* for *Sale* named on the *Contract Form*. Where the person so named identifies on the form that another person as acting as his agent, or where the person named on the *Contract Form* acts as an agent for a principal (whether such agency is disclosed to *Bonhams* or not), “*Seller*” includes both the agent and the principal who shall be jointly and severally liable as such. The *Seller* is also referred to in the *Conditions of Business* by the words “you” and “your”.

“Specialist Examination” a visual examination of a *Lot* by a specialist on the *Lot*.

“Stamp” means a postage *Stamp* offered for *Sale* at a Specialist *Stamp Sale*.

“Standard Examination” a visual examination of a *Lot* by a non-specialist member of *Bonhams’* staff.

“Storage Contract” means the contract described in paragraph 8.3.3 of the *Conditions of Business* or paragraph 4.4 of the *Buyer’s Agreement* (as appropriate).

“Storage Contractor” means the company identified as such in the *Catalogue*.

“Terrorism” means any act or threatened act of terrorism, whether any person is acting alone or on behalf of or in connection with any organisation(s) and/or government(s), committed for political,

religious or ideological or similar purposes including, but not limited to, the intention to influence any government and/or put the public or any section of the public into fear.

“VAT” value added tax at the prevailing rate at the date of the *Sale* in the United Kingdom.

“Website” *Bonhams Website* at www.bonhams.com.

“Withdrawal Notice” the *Seller’s* written notice to *Bonhams* revoking *Bonhams’* instructions to sell a *Lot*.

“Without Reserve” where there is no minimum price at which a *Lot* may be sold (whether at auction or by private treaty).

GLOSSARY

The following expressions have specific legal meanings with which you may not be familiar. The following glossary is intended to give you an understanding of those expressions but is not intended to limit their legal meanings:

“artist’s resale right”: the right of the creator of a work of art to receive a payment on *Sales* of that work subsequent to the original *Sale* of that work by the creator of it, as set out in the Artist’s Resale Right Regulations 2006, as amended.

“bailee”: a person to whom goods are entrusted.

“indemnity”: an obligation to put the person who has the benefit of the indemnity in the same position in which he would have been, had the circumstances giving rise to the indemnity not arisen and the expression “indemnify” is construed accordingly.

“interpleader proceedings”: proceedings in the Courts to determine ownership or rights over a *Lot*.

“knocked down”: when a *Lot* is sold to a *Bidder*, indicated by the fall of the hammer at the *Sale*.

“lien”: a right for the person who has possession of the *Lot* to retain possession of it.

“risk”: the possibility that a *Lot* may be lost, damaged, destroyed, stolen, or deteriorate in condition or value.

“title”: the legal and equitable right to the ownership of a *Lot*.

“tort”: a legal wrong done to someone to whom the wrong doer has a duty of care.

“warranty”: a legal assurance or promise, upon which the person to whom the warranty was given has the right to rely.

SALE OF GOODS ACT 1979

The following is an extract from the Sale of Goods Act 1979:

“Section 12 Implied terms about title, etc

- (1) In a contract of sale, other than one to which subsection (3) below applies, there is an implied term on the part of the seller that in the case of a sale he has a right to sell the goods, and in the case of an agreement to sell he will have such a right at the time when the property is to pass.
 - (2) In a contract of sale, other than one to which subsection (3) below applies, there is also an implied term that-
 - (a) the goods are free, and will remain free until the time when the property is to pass, from any charge or encumbrance not disclosed or known to the buyer before the contract is made, and
 - (b) the buyer will enjoy quiet possession of the goods except in so far as it may be disturbed by the owner or other person entitled to the benefit of any charge or encumbrance so disclosed or known.
 - (3) This subsection applies to a contract of sale in the case of which there appears from the contract or is to be inferred from its circumstances an intention that the seller should transfer only such title as he or a third person may have.
 - (4) In a contract to which subsection (3) above applies there is an implied term that all charges or encumbrances known to the seller and not known to the buyer have been disclosed to the buyer before the contract is made.
 - (5) In a contract to which subsection (3) above applies there is also an implied term that none of the following will disturb the buyer’s quiet possession of the goods, namely-
 - (a) the seller;
 - (b) in a case where the parties to the contract intend that the seller should transfer only such title as a third person may have, that person;
 - (c) anyone claiming through or under the seller or that third person otherwise than under a charge or encumbrance disclosed or known to the buyer before the contract is made.
- (5A) As regards England and Wales and Northern Ireland, the term implied by subsection (1) above is a condition and the terms implied by subsections (2), (4) and (5) above are warranties.”