

Absentee Bidding frequently asked questions

I can't make it to the auction but would like to bid. What should I do?

Rock Island Auction Company offers several options for bidders to participate in our auctions other than by attending in person. You can leave absentee bids as a matter of fact we get thousands of absentee bids via the fax, mail, and internet or you can be a telephone bidder live during the auction.

Here are four ways to get us your absentee bids prior to the auction.

1. **Our website** allows you the ability to compete against other bidders by submitting absentee bids on our website after you create an account. Sometime before the actual auction, online bids are compiled and loaded into our computer system, and our auctioneers execute the bids on behalf on our absentee bidders. Our website is secure and your information is kept confidential.
2. **Call us** someone can take your absentee bids on the phone. By calling our Moline office toll free at 800-238-8022, you can give your bids over the telephone on the days leading up to the sale, and we will record those bids for you into our system and execute them for you during the sale. However you must send us via fax, email, or mail a written agreement to the terms and conditions of sale.
3. **Faxing** your bids, using the official bid form found in our printed catalog, or it can be downloaded from our website. If you do not have an official bid form, please contact us and we will fax one to you. Again we need your signature agreeing to the terms and conditions of sale to execute the bids
4. **Mail** bids are accepted as well, and this is a popular method of sending absentee bids. Sometimes the bids arrive AFTER the sale so mail early and do not forget to sign the form agreeing to our terms and conditions of sale. If you do not have an official bid form, please contact us and we will send you one.

IF YOU ARE A FIRST TIME BIDDER WE NEED TO ESTABLISH CREDIT WITH YOU. THIS CAN BE ACCOMPLISHED SEVERAL DIFFERENT WAYS:

1. **A LETTER FROM YOUR BANK MAY BE SENT TO US STATING YOUR ACCOUNT IS IN GOOD STANDING; IT MUST BE DATED WITH THE CURRENT DATE**
2. **A 15% DEPOSIT ON THE LOW ESTIMATE OF YOUR BIDS IF YOU ARE PHONE BIDDING OR 15% OF YOUR TOTAL BID AMOUNT IF YOU ARE SUBMITTING SEALED BIDS**
3. **A CREDIT CARD AUTHORIZATION CAN BE RUN WHEREBY WE CHECK THAT 15% OF THE BID AMOUNT WILL BE ALLOWED ON YOUR CARD; NO CHARGES ARE APPLIED HOWEVER THE 15% MAY BE TIED UP ON YOUR CARD FOR A FEW DAYS, TYPICALLY 3 – 5.**

NOTE: When faxing or mailing your bids, please write legibly and make sure the bids are written dark enough to fax clearly. It is important to fill in the description field as well as the lot field. We find several times each auction that a bidder wrote the

wrong lot number however we were able to "fix" it because we have a description to check it against.

Is it possible to win a lot for less than the amount I bid? – Absolutely! This happens routinely as we bid for you as if you are actually here. We do our best to get you the lot at the best price possible. Generally the bidding starts out at around 50% of the low price estimate. **For example:** Say a lot has a low estimate of \$1,000. If you had an absentee bid in of \$900, the bidding would typically start at \$500. Let's say someone on the floor bids up to \$700 and stops, if there are no other absentee bids or phone bids for this lot you would win the lot at \$750.

What is a Buyer's Premium? How much is Rock Island Auction's Buyer's Premium?

A Buyer's Premium is a percentage that the successful bidder must pay in addition to the hammer price for each lot. Our buyer's premium is 17.5%, or discounted to 15% for cash or approved check. So, if you won a lot that hammered for \$100, your total amount due for that lot would be \$115 if you pay by check, \$117.50 if you pay with credit card.

What are the bidding increments? Generally, the bidding begins at one-half the low estimated value and will continue at our established bid increments. Rock Island Auction Company has established the following bidding increments. We rarely ever "cut" the bid and will adhere to the bid increments below.

\$50 - \$200:	\$10 increment
\$200 - \$500:	\$25 increment
\$500 to \$1,000:	\$50 increment
\$1,000 - \$2,000:	\$100 increment
\$2,000 - \$5,000:	\$250 increment
\$5,000 - \$10,000:	\$500 increment
\$10,000 - \$20,000:	\$1000 increment
\$20,000 - \$50,000:	\$2,500 increment
\$50,000 - \$100,000:	\$5,000 increment
\$100,000 - \$500,000:	\$10,000 increment

What happens to my absentee bids once you receive them?

After receiving your bids by telephone, fax, or mail, we will log your bids in our auction system as they arrive, they will be date / time stamped. The date/time is important to you as a bidder, if two bidders bid the same amount (which happens hundreds of times per auction) the bid received first wins. Each bid will then be uploaded to our bidding system in order for the auctioneer's to execute when the lot comes up at the sale.

How does Rock Island Auction bid on my behalf as an absentee bidder at the sale?

You will be given a bidder ID number just as the floor bidders. When bidding begins on each lot, your bids will be executed for you as if you were at the auction. The lot will be opened on the floor and if the floor and phone bidders' amount bid do not

exceed the sealed bidders the lot will be sold to the highest absentee bidder. As the auction proceeds the auctioneer's will compete, incrementally, on behalf of the absentee bidder until his/her maximum bid has been exceeded by another bidder. By executing bids in this manner, lots are often won by absentee bidders below their maximums. Here is an example: If you place an absentee bid of \$2000 on a lot, and the second highest bidder, either absentee or floor, has a maximum bid of \$1800, you would win the lot at \$1900.

What happens if my maximum bid is equal to another bidder's maximum bid?

In instances of a maximum bid tie, (again this happens hundreds of times per auction) when you enter a bid on the website, the date/time is also recorded as you submit your bids the bid recorded into the computer system first takes precedence (except in the case of a plus one bid). If a bidder places a plus one on their bid that bidder would be advanced one bid and they would be the winner.

How will I know if I win a lot?

At the conclusion of the sale, we will notify you of your winning lots via email, fax or a phone call. If you know your bidder number and are able to watch the auction via our live broadcast on our website, of course you would know the results. IT IS IMPOSSIBLE TO WATCH THE LIVE BROADCAST AND BID AS THERE IS LAG TIME OF SEVERAL SECONDS. IF YOU TRY AND FOLLOW THE BROADCAST TO BID YOU WILL ALWAYS BE TOO LATE BECAUSE OF THE LAG TIME. One good use of this broadcast would be to watch if you got a certain lot and if you did not there maybe something you would like to bid on in subsequent days. Having an E-mail address on file insures you will be promptly notified if you are successful or not (usually within 24 hours after the sale). Without an e-mail address it could be several days before you are notified as we have hundreds of absentee bidders.

I bid the amount the lot sold for and did not win?

Here are possible reasons:

- **TIE BIDS** - It's possible that two absentee bidders bid the same amount (and bid higher than any live bidders). In that case we award the lot to the first sealed bid received. This applies to sealed bids placed through our website, mail, and fax. Each bid input into the system is stamped with the date/time received. This is why we encourage absentee bidders to give us your bids as soon as possible, as this scenario is very common.
- **THE FALL OF THE BID INCREMENT** - Since we treat sealed bids as if the bidder is here live at the auction, trying to buy as cheaply as possible under the maximum amount the bidder specifies, there's always a possibility another bidder will beat them to that amount. Here's an example of how that might happen:

A sealed bid is placed on a lot for \$1000. Live bidders and other absentee bids at the auction bid the lot up to \$900. At that point, we advance the bid on the sealed bidder's behalf to \$950. If there is no raise, the sealed bidder wins the lot for \$950.

However, the auctioneer asks for \$1000 and if a competing live bidder bids \$1000, we of course will take the bid. Looking at the sealed bid in this case, the sealed bidder told us not to spend more than \$1000. We are not authorized to go to \$1100 for the absentee bidder, so the live bidder is the successful buyer at the \$1000 bid point exactly the same as the sealed bidder.

As you can see, this is entirely unpredictable and depends on how the live bids fall at the auction. In the example above, if live bidding had stopped at \$900, we would have advanced the absentee bid to \$950, with no other live bidders our absentee bidder would have prevailed. It is exactly what would happen if there were two live bidders in the audience who both planned to stop at \$1000. One would get it, and the other would not.

Preventing this from happening to you is simple. Since we buy for you as cheaply as possible at or below the maximum you specify, simply be sure you bid the true maximum you would go to if you were bidding live. Ask yourself, "If I was there, and the bid stopped to someone else at \$1000, would I go \$1100?" If so, bid a plus one or that extra amount. You still may fall on the bad side of the increment, but the exact same thing might happen if you were there bidding live. That's the nature of an honest auction.

- **I BID MORE THAN THE LOT SOLD FOR?** Here are possible reasons:

We received your bid to late. Some bidders have submitted bids right before the lot goes up for auction and we did not have time to get your bid entered in to the computer. Or you are a new bidder and we could not get your credit approved in time before the lot came up.

Another unusual situation is a bid of \$2100 is rounded down to \$2000 to be a proper bid increment. The item could sell for \$2000 to another bidder as described above.

You faxed or called in your bid amount and there was a data entry error, or the fax was never received or we just made a mistake. We are pretty good, however we do make mistakes.

Lastly

Remember if you submitted your bids on our website you know exactly what you bid as you entered the amount yourself and also got an email confirmation showing your bid amounts. You can view the status of your bids on our website when you log into your account. You can view the 'Current Bids' link once you log in.

BIDDING ABSENTEE IS A VERY NICE WAY OF FINDING THAT SPECIAL PIECE YOU HAVE BEEN SEARCHING FOR. IT IS ACTUALLY VERY EASY AND ALLOWS YOU TO SAVE THE COST OF TRAVEL. IF YOU HAVE FURTHER QUESTIONS JUST CALL US AT 309-797-1500. THANKS FOR YOUR INTREST IN ROCK ISLAND AUCTION COMPANY.