

Prescribed Conditions of Sale by Auction

Property, Stock & Business Agents Act (NSW) 2002, Part 6, s.77 and Regulation 2003 & 2007.

Clause 18 (1) - The following conditions are prescribed as applicable to and in respect of the sale by auction of land or livestock:

- (a) The principal's reserve price must be given in writing to the auctioneer before the auction commences.
- (b) A bid for the seller cannot be made unless the auctioneer has, before the commencement of the auction, announced clearly and precisely the number of bids that may be made by or on behalf of the seller.
- (c) The highest bidder is the purchaser, subject to any reserve price.
- (d) In the event of a disputed bid, the auctioneer is the sole arbitrator and the auctioneer's decision is final.
- (e) The auctioneer may refuse to accept any bid that, in the auctioneer's opinion, is not in the best interests of the seller.
- (f) A bidder is taken to be a principal unless, before bidding, the bidder has given to the auctioneer a copy of a written authority to bid for or on behalf of another person.
- (g) A bid cannot be made or accepted after the fall of the hammer.
- (h) As soon as practicable after the fall of the hammer the purchaser is to sign the agreement (if any) for sale.

Clause 18 (2) - The following conditions, in addition to those prescribed by subclause 1 are prescribed as the above, applicable to and in respect of the sale by auction of residential property or rural land:

- (a) All bidders must be registered in the Bidders Record and display an identifying number when making a bid.
- (b) Subject to subclause (2A) the auctioneer may make only one vendor bid at an auction for the sale of residential property or rural land and no other vendor bid may be made by the auctioneer or any other person.
- (c) Immediately before making a vendor bid the auctioneer must announce that the bid is made on behalf of the seller or announce "vendor bid".

Clause 18 (2A) - The following conditions, in addition to those prescribed by subclauses (1) and (2), are prescribed as applicable to and in respect of the sale by auction of co-owned residential property or rural land or the sale of such land by a seller as executor or administrator:

- (a) More than one vendor bid may be made to purchase the interest of a co-owner.
- (b) A bid by or on behalf of an executor or administrator may be made to purchase in that capacity.
- (c) Before the commencement of the auction, the auctioneer must announce that bids to purchase the interest of another co-owner or to purchase as executor or administrator may be made by or on behalf of the seller.
- (d) Before the commencement of the auction, the auctioneer must announce the bidder registration number of any co-owner, executor or administrator or any person registered to bid on behalf of any co-owner, executor or administrator

Prescribed Warning Notices

Property, Stock & Business Agents Act (NSW) 2002, section 78 (3) and Regulations 2003, clause 20 (1)

Penalty for collusive practices

It is an offence against the Property, Stock and Business Agents Act 2002 for a person to do any of the following as a result of a collusive practice, or to induce or attempt to induce another person by a collusive practice to do any of the following:

- (a) To abstain from bidding,
- (b) To bid to a limited extent only, or
- (c) To do any other act or thing that might prevent free and open competition.

Severe penalties may be imposed on persons convicted of collusive practices.

Property, Stock & Business Agents Act (NSW) 2002, section 83 (2) and Regulations 2003, clause 20 (2) & Regulations 2007 clause 20 (2A)

Successful bidders

The actual successful bidder at an auction sale must give to the auctioneer or an employee of the auctioneer:

- (a) The bidder's name, or
- (b) The name of the person on whose behalf the successful bid was made.

Section 66 (4) Property Stock and Business Agents Act 2002 (NSW) & clause 20 (2A) Property Stock and Business Agents Regulations 2003 (NSW)

Penalty for dummy bidding

It is an offence against the Property, Stock and Business Agents Act 2002 (NSW) for a person to do any of the following:

- (a) make a bid as the seller,
- (b) make a bid on behalf of the seller (unless the person is the auctioneer), or
- (c) procure another person to make a bid on behalf of the seller.

Any Bid made with the dominant purpose of benefiting the seller constitutes a bid made on behalf of the seller. A bid may be found to be a bid made on behalf of the seller even though the seller did not:

- (a) request the bid, or
- (b) have any knowledge of the bid.

Severe penalties may be imposed on persons convicted of dummy bidding.

Occupational Health and Safety

All persons attending the sale are advised by the seller that the sale may involve risk of physical harm and /or loss.

Livestock, machinery, plant and equipment may be offered for sale and each such item has its own inherent risks that persons attending the sale need to appraise themselves of. All persons attending the sale do so at their own risk. All purchasers of items sold are advised that they must ensure, before each such item is removed from the sale, that it is safe and without risks to health when properly used. The seller does not accept any responsibility for any harm, loss or damage whatsoever and that you enter or attend the sale at your own risk. The seller's agent is instructed by the seller to conduct the sale in the manner directed by the seller with items placed out and submitted for sale as directed by the seller. The seller's agent has no control over any items offered for sale and accepts no responsibility for any harm, loss or damage whatsoever and that you attend the sale at your own risk.

Cooley Auctions

02 9326 2833 | cooleyauctions.com.au