

DIRECTOR'S ORDER UNDER SECTION 157 OF THE FAIR TRADING ACT

TO

SUNGOLD AUCTIONS LTD.

DOUG J. WICKHAM, DIRECTOR

MARTIN MEIER, AUCTIONEER

AND TO

ANY EMPLOYEE, REPRESENTATIVE, AGENT, OR ASSOCIATE OF
SUNGOLD AUCTIONS LTD.

ISSUES:

Sungold Auctions Ltd. has been advertising auction sales in which the names Meier Auction and Liquidation and Meier 2-Day Classic Car & Truck Auction also appear prominently. In addition, auction advertisements have appeared in the name of Meier 2-Day Classic Car & Truck Auction with no reference to Sungold Auctions Ltd. The name "Meier" is associated to an auction business whose licence has been cancelled. These advertisements have been seen in newspapers in and around Edmonton and other rural communities. All advertising by a licenced entity must only be in the name appearing on the licence.

It is the duty of the auctioneer to announce the name of the auction sales business holding the sale and its licence number at the commencement of a sale. This announcement must make it clear who is holding the auction and no other entity's name can be used in this or any other announcement.

LEGISLATION:

The following sections are taken from the Public Auctions Regulation of the Fair Trading Act and refer to this situation.

Section 6.1 (1) An auctioneer conducting the bidding at a sale by public auction must

- (a) at the commencement of the sale, and
- (b) at the recommencement of the sale if it is adjourned,

and before any goods are offered for sale, read the conditions of sale or cause them to be read to those present at the sale and announce the name of the auction sales business holding the sale and its licence number.

(4) No auctioneer or auction sales business may

(a) in any form of advertising or when holding or conducting a sale by public auction make statements or announcements that

- (i) are inaccurate or misleading or that misrepresent in any way the quality, quantity, use, size, origin, or content of any goods intended for sale by public auction,
- (ii) misrepresent the terms of any sale by public auction,
- (iii) misrepresent the value of any goods being offered for sale by public auction, or
- (iv) misrepresent the policies or services of the auctioneer or auction sales business

(b) use or permit any employee or agent to use any form or manner of salesmanship that might deceive or mislead the public.

ORDER:

Sungold Auctions Ltd., its directors, employees, representatives, agents and associates must immediately stop advertising under the name of Meier Auction and Liquidation or any other variation thereof that does not appear on the Auction Sales Business Licence for Sungold Auctions Ltd.

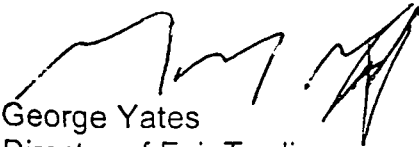
All signage and announcements made at the auction sales must refer only to Sungold Auctions Ltd. as the auction sales business conducting the auction sale. No reference can be made to the name "Meier" or any variation thereof.

All statutory declaration and auction records must be in the name of, possession and control of Sungold Auctions Ltd.

All advertising for upcoming auctions that refer to Meier or any variation thereof must immediately be withdrawn. All advertising for future sales must only be in the name of Sungold Auctions Ltd. and must not refer to Meier or any variation thereof.

NON COMPLIANCE WITH ORDER:

ANY PERSON WHO FAILS TO COMPLY WITH AN ORDER OF THE DIRECTOR UNDER SECTION 157 OF THE FAIR TRADING ACT CONTRAVENES THIS ACT AND IS GUILTY OF AN OFFENCE AND MAY BE PROSECUTED PURSUANT TO SECTION 163 OF THE FAIR TRADING ACT.


George Yates
Director of Fair Trading
May 3, 2007