

## **AUCTION SALES ENACTMENT F.M.S Cap. 81 (No. 2 of 1929)**

An Enactment to repeal and re-enact the law regulating Sales by Public Auction. [5th July, 1929.]

### 1. Short title.

This Enactment may be cited as the Auction Sales Enactment.

### 2. Definition

In this Enactment –

“sale by auction” means any sale or offer for sale of any property or any interest in any property, movable or immovable, where any persons become the purchaser of the same by competition and being the highest bidder, either by being the single bidder or by increasing upon the biddings made by others or decreasing on sums named by the auctioneer or other person at such sale, or by any other mode of sale by competition;

‘licensing officer’ means the licensing officer appointed by the Minister for the purposes of this Enactment in each State and the Federal Territory;

‘Minister’ means the Minister charged with the responsibility for auctions and auctioneers;

“sale by public auction” means a sale by auction at which an invitation, express or implied, is given to the public or any class of the public to become purchasers;

It shall be presumed until the contrary is proved that any sale by auction is sale by public auction;

“auctioneer” means any person duly licensed to conduct sales by public auction under Section 3 sub-section (i) of this Enactment.

### 3. Licenses.

(1) The licensing officer may from time to time license fit any proper persons to conduct sales by public auction, and may from time to time revoke such license. Every such license shall expire on the 31st day of December of the year in which it is issued. The fee for each license shall be ten ringgit.

(2) No person, other than a Government servant selling Government property or authorized in that behalf under any other law for the time being in force or acting under the order of a competent Court, shall conduct a sale by public auction without being licensed under this Enactment.

### 4. Notice of sale.

(1) Every auctioneer shall before conducting a sale by public auction give public notice thereof, setting out the particulars of the property to be offered for sale, and stating the time and place at which the auction will be held.

(2) Such notice shall be given not less than seven days before the date fixed for the auction; provided that with the permission in writing of the chief Police Officer the period of such notice may be reduced to two days.

(3) Such notice of sale may expressly state that the sale is subject to a reserve price or that a right to bid on behalf of the seller is reserved. If a right to bid on behalf of the seller is so reserved the seller or any one person on his behalf may bid at the auction. Otherwise it shall be unlawful for the seller or any person on his behalf to bid at the auction or for the auctioneer knowingly to take any bid from the seller or any such person, and should the auctioneer take any such bid the sale shall be void as against any person, other than the person making such bid, who becomes a purchaser thereat.

5. Full name, etc., of auctioneer to be displayed at sale.

Every auctioneer, before beginning any sale by public auction, shall affix or suspend or cause to be affixed or suspended a ticket or board containing his true and full name and residence painted, printed or written in large letters, publicly visible and legible in some conspicuous part of the house, room or place where the auction is held, so that all persons may easily see the same, and shall also keep such ticket or board so affixed or suspended during the whole time such auction is being held.

6. Place of sales.

All sales by public auction shall be held in places open to the general public and large enough for the accommodation of as many persons as may reasonably be expected to desire to bid thereat.

7. Auctioneer may not buy.

No auctioneer shall buy on his own account property entrusted to him for sale by public auction, but he may purchase such property as the agent of another person who has employed him to do so. Should an auctioneer buy on his own account property so entrusted to him for sale the sale shall be void as against the seller.

8. Bidding agent.

In no case shall more than one person bid in the interests of a single would-be purchaser.

9. Every lot deemed subject of a separate contract of sale.

Where property is put up for sale by public auction in lots each lot shall prima facie be deemed to be the subject of a separate contract of sale.

10. Completion of sale.

A sale by public auction shall be complete when the auctioneer announces its completion by the fall of the hammer or other customary manner and until then any bidder may retract his

bid. At the time of announcing such completion the auctioneer shall forthwith audibly declare the name of the actual purchaser.

11. Penalties.

Any person acting in contravention of any of the provisions of this Enactment or of any Rules made hereunder shall be liable on conviction to a fine not exceeding one hundred ringgit and, if such person is an

auctioneer, the Court by which he is convicted may cancel his license.

#### 12. Power to make Rules.

The Minister may make Rules for the following purposes:

- (a) to prescribe the nature and amount of security to be furnished by licensed auctioneers;
- (b) to prescribe the particulars which must be set forth in every notice of sale with such modifications or limitations in particular circumstances as he may think fit;
- (c) to provide for the delivery of every notice of sale, and the time and manner of such delivery, to such Government authority as he nominates;
- (d) generally to give effect to the provisions of this Enactment.

#### 13. Sales under order of Court.

The Judges appointed under the Courts Enactment, or any two of them, of whom the Chief Justice shall be one, may from time to time make Rules regulating the taxation of auctioneer's commission and expenses on sales of property by public auction under order of Court and under Section 515, sub-section (1) of the Civil Procedure Code.