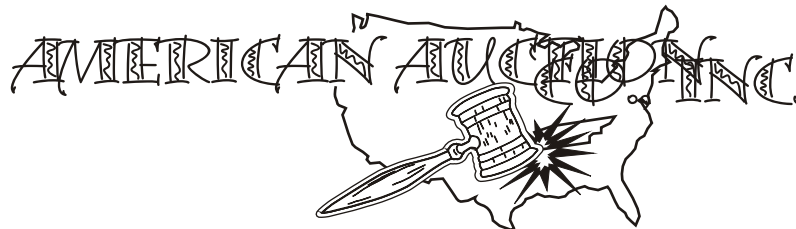


# Auction Service Contract



This agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_, whose address is \_\_\_\_\_, hereinafter referred to as "SELLER", and American Auction Co., Inc., hereinafter referred to as American Auction Co. through its representative, \_\_\_\_\_.

For valuable consideration, each to the other given, seller hereby grants unto American Auction Co. the exclusive listing and exclusive right to the seller's property for 90 days from the above date, consisting generally of \_\_\_\_\_

\_\_\_\_\_ on Auction date set for on/or before \_\_\_\_\_ in the city of \_\_\_\_\_, in the county of \_\_\_\_\_, in the state of \_\_\_\_\_ all of which

American Auction Co. undertakes and:

**1. AMERICAN AUCTION CO., INC. AGREES, at its own expense:**

- (a) To prepare advertisements of the property for sale, to place such advertisements in brochures, newspapers, posters, or other such medium and in such manner as American Auction Co. considers in the best interest of the sale, to employ its contracts and mailings to spread word of the sale and to solicit prospective bidders and purchasers;
- (b) To schedule a public auction at a mutually convenient and appropriate time;
- (c) To provide experienced and qualified auction and clerical personnel, and the necessary equipment to handle the sale;
- (d) To conduct the auction at the time and place specified with the object of getting the highest price obtainable; and
- (e) To comply with all provisions of law relating to the lawful conduct of this sale.

**2. SELLER AGREES, at its own expense:**

- (a) If the property is encumbered, Gives to American Auction Co. the Authority To Pay Lienholders and Creditors out of proceeds of sale and to advise of all encumbrances
- (b) If the sale involves a "bulk sale or transfer", in a Uniform Commercial Code state, to prepare an Affidavit of debts, and to see that proper notice of this sale is sent to these creditors by at least ten (10) days prior to this sale: in a non-Uniform Commercial Code state, to do such things as may be reasonably necessary to comply with the provisions of any bulk sales laws;
- (c) To be present at the sale, or to have a representative present who shall be familiar with the property to be sold, and to make known at the proper time any latent defect in any property being sold or any incorrect statement of auctioneer;
- (d) To neither sell nor further encumber any of the described property after the date of execution of this agreement and before the auction date without the express consent in writing of American Auction Co.;
- (e) To execute all deeds, bills of sale, title papers or other instruments of conveyance with the usual warranties to the highest valid bidder at the sale;
- (f) To indemnify and save harmless American Auction Co. from any cost, loss, or damage or expense resulting from the seller's failure to do fully any of the foregoing, regardless of whether American Auction Co. may have acquiesced in any such failure. It is understood that American Auction Co. is serving as the Seller's agent to conduct the sale of its property at the instance of and for the benefit of the Seller and that Seller shall save harmless American Auction Co. from any costs, loss, damage or expense including reasonable attorney's fees except those which American Auction Co. agrees to bear in Paragraph One above; and to comply with all provisions of law relating to the lawful conduct of this sale.

**3.**

(a) Seller agrees to pay American Auction Co. a commission of \_\_\_\_\_% of the highest bid obtained on the property at the time of the auction is completed. If the property or any part thereof be sold within ninety (90) days after the date of the auction as a result of any actions of American Auction Co., American Auction Co. shall receive its full commission. Seller agrees to pay expenses in the amount of \$ \_\_\_\_\_;

(b) American Auction Co. will charge a \_\_\_\_\_% buyer's premium on final bid. Buyer's premium will be retained by American Auction Co.;

American Auction Co. shall advertise and conduct an absolute auction by which term is meant that the highest valid bid shall be accepted. Recognizing that American Auction Co. shall incur expense and that its business reputation may be damaged by any failure or refusal of the Seller to convey the herein

(a) described property to the highest bidder, it is hereby agreed that in such event the Seller shall be liable unto American Auction Co. in liquidated damages for the full amount of what the commission would be had this sale been consummated, and in addition, will indemnify and save harmless American Auction Co. from any further loss, cost or damage which American Auction Co. may incur as a result of this failure or refusal to convey;

- (b) Payment for purchases at the sale shall be made to "American Auction Co., Inc.," and all checks not so payable shall be so endorsed and held by American Auction Co. until distributed. Authority is hereby granted to American Auction Co. to execute for and in the name of Seller all endorsements, assignments and other papers appropriate to effect assignment and transfer of titles of property sold or payment therefore. American Auction Co. will within a reasonable time, make full settlement and payments of the proceeds to the Seller less American Auction Co.'s commission, charge or compensation; after all checks have cleared. The parties recognize that by conducting the sale, American Auction Co., has made certain expenditures, therefore proceeds of the escrow account shall first be applied to any expenses or commissions due American Auction Co. and is authorized to withdraw said funds from escrow. American Auction Co. shall assume no responsibility for default on the part of any bidder nor shall it be responsible for collecting any payment due from any defaulting bidder.
- (c) It is understood that if real estate is involved the Seller will ordinarily be required to produce an abstract of title or title opinion upon which a guaranty of the Purchaser's title may be made, and that a reasonable time, not to exceed 90 days after sale shall be allowed for closing.
- (d) American Auction Co. does not represent nor is it authorized to provide security for the Seller's property. While American Auction Co. will make every effort to insure that only the proper bidders are allowed to take possession of auctioned property, American Auction Co. shall not be responsible for any theft or unauthorized taking and Seller agrees to hold harmless therefrom.
- (e) This instrument contains the entire agreement between the parties hereto and shall be binding upon the parties, their heirs, representatives and assigns. The term Seller shall include the spouse of said Seller who has joined in the execution of this Agreement, if the Seller is a partnership or corporation, the person executing this document represents that he has the authority to bind the partnership or corporation.
- (f) It is hereby understood that, by the execution hereof by the Seller and the authorized Representatives of American Auction Co., this instrument shall become an irrevocable offer to American Auction Co. for a period of ten (10) days or until the necessary schedules are completed, attached and forwarded to American Auction Co.'s home office, to provide the time and opportunity for the home office to examine this offer and to act on it.
- (g) It is agreed that in any event it is necessary to incur legal expenses to enforce this contract American Auction Co. shall be entitled to reasonable expenses incurred and attorney's fees. The laws of Tennessee shall apply to this contract. The parties further agree to be subject to the jurisdiction of the Tennessee courts and that the forum selected by the parties for any suit related to this contract or the aforementioned sale shall be the Tennessee courts.
- (h) The seller agrees that all expenses incurred for the advertisement, promotion, and of conducting the Auction shall be paid from the proceeds realized from the Auction before the payment and satisfaction of any liens or encumbrances. The seller covenants and agrees that he has good title and the right to sell said goods and that goods are free from all encumbrances, except as follows: (If none, write NONE \_\_\_\_\_.)

ITEM	MORTGAGE OR LIEN HOLDER	ADDRESS	APPROXIMATE UNPAID BALANCE
_____	_____	_____	_____
_____	_____	_____	_____

In witness whereof, the parties have hereunto set their hands the day and year above written.

WITNESS: \_\_\_\_\_

\_\_\_\_\_  
**SELLER**

WITNESS: \_\_\_\_\_

\_\_\_\_\_  
**SELLER**

\_\_\_\_\_  
**REGISTERED REPRESENTATIVE OF  
 AMERICAN AUCTION CO., INC.**

APPROVED, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.