

CHAPTER 13
AUCTIONEERS LAW

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CHAPTER 13

AUCTIONEERS LAW

A N S L Cap
12

A Law to provide for the licensing of auctioneers and to regulate sales by auction

[27th August, 1991]

1. This Law may be cited as the Auctioneers Law and shall apply to such pans of the State as the Governor may by order declare.

Short title
and
application

2. In the Law—

‘auctioneer" means licensed auctioneer and includes the holder of an agent's licence and in section 3 and 22 includes any person conducting a sale by auction,

Interpretation

"Commissioner" means Commissioner responsible for Local Government matters.

"goods" includes animals and any interest in goods;

"Governor" means Governor of Enugu State of Nigeria

"lands" includes any interest in land;

‘State" means Enugu State of Nigeria

3. Every person who sells any goods or lands at any sale where any person becomes or may become the purchaser of the same by competition and being the highest bidder, either by being the sole bidder, or 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 shall be deemed to carry on the businesses of an auctioneer

4. (1) No person shall carry on the business of an auctioneer in any part of the Stale to w which this Law applies without a licence granted under this Law authorizing him to carry

Business of
auctioneer

Auction
eer to
hold
licences

on such business, or in any part or area to which such licence does not extend.

Penalty a fine of one hundred naira.

(2) This section shall not apply to any person in the service of the Government selling goods or lands being the property of the Government or which the Government or any department or officer of the Government is by any Law authorized to sell, or to a sale conducted by an officer of

a court acting under the orders of the court.

5. The Commissioner may by notice in the Slate (Gazette appoint any person to be the licensing authority for the purposes of this Law for any area specified in such notice

6. Licences granted under this Law shall extend-

(a). to all parts of the State to which this Law applies; or

(b). to any such part or group of such parts in respect of which a separate fee for the licence is specified in the Second Schedule or is prescribed: or

(c). in the case of an agent's licence, to the area of a licensing authority.

and shall be in one of the forms set forth in the First Schedule.

There shall be paid therefor prior to the issue of a licence the fee specified for such licence in the Second Schedule or such other fee as may be prescribed.

7. Licences may, subject to the provisions of this Law, be granted by the licensing authority to an individual but shall not be granted to a firm, or corporation or to a pawnbroker as defined by the Pawnbrokers Law, or to any servant, apprentice or agent of any such pawnbroker.

8. (1) Application for a licence shall be made in writing to the licensing authority for the area in which the principal office or place of business of the applicant is situated

(2). Before granting any licence, the licensing authority shall make such inquiries as he considers requisite for ascertaining that the applicant is a fit and proper person to be licensed, and may refuse any licence without assigning any reason to the applicant.

(3). Any person to whom a licence has been refused may represent his case to the Commissioner who may direct that the licence be withheld or that further examination and inquiry be held.

9. (1) If the licensing authority shall decide, or be directed by the Commissioner, to grant a licence he shall require the applicant to give security by bond in the prescribed form for such sum as may be prescribed for such licence for the faithful discharge of his office:

Security to be given by auctioneer.

Appointment of licensing authority.

Licence; area to which they may extend, forms and fees

First Schedule. Form A-D

Licences to be granted to individuals

Application for and grant of licence

Provided that the licensing authority may accept, in lieu of the security aforesaid, security by deposit in the Treasury of the sum prescribed for the bond.

(2) If it shall appear to the licensing authority that the security of any auctioneer has become insufficient, he shall call upon the auctioneer to give sufficient security, and if the auctioneer shall fail to do so, the Commissioner may, on the report of the licensing authority, suspend the licence of the auctioneer until sufficient security has been given

Commissioner
may suspend or
revoke licences
on certain
conditions

10. The Commissioner may, on the recommendation of a licensing authority and after such inquiry as he may consider necessary, if he considers it advisable in the public interest to do so, suspend or revoke the licence of an auctioneer:

Provided that upon any such suspension or revocation there shall be refunded to the auctioneer by the licensing authority which issued the licence so suspended or revoked a sum equivalent to one-twelfth of the annual licence fee for each complete month for which the licence is suspended or for the remainder of the period for which the licence was issued, as the case may be.

Duration of
licence

11. (1) A licence under this Law other than an occasional licence shall have effect from the date of the granting thereof till the close of the 30th day of June, or the 31st day of December, in the case of half- yearly or yearly licences respectively, of the year in which such licence may have been granted.

(2) Wherever an order suspending a licence is made, the licence shall cease to be of any effect during the term of suspension; and whenever the licence is revoked the licence shall cease to have any effect whatever

12. An occasional licence permitting the person named therein to carry on the business of an auctioneer for one day only may be granted by a licensing authority.

Occasional
licences.

Provided that an occasional licence shall not be granted in an area in which a licensed auctioneer is carrying on business and the provisions of subsection (1) of section 9 shall apply in respect to such a licence

13. (1) Any person who may have a licence in force as in Form B of the First Schedule may apply for and obtain from the licensing authority for any area one or more licences (hereinafter called an agent's licence) and every such licence shall authorize the person named therein (such person being in the permanent employment of the person applying for such licence under a contract of not less than three month's duration) to sell by auction on behalf of such employer in the area of the licensing authority who has granted such licence:

Licences to
agents of
auctioneers
first
schedule
Form B

Provided that—

(a). The total number of persons who may be authorized by agent licence to sell by auction on behalf of any such employer shall not exceed three; and

(b). an agent's licence shall not be issued in respect of an area to which the employer's licence does not extend.

(2) Such agent shall not be required to find security but the employer shall be required to give such additional security as may be prescribed, and the provisions of section 9 shall apply in respect of an agent's licence. The employer shall be responsible for the agent's compliance with all of the provisions of this Law and for the payment of any pecuniary penalties which he may incur for contraventions thereof.

14. An agent's licence may be suspended or revoked for any offence, committed by him, for which any other licence under this Law may be suspended or revoked, and in case the licence of the employer of such agent should terminate or he suspended or revoked, the licence of any agent employed by him shall ipso facto terminate, or be suspended during the suspension of the employer's licence, or be revoked as the case may be.

15. (1) If the holder of an agent's licence shall cease to be in the employment of the auctioneer who applied for the same, he shall forthwith cease to be qualified to act as an auctioneer under such licence.

(2) The licensing authority may in such last-mentioned case, on the request of the person who applied for such licence, transfer the same for the unexpired period thereof to some other person in the employment of such applicant under contract as aforesaid, but no agent's licence shall be transferred more than once in any period of six months.

16. Each licensing authority shall keep a register of auctioneers licensed by him and of persons holding agent's licences for the area of the licensing authority.

17. (1) Every auctioneer shall, on the requisition of the owner thereof, accept the sale of all property which may be offered to him for sale in the township or place in which he carries on his ordinary business as an auctioneer, and shall sell the same within such time as the owner may require, or as soon thereafter as possible having regard to the sale of other property with which he has been entrusted:

Provided that except in the case of perishable goods he shall not be bound to sell such property sooner than seven days after he shall have accepted the sale thereof.

(2) Nothing herein shall be construed to restrict any auctioneer from selling at the same sale the property of more than one owner, so long as the goods are looted consecutively and in such manner that no owner's goods may become mixed with the goods of any other owner

18. No auctioneer's licence shall authorize any person to sell intoxicating liquor, for the sale of which licence is required by law, except upon premises in respect of which the owner of such liquor shall have in force at the time of the sale thereof, the proper licence for the sale of such liquor.

19. No sale by auction of any land shall take place until after at least seven day's public notice thereof made at the principal town or the district in which the land is situated, and also at the place of the intended sale. The notice shall be made not only by printed or written documents, but also by beat of drum or such other method intelligible to uneducated persons as may be prescribed, or if not prescribed, as the Local Government Secretary of the area where such sale is to take place may direct, and shall state the name and place of residence of the seller

20. Two days before any sale by auction shall take place, or within such shorter time as the Local Government Secretary of the area where such sale is to take place, may, in special circumstances, authorize in his discretion, notice thereof in writing together with a catalogue of the goods or lands to be sold shall be delivered by the auctioneer to the said Secretary, specifying the place and time at which such sale begins, and within sixty hours after such sale shall have terminated a complete account of the sale verified by oath or affirmation of the auctioneer shall be delivered to the said Secretary, specifying the price at which each lot shall have been sold.

Penalty: a fine of forty naira.

21. Every auctioneer, before beginning auction, shall affix or suspend and during the whole time of such auction keep affixed or suspended in some conspicuous part of the room or place where the auction is held a ticket or board containing his true and full name and residence painted, printed, or written in large letters, publicly visible and legible,

Penalty: a fine of ten naira

22. (1) It shall be stated in the particulars or conditions of sale by auction of any land or goods whether such sale will be without reserve, or subject to a reserved price, or whether a right to bid is reserved.

(2) If it is stated that the sale will be without reserve or to that effect, then it shall not be lawful for the seller or any person in his behalf or employed by him to bid at such sale, or for the

Auctioneer's
licences not
to authorize
sale of
intoxicating
liquor

Notice of
sale of land

Notice
catalogue
and report of
sale to be
furnished to
local
Government
Secretary

Auctioneers.
name and
address to be
published at
sale.

Sales subject
to reserve and
vendor's right
to bid

Where
without
reserve

auctioneer to take knowingly any such bidding.

Where If
Subject to
reserved price

(3) If it is stated that the sale will be subject to a reserved price as regards any one or more lots. it shall be lawful for the seller or any person employed by him to give one bid for each such lot and no more, which bid shall be openly declared at the auction upon the lot being put up for sale, before any other bidding for such lot is received

Where right
to bid
reserved o
seller

(4) If it is stated that the sale will be subject to a right for the seller to bid, it shall be lawful for the seller, or for any one person on his behalf, but not more than one, to bid at such auction in such manner as he shall think proper

Consequence
s of seller
bidding in
the preceding
cases

(5). If the seller or any person employed by him or on his behalf s all bid at any sale contrary to any of the provisions of this section, any purchaser may refuse to fulfil his purchase, but the highest bone fide bidder shall be entitled, if he shall so elect. to have the land or goods at the price offered by him.

Penalty on
auctioneer
receiving
unlawful
bidding

(6). No auctioneer nor any person in partnership with him or in his employment or in his behalf shall bid al any sale conducted by him and any auctioneer w1io—
(a). knowingly receives any bidding contrary to the provisions of this section, or
(b) .bids himself or receives any bid from any partner of his or any person in his employment or in his behalf.

shall be liable on conviction, to a fine of one hundred naira

Auctioneer
may recover
purchase
money

23. (1) The auctioneer conducting a sale by auction shall (unless it be agreed otherwise between him and the seller) be entitled to sue for, recover and discharge all sums due in respect of such sale.

Payment In
setter

(2) The auctioneer shall (unless it be agreed otherwise between him and the seller) be liable for the due payment to the seller of the net proceeds of the sale within ten days from the time of sale of such property

Employment
to sell by
auction does
not authorize
private sale

24. The employment of an auctioneer to sell any property by public auction does not authorize him, in case the public auction proves abortive, to sell the property by private contract

Remuneration
of auctioneer on
sale

25. (1) The remuneration of any Auctioneer for selling any property by auction shall in no case exceed fourteen naira per centum on the gross amount of such sale.

Where property
is bought in

(2) If any property exposed for sale is bought in. by or on behalf of the owner, the remuneration of the auctioneer shall not exceed naira per centum on the amount at which the same has been so

bought in, if the said amount be under two hundred naira, or four naira per centum, if above that sum.

(3) No agreement to pay or allow any higher rates than in this section mentioned shall be binding, and any auctioneer who shall receive or retain out of the proceeds of any sale any higher rates shall be liable to have licence suspended or revoked by the Commissioner.

26. (1) If the employer of any person holding an agent's licence is ordered to pay any penalty incurred by such person, and makes default in doing so, the penalty may be levied by distress, seizure and sale of movable and immovable property of such employer

(2) Any penalty paid by or recovered from the employer on behalf of such person so employed by him, together with all costs incurred by such employer in respect of such penalty, shall be a debt due to him from the person so employed by him.

27. (I) The court imposing any pecuniary penalty under this Law upon any auctioneer may, if it shall appear that the offence is of such nature as to require the licence of such auctioneer to be suspended or revoked, make an order to that effect, and the licence shall be suspended or revoked accordingly.

(2) The court making any order of suspension or revocation a licence shall forthwith intimate the same to the licensing authority.

28. Nothing in this Law shall be construed to alter or derogate from the provisions of any law or rules of court, relating to sales in execution of decrees.

29. No auctioneer, or person in his employment or in partnership with him, shall draft, prepare or procure the execution of any conveyance of land,
Penalty: a fine of one hundred naira.

30. The Commissioner may make regulations for the following purposes—

a) altering the sums specified in the Schedule either generally, or in relation to licences issued in any area specified in such regulation;

b) prescribing the sums for which security shall be required in respect of the several licences which may be issued under this Law;

c) generally for the further or better carrying into effect the purposes of this Law

FIRST SCHEDULE-FORMS OF LICENCES

FORM A

AUCTIONEER'S LICENCES

Order of suspension or revocation of licence.

Report of order
Saving as to sales in execution of

Auctioneer prohibited from preparing conveyances

Power to make regulations

Agreement for higher rules void

Penalties incurred by agents

Employers remedy

With Privilege of Agents

Licence is hereby granted to (a) -----to carry on the business of an auctioneer (with privilege of agents) in (b) -----until the ----- day -----, 20 -----, subject to the Auctioneer Law.

Dated this ----- day of ----- 20 -----

Fee paid ----- naira

Signature of Licencing Authority

(a) Insert name address of the person licensed.

(b) Insert "Enugu State of Nigeria" or the part thereof to which licence is extended

FORM B

AUC11ONELR S LICENCES

Without Privilege of Agents

Licence is hereby granted to (a) ----- to carry on the business of an auctioneer (without privilege agents) in (b) ----- until the ----- day of ----- 20 -----, subject to the Auctioneers Law.

Dated this ----- day of ----- 20 -----

Fee paid ----- Naira

Signature of Licensing Authority

(a) Insert name and address of the person licensed

(b) Insert "Enugu State of Nigeria" or the part thereof to which licence is extended

FORM C

AUCTIONEER'S AGENT S LICENCE

Licence is hereby granted to (a) -----to carry on the business of an auctioneer in the (b) ----- of Enugu State as agent of ----- 20 ----

----- in case such agency shall continue so long, subject to the Auctioneer Law.

Dated this ----- day of ----- 20 -----

Fee paid -----naira

Signature of Licensing Authority

(a) *insert name and address of the person licensed.*

(b) *Insert “Enugu State of Nigeria” or the part thereof to which licence is extends.*

(c) *Insert here the name and address of the auctioneer who employs the agent.*

FORM D

OCCATIONAL LICENCE

Licence is hereby granted to (a) ----- to carry on the business of an Auctioneer subject to Auctioneer's Law.

Dated this ----- Day of -----20 -----

Signature of Licensing Authority

SECOND SCHEDULE -FEES FOR LICENCES

	₦	K
For one year	96	00
Every licence in Form A		
For half year	50	00
For one year	100	00
Every Licence in Form B		
For half year	52	00
For one year	8	00
Every licence in Form C		
For half year	4	00
Every licence in Form D	2	00

SUBSIDIARY LEGISLATION

Auctioneers Law

SALES BY AUCTION REGULATIONS

made under section 30

1. These regulations may be cited as the Sales by Auction Regulations

2. The bond required by section 9 of the Auctioneers Law shall be in accordance with Form A in the Schedule hereto and shall be for the sum of eight hundred naira.

3. Where the holder of a licence with the privilege of having agents desire to obtain an agent's licence the bond required by sections 4 and 13 of the Law shall be in accordance with form B in the Schedule herein and shall be for the sum of two hundred naira.

4. The bond required by subsection (I) of section 9 and by section 12 of the Law shall be in accordance with Form U in the Schedule hereto and shall be for the sum of one hundred naira

SCHEDULE

FORM A

Auctioneer's Bond

Reg 2

KNOW ALL MEN by these presents that we ----- are held and firmly bound unto the Governor in the sum of ----- naira of good, and lawful money of Nigeria to be paid to the Governor and his successors, for which payment well and truly to be made we bind ourselves and each of us jointly and severally, our heirs, executors and administrators firmly by these presents

Sealed with our seal this ----- day of ----- 20 -----

WHEREAS the above bounded ----- has applied for a licence under the Auctioneers Law to authorize him on the business of an auctioneer in Enugu State of Nigeria with (out) the privilege of having agents front the ----- day of ----- next thereafter, and the said application has been approved and the above bounded ----- have also been approved as the sureties of the said -----

Now the condition of this obligation is such that if the above-named ----- or any other person to whom such agent's licence may be transferred under the provisions of the said Law do and shall in all things conform to all and every of the

provisions of the said Auctioneers Law, then this obligation shall be void, otherwise shall be and remain in full force and effect.

Signed, sealed and delivered by
in the presence of

FORM B

Auctioneer's bond for an Agent

KNOW ALL MEN by these presents that we ----- are held and firmly bound unto the Governor in the sum of ----- naira of good and lawful money of Nigeria to be paid to the Governor and his successors, for which payment well and truly to be made we bind ourselves and each of us jointly and severally, our heirs, executors and administrators, firmly by these presents:

Sealed with our seal this ----- day of ----- 20 -----

WHEREAS the above bounden ----- has applied for licence under the Auctioneers Law to authorize him to carry on the business of an auctioneer in Enugu State of Nigeria with (out) the privilege of having agents from the ----- day of ----- next thereafter, and the said application has been approved, and the above bounded ----- have also been approved as the sureties of the said -----

Now the condition of this obligation h such that if the above –named ----- or any other person to whom such agent's licence may he transferred under the provisions of the said Law do and shall in all things conform to all and every of the provisions of the said Auctioneers Law then this obligation shall be void, otherwise shall be and remain in full force and effect

Signed, sealed and delivered by
in the presence of

FORM C

Bond in respect of an Occasional Licence

KNOW ALL MEN by these presents that we ----- are held and firmly bound unto the Governor in the sum of ----- naira of good and lawful money of Nigeria to be paid to the Governor and his successors, for which payment well and truly to be made we bind ourselves and each of us jointly and severally, our heirs, executors and administrators, firmly by these presents

Sealed with our seals this ----- day of -----20 -----

Cap 12

WHEREAS the above bounden ----- has applied for a licence under the Auctioneers Law to authorize him to earn on the business of an auctioneer in Enugu State of Nigeria with (out) the privilege of having agents from the ----- day of ----- next thereafter, and the said application has been approved, and the above bounded have also been approved as the sureties of the said -----

Now the condition of this obligation is such that if the above-name ----- or any other person to whom such agent's licence may be transferred under the provisions of the said Law do and shall in all things conform to all and every of the provisions of the said Auctioneers Law, then this obligation shall be void, otherwise shall be and remain in full force and effect.

Signed, sealed and delivered by

In the presence of

Appointment of Licensing Authorities

made under section 5

The councils mentioned hereunder are hereby appointed to be licensing authorities for their respect areas of authority—

- I. Enugu Local Government Council

Auctioneers Law (Application) Order

made Under section 1

1. This order may be cited as the Auctioneers Law (Application) Order
2. The Auctioneers Law shall apply to the areas of authority of the Local

Government Councils established by the Local Government Law and mentioned in the Schedule hereto.

SCHEDULE

1. Awgu Local Government Council
2. Enugu Local Government Council
3. Ezeagu Local Government Council
4. Igbo-Etiti Local Government Council
5. Igbo-Eze Local Government Council
6. Isi-Uzo Local Government Council
7. Nkanu Local Government Council
8. Nsukka Local Government Council
9. Oji River Local Government Council
10. Udi Local Government Council
11. Uzo-Uwani Local Government Council