



ON-SITE AUCTION AGREEMENT

SELLER/CONSIGNOR

INTAKE INFORMATION

Name				<input type="checkbox"/> Seller ID	
Company				Start Date	
Mailing Address				Cancel Date	
City/State/ZIP				<p>NPS Auctions, Inc. d/b/a Southern Minnesota Auctions 340 Ash Street, P.O. Box 614 Nicollet, MN 56074 507-508-5334 Auctioneer #52-24-017 auctions@surplusmn.com</p>	
Phone					
Email					
Preferred Method of Contact	Phone Call	Text	Email		
<i>Hereafter referred to as "Seller"</i>					
<i>Hereafter referred to as "Auctioneer"</i>					

TERMS & CONDITIONS

SLIDING FEE SCALE

Seller Verifies the Following:

- They are the legal owner of the assets listed in this Agreement;
- They have the right to sell these assets and that the assets are not used as collateral on any outstanding debt;
- They have the right to receive all proceeds from the sale of these assets

Seller understands that all consigned asset(s) will sell to the high bidder when the auction closes, unless the asset was consigned with a Reserve and the Reserve was not met (see Reserve section).

Seller understands the starting bid for all lots is \$1.00

Commission will only be charged for assets that are sold. Assets that don't sell remain the property of **Seller**.

Seller understands that any asset that is abandoned or does not sell at the end of the auction is still their property. **Auctioneer** is not responsible for disposal of unsold or abandoned items.

Seller understands there is a \$5.00 minimum commission per lot. That means if an item sells for less than \$20.00, you will be charged \$5.00 per lot. For instance, if an item sells for \$8.00, you would receive \$3.00 and the **Auctioneer** would receive \$5.00. See the Sliding Fee Scale for more information. If an item sells for \$3.00, we will not charge you the additional \$2.00 to fulfill the \$5.00 minimum. You simply won't receive proceeds from that lot.

Seller is required to provide **Auctioneer** with detailed information about the condition of every asset being consigned. **IMPORTANT:** Winning bidders are not obligated to honor a bid if the lot description and/or lot photos failed to accurately describe the asset's condition. *A fee of \$50 will be charged for every consigned asset that fails to sell due to inaccurate or incomplete information on the asset's condition.*

Auctioneer will determine how to present the consigned asset(s) to bidders and on which auction the asset(s) will appear. Insight from the **Seller** is appreciated, however, discretion will come down to the **Auctioneer's** opinion and prior experience. Suggestions made after the auction posts will be considered, but not necessarily implemented.

Seller understands that an asset isn't considered sold until **Auctioneer** receives payment for the asset from the winning bidder. If a winning bidder fails to honor their bid, the asset will be processed as a **NO SHOW**. If a winning bidder fails to complete the sale due to misrepresentation of the asset in the lot description/photos as determined by the **Auctioneer**, the asset will be processed as a **NO SALE**. In both scenarios, **Seller** retains ownership of the asset.

Seller and/or **Seller's** agents are STRONGLY DISCOURAGED from placing bids on their own assets. Seller and/or seller's agents are expected to pay for any items won, including all taxes and fees.

Seller will receive a detailed settlement report and payment (high bid amount less commissions and fees) for sold assets within two weeks of the auction removal.

RESERVES

Generally speaking, items with reserves or set opening bids tend to under-perform in auction results. Reserves tend to dampen bidder excitement. Whether the reserve is disclosed or not, it takes the fun out of the auction process. The auction format truly reflects the current market. Items that are of higher quality will have more interested buyers. More interested buyers means higher bids. It's that simple!

1. The **Auctioneer** will not put a reserve for anything less than \$5,000. There are no exceptions to this rule.
2. The reserve fee - 10% of the Reserve - is payable by cash or check before the item is listed on the auction.
3. The reserve fee is NON-REFUNDABLE.
4. If an item doesn't sell with a reserve the first time, the **Auctioneer** can re-run it without a reserve. The **Auctioneer** will not run it again with a reserve.
5. The **Auctioneer** will NOT contact the high bidder of an auction that doesn't reach the reserve to see if they want to buy it for their highest bid. This undermines the auction process.

See the website for specific examples.

TITLED ASSETS

Seller understands that a clear title is required to sell a titled asset. The clear title must be signed by the vehicle owner and given to the **Auctioneer** when the Agreement is signed. If the title indicates a secured party, a lien release must accompany the signed title.

Seller understands that all documentation must be provided before the titled/registered asset can be listed. **Auctioneer** must have the documentation on hand in case an inspector with the Department of Public Safety does an inspection and requests these documents. There are no exceptions to this policy.

HALTING LOTS & CANCELING THE AUCTION

Seller understands when an item is placed on an active auction, it will sell for the highest bid based on what the *market dictates*. If you have questions regarding the value of an item, please consult with the **Auctioneer** before committing to selling. Assets **without a reserve** can be taken off the active auction for \$50/lot; assets **with a reserve** can be taken off of the active auction for \$50/lot PLUS the reserve fee (see above).

Seller understands if an auction is canceled within 30 calendar days before the agreed upon start date on page 1, they will be assessed a \$250 cancellation fee. If work has already begun on the auction, **Seller** will be charged an additional \$5 per lot for every lot cataloged. For example: if **Seller** cancels an auction the **Auctioneer** cataloged 100 lots for, **Seller** would be charged the \$250 cancellation fee and \$500 for the lots already cataloged.

By signing below, **Seller** affirms that they are the legal owner of the assets and has the legal right to sell and receive the proceed from the sale of these assets. This is a legally binding document and **Seller** understands and agrees to all the terms and conditions included in this Consignment Agreement.

Seller's Signature

Date

Auctioneer's Signature

Date