

CHAPTER 13 - AUCTIONEERS

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CHAPTER 13
AUCTIONEERS

**A LAW TO PROVIDE FOR THE LICENSING OF AUCTIONEERS AND TO
REGULATE SALES BY AUCTION.**

[21 June 1917]

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

2. Definitions:-

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

"goods" includes animals and any interest in goods;

"lands" includes any interest in land.

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 as being the sole bidder, or increasing the biddings made by others, or decreasing on sums named by the auctioneer, or other persons at such sale, or by any other mode of sale by competition shall be deemed to carry on the business of an auctioneer.

Licensing of Auctioneers

4. —(1) No person shall carry on the business of an auctioneer in any part of the State which this Law applies without a licence granted under this Law authorising him to carry on such business or any part or area to which such licence does not extend.

Penalty: a fine of five 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 Act or Law authorised 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 State Gazette appoint any person to be the licensing authority for the purposes of this Law for any area specified in such notice.

6.—(1) 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.

(2) 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 by 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 situate.

(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, with one or more sureties approved by the licensing authority, to answer for the faithful discharge of his office:

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.

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 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 completed 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.

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) Whenever 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:

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 authorise 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 months' duration) to sell by auction on behalf of such employer in

the area of the licensing authority who has granted such licence:

Provided that:-

- (a) the total number of persons who may be authorised by agents' licences 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 to 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 be 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 agents' 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 held to restrict any auctioneer from selling at the same sale the property of more than one owner, so as the goods are lotted 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 authorise any person to sell intoxicating liquor, for the sale of which a 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 days' public notice thereof made at the principal town of 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 Secretary of the local government of the area where such sale is to take place may direct, and shall state the name and place of residence of the seller.

Penalty: a fine of four hundred naira.

20. Two days before any sale by auction shall take place, or within such shorter time as the Secretary to the local government to be of the area where such sale is to take place, may in special circumstances, authorise 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 such 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 such secretary, specifying the price at which each lot shall have been sold.

Penalty: a fine of five hundred naira.

21. Every auctioneer, before beginning any 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 one hundred 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 to take knowingly any such bidding.

(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.

(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.

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

(6) No auctioneer nor any person in partnership with him or in his employment or in his behalf shall bid at any sale conducted by him and any auctioneer who:-

(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 thousand naira.

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.

(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.

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

25. —(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.

26.—(1) 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 of a licence shall forthwith intimate the same to the licensing authority.

Miscellaneous

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

28. 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 thousand naira.

29. The Governor may make regulations for the following purposes:-

(a) altering the sums specified in the Second Schedule either generally or in relation to licences issued in any area specified in such regulations;

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

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

**FIRST SCHEDULE
FORMS OF LICENCES**

The Auctioneers Law

Form A

Without privilege of Agents

Licence is hereby granted to [name and residence of person licensed] to carry on the business of an auctioneer [in the State or in (specify part of the State to which licence is to extend)] until the day of.....,19....., subject to the

Auctioneers

Law.

Dated this.....day of....., 19.....

Fee paid: ₦

.....,
Signature of Licensing Authority.

The Auctioneers Law

Form B

With privilege of Agents

Licence is hereby granted to [name and residence of person licensed] to carry on the business of an auctioneer (*with privilege of agents*) [in the State or in (specify part of the State to which licence is to extend)] until theday of....., 19....., subject to the Auctioneers Law.

Dated this.....day of.....19.....

Fee paid: ₦

.....
Signature of Licensing Authority.

The Auctioneers Law

Form C

Agent's Licence

Licence is hereby granted to [name and residence of person licensed] to carry on the business of an auctioneer in the [name of district or other area] as agent of [name and address of the employer] until the.....day of....., 19....., in case such agency shall so long continue, subject to the Auctioneers Law.

Dated this.....day of....., 19.....

Fee paid: ₦

.....
Signature of Licensing Authority.

The Auctioneers Law

Form D

Occasional Licence

Licence is hereby granted to [name and residence of person licensed] to carry on the business of an auctioneer for one day only subject to the Auctioneers Law.

Dated this.....day of....., 19.....

Fee paid: ten naira

.....
Signature of Licensing Authority.

SECOND SCHEDULE

Licences extending to all parts the Gongola state

Every licence as in form A:-	₦ k
For one year	100 00
For half a year	50 00

Every licence as in form B:-
For one year 15000
For half year 75 00

Agents' Licences
Every licence as in form C:-
For one year 50 00
For half year 25 00

Occasional Licences
Every Licence as in Form D 10 00
