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TULI CATTLE BREEDERS' SOCIETY OF SOUTH AFRICA

RULES FOR HOLDING A TULI AUCTION

1. The Society expects members to sell Tuli cattle on auction under the auspices of the Society. It provides protection to both sellers and buyers of such animals and also provides financial benefits to the seller. It also ensures that animals meet the required standards and therefore benefits the buyers.

2. Tuli stud auctions can be classified under the following categories:

2.1 Production or Cattle Reduction Auctions

These include bull sales, auctions of approved female animals with or without calves. More than one breeder may collaborate to offer such auctions.

2.2 Dispersal sale

These auctions are held when stud farming is discontinued, which means that the breeder cannot continue to breed Tuli's under some other name and that his/her membership will automatically be terminated within three months after the auction.

A dispersal sale is therefore an auction where all the animals on the breeder's inventory appear in the catalogue and are offered for sale in the auction ring. Any other name for an auction that may give rise to the impression that the auction is a sale ("dispersal sale") will also fall under the rules of a sale.

Council has the right to prohibit a breeder from advertising an auction as a dispersal auction if there is evidence that the best animals in the herd have already been sold or disposed of before the auction, unless the seller discloses this fact in his advertisement.

3. GENERAL AUCTION PROCEDURES

Auctions offered by the Society Council, under the Society's rules, will be held under the auspices of the Society.

3.1 Any Production; Reduction; Dispersal Sale; National Auction; multi-breed of registered Tuli cattle, will be approved by the Society on condition that:

3.1.1 Before advertising such an auction, the Seller must contact a nominated member of the Society, to discuss the details of the auction and obtain approval. A written agreement must be signed by both the Seller and the Society's representative, which sets out the terms and conditions of the auction.

3.1.1.1 The provisions as set out below must be met:

Raadslede / Council Members

B Raath (President), S Mains-Sheard (Vise-President/Vice President), J Bredenkamp, E Clark, D Mullins, C Rothmann (Gekoöpteerd/Co-opted)

Tuli Cattle Breeders' Society of South Africa • Tuli Beestelersgenootskap van Suid-Afrika

3.1.1.2 If the stipulations, as set out above, are not adhered to, the Society will have the right to:

a) negotiate terms again;

b) withdraw permission to hold the auction under the auspices of the Society;

c) suspend the breeder's membership

4. AUCTION DATE

4.1 A breeder who intends to hold an auction under the Auspices of the Society must approach the Society timeously (more than three months before the intended auction) and if approved, sign the Auction Agreement. The designated auctioneer must also **sign** an agreement with the Society at least fourteen (14) days before the auction. Exceptions may be considered, for instance for "deceased estate" auctions where the required three (3) months run-up may not be possible in extenuating circumstances.

4.2 No auction may be held within fourteen (14) days of a National Auction (before / after).

When the auction dates are allocated, the preferential order will be applied as follows: First Society Auctions, then breeding group, private, production or dispersal sales auctions. Established interests will be taken into account.

5. UNDER PROTECTION OF THE SOCIETY

"Under the auspices of the Tuli Cattle Breeder Society of SA" means that the Society has verified the authenticity of the breeding and performance data of each animal, as provided in the catalogue. Also, that a "screening" inspector of the Society has visually inspected and approved every animal for transfer to another breeder. This must be done within fourteen (14) days before the auction

However, the Society cannot accept responsibility for the wrong animals being auctioned or for any hidden defects or sub-clinical disease conditions in any animal being offered.

6. CATALOGUE

6.1 ALL auctions on which Tuli's are sold by members of the Tuli Society must have an official Studbook catalogue in the established Studbook format, whether or not the auction is held under the auspices of the Society.

6.2 Any animal sold on an auction, in which its full details do not appear in Studbook format, in the catalogue, will NOT be transferred to the new owner as a registered Tuli.

6.3 The seller must ensure that all vaccinations and tests are entered in the catalogue and provide the auction inspector with proof of tests. See point 7.

6.4 Female animals 30 months and older must be certified pregnant or offered with her calf (less than 8 months old) to be admitted to an auction under the auspices of the Society.

6.5 The cost of the Catalogue as drawn up by SA Stud Book is payable by the member / seller.

6.6 If the homozygous polled factor has been found using DNA/ Genomic test, it can be mentioned in the catalogue.

6.7 Pending (for whatever reason) animals may not be auctioned.

6.8 Stud sire bulls must have a DNA number and the paternity must be verified. With regards to pregnant cows offered on the sale; the sire of an unborn calf as well as the sire of calf at

foot with the cow, must have a DNA number which must appear on the catalogue under "remarks".

6.9 From the 1 January 2023, it is mandatory that all stud sires have to be Genomically tested.

7. INSPECTION / SELECTION

All animals to be presented at a sale should be screened within fourteen (14) days of the sale by preferably two (2) inspectors. The seller is responsible for the arrangement of the screening. When animals were inspected 14 days prior to the sale, the screening will not be necessary. Kindly note that in such an inspection, normal inspection tariffs apply (see item 8.5)

The completion of screening forms is compulsory and must be signed by both the inspector and the seller.

Junior inspectors and breeders may not be present at the screening before sales.

At these pre-sale inspections, the seller must provide the inspector with the following documents before any animal can be inspected:

7.1. Fertility certificate for the bulls which must not be older than 90 days before the day of the date of the auction.

Certificate that the bull tested negative for Trichomoniasis (Sheath wash). Such document must include the current scrotum size of the given bull.

7.2. Certificate must be available showing that the seller's herd has tested negative for brucellosis and tuberculosis in the past 12 months as required by the National Act. Alternatively, all animals on the auction must be certified negative for TB and BM.

7.3. Certificate of pregnancy must accompany all pregnant animals and the period of pregnancy must be stated.

7.4. The auctioneer must specifically announce that the commercial auction begins after the registered auction and that those 'Tuli type' animals are not sold under the protection of the Society.

7.5 The commercial animals must be stated as Tuli type in the catalogue and advertisement.

7.6 Any registered bull screened off the sale, will not be allowed to be sold as a commercial bull on the sale. The animals must be removed from the premises or from the public eye.

7.7 Any registered female animal screened off the sale for a functional fault will not be allowed to be sold as a commercial female on the sale. The animals must be removed from the premises or from the public eye.

8. PRODUCTION AUCTIONS

8.1 At all auctions under the auspices of the Society, the auctioneer will read the meaning of "Under-protection of the Society", as mentioned under point 5 above before the auction commences.

8.2 Cattle which, in the opinion of the inspectors who inspected them before the auction, do not comply with the **minimum breed standards** of the Society and are rejected, may under no circumstances be presented at the auction.

8.3 Cattle that are **not** "**auction worthy**" may under no circumstances be offered at auction. Required Condition Score: Female animals (cow with calves, dry cows and heifers) must meet a 3 score.

Male animals must meet a 3.5 condition. These requirements only pertain to auctions under the auspices of the Society.



The responsibility for the sale of the rejected animals under the above conditions is entirely on the seller. The Society will under no circumstances transfer such animals for registration purposes to the new owners and will not be involved in any claims of buyers who may be under a misconception.

8.4 The seller or any agent nominated by him may not bid on his own animals on an auction under the auspices of the Society. Such action is regarded as unethical behaviour.

8.5 From 1 January 2022- 1% Commission will be levied on all registered animals, i e animals on the Catalogue. No seller/ buyer may pay the technical advisor additionally for animals sold at the auction.

The technical advisor/inspector may not do any marketing for specific auctions and be compensated for it.

8.6 Sham sales are regarded as unethical behaviour and the Council will decide on necessary disciplinary steps.

9. DISPERSAL

In addition to all the abovementioned rules, the following rules will also apply to dispersal auctions:

9.1 The discussion of a dispersal sale at the Society is only a preliminary discussion. The acceptance or confirmation will only take place after a completed application form containing all the rules and regulations has been completed and signed by the seller and a duplicate application form has been signed by the Council.

As for Total Dispersal sales, any reserve prices or restrictions that will apply will be announced to prospective buyers.

9.1.1 Should a breeder hold a total dispersal sale in two separate sales - eg, the approved animals first and later the younger animals after their approval - the breeder may apply in writing to Council for extension of his membership for an agreed period.

9.1.2 Should the breeder not sell all his Tuli cattle on the Dispersal Sale for acceptable reasons, he may submit a written application letter motivating to Council to prolong his membership so that he is given the opportunity to sell the remaining registered animals.

9.2 The membership of a breeder whose herd was offered on a Total Dispersal sale, will automatically be terminated three (3) months after the auction, after the normal membership termination requirements have been met.

Should circumstances change during the auction or thereafter, the breeder will have to submit written representations and / or motivation to the Council in respect of his situation. In such cases, Council will make a mutually satisfactory arrangement with the breeder.

9.3 All Tuli's that are listed in the name of the relevant breeder or Companies, Trusts, Close Corporations, Partnerships or Herds of which he is interested must be presented at a total dispersal sale. On the basis of an acceptable reason, the Council may authorize the sale of only certain of the interest groups' cattle. The membership of those interest groups will then be terminated.

9.4 Tulis sold on a Dispersal Sale will not be transferred as registered animals into the name of the seller, his spouse or any organization (eg. Company, Close Corporation, Trust, Partnership or Support Name) in which the seller has an interest.

9.5 Debtors - Before a Dispersal sale is approved under the auspices of the Society, the seller must sign a written repayment agreement with the Society. Otherwise the Society itself will make arrangements with the Auction Company to pay any outstanding debt, directly to the Society after the sale.

10. INTERNET AUCTIONS

All rules as set out above also relate to internet auctions.

11. NATIONAL SALES

All rules as stated above, also apply to National Sales. Council reserves the right to from time to time adapt the conditions for participation a National Sale and it will be communicated to the members.

12. ADVERTISING & MARKETING

12.1 With all sales presented under the auspices of the Tuli Cattle Breeders' Society of SA, only photos of registered animals may appear on the catalogue and sale pamphlets, printed or digital.

12.2 When a Commercial sale with animals for sale are presented, whether male or female, a separate catalogue as well as a separate advertisement/ page must be compiled, that clearly stipulates that it is a Commercial Sale of **Tuli Type** animals. Commercial photos may be advertised on the commercial sale catalogue.