



Ohio Revised Code

Section 4707.20 Written contract or agreement in duplicate required.

Effective: September 12, 2008

Legislation: House Bill 48 - 127th General Assembly

(A) Except when conducting an auction under division (B)(5)(b) of section 4707.02 of the Revised Code, no person shall act as an auction firm, auctioneer, or special auctioneer until the person has first entered into a written contract or agreement in duplicate with the owner or consignee of any property to be sold, containing the terms and conditions upon which the licensee receives or accepts the property for sale at auction. The contracts or agreements shall, for a period of two years, be kept on file in the office of every person so licensed. No apprentice auctioneer shall be authorized to enter into such a contract or agreement without the written consent of the apprentice auctioneer's sponsoring auctioneer, and all contracts or agreements shall be made in the name of and on behalf of the sponsoring auctioneer. In addition, an apprentice auctioneer shall not enter into an auction contract for the sale of real property in the name of the sponsoring auctioneer regardless of whether the apprentice auctioneer is licensed as a real estate broker or salesperson.

(B) On all contracts or agreements between an auction firm, auctioneer, or special auctioneer and the owner or consignee, there shall appear a prominent statement indicating that the auction firm, auctioneer, or special auctioneer is licensed by the department of agriculture, and either that the licensee is bonded in favor of the state or that an aggrieved person may initiate a claim against the auction recovery fund created in section 4707.25 of the Revised Code as a result of the licensee's actions, whichever is applicable.

(C) The auction firm, auctioneer, or special auctioneer who contracts with the owner is liable for the settlement of all money received, including the payment of all expenses incurred only by the licensee and the distribution of all funds, in connection with an auction.

(D) For purposes of this section, a contract or agreement shall specify all of the following:

- (1) The owner of the property to be sold or the owner's agent or the consignee;
- (2) The date of the auction or a termination date of the contract or agreement;



- (3) The location of the auction;
- (4) The terms and conditions of the auction;
- (5) All of the fees to be charged by the auctioneer or the auction firm, which shall include commissions, rentals, advertising, and labor;
- (6) An explanation of the settlement of the auction that includes the disbursement of interest money, if applicable;
- (7) A statement establishing the responsibility for bad checks, debts, and unpaid auction items;
- (8) A statement indicating whether the auction is a reserve auction or an absolute auction. In addition, the statement shall include the definition of reserve auction or absolute auction from section 4707.01 of the Revised Code, as applicable.
- (9) A statement of the auctioneer's or auction firm's policy regarding absentee bidding;
- (10) A brief description of the real or personal property to be sold;
- (11) If the sale is of real or personal property at absolute auction, a statement affirming that the seller of the real or personal property has a bona fide intention to transfer ownership of the property to the highest bidder.