NATIONAL CONDITIONS OF SALE

Revised 2022

LIVESTOCK AUCTIONEERS ASSOCIATION LAA

MEMBER INFORMATION

To accompany the revised 2022 LAA National Conditions of Sale we are providing information on the latest changes, guidance on how the conditions should be used and resources to display in the market.

KEY CHANGES

The lists below highlights key changes within the revised 2022 Livestock & Machinery National Conditions of Sale.

Please note this is not an exhaustive list.
We strongly recommend all members familiarise themselves with the revised conditions in full.

ONLINE AUCTIONS ADDENDUM

Both the Livestock and Machinery National Conditions of Sale now include an Online Auctions Addendum. Due to addition regulations applying when a "distance contract" is made by a buyer not being present (online auction) additional conditions have been created to accompany the main conditions, and accommodate online auctions. Please find within this document the full Online Auctions Addendum Guidance and Templates.

LIVESTOCK NATIONAL CONDITIONS OF SALE

2.4 Time Limits
Clarifies where a time frame for reporting a breach of warranty or taking some other action is not specified within the relevant condition, then the reporting of the breach or the other action should be taken before the End of the Day's Sale.

16.8 Name of Purchaser: payment of purchase money: transfer of title
Addition of an express condition to ensure "the Auctioneer does not have any obligation to pay out to the Vendor, until the Purchaser has paid the Purchase Price. Any payment to the Vendor before the Purchaser has made payment in full is made at the Auctioneer's sole discretion".

Schedule 1 – Animals Sold for Slaughter
Introduction of a new schedule, Schedule 1 - Animals Sold for Slaughter (relevant to cattle, sheep and pigs).

Schedule 2 Cattle - 16 Heifers proving in calf
Specifies where a "Purchaser decides to calve the Heifer (and, for the avoidance of doubt, calving also includes aborting the heifer), he forfeits his rights" under the Condition

Schedule 2 Cattle, 3 Sheep, 4 Pigs – 35 Stock Bulls, 43 Stock Rams & 49 Stock Boars
Specifies where a Purchaser of a Stock Bull, Ram or Boar "obtains viable semen from the animal for use by artificial insemination before he is turned out for natural service, he shall not be entitled to any claim against the Vendor for Breach of Warranty".

Appendix
Updated appendix allowing for the option of the purchaser to claim the difference between the Purchase Price and the realisation value at slaughter when the animal is fit for slaughter. EID tag identification and proof of sale and/or slaughter is also required in this instance.

MEMBER INFORMATION

KEY CHANGES CONTINUED

MACHINERY NATIONAL CONDITIONS OF SALE

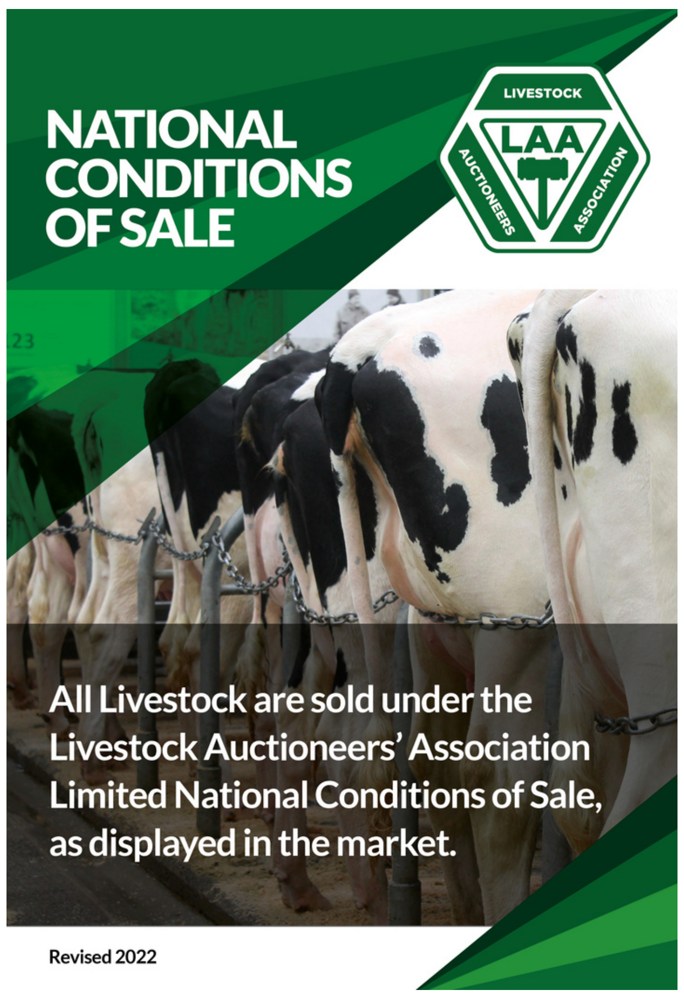
11.3 VAT Requirements
Amended condition to state the Purchasers responsibility to be up to date, aware of and understand the requirements stated by the U.K. Government in relation to VAT and the statutory requirements.

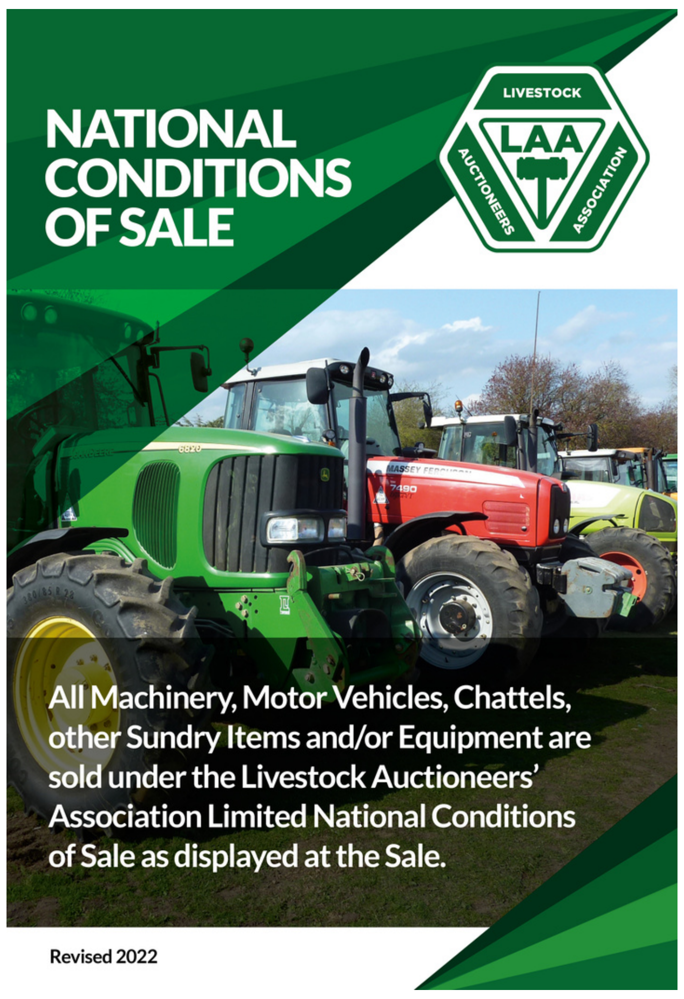
16.8 Name of Purchaser: payment of purchase money: transfer of title
Addition of an express condition to ensure "the Auctioneer does not have any obligation to pay out to the Vendor, until the Purchaser has paid the Purchase Price. Any payment to the Vendor before the Purchaser has made payment in full is made at the Auctioneer's sole discretion".

POSTERS

To accompany the revised 2022 National Conditions of Sale, a selection of posters have been created to display in market to highlight key conditions, vendor warranties and purchaser responsibilities for all categories.

These will be available to download, alongside digital copies of both the Livestock & Machinery National Conditions of Sale, via the members area of the LAA website from 9th May 2022.
Registration required





MEMBER GUIDANCE

ONLINE AUCTIONS TERMS & CONDITIONS

Online auctions create a contract which is classed as a "distance contract" because the buyer is not present. Because the contract is formed in this way several of the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 apply. They prescribe the information that must be given to a buyer before the contract is formed and which cancellation options are available.

The Consumer Rights Act 2015 is specifically designed to protect Consumers. They are "individuals acting for purposes that are wholly or mainly outside that individual's trade, business, craft or profession". The CRA gives specific redress to Consumers in certain circumstances

In consumer contracts these statutory requirements cannot be contracted out of and businesses should take every reasonable step to understand and comply with the requirements. If the requirements are not met the contract is breached. This can result in the cancellation period being extended and/or an action for breach of contract.

On registration of the bidder, members should provide them with:-

- Main terms and conditions;
- Online Addendum (including Model Cancellation Form);
- Name and Geographical address of the Auction.

If it is possible, the bidder should be asked to take an "active step" to confirm they have received, read and understood the terms and conditions. For example, they should be asked to tick a box before they come to place a bid, or click a link to confirm they have received the email and activated their account.

The bidder should also be asked to acknowledge that they understand that if they place a bid which is accepted by the auctioneer as the highest bid, there is an obligation on them to pay. This could be by a notice next to the "bid" button.

On acceptance of the bidder as the highest bidder a confirmation should be sent which includes:-

- A full description of the Lot.
- The hammer price + any premiums + any VAT + any commissions or other charges.
  These should be listed separately and be distinguishable. The total price should be clear.
- Confirmations of arrangements for payment & collection.
- Details of rights to cancel & model cancellation form.
- Sellers identity & business address.

A template for this email is provided on the following page.

All of this information should be sent to the bidder/Purchaser in a "durable medium" (in a way which can be kept by them). An email will be sufficient – presenting them with something to read on screen, with no means of accessing the information afterwards will not be sufficient.

MEMBER GUIDANCE

ONLINE AUCTIONS TEMPLATE EMAIL CONFIRMATION

Dear

We are pleased to confirm that you were the highest bidder for Lot No ### "[description of the Lot]" in the Online Auction which took place on [date].

Payment
Please find attached your invoice which details the full price payable by you, comprising the sale price and any taxes, commissions, premiums or other additional charges which are payable.

Please make payment via any of the methods given on the remittance. Payment must be made no later than 3 days after receipt of this confirmation email and in any event, before the item is received by you.

Seller
We confirm that the Seller of your item was: [insert full trading name of Seller]
Their trading address and contact details are : [insert trading address and telephone number for Seller]

Delivery
In accordance with the catalogue Lot ### [delete as appropriate] [was to be collected by you/your representative. The address for collection (if different from the Seller's trading address is [insert collection address]]. [will be delivered to you at a cost of £[ ], which is payable to[ ]].

Rights to Cancel
Your rights to cancel this contract are set out in the Terms and Conditions which were sent to you when you registered to bid.