

Form R5

Collusive Practices

Collusive practices at auctions of land or a business

Land and Business (Sale and Conveyancing) Act 1994 section 24L

Land and Business (Sale and Conveyancing) Regulations 2010 regulation 28

NOTE: At auctions of residential land this form must be provided to registered bidders at the time they are registered to bid. At any other auction of land or a business, the following text must be audibly announced by the auctioneer to members of the public attending the auction immediately before the auction commences:

Section 24L of the Land and Business Sale and Conveyancing) Act 1994 makes it unlawful to engage in collusive practices in relation to an auction of land or a business. Under that section a person must not behave in such a way that might tend to prevent free and open competition at an auction by, for example—

- abstaining from bidding or limiting his or her bidding; or
- agreeing to abstain from bidding or limit his or her bidding; or
- inducing or attempting to induce another person to abstain from bidding or limit his or her bidding; or
- doing anything else or inducing or attempting to induce another person to do anything else that might tend to prevent free and open competition at the auction.

The maximum penalty for committing such an offence is \$20 000.