

AUCTION CONSIGNMENT AGREEMENT

MID # _____

This Auction Consignment Agreement made this _____ day of _____, 20____.
BETWEEN:

(the "Consignor")

and –

LEVIS FINE ART AUCTIONS & APPRAISALS INC.

("LEVIS")

In consideration of the mutual covenants and agreements the parties agree as follows:

1. Defined Terms:

"auction" means the public auction to be conducted by Levis

"Buyer" means the person, corporation or other entity or such entity's agent who bids successfully on the Goods at the auction.

"buyer's premium" means the commission, as determined by Levis, payable by the Buyer to Levis on the hammer price.

"consignor's commission" means the commission payable by the Consignor to Levis as follows:

10% of the hammer price for lots selling **for \$2,500 or more**

20% of the hammer price for lots selling **between \$500 and \$2,499**

30% of the hammer price for lots selling **under \$500**

the greater of 5% of the reserve **or \$125 on unsold lots.**

"GST" means the Goods and Services Tax levied and demanded pursuant to the Excise Tax Act, RSC, 1985, and the regulations thereunder, as amended from time to time.

"hammer price" means the price at which Levis sells the Goods to the buyer.

"Goods" is in reference to the attached Schedule A

"lot" means those Goods consigned by the Consignor to Levis for sale and listed on the attached Schedule A as described by lot number in Levis' catalogue for the auction.

"proceeds of sale" means the net amount due to the Consignor from Levis, which shall be the hammer price less the consignor's commission and any other amounts due to Levis or any associated company of Levis by the Consignor.

"reserve" is the confidential minimum sale price established on a lot by the Consignor and Levis. The reserve will not exceed the low pre-sale estimate published in Levis' catalogue for the auction.

2. Levis shall act as the Consignor's agent only and not as principal in the sale of the Goods and shall have absolute discretion in determining whether the Goods are suitable for sale; the particular auction sale for the Goods; the date and location of the auction; the manner in which the auction is conducted, including the refusal of any bid and the advancement of bidding; the catalogue descriptions of the Goods and any other matters relating to the sale of the Goods at the auction, including the sale of the Goods individually or in lots combined with other Goods consigned by the Consignor. Levis, as agent of the Consignor, is and shall not be responsible for any default by the Consignor or the Buyer.

3. The Consignor will deliver, at the Consignor's expense, the Goods to Levis in saleable and presentable condition not less than 75 days prior to the auction. The Consignor may not withdraw the Goods without the consent of Levis. In the event that such consent is given, the Consignor agrees to pay Levis any and all damages as well as a fee of 20% based upon the low pre-sale estimate set by Levis on the Goods or, if no pre-sale estimate has yet been determined, a charge of 20% of the value of the Goods determined by Levis for insurance purposes, together with GST thereon.

4. Levis, with the consent and at the cost of the Consignor, may refurbish the Goods to bring them to presentable condition for the auction, and/or retain the services of an independent expert for

authentication, certification or providing a condition report and shall deduct any such costs incurred from the proceeds of sale.

5. The Consignor agrees that the description of the Goods as set out above is the Consignor's responsibility and hereby indemnifies Levis and its agents against any loss or harm resulting from the Consignor's mis-description of the Goods. In the event of any mis-description, the Consignor hereby authorizes Levis, at its sole discretion and as the Consignor's agent, to refund the purchase price of the mis-described Goods to the buyer and to pay Levis as a fee the greater of 20% of the high pre-sale estimate or 20% of the hammer price of the mis-described Goods, together with all expenses and GST.

6. Levis reserves the right to withdraw the Goods at any time prior to the auction if it determines in its sole discretion that:

- [a] there is doubt as to the authenticity of the Goods;
- [b] there is doubt as to the accuracy of the Consignor's representations or warranties herein;
- [c] the Consignor has breached or is about to breach any provision of this agreement; **or**
- [d] any other just cause exists.

In the event the Goods are withdrawn pursuant to this clause, the Consignor agrees to pay the charge to Levis provided for in clause 3 above.

7. The Consignor:

[a] warrants that the Consignor has good title and right to sell the Goods and warrants to Levis and to the Buyer that the Goods are wholly owned by the Consignor and that they are not subject to any lien or liens;

[b] indemnifies Levis, its employees and agents and the Buyer against all claims made or proceedings brought by persons entitled or purporting to be entitled to the Goods or due to any default of the Consignor in complying with any applicable legislation, regulations or requirements;

[c] shall reimburse Levis in full and on demand for all payments, costs, expenses or any other loss or damage whatsoever made, incurred or suffered as a result of any and all breaches by the Consignor pursuant to 7 [a] or 7 [b] above.

8. If the Goods are subject to a reserve, the Consignor hereby authorizes Levis to sell the Goods below the reserve provided that the proceeds of sale paid by Levis to the Consignor is an amount not less than the reserve less the consignor's commission.

9. The Consignor authorizes Levis to deduct from the hammer price the consignor's commission, any expenses incurred by Levis on behalf of the Consignor pursuant to clause 4 above, together with any GST thereon, and any other amount due hereunder. The Consignor acknowledges that, notwithstanding that Levis is its agent, Levis is entitled to and shall retain the buyer's premium.

10. Levis shall, within 21 days after the auction, provide the Consignor and lien holder [s], if any, with a statement setting out the hammer price of the Goods and shall pay to the Consignor and/or to the lien holder [s], if applicable, the proceeds of sale provided that the Buyer of the goods has paid Levis in full for the Goods. In the event that Levis pays the Consignor an amount equal to the proceeds of sale prior to receiving payment in full from the Buyer, then title to the Goods shall pass to Levis.

11. In the event that the Buyer fails to pay Levis the purchase price of the Goods within 14 days after the auction, then Levis will endeavour to obtain the Consignor's instructions as to the appropriate course of action to be taken and, so far as in Levis' sole opinion such instructions are reasonable, will assist the Consignor, at the Consignor's cost, to recover the purchase price from the Buyer, save that Levis shall not be obligated to issue judicial proceedings against the Buyer in its own name.

Notwithstanding the foregoing, Levis reserves the right and is hereby authorized at the Consignor's expense, and in each case at Levis' absolute discretion, to agree to special terms for payment of the purchase price, to remove, store and insure the goods sold, to settle claims made by or against the Buyer on such terms as Levis shall think fit, to take such steps as are necessary to collect monies from the Buyer and to set aside the sale and refund money to the Buyer.

12. Levis shall insure the Goods in its possession against loss by fire, theft and vandalism based upon a value equivalent to the low pre-sale estimate of the Goods. Any additional insurance coverage is the sole responsibility of the Consignor. Levis shall not be responsible for any damage sustained by the Goods as a result of perils not required to be insured against or any amount in excess of the low pre-sale estimate of the Goods.

13. Withdrawn or unsold Goods returned at the Consignor's request shall be returned at the Consignor's risk and expense and shall not be insured in transit unless Levis is otherwise instructed to do so by the Consignor and at the Consignor's expense. Levis shall also be entitled to charge the Consignor a reasonable fee for packing or crating the returned Goods.

14. Unsold Goods must be collected by the Consignor and at the Consignor's expense within 30 days after the auction, after which time Levis shall be entitled to charge the Consignor a storage fee of \$2 per day per lot.

15. If any unsold Goods have not been collected by the Consignor within 180 days after the auction, then title to the Goods shall pass to Levis.

16. The Consignor hereby grants to Levis exclusive right to illustrate and photograph the Goods at Levis' expense and to use such photographs, illustrations or images therefrom, as well as any illustrations, photographs or images provided by the Consignor to Levis, at any time and for such purposes as it sees fit, whether such purposes are related to the sale of the Goods or not. All rights to any photographs, illustrations or images taken by Levis shall be retained by Levis.

17. The Consignor warrants that the Consignor will not bid for themselves at the auction nor employ any person to bid on their Goods. The Consignor acknowledges that Levis acts in good faith as a dual agent when, for example, accepting and executing absentee bids or facilitating telephone bids from potential Buyers.

18. Any indemnity or other protection against financial burden hereunder shall extend to all actions, proceedings, costs, claims and demands whatsoever incurred or suffered by the person for whose benefit the protection is given; and, any protection expressed to be for the benefit of Levis, shall extend to its employees and agents.

19. This Agreement comprises the entirety of the contract between Levis and the Consignor and Levis shall not be held liable in respect of any representation not made in writing herein.

20. This Agreement shall be governed by the laws in force in Alberta, whose Courts shall have the sole jurisdiction to adjudicate claims made in respect of this Agreement.

IN WITNESS WHEREOF this Agreement has been duly executed by the parties.

LEVIS FINE ART AUCTIONS & APPRAISALS INC.

(the "Consignor")

STATUTORY DECLARATION

{C A N A D A} IN THE MATTER OF THE FAIR
PROVINCE OF ALBERTA} TRADING ACT (ALBERTA)
TO WIT:} PUBLIC AUCTION REGULATIONS

I, _____ of _____ in the Province of _____ do
solemnly declare as follows:

1. That:

- [a] I am the owner; **or**
- [b] I am the person entitled to possession; **or**
- [c] I am the agent of the owner and, as such, have knowledge of the facts; **or**
- [d] I am the agent of the lien holder entitled to possession and, as such, have knowledge of the facts,
of the Goods listed above.

2. The name(s) of the owner(s) of the Goods is/are:

3. The Goods are not subject to any lien; **or**
The Goods are subject to the following lien(s):

And I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

Declared before me at _____)
in the Province of _____)
this _____ day of _____, 20__.)

A Notary Public in and for Oaths in and for
the Province of _____
Name: _____
Expiry Date: _____

(the "Consignor")