



# AUTHORITY TO BID AT AUCTION AND/OR SIGN CONTRACT FOR SALE AND PURCHASE OF LAND

To Listing Agent: \_\_\_\_\_ (Company Name)  
\_\_\_\_\_ (Trading As)

AND  
To Auctioneer: \_\_\_\_\_  
\_\_\_\_\_ / \_\_\_\_ / \_\_\_\_ (date)

Dear Sir / Madam  
SALE OF: \_\_\_\_\_  
\_\_\_\_\_ Postcode (Property)

AUCTION DATE: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

I/we \_\_\_\_\_ (Prospective Purchaser)  
*(names(s) of prospective purchaser(s))*

hereby authorise \_\_\_\_\_ (Authorised Person)  
*(name of person to bid at auction on behalf of Prospective Purchaser)*

to: (tick the applicable box(es))

- Bid on my/our behalf at the auction sale of the Property to be held on the Auction Date (including bids by telephone).
- If the Property is sold to me/us, sign the Contract for Sale and Purchase of Land (**Contract**) on my/our behalf.

### Acknowledgements and Warranty

I/we acknowledge that I/we have received copies of the prescribed Conditions of Sale by Auction and Warning Notices as contained in the Property and Stock Agents Act 2002 (NSW) and Property and Stock Agents Regulation 2022 (NSW) and the **enclosed** Bidders Guide Fact Sheet issued by NSW Fair Trading, and have read and understood each of them.

I/we acknowledge that, if the Prospective Purchaser consists of two or more persons, the Authorised Person may take and rely upon instructions from any of the relevant persons without being obliged to make enquiries with the other persons comprising the Prospective Purchaser. I/we agree to be bound by instructions given by any of the persons comprising the Prospective Purchaser.

I/we warrant that the Authorised Person is an authorised representative of the Prospective Purchaser, and has the power and authority to bid on behalf of the Prospective Purchaser and to bind the Prospective Purchaser to the Contract.

I/we acknowledge and understand that a deposit as set out in the Contract is payable and I/we agree to pay the deposit immediately in the manner agreed prior to the auction.





# AUTHORITY TO BID AT AUCTION AND/OR SIGN CONTRACT FOR SALE AND PURCHASE OF LAND

## Address of the Prospective Purchaser:

Address

Postcode

Phone: Work

Home

Mobile

## Identification details of Prospective Purchaser:

\* **Note:** Original ID documents should be sighted. If there are multiple purchasers, ID details are required for all purchasers. Furthermore, if the purchaser is a corporation, ID details are required for each person signing this document on behalf of the corporation.

\*\* **Note:** (see below)

(ID Type and ID number or other identifier / letter of authority (must be on letterhead of Prospective Purchaser if they are a corporation))

## Name of solicitor for Prospective Purchaser:

Firm

Name of Solicitor / Conveyancer

## Address of Solicitor / Conveyancer

Address

Phone: Work

Home

Mobile

Email

## Identification details of Authorised Person intending to bid on behalf of Prospective Purchaser:

\* **Note:** Original ID documents must be sighted by the agent before the Authorised Person can receive the Bidding Number.

\*\* **Note:** (see below)

(ID Type/ID no.)

\*\* **Note:** In accordance with section 69 of the Property and Stock Agents Act 2002 (NSW), an agent must not enter a person's name and address in a Bidders Record unless both the person's name and their address details are established by the production to the agent of:

- one or more proofs of identity for the person; and
- in the case of the details of a person on whose behalf another person is to bid, a letter of authority to bid on the person's behalf specifying the person's name and address and the number or other identifier of one or more proofs of identity for that person.

The only proof of identity that may be used for a person for the purposes of an entry in a Bidders Record is:

- a motor vehicle driver's licence issued in Australia that displays a photograph of the person;
- an Australian passport; or
- such other proof of identity as may be prescribed by the Property and Stock Agents Regulation 2022 (NSW).



**PROSPECTIVE PURCHASER**

**If Prospective Purchaser is an individual**

I agree to be legally bound by the terms of this agreement even if I sign this agreement electronically.

I agree to be legally bound by the terms of this agreement even if I sign this agreement electronically.

**Signature of the**

**Prospective Purchaser**

**Date**



**Name of Signatory**

**Signature of the**

**Prospective Purchaser**

**Date**



**Name of Signatory**

**If Prospective Purchaser is a corporation**

*(to be signed by 2 directors, or 1 director and 1 secretary, or sole director and sole secretary, or authorised officer or Attorney)*

I agree to be legally bound by the terms of this agreement even if I sign this agreement electronically.

**EXECUTED** for and on behalf of

ACN

pursuant to section 127 of the Corporations Act 2001 (Cth):

**Signature of the**

**Prospective Purchaser**

**Date**



**Name of Signatory**

**Name of Signatory** *(delete whichever is not applicable)*

**Signature of the**

**Prospective Purchaser**

**Date**



**Name of Signatory**

**Name of Signatory** *(delete whichever is not applicable)*

**AUTHORISED PERSON**

I agree to be legally bound by the terms of this agreement even if I sign this agreement electronically.

**Signature of the**

**Authorised Person**

**Date**



**Name of Signatory**



## Bidders guide | NSW Fair Trading

---

### Residential and rural property auctions

---

You will not be able to bid at an auction of residential and rural property in NSW unless you give the selling agent your name and address and show proof of your identity. Your details will be recorded by the agent in the Bidders Record and at the auction you will be given a bidder's number. Registering for an auction does not mean you must bid. Registering simply gives you the right to bid.

### Who needs to register?

---

If you are bidding to buy the property jointly with another person, for example, a spouse or partner, only one of you needs to register.

You need to register if you are bidding for another person or a company, and you need to show the agent a letter of authority from them, authorising you to bid on their behalf. This also applies if you are bidding on behalf of someone on the telephone.

If you are bidding for another person the letter of authority must include the person's name, address and the number on their proof of identity (eg. driver's licence).

If you are bidding for a company the letter of authority must be on the company letterhead and the ABN will be recorded in the Bidders Record as the company's proof of identity.

### Proof of identity

---

To register, you must present a card or document issued by government or a financial institution, that shows your name and address, for example:

- driver's licence or learner's permit
- vehicle registration paper
- council rates notice.

If you do not have this kind of proof of identity, you can use two documents that together show your name and address.

One must show your name and be issued by a government or financial institution, for example:

- passport
- Medicare card
- ATM/Eftpos card
- credit card or store card
- birth certificate
- citizenship papers.

The other must show your address, for example:

- utilities bill (eg. gas, electricity, telephone)
- real estate rental agreement
- statutory declaration stating your address.

Certified copies of documents are not acceptable as proof of identity. Proof of identity documents can be produced electronically if the agent consents. For example, emailing a photo or PDF of a proof of identity document. Producing documents via an audio-visual link, such as holding up documents during a Zoom chat is not permitted.

## **When to register**

---

You can register with the selling agent at any time prior to the auction, such as when you inspect the property, or on the day itself.

If you pre-register, you will still need to show the agent your proof of identity on auction day. The agent will then give you your bidder's number.

## **What happens at registration**

---

The agent will write your name, address and the number of your proof of identity in the Bidders Record and, if you are bidding for someone else or a company, their name, address and proof of identity details. The agent will then give you your bidder's number, which must be displayed when you bid.

## **What if I arrive at the auction late?**

---

If you arrive after the auction has started and wish to bid, you will need to quickly find the agent and register or present your proof of identity, if you have pre-registered.

If you need to make a bid immediately, hold up your hand to let the auctioneer know you are going to make a bid after you have registered.

As soon as you have a bidder's number, the auctioneer can accept your bids. Return your bidder's number to the agent after the auction.

## **Your privacy**

---

The agent is not permitted to show the Bidders Record to anyone, including the property owner. Only an authorised person from NSW Fair Trading is permitted to see the Bidders Record.

The agent must store the Bidders Record securely and cannot use it for any purpose.

## **Auction conditions**

---

This auction is being conducted under certain conditions that are set by law.

The auctioneer will have these conditions on display before the auction so that you can read them. The auction conditions include:

- the highest bidder is the purchaser, subject to any reserve price
- the auctioneer is entitled to make one bid only on behalf of the seller
- before the auction, the auctioneer must announce that the auctioneer is permitted to make one bid on behalf of the seller
- the auctioneer must announce immediately before, or in the process of making the bid, that he/she is making a vendor bid
- the auctioneer can refuse a bid that is not in the interests of the seller
- the auctioneer has no authority to accept a late bid, that is, a bid after the fall of the hammer
- if there is a disputed bid, the auctioneer is the sole arbitrator and makes the final decision
- the successful buyer's name must be given to the auctioneer as soon as possible.

Auctions may be conducted by any means, for example in person or electronically.

## **Successful bids**

---

If you are the successful bidder, you must sign the sale contract and pay a deposit on the spot, usually ten per cent of the purchase price. There is no cooling-off period when you buy at auction.

After the exchange of contracts, your solicitor or conveyancer will carry out various searches on the property. Your solicitor and the seller's legal representative will then arrange for settlement at which time you must pay the balance of the purchase price.

## **Dummy bidding and collusion**

---

It is illegal to make dummy bids at an auction.

The seller of the property is entitled to have one bid made on their behalf by the auctioneer. When the seller's bid is made the auctioneer must announce it as a vendor bid.

If you make dummy bids for the seller, you may be prosecuted and fined up to \$55,000. The property seller who asked you to bid can also be fined up to \$55,000, as can the agent and the auctioneer if they were involved in the arrangement.

It is an offence to collude with someone to interfere with free and open competition at the auction. This offence carries a maximum fine of \$55,000.

## **Co-owners and executors**

---

A co-owner, executor or administrator or someone bidding on their behalf, may make more than one bid to purchase the property as long as:

- this is outlined in the auction conditions
- the auctioneer has announced this before the start of bidding at the auction
- the auctioneer announces before the start of the auction, the bidder registration number of any co-owner, executor, administrator, or someone bidding on their behalf.

### Next Buying investment properties

---

<https://www.fairtrading.nsw.gov.au/housing-and-property/buying-and-selling-property/buying-a-property/bidders-guide>

16-02-23

Except where otherwise noted, content on this site is licensed under a Creative Commons Attribution 4.0 International License. To view a copy of this licence, visit: <https://creativecommons.org/licenses/by/4.0>

16-02-23

# Prescribed Warning Notices

**Section 66(4), Property and Stock Agents Act 2002 (NSW) and clause 20(1), Property and Stock Agents Regulation 2022 (NSW):**

## PENALTY FOR DUMMY BIDDING

**It is an offence against the Property and Stock Agents Act 2002 for a person to do one or more 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,
- (c) procure another person to make a bid on behalf of the seller.

A 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) know about the bid.

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

**Section 78(3), Property and Stock Agents Act 2002 (NSW) and section 20(2), Property and Stock Agents Regulation 2022 (NSW):**

## PENALTY FOR COLLUSIVE PRACTICES

**It is an offence against the Property and Stock Agents Act 2002 for a person to do one or more 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 one or more of the following—**

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

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

**Section 83(2), Property and Stock Agents Act 2002 (NSW) and section 20(3), Property and Stock Agents Regulation 2022 (NSW):**

## 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 behalf of whom the successful bid was made.

## WORK HEALTH AND SAFETY

All persons attending the sale are advised by the seller that the sale may involve a risk of physical harm, loss and/or damage. All persons entering and attending the sale do so at their own risk and must take reasonable care for their own health and safety. All persons must also take reasonable care to ensure that their acts or omissions do not adversely affect the health and safety of other persons. The seller does not accept any responsibility for any harm, loss or damage sustained, arising from or in connection with the sale and the items placed and submitted for sale. The seller's agent discloses that it is instructed to conduct the sale in the manner directed by the seller with the items placed and submitted for sale. The seller's agent has no control over any items offered for sale and accepts no responsibility for any harm, loss or damage sustained, arising from or in connection with the sale and the items placed and submitted for sale.



# Prescribed Conditions of Sale by Auction

**Section 77, Property and Stock Agents Act 2002 (NSW) and sections 18 and 19, Property and Stock Agents Regulation 2022 (NSW).**

**Section 18 (1) – The following conditions are prescribed as applicable to the sale by auction of land or livestock:**

- (a) The vendor's reserve price must be given in writing to the auctioneer before the auction commences unless the auction relates solely to livestock.
- (b) A vendor bid must not be made unless the auctioneer has, before the commencement of the auction, announced clearly and precisely the number of vendor bids that may be made.
- (c) The highest bidder is the purchaser, subject to any reserve price.
- (d) If there is a disputed bid –
  - (i) the auctioneer is the sole arbitrator, and
  - (ii) the auctioneer's decision is final.
- (e) The auctioneer may refuse to accept a bid that, in the auctioneer's opinion, is not in the best interests of the vendor.
- (f) A bidder is taken to be bidding on the bidder's own behalf 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 must not be made or accepted after the fall of the hammer.
- (h) As soon as practicable after the fall of the hammer the purchaser must sign the agreement for sale, if any.

**Section 18 (2) – The following conditions, in addition to the conditions prescribed by subsection (1), are prescribed as applicable to the sale by auction of residential property or rural land:**

- (a) All bidders must be registered in the Bidders Record and display the identifying number allocated to the person when making a bid.
- (b) Subject to the condition prescribed by subsection 3(a) –
  - (i) the auctioneer may make only 1 vendor bid at an auction for the sale of residential property or rural land, and
  - (ii) no other vendor bid may be made by the auctioneer or another 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".

**Section 18 (3) – The following conditions, in addition to the conditions prescribed by subsections (1) and (2), are prescribed as applicable to the sale by auction of co-owned residential property or rural land or the sale of co-owned residential property or rural land by a seller as executor or administrator:**

- (a) More than 1 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 all co-owners, executors or administrators or a person registered to bid on behalf of a co-owner, executor or administrator.

**Section 18 (4) – The following condition, in addition to the conditions prescribed by subsection (1), is prescribed as applicable to the sale by auction of livestock:**

**The purchaser of livestock must pay the stock and station agent who conducted the auction, or under whose immediate and direct supervision the auction was conducted, or the vendor, the full amount of the purchase price:**

- (a) if the amount can reasonably be determined immediately after the fall of the hammer – before the close of the next business day following the auction, or
- (b) if the amount cannot reasonably be determined immediately after the fall of the hammer – before the close of the next business day following determination of the amount, or
- (c) if some other time for payment is specified in a written agreement between the purchaser and the agent, or the purchaser and the vendor, made before the fall of the hammer – before or at the time specified in the agreement.