

Queensland



PROPERTY AGENTS AND MOTOR DEALERS ACT 2000

Act No. 62 of 2000

Queensland



PROPERTY AGENTS AND MOTOR DEALERS ACT 2000

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Queensland



Property Agents and Motor Dealers Act 2000

Act No. 62 of 2000

An Act to comprehensively provide for the regulation of the activities, licensing and conduct of restricted letting agents, real estate agents, pastoral houses, auctioneers, property developers, motor dealers and commercial agents and their employees, and for other purposes

[Assented to 24 November 2000]

The Parliament of Queensland enacts—

CHAPTER 1—PRELIMINARY

PART 1—INTRODUCTION

Short title

1. This Act may be cited as the *Property Agents and Motor Dealers Act 2000*.

Commencement

2. This Act commences on a day to be fixed by proclamation.

Act binds all persons

3.(1) This Act binds all persons, including the State, and, so far as the legislative power of Parliament permits, the Commonwealth and the other States.

(2) Nothing in this Act makes the State, the Commonwealth or any other State liable to be prosecuted for an offence.

Exemption—auctions

4. Chapter 7¹ does not apply to—

- (a) a sale ordered by the sheriff under any process issued out of a court; or
- (b) a sale made under a rule, order, or judgment of the Supreme Court or District Court; or
- (c) a sale made by a person obeying an order of, or a process issued

¹ Chapter 7 (Auctioneers)

by, a court, judge or justice, or the registrar of the State Penalties Enforcement Registry for the recovery of a fine, penalty, or award; or

- (d) a sale of an animal lawfully impounded and sold under a law about impounding; or
- (e) a sale of goods distrained for rent or arrears of rent; or
- (f) a sale by postal bids of stamps or coins.

Exemption—public officials

5.(1) Section 354² does not apply to a bailiff serving a claim, application, summons or other process.

(2) Chapter 12³ does not apply to a prescribed officer in relation to trust moneys for which the prescribed officer is responsible if another Act makes provision for the way the prescribed officer is required to deal with moneys held by the officer in trust.

(3) In this section—

“**bailiff**” means a bailiff appointed under the *Supreme Court Act 1995*, part 12, the *District Court Act 1967* or the *Magistrates Courts Act 1921*.

“**prescribed officer**” means—

- (a) an accountable officer under the *Financial Administration and Audit Act 1977*; or
- (b) a public service officer.

Exemption—financial institutions and trustee companies

6.(1) Chapters 5, 6, 9 and 10⁴ do not apply to a financial institution or trustee company.

² Section 354 (Acting as commercial agent)

³ Chapter 12 (Accounts and funds)

⁴ Chapters 5 (Real estate agents), 6 (Pastoral houses), 9 (Motor dealers) and 10 (Commercial agents)

(2) In this section—

“trustee company” means—

- (a) a trustee company under the *Trustee Companies Act 1968*; or
- (b) the public trustee when the public trustee is—
 - (i) performing the activities that may be performed by a trustee company; or
 - (ii) exercising the powers that may be exercised by a trustee company; or
 - (iii) holding an office that may be held by a trustee company.

Exemption—pastoral houses

7.(1) A pastoral house is exempt from chapter 12⁵ other than in relation to any sale of rural land or the auction of land that is not rural land.

(2) Subsection (1) applies subject to section 165(3).⁶

Exemption—livestock sales

8. A del credere agent is exempt from chapter 12 in relation to the sale of livestock if the agent and the livestock’s seller agree in writing before the sale that the agent guarantees payment of the livestock’s purchase price to the seller.⁷

Exemption—nonprofit corporations

9.(1) A nonprofit corporation is exempt from chapters 4 and 5⁸ if—

- (a) the corporation provides or locates—
 - (i) affordable rental housing under an affordable housing scheme; or

⁵ Chapter 12 (Accounts and funds)

⁶ Section 165 (What a pastoral house licence authorises)

⁷ This practice is commonly known as ‘del credere’.

⁸ Chapters 4 (Restricted letting agents) and 5 (Real estate agents)

- (ii) approved supported accommodation; and
- (b) the providing or locating of the housing or accommodation is funded or managed by the Commonwealth, the State or a local government.

(2) Subsection (1) does not apply if the nonprofit corporation is otherwise carrying on the business of a restricted letting agent or real estate agent.

(3) To remove any doubt, it is declared that a corporation does not stop being a nonprofit corporation only because it receives a reward for providing its services to another nonprofit corporation.

(4) In this section—

“affordable housing scheme” see the *Residential Tenancies Act 1994*, schedule 3.

“approved supported accommodation” see the *Residential Tenancies Act 1994*, schedule 3.

“nonprofit corporation” means a corporation formed for a purpose other than the purpose of making a profit.

PART 2—OBJECT

Object

10.(1) The main object of this Act is to provide a system for licensing and regulating persons as restricted letting agents, real estate agents, pastoral houses, auctioneers, property developers, motor dealers and commercial agents, and for registering and regulating persons as registered employees, that achieves an appropriate balance between—

- (a) the need to regulate for the protection of consumers; and
- (b) the need to promote freedom of enterprise in the market place.

(2) The object is to be achieved mainly by—

- (a) ensuring—

- (i) only suitable persons with appropriate qualifications are licensed or registered; and
- (ii) persons who carry on business or are in charge of a licensee's business at a place under the authority of a property agents and motor dealers licence maintain close personal supervision of the way the business is carried on; and
- (b) providing—
 - (i) protection for consumers in their dealings with licensees and their employees; and
 - (ii) a legislative framework within which persons performing activities for licensees may lawfully operate; and
- (c) regulating fees and commissions that can be charged for particular transactions; and
- (d) promoting administrative efficiency by providing that—
 - (i) responsibility for licensing rests with the chief executive; and
 - (ii) responsibility for minor claims against the fund rests with the chief executive; and
 - (iii) responsibility for claims, other than minor claims, against the fund rests with the tribunal; and
 - (iv) responsibility for reviewing particular decisions of the chief executive rests with the tribunal; and
 - (v) responsibility for disciplinary matters rests with the tribunal; and
- (e) establishing a claim fund to provide compensation in particular circumstances for persons who suffer financial loss because of their dealings with persons, other than property developers and their employees, regulated under this Act; and
- (f) providing increased flexibility in enforcement measures through codes of conduct, injunctions and undertakings.

PART 3—INTERPRETATION

Definitions

11. The dictionary in schedule 3 defines particular words used in this Act.

Notes in text

12. A note in the text of this Act is part of the Act.

Meaning of “beneficial interest”

13.(1) For this Act, a licensee, other than a property developer, is taken to have a “**beneficial interest**” in property in each of the following cases—

Case 1

The purchase or sale of the property is made for the licensee or an associate⁹ of the licensee.

Case 2

An option to purchase the property is held by the licensee or an associate of the licensee.

Case 3

The purchase or sale of the property is made for a corporation (having not more than 100 members) of which the licensee or an associate of the licensee is a member.

Case 4

An option to purchase the property is held by a corporation (having not more than 100 members) of which the licensee or an associate of the licensee is a member.

Case 5

The purchase or sale of the property is made for a corporation of which the licensee or an associate of the licensee is an executive officer.

⁹ ‘Associate’ is a term defined in the dictionary.

Case 6

An option to purchase the property is held by a corporation of which the licensee or an associate of the licensee is an executive officer.

Case 7

The purchase or sale of the property is made for a member of a firm or partnership of which the licensee or an associate of the licensee is also a member.

Case 8

The purchase or sale of the property is made for a person carrying on a business for profit or gain and the licensee or an associate of the licensee has, directly or indirectly, a right to participate in the income or profits of the person's business or the purchase or sale of the property.

(2) For this Act, a registered employee of a licensee, other than a property developer, is taken to have a **“beneficial interest”** in property in each of the following cases—

Case 1

The purchase or sale of the property is made for the registered employee or an associate¹⁰ of the employee.

Case 2

The registered employee or an associate of the employee has an option to purchase the property.

Case 3

The purchase or sale of the property is made for a corporation (having not more than 100 members) of which the registered employee or an associate of the employee is a member.

Case 4

An option to purchase the property is held by a corporation (having not more than 100 members) of which the registered employee or an associate of the employee is a member.

¹⁰ ‘Associate’ is a term defined in the dictionary.

Case 5

The purchase or sale of the property is made for a corporation of which the registered employee or an associate of the employee is an executive officer.

Case 6

An option to purchase the property is held by a corporation of which the registered employee or an associate of the employee is an executive officer.

Case 7

The purchase or sale of the property is made for a member of a firm or partnership of which the registered employee or an associate of the employee is also a member.

Case 8

The purchase or sale of the property is made for a person carrying on a business for profit or gain and the registered employee or an associate of the employee has, directly or indirectly, a right to participate in the income or profits of the person's business or the purchase or sale of the property.

Meaning of "in charge"

14.(1) A person is "**in charge**" of a licensee's business at a place where the licensee carries on business only if the person personally supervises, manages or controls the conduct of the licensee's business at the place.

(2) In this section—

"licensee's business" means the licensee's business carried on under the authority of the licensee's licence.

Meaning of "motor vehicle"

15.(1) "**Motor vehicle**" means a vehicle that moves on wheels and is propelled by a motor that forms part of the vehicle, whether or not the vehicle is capable of being operated or used in a normal way, and includes a caravan.

(2) "**Motor vehicle**" does not include—

(a) a hovercraft; or

- (b) a vehicle designed for use exclusively in the mining industry; or
- (c) a trailer, other than a caravan; or
- (d) a tractor or farm machinery; or
- (e) a vehicle designed for use exclusively on a railway or tramway.

Meaning of “open listing”

16.(1) An “**open listing**” is a written agreement entered into between a person (“**seller**”) and a real estate agent or pastoral house (“**selling agent**”) under which the seller appoints the selling agent, in accordance with the terms of the agreement, to sell stated property.

(2) Under the agreement—

- (a) the seller retains a right—
 - (i) to sell the seller’s property during the term of the agreement; or
 - (ii) to appoint additional real estate agents and pastoral houses as selling agents to sell the property on terms similar to those under the agreement; and
- (b) the appointed selling agent is entitled to remuneration only if he or she is the effective cause of sale; and
- (c) the appointment of the selling agent can be ended by either the seller or the selling agent at any time.

Meaning of “residential property”

17.(1) Property is “**residential property**” if the property is—

- (a) a single parcel of land on which a place of residence is constructed or being constructed; or
- (b) a single parcel of vacant land on which the construction of a place of residence is not prohibited by law.

(2) Without limiting subsection (1), property is “**residential property**” if the property is any of the following lots that is a place of residence or in relation to which the construction of a place of residence is not prohibited by law—

- (a) a lot included in a community titles scheme, or proposed to be included in a community titles scheme, under the *Body Corporate and Community Management Act 1997*;
 - (b) a lot or proposed lot under the *Building Units and Group Titles Act 1980*;
 - (c) a lot shown on a leasehold building units plan registered or to be registered under the *South Bank Corporation Act 1989*.
- (3) The following property is not “**residential property**”—
- (a) a single parcel of land on which a place of residence is constructed or being constructed if the property is used substantially for the purposes of industry, commerce or primary production;
 - (b) a single parcel of vacant land on which the construction of a place of residence is not prohibited by law if the property is used substantially for the purposes of industry, commerce or primary production.

Meaning of “**unsolicited invitation**”

18.(1) An “**unsolicited invitation**” to a person to attend a property information session includes an invitation—

- (a) addressed personally to the person and sent to the person’s residential, business, postal or email address; or
- (b) made by telephoning the person, or by other personal approach to the person.

(2) An invitation to a person to attend a property information session is not an unsolicited invitation if it is—

- (a) made at the person’s request, other than in response to an approach of a kind mentioned in subsection (1)(b); or
- (b) made to the public generally or a section of the public by media advertisement; or
- (c) addressed nonspecifically and sent to the person’s residential, business, postal or email address.

Examples of invitations addressed nonspecifically—

1. 'The owner'
2. 'The householder'.

Difference between “exclusive agency” and “sole agency”

19.(1) The only difference between an **“exclusive agency”** and a **“sole agency”** is the extent of the entitlement of a selling agent to receive an agreed commission or other reward on the sale of particular property.

(2) Under an **“exclusive agency”**, a selling agent is entitled, on the sale of particular property and in accordance with the terms of an agreement with the seller of the property, to receive an agreed commission or other reward, whether or not the selling agent is the effective cause of the sale.

(3) However, if the sale were subject to a **“sole agency”**, the selling agent would not be entitled to the commission or other reward if the seller were the effective cause of the sale.

Example—

Facts—S is the owner of a place of residence that S appoints R to sell. B buys the place of residence.

Assume for the example that in the following cases the following persons are the effective cause of the sale—

- case 1—R
- case 2—X (another real estate agent)
- case 3—M (S's mother)
- case 4—S.

If the selling agent is appointed under an exclusive agency, R is entitled to an agreed commission or other reward in accordance with the terms of R's agreement with S in cases 1, 2, 3 and 4. If the selling agent is appointed under a sole agency, R is entitled to an agreed commission or other reward in accordance with the terms of R's agreement with S only in cases 1, 2 and 3.

(4) In this section—

“seller”, of property, means the person authorising the sale of the property.

“selling agent”, of property, means a real estate agent, pastoral house or auctioneer appointed under a written agreement under this Act by the seller to sell the property.

CHAPTER 2—LICENSING

PART 1—CATEGORIES OF LICENCE

Categories of licence

20. The chief executive may issue the following categories of property agents and motor dealers licence under this Act—

- (a) property agents and motor dealers licence (restricted letting agent);
- (b) property agents and motor dealers licence (real estate);
- (c) property agents and motor dealers licence (pastoral house);
- (d) property agents and motor dealers licence (pastoral house director);
- (e) property agents and motor dealers licence (pastoral house manager);
- (f) property agents and motor dealers licence (pastoral house auctioneer);
- (g) property agents and motor dealers licence (auctioneer);
- (h) property agents and motor dealers licence (property developer);
- (i) property agents and motor dealers licence (property developer director);
- (j) property agents and motor dealers licence (motor dealer);
- (k) property agents and motor dealers licence (commercial agent).

PART 2—HOW TO OBTAIN A LICENCE

Steps involved in obtaining a licence

21.(1) A person who wishes to obtain a licence must be a suitable person

to hold a licence under part 4.¹¹

(2) The person must apply for the licence by—

- (a) submitting an application showing, among other things, the person is eligible to obtain the licence; and
- (b) paying the fees prescribed under a regulation; and
- (c) giving the chief executive the other information required under section 23 and, if the person intends carrying on business under the licence, section 25.

(3) The chief executive decides the person's application after having regard, among other things, to—

- (a) the person's suitability to hold a licence under this Act; and
- (b) the person's eligibility to hold the licence.

PART 3—APPLICATIONS FOR LICENCE

Application for licence

22.(1) An applicant for a licence must—

- (a) apply to the chief executive in the approved form; and
- (b) state the category of licence being applied for; and
- (c) state the term of the licence being applied for; and
- (d) establish the applicant's eligibility for the category of licence being applied for; and
- (e) state the names and addresses of the applicant's business associates; and
- (f) provide any information the chief executive reasonably requires to decide whether the applicant is a suitable person to hold a licence.

(2) The application must be accompanied by—

¹¹ Part 4 (Suitability of applicants and licensees)

- (a) an application fee; and
- (b) a licence issue fee; and
- (c) for an applicant who is an individual, 2 recent colour photographs of the applicant of a size prescribed under a regulation and certified as photographs of the applicant in the way prescribed under a regulation.

(3) Subsection (2)(a) and (b) does not apply if the applicant is a corporation that holds another category of property agents and motor dealers licence.

Applicant must specify business address

23.(1) The applicant must also specify in the applicant’s application—

- (a) if the applicant intends carrying on business under the licence immediately after the issue of the licence—the place or places in Queensland where the applicant proposes to carry on business under the licence; or
- (b) if the applicant does not intend carrying on business under the licence immediately after the issue of the licence—
 - (i) the capacity in which the person intends performing activities under the licence and the address where the activities are to be performed (“**business address**”); and
 - (ii) if the person intends to be a person in charge of a licensee’s business at a place of business—the name of the person’s employer and the address of the place of business where the person is to be in charge (also a “**business address**”).

Examples of capacity in which activities may be performed—

- director of a licensed corporation
- licensed employee of a licensee.

Example of business address of an employed licensee—

- the address of the person’s employer’s place of business where the person generally reports for work.

(2) If the applicant intends to carry on business under the licence at more than 1 place, the applicant must specify in the application the place the

applicant intends to be the applicant's principal place of business.

(3) A place of business or an address under this section must be a place where a document can be served personally.

Example—

A post office box is not a place the applicant may use as a place of business or an address for this Act.

Requirement to give information or material about application

24.(1) This section applies to an applicant for a licence.

(2) The chief executive may, by written notice given to the applicant, require the applicant to give the chief executive information or material the chief executive reasonably considers is needed to consider the applicant's application for the licence within a stated reasonable time.

(3) The applicant is taken to have withdrawn the application if, within the stated reasonable time, the applicant fails to comply with the chief executive's requirement.

Applicant intending to carry on business to advise name of auditor

25.(1) If the applicant intends carrying on business under a licence and is required under this Act to keep a trust account, the applicant must—

- (a) state in the applicant's application the name and business address of an auditor appointed by the applicant to audit the trust account;¹² and
- (b) give the chief executive evidence that the auditor has accepted the appointment as auditor.

Note—

A property developer is not required to keep a trust account. See section 374.

(2) In this section—

“auditor” has the meaning given by section 391.¹³

¹² See section 392 (Principal licensee must appoint auditor).

¹³ Section 391 (Definitions for pt 2)

PART 4—SUITABILITY OF APPLICANTS AND LICENSEES

Suitability of applicants and licensees—individuals

26.(1) An individual is not a suitable person to hold a licence if the person is—

- (a) affected by bankruptcy action; or
- (b) a person who has been convicted, in Queensland or elsewhere, within the preceding 5 years of a serious offence; or
- (c) currently disqualified from holding a licence or registration certificate; or
- (d) a person the chief executive decides under section 28¹⁴ is not a suitable person to hold a licence.

(2) An individual who is not a suitable person can not hold a licence.

Suitability of applicants and licensees—corporations

27.(1) A corporation is not a suitable person to hold a licence if an executive officer of the corporation is—

- (a) affected by bankruptcy action; or
- (b) a person who has been convicted, in Queensland or elsewhere, within the preceding 5 years of a serious offence; or
- (c) a person the chief executive decides under section 28 is not a suitable person to hold a licence.

(2) A corporation that is not a suitable person can not hold a licence.

Chief executive must consider suitability of applicants and licensees

28.(1) The chief executive must, when deciding whether a person is a suitable person to hold a licence, consider the following things—

¹⁴ Section 28 (Chief executive must consider suitability of applicants and licensees)

- (a) the character of the person;
- (b) the character of the person's business associates;
- (c) whether the person held a licence under this Act, the repealed Act or a corresponding law that was suspended or cancelled;
- (d) whether an amount has been paid from the fund because the person did, or omitted to do, something that gave rise to the claim against the fund;
- (e) whether the person has been disqualified under this Act, the repealed Act or a corresponding law from being a licensee or an executive officer of a corporation;
- (f) for an individual—
 - (i) the person's criminal history; and
 - (ii) whether the person has been affected by bankruptcy action; and
 - (iii) whether the person has been convicted of an offence against this Act or the repealed Act or a corresponding law;
 - (iv) whether the person is capable of satisfactorily performing the activities of a licensee;
 - (v) whether the person's name appears in the register of disqualified company directors and other officers under the Corporations Law;¹⁵
- (g) for a corporation—
 - (i) whether the corporation has been placed in receivership or liquidation; and
 - (ii) whether an executive officer of the corporation has been affected by bankruptcy action; and
 - (iii) whether an executive officer of the corporation has been convicted of an offence against this Act or the repealed Act; and

¹⁵ See the Corporations Law, section 1274AA (Register of disqualified company directors and other officers).

(iv) whether each executive officer of the corporation is a suitable person to hold a licence;

(h) another thing the chief executive may consider under this Act.

(2) If the chief executive decides a person is not a suitable person to hold a licence, the chief executive must give the person an information notice within 14 days after the decision is made.

(3) In this section—

“**fund**” includes the auctioneers and agents fidelity guarantee fund under the repealed Act.

Public trustee is a suitable person

29. The corporation sole called The Public Trustee of Queensland is taken to be a suitable person to hold a licence.

Chief executive of department is a suitable person

30. The chief executive of a department of government is taken to be a suitable person to hold a licence.

Queensland Housing Commission is a suitable person

31. The Queensland Housing Commission is taken to be a suitable person to hold a licence.

Investigations about suitability of applicants and licensees

32.(1) The chief executive may make investigations about the following persons to help the chief executive decide whether an applicant or licensee is a suitable person to hold a licence—

(a) the applicant or licensee;

(b) if the applicant or licensee is a corporation—the corporation’s executive officers;

(c) a business associate of the applicant or licensee.

(2) Without limiting subsection (1), the chief executive may ask the

commissioner of the police service for a written report about the criminal history of any of the persons.

(3) The commissioner must give the report to the chief executive.

(4) However, the report is required to contain only criminal history in the commissioner's possession or to which the commissioner has access.

Criminal history is confidential document

33.(1) An officer, employee or agent of the department must not, directly or indirectly, disclose to anyone else a report about a person's criminal history, or information contained in the report, given under section 32.

Maximum penalty—100 penalty units.

(2) However, the person does not contravene subsection (1) if—

- (a) disclosure of the report or information to someone else is authorised by the chief executive to the extent necessary to perform a function under or in relation to this Act; or
- (b) the disclosure is otherwise required or permitted by law.

(3) The chief executive must destroy the report as soon as practicable after considering the person's suitability to hold a licence.

Requirement to give chief executive information or material about suitability

34.(1) This section applies to an applicant for the issue of a licence or the renewal or restoration of a licence.

(2) The chief executive may, by written notice given to the applicant, require the applicant to give the chief executive information or material the chief executive reasonably considers is needed to establish the applicant's suitability for the licence within a stated reasonable time.

(3) The applicant is taken to have withdrawn the application if, within the stated reasonable time, the applicant fails to comply with the chief executive's requirement.

PART 5—ELIGIBILITY FOR LICENCE

Division 1—Restricted letting agent’s licence

Eligibility for restricted letting agent’s licence

35.(1) An individual is eligible to obtain a restricted letting agent’s licence for a building complex only if the individual—

- (a) is at least 18 years; and
- (b) has the educational or other qualifications for a restricted letting agent’s licence that may be prescribed under a regulation; and
- (c) satisfies the chief executive that the individual—
 - (i) has body corporate approval for the individual or the person by whom the individual is to be employed to carry on a business of letting lots in the building complex under the authority of a licence; and
 - (ii) resides, or will reside if issued with a licence, in the building complex or, if the individual proposes to perform the activities of a restricted letting agent for more than 1 building complex, in 1 of the building complexes; and
 - (iii) has a place, or will have a place if issued with a licence, in the building complex or, if the individual proposes to perform the activities of a restricted letting agent for more than 1 building complex, in 1 of the building complexes, that will be the individual’s registered office.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual—

- (a) has a comparable qualification; or
- (b) within 2 years before the day the individual’s application for a restricted letting agent’s licence is received by the chief executive—
 - (i) has been licensed as a restricted letting agent or real estate agent; or

- (ii) has been the holder of a comparable licence under the repealed Act.

(3) A corporation is eligible to obtain a restricted letting agent's licence for a building complex only if the corporation satisfies the chief executive that—

- (a) the corporation has body corporate approval for the corporation to carry on a business of letting lots in the building complex under the authority of a licence; and
- (b) a director of the corporation is a restricted letting agent; and
- (c) the individual who will perform the activities of a restricted letting agent for the corporation—
 - (i) is a restricted letting agent; and
 - (ii) resides, or will reside if the corporation is issued with a licence, in the building complex or, if the individual proposes to perform the activities of a restricted letting agent for the corporation for more than 1 building complex, in 1 of the building complexes; and
 - (iii) has a place, or will have a place if issued with a licence, in the building complex or, if the individual proposes to perform the activities of a restricted letting agent for the corporation for more than 1 building complex, that will be the individual's registered office.

(4) An individual who satisfies the chief executive that the individual will be a director of a corporation that is a restricted letting agent is not required to comply with subsection (1)(c)(ii) if the individual does not intend performing the activities of a restricted letting agent for the building complex.

Division 2—Real estate agent's licence

Eligibility for real estate agent's licence

36.(1) An individual is eligible to obtain a real estate agent's licence only if the individual—

- (a) is at least 18 years; and
- (b) has the educational or other qualifications for a real estate agent's licence that may be prescribed under a regulation.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual—

- (a) has a comparable qualification; or
- (b) within 2 years before the day the individual's application for a real estate agent's licence is received by the chief executive—
 - (i) has been licensed as a real estate agent; or
 - (ii) has been the holder of a comparable licence under the repealed Act.

(3) A corporation is eligible to obtain a real estate agent's licence only if the corporation satisfies the chief executive that a director of the corporation is a real estate agent.

Division 3—Pastoral house licences

Eligibility for pastoral house licence

37. A person is eligible to obtain a pastoral house licence only if the person is a corporation and—

- (a) the corporation is—
 - (i) a corporation within the meaning of the Corporations Law; and
 - (ii) the subject of an order under the *Banking Act 1959* (Cwlth), section 11¹⁶ to the effect that the provisions of that Act, other than section 63, do not apply to it; and
 - (iii) a registered corporation under the *Financial Corporations Act 1974* (Cwlth) included in the category for pastoral finance companies under that Act; and

¹⁶ *Banking Act 1959* (Cwlth), section 11 (APRA may determine that provisions of this Act do not apply)

- (b) the corporation satisfies the chief executive that a director of the corporation is a pastoral house director.

Eligibility for pastoral house director's licence

38.(1) A person is eligible to obtain a pastoral house director's licence only if the person—

- (a) is an individual and at least 18 years; and
- (b) has the educational or other qualifications for a pastoral house director's licence that may be prescribed under a regulation; and
- (c) has been employed by a pastoral house for at least the period prescribed under a regulation; and
- (d) is, or satisfies the chief executive that the person, on the issue of the licence, will be, a director of the pastoral house stated in the person's application for licence.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual has a comparable qualification.

Eligibility for pastoral house manager's licence

39.(1) A person is eligible to obtain a pastoral house manager's licence only if the person—

- (a) is an individual and at least 18 years; and
- (b) has the educational or other qualifications for a pastoral house manager's licence that may be prescribed under a regulation; and
- (c) has been employed by a pastoral house for at least the period prescribed under a regulation.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual has a comparable qualification.

Eligibility for pastoral house auctioneer's licence

40.(1) A person is eligible to obtain a pastoral house auctioneer's licence only if the person—

- (a) is an individual and at least 18 years; and
- (b) has the educational or other qualifications for a pastoral house auctioneer's licence that may be prescribed under a regulation; and
- (c) has been employed by a pastoral house for at least the period prescribed under a regulation.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual has a comparable qualification.

Division 4—Auctioneer's licences**Eligibility for auctioneer's licence**

41.(1) An individual is eligible to obtain an auctioneer's licence only if the individual—

- (a) is at least 18 years; and
- (b) has the educational or other qualifications for an auctioneer's licence that may be prescribed under a regulation.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual—

- (a) has a comparable qualification; or
- (b) within 2 years before the day the individual's application for an auctioneer's licence is received by the chief executive—
 - (i) has been licensed as an auctioneer; or
 - (ii) has been the holder of a comparable licence under the repealed Act.

(3) A corporation is eligible to obtain an auctioneer's licence only if the corporation satisfies the chief executive that a director of the corporation is an auctioneer.

Division 5—Property developer’s licence**Eligibility for property developer’s licence**

42.(1) An individual is eligible to obtain a property developer’s licence only if the individual is at least 18 years.

(2) A corporation is eligible to obtain a property developer’s licence only if the corporation satisfies the chief executive that a director of the corporation is, or on the issue of the licence will be, a property developer director.

Eligibility for property developer director’s licence

43. A person is eligible to obtain a property developer director’s licence only if the person—

- (a) is an individual and at least 18 years; and
- (b) is, or satisfies the chief executive that the person, on the issue of the licence, will be, a director of the property developer stated in the person’s application for licence.

Division 6—Motor dealer’s licence**Eligibility for motor dealer’s licence**

44.(1) An individual is eligible to obtain a motor dealer’s licence only if the individual—

- (a) is at least 18 years; and
- (b) has the educational or other qualifications for a motor dealer’s licence that may be prescribed under a regulation.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual—

- (a) has a comparable qualification; or
- (b) within 2 years before the day the individual’s application for a motor dealer’s licence is received by the chief executive—

- (i) has been licensed as a motor dealer; or
- (ii) has been the holder of a comparable licence under the repealed Act.

(3) A corporation is eligible to obtain a motor dealer's licence only if the corporation satisfies the chief executive that a director of the corporation is a motor dealer.

Division 7—Commercial agent's licence

Eligibility for commercial agent's licence

45.(1) An individual is eligible to obtain a commercial agent's licence only if the individual—

- (a) is at least 18 years; and
- (b) has the educational or other qualifications for an commercial agent's licence that may be prescribed under a regulation.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual—

- (a) has a comparable qualification; or
- (b) within 2 years before the day the individual's application for a commercial agent's licence is received by the chief executive—
 - (i) has been licensed as a commercial agent; or
 - (ii) has been the holder of a comparable licence under the repealed Act.

(3) A corporation is eligible to obtain a commercial agent's licence only if the corporation satisfies the chief executive that a director of the corporation is a commercial agent.

Division 8—Chief executives and corporations sole**Public trustee is eligible to obtain particular licences**

46. The public trustee as a corporation sole is taken to be eligible to obtain the following licences—

- (a) restricted letting agent's licence;
- (b) real estate agent's licence;
- (c) auctioneer's licence;
- (d) property developer's licence;
- (e) motor dealer's licence;
- (f) commercial agent's licence.

Chief executive of department is eligible to obtain particular licences

47. The chief executive of a department is taken to be eligible to obtain the following licences—

- (a) restricted letting agent's licence;
- (b) real estate agent's licence;
- (c) auctioneer's licence;
- (d) property developer's licence;
- (e) motor dealer's licence;
- (f) commercial agent's licence.

Queensland Housing Commission is eligible to obtain particular licences

48. The Queensland Housing Commission as a corporation sole is taken to be eligible to obtain the following licences—

- (a) restricted letting agent's licence;
- (b) real estate agent's licence;
- (c) auctioneer's licence;

- (d) property developer's licence.

PART 6—ISSUE OF LICENCES

Chief executive may issue or refuse to issue licence

49.(1) The chief executive may issue or refuse to issue a licence to an applicant.

(2) The chief executive may issue a licence to an applicant only if the chief executive is satisfied that—

- (a) the applicant is a suitable person and—
 - (i) if the applicant intends carrying on business in partnership or in conjunction with others—each member of the partnership or each person with whom the applicant intends carrying on business in conjunction is a suitable person; and
 - (ii) if the applicant is a corporation—each executive officer of the corporation is a suitable person; and
- (b) the applicant is eligible to obtain a licence of the category of licence being applied for; and
- (c) the application is properly made.

(3) For subsection (2)(c), an application is properly made only if it complies with section 22¹⁷ and is accompanied by the things mentioned in that section.

(4) If the chief executive decides to refuse to issue the licence, the chief executive must give the applicant an information notice about the decision within 14 days after the decision is made.

(5) If the applicant's application for a licence is refused, the applicant may not file another application for a licence—

- (a) for 3 months after the day the chief executive gives the applicant

¹⁷ Section 22 (Application for licence)

the information notice under subsection (4); or

- (b) if the applicant applies to the tribunal to review the chief executive's decision and the decision is confirmed, for 3 months after the day the decision is confirmed.

Licence—public trustee

50. The chief executive may issue a licence to the public trustee in the public trustee's capacity as a corporation sole in the name 'The Public Trustee of Queensland'.

Licence—chief executive of department

51.(1) The chief executive may issue a licence to the chief executive of a department in the name 'The Chief Executive of the (name of department)'.

(2) The licence is taken to be issued to the chief executive for the time being of the department.

(3) The chief executive of a department, as licensee, is taken to represent the State.

Licence—Queensland Housing Commission

52. The chief executive may issue a licence to the Queensland Housing Commission in the name 'The Queensland Housing Commission'.

Licence—conditions

53.(1) The chief executive may issue a licence on the conditions the chief executive considers necessary or desirable for the proper performance of the activities authorised by the licence.

(2) Without limiting subsection (1), a condition may—

- (a) limit or prohibit the performance of an activity authorised under this Act; or
- (b) require a licensee to hold insurance of a kind and in an amount prescribed under a regulation.

(3) If the chief executive decides to issue a licence on condition, the chief executive must give the applicant an information notice within 14 days after the decision is made.

PART 7—RESTRICTIONS ON PERFORMING ACTIVITIES UNDER LICENCES

Restriction—corporations

54.(1) A corporation that holds a licence may perform an activity under its licence only if the activity may be performed by a licensed director of the corporation under the director's licence.

Example—

D is the only licensed director of Company Pty Ltd, a licensed motor dealer. D holds a motor dealer's licence that is subject to a condition that D deal only in motorcycles. Because of the condition, Company Pty Ltd is only authorised to deal in motorcycles under its licence.

However, if L becomes another licensed director of Company Pty Ltd and L is authorised under L's licence to deal in caravans, Company Pty Ltd may also deal in caravans.

(2) However, subsection (1) does not prevent a corporation that holds a real estate agent's, pastoral house, or motor dealer's licence selling or attempting to sell or offering for sale or resale any property by way of auction if the auction is conducted by an auctioneer who is an employed licensee of the corporation.

(3) If the corporation performs an activity it is not authorised to perform, it is taken to be a person who acts as a licensee without a licence for the performance of the activity.

Restriction—individuals

55.(1) An individual who is an employed licensee may perform an activity authorised under the individual's licence only if the activity may also be performed by the individual's employer under the employer's licence.

Example—

E is a licensed employee of P, a licensed motor dealer. E's licence is not subject to condition. However, P's licence is subject to a condition that P deal only in motorcycles. Because of the condition, E is only authorised to deal in motorcycles under E's licence during E's employment with P and while P is subject to the condition.

(2) However, subsection (1) does not prevent an individual who holds an auctioneer's licence selling or attempting to sell or offering for sale or resale any property by way of auction for the individual's licensed employer.

(3) If the employed licensee performs an activity the employed licensee is not authorised to perform because of subsection (1), the employed licensee is taken to be a person who acts as a licensee without a licence for the performance of the activity.

Restriction—conditions

56.(1) This section applies to a licensee who performs an activity under the licensee's licence that the licensee is not authorised to perform because of a condition on the licensee's licence.

(2) The licensee is taken to be a person who acts as a licensee without a licence for the performance of the activity.

PART 8—RENEWAL AND RESTORATION OF LICENCES

Division 1—Renewal

Application for renewal

57.(1) A licensee must apply for renewal of the licensee's licence before the licence expires.

(2) The application must—

(a) be made to the chief executive in the approved form; and

- (b) state the term of the licence being applied for; and
- (c) state the names and addresses of the licensee's business associates; and
- (d) be accompanied by—
 - (i) an application fee; and
 - (ii) a licence renewal fee; and
 - (iii) if the licensee is required as a condition of the licensee's licence to hold insurance, proof of the currency of the insurance; and
 - (iv) for an licensee who is a individual, 2 recent colour photographs of the licensee of a size prescribed under a regulation and certified as photographs of the licensee in the way prescribed under a regulation.

(3) The application must also be accompanied by—

- (a) an audit report for all trust accounts kept by the licensee during the relevant audit period; or
- (b) a statutory declaration that the licensee did not operate a trust account during the relevant audit period.

(4) Subsection (3) does not apply to a property developer.

(5) The licensee must also satisfy the chief executive that the licensee has actively carried out the activities authorised under the licence for a period, and within the period, prescribed under a regulation.

(6) In this section—

“audit period” has the meaning given by section 400.¹⁸

“audit report” has the meaning given by section 400.

“relevant audit period”, for a licensee's licence, means the audit period ending immediately before the licence's expiry date.

¹⁸ Section 400 (Definitions for div 3)

Chief executive may renew or refuse to renew licence

58.(1) The chief executive must consider the renewal application and may renew or refuse to renew the licence.

(2) The chief executive may renew the licence only if the chief executive is satisfied—

- (a) the licensee is a suitable person and—
 - (i) if the licensee carries on business in partnership or in conjunction with others—each member of the partnership or each person with whom the licensee carries on business in conjunction is a suitable person; and
 - (ii) if the licensee is a corporation—each executive officer of the corporation is a suitable person; and
- (b) the application is properly made; and
- (c) the licensee has, as a principal licensee, licensed director or employed licensee, actively carried out the activities authorised under the licence for a period, and within the period, prescribed under a regulation; and
- (d) the licensee meets the eligibility requirements, other than eligibility requirements of an educational nature, for the licence.

(3) For subsection (2)(b), an application is properly made only if it complies with section 57¹⁹ and is accompanied by the things mentioned in that section.

(4) If the chief executive decides to refuse the application, the chief executive must give the applicant an information notice within 14 days after the decision is made.

Licence taken to be in force while application for renewal is considered

59. If an application is made under section 57,²⁰ the licensee's licence is taken to continue in force from the day that it would, apart from this section, have expired until the licensee's application for renewal is—

¹⁹ Section 57 (Application for renewal)

²⁰ Section 57 (Application for renewal)

- (a) decided under section 58; or
- (b) withdrawn by the licensee; or
- (c) taken to have been withdrawn under section 34(3).²¹

Division 2—Restoration

Application for restoration

60.(1) If a licensee's licence expires, the licensee may apply for restoration of the licence.

(2) The application must—

- (a) be made within 3 months after the expiry; and
- (b) be made to the chief executive in the approved form; and
- (c) state the term of the licence being applied for; and
- (d) state the names and addresses of the licensee's business associates; and
- (e) be accompanied by—
 - (i) an application fee; and
 - (ii) a licence renewal fee; and
 - (iii) a licence restoration fee; and
 - (iv) if the licensee is required as a condition of the licensee's licence to hold insurance, proof of the currency of the insurance; and
 - (v) for an individual licensee, 2 recent colour photographs of the licensee of a size prescribed under a regulation and certified as photographs of the licensee in the way prescribed under a regulation.

(3) The application must also be accompanied by—

²¹ Section 34 (Requirement to give chief executive information or material about suitability)

- (a) an audit report about all trust accounts maintained by the licensee during the relevant audit period; or
- (b) a statutory declaration that the licensee did not operate a trust account during the relevant audit period.

(4) Subsection (3) does not apply to a property developer.

(5) The licensee must also satisfy the chief executive that the licensee has, as a licensee or salesperson, actively carried out the activities authorised under the licence for a period, and within the period, prescribed under a regulation.

(6) In this section—

“**audit period**” has the meaning given by section 400.22

“**audit report**” has the meaning given by section 400.

“**relevant audit period**”, for a licensee’s licence, means the audit period ending immediately before the licence’s expiry date.

Chief executive may restore or refuse to restore licence

61.(1) The chief executive must consider the restoration application and may restore or refuse to restore the licence.

(2) The chief executive may restore the licence only if the chief executive is satisfied—

- (a) the licensee is a suitable person and—
 - (i) if the licensee carries on, or intends to carry on, business in partnership or in conjunction with others—each member of the partnership or each person with whom the licensee carries on business in conjunction is a suitable person; and
 - (ii) if the licensee is a corporation—each executive officer of the corporation is a suitable person; and
- (b) the application is properly made; and
- (c) the licensee has, as a principal licensee or employed licensee, actively carried out the activities authorised under the licence for a

period, and within the period, prescribed under a regulation; and

- (d) the licensee meets the eligibility requirements, other than eligibility requirements of an educational nature, for the licence.

(3) For subsection (2)(b), an application is properly made only if it complies with section 60 and is accompanied by the things mentioned in that section.

(4) If the chief executive decides to refuse the application, the chief executive must give the licensee an information notice within 14 days after the decision is made.

(5) If the chief executive restores the licence—

- (a) the licence is taken to have been renewed on the day it would, apart from section 62, have expired (the “**initial expiry date**”); and
- (b) to remove any doubt, a thing done during the period starting on the initial expiry date and ending on the day the licence is restored under this section is taken to have been as validly done as it would have been if the licence had been renewed immediately before the initial expiry date.

Licence taken to be in force while application for restoration is considered

62. If an application is made under section 60,²³ the licensee’s licence is taken to continue in force from the day that it would, apart from this section, have expired until the licensee’s application for restoration is—

- (a) decided under section 61; or
- (b) withdrawn by the licensee; or
- (c) taken to have been withdrawn under section 34(3).²⁴

²³ Section 60 (Application for restoration)

²⁴ Section 34 (Requirement to give chief executive information or material about suitability)

PART 9—DEALINGS WITH LICENCES

Division 1—Transfer of licence

Transfer of licence prohibited

63. A licence may not be transferred.

Division 2—Substitute licences

Appointment of substitute licensee—principal licensee—individual

64.(1) A principal licensee may appoint an adult as the licensee's substitute licensee for a period of not more than 30 days only if—

- (a) the licensee will be absent from the licensee's registered office for the period; and
- (b) the adult consents to the appointment; and
- (c) if the licensee is required as a condition of the licensee's licence to hold insurance, the adult is covered by the insurance or holds insurance that complies with the requirements of the condition.

(2) The principal licensee must ensure—

- (a) an appointment under subsection (1) and the substitute licensee's consent to the appointment are in writing and state the period of appointment; and
- (b) the appointment, consent and evidence of any insurance the substitute licensee is required to have are—
 - (i) kept at the licensee's registered office; and
 - (ii) made available for immediate inspection by an inspector who asks to see them.

Maximum penalty—100 penalty units.

(3) A principal licensee who will be absent from the licensee's registered office for a period of more than 30 days must apply to the chief executive in the approved form for the appointment or the extension of the appointment

of an adult (“**nominated person**”) as the licensee’s substitute licensee.

Maximum penalty—200 penalty units.

(4) If the principal licensee is a person for whom an administrator has been appointed under the *Guardianship and Administration Act 2000* or is deceased, the licensee’s representative may make the application under subsection (3).

(5) The application must be accompanied by—

- (a) the nominated person’s signed consent to the appointment; and
- (b) enough information about the nominated person to enable the chief executive to decide whether the person—
 - (i) is a suitable person to hold a licence; and
 - (ii) is sufficiently qualified to perform the licensee’s activities during the period; and
 - (iii) if the licensee is required as a condition of the licensee’s licence to hold insurance, is covered by the insurance or holds insurance that complies with the requirements of the condition; and
- (c) the fee prescribed under a regulation.

(6) In this section—

“**principal licensee**” means a principal licensee who is an individual.

“**representative**”, of a principal licensee, means—

- (a) for a licensee for whom an administrator has been appointed under the *Guardianship and Administration Act 2000*—the licensee’s administrator;
- (b) for a deceased licensee—the licensee’s personal representative.

Appointment of substitute licensee—employed licensee in charge of a licensee’s business at a place

65.(1) This section applies if an employed licensee who is in charge of a licensee’s business at a place will be absent from the place for any reason, other than the employed licensee’s resignation or termination of employment.

(2) If the employed licensee will be absent from the place for a period of not more than 30 days, the principal licensee who employs the employed licensee may appoint an adult as the employed licensee's substitute licensee for the period if the adult consents to the appointment.

(3) The principal licensee must ensure an appointment under subsection (2) and the person's consent to the appointment are—

- (a) in writing and state the period of appointment; and
- (b) kept at the licensee's registered office; and
- (c) made available for immediate inspection by an inspector who asks to see them.

Maximum penalty—100 penalty units.

(4) If the employed licensee will be absent from the place for a period of more than 30 days, the principal licensee who employs the employed licensee must apply to the chief executive in the approved form for the appointment or the extension of the appointment of a person ("**nominated person**") as the licensee's substitute licensee.

Maximum penalty—200 penalty units.

(5) The application must be accompanied by—

- (a) the nominated person's signed consent to the appointment; and
- (b) enough information about the nominated person to enable the chief executive to decide whether the person is—
 - (i) a suitable person to hold a licence; and
 - (ii) sufficiently qualified to perform the employed licensee's activities during the period; and
- (c) the fee prescribed under a regulation.

(6) In this section—

"principal licensee" includes—

- (a) for a licensee for whom an administrator has been appointed under the *Guardianship and Administration Act 2000*—the licensee's administrator; and
- (b) for a deceased licensee—the licensee's personal representative.

Appointment of substitute licensee—pastoral house manager in charge of a licensee’s business at a place

66.(1) This section applies if a pastoral house manager who is in charge of a pastoral house’s business at a place will be absent from the place for any reason, other than the manager’s resignation or termination of employment.

(2) If the pastoral house manager is absent from the place for a period of not more than 30 days, the pastoral house that employs the manager may appoint an adult as the manager’s substitute licensee for the period if the adult consents to the appointment.

(3) The pastoral house must ensure an appointment under subsection (2) and the person’s consent to the appointment are—

- (a) in writing and state the period of appointment; and
- (b) kept at the pastoral house’s registered office; and
- (c) made available for immediate inspection by an inspector who asks to see them.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591²⁵—100 penalty units; or
- (b) for a pastoral house—500 penalty units.

(4) If the pastoral house manager will be absent from the place for a period of more than 30 days, the pastoral house that employs the manager must apply to the chief executive in the approved form for the appointment or the extension of the appointment of a person (“**nominated person**”) as the manager’s substitute licensee.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—100 penalty units; or
- (b) for a pastoral house—500 penalty units.

(5) The application must be accompanied by—

²⁵ Section 591 (Executive officers must ensure corporation complies with Act)

- (a) the nominated person's signed consent to the appointment; and
- (b) enough information about the nominated person to enable the chief executive to decide whether the person is—
 - (i) a suitable person to hold a licence; and
 - (ii) sufficiently qualified to perform the manager's activities during the period; and
- (c) the fee prescribed under a regulation.

Chief executive may appoint or refuse to appoint substitute licensee

67.(1) The chief executive may appoint or refuse to appoint a nominated person mentioned in section 64(3), 65(4) or 66(4) as a licensee's substitute licensee.

(2) The chief executive may appoint the nominated person only if the chief executive is satisfied that the person—

- (a) is a suitable person to hold a licence; and
- (b) is sufficiently qualified to perform the licensee's activities during the period of the licensee's absence; and
- (c) if the licensee is required as a condition of the licensee's licence to hold insurance, is covered by the insurance or holds insurance that complies with the requirements of the condition.

(3) An appointment under this section may be made subject to the conditions the chief executive considers appropriate.

(4) The chief executive must give written notice of the appointment to the licensee and the substitute licensee.

(5) If the chief executive decides to refuse the application or to impose conditions on the appointment, the chief executive must give the licensee an information notice within 14 days after the decision is made.

Substitute licensee

68.(1) On appointment, a substitute licensee—

- (a) must act as substitute for the licensee for whom the substitute is

appointed; and

(b) is taken to be the licensee during the period of appointment.

(2) A licensee for whom a substitute has been appointed must not act under the authority of the licensee's licence while the appointment of the substitute licensee continues.

Maximum penalty—200 penalty units.

(3) The appointment of the substitute licensee ends if—

- (a) the period of appointment ends; or
- (b) the principal licensee gives written notice to end the appointment from a date stated in the notice—
 - (i) for a substitute licensee appointed under section 64(1), 65(2) or 66(2)—to the substitute licensee; or
 - (ii) for a substitute licensee appointed under section 67—to the chief executive and the substitute licensee; or
- (c) the substitute licensee gives written notice to end the appointment from a date stated in the notice—
 - (i) for a substitute licensee appointed under section 64(1), 65(2) or 66(2)—to the principal licensee making the appointment; or
 - (ii) for a substitute licensee appointed under section 67—to the chief executive and the principal licensee who applied for the appointment; or
- (d) the chief executive revokes the substitute licensee's appointment; or
- (e) the licensee's licence is suspended or cancelled; or
- (f) if the licensee is a principal licensee, the licensee stops carrying on business as a licensee.

Limitation on period of substitution

69.(1) A principal licensee may not appoint a substitute licensee for himself or herself for more than 12 weeks in any period of 12 months.

(2) A principal licensee may not appoint a substitute licensee for an employed licensee for more than 12 weeks in any period of 12 months.

(3) A pastoral house may not appoint a substitute licensee for a pastoral house manager for more than 12 weeks in any period of 12 months.

(4) The chief executive may not appoint a substitute licensee for any licensee for more than 26 weeks in any period of 12 months.

Division 3—General

Amendment of licence conditions

70.(1) The chief executive may amend the conditions of a licence—

- (a) on the licensee's application; or
- (b) on the order of the tribunal after a disciplinary hearing; or
- (c) on the chief executive's own initiative.

Note—

The tribunal may deal with the conditions of a person's licence under section 529 (Orders tribunal may make on disciplinary charge hearing).

(2) An application under subsection (1)(a) must be made in the approved form and be accompanied by the application fee prescribed under a regulation.

(3) Before making an amendment under subsection (1)(a), the chief executive must be satisfied the licensee meets the eligibility requirements the chief executive specifies as relevant to the amendment of the condition.

(4) Before making an amendment under subsection (1)(c), the chief executive must—

- (a) give written notice to the licensee—
 - (i) of the particulars of the proposed amendment; and
 - (ii) that the licensee may make written submissions to the chief executive about the proposed amendment before a stated day, not later than 14 days after the notice is given to the licensee; and

(b) have regard to submissions made to the chief executive by the licensee before the stated day.

(5) Subsection (4) does not apply if the chief executive decides that the amendment must be made urgently—

(a) to avoid potential claims against the fund; or

(b) to ensure compliance with this Act.

(6) If the chief executive decides to amend the conditions of a licence under subsection (1)(c), the chief executive must give written notice of the amendment to the licensee and an information notice within 14 days after the decision is made.

(7) The amendment takes effect—

(a) on the day the written notice of the amendment is given to the licensee; or

(b) if a later day is stated in the notice, the stated day.

(8) If the chief executive decides to refuse to make an amendment requested under subsection (1)(a), the chief executive must give the applicant an information notice within 14 days after the decision is made.

Return of licence for amendment of conditions or when suspended or cancelled

71.(1) If the chief executive amends the conditions of a licence under section 70, the chief executive may ask the licensee to produce the licence for amendment within a stated period of not less than 14 days.

(2) The licensee must comply with a request under subsection (1), unless the person has a reasonable excuse.

Maximum penalty—100 penalty units.

(3) A person whose licence has been suspended or cancelled must return the licence to the chief executive within 14 days after the suspension or cancellation, unless the person has a reasonable excuse.

Maximum penalty—100 penalty units.

Surrender of licence

72.(1) A licensee may surrender the licensee's licence by giving written notice to the chief executive and returning the licence.

(2) A licence surrendered under this section stops having effect on the day it is surrendered.

Licence may be deactivated

73.(1) A licensee may ask the chief executive to deactivate the licensee's licence.

(2) A request under subsection (1) must be made in the approved form and be accompanied by the licensee's licence and the fee prescribed under a regulation.

(3) The licence is taken to be deactivated when the request, the licence and the prescribed fee are received by the chief executive under subsection (2).

(4) A licence that is deactivated does not authorise the licensee to perform an activity under the authority of the licence.

(5) The deactivation of a licence under this section does not—

- (a) affect the term of the licence; or
- (b) entitle the licensee to a refund of fees in relation to the licence for the balance of the licence's term.

(6) The holder of a deactivated licence may apply to have the licence renewed under section 57²⁶ or restored under section 60²⁷ as a deactivated licence at a reduced fee prescribed under a regulation.

(7) A licensee may ask the chief executive to reactivate the licence.

(8) However, if the licence has been deactivated for 5 years or more, the licence may be reactivated only if the licensee satisfies any educational or other requirements prescribed under a regulation for the issue of the licence.

(9) A request under subsection (7) must be made in the approved form and be accompanied by the fee prescribed under a regulation.

²⁶ Section 57 (Application for renewal)

²⁷ Section 60 (Application for restoration)

PART 10—IMMEDIATE SUSPENSION AND CANCELLATION OF LICENCES

Immediate suspension

74.(1) This section applies if—

- (a) the chief executive considers, on reasonable grounds, that an irregularity or deficiency exists in a licensee's trust account; or
- (b) a receiver is appointed under section 417²⁸ over property—
 - (i) held by a licensee; or
 - (ii) held by another person for a licensee; or
 - (iii) recoverable by a licensee.

(2) The chief executive may, whether or not disciplinary proceedings have been started under this Act—

- (a) suspend the licensee's licence; or
- (b) suspend a licence held by an employee of the licensee if the chief executive considers, on reasonable grounds, the employee is responsible in any way for the irregularity or deficiency in the licensee's trust account.

(3) The licence may be suspended for the period (not more than 28 days), and on the conditions, the chief executive decides.

(4) The chief executive must give the licensee an information notice in relation to the suspension within 14 days after suspending the licensee's licence.

(5) The licensee must return the licence to the chief executive within 14 days after the licensee receives the notice, unless the person has a reasonable excuse.

Maximum penalty for subsection (5)—100 penalty units.

²⁸ Section 417 (When receiver may be appointed)

Immediate cancellation

75.(1) A licensee's licence is cancelled on the happening of any of the following events—

- (a) the licensee is convicted of a serious offence;
- (b) if the licensee is an individual, the licensee is affected by bankruptcy action;
- (c) if the licensee is a corporation, the licensee has gone into liquidation.

(2) The licensee must return the licence to the chief executive within 14 days after the happening of an event mentioned in subsection (1), unless the licensee has a reasonable excuse.

Maximum penalty for subsection (2)—100 penalty units.

PART 11—GENERAL PROVISIONS ABOUT LICENCES

Form of licence

76.(1) A licence must be issued in the approved form.

(2) However, the chief executive may approve—

- (a) a form of licence for office display purposes; and
- (b) a form of licence for personal identification purposes.

Examples—

1. A form of licence for office display purposes may be in the form of a certificate that may be framed and displayed in an office.

2. A form of licence for personal identification purposes may be in the form of a small photo identification card suitable for carrying easily on one's person.

(3) The chief executive may also issue a form of licence for a corporation endorsed with the categories of property agents and motor dealers licence issued in the corporation's name.

(4) The licence must contain the following particulars—

- (a) the name of the licensee;
- (b) the date of issue of the licence;
- (c) the expiry date of the licence;
- (d) for a personal identification licence, a recent photograph of the licensee;
- (e) other particulars that may be prescribed under a regulation.

Display of licence

77. A principal licensee must display the licensee's licence at the licensee's registered office in the way prescribed under a regulation.

Maximum penalty—100 penalty units.

Term of licence

78. A licence may be issued for a 1 year or 3 year term.

Replacement licences

79.(1) A licensee may apply to the chief executive for the replacement of a lost, stolen, destroyed or damaged licence.

(2) The application must be made in the approved form and be accompanied by the fee prescribed under a regulation.

(3) The chief executive must grant the application if the chief executive is satisfied the licence has been lost, stolen or destroyed, or damaged in a way to require its replacement.

(4) If the chief executive grants the application, the chief executive must issue another licence to the applicant to replace the lost, stolen, destroyed or damaged licence.

Register of licences

80.(1) The chief executive must keep a register of licences and applications for licences ("**licence register**").

(2) The licence register must contain the following particulars—

- (a) for each applicant for a licence—
 - (i) the applicant's name; and
 - (ii) if the applicant intends to carry on business under the licence, the place where the applicant intends to carry on business; and
 - (iii) the category of licence applied for; and
 - (iv) the date of the application; and
 - (v) the application number;
- (b) for each licensee—
 - (i) the licensee's name; and
 - (ii) the licensee's registered office; and
 - (iii) the category of the licensee's licence; and
 - (iv) the dates of issue and expiry of the licensee's current licence; and
 - (v) any conditions imposed on the licence; and
 - (vi) if the licensee is a corporation, the name of the individual in charge of the licensee's business at the licensee's registered office; and
 - (vii) if the licensee is a director of a licensed corporation, the name of the licensed corporation; and
 - (viii) if the licensee is an employee of another licensee, the name of the licensee's employer; and
 - (ix) the licensee's licence number; and
 - (x) particulars of any surrender, suspension, cancellation or revocation of the licensee's licence.

(3) A person may, on payment of any fee that may be prescribed under a regulation, inspect, or get a copy of details in, the part of the register containing the particulars mentioned in subsection (2)—

- (a) at the department's head office when it is open to the public; or

(b) by using a computer.

(4) A person may pay the fee, in advance or in arrears, under an arrangement approved by the chief executive.

(5) The register may be kept in any way the chief executive considers appropriate.

(6) In this section—

“**contain**” includes record and store.

Licenses to notify chief executive of changes in circumstances

81.(1) A licensee must give written notice to the chief executive of a prescribed change in the licensee’s circumstances within 14 days after the change.

Maximum penalty—100 penalty units.

(2) In this section—

“**prescribed change**” means a change prescribed under a regulation.

CHAPTER 3—EMPLOYEE REGISTRATION

PART 1—CATEGORIES OF REGISTERED EMPLOYEES

Categories of registered employees

82. The following categories of registered employees are prescribed for this Act—

- (a) real estate salesperson;
- (b) pastoral house salesperson;
- (c) trainee auctioneer;
- (d) property developer salesperson;

- (e) motor salesperson;
- (f) commercial subagent.

PART 2—HOW TO OBTAIN REGISTRATION

Steps involved in obtaining registration

83.(1) A person who wishes to obtain registration as a registered employee must be a suitable person to hold registration under part 4.²⁹

(2) The person must apply for registration by—

- (a) submitting an application showing, among other things, the person is eligible to obtain registration; and
- (b) paying the prescribed fees.

(3) The chief executive decides the person's application after having regard, among other things, to—

- (a) the person's suitability to hold a registration certificate under this Act; and
- (b) the person's eligibility to hold the registration certificate.

PART 3—APPLICATIONS FOR REGISTRATION

Application for registration

84.(1) An applicant for registration must—

- (a) be an individual; and
- (b) apply to the chief executive in the approved form; and
- (c) state the category of employee registration being applied for; and

²⁹ Part 4 (Suitability of applicants)

- (d) state the term of the registration being applied for; and
 - (e) state the name and business address of the licensee by whom the applicant is to be employed; and
 - (f) establish the applicant's suitability and eligibility for the category of employee registration being applied for; and
 - (g) provide any information the chief executive reasonably requires to decide whether the applicant is suitable and eligible to be a registered employee.
- (2) The application must be accompanied by—
- (a) an application fee; and
 - (b) a registration issue fee; and
 - (c) 2 recent colour photographs of the applicant of a size prescribed under a regulation and certified as photographs of the applicant in the way prescribed under a regulation.

PART 4—SUITABILITY OF APPLICANTS

Suitability of applicants

85.(1) A person is not a suitable person to obtain registration as a registered employee if the person is—

- (a) affected by bankruptcy action; or
- (b) a person who has been convicted, in Queensland or elsewhere, within the preceding 5 years of a serious offence; or
- (c) currently disqualified from holding a licence or registration certificate; or
- (d) a person the chief executive decides under section 86 is not a suitable person to obtain registration as a registered employee.

(2) An individual who is not a suitable person can not obtain registration as a registered employee.

Chief executive must consider suitability of applicants

86.(1) The chief executive must, when deciding whether a person is a suitable person to obtain registration as a registered employee, consider the following things—

- (a) the person's character;
- (b) whether the person held a licence or registration under this Act, the repealed Act or a corresponding law that was suspended or cancelled;
- (c) whether an amount has been paid from the fund because the person did, or omitted to do, something that gave rise to the claim against the fund;
- (d) whether the person has been disqualified under this Act, the repealed Act or a corresponding law from being a licensee, an executive officer of a corporation or the holder of a certificate of registration;
- (e) the person's criminal history;
- (f) whether the person has been affected by bankruptcy action;
- (g) whether the person has been convicted of an offence against this Act, the repealed Act or a corresponding law;
- (h) whether the person is capable of satisfactorily performing the activities of a registered employee in the category applied for;
- (i) whether the person's name appears in the register of disqualified company directors and other officers under the Corporations Law;³⁰
- (j) another thing the chief executive may consider under this Act.

(2) If the chief executive decides a person is not a suitable person to obtain registration as a registered employee, the chief executive must give the person an information notice within 14 days after the decision is made.

(3) In this section—

“fund” includes the auctioneers and agents fidelity guarantee fund under the repealed Act.

³⁰ See the Corporations Law, section 1274AA (Register of disqualified company directors and other officers).

Investigations about suitability of applicants

87.(1) The chief executive may make investigations about the applicant to help the chief executive decide whether the applicant is a suitable person to obtain registration as a registered employee.

(2) Without limiting subsection (1), the chief executive may ask the commissioner of the police service for a written report about the applicant's criminal history.

(3) The commissioner must give the report to the chief executive.

(4) However, the report is required to contain only criminal history in the commissioner's possession or to which the commissioner has access.

Criminal history is confidential document

88.(1) An officer, employee or agent of the department must not, directly or indirectly, disclose to anyone else a report about a person's criminal history, or information contained in the report, given under section 87.

Maximum penalty—100 penalty units.

(2) However, the person does not contravene subsection (1) if—

- (a) disclosure of the report or information to someone else is authorised by the chief executive to the extent necessary to perform a function under or in relation to this Act; or
- (b) the disclosure is otherwise required or permitted by law.

(3) The chief executive must destroy the report as soon as practicable after considering the person's suitability to obtain registration as a registered employee.

Requirement to give chief executive information or material about suitability

89.(1) This section applies to an applicant for registration as a registered employee or the renewal or restoration of the registration.

(2) The chief executive may, by written notice given to the applicant, require the applicant to give the chief executive information or material the chief executive reasonably considers is needed to establish the applicant's

suitability for the registration within a stated reasonable time.

(3) The applicant is taken to have withdrawn the application if, within the stated reasonable time, the applicant fails to comply with the chief executive's requirement.

PART 5—ELIGIBILITY FOR REGISTRATION

Eligibility for registration as registered employee

90.(1) An individual is eligible to obtain registration as a registered employee in a category mentioned in section 82³¹ only if the individual—

- (a) is at least 18 years; and
- (b) has the educational or other qualifications that may be prescribed under a regulation for the category of registered employees being applied for.

(2) An individual is to be taken to satisfy the requirement mentioned in subsection (1)(b) if the chief executive is satisfied the individual—

- (a) has a comparable qualification; or
- (b) within 2 years before the day the individual's application for employee registration is received by the chief executive—
 - (i) has been the holder of a registration certificate under this Act for the category of registered employees being applied for; or
 - (ii) has been the holder of a comparable certificate under the repealed Act.

³¹ Section 82 (Categories of registered employees)

PART 6—ISSUE OF REGISTRATION CERTIFICATE

Chief executive may issue or refuse to issue registration certificate

91.(1) The chief executive may issue or refuse to issue a registration certificate to an applicant.

(2) The chief executive may issue a registration certificate to an applicant only if the chief executive is satisfied—

- (a) the applicant is a suitable person; and
- (b) the applicant is eligible to obtain the registration; and
- (c) the application is properly made.

(3) For subsection (2)(c), the application is properly made only if it complies with section 84³² and is accompanied by the things mentioned in that section.

(4) If the chief executive refuses to issue the registration certificate, the chief executive must give the applicant an information notice about the decision within 14 days after the decision is made.

(5) If the applicant's application for a registration certificate is refused, the applicant may not file another application for a registration certificate—

- (a) for 3 months after the day the chief executive gives the applicant the information notice under subsection (4); or
- (b) if the applicant applies to the tribunal to review the chief executive's decision and the decision is confirmed, for 3 months after the day the decision is confirmed.

Registration certificate—conditions

92.(1) The chief executive may issue a registration certificate on the conditions the chief executive considers necessary or desirable for the proper performance of the activities authorised by the certificate.

(2) A condition may limit or prohibit the performance of an activity authorised under this Act.

³² Section 84 (Application for registration)

(3) If the chief executive decides to issue the certificate on condition, the chief executive must give the applicant an information notice within 14 days after the decision is made.

PART 7—ACTIVITIES AUTHORISED UNDER REGISTRATION CERTIFICATE

What a registration certificate authorises

93.(1) A registration certificate authorises the holder of the certificate to perform—

- (a) if the holder is a real estate salesperson—any activity that may be performed by the real estate agent who employs the holder; and
- (b) if the holder is a pastoral house salesperson—any activity that may be performed by the pastoral house who employs the holder; and
- (c) if the holder is a trainee auctioneer—any activity that may be performed by the auctioneer who supervises the trainee; and
- (d) if the holder is a property developer salesperson—any activity that may be performed by the property developer who employs the holder; and
- (e) if the holder is a motor salesperson—any activity that may be performed by the motor dealer who employs the holder; and
- (f) if the holder is a commercial subagent—any activity that may be performed by the commercial agent who employs the holder.

(2) However, the registration certificate does not authorise the holder to perform an activity that the holder is not authorised to perform—

- (a) because of a condition to which the certificate is subject; or
- (b) under the holder's employment authority.

PART 8—RENEWAL AND RESTORATION OF REGISTRATION CERTIFICATES

Division 1—Renewal

Application for renewal

94.(1) A registered employee must apply for renewal of the employee's registration certificate before the certificate expires.

(2) The application must—

- (a) be made to the chief executive in the approved form; and
- (b) state the term of the registration being applied for; and
- (c) state the name and business address of the licensee who employs the employee; and
- (d) be accompanied by—
 - (i) an application fee; and
 - (ii) a registration certificate renewal fee; and
 - (iii) 2 recent colour photographs of the applicant of a size prescribed under a regulation and certified as photographs of the applicant in the way prescribed under a regulation.

Chief executive may renew or refuse to renew registration certificate

95.(1) The chief executive must consider the renewal application and may renew or refuse to renew the registration certificate.

(2) The chief executive may renew the certificate only if the chief executive is satisfied—

- (a) the registered employee is a suitable person; and
- (b) the application is properly made; and
- (c) the employee meets the eligibility requirements for the certificate.

(3) For subsection (2)(b), an application is properly made only if it

complies with section 94(2)³³ and is accompanied by the things mentioned in that subsection.

(4) If the chief executive decides to refuse the application, the chief executive must give the employee an information notice within 14 days after the decision is made.

Registration certificate taken to be in force while application for renewal is considered

96. If an application is made under section 94,³⁴ the registered employee's registration certificate is taken to continue in force from the day that it would, apart from this section, have expired until the employee's application for renewal is decided under section 95 or taken to have been withdrawn under section 89(3).³⁵

Division 2—Restoration

Application for restoration

97.(1) If a registered employee's registration certificate expires, the employee may apply for restoration of the certificate.

(2) The application must—

- (a) be made within 3 months after the expiry; and
- (b) be made to the chief executive in the approved form; and
- (c) state the term of the registration being applied for; and
- (d) state the name and business address of the licensee who employs the employee; and
- (e) be accompanied by—
 - (i) an application fee; and

³³ Section 94 (Application for renewal)

³⁴ Section 94 (Application for renewal)

³⁵ Section 89 (Requirement to give chief executive information or material about suitability)

- (ii) a registration renewal fee; and
- (iii) a registration restoration fee; and
- (iv) 2 recent colour photographs of the applicant of a size prescribed under a regulation and certified as photographs of the applicant in the way prescribed under a regulation.

Chief executive may restore or refuse to restore registration certificate

98.(1) The chief executive must consider the restoration application and may restore or refuse to restore the registration certificate.

(2) The chief executive may restore the certificate only if the chief executive is satisfied—

- (a) the registered employee is a suitable person; and
- (b) the application is properly made; and
- (c) the employee meets the eligibility requirements for the certificate.

(3) For subsection (2)(b), an application is properly made only if it complies with section 97(2) and is accompanied by the things mentioned in that subsection.

(4) If the chief executive decides to refuse the application, the chief executive must give the employee an information notice within 14 days after the decision is made.

(5) If the chief executive decides to restore the certificate—

- (a) the certificate is taken to have been renewed on the day it would, apart from section 99, have expired (the “**initial expiry date**”); and
- (b) to remove any doubt, a thing done during the period starting on the initial expiry date and ending on the day the certificate is restored under this section is taken to have been as validly done as it would have been if the certificate had been renewed immediately before the initial expiry date.

Registration certificate taken to be in force while application for restoration is considered

99. If an application is made under section 97,³⁶ the employee's registration certificate is taken to continue in force from the day that it would, apart from this section, have expired until the employee's application for restoration is decided under section 98 or taken to have been withdrawn under section 89(3).³⁷

PART 9—DEALINGS WITH REGISTRATION CERTIFICATES*Division 1—Transfer of registration certificate***Transfer of registration certificate prohibited**

100. A registration certificate may not be transferred.

*Division 2—General***Amendment of registration certificate conditions**

101.(1) The chief executive may amend the conditions of a registration certificate—

- (a) on the registered employee's application; or
- (b) on the order of the tribunal after a disciplinary hearing; or
- (c) on the chief executive's own initiative.

Note—

The tribunal may deal with the conditions of a person's registration

³⁶ Section 97 (Application for restoration)

³⁷ Section 89 (Requirement to give chief executive information or material about suitability)

certificate under section 529 (Orders tribunal may make on disciplinary charge hearing).

(2) An application under subsection (1)(a) must be made to the chief executive in the approved form and be accompanied by the application fee prescribed under a regulation.

(3) Before making an amendment under subsection (1)(a), the chief executive must be satisfied the registered employee meets the eligibility requirements the chief executive specifies as relevant to the amendment of the condition.

(4) Before making an amendment under subsection (1)(c), the chief executive must—

- (a) give written notice to the registered employee—
 - (i) of the particulars of the proposed amendment; and
 - (ii) that the employee may make written submissions to the chief executive about the proposed amendment before a stated day, not later than 14 days after the notice is given to the employee; and
- (b) have regard to submissions made to the chief executive by the registered employee before the stated day.

(5) Subsection (4) does not apply if the chief executive decides that the amendment must be made urgently to ensure compliance with this Act.

(6) If the chief executive decides to amend the conditions of a registration certificate under subsection (1)(c), the chief executive must give written notice of the amendment to the registered employee and an information notice within 14 days after the decision is made.

(7) The amendment takes effect—

- (a) on the day the written notice of the amendment is given to the registered employee; or
- (b) if a later day is stated in the notice, the stated day.

(8) If the chief executive decides to refuse to make an amendment requested under subsection (1)(a), the chief executive must give the registered employee an information notice within 14 days after the decision is made.

Return of registration certificate for amendment of conditions

102.(1) If the chief executive amends the conditions of a registration certificate under section 101, the chief executive may ask the registered employee to produce the certificate for amendment within a stated period of not less than 14 days.

(2) The employee must comply with a request under subsection (1), unless the person has a reasonable excuse.

Maximum penalty for subsection (2)—100 penalty units.

Surrender of registration certificate

103.(1) A registered employee may surrender the employee's registration certificate by giving written notice, and returning the certificate, to the chief executive.

(2) A registration certificate surrendered under this section stops having effect on the day it is surrendered.

PART 10—IMMEDIATE SUSPENSION AND CANCELLATION OF REGISTRATION CERTIFICATES

Immediate suspension

104.(1) This section applies if the chief executive believes, on reasonable grounds, that—

- (a) an irregularity or deficiency exists in a licensee's trust account; and
- (b) a registered employee of the licensee may be responsible for the irregularity or deficiency.

(2) The chief executive may suspend the registered employee's registration certificate, whether or not disciplinary proceedings have been started under this Act.

(3) The certificate may be suspended for the period (not more than 28 days), and on the conditions, the chief executive decides.

(4) The chief executive must give the employee an information notice within 14 days after suspending the employee's registration.

(5) The employee must return the certificate to the chief executive within 14 days after the employee receives the notice, unless the person has a reasonable excuse.

Maximum penalty for subsection (5)—100 penalty units.

Immediate cancellation

105.(1) The registration certificate of a registered employee is cancelled on the happening of either of the following events—

- (a) the employee is convicted of a serious offence; or
- (b) the employee is affected by bankruptcy action.

(2) The employee must return the certificate to the chief executive within 14 days after the happening of an event mentioned in subsection (1), unless the employee has a reasonable excuse.

Maximum penalty for subsection (2)—100 penalty units.

PART 11—GENERAL PROVISIONS ABOUT EMPLOYEE REGISTRATION

Form of registration certificate

106.(1) A registration certificate must be issued in the approved form.

(2) However, the chief executive may approve—

- (a) a form of certificate for office display purposes; and
- (b) a form of certificate for personal identification purposes.

Examples—

1. A form of certificate for office display purposes may be in the form suitable for

framing and display in an office.

2. A form of certificate for personal identification purposes may be in the form of a small photo identification card suitable for carrying easily on one's person.

(3) The certificate must contain the following particulars—

- (a) the name of the registered employee;
- (b) the date of issue of the certificate;
- (c) the expiry date of the certificate;
- (d) for a personal identification certificate, a recent photograph of the employee;
- (e) other particulars that may be prescribed under a regulation.

Term of registration certificate

107. A registration certificate may be issued for a 1 year or 3 year term.

Replacement certificates

108.(1) A registered employee may apply to the chief executive for the replacement of a lost, stolen, destroyed or damaged registration certificate.

(2) The application must be made in the approved form and be accompanied by the fee prescribed under a regulation.

(3) The chief executive must grant the application if the chief executive is satisfied the certificate has been lost, stolen or destroyed, or damaged in a way to require its replacement.

(4) If the chief executive grants the application, the chief executive must issue another certificate to the applicant to replace the lost, stolen, destroyed or damaged certificate.

Register of registration certificates

109.(1) The chief executive must keep a register of registration certificates and applications for registration certificates (“**registration certificate register**”).

(2) The registration certificate register may form part of the licence

register.

(3) The registration certificate register must contain the following particulars—

- (a) for each applicant for a registration certificate—
 - (i) the applicant's name; and
 - (ii) the name and business address of the licensee by whom the applicant is to be employed; and
 - (iii) the category of employee registration applied for; and
 - (iv) the date of the application; and
 - (v) the application number;
- (b) for each registered employee—
 - (i) the employee's name; and
 - (ii) the name and business address of the licensee who employs the employee; and
 - (iii) the category of the employee's employee registration; and
 - (iv) the dates of issue and expiry of the employee's current registration certificate; and
 - (v) any conditions imposed on the certificate; and
 - (vi) the employee's registration certificate number; and
 - (vii) particulars of any surrender, suspension, cancellation or revocation of the employee's registration certificate or any licence or certificate issued to the employee under this or the repealed Act.

(4) A person may, on payment of any fee that may be prescribed under a regulation, inspect, or get a copy of details in, the part of the register containing the particulars mentioned in subsection (3)—

- (a) at the department's head office when it is open to the public; or
- (b) by using a computer.

(5) A person may pay the fee, in advance or in arrears, under an arrangement approved by the chief executive.

(6) The register may be kept in any way the chief executive considers appropriate.

(7) In this section—

“**contain**” includes record and store.

Registered employees to notify chief executive of changes in circumstances

110.(1) A registered employee must give written notice to the chief executive of a prescribed change in the employee’s circumstances within 14 days after the change.

Maximum penalty—100 penalty units.

(2) In this section—

“**prescribed change**” means a change prescribed under a regulation.

CHAPTER 4—RESTRICTED LETTING AGENTS

PART 1—RESTRICTED LETTING AGENT’S LICENCE

What a restricted letting agent’s licence authorises

111.(1) A restricted letting agent’s licence authorises the holder of the licence (“**restricted letting agent**”) to perform the following activities as an agent for others for reward—

- (a) letting lots in a building complex;
- (b) collecting rents for lots in a building complex.

(2) A restricted letting agent may perform the activities in the carrying on of a business, either alone or with others, or as an employee of someone else.

(3) The chief executive must, by condition of the licence, limit the

performance of the activities by the restricted letting agent to 1 or more stated building complexes.

(4) The chief executive may authorise the restricted letting agent to perform the activities in more than 1 building complex if—

- (a) the chief executive is satisfied—
 - (i) each building complex is on land contiguous to land on which another building complex in relation to which the letting agent is, or is to be, authorised to perform the activities is situated; and
 - (ii) the restricted letting agent has the approval of each appropriate body corporate to carry on a business of letting lots, and collecting rent for lots, in the complex; or
- (b) both of the following apply—
 - (i) immediately before the commencement of section 607,³⁸ a person held a restricted real estate agent's licence or corporation licence (with a director holding a restricted real estate agent's licence) in relation to all the building complexes;
 - (ii) since the commencement, a person has been authorised under a licence to perform the activities of a restricted letting agent for 1 or more of the building complexes.

(5) For subsection (4)(a), land is “**contiguous**” with other land only if the parcels of land have a common boundary that is not separated by a public road.

³⁸ Section 607 (Existing licences)

PART 2—CONDUCT PROVISIONS

Division 1—Carrying on business

Carrying on of business under restricted letting agent's licence

112.(1) An individual who carries on the business of a restricted letting agent with others is not required to hold a restricted letting agent's licence or real estate agent's licence if—

- (a) at least 1 of the persons with whom the individual carries on business is a restricted letting agent or real estate agent; and
- (b) the individual does not perform the activities of a restricted letting agent; and
- (c) the individual is a suitable person to hold a licence.

(2) A restricted letting agent who is an individual must reside permanently in the building complex or, if the letting agent is authorised to perform activities in relation to more than 1 building complex, 1 of the building complexes for which the letting agent is authorised to perform activities.

Maximum penalty—200 penalty units.

(3) A restricted letting agent that is a corporation must ensure that an individual who performs the activities of a restricted letting agent for the corporation resides permanently in the building complex or, if the letting agent is authorised to perform activities for more than 1 building complex, 1 of the building complexes for which the letting agent is authorised to perform activities.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591³⁹—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

(4) Subsections (2) and (3) do not apply to a restricted letting agent whose licence is deactivated.

³⁹ Section 591 (Executive officers must ensure corporation complies with Act)

Licensee to be in charge of a restricted letting agent's business at a place

113.(1) A restricted letting agent who is an individual and a principal licensee must be in charge of the agent's business at the agent's registered office.⁴⁰

Maximum penalty—200 penalty units.

(2) A restricted letting agent that is a corporation must ensure that the individual in charge of the agent's business at the agent's registered office is a restricted letting agent or real estate agent.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁴¹—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

(3) If a restricted letting agent who is a principal licensee—

- (a) is authorised under the letting agent's licence to carry on a business of letting lots in more than 1 building complex; and
- (b) has a place of business in each building complex;

the restricted letting agent must ensure that another individual who is a restricted letting agent or real estate agent is in charge of the agent's business at the other place.

Maximum penalty—200 penalty units.

(4) An individual must not be in charge of a restricted letting agent's business at more than 1 place of business.

Maximum penalty—200 penalty units.

⁴⁰ See section 121 (Registered office).

⁴¹ Section 591 (Executive officers must ensure corporation complies with Act)

Division 2—Appointment**Appointment of restricted letting agent**

114.(1) A restricted letting agent who is asked by a person (“**client**”) to perform an activity (“**service**”) for the client must not act for the client unless the client first appoints the letting agent in writing under this section.

Maximum penalty—200 penalty units.

(2) The appointment may be for the performance of—

- (a) a particular service (“**single appointment**”); or
- (b) a number of services over a period (“**continuing appointment**”).

(3) The appointment must—

- (a) state the service to be performed by the letting agent and how it is to be performed; and
- (b) state—
 - (i) in the way prescribed under a regulation, that fees, charges and commission payable for the service are negotiable up to any amount that may be prescribed under a regulation; and
 - (ii) for a single appointment, if commission is payable and expressed as a percentage of rent, the amount of commission expressed in dollars based on the listed rental charge; and
- (c) state—
 - (i) the fees, charges and commission payable for the service; and
 - (ii) the expenses, including advertising and marketing expenses, the letting agent is authorised to incur in connection with the performance of the service; and
 - (iii) the source and the estimated amount of any rebate, discount, commission or benefit that the letting agent may receive in relation to any expenses that the letting agent may incur in connection with the performance of the service; and
 - (iv) any condition, limitation or restriction on the performance of

the service; and

- (d) state when the fees, charges and commission for the service become payable; and
- (e) if a service to be performed is the letting of lots or the collecting of rent and commission is payable in relation to the service and expressed as a percentage, state that the commission is worked out only on the actual amount of rent collected.

(4) A continuing appointment must state—

- (a) the date the appointment ends; and
- (b) the appointment may be revoked on the giving of 90 days notice, or some lesser period (not less than 30 days) agreed by the parties.

(5) The notice revoking a continuing appointment must be by signed writing given to the other party.

(6) The revocation of a continuing appointment does not affect existing contracts entered into by the restricted letting agent on behalf of the client.

(7) The appointment must be signed and dated by the client and the letting agent or someone authorised or apparently authorised to sign for the letting agent.

(8) The letting agent must give a copy of the signed appointment to the client.

Maximum penalty for subsection (8)—200 penalty units.

Form of appointment

115.(1) The appointment must be in the approved form.

(2) The approved form must include a prominent statement that the client should seek independent legal advice before signing the appointment.

(3) An appointment that does not comply with subsection (1) is ineffective from the time it is made.

Division 3—Recovery of reward or expense**Commission may be claimed only in relation to actual amounts**

116.(1) This section applies to a restricted letting agent who performs, for the payment of a commission, a service of letting lots or collecting rents.

(2) The restricted letting agent must not claim commission worked out on an amount more than the actual amount collected.

Maximum penalty—200 penalty units.

Restriction on remedy for reward or expense

117.(1) A person is not entitled to sue for, or recover or retain, a reward or expense for the performance of an activity as a restricted letting agent unless, at the time the activity was performed, the person—

- (a) held a restricted letting agent's licence; and
- (b) was authorised under the person's licence to perform the activity; and
- (c) had been properly appointed under division 2⁴² by the person to be charged with the reward or expense.

(2) A person is not entitled to sue for, or recover or retain, a reward for the performance of an activity as a restricted letting agent that is more than the amount of the reward stated in the appointment given under section 114.⁴³

(3) However, if the reward for the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, a reward more than the amount allowed under a regulation.

(4) A person is not entitled to sue for, or recover or retain, expenses for the performance of an activity as a restricted letting agent that are more than the amount of the expenses stated in the appointment given under section 114.

⁴² Division 2 (Appointment)

⁴³ Section 114 (Appointment of restricted letting agent)

(5) However, if the amount of expenses that may be incurred in relation to the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, expenses more than the amount allowed under a regulation.

(6) Subsection (3) does not prevent the person suing for, recovering or retaining, in addition to the amount allowed under a regulation for the reward, an amount for GST payable for a supply.

Excess fees etc. to be repaid

118.(1) This section applies if—

- (a) a person is convicted of an offence against section 116(2);⁴⁴ and
- (b) the court convicting the person is satisfied on the balance of probabilities that the person, in connection with the offence, has recovered or retained from someone (“**client**”) for whom the person performed an activity an amount to which the person was not entitled.

(2) The court must order the person to pay the amount to the client.

(3) The order must be made whether or not any penalty is imposed for the offence.

(4) The client may file the order in a court having jurisdiction for the recovery of a debt of an equal amount and the order may be enforced as if it were a judgment of that court.

Division 4—Code of conduct

Code of conduct

119. A regulation may prescribe a code of conduct about restricted letting agent practice that may include the following—

- (a) setting conduct standards for restricted letting agents;
- (b) establishing principles for fair trading;
- (c) providing for a system of complaint resolution.

⁴⁴ Section 116 (Commission may be claimed only in relation to actual amounts)

Complaints about conduct

120.(1) A person aggrieved by the conduct of a restricted letting agent may complain in writing to the chief executive about the conduct.

(2) The chief executive may investigate the complaint and, if satisfied that the code of conduct has been breached, take the action about the conduct allowed under this Act.

Note—

Breach of a code of conduct is a ground for starting disciplinary proceedings under section 496 (Grounds for starting disciplinary proceedings).

(3) The investigation may take place and action may be taken against a person who was a restricted letting agent even though the person is no longer a restricted letting agent.

PART 3—GENERAL

Registered office

121. A restricted letting agent's "**registered office**" is—

- (a) for a restricted letting agent who is a principal licensee—
 - (i) the place the letting agent specifies in the letting agent's application for a restricted letting agent's licence as the letting agent's principal place of business; or
 - (ii) another place notified to the chief executive by the letting agent in the approved form as the letting agent's principal place of business; and
- (b) for a restricted letting agent who is an employed licensee—
 - (i) the place the letting agent specifies in the letting agent's application for a restricted letting agent's licence as the letting agent's business address; or
 - (ii) another place notified to the chief executive by the letting agent in the approved form as the letting agent's business address.

Restricted letting agent to notify chief executive of change in place of business etc.

122.(1) A restricted letting agent who is a principal licensee must—

- (a) notify the chief executive in the approved form of any change in the letting agent's principal place of business within 14 days after the change; and
- (b) notify the chief executive in the approved form of the closure of any place where the letting agent carries on business within 14 days after the closure; and
- (c) notify the chief executive in the approved form of the opening of any place where the letting agent carries on business within 14 days after the opening.

Maximum penalty—200 penalty units.

(2) A restricted letting agent who is a principal licensee must notify the chief executive of any change in, or revocation of, the body corporate's approval to the letting agent to carry on the business of letting lots for a building complex within 14 days after the change or revocation.

Maximum penalty—200 penalty units.

(3) A restricted letting agent who is an employed licensee must notify the chief executive in the approved form of any change in the letting agent's business address within 14 days after the change.

Maximum penalty—200 penalty units.

Display and publication of licensee's name

123.(1) A restricted letting agent who is a principal licensee must display at each place the restricted letting agent carries on business, in the way that may be prescribed under a regulation—

- (a) the letting agent's name; and
- (b) if the letting agent is not the person in charge of the letting agent's business at the place, the name of the restricted letting agent who is in charge of the letting agent's business at the place; and
- (c) the other particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

(2) A restricted letting agent must not publish in a newspaper or elsewhere an advertisement for the letting agent's business without stating in the advertisement the particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

Principal licensee must keep employment register

124.(1) A restricted letting agent who is a principal licensee must keep a register ("**employment register**") at each place where the letting agent carries on business.

Maximum penalty—200 penalty units.

(2) The restricted letting agent must enter, and keep entered, in the employment register the name, and the other particulars that may be prescribed under a regulation, of each person ("**employee**") who is employed as a restricted letting agent at the place.

Maximum penalty—200 penalty units.

(3) The restricted letting agent must enter the particulars about each employee immediately after the employee is employed at the place.

Maximum penalty—200 penalty units.

(4) The form of the register may be prescribed under a regulation.

PART 4—OFFENCES

Acting as restricted letting agent

125.(1) A person must not, as an agent for someone else for reward, perform an activity that may be done under the authority of a restricted letting agent's licence unless the person—

- (a) holds a restricted letting agent's licence and the performance of the activity is authorised under the person's licence; or

- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A lawyer does not act as a restricted letting agent only because the lawyer collects rents in the lawyer's practice for lots in a building complex if the lawyer complies with the requirements of the *Trust Accounts Act 1973* in relation to the rents.

Restricted letting agent must not act for more than 1 party

126.(1) A restricted letting agent must not act for more than 1 party to a transaction.

Maximum penalty—200 penalty units.

(2) If a restricted letting agent acts for more than 1 party to a transaction, an appointment to act for a party to the transaction is ineffective from the time it is made.

Production of licence

127. A restricted letting agent must, if asked by a person with whom the letting agent is dealing, produce the letting agent's licence for inspection by the person.

Maximum penalty—100 penalty units.

CHAPTER 5—REAL ESTATE AGENTS

PART 1—REAL ESTATE AGENT'S AUTHORISATION AND RESPONSIBILITY

Division 1—Real estate agent's licence

What a real estate agent's licence authorises

128.(1) A real estate agent's licence authorises the holder of the licence ("**real estate agent**") to perform the following activities as an agent for others for reward—

- (a) to buy, sell, exchange, or let places of residence or land or interests in places of residence or land;
- (b) to buy, sell, exchange, or let businesses or interests in businesses;
- (c) to collect rents;
- (d) to buy, sell or exchange livestock or an interest in livestock;
- (e) to negotiate for the buying, selling, exchanging, or letting of something mentioned in paragraph (a) or (b);
- (f) to negotiate for the buying, selling or exchanging of something mentioned in paragraph (d).

(2) A real estate agent may perform the activities in the carrying on of a business, either alone or with others, or as an employee of someone else.

Division 2—Responsibilities of persons in charge of a licensee's business for salespersons

Responsibility for acts and omissions of salespersons

129.(1) A real estate agent who is a principal licensee must take reasonable steps to ensure each real estate salesperson employed by the agent is properly supervised, acts only within the scope of the person's employment authority under section 130 and complies with this Act.

(2) A real estate agent who is an employed licensee in charge of a licensee's business at a place of business must take reasonable steps to ensure each real estate salesperson employed at the place is properly supervised, acts only within the scope of the person's employment authority under section 130 and complies with this Act.

(3) A real estate agent who fails to comply with subsection (1) or (2) is liable to disciplinary action under chapter 14, part 3.⁴⁵

Real estate agent must give salespersons employment authority

130. Immediately after a real estate agent starts to employ a real estate salesperson, the real estate agent must give the salesperson a statement ("**employment authority**") clearly specifying the activities of a real estate agent the agent authorises the salesperson to perform for the agent during the salesperson's employment by the agent.

Maximum penalty—200 penalty units.

PART 2—CONDUCT PROVISIONS

Division 1—Carrying on business

Carrying on of business under real estate agent's licence

131. An individual who carries on the business of a real estate agent with others is not required to hold a real estate agent's licence if—

- (a) at least 1 of the persons with whom the individual carries on business is a real estate agent; and
- (b) the individual does not perform the activities of a real estate agent; and
- (c) the individual is a suitable person to hold a licence.

⁴⁵ Chapter 14 (Claims against the fund and other proceedings), part 3 (Disciplinary proceedings)

Licensee to be in charge of a real estate agent's business at a place

132.(1) A real estate agent who is an individual and a principal licensee must—

- (a) be in charge of the agent's business at the agent's registered office;⁴⁶ and
- (b) if the agent has more than 1 place of business, ensure that at each other place of business a real estate agent who is an individual is in charge of the agent's business at the place.

Maximum penalty—200 penalty units.

(2) A real estate agent that is a corporation and a principal licensee ("**corporate agent**") must ensure that—

- (a) the individual in charge of the corporate agent's business at its registered office is a real estate agent; and
- (b) if the corporate agent has more than 1 place of business, at each other place of business an individual who is a real estate agent is in charge of the corporate agent's business at the place.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁴⁷—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

(3) An individual must not be in charge of a real estate agent's business at more than 1 place.

Maximum penalty—200 penalty units.

Division 2—Appointment**Appointment of real estate agent—general**

133.(1) A real estate agent who is asked by a person ("**client**") to

⁴⁶ See section 156 (Registered office).

⁴⁷ Section 591 (Executive officers must ensure corporation complies with Act)

perform an activity (“**service**”) for the client must not act for the client unless the client first appoints the agent in writing under this section.

Maximum penalty—200 penalty units.

- (2) The appointment may be for the performance of—
- (a) a particular service (“**single appointment**”); or
 - (b) a number of services over a period (“**continuing appointment**”).
- (3) The appointment must, for each service—
- (a) state the service to be performed by the real estate agent and how it is to be performed; and
 - (b) state, in the way prescribed under a regulation, that fees, charges and commission payable for the service are negotiable up to any amount that may be prescribed under a regulation; and
 - (c) state—
 - (i) the fees, charges and any commission payable for the service; and
 - (ii) the expenses, including advertising and marketing expenses, the agent is authorised to incur in connection with the performance of each service or category of service; and
 - (iii) the source and the estimated amount or value of any rebate, discount, commission or benefit that the agent may receive in relation to any expenses that the agent may incur in connection with the performance of the service; and
 - (iv) any condition, limitation or restriction on the performance of the service; and
 - (d) state when the fees, charges and any commission for the service become payable; and
 - (e) if the service to be performed is the sale or letting of property or the collecting of rents and commission is payable in relation to the service and expressed as a percentage of an estimated sale price or amount to be collected, state that the commission is worked out only on the actual sale price or the amount actually collected; and

(f) if the appointment is for a sole or exclusive agency, state the date the appointment ends.

(4) A continuing appointment must state—

(a) the date the appointment ends; and

(b) the appointment may be revoked on the giving of 90 days notice, or some lesser period (not less than 30 days) agreed by the parties.

(5) The notice revoking a continuing appointment must be by signed writing given to the other party.

(6) The revocation of a continuing appointment does not affect existing contracts entered into by the real estate agent on behalf of the client.

(7) The appointment must be signed and dated by the client and the real estate agent or someone authorised or apparently authorised to sign for the agent.

(8) The real estate agent must give a copy of the signed appointment to the client.

Maximum penalty—200 penalty units.

(9) If an appointment under this section authorises a sale by auction, an appointment under section 210⁴⁸ is not required.

(10) This section does not apply if the service to be performed is the sale of livestock.

Form of appointment

134.(1) The appointment must be in the approved form.

(2) The approved form must include a prominent statement that the client should seek independent legal advice before signing the appointment.

(3) An appointment that does not comply with subsection (1) is ineffective from the time it is made.

⁴⁸ Section 210 (Appointment of auctioneer—general)

Appointment of real estate agent—sole and exclusive agencies

135.(1) If the appointment is for a sole or exclusive agency, before the appointment is signed, the real estate agent must give the client a notice in the approved form stating the following—

- (a) the proposed term of the appointment;
- (b) for the sale of residential property, the term is negotiable up to a maximum term of 60 days;
- (c) whether the appointment is under a sole agency or an exclusive agency;
- (d) the difference between sole agency and exclusive agency;⁴⁹
- (e) the consequences for the client if the property is sold by someone other than the agent during the term of the sole or exclusive agency.

Maximum penalty—200 penalty units.

(2) The appointment may include provision that, at the end of the term of a sole or exclusive agency, the appointment of the agent continues under an open listing⁵⁰ that may be ended at any time by the agent or the client.

(3) The agent's requirement to give the notice under this section is in addition to the agent's requirement to obtain an appointment under section 133.

Restriction on reappointment of real estate agents for sales of residential property

136.(1) A real estate agent may be reappointed for a sole or exclusive agency for the sale of residential property for 1 or more terms of not more than 60 days.

(2) The reappointment must not be made earlier than 14 days before the term of the sole or exclusive agency ends.

Maximum penalty for subsection (2)—200 penalty units.

⁴⁹ See section 19 (Difference between “exclusive agency” and “sole agency”).

⁵⁰ See section 16 (Meaning of “open listing”).

Avoidance of appointments

137.(1) The appointment of a real estate agent for a sole or exclusive agency is ineffective from the time it is made if—

- (a) the notice mentioned in section 135(1)⁵¹ is not given before the appointment is signed; or
- (b) for the sale of residential property, the term of the appointment is more than 60 days.

(2) The reappointment of an agent for a further term of sole or exclusive agency for the sale of residential property is ineffective from the time it is made if it is made contrary to section 136(2).

Division 3—Disclosure of interest**Disclosures to prospective buyer**

138.(1) A real estate agent or a real estate salesperson acting for the agent in the sale of residential property must disclose the following to any prospective buyer of the property—

- (a) any relationship, and the nature of the relationship (whether personal or commercial), the agent has with anyone to whom the agent refers the buyer for professional services associated with the sale;

Examples of relationships for paragraph (a)—

- 1. A family relationship.
 - 2. A business relationship, other than a casual business relationship.
 - 3. A fiduciary relationship.
 - 4. A relationship in which 1 person is accustomed, or obliged, to act in accordance with the directions, instructions, or wishes of the other.
- (b) whether the agent derives or expects to derive any consideration, whether monetary or otherwise, from a person to whom the agent has referred the buyer and, if so, the amount or value of the consideration.

⁵¹ Section 135 (Appointment of real estate agent—sole and exclusive agencies)

Maximum penalty—200 penalty units.

- (2) The disclosure is effective for subsection (1) only if it is—
- (a) given to the prospective buyer in the approved form; and
 - (b) acknowledged by the prospective buyer in writing on the approved form; and
 - (c) given and acknowledged before a contract for the sale of the residential property is entered into.

Division 4—Recovery of reward or expense

Commission may be claimed only in relation to actual amounts

139.(1) This section applies to a real estate agent who performs, for the payment of a commission, a service of selling or letting property or collecting rents.

(2) The real estate agent must not claim commission worked out on an amount more than the actual sale price of the property or the amount collected.

Maximum penalty—200 penalty units.

Restriction on recovery of reward or expense—no proper authorisation etc.

140. A person is not entitled to sue for, or recover or retain, a reward or expense for the performance of an activity as a real estate agent unless, at the time the activity was performed, the person—

- (a) held a real estate agent's licence; and
- (b) was authorised under the person's licence to perform the activity; and
- (c) had been properly appointed under division 2⁵² by the person to be charged with the reward or expense.

⁵² Division 2 (Appointment)

Restriction on recovery of reward or expense above amount allowed

141.(1) A person is not entitled to sue for, or recover or retain, a reward for the performance of an activity as a real estate agent that is more than the amount of the reward stated in the appointment given under section 133.⁵³

(2) However, if the reward for the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, a reward more than the amount allowed under the regulation.

(3) A person is not entitled to sue for, or recover or retain, expenses for the performance of an activity as a real estate agent that are more than the amount of the expenses stated in the appointment given under section 133 and actually expended.

(4) However, if the amount of expenses that may be incurred in relation to the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, an amount more than the amount allowed under the regulation.

(5) Subsection (2) does not prevent the person suing for, recovering or retaining, in addition to the amount allowed under a regulation for the reward, an amount for GST payable for a supply.

Excess commission etc. to be repaid

142.(1) This section applies if—

- (a) a person is convicted of an offence against section 139(2);⁵⁴ and
- (b) the court convicting the person is satisfied on the balance of probabilities that the person, in connection with the offence, has recovered or retained from someone (“**client**”) for whom the person performed an activity an amount to which the person was not entitled.

(2) The court must order the person to pay the amount to the client.

(3) The order must be made whether or not any penalty is imposed on the conviction.

⁵³ Section 133 (Appointment of real estate agent—general)

⁵⁴ Section 139 (Commission may be claimed only in relation to actual amounts)

(4) The client may file the order in a court having jurisdiction for the recovery of a debt of an equal amount and the order may be enforced as if it were a judgment of that court.

Division 5—Interests in property

Definition for div 5

143. In this division—

“**obtain**” includes being in any way concerned in obtaining.

Beneficial interest—options

144.(1) This section applies to property placed by a person (“**client**”) with a real estate agent for sale.

(2) The real estate agent commits an offence if the agent obtains from the client an option to purchase the property in which the agent has a beneficial interest.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) A real estate salesperson employed by the real estate agent commits an offence if the salesperson obtains from the client an option to purchase the property in which the salesperson has a beneficial interest.

Maximum penalty—200 penalty units or 3 years imprisonment.

(4) The real estate agent must not sell the property if the agent obtains a beneficial interest in an option to purchase the property.

Maximum penalty—200 penalty units or 3 years imprisonment.

Beneficial interest—other than options

145.(1) This section applies to property placed by a person (“**client**”) with a real estate agent for sale, but does not apply if section 144 applies.

(2) The real estate agent commits an offence if the agent obtains a beneficial interest in the property.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) A real estate salesperson employed by the real estate agent commits an offence if the salesperson obtains a beneficial interest in the property.

Maximum penalty—200 penalty units or 3 years imprisonment.

(4) A person does not contravene subsection (2) or (3) if—

(a) the person—

(i) before a contract for the sale of the property is entered into, obtains the client's written acknowledgment in the approved form that the client—

(A) is aware that the person is interested in obtaining a beneficial interest in the property; and

(B) consents to the person obtaining the interest; and

(ii) acts fairly and honestly in relation to the sale; and

(b) no commission or other reward is payable in relation to the sale; and

(c) the client is in substantially as good a position as the client would be if the property were sold at fair market value.

Non-application of s 145 for particular livestock sales

146. Section 145 does not apply in relation to livestock sales if the real estate agent obtains the client's written acknowledgment that the client—

(a) is aware that the real estate agent or a real estate salesperson is interested in obtaining a beneficial interest in the livestock; and

(b) consents to the real estate agent or a real estate salesperson obtaining the interest.

Division 6—Lands not lawfully useable for residential purposes

Definition for div 6

147. In this division—

“vacant land” means land on which there are no structural improvements, other than fencing.

Application of div 6

148. This division applies to a sale or proposed sale of vacant land if—

- (a) the sale is by a real estate agent either as agent for another or as principal; and
- (b) the land is within—
 - (i) the City of Brisbane area; or
 - (ii) a local government area or joint local government area under the *Local Government Act 1993*; and
- (c) the land can not, as at the day of sale, be lawfully used for residential purposes.

Notice to be given about vacant land

149.(1) The real estate agent must give to a proposed buyer a written statement under this section.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) The real estate agent must give the statement to the proposed buyer before the buyer signs any contract in relation to the sale.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) The statement must include the following particulars—

- (a) the land, clearly identified (including by lot-on-plan, or similar, description), to which the statement relates;
- (b) the names and addresses of the seller of the land and the proposed buyer;
- (c) a clear statement that the use of the land for residential purposes is unlawful;
- (d) a clear statement that if the buyer erects on the land a place of residence or otherwise uses the land for residential purposes contrary to law—
 - (i) the buyer may commit an offence; and
 - (ii) a named local government may be lawfully empowered to demolish the place of residence or other residential structure;

and

(e) the date on which the statement is given.

(4) The statement must be signed and dated by the real estate agent and the proposed buyer.

(5) The real estate agent must—

- (a) keep a copy of the signed statement at the real estate agent's registered office; and
- (b) make it available for immediate inspection by an inspector who asks to see it.

Maximum penalty for subsection (5)—200 penalty units or 2 years imprisonment.

Buyer's rights if notice not given or materially defective

150.(1) A buyer of land, by written notice (“**avoidance notice**”) given to the seller of the land or the real estate agent, may avoid a contract for the sale of the land if—

- (a) the buyer has not been given the notice under section 149; or
- (b) the notice has been given to the buyer, but the notice is defective in a material way.

(2) The avoidance notice must be given to the seller or real estate agent within 6 months after the day the buyer entered into the contract.

(3) If the contract is avoided by the buyer under subsection (1), the seller and the real estate agent are liable at law to the buyer for all amounts paid by the buyer—

- (a) under the contract; and
- (b) for legal and other expenses in relation to the contract after the contract was signed.

(4) A real estate agent who is liable at law under subsection (3) for the repayment to the buyer of an amount paid by the buyer under, or in relation to, the contract must repay the amount within 14 days after becoming liable.

Maximum penalty—200 penalty units.

(5) The buyer may recover an amount mentioned in subsection (3) as a debt.

(6) Judgment recovered against either person liable under subsection (3) for an amount repayable under that subsection does not bar an action against the other person.

(7) However, if separate actions are brought—

- (a) the amounts recoverable under the judgments given in the actions must not be more, taken together, than the amount repayable to the buyer; and
- (b) in the later of the 2 actions, the plaintiff is not entitled to costs, unless the court decides there were reasonable grounds for bringing the action.

(8) If the buyer avoids the contract under this section after the contract is completed, the buyer must, after repayment of all amounts recoverable by the buyer under subsection (3)—

- (a) sign the documents presented to the buyer necessary to convey title to the land to the person lawfully entitled to the land or the person's nominee; and
- (b) deliver to the person lawfully entitled to the land or the person's nominee any instrument of title in the buyer's possession or under the buyer's control.

(9) The buyer—

- (a) is not liable for any costs associated with a conveyance under subsection (8); and
- (b) may recover from the seller and the real estate agent as a debt the buyer's reasonable costs associated with the conveyance.

(10) The liability of the seller and the real estate agent under subsections (3) and (9) is joint and several.

Liability to punishment under s 149 or 150 additional to other liabilities at law

151. Liability to punishment under section 149 or 150 is in addition to other liabilities at law imposed under section 150.

*Division 7—Sales of particular businesses***Application of div 7**

152. This division applies to the sale of a business for which a restricted letting agent's licence is required (“**restricted letting agent's business**”).

Notice to be given about sale of restricted letting agent's business

153.(1) A real estate agent who is authorised to sell a restricted letting agent's business by the seller of the business must give to a proposed buyer of the business a written statement under this section.

Maximum penalty—200 penalty units.

(2) The real estate agent must give the statement to the proposed buyer before the buyer signs any contract in relation to the sale.

(3) The statement must include the following particulars—

- (a) the business, clearly identified, to which the statement relates;
- (b) the names and addresses of the seller of the business and the proposed buyer;
- (c) a clear statement that, to carry on the business, the proposed buyer must have the approval of the body corporate of the building complex in which the activities of a restricted letting agent are to be performed;
- (d) a clear statement that a person who performs the activities of a restricted letting agent must—
 - (i) hold a restricted letting agent's licence under this Act; or
 - (ii) otherwise be permitted under this or another Act to perform the activities;
- (e) the date on which the statement is given.

(4) The statement must be signed and dated by the real estate agent.

Maximum penalty—200 penalty units.

(5) The signed statement must be given to the proposed buyer and a copy of the signed statement must be—

- (a) kept at the real estate agent's registered office; and
- (b) made available for immediate inspection by an inspector who asks to see it.

Maximum penalty—200 penalty units.

Division 8—Code of conduct

Code of conduct

154. A regulation may prescribe a code of conduct about real estate agency practice that may include the following—

- (a) setting conduct standards for real estate agents, employed licensees and real estate salespersons;
- (b) establishing principles for fair trading;
- (c) providing for a system of complaint resolution.

Complaints about conduct

155.(1) A person aggrieved by the conduct of a real estate agent or real estate salesperson may complain in writing to the chief executive about the conduct.

(2) The chief executive may investigate the complaint and, if satisfied that the code of conduct has been breached, take the action about the conduct allowed under this Act.

Note—

Breach of a code of conduct is a ground for starting disciplinary proceedings under section 496 (Grounds for starting disciplinary proceedings).

(3) The investigation may take place and action may be taken against a person who was a real estate agent or real estate salesperson even though the person is no longer a real estate agent or real estate salesperson.

PART 3—GENERAL

Registered office

156. A real estate agent's "**registered office**" is—

- (a) for a real estate agent who is a principal licensee—
 - (i) the place the agent specifies in the agent's application for a real estate agent's licence as the agent's principal place of business; or
 - (ii) another place notified to the chief executive by the agent in the approved form as the agent's principal place of business; and
- (b) for a real estate agent who is an employed licensee—
 - (i) the place the agent specifies in the licensee's application for a real estate agent's licence as the agent's business address; or
 - (ii) another place notified to the chief executive by the agent in the approved form as the agent's business address.

Real estate agent must notify chief executive of change in place of business etc.

157.(1) A real estate agent who is a principal licensee must—

- (a) notify the chief executive in the approved form of any change in the agent's principal place of business within 14 days after the change; and
- (b) notify the chief executive in the approved form of the closure of any place where the agent carries on business within 14 days after the closure; and
- (c) notify the chief executive in the approved form of the opening of any place where the agent carries on business within 14 days after the opening.

Maximum penalty—200 penalty units.

(2) A real estate agent who is an employed licensee must notify the chief executive in the approved form of any change in the agent's business

address within 14 days after the change.

Maximum penalty—200 penalty units.

Display and publication of licensee's name

158.(1) A real estate agent who is a principal licensee must display at each place the agent carries on business, in the way that may be prescribed under a regulation—

- (a) the agent's name; and
- (b) if the agent is not the person in charge of the agent's business at the place, the name of the real estate agent who is in charge at the place; and
- (c) the other particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

(2) A real estate agent who is a principal licensee must not publish, or permit to be published, in a newspaper or elsewhere an advertisement for the agent's business without stating in the advertisement the particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

Principal licensee must keep employment register

159.(1) A real estate agent who is a principal licensee must keep a register ("**employment register**") at each place where the agent carries on business.

Maximum penalty—200 penalty units.

(2) The real estate agent must enter, and keep entered, in the employment register—

- (a) the name, and the other particulars that may be prescribed under a regulation, of each person ("**employee**") who is employed as an employed licensee, real estate salesperson or trainee auctioneer at the place; and
- (b) if the employee is a real estate salesperson or trainee auctioneer, the activities the salesperson is authorised to perform for the agent

or the trainee is authorised to perform under the supervision of an auctioneer during the employee's employment by the agent.

Maximum penalty—200 penalty units.

Note—

The real estate agent must give the employee a statement under section 130 (Real estate agent must give salespersons employment authority) clearly specifying the employee's activities.

(3) The real estate agent must—

- (a) enter the particulars about each employee, and for each real estate salesperson or trainee auctioneer, the activities the salesperson or trainee is authorised to perform, immediately after the employee is employed at the place; and
- (b) if there is a change in an employee's particulars or activities, correct the entry in the way prescribed under a regulation immediately after the change.

Maximum penalty—200 penalty units.

(4) The form of the register may be prescribed under a regulation.

PART 4—OFFENCES

Acting as real estate agent

160.(1) A person must not, as an agent for someone else for reward, perform an activity that may be done under the authority of a real estate agent's licence unless the person—

- (a) holds a real estate agent's licence and the performance of the activity is authorised under the person's licence; or
- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A person must not act as a real estate agent unless—

- (a) the person holds a real estate agent's licence and the act is done under the authority of the person's licence; or
- (b) the act is otherwise permitted under this or another Act.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) Without limiting the ways a person may act as a real estate agent, a person acts as a real estate agent if the person—

- (a) performs an activity mentioned in section 128(1);⁵⁵ or
- (b) advertises or notifies or states that the person—
 - (i) performs an activity mentioned in section 128(1); or
 - (ii) is willing to perform an activity mentioned in section 128(1);
or
- (c) in any way holds out as being ready to perform an activity mentioned in section 128(1).

(4) However—

- (a) a person does not act as a real estate agent only because the person collects rents for a real estate agent as an employee of the agent; and
- (b) a lawyer does not act as a real estate agent only because the lawyer collects rents in the lawyer's practice if the lawyer complies with the requirements of the *Trust Accounts Act 1973* in relation to the rents.

Pretending to be real estate salesperson

161(1). A person must not hold out that the person is a real estate salesperson unless the person holds a registration certificate (real estate salesperson).

Maximum penalty—200 penalty units.

(2) A person does not act as a real estate salesperson only because the person collects rents for a real estate agent as an employee of the agent.

⁵⁵ Section 128 (What a real estate agent's licence authorises)

Real estate agent must not act for more than 1 party

162.(1) A real estate agent must not act for more than 1 party to a transaction.

Maximum penalty—200 penalty units.

(2) If a real estate agent acts for more than 1 party to a transaction, an appointment to act for a party to the transaction is ineffective from the time it is made.

(3) A real estate agent does not contravene subsection (1) and subsection (2) does not apply if the transaction is a livestock sale.

(4) Also, if the transaction is an exchange of property, a real estate agent does not contravene subsection (1) and subsection (2) does not apply to the extent that the agent acts for each of the parties to the transaction.

Production of licence

163. A real estate agent must, if asked by a person with whom the agent is dealing, produce the agent's licence for inspection by the person.

Maximum penalty—100 penalty units.

Employment of persons in real estate business

164.(1) A real estate agent must not employ, as a real estate salesperson, a person the agent knows, or ought to know, does not hold a registration certificate as a real estate salesperson.

Maximum penalty—200 penalty units.

(2) A principal licensee who is an individual and carries on the business of a real estate agent must not employ, as a real estate salesperson for the business, himself or herself or another individual with whom the principal licensee carries on business as a real estate agent.

Maximum penalty—200 penalty units.

(3) A principal licensee that is a corporation and carries on business as a real estate agent must not employ an executive officer of the corporation as a real estate salesperson for the business.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁵⁶—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

CHAPTER 6—PASTORAL HOUSES

PART 1—PASTORAL HOUSE’S AUTHORISATION AND RESPONSIBILITIES

Division 1—Pastoral house licences

What a pastoral house licence authorises

165.(1) A pastoral house licence authorises the holder of the licence (“**pastoral house**”) to perform the following activities as an agent for others for reward—

- (a) the activities of a real estate agent restricted to the sale of rural land and livestock;
- (b) the activities of an auctioneer restricted to—
 - (i) auctioning rural land, livestock and wool; and
 - (ii) conducting not more than 4 auctions each year of land, that is not rural land, for each place of business of the pastoral house in each year; and
 - (iii) auctioning plant, machinery, furniture and other items situated on rural land.

(2) A pastoral house may perform the activities in the carrying on of a business alone or with another pastoral house, real estate agent or auctioneer.

⁵⁶ Section 591 (Executive officers must ensure corporation complies with Act)

(3) However, if the pastoral house is carrying on business with a real estate agent or auctioneer, chapter 12⁵⁷ applies to a transaction entered into for the business as if the transaction had been entered into by a real estate agent or auctioneer acting alone.

What a pastoral house director's licence authorises

166.(1) A pastoral house director's licence authorises the holder of the licence ("**pastoral house director**") to act for a pastoral house in its performance of the activities of a real estate agent restricted to the sale of rural land and livestock.

(2) The chief executive must, by condition of the licence, limit the performance of the pastoral house director's activities to a stated pastoral house.

What a pastoral house manager's licence authorises

167.(1) A pastoral house manager's licence authorises the holder of the licence ("**pastoral house manager**")—

- (a) to manage a pastoral house's business at a place, other than its principal place of business;
- (b) to act for a pastoral house in its performance of the activities of a real estate agent restricted to the sale of rural land and livestock.

(2) The chief executive must, by condition of the licence, limit the pastoral house manager's activities to a stated pastoral house.

What a pastoral house auctioneer's licence authorises

168.(1) A pastoral house auctioneer's licence authorises the holder of the licence ("**pastoral house auctioneer**") to act for a pastoral house in its performance of the activities of an auctioneer for a pastoral house.

(2) The chief executive must, by condition of the licence, limit the pastoral house auctioneer's activities to a stated pastoral house.

⁵⁷ Chapter 12 (Accounts and funds)

Division 2—Responsibility of persons in charge of a licensee’s business for salespersons

Responsibility for acts and omissions of pastoral house salespersons

169.(1) A pastoral house must take reasonable steps to ensure each pastoral house salesperson employed by the pastoral house is properly supervised, acts only within the scope of the salesperson’s employment authority under section 170 and complies with this Act.

(2) A pastoral house manager in charge of a pastoral house’s business at a place must take reasonable steps to ensure each pastoral house salesperson employed at the place is properly supervised, acts only within the scope of the salesperson’s employment authority under section 170 and complies with this Act.

(3) A pastoral house or pastoral house manager who fails to comply with subsection (1) or (2) is liable to disciplinary action under chapter 14, part 3.⁵⁸

Pastoral house must give salespersons employment authority

170. Immediately after a pastoral house starts to employ a pastoral house salesperson, the pastoral house must give the salesperson a statement (“**employment authority**”) clearly specifying the activities of a pastoral house the pastoral house authorises the salesperson to perform for the pastoral house during the salesperson’s employment by the pastoral house.

Maximum penalty—200 penalty units.

⁵⁸ Chapter 14 (Claims against the fund and other proceedings), part 3 (Disciplinary proceedings)

PART 2—CONDUCT PROVISIONS

Division 1—Carrying on business

Carrying on of business under pastoral house licence

171. A pastoral house must not carry on the business of a pastoral house with another person unless the person is—

- (a) another pastoral house; or
- (b) a real estate agent; or
- (c) an auctioneer.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁵⁹—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

Licensee to be in charge of pastoral house's business at a place

172.(1) A pastoral house must ensure that—

- (a) the individual in charge of the pastoral house's business at the pastoral house's registered office⁶⁰ is a pastoral house director; and
- (b) if the pastoral house has more than 1 place of business, at each other place of business an individual who is a pastoral house director, pastoral house manager or real estate agent is in charge of the pastoral house's business at the place.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁶¹—200 penalty units; or

⁵⁹ Section 591 (Executive officers must ensure corporation complies with Act)

⁶⁰ See section 192(1) (Registered offices).

⁶¹ Section 591 (Executive officers must ensure corporation complies with Act)

(b) for a pastoral house—1 000 penalty units.

(2) An individual must not be in charge of a pastoral house’s business at more than 1 place.

Maximum penalty—200 penalty units.

Division 2—Appointment

Appointment of pastoral house—general

173.(1) A pastoral house that is asked by a person (“**client**”) to perform an activity (“**service**”) for the client must not act for the client unless the client first appoints the pastoral house in writing under this section.

Maximum penalty—

(a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁶²—200 penalty units; or

(b) for a pastoral house—1 000 penalty units.

(2) The appointment may be for the performance of—

(a) a particular service (“**single appointment**”); or

(b) a number of services over a period (“**continuing appointment**”).

(3) The appointment must, for each service—

(a) state the service to be performed by the pastoral house and how it is to be performed; and

(b) state, in the way prescribed under a regulation, that fees, charges and commission payable for the service are negotiable up to any amount that may be prescribed under a regulation; and

(c) state—

(i) the fees, charges and any commission payable for the service; and

(ii) the expenses, including advertising and travelling expenses,

⁶² Section 591 (Executive officers must ensure corporation complies with Act)

the pastoral house is authorised to incur in connection with the performance of each service or category of service; and

- (iii) the source and the estimated amount or value of any rebate, discount, commission or benefit that the pastoral house may receive in relation to any expenses the pastoral house is authorised to incur in connection with the performance of the service; and
 - (iv) any condition, limitation or restriction on the performance of the service; and
- (d) state when the fees, charges and any commission for the service become payable; and
 - (e) if the service to be performed is the sale of property and commission is payable in relation to the service and expressed as a percentage of an estimated sale price, state that the commission is worked out only on the actual sale price; and
 - (f) if the appointment is for a sole or exclusive agency, state the date the appointment ends.

(4) A continuing appointment must state—

- (a) the date the appointment ends; and
- (b) the appointment may be revoked on the giving of 90 days notice, or some lesser period (not less than 30 days) agreed by the parties.

(5) The notice revoking a continuing appointment must be by signed writing given to the other party.

(6) The appointment must be signed and dated by the client and the pastoral house or someone authorised or apparently authorised to sign for the pastoral house.

(7) The pastoral house must give a copy of the signed appointment to the client.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

(8) If an appointment under this section authorises a sale by auction, an appointment under section 210⁶³ is not required.

(9) This section does not apply if the service to be performed is the sale of livestock.

Form of appointment

174.(1) The appointment must be in the approved form.

(2) The approved form must include a prominent statement that the client should seek independent legal advice before signing the appointment.

(3) An appointment that does not comply with subsection (1) is ineffective from the time it is made.

Appointment of pastoral house—sole and exclusive agencies

175.(1) If the appointment is for a sole or exclusive agency for the sale of land, before the appointment is signed, the pastoral house must give the client a notice in the approved form stating—

- (a) the proposed term of the appointment; and
- (b) for the sale of residential property, the term is negotiable up to a maximum term of 60 days; and
- (c) whether the appointment is under a sole agency or an exclusive agency; and
- (d) the difference between sole agency and exclusive agency;⁶⁴ and
- (e) the consequences for the client if the property is sold by someone other than the pastoral house during the term of the sole or exclusive agency.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁶⁵—200 penalty units; or

⁶³ Section 210 (Appointment of auctioneer—general)

⁶⁴ See section 19 (Difference between “exclusive agency” and “sole agency”).

⁶⁵ Section 591 (Executive officers must ensure corporation complies with Act)

(b) for a pastoral house—1 000 penalty units.

(2) The appointment may include provision that, at the end of the term of a sole or exclusive agency, the appointment of the pastoral house continues under an open listing⁶⁶ that may be ended at any time by either party.

(3) The pastoral house's requirement to give the notice under this section is in addition to the pastoral house's requirement to obtain an appointment under section 173.

Restriction on reappointment of pastoral house for sales of residential property

176.(1) A pastoral house may be reappointed for a sole or exclusive agency for the sale of residential property for 1 or more terms of not more than 60 days.

(2) The reappointment must not be made earlier than 14 days before the term of the sole or exclusive agency ends.

Maximum penalty for subsection (2)—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁶⁷—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

Avoidance of appointments

177.(1) The appointment of a pastoral house for a sole or exclusive agency is ineffective from the time it is made if—

- (a) the notice mentioned in section 175⁶⁸ is not given before the appointment is signed; or
- (b) for the sale of residential property, the term of the appointment is more than 60 days.

(2) The reappointment of a pastoral house for a further term of sole or

⁶⁶ See section 16 (Meaning of “open listing”).

⁶⁷ Section 591 (Executive officers must ensure corporation complies with Act)

⁶⁸ Section 175 (Appointment of pastoral house—sole and exclusive agencies)

exclusive agency for the sale of residential property is ineffective from the time it is made if it is made contrary to section 176(2).

Division 3—Recovery of reward or expense

Commission may be claimed only in relation to actual amounts

178.(1) This section applies to a pastoral house that performs, for the payment of a commission, a service of selling property.

(2) The pastoral house must not claim commission worked out on an amount more than the actual sale price of the property.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

Restriction on recovery of reward or expense—no proper authorisation etc.

179. A person is not entitled to sue for, or recover or retain, a reward or expense for the performance of an activity as a pastoral house unless, at the time the activity was performed, the person—

- (a) held a pastoral house licence; and
- (b) was authorised under the person's licence to perform the activity; and
- (c) had been properly appointed under division 2⁶⁹ by the person to be charged with the reward or expense.

Restriction on recovery of reward or expense above amount allowed

180.(1) A person is not entitled to sue for, or recover or retain, a reward for the performance of an activity as a pastoral house that is more than the

⁶⁹ Division 2 (Appointment)

the amount of the reward stated in the appointment given under section 173.⁷⁰

(2) However, if the reward for the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, a reward more than the amount allowed under the regulation.

(3) A person is not entitled to sue for, or recover or retain, expenses for the performance of an activity as a pastoral house that are more than the amount of the expenses stated in the appointment given under section 173 and actually expended.

(4) However, if the amount of expenses that may be incurred in relation to the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, an amount more than the amount allowed under the regulation.

(5) Subsection (2) does not prevent the person suing for, recovering or retaining, in addition to the amount allowed under a regulation for the reward, an amount for GST payable for a supply.

Excess commission etc. to be repaid

181.(1) This section applies if—

- (a) a person is convicted of an offence against section 178(2);⁷¹ and
- (b) the court before whom the person is convicted is satisfied on the balance of probabilities the person, in connection with the offence, has recovered or retained from someone (“**client**”) for whom the person performed an activity an amount to which the person was not entitled.

(2) The court must order the person to pay the amount to the client.

(3) The order must be made whether or not any penalty is imposed on the conviction.

(4) The client may file the order in a court having jurisdiction for the recovery of a debt of an equal amount and the order may be enforced as a judgment of that court.

⁷⁰ Section 173 (Appointment of pastoral house—general)

⁷¹ Section 178 (Commission may be claimed only in relation to actual amounts)

Division 4—Interests in property**Definition for div 4**

182. In this division—

“**obtain**” includes being in any way concerned in obtaining.

Beneficial interest—options

183.(1) This section applies to property placed by a person (“**client**”) with a pastoral house for sale.

(2) The pastoral house commits an offence if the pastoral house obtains from the client an option to purchase the property in which the pastoral house has a beneficial interest.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁷²—200 penalty units or 3 years imprisonment; or
- (b) for a pastoral house—1 000 penalty units.

(3) A pastoral house officer of the pastoral house commits an offence if the officer obtains from the client an option to purchase the property in which the officer has a beneficial interest.

Maximum penalty—200 penalty units or 3 years imprisonment.

(4) A pastoral house must not sell the property if the pastoral house obtains a beneficial interest in an option to purchase the property.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units or 3 years imprisonment; or
- (b) for a pastoral house—1 000 penalty units.

⁷² Section 591 (Executive officers must ensure corporation complies with Act)

Beneficial interest—other than options

184.(1) This section applies to property placed by a person (“**client**”) with a pastoral house for sale, but does not apply if section 183 applies.

(2) The pastoral house commits an offence if the pastoral house obtains a beneficial interest in the property.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁷³—200 penalty units or 3 years imprisonment; or
- (b) for a pastoral house—1 000 penalty units.

(3) A pastoral house officer of the pastoral house commits an offence if the officer obtains a beneficial interest in the property.

Maximum penalty—200 penalty units or 3 years imprisonment.

(4) A person does not contravene subsection (2) or (3) if—

- (a) the person—
 - (i) before a contract for the sale of the property is entered into, obtains the client’s written acknowledgment in the approved form that the client—
 - (A) is aware that the person is interested in obtaining a beneficial interest in the property; and
 - (B) consents to the person obtaining the interest; and
 - (ii) acts fairly and honestly in relation to the sale; and
- (b) no commission or other reward is payable in relation to the sale; and
- (c) the client is in substantially as good a position as the client would be if the property were sold at fair market value.

Non-application of s 184 for particular livestock sales

185. Section 184 does not apply in relation to livestock sales if the

⁷³ Section 591 (Executive officers must ensure corporation complies with Act)

pastoral house obtains the client's written acknowledgment that the client—

- (a) is aware that the pastoral house or pastoral house officer is interested in obtaining a beneficial interest in the livestock; and
- (b) consents to the pastoral house, pastoral house officer or associate of the officer obtaining the interest.

Division 5—Lands not lawfully useable for residential purposes

Definition for div 5

186. In this division—

“vacant land” means land on which there are no structural improvements, other than fencing.

Application of div 5

187. This division applies to a sale or proposed sale of vacant land if—

- (a) the sale is by a pastoral house either as agent for another or as principal; and
- (b) the land is within—
 - (i) the City of Brisbane area; or
 - (ii) a local government area or joint local government area under the *Local Government Act 1993*; and
- (c) the land can not, as at the day of sale, be lawfully used for residential purposes.

Notice to be given about vacant land

188.(1) The pastoral house must give to a proposed buyer a written statement under this section.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of

an offence or for section 591⁷⁴—200 penalty units or 2 years imprisonment; or

(b) for a pastoral house—1 000 penalty units.

(2) The pastoral house must give the statement to the proposed buyer before the buyer signs any contract for the sale.

Maximum penalty—

(a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁷⁵—200 penalty units or 2 years imprisonment; or

(b) for a pastoral house—1 000 penalty units.

(3) The statement must include the following particulars—

(a) the land, clearly identified (including by lot-on-plan, or similar, description), to which the statement relates;

(b) the names and addresses of the seller of the land and the proposed buyer;

(c) a clear statement that the use of the land for residential purposes is unlawful;

(d) a clear statement that if the buyer erects on the land a place of residence or otherwise uses the land for residential purposes contrary to law—

(i) the buyer may commit an offence; and

(ii) a named local government may be lawfully empowered to demolish the place of residence or other residential structure;

(e) the date on which the statement is given.

(4) The statement must be signed and dated by someone authorised by the pastoral house to sign the statement and the proposed buyer.

(5) The pastoral house must—

(a) keep a copy of the signed statement at the place of business of the

⁷⁴ Section 591 (Executive officers must ensure corporation complies with Act)

⁷⁵ Section 591 (Executive officers must ensure corporation complies with Act)

pastoral house where dealings with the proposed buyer were conducted; and

- (b) make it available for immediate inspection by an inspector who asks to see it.

Maximum penalty for subsection (5)—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units or 2 years imprisonment; or
- (b) for a pastoral house—1 000 penalty units.

Buyer's rights if notice not given or materially defective

189.(1) A buyer of land, by written notice (“**avoidance notice**”) given to the seller or pastoral house, may avoid a contract for the sale of the land if—

- (a) the buyer has not been given the notice under section 188; or
- (b) the notice has been given to the buyer, but the notice is defective in a material way.

(2) The avoidance notice must be given to the seller or pastoral house within 6 months after the day the buyer entered into the contract.

(3) If the contract is avoided by the buyer under subsection (1), the seller and the pastoral house are liable at law to the buyer for all amounts paid by the buyer—

- (a) under the contract; and
- (b) for legal and other expenses in relation to the contract after the contract was signed.

(4) A pastoral house that is liable at law under subsection (3) for the repayment to the buyer of an amount paid by the buyer under the contract must repay the amount within 14 days after becoming liable.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

(5) The buyer may recover an amount mentioned in subsection (3) as a debt.

(6) Judgment recovered against either person liable under subsection (3) for an amount repayable under that subsection does not bar an action against the other person.

(7) However, if separate actions are brought—

- (a) the amounts recoverable under the judgments given in the actions must not be more, taken together, than the amount repayable to the buyer; and
- (b) in the later of the 2 actions, the plaintiff is not entitled to costs unless the court decides there were reasonable grounds for bringing the action.

(8) If the buyer avoids the contract under this section after the contract is completed, the buyer must, after repayment of all amounts recoverable by the buyer under subsection (3)—

- (a) sign the documents presented to the buyer necessary to convey title to the land to the person lawfully entitled to the land or the person's nominee; and
- (b) deliver to the person lawfully entitled to the land or the person's nominee any instrument of title in the buyer's possession or under the buyer's control.

(9) The buyer—

- (a) is not liable for any costs associated with a conveyance under subsection (8); and
- (b) may recover from the seller and the pastoral house as a debt the buyer's reasonable costs associated with the conveyance.

(10) The liability of the seller and the pastoral house under subsections (3) and (9) is joint and several.

Liability to punishment under s 188 or 189 additional to other liabilities at law

190. Liability to punishment under section 188 or 189 is in addition to other liabilities at law imposed under section 189.

Division 6—Code of conduct**Code of conduct**

191. A regulation may prescribe a code of conduct for pastoral houses that may include the following—

- (a) setting conduct standards for pastoral houses, employed licensees and pastoral house officers;
- (b) establishing principles for fair trading;
- (c) providing for a system of complaint resolution.

Complaints about conduct

192.(1) A person aggrieved by the conduct of a pastoral house or pastoral house officer may complain in writing to the chief executive about the conduct.

(2) The chief executive may investigate the complaint and, if satisfied that the code of conduct has been breached, take the action in relation to the conduct allowed under this Act.

Note—

Breach of a code of conduct is a ground for starting disciplinary proceedings under section 496 (Grounds for starting disciplinary proceedings).

(3) The investigation may take place and action may be taken against a person who was a pastoral house officer even though the person is no longer a pastoral house officer.

PART 3—GENERAL**Registered offices**

193.(1) A pastoral house's "**registered office**" is—

- (a) the place the pastoral house specifies in its application for a pastoral house licence as its principal place of business; or

- (b) another place notified to the chief executive by the pastoral house in the approved form as its principal place of business.
- (2) A pastoral house director's **"registered office"** is—
 - (a) the place the pastoral house director specifies in the director's application for a pastoral house director's licence as the director's business address; or
 - (b) another place notified to the chief executive by the pastoral house director in the approved form as the director's business address.
- (3) A pastoral house manager's **"registered office"** is—
 - (a) the place the pastoral house manager specifies in the manager's application for a pastoral house manager's licence as the manager's business address; or
 - (b) another place notified to the chief executive by the pastoral house manager in the approved form as the manager's business address.
- (4) A pastoral house auctioneer's **"registered office"** is—
 - (a) the place the pastoral house auctioneer specifies in the auctioneer's application for a pastoral house auctioneer's licence as the auctioneer's business address; or
 - (b) another place notified to the chief executive by the pastoral house auctioneer in the approved form as the auctioneer's business address.

Pastoral house etc. must notify chief executive of particular changes

194.(1) A pastoral house must—

- (a) notify the chief executive in the approved form of any change in the pastoral house's principal place of business within 14 days after the change; and
- (b) notify the chief executive in the approved form of the closure of any place where the pastoral house carries on business within 14 days after the closure; and
- (c) notify the chief executive in the approved form of the opening of any place where the pastoral house carries on business within 14 days after the opening.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

(2) A pastoral house director, manager or auctioneer must notify the chief executive in the approved form of any change in the director's, manager's or auctioneer's business address within 14 days after the change.

Maximum penalty—200 penalty units.

(3) A pastoral house must notify the chief executive in the approved form of the name of a pastoral house director who stops being a director of the pastoral house within 14 days after the person stops being a director.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

(4) A pastoral house must notify the chief executive in the approved form of the name of a pastoral house manager or auctioneer who stops being an employee of the pastoral house within 14 days after the person stops being an employee.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

Display and publication of licensee's name

195.(1) A pastoral house must display at each place the pastoral house carries on business, in the way that may be prescribed under a regulation—

- (a) the pastoral house's name; and
- (b) the name of the individual in charge of the pastoral house's business at the place; and
- (c) the other particulars that may be prescribed under a regulation.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁷⁶—100 penalty units; or
- (b) for a pastoral house—500 penalty units.

(2) A pastoral house must not publish in a newspaper or elsewhere an advertisement for the pastoral house's business without stating in the advertisement the particulars that may be prescribed under a regulation.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—100 penalty units; or
- (b) for a pastoral house—500 penalty units.

Pastoral house to keep employment register

196.(1) A pastoral house must keep a register (“**employment register**”) at each place where the pastoral house carries on business.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

(2) The pastoral house must enter, and keep entered, in the employment register—

- (a) the name, and the other particulars that may be prescribed under a regulation, of each person (“**employee**”) who is employed as an employed licensee or pastoral house salesperson at the place; and
- (b) if the employee is a pastoral house salesperson, the activities the salesperson is authorised to perform for the pastoral house during the salesperson's employment by the pastoral house.

⁷⁶ Section 591 (Executive officers must ensure corporation complies with Act)

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
- (b) for a pastoral house—1 000 penalty units.

Note—

The pastoral house must give the salesperson a statement under section 170 (Pastoral house must give salespersons employment authority) clearly specifying the salesperson's activities.

(3) The pastoral house must—

- (a) enter the particulars about each employee, and for each pastoral house salesperson, the activities the salesperson is authorised to perform, immediately after the employee is employed at the place; and
- (b) if there is a change in an employee's particulars or activities, correct the entry in the way prescribed under a regulation immediately after the change.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or
 - (b) for a pastoral house—1 000 penalty units.
- (4)** The form of the register may be prescribed under a regulation.

PART 4—OFFENCES

Acting as pastoral house

197.(1) A person must not, as an agent for someone else for reward, perform an activity that may be done under the authority of a pastoral house licence unless the person—

- (a) holds a pastoral house licence and the performance of the activity is authorised under the person's licence; or

- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A person must not act as a pastoral house unless—

- (a) the person holds a pastoral house licence and the act is done under the authority of the person’s licence; or
- (b) the act is otherwise permitted under this or another Act.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) Without limiting the ways a person may act as a pastoral house, a person “**acts**” as a pastoral house if the person—

- (a) performs an activity mentioned in section 165(1);⁷⁷ or
- (b) advertises, notifies or states that the person—
 - (i) performs an activity mentioned in section 165(1); or
 - (ii) is willing to perform an activity mentioned in section 165(1); or
- (c) in any way holds out as being ready to perform an activity mentioned in section 165(1).

Acting as pastoral house director

198. A person must not, as an agent for someone else for reward, perform an activity that may be done under the authority of a pastoral house director’s licence unless the person—

- (a) holds a pastoral house director’s licence and the performance of the activity is authorised under the person’s licence; or
- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

⁷⁷ Section 165 (What a pastoral house licence authorises)

Acting as pastoral house manager

199. A person must not, as an agent for someone else for reward, perform an activity that may be done under the authority of a pastoral house manager's licence unless the person—

- (a) holds a pastoral house manager's licence and the performance of the activity is authorised under the person's licence; or
- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

Acting as pastoral house auctioneer

200. A person must not perform an activity that may be done under the authority of a pastoral house auctioneer's licence unless the person—

- (a) holds a pastoral house auctioneer's licence and the performance of the activity is authorised under the person's licence; or
- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

Pretending to be pastoral house salesperson

201. A person must not hold out that the person is a pastoral house salesperson unless the person holds a registration certificate as a pastoral house salesperson.

Maximum penalty—200 penalty units.

Pastoral house must not act for more than 1 party

202.(1) A pastoral house must not act for more than 1 party to a transaction.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of

an offence or for section 591⁷⁸—200 penalty units; or

(b) for a pastoral house—1 000 penalty units.

(2) If a pastoral house acts for more than 1 party to a transaction, an appointment to act for a party to the transaction is ineffective from the time it is made.

(3) A pastoral house does not contravene subsection (1) and subsection (2) does not apply if the transaction is a livestock sale.

Production of licence

203.(1) A pastoral house officer must, if asked by a person with whom the officer is dealing, produce the officer's licence for inspection by the person.

Maximum penalty—100 penalty units.

(2) In this section—

“**pastoral house officer**” does not include a pastoral house salesperson.

Employment of persons in pastoral house business

204.(1) A pastoral house must not employ, as a pastoral house salesperson, a person the pastoral house knows, or ought to know, does not hold a registration certificate as a pastoral house salesperson.

Maximum penalty—200 penalty units.

(2) A pastoral house must not employ an executive officer of the pastoral house as a pastoral house salesperson for the pastoral house.

Maximum penalty—

(a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—200 penalty units; or

(b) for a pastoral house—1 000 penalty units.

⁷⁸ Section 591 (Executive officers must ensure corporation complies with Act)

CHAPTER 7—AUCTIONEERS

PART 1—AUCTIONEER’S AUTHORISATION AND RESPONSIBILITIES

Division 1—What an auctioneer’s licence authorises

What an auctioneer’s licence authorises

205.(1) An auctioneer’s licence authorises the holder of the licence (“**auctioneer**”) to perform the activity of selling or attempting to sell or offering for sale or resale any property by way of auction.

(2) An auctioneer’s licence also authorises the auctioneer to sell the property by any means during the auction period.

(3) An auctioneer may perform the activity—

- (a) in the carrying on of a business, either alone or with others; or
- (b) as an employee of—
 - (i) an auctioneer; or
 - (ii) a real estate agent; or
 - (iii) a pastoral house; or
 - (iv) a motor dealer.

(4) In this section—

“**auction period**”, for an auctioneer for the sale of property, means a period for which the auctioneer is appointed under section 210 or 212⁷⁹ or otherwise authorised or permitted under this or another Act to sell the property.

⁷⁹ Section 210 (Appointment of auctioneer—general) or 212 (Appointment of auctioneer—sole and exclusive agencies)

Division 2—Responsibilities of auctioneers for trainee auctioneers**Responsibility for acts and omissions of trainee auctioneers**

206.(1) An auctioneer must take reasonable steps to ensure each trainee auctioneer under the auctioneer’s supervision and instruction is properly supervised and instructed, acts only within the scope of the trainee’s employment authority under section 207 and complies with this Act.

(2) An auctioneer who fails to comply with subsection (1) is liable to disciplinary action under chapter 14, part 3.⁸⁰

Auctioneer must give trainee auctioneer employment authority

207. Immediately after an auctioneer starts to supervise and instruct a trainee auctioneer, the auctioneer supervising and instructing the trainee must give the trainee a statement (“**employment authority**”) clearly specifying the activities of an auctioneer the trainee is authorised by the auctioneer to perform for the auctioneer during the trainee’s period of training with the auctioneer.

Maximum penalty—200 penalty units.

PART 2—CONDUCT PROVISIONS***Division 1—Carrying on business*****Carrying on of business under auctioneer’s licence**

208. An individual who carries on the business of an auctioneer with others is not required to hold an auctioneer’s licence if—

- (a) at least 1 of the persons with whom the individual carries on business is an auctioneer; and

⁸⁰ Chapter 14 (Claims against the fund and other proceedings), part 3 (Disciplinary proceedings)

- (b) the individual does not perform the activity of an auctioneer; and
- (c) the individual is a suitable person to hold a licence.

Licensee to be in charge of auctioneer's business at a place

209.(1) An auctioneer who is an individual and a principal licensee must—

- (a) be in charge of the auctioneer's business at the auctioneer's registered office;⁸¹ and
- (b) if the auctioneer has more than 1 place of business, ensure that at each other place of business an individual who is an auctioneer is in charge of the auctioneer's business at the place.

Maximum penalty—200 penalty units.

(2) An auctioneer that is a corporation and a principal licensee ("**corporate auctioneer**") must ensure that—

- (a) the individual in charge of the corporate auctioneer's business at its registered office is an auctioneer; and
- (b) if the corporate auctioneer has more than 1 place of business, at each other place of business an individual who is an auctioneer is in charge of the corporate auctioneer's business at the place.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁸²—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

(3) An individual must not be in charge of an auctioneer's business at more than 1 place of business.

Maximum penalty—200 penalty units.

⁸¹ See section 250 (Registered office).

⁸² Section 591 (Executive officers must ensure corporation complies with Act)

Division 2—Appointment**Appointment of auctioneer—general**

210.(1) An auctioneer who is asked by a person (“**client**”) to perform an activity (“**service**”) for the client must not act for the client unless the client first appoints the auctioneer in writing under this section.

Maximum penalty—200 penalty units.

- (2) The appointment may be for the performance of—
- (a) a particular service (“**single appointment**”); or
 - (b) a number of services over a period (“**continuing appointment**”).
- (3) The appointment must, for each service—
- (a) state the service to be performed by the auctioneer and how it is to be performed; and
 - (b) state the day set for the auction; and
 - (c) state, in the way prescribed under a regulation, that fees, charges and commission payable for the service are negotiable up to any amount that may be prescribed under a regulation; and
 - (d) state—
 - (i) the fees, charges and any commission payable for the service; and
 - (ii) the expenses, including advertising, marketing and travelling expenses, the auctioneer is authorised to incur in connection with the performance of each service or category of service; and
 - (iii) the source and the estimated amount or value of any rebate, discount, commission or benefit that the auctioneer may receive in relation to any expenses the auctioneer is authorised to incur in connection with the performance of the service; and
 - (iv) any condition, limitation or restriction on the performance of the service; and

- (e) state when the fees, charges and any commission for the service become payable; and
- (f) if the service to be performed is the sale of property and commission is payable in relation to the service and expressed as a percentage of an estimated sale price, state that the commission is worked out only on the actual sale price; and
- (g) if the appointment is for a sole or exclusive agency, state the date the appointment ends.

(4) A continuing appointment must state—

- (a) the date the appointment ends; and
- (b) the appointment may be revoked on the giving of 90 days notice, or some lesser period (not less than 30 days) agreed by the parties.

(5) The notice revoking a continuing appointment must be by signed writing given to the other party.

(6) The appointment must be signed and dated by the client and the auctioneer or someone authorised or apparently authorised to sign for the auctioneer.

(7) The auctioneer must give a copy of the signed appointment to the client.

Maximum penalty for subsection (7)—200 penalty units.

Form of appointment

211.(1) The appointment must be in the approved form.

(2) The approved form must include a prominent statement that the client should seek independent legal advice before signing the appointment.

(3) An appointment that does not comply with subsection (1) is ineffective from the time it is made.

Appointment of auctioneer—sole and exclusive agencies

212.(1) If the appointment is for a sole or exclusive agency, before the appointment is signed, the auctioneer must give the client a notice in the

approved form stating the following—

- (a) the proposed term of the appointment;
- (b) for the sale of residential property, the term is negotiable up to a maximum term of 60 days;
- (c) whether the appointment is under a sole agency or an exclusive agency;
- (d) the difference between sole agency and exclusive agency;⁸³
- (e) the consequences for the client if the property is sold by someone other than the auctioneer during the term of the sole or exclusive agency.

Maximum penalty—200 penalty units.

(2) The auctioneer's requirement to give the notice under this section is in addition to the auctioneer's requirement to obtain an appointment under section 210.

Restriction on reappointment of auctioneers for sales of residential property

213.(1) An auctioneer may be reappointed for a sole or exclusive agency for the sale of residential property for 1 or more terms of not more than 60 days.

(2) The reappointment must not be made earlier than 14 days before the initial term of the sole or exclusive agency ends.

Maximum penalty for subsection (2)—200 penalty units.

Avoidance of appointments

214.(1) The appointment of an auctioneer for a sole or exclusive agency is ineffective from the time it is made if—

- (a) the notice mentioned in section 212⁸⁴ is not given before the appointment is signed; or

⁸³ See section 19 (Difference between “exclusive agency” and “sole agency”).

⁸⁴ Section 212 (Appointment of auctioneer—sole and exclusive agencies)

(b) for the sale of residential property, the term of the appointment is more than 60 days.

(2) The appointment of an auctioneer for a further term of sole or exclusive agency for the sale of residential property is ineffective from the time it is made if it is made contrary to section 213(2).

Division 3—Chattel auctions

Buyer's premium

215.(1) This section applies to an auction of chattels.

(2) An auctioneer must not charge the buyer of a chattel a buyer's premium unless—

(a) the auctioneer—

- (i) before the auction, obtains the written consent of the owner of the chattel; and
- (ii) discloses, in the way prescribed under a regulation, that a buyer's premium is payable on the purchase of the chattel; and

(b) the premium is not more than the amount prescribed or worked out under a regulation.

Maximum penalty—200 penalty units.

(3) The auctioneer does not act for the buyer of the chattel only because the auctioneer accepts a buyer's premium from the buyer.

(4) In this section—

“buyer's premium” means an amount, not more than an amount prescribed or worked out under a regulation, payable to the auctioneer by a buyer on the purchase of a chattel.

“chattel” does not include a leasehold interest in land.

“owner”, of a chattel, includes a person who is lawfully entitled to sell the chattel.

Division 4—Recovery of reward or expense**Commission may be claimed only in relation to actual amounts**

216.(1) This section applies to an auctioneer who performs, for the payment of a commission, a service of selling property.

(2) The auctioneer must not claim commission worked out on an amount more than the actual sale price of the property.

Maximum penalty—200 penalty units.

Restriction on recovery of reward or expense—no proper authorisation etc.

217. A person is not entitled to sue for, or recover or retain, a reward or expense for the performance of an activity as an auctioneer unless, at the time the activity was performed, the person—

- (a) held an auctioneer's licence; and
- (b) was authorised under the person's licence to perform the activity; and
- (c) had been properly appointed under division 2⁸⁵ by the person to be charged with the reward or expense.

Restriction on recovery of reward or expense above amount allowed

218.(1) A person is not entitled to sue for, or recover or retain, a reward for the performance of an activity as an auctioneer that is more than the amount of the reward stated in the appointment given under section 210.⁸⁶

(2) However, if the reward for the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, a reward more than the amount allowed under the regulation.

(3) A person is not entitled to sue for, or recover or retain, expenses for the performance of an activity as an auctioneer that are more than the

⁸⁵ Division 2 (Appointment)

⁸⁶ Section 210 (Appointment of auctioneer—general)

amount of the expenses stated in the appointment given under section 210 and actually expended.

(4) However, if the amount of expenses that may be incurred in relation to the performance of the activity is limited under a regulation, the person is not entitled to sue for, or recover or retain, an amount more than the amount allowed under the regulation.

(5) Subsection (2) does not prevent the person suing for, recovering or retaining, in addition to the amount allowed under a regulation for the reward, an amount for GST payable for a supply.

Excess commission etc. to be repaid

219.(1) This section applies if—

- (a) a person is convicted of an offence against section 216(2);⁸⁷ and
- (b) the court convicting the person is satisfied on the balance of probabilities that the person, in connection with the offence, has recovered or retained from someone (“**client**”) for whom the person performed an activity an amount to which the person was not entitled.

(2) The court must order the person to pay the amount to the client.

(3) The order must be made whether or not any penalty is imposed on the conviction.

(4) The client may file the order in a court having jurisdiction for the recovery of a debt of an equal amount and the order may be enforced as if it were a judgment of that court.

Division 5—Interests in property

Definition for div 5

220. In this division—

“**obtain**” includes being in any way concerned in obtaining.

⁸⁷ Section 216 (Commission may be claimed only in relation to actual amounts)

Beneficial interest—options

221.(1) This section applies to property placed by a person (“**client**”) with an auctioneer for sale.

(2) The auctioneer commits an offence if the auctioneer obtains from the client an option to purchase the property in which the auctioneer has a beneficial interest.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) A trainee auctioneer employed by the auctioneer or under the supervision and instruction of the auctioneer commits an offence if the trainee obtains from the client an option to purchase the property in which the trainee has a beneficial interest.

Maximum penalty—200 penalty units or 3 years imprisonment.

(4) An auctioneer must not sell property if the auctioneer obtains a beneficial interest in an option to purchase the property.

Maximum penalty—200 penalty units or 3 years imprisonment.

Beneficial interest—other than options

222.(1) This section applies to property placed by a person (“**client**”) with an auctioneer for sale, but does not apply if section 221 applies.

(2) The auctioneer commits an offence if the auctioneer obtains a beneficial interest in the property.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) A trainee auctioneer employed by the auctioneer or under the supervision and instruction of the auctioneer commits an offence if the trainee obtains a beneficial interest in the property.

Maximum penalty—200 penalty units or 3 years imprisonment.

(4) A person does not contravene subsection (2) or (3) if—

(a) the person—

(i) before the earlier of the auction of the property or a contract for the sale of the property is entered into, obtains the client’s written acknowledgment in the approved form that the client—

- (A) is aware that the person is interested in obtaining a beneficial interest in the property; and
- (B) consents to the person obtaining the interest; and
- (ii) acts fairly and honestly in relation to the sale; and
- (b) no commission or other reward is payable in relation to the sale; and
- (c) the client is in substantially as good a position as the client would be if the property were sold for fair market value.

(5) If the auctioneer or trainee auctioneer has not obtained the acknowledgment mentioned in subsection (4)(a)(i) and the auctioneer or trainee knows, or ought to know, an associate of the auctioneer or trainee intends bidding at the auction, the auctioneer or trainee must, immediately before the auction—

- (a) identify the associate to those present at the auction; and
- (b) announce to those present that the person is an associate of the auctioneer or trainee and intends bidding at the auction.

(6) If the auctioneer or trainee auctioneer complies with subsection (5), the auctioneer or trainee is taken to have satisfied subsection (4)(a)(i).

Non-application of s 222 for particular livestock sales

223. Section 222 does not apply in relation to livestock sales if the auctioneer obtains the client’s written acknowledgment that the client—

- (a) is aware that the auctioneer or trainee auctioneer is interested in obtaining a beneficial interest in the livestock; and
- (b) consents to the auctioneer or trainee obtaining the interest.

Division 6—Lands not lawfully useable for residential purposes

Definition for div 6

224. In this division—

“**vacant land**” means land on which there are no structural improvements, other than fencing.

Application of div 6

225. This division applies to a sale or proposed sale of vacant land if—

- (a) the sale is by an auctioneer either as agent for another or as principal; and
- (b) the land is within—
 - (i) the City of Brisbane area; or
 - (ii) a local government area or joint local government area under the *Local Government Act 1993*; and
- (c) the land can not, as at the day of sale, be lawfully used for residential purposes.

Notice to be given about vacant land

226.(1) The auctioneer must, immediately before the auction, announce that the land can not, as at the day of auction, be lawfully used for residential purposes.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) The auctioneer must give to a proposed buyer a written statement under this section before the buyer signs any contract in relation to the sale.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) The statement must include the following particulars—

- (a) the land, clearly identified (including by lot-on-plan, or similar, description), to which the statement relates;
- (b) the names and addresses of the seller of the land and the proposed buyer;
- (c) a clear statement that the use of the land for residential purposes is unlawful;
- (d) a clear statement that if the buyer erects on the land a place of residence or otherwise uses the land for residential purposes contrary to law—
 - (i) the buyer may commit an offence; and
 - (ii) a named local government may be lawfully empowered to

demolish the place of residence or other residential structure;
and

(e) the date on which the statement is given.

(4) The statement must be signed and dated by the auctioneer and the proposed buyer.

(5) The auctioneer must—

(a) keep a copy of the signed statement at the auctioneer's place of business; and

(b) make it available for immediate inspection by an inspector who asks to see it.

Maximum penalty for subsection (5)—200 penalty units or 2 years imprisonment.

Buyer's rights if notice not given or materially defective

227.(1) A buyer of land, by written notice (“**avoidance notice**”) given to the seller of the land or the auctioneer, may avoid a contract for the sale of the land if—

(a) the buyer has not been given the notice under section 226; or

(b) the notice has been given to the buyer, but the notice is defective in a material way.

(2) The avoidance notice must be given to the seller or auctioneer within 6 months after the day the buyer entered into the contract.

(3) If the contract is avoided by the buyer under subsection (1), the seller and the auctioneer are liable at law to the buyer for all amounts paid by the buyer—

(a) under the contract; and

(b) for legal and other expenses in relation to the contract after the contract was signed.

(4) An auctioneer who is liable at law under subsection (3) for the repayment to the buyer of an amount paid by the buyer under the contract must repay the amount within 14 days after becoming liable.

Maximum penalty—200 penalty units.

(5) The buyer may recover an amount mentioned in subsection (3) as a debt.

(6) Judgment recovered against either person liable under subsection (3) for an amount repayable under that subsection does not bar an action against the other person.

(7) However, if separate actions are brought—

- (a) the amounts recoverable under the judgments given in the actions must not be more, taken together, than the amount repayable to the buyer; and
- (b) in the later of the 2 actions, the plaintiff is not entitled to costs unless the court decides there were reasonable grounds for bringing the action.

(8) If the buyer avoids the contract under this section after the contract is completed, the buyer must, after repayment of all amounts recoverable by the buyer under subsection (3)—

- (a) sign the documents presented to the buyer necessary to convey title to the land to the person lawfully entitled to the land or the person's nominee; and
- (b) deliver to the person lawfully entitled to the land or the person's nominee any instrument of title in the buyer's possession or under the buyer's control.

(9) The buyer—

- (a) is not liable for any costs associated with a conveyance under subsection (8); and
- (b) may recover from the seller and the auctioneer as a debt the buyer's reasonable costs associated with the conveyance.

(10) The liability of the seller and the auctioneer under subsections (3) and (9) is joint and several.

Liability to punishment under s 226 or 227 additional to other liabilities at law

228. Liability to punishment under section 226 or 227 is in addition to other liabilities at law imposed under section 227.

Division 7—Sales of livestock**Sales of livestock**

229.(1) This section applies to sales of livestock by an auctioneer.

(2) The auctioneer may pay over the proceeds from the sale to the person (“**client**”) appointing the auctioneer to conduct the auction only if—

- (a) the auctioneer—
 - (i) has known the client for at least 1 year; and
 - (ii) in the auctioneer’s opinion, the client is a person of good repute; and
 - (iii) has no reason to believe the client is not lawfully entitled to sell the livestock; or
- (b) the auctioneer receives a certificate for the client from a referee.

(3) A referee may give a certificate for the client only if the referee—

- (a) has known the client for at least 1 year; and
- (b) in the referee’s opinion, the client is a person of good repute; and
- (c) has no reason to believe the client is not lawfully entitled to sell the livestock.

(4) In this section—

“**referee**” means a person the auctioneer has known for at least 1 year who, in the auctioneer’s opinion, is a person of good repute.

Protection for auctioneer

230.(1) This section applies if a court finds, in relation to livestock sold by an auctioneer, that the client was not lawfully entitled to sell the livestock.

(2) An auctioneer who, acting in good faith and without negligence, complies with section 229 is not liable to the owner of the livestock only because the auctioneer took possession or gave delivery of the livestock.

Division 8—Code of conduct**Code of conduct**

231. A regulation may prescribe a code of conduct about auctioneering practice that may include the following—

- (a) setting conduct standards for auctioneers, employed licensees and trainee auctioneers;
- (b) establishing principles for fair trading;
- (c) providing for a system of complaint resolution.

Complaints about conduct

232.(1) A person aggrieved by the conduct of an auctioneer or trainee auctioneer may complain in writing to the chief executive about the conduct.

(2) The chief executive may investigate the complaint and, if satisfied that the code of conduct has been breached, take the action in relation to the conduct allowed under this Act.

Note—

Breach of a code of conduct is a ground for starting disciplinary proceedings under section 496 (Grounds for starting disciplinary proceedings).

(3) The investigation may take place and action may be taken against a person who was an auctioneer or trainee auctioneer even though the person is no longer an auctioneer or trainee auctioneer.

PART 3—GUARANTEE OF TITLE FOR MOTOR VEHICLES**Guarantee of title for motor vehicles**

233.(1) This section applies if a used motor vehicle is to be sold by an auctioneer (“**selling agent**”) at auction to someone else (“**buyer**”).

(2) The following person must ensure the buyer gains clear title to the

motor vehicle at the time property in the vehicle passes to the buyer—

- (a) if the selling agent owns the vehicle or is auctioning the vehicle for someone other than a motor dealer or another auctioneer—the selling agent;
- (b) if the selling agent is auctioning the vehicle for a motor dealer or another auctioneer—the motor dealer or other auctioneer for whom the selling agent is auctioning the vehicle.

Maximum penalty—200 penalty units.

(3) In a proceeding for an offence against subsection (2), it is a defence for the defendant to prove that the defendant took all reasonable steps to ensure subsection (2) was complied with.

(4) The selling agent must, immediately after property in the vehicle passes to the buyer, give the buyer an approved form stating—

- (a) particulars about the vehicle, including its odometer reading at the time property passes; and
- (b) the responsible licensee guarantees the buyer gains clear title to the vehicle at the time property passes; and
- (c) any other particulars that may be prescribed under a regulation.

Maximum penalty—200 penalty units.

(5) The selling agent must, within 48 hours after property in the vehicle passes to the buyer, give the buyer a security interest certificate for the vehicle issued after property in the vehicle passes.

Maximum penalty—200 penalty units.

(6) If the security interest certificate for the vehicle shows that a security interest is registered for the vehicle—

- (a) the sale is ineffective from the time it is made; and
- (b) the responsible licensee must do everything in the licensee's power to return the buyer to the position the buyer was in before the vehicle was purchased including, for example, by paying to the buyer—
 - (i) the amount the buyer paid for the vehicle; and
 - (ii) any amount the buyer paid for vehicle inspection,

auctioneer's charges or stamp duty.

(7) An amount payable to the buyer under subsection (6)(b) may be recovered as a debt.

(8) The selling agent must ask the buyer to sign an approved form acknowledging receipt of the documents mentioned in subsection (4) and (5).

(9) The selling agent must—

- (a) give the original of the form mentioned in subsection (4) to the buyer; and
- (b) keep a copy of the form; and
- (c) make the copy available for immediate inspection by an inspector who asks to see it.

Maximum penalty—200 penalty units.

(10) The selling agent may charge the buyer an amount for the provision of the security interest certificate not greater than the amount prescribed under a regulation.

(11) A selling agent who charges a buyer an amount for providing the security interest certificate that is more than the amount prescribed commits an offence.

Maximum penalty—200 penalty units.

(12) A proceeding against an auctioneer or motor dealer for an offence against this section does not affect any civil liability of any person, including the auctioneer or dealer, arising out of the same facts that constitute the offence.

(13) In this section—

“responsible licensee” means the licensee who, under subsection (2), must ensure that the buyer of a motor vehicle gains clear title to the vehicle.

PART 4—STATUTORY WARRANTY

Definitions for pt 4

234. In this part—

“**auctioneer**” includes a person performing the activities of an auctioneer without a licence.

“**defect**” see section 235.

“**defect notice**” see section 244(1).

“**repair period**” see section 247(2).

“**statutory warranty**” means the warranty under section 242.

“**warrantor**”, of a warranted vehicle, see section 240.

“**warranty advice**” see section 246(2).

“**warranty period**” see section 236.

Meaning of “defect”

235. A warranted vehicle has a “**defect**” for this part if—

- (a) a part of the vehicle does not perform its intended function; or
- (b) a part of the vehicle has deteriorated to an extent where it can not be reasonably relied on to perform its intended function.

Meaning of “warranty period”

236.(1) The “**warranty period**” of a warranted vehicle starts on the day the vehicle is sold and ends—

- (a) for a class A warranted vehicle—
 - (i) at 5 p.m. on the first day, other than a Sunday or public holiday, 3 months after the day the vehicle is sold when the place of business of the warrantor of the vehicle is open for business; or
 - (ii) at the time the vehicle travels 5 000 km after it is sold;

whichever happens first; or

(b) for a class B warranted vehicle—

(i) at 5 p.m. on the first day, other than a Sunday or public holiday, 1 month after the day the vehicle is sold when the place of business of the warrantor of the vehicle is open for business; or

(ii) at the time the vehicle travels 1 000 km after it is sold;

whichever happens first.

(2) The period mentioned in subsection (1)(a) or (b) is extended by 1 day for each day or part of a day a warranted vehicle is not in the possession of the buyer of the vehicle if—

(a) the buyer of the vehicle has complied with section 244(1);⁸⁸ and

(b) a defect in the vehicle is being repaired by, or at the direction of, the warrantor of the vehicle under the statutory warranty.

(3) For this section, a warranted vehicle is “**sold**” when property in the vehicle passes from the seller of the vehicle to the buyer of the vehicle.

Application of pt 4

237.(1) This part applies to each warranted vehicle sold by an auctioneer as owner of the vehicle or on consignment for another auctioneer or a motor dealer.

(2) This part does not apply to the sale of a motor vehicle by the auctioneer—

(a) to another auctioneer or a motor dealer; or

(b) on consignment for a person who is not an auctioneer or motor dealer.

Particular vehicles without statutory warranty to be identified when offered for sale

238. An unwarranted vehicle may be advertised or displayed for sale

⁸⁸ Section 244 (Buyer’s obligations under statutory warranty)

only if it is advertised or displayed for sale, in the way provided under a regulation, as a vehicle that does not have a statutory warranty.

Maximum penalty—100 penalty units.

Announcements before auction

239.(1) An auctioneer must announce, immediately before the auction of any unwarranted vehicle, that the vehicle does not have a statutory warranty.

Maximum penalty—100 penalty units.

(2) An auctioneer must announce, immediately before the auction of any motor vehicle, that the sale of the vehicle is not subject to a cooling-off period.

Maximum penalty—100 penalty units.

Warrantor

240.(1) For this part, the “**warrantor**” of a warranted vehicle is the auctioneer or motor dealer who owns the vehicle immediately before it is sold.

Examples—

1. A, an auctioneer, sells a warranted vehicle owned by A at auction. A is the warrantor of the vehicle.

2. A, an auctioneer, sells a warranted vehicle owned by D, a motor dealer, at auction. D is the warrantor of the vehicle.

(2) For this section, a warranted vehicle is “**sold**” when property in the vehicle passes from the seller of the vehicle to the buyer of the vehicle.

Buyer to be given notice about statutory warranty

241.(1) An auctioneer must, immediately after the sale of a warranted vehicle, give the buyer of the vehicle a notice in the approved form stating—

- (a) the name, business address and hours of business of the warrantor of the vehicle; and
- (b) the length of the warranty period for the vehicle; and

(c) the defects to which the statutory warranty does not apply.

Maximum penalty—100 penalty units.

(2) An auctioneer must, immediately after the sale of an unwarranted vehicle, give the buyer of the vehicle notice in the approved form that the vehicle does not have a statutory warranty.

Maximum penalty—100 penalty units.

(3) The buyer must acknowledge receipt of a notice given under subsection (1) or (2) by signing a copy of it.

(4) For this section, a warranted vehicle is “**sold**” when property in the vehicle passes from the seller of the vehicle to the buyer of the vehicle.

Statutory warranty

242.(1) The warrantor of a warranted vehicle warrants that—

- (a) the vehicle is free from defects at the time of sale and for the warranty period; and
- (b) defects in the vehicle reported during the warranty period will be repaired by the warrantor free of charge.

(2) In this section—

“**defects**” does not include defects not covered by the statutory warranty.

Defects not covered by statutory warranty

243. The following defects in a warranted vehicle are not covered by the statutory warranty—

- (a) a defect in—
 - (i) a tyre; or
 - (ii) a battery; or
 - (iii) a light; or
 - (iv) a radiator hose; or
 - (v) a vehicle accessory prescribed under a regulation; or
 - (vi) something else prescribed under a regulation;

- (b) a defect in the vehicle's paintwork or upholstery that should have been apparent on any reasonable inspection of the vehicle before the buyer took delivery;
- (c) a defect after the buyer takes delivery—
 - (i) arising from or incidental to any accidental damage to the vehicle; or
 - (ii) arising from the buyer's misuse or negligence; or
 - (iii) in an accessory to the vehicle not fitted to the vehicle when sold to the buyer.

Buyer's obligations under statutory warranty

244.(1) If the buyer of a warranted vehicle believes the vehicle has a defect the warrantor of the vehicle is obliged to repair under this part, the buyer must—

- (a) give the warrantor written notice of the defect ("**defect notice**") before the end of the warranty period; and
- (b) deliver the warranted vehicle—
 - (i) to the warrantor to repair the defect; or
 - (ii) to someone else nominated by the warrantor by signed writing given to the buyer to repair the defect.

(2) The buyer is taken to deliver the vehicle and the warrantor is taken to have possession of the vehicle if the buyer makes reasonable efforts to deliver the vehicle under this section but is unable to do so because the warrantor, or the person nominated by the warrantor, refuses to accept delivery of the vehicle.

(3) The place of delivery under subsection (1)(b)(ii) must not be more than 20 km from the warrantor's place of business, unless the warrantor and the buyer otherwise agree.

(4) In this section—

"warrantor" includes someone apparently working for the warrantor at the warrantor's place of business.

Warrantor to record particulars of extension of warranty period

245. The warrantor must keep a record, in the way prescribed under a regulation, of the day the warranted vehicle is delivered under section 244(1)(b) and the day the vehicle is returned to the buyer.

Maximum penalty—100 penalty units.

Warrantor to advise whether defect covered by statutory warranty

246.(1) This section applies if a defect notice is given, and the vehicle is delivered, under section 244.

(2) The warrantor must advise the buyer in writing (“**warranty advice**”) whether the warrantor accepts or refuses to accept that the defect is covered by the statutory warranty.

(3) If the warrantor fails to give the warranty advice within 5 business days after receiving the defect notice and delivery of the vehicle, the warrantor is taken to have given a warranty advice accepting that the defect is covered by the statutory warranty.

(4) In this section—

“**business day**”, in relation to the giving of a warranty advice by a warrantor, means a day, other than Sunday or a public holiday, when the warrantor’s place of business is open for business.

Warrantor’s obligation to repair defects

247.(1) If the warrantor accepts that the defect is covered by the statutory warranty, the warrantor must repair the defect at the warrantor’s expense.

(2) The warrantor must ensure that the defect is repaired within 14 days after the warrantor accepts that the defect is covered by the statutory warranty (the “**repair period**”), unless the warrantor has a reasonable excuse.

Maximum penalty—200 penalty units.

(3) If the warrantor nominates someone else to repair the vehicle, the warrantor must advise the buyer of the other person’s name and the address where the defect is to be repaired.

(4) The warrantor is taken to have repaired the defect if the part of the vehicle affected by the defect is repaired so that it can be reasonably relied on to perform its intended function.

(5) The warrantor's obligation to repair the defect under this section continues even though the warrantor is no longer performing the activities of a licensee.

Warrantor's failure to repair

248.(1) This section applies if the warrantor has by warranty advice or otherwise—

- (a) refused to accept that the defect is covered by the statutory warranty; or
- (b) accepted that the defect is covered by the statutory warranty but—
 - (i) failed to repair a defect within the repair period; or
 - (ii) failed to repair the defect so that the defective part can be reasonably relied on to perform its intended function.

(2) The buyer may apply to a small claims tribunal for an order under this section.

(3) A small claims tribunal may, in addition to the orders it is empowered to make under the *Small Claims Tribunals Act 1973*, section 20,⁸⁹ make the following orders—

- (a) an order that the defect is or is not a defect covered by the statutory warranty;
- (b) an order extending the warranty period for the warranted vehicle to a specified date;
- (c) an order declaring the warranted vehicle is covered by the statutory warranty until a specified date.

(4) Also, the tribunal may make an order that the warrantor pay to the buyer a stated amount the tribunal decides is the reasonable cost of having a defect repaired if—

⁸⁹ *Small Claims Tribunals Act 1973*, section 20 (Orders of tribunals)

- (a) the warrantor has, by warranty advice or otherwise, refused to accept that the defect is covered by the statutory warranty; and
- (b) the buyer has had the defect repaired by another person; and
- (c) the tribunal decides that the defect was one to which the statutory warranty applied.

(5) The small claims tribunal may make an order under subsection (3)(b) or (c) only if it is satisfied—

- (a) the vehicle was not able to be used by the buyer for a period during the warranty period; and
- (b) the period from which the order is to be effective to the date the warranty period is to end, and the period during which the vehicle was able to be used by the buyer, taken together, are not more than—
 - (i) for a class A warranted vehicle—3 months; or
 - (ii) for a class B warranted vehicle—1 month.

(6) If, after the matter is heard by a small claims tribunal, an order is made by the tribunal in the buyer's favour and the warrantor contravenes the order, the contravention is a ground for starting disciplinary proceedings under section 496.⁹⁰

(7) Subsection (6) does not limit any right the buyer may have to enforce the order.

Applications for more than prescribed amount

249.(1) This section applies to an application if—

- (a) an application under section 248 may be made to a small claims tribunal; and
- (b) the application seeks the payment of an amount (“**application amount**”) greater than the prescribed amount.

(2) In a provision of this part about the application—

- (a) a reference to a small claims tribunal is taken to be a reference to a

⁹⁰ Section 496 (Grounds for starting disciplinary proceedings)

court having jurisdiction for the recovery of a debt equal to the application amount; and

- (b) the provision applies with necessary changes as if the small claims tribunal were the court.

(3) In this section—

“prescribed amount” has the meaning given by the *Small Claims Tribunals Act 1973*, section 4.

PART 5—GENERAL

Registered office

250. An auctioneer’s **“registered office”** is—

- (a) for an auctioneer who is a principal licensee—
- (i) the place the auctioneer specifies in the auctioneer’s application for an auctioneer’s licence as the auctioneer’s principal place of business; or
 - (ii) another place notified to the chief executive by the auctioneer in the approved form as the auctioneer’s principal place of business; and
- (b) for an auctioneer who is an employed licensee—
- (i) the place the auctioneer specifies in the auctioneer’s application for an auctioneer’s licence as the auctioneer’s business address; or
 - (ii) another place notified to the chief executive by the auctioneer in the approved form as the auctioneer’s business address.

Auctioneer must notify chief executive of change in place of business etc.

251.(1) An auctioneer who is a principal licensee must—

- (a) notify the chief executive in the approved form of any change in

the auctioneer's principal place of business within 14 days after the change; and

- (b) notify the chief executive in the approved form of the closure of any place where the auctioneer carries on business within 14 days after the closure; and
- (c) notify the chief executive in the approved form of the opening of any place where the auctioneer carries on business within 14 days after the opening.

Maximum penalty—200 penalty units.

(2) An auctioneer who is an employed licensee must notify the chief executive in the approved form of any change in the auctioneer's business address within 14 days after the change.

Maximum penalty—200 penalty units.

Display and publication of licensee's name

252.(1) An auctioneer who is a principal licensee must display at each place the auctioneer carries on business, in the way that may be prescribed under a regulation—

- (a) the auctioneer's name; and
- (b) if the auctioneer is not the person in charge of the auctioneer's business at the place, the name of the auctioneer who is in charge at the place; and
- (c) the other particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

(2) An auctioneer who conducts an auction must display at the auction, in the way and for the period prescribed under a regulation—

- (a) the auctioneer's name; and
- (b) the other particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

(3) An auctioneer who is a principal licensee must not publish, or permit to be published, in a newspaper or elsewhere an advertisement for the auctioneer's business without stating in the advertisement the particulars that

may be prescribed under a regulation.

Maximum penalty—100 penalty units.

Principal licensee must keep employment register

253.(1) An auctioneer who is a principal licensee must keep a register (“**employment register**”) at each place where the auctioneer carries on business.

Maximum penalty—200 penalty units.

(2) The auctioneer must enter, and keep entered, in the employment register—

- (a) the name, and the other particulars that may be prescribed under a regulation, of each of the following persons—
 - (i) a person who is employed by the auctioneer as an employed licensee;
 - (ii) a trainee auctioneer who is under the supervision and instruction of the auctioneer at the place; and
- (b) the activities the trainee auctioneer is authorised to perform for the auctioneer while the trainee is under the supervision and instruction of the auctioneer.

Maximum penalty—200 penalty units.

Note—

The auctioneer must give the trainee auctioneer a statement under section 207 (Auctioneer must give trainee auctioneer employment authority) clearly specifying the trainee’s activities.

(3) The auctioneer must—

- (a) enter the particulars about each employed licensee or trainee auctioneer, and the activities the employed licensee or trainee is authorised to perform, immediately after the auctioneer starts to employ the employed licensee or supervise and instruct the trainee auctioneer at the place; and
- (b) if there is a change in an employed licensee’s or trainee’s particulars or activities, correct the entry in the way prescribed under a regulation immediately after the change.

Maximum penalty—200 penalty units.

- (4) The form of the register may be prescribed under a regulation.

Auctioneer to obtain statement from seller of vehicle

254.(1) An auctioneer must, when buying a motor vehicle or accepting a motor vehicle for sale on consignment from a person (“**seller**”) in the course of carrying on the auctioneer’s business, obtain from the seller a statement, signed by the seller, stating the particulars about the seller and the vehicle that may be prescribed under a regulation.

Maximum penalty—200 penalty units.

- (2) The auctioneer must—
- (a) keep a copy of the statement at the auctioneer’s registered office; and
 - (b) give a copy to the seller; and
 - (c) make a copy available for immediate inspection by an inspector who asks to see it.

Maximum penalty—200 penalty units.

- (3) This section does not apply if the seller is—
- (a) a financier of the business of the auctioneer; or
 - (b) another auctioneer or motor dealer.

Auctioneer to give statement to buyer of vehicle

255.(1) An auctioneer must, immediately after the sale of a motor vehicle to a person (“**buyer**”) in the course of carrying on the auctioneer’s business, give to the buyer a statement, signed by the auctioneer, stating the particulars about the vehicle’s owner immediately before the sale and the vehicle that may be prescribed under a regulation.

Maximum penalty—200 penalty units.

- (2) The auctioneer must—
- (a) keep a copy of the statement at the auctioneer’s registered office; and

- (b) make a copy available for immediate inspection by an inspector who asks to see it.

Maximum penalty—200 penalty units.

(3) Nothing in this section prevents the statement being contained in the contract for sale of the vehicle.

PART 6—OFFENCES

Acting as auctioneer

256.(1) A person must not perform an activity that may be done under the authority of an auctioneer’s licence unless the person—

- (a) holds an auctioneer’s licence and the performance of the activity is authorised under the person’s licence; or
- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A person must not act as an auctioneer unless—

- (a) the person holds an auctioneer’s licence and the act is done under the authority of the person’s licence; or
- (b) the act is otherwise permitted under this or another Act.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) Without limiting the ways a person may act as an auctioneer, a person “acts” as an auctioneer if the person—

- (a) performs an auction; or
- (b) advertises or notifies or states that the person performs auctions or is willing to perform auctions; or
- (c) in any way holds out as being ready to perform auctions.

Pretending to be trainee auctioneer

257. A person must not hold out that the person is a trainee auctioneer unless the person holds a registration certificate as a trainee auctioneer.

Maximum penalty—200 penalty units.

Auctioneer must not act for more than 1 party

258.(1) An auctioneer must not act for more than 1 party to a transaction.

Maximum penalty—200 penalty units.

(2) If an auctioneer acts for more than 1 party to a transaction, an appointment to act for a party to the transaction is ineffective from the time it is made.

(3) An auctioneer does not contravene subsection (1) and subsection (2) does not apply if the transaction is a livestock sale.

Production of licence

259. An auctioneer must, if asked by a person with whom the auctioneer is dealing, produce the auctioneer's licence for inspection by the person.

Maximum penalty—100 penalty units.

Employment of persons in auctioneer's business

260. An auctioneer must not employ, as a trainee auctioneer, a person the auctioneer knows, or ought to know, does not hold a registration certificate as a trainee auctioneer.

Maximum penalty—200 penalty units.

CHAPTER 8—PROPERTY DEVELOPERS

PART 1—PROPERTY DEVELOPER'S AUTHORISATION AND RESPONSIBILITIES

Division 1—Interpretation

Meaning of “complete a residential property sale”

261.(1) A person “**completes a residential property sale**” if a residential property in which the person has an interest is sold.

(2) However, the person is not to be taken to have completed a residential property sale if—

- (a) the person appointed a real estate agent, pastoral house or auctioneer to sell the interest in the residential property on the person’s behalf; or
- (b) the person held the interest in the residential property as—
 - (i) a personal representative; or
 - (ii) an administrator under the *Guardianship and Administration Act 2000*; or
 - (iii) a beneficiary in, or a trustee of, a deceased person’s estate; or
 - (iv) a mortgagee; or
- (c) the person is a corporation and the corporation sold the corporation’s interest in the residential property to a related body corporate; or
- (d) the interest in the residential property is sold under a court order.

(3) In this section—

“related body corporate” means a related body corporate under the Corporations Law.

Division 2—Licences

What a property developer’s licence authorises

262.(1) A property developer’s licence authorises the holder of the licence (“**property developer**”) to perform the following activities—

- (a) to complete more than 6 residential property sales in any 12 month period;
- (b) to market residential property in which the property developer has an interest of at least 15%.

(2) A person who completes more than 6 residential property sales in any 12 month period is taken to conduct the business of a property developer.

(3) A property developer may conduct the business of a property developer, either alone or with others.

What a property developer director’s licence authorises

263. A property developer director’s licence authorises the holder of the licence (“**property developer director**”) to conduct the business of a stated property developer that is a corporation at a stated place.

Division 3—Responsibilities of persons in charge of a licensee’s business for salespersons

Responsibility for acts and omissions of salespersons

264.(1) A property developer must take reasonable steps to ensure each property developer salesperson employed by the developer is properly supervised, acts only within the scope of the salesperson’s employment authority under section 265 and complies with this Act.

(2) A property developer who fails to comply with subsection (1) is liable to disciplinary action under chapter 14, part 3.⁹¹

⁹¹ Chapter 14 (Claims against the fund and other proceedings), part 3 (Disciplinary proceedings)

Property developer must give salespersons employment authority

265. Immediately after a property developer starts to employ a property developer salesperson, the developer must give the salesperson a statement (“**employment authority**”) clearly specifying the activities of a property developer the salesperson is authorised by the developer to perform for the developer during the salesperson’s employment by the developer.

Maximum penalty—200 penalty units.

PART 2—CONDUCT PROVISIONS*Division 1—Carrying on business***Carrying on business under property developer’s licence**

266. An individual who conducts the business of a property developer with others is not required to hold a property developer’s licence if—

- (a) at least 1 of the persons with whom the individual conducts the business is a property developer; and
- (b) the individual does not perform the activities of a property developer; and
- (c) the individual is a suitable person to hold a licence.

Licensee or salesperson to be in charge of a property developer’s business at a place

267.(1) A property developer who is an individual must—

- (a) be in charge of the developer’s business at the developer’s registered office;⁹² and
- (b) if the developer has more than 1 place of business, ensure that at each other place of business a property developer salesperson is in

⁹² See section 271 (Registered office).

charge of the developer's business at the place.

Maximum penalty—200 penalty units.

(2) A property developer that is a corporation (“**corporate developer**”) must ensure that—

- (a) the person in charge of the corporate developer's business at its registered office is a property developer director of the corporate developer; and
- (b) if the corporate developer has more than 1 place of business, at each other place of business a property developer director or property developer salesperson is in charge of the corporate developer's business.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁹³—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

(3) An individual must not be in charge of a property developer's business at more than 1 place.

Maximum penalty—200 penalty units.

Division 2—Disclosure of interest

Disclosures to prospective buyer

268.(1) A property developer marketing residential property must disclose the following to any prospective buyer of the property—

- (a) that the property developer holds an interest of at least 15% in the property;
- (b) any relationship, and the nature of the relationship (whether personal or commercial), the property developer has with anyone to whom the developer refers the buyer for professional services associated with the sale;

⁹³ Section 591 (Executive officers must ensure corporation complies with Act)

Examples of relationships for paragraph (b)—

1. A family relationship.
 2. A business relationship, other than a casual business relationship.
 3. A fiduciary relationship.
 4. A relationship in which 1 person is accustomed, or obliged, to act in accordance with the directions, instructions, or wishes of the other.
- (c) whether the property developer derives or expects to derive any consideration or benefit, whether monetary or otherwise, from a person to whom the developer has referred the buyer and, if so, the amount, value or nature of the consideration or benefit.

Maximum penalty—200 penalty units.

- (2) The disclosure is effective for subsection (1) only if it is—
- (a) given to the prospective buyer in the approved form; and
 - (b) acknowledged by the prospective buyer in writing on the approved form; and
 - (c) given and acknowledged before a contract for the sale of the residential property is entered into.

Division 3—Code of conduct

Code of conduct

269. A regulation may prescribe a code of conduct about property developer practice that may include the following—

- (a) setting conduct standards for property developers and property developer salespersons;
- (b) establishing principles for fair trading;
- (c) providing for a system of complaint resolution.

Complaints about conduct

270.(1) A person aggrieved by the conduct of a property developer or property developer salesperson may complain in writing to the chief

executive about the conduct.

(2) The chief executive may investigate the complaint and, if satisfied that the code of conduct has been breached, take the action about the conduct allowed under this Act.

Note—

Breach of a code of conduct is a ground for starting disciplinary proceedings under section 496 (Grounds for starting disciplinary proceedings).

(3) The investigation may take place and action may be taken against a person who was a property developer or property developer salesperson even though the person is no longer a property developer or property developer salesperson.

PART 3—GENERAL

Registered office

271. A property developer's "**registered office**" is—

- (a) the place the developer specifies in the developer's application for a property developer's licence as the developer's principal place of business; or
- (b) another place notified to the chief executive by the developer in the approved form as the developer's principal place of business.

Property developer must notify chief executive of change in place of business etc.

272. A property developer who is a principal licensee must—

- (a) notify the chief executive in the approved form of any change in the developer's principal place of business within 14 days after the change; and
- (b) notify the chief executive in the approved form of the closure of any place where the developer carries on business within 14 days after the closure; and

- (c) notify the chief executive in the approved form of the opening of any place where the developer carries on business within 14 days after the opening.

Maximum penalty—200 penalty units.

Display and publication of licensee's name

273.(1) A property developer must display at each place the developer carries on business, in the way that may be prescribed under a regulation—

- (a) the developer's name; and
- (b) if the developer is not the person in charge of the developer's business at the place, the name of the property developer director or property developer salesperson who is in charge at the place; and
- (c) the other particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

(2) A property developer must not publish, or permit to be published, in a newspaper or elsewhere an advertisement for the developer's business without stating in the advertisement the particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

Principal licensee must keep employment register

274.(1) A property developer must keep a register (“**employment register**”) at the developer's registered office.

Maximum penalty—200 penalty units.

(2) The property developer must enter, and keep entered, in the employment register—

- (a) the name, and the other particulars that may be prescribed under a regulation, of each person who is employed by the property developer as a property developer salesperson; and
- (b) the activities the salesperson is authorised to perform for the developer during the salesperson's employment by the developer.

Maximum penalty—200 penalty units.

Note—

The property developer must give the salesperson a statement under section 265 (Property developer must give salespersons employment authority) clearly specifying the salesperson's activities.

(3) The property developer must—

- (a) enter the particulars about each salesperson, and the activities the salesperson is authorised to perform, immediately after the salesperson is employed by the property developer; and
- (b) if there is a change in an salesperson's particulars or activities, correct the entry in the way prescribed under a regulation immediately after the change.

Maximum penalty—200 penalty units.

(4) The form of the register may be prescribed under a regulation.

PART 4—OFFENCES

Acting and marketing offences

275.(1) A person must not complete more than 6 residential property sales within any 12 month period unless the person holds a property developer's licence.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A property developer who markets residential property in which the property developer has an interest of less than 15% commits an offence.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) A property developer does not contravene subsection (2) if the property developer's interest in the property—

- (a) is held as—
 - (i) a personal representative; or
 - (ii) an administrator under the *Guardianship and Administration*

Act 2000; or

(iii) a beneficiary in, or a trustee of, a deceased person's estate; or

(iv) a mortgagee; or

(b) is sold under a court order.

Pretending to be property developer salesperson

276. A person must not hold out that the person is a property developer salesperson unless the person holds a registration certificate as a property developer salesperson.

Maximum penalty—200 penalty units.

Production of licence

277. A property developer must, if asked by a person with whom the developer is dealing, produce the developer's licence for inspection by the person.

Maximum penalty—100 penalty units.

Employment of persons in property developer's business

278.(1) A property developer must not employ, as a property developer salesperson, a person the property developer knows, or ought to know, does not hold a registration certificate as a property developer salesperson.

Maximum penalty—200 penalty units.

(2) An individual property developer must not employ, as a property developer salesperson for the business, himself or herself or another individual with whom the property developer carries on business as a property developer.

Maximum penalty—200 penalty units.

(3) A property developer that is a corporation and carries on business as a property developer must not employ an executive officer of the corporation as a property developer salesperson for the business.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁹⁴—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

CHAPTER 9—MOTOR DEALERS

PART 1—MOTOR DEALER’S AUTHORISATION AND RESPONSIBILITIES

Division 1—Motor dealer’s licence

What a motor dealer’s licence authorises

279.(1) A motor dealer’s licence authorises the holder of the licence (“**motor dealer**”) to perform the following activities in the carrying on of a business of motor dealing—

- (a) to acquire, primarily for resale, used motor vehicles;
- (b) to sell used motor vehicles;
- (c) to sell used motor vehicles on consignment as an agent for others for reward;
- (d) to sell a leased motor vehicle to the lessee under the terms of the lease;
- (e) to acquire used motor vehicles, whether or not as complete units, primarily to break-up for sale as parts or to assemble for sale as complete units or as parts;
- (f) to sell used motor vehicles mentioned in paragraph (e) as complete units or as parts;
- (g) to negotiate, under a consultancy arrangement, for a person who

⁹⁴ Section 591 (Executive officers must ensure corporation complies with Act)

is not a motor dealer or auctioneer for the purchase or sale of a used motor vehicle for the person.

(2) A motor dealer may perform the activities as an employee of another motor dealer who carries on the business of motor dealing.

(3) In this section—

“business of motor dealing” does not include the business of a financier.

“consultancy arrangement”, for the purchase or sale of a used motor vehicle, means an arrangement under which a person advises someone else—

- (a) where or from whom the other person can buy a used motor vehicle; or
- (b) where or to whom the other person can sell a used motor vehicle.

***Division 2—Responsibilities of persons in charge of a licensee’s
business for motor salespersons***

Responsibility for acts and omissions of motor salespersons

280.(1) A motor dealer who is a principal licensee must take reasonable steps to ensure each motor salesperson employed by the dealer is properly supervised, acts only within the scope of the salesperson’s employment authority under section 281 and complies with this Act.

(2) A motor dealer who is an employed licensee in charge of a licensee’s business at a place of business must take reasonable steps to ensure each motor salesperson employed at the place is properly supervised, acts only within the scope of the salesperson’s employment authority under section 281 and complies with this Act.

(3) A motor dealer who fails to comply with subsection (1) or (2) is liable to disciplinary action under chapter 14, part 3.⁹⁵

⁹⁵ Chapter 14 (Claims against the fund and other proceedings), part 3 (Disciplinary proceedings)

Motor dealer must give salespersons employment authority

281. Immediately after a motor dealer starts to employ a motor salesperson, the dealer must give the salesperson a statement (“**employment authority**”) clearly specifying the activities of a motor dealer the salesperson is authorised by the dealer to perform for the dealer during the salesperson’s employment by the dealer.

Maximum penalty—200 penalty units.

PART 2—CONDUCT PROVISIONS*Division 1—Carrying on business***Carrying on of business under motor dealer’s licence**

282. An individual who carries on the business of a motor dealer with others is not required to hold a motor dealer’s licence if—

- (a) at least 1 of the persons with whom the individual carries on business is a motor dealer; and
- (b) the individual does not perform the activities of a motor dealer; and
- (c) the individual is a suitable person to hold a licence.

Licensee to be in charge of motor dealer’s business at a place

283.(1) A motor dealer who is an individual and a principal licensee must—

- (a) be in charge of the motor dealer’s business at the dealer’s registered office;⁹⁶ and
- (b) if the motor dealer has more than 1 place of business, ensure that at each other place of business a motor dealer who is an individual

⁹⁶ See section 326 (Registered office).

is in charge of the dealer's business at the place.

Maximum penalty—200 penalty units.

(2) A motor dealer that is a corporation and a principal licensee (“**corporate dealer**”) must ensure that—

- (a) the individual in charge of the corporate dealer's business at its registered office is a motor dealer; and
- (b) if the corporate dealer has more than 1 place of business, at each other place of business an individual who is a motor dealer is in charge of the corporate dealer's business at the place.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591⁹⁷—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

(3) An individual must not be in charge of a motor dealer's business at more than 1 place.

Maximum penalty—200 penalty units.

Division 2—Consignment selling

Appointment—sale on consignment

284.(1) A motor dealer who is asked by a person (“**client**”) to sell the client's motor vehicle on consignment must not act for the client unless the client first appoints the motor dealer in writing under this section.

Maximum penalty—200 penalty units.

(2) The appointment may be for the performance of—

- (a) a particular service (“**single appointment**”); or
- (b) a number of services over a period (“**continuing appointment**”).

(3) The appointment must—

⁹⁷ Section 591 (Executive officers must ensure corporation complies with Act)

- (a) state the term of the appointment; and
 - (b) state the service to be performed by the motor dealer and how it is to be performed; and
 - (c) state—
 - (i) the fees, charges and any commission payable for the service; and
 - (ii) the expenses, including advertising expenses and the costs of preparing the vehicle for sale, the motor dealer is authorised to incur in connection with—
 - (A) for a single appointment—the performance of the service; or
 - (B) for a continuing appointment—the performance of each service or category of service; and
 - (iii) the source and the estimated amount or value of any rebate, discount, commission or benefit that the motor dealer may receive in relation to any expenses the motor dealer is authorised to incur in connection with the performance of the service; and
 - (iv) any condition, limitation or restriction on the performance of the service; and
 - (d) state when the fees, charges and any commission for the service become payable.
- (4)** A continuing appointment must state—
- (a) the date the appointment ends; and
 - (b) the appointment may be revoked on the giving of 90 days notice, or some lesser period (not less than 30 days) agreed by the parties.
- (5)** The notice revoking a continuing appointment must be by signed writing given to the other party.
- (6)** The appointment must be signed and dated by the client and the motor dealer or someone authorised or apparently authorised to sign for the dealer.

(7) The motor dealer must give a copy of the signed appointment to the client.

Maximum penalty—200 penalty units.

(8) If an appointment under this section authorises a sale by auction, an appointment under section 210⁹⁸ is not required.

Form of appointment

285.(1) The appointment must be in the approved form.

(2) The approved form must include a prominent statement that the client should seek independent legal advice before signing the appointment.

(3) An appointment that does not comply with subsection (1) is ineffective from the time it is made.

Trade-ins

286.(1) A motor dealer must not accept a trade-in from the buyer of a motor vehicle being sold on consignment.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(2) However, the motor dealer does not contravene subsection (1) if the dealer purchases the property offered as a trade-in as part of a separate transaction between the dealer and the buyer.

Division 3—Recovery of reward or expense

Commission may be claimed only in relation to actual amounts

287.(1) This section applies to a motor dealer who sells a motor vehicle on consignment for the payment of a commission.

(2) The motor dealer must not claim commission worked out on an amount that is more than the actual sale price of the vehicle.

Maximum penalty—200 penalty units.

⁹⁸ Section 210 (Appointment of auctioneer—general)

Restriction on remedy for reward or expense

288. A person is not entitled to sue for, or recover or retain, a reward or expense for a sale of a motor vehicle on consignment unless, at the time the sale happened, the person—

- (a) held a motor dealer's licence; and
- (b) was authorised under the person's licence to sell motor vehicles on consignment; and
- (c) had been properly appointed under division 2⁹⁹ by the person to be charged with the reward or expense.

Excess commission etc. to be repaid

289.(1) This section applies if—

- (a) a person is convicted of an offence against section 287(2);¹⁰⁰ and
- (b) the court convicting the person is satisfied on the balance of probabilities that the person, in connection with the offence, has recovered or retained from someone ("**client**") for whom the person performed an activity an amount to which the person was not entitled.

(2) The court must order the person to pay the amount to the client.

(3) The order must be made whether or not any penalty is imposed on the conviction.

(4) The client may file the order in a court having jurisdiction for the recovery of a debt of an equal amount and the order may be enforced as if it were a judgment of that court.

⁹⁹ Division 2 (Consignment selling)

¹⁰⁰ Section 287 (Commission may be claimed only in relation to actual amounts)

Division 4—Interests in property**Definition for div 4**

290. In this division—

“**obtain**” includes being in any way concerned in obtaining.

Beneficial interest—options

291.(1) A motor dealer commits an offence if the dealer obtains from the owner of a used motor vehicle, other than another motor dealer, an option to purchase the vehicle in which the dealer has a beneficial interest.

Maximum penalty—200 penalty units or 3 years imprisonment.

(2) A motor salesperson commits an offence if the salesperson obtains from the owner of a used motor vehicle, other than a motor dealer, an option to purchase the vehicle in which the salesperson has a beneficial interest.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) A motor dealer must not sell a motor vehicle if the motor dealer has a beneficial interest in an option to purchase the vehicle, other than an option to purchase given by another motor dealer.

Maximum penalty—200 penalty units or 3 years imprisonment.

Beneficial interest—other than options

292.(1) This section applies to a motor vehicle placed by a person (“**client**”) with a motor dealer for sale on consignment, but does not apply if section 291 applies.

(2) The motor dealer commits an offence if the motor dealer obtains a beneficial interest in the vehicle.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) A motor salesperson employed by the motor dealer commits an offence if the salesperson obtains a beneficial interest in the vehicle.

Maximum penalty—200 penalty units or 3 years imprisonment.

- (4) A person does not contravene subsection (2) or (3) if—
- (a) the person—
 - (i) before a contract for the sale of the motor vehicle is entered into, obtains the client's written acknowledgment in the approved form that the client—
 - (A) is aware that the person is interested in obtaining a beneficial interest in the motor vehicle; and
 - (B) consents to the person obtaining the interest; and
 - (ii) acts fairly and honestly in relation to the sale; and
 - (b) no commission or other reward is payable in relation to the sale; and
 - (c) the client is in substantially as good a position as the client would be if the motor vehicle were sold at fair market value.

Division 5—Code of conduct

Code of conduct

293. A regulation may prescribe a code of conduct about motor dealing practice that may include the following—

- (a) setting conduct standards for motor dealers, employed licensees and motor salespersons;
- (b) establishing principles for fair trading;
- (c) providing for a system of complaint resolution.

Complaints about conduct

294.(1) A person aggrieved by the conduct of a motor dealer or motor salesperson may complain in writing to the chief executive about the conduct.

(2) The chief executive may investigate the complaint and, if satisfied that the code of conduct has been breached, take the action in relation to the conduct allowed under this Act.

Note—

Breach of a code of conduct is a ground for starting disciplinary proceedings under section 496 (Grounds for starting disciplinary proceedings).

(3) The investigation may take place and action may be taken against a person who was a motor dealer or motor salesperson even though the person complained about is no longer a motor dealer or motor salesperson.

PART 3—GUARANTEE OF TITLE FOR MOTOR VEHICLES

Guarantee of title for motor vehicles

295.(1) This section applies if a used motor vehicle is to be sold by or for a motor dealer (“**selling agent**”) to someone else (“**buyer**”), other than by auction.

Note—

If the sale is by auction, section 233 (Guarantee of title for motor vehicles) applies.

(2) The following person (the “**responsible motor dealer**”) must ensure the buyer gains clear title to the motor vehicle at the time property in the vehicle passes to the buyer—

- (a) if the selling agent owns the motor vehicle or is appointed to sell the vehicle on consignment for someone other than another motor dealer or auctioneer—the selling agent;
- (b) if the selling agent is selling the motor vehicle for another motor dealer or auctioneer—the other motor dealer or auctioneer for whom the selling agent is selling the vehicle.

Maximum penalty—200 penalty units.

(3) In a proceeding for an offence against subsection (2), it is a defence for the defendant to prove that the defendant took all reasonable steps to ensure subsection (2) was complied with.

(4) The selling agent must, immediately after property in the vehicle

passes to the buyer—

- (a) give the buyer a security interest certificate for the vehicle issued on the day property passes; and
- (b) give the buyer an approved form stating—
 - (i) particulars about the vehicle, including its odometer reading at the time property passes; and
 - (ii) the responsible motor dealer guarantees the buyer gains clear title to the vehicle at the time property passes; and
 - (iii) any other particulars prescribed under a regulation; and
- (c) ask the buyer to sign an approved form acknowledging receipt of the documents mentioned in paragraphs (a) and (b); and
- (d) give the original of the form mentioned in paragraph (b) to the buyer and keep a copy of the form.

Maximum penalty—200 penalty units.

(5) The selling agent may charge the buyer an amount for the provision of the security interest certificate not greater than the amount prescribed under a regulation.

(6) A selling agent who charges a buyer an amount for providing the security interest certificate that is more than the amount prescribed commits an offence.

Maximum penalty—200 penalty units.

(7) A proceeding against a motor dealer or auctioneer for an offence against this section does not affect any civil liability of any person, including the motor dealer or auctioneer, arising out of the same facts that constitute the offence.

(8) In this section—

“sold” includes sold on consignment.

PART 4—COOLING-OFF PERIOD

Definitions for pt 4

296. In this part—

“**business day**”, for a motor dealer, means a day, other than a Sunday or public holiday, when the motor dealer’s place of business is open for business.

“**cooling-off period**” see section 297.

“**non-refundable deposit**” see sections 304(1) and 305(1).

“**used motor vehicle**” does not include—

- (a) an unregistered motor vehicle—
 - (i) that is incapable of being registered in Queensland because of its design; or
 - (ii) intended to be used for wrecking or dismantling; or
- (b) a commercial vehicle; or
- (c) a caravan.

Meaning of “cooling-off period”

297.(1) The “**cooling-off period**” for the purchase of a used motor vehicle from a motor dealer starts on the day a contract for the purchase of the vehicle is enforceable against the motor dealer.

(2) The “**cooling-off period**” for the purchase of a used motor vehicle ends—

- (a) if the motor dealer’s actual close of business on the motor dealer’s next business day is 5 p.m. or later—at the time of the motor dealer’s actual close of business on that business day; or

Example 1—

Assume the contract is entered into on Friday and is immediately enforceable. Assume also the cooling-off period is not affected by public holidays and that, on each day the motor dealer is open for business, the motor dealer’s actual close of business is not before 5 p.m. The cooling-off period ends at the time of the motor dealer’s actual close of business on

the following Saturday.

Example 2—

Assume the contract is entered into on Friday afternoon, but is conditional on a prior contract to purchase the vehicle not being proceeded with by 5 p.m. Saturday. Assume that the prior contract is avoided at 4 p.m. Saturday. Assume also the cooling-off period is not affected by public holidays and that, on each day the motor dealer is open for business, the motor dealer's actual close of business is not before 5 p.m. The cooling-off period ends at the time of the motor dealer's actual close of business on the following Monday.

- (b) if the motor dealer's actual close of business on the motor dealer's next business day is earlier than 5 p.m.—at the time of the motor dealer's usual close of business on the business day immediately following the next business day; or

Example—

Assume the contract is entered into on Tuesday and the motor dealer closes for business on Wednesday at 1 p.m. Assume also the cooling-off period is not affected by public holidays and that the contract is immediately enforceable. The cooling-off period ends at the time of the motor dealer's usual close of business on the following Thursday.

- (c) at any earlier time the person contracting for the purchase of the vehicle (“**buyer**”) takes physical possession of the vehicle for a purpose other than—
 - (i) a vehicle inspection; or
 - (ii) a test drive.

Application of pt 4

298.(1) This part applies to sales of used motor vehicles by motor dealers.

(2) However, this part does not apply to any of the following sales of used motor vehicles by a motor dealer—

- (a) a sale by auction;
- (b) a sale on consignment, unless the owner of the vehicle is a motor dealer or auctioneer;
- (c) a sale to another motor dealer.

Particular vehicles for sale on consignment to be identified as not being subject to cooling-off period

299.(1) A motor dealer must not advertise or display for sale a motor vehicle for sale on consignment unless it is advertised or displayed for sale as a vehicle that is not subject to a cooling-off period in the way provided under a regulation.

Maximum penalty—100 penalty units.

(2) Subsection (1) does not apply to a sale on consignment of a motor vehicle owned by a motor dealer or auctioneer.

Notice to be given about used motor vehicle—no prior contract

300.(1) This section applies if a used motor vehicle is not subject to any prior contract with a prospective buyer for its sale.

(2) A motor dealer must give to the prospective buyer of the vehicle a written statement in the approved form under this section.

Maximum penalty—200 penalty units.

(3) The statement must include the following—

- (a) the motor vehicle, clearly identified, to which the statement relates;
- (b) the names and addresses of the motor dealer and prospective buyer;
- (c) a clear statement, in the way prescribed under a regulation, that the prospective buyer may avoid any contract for the purchase of the vehicle from the motor dealer during the cooling-off period;
- (d) the day and time when the statement is given;
- (e) the day and time the cooling-off period ends;
- (f) the amount of non-refundable deposit forfeited by the prospective buyer if the buyer avoids the contract;
- (g) any other thing prescribed under a regulation.

(4) The statement must be signed and dated by the prospective buyer and the motor dealer or someone authorised or apparently authorised to sign for the motor dealer.

(5) The motor dealer or authorised person must give the original of the statement to the prospective buyer immediately before the buyer signs any contract for the purchase of the vehicle.

Maximum penalty—200 penalty units.

(6) The motor dealer must keep a copy of the statement and make it available for immediate inspection by an inspector who asks to see it.

Maximum penalty—100 penalty units.

Option to purchase during cooling-off period

301.(1) This section applies if a used motor vehicle is subject to a prior contract with a prospective buyer that is not immediately enforceable.

(2) The motor dealer may give not more than 1 other person (“**option holder**”) an option to purchase the vehicle even though the vehicle is subject to a prior contract.

(3) If the motor dealer gives an option to purchase the motor vehicle to someone else while an option to purchase is still current, the dealer commits an offence.

Maximum penalty—100 penalty units.

(4) The motor dealer must give the option holder a written statement in the approved form under this section.

Maximum penalty—200 penalty units.

(5) The statement must include the following—

- (a) the motor vehicle, clearly identified, to which the statement relates;
- (b) the names and addresses of the motor dealer and option holder;
- (c) the option to purchase is conditional on a prior contract for the sale of the vehicle being avoided by the buyer under the prior contract;
- (d) the option holder has no legally enforceable rights under the option to purchase the vehicle, unless the prior contract is avoided;
- (e) when the option holder may exercise the holder’s rights under the option;

- (f) the day and time when the statement is given;
- (g) the amount of non-refundable deposit forfeited by the option holder if the holder declines to enter into a contract for the purchase of the vehicle for any reason other than because the prior contract was not avoided;
- (h) any other thing prescribed under a regulation.

(6) The statement must be signed and dated by the option holder and the motor dealer or someone authorised or apparently authorised to sign for the motor dealer.

(7) The motor dealer or authorised person must give the statement to the option holder immediately before the option holder signs the option to purchase the vehicle.

Maximum penalty—200 penalty units.

(8) The motor dealer must keep a copy of the statement and make it available for immediate inspection by an inspector who asks to see it.

Maximum penalty—100 penalty units.

Buyer's rights if notice not given or materially defective

302.(1) This section applies if a person (“**buyer**”) has purchased a used motor vehicle and—

- (a) the buyer has not been given the statement under section 300; or
- (b) the statement has been given to the buyer, but the statement is defective in a material particular.

(2) The buyer, by written notice given to the motor dealer, may avoid the contract for the sale of the used motor vehicle.

(3) The notice must be given to the motor dealer within 7 days after the day property in the vehicle passes to the buyer.

(4) If the contract is avoided under this section, the motor dealer—

- (a) must do everything in the motor dealer's power to return the buyer to the position the buyer was in before the vehicle was purchased; or
- (b) if the buyer can not be returned to that position, is liable for any

financial loss suffered by the buyer because the buyer can not be returned to that position.

Contract must contain cooling-off clause

303.(1) A contract for the sale of a used motor vehicle by a motor dealer must contain a clause clearly headed 'COOLING-OFF PERIOD' stating the following—

- (a) the day and time the cooling-off period starts;
- (b) the day and time the cooling-off period ends;
- (c) property in the motor vehicle does not pass to the buyer until the end of the cooling-off period, unless the buyer takes physical possession of the vehicle for a purpose other than—
 - (i) a vehicle inspection; or
 - (ii) a test drive;
- (d) the buyer or the buyer's agent may possess the vehicle during the cooling-off period, but only for the purpose of having the vehicle independently inspected or test driving the vehicle;
- (e) the buyer may avoid the contract at any time during the cooling-off period by giving written notice to that effect to the dealer in accordance with this Act;
- (f) the amount of any non-refundable deposit paid by the buyer if the contract is avoided during the cooling-off period;
- (g) if the contract is avoided during the cooling-off period, the motor dealer must return to the buyer—
 - (i) any trade-in vehicle offered by the buyer that the motor dealer has taken possession of; and
 - (ii) any deposit paid by the buyer, less the amount of non-refundable deposit.

(2) If the contract does not comply with subsection (1), the buyer, by written notice given to the motor dealer, may avoid the contract for the sale of the used motor vehicle.

(3) The notice must be given to the motor dealer within 7 days after the day property in the vehicle passes to the buyer.

Consideration for cooling-off period

304.(1) The consideration payable for the cooling-off period for the purchase of a used motor vehicle (the “**non-refundable deposit**”) is the amount prescribed or worked out under a regulation.

(2) The non-refundable deposit may be paid as the deposit or part of the deposit for the vehicle.

(3) If the contract is not avoided during the cooling-off period, the non-refundable deposit must be deducted from the purchase price of the vehicle.

(4) If a deposit is paid in relation to the vehicle—

- (a) if the amount of the deposit is more than the amount of the non-refundable deposit—the deposit is taken to include the non-refundable deposit; or
- (b) if the amount of the deposit is equal to or less than the amount of the non-refundable deposit—the deposit is taken to be the non-refundable deposit.

(5) If no deposit is paid in relation to the vehicle, the motor dealer is taken to have waived the payment of the non-refundable deposit.

Consideration for option

305.(1) The consideration payable for an option for the purchase of a used motor vehicle (also a “**non-refundable deposit**”) under section 301 is the amount prescribed or worked out under a regulation.

(2) If the option holder declines to enter into a contract for the purchase of the vehicle for any reason other than because the prior contract was not avoided, the amount of non-refundable deposit is forfeited by the option holder.

(3) If the option holder enters into a contract for the purchase of the vehicle, the amount of non-refundable deposit paid for the option is taken to be the non-refundable deposit for the cooling-off period.

(4) If no consideration is paid in relation to the option—

- (a) the motor dealer is taken to have waived the payment of the non-refundable deposit for the option; and
- (b) the option is enforceable by the option holder against the motor

dealer despite the absence of consideration.

Harassment or coercion

306. A motor dealer or other person must not harass or coerce a person for the purpose of dissuading or preventing the person from exercising a right conferred on the person by this part.

Maximum penalty—200 penalty units or 2 years imprisonment.

Property does not pass during cooling-off period

307.(1) Property in a used motor vehicle subject to a cooling-off period does not pass to the buyer of the vehicle until the end of the cooling-off period.

(2) Property in a motor vehicle offered to the motor dealer as a trade-in does not pass to the dealer until the end of the cooling-off period.

(3) A deposit, other than a non-refundable deposit, given to a motor dealer by a buyer of a used motor vehicle from the dealer remains the property of the buyer until the end of the cooling-off period.

Buyer may avoid contract during cooling-off period

308. The buyer of a used motor vehicle may avoid the contract to purchase the vehicle during the cooling-off period.

Procedure for avoidance

309.(1) A buyer of a used motor vehicle who wishes to avoid the contract to purchase the vehicle must give the motor dealer or a person apparently working for the motor dealer at the motor dealer's place of business a written notice indicating that the buyer terminates the contract.

(2) The notice must be given before the cooling-off period ends.

(3) Subsection (1) does not limit the *Acts Interpretation Act 1954*, part 10.¹⁰¹

¹⁰¹ *Acts Interpretation Act 1954*, part 10 (Service of documents)

What happens when contract avoided

310.(1) Notice given under section 309 brings the contract, and any related contract, to an end.

(2) If the motor dealer to whom notice is given has given an option to purchase the motor vehicle to an option holder under section 301,¹⁰² the motor dealer must immediately advise the option holder that—

- (a) the prior contract has been avoided; and
- (b) a contract to purchase the vehicle must be entered into before the end of the motor dealer's next business day or any non-refundable deposit is forfeited.

(3) In this section—

“related contract” includes—

- (a) a contract about the provision of finance to purchase the vehicle; and
- (b) a contract of insurance for the vehicle.

Consideration for used motor vehicle during cooling-off period

311.(1) A motor dealer may accept a trade-in or other consideration from a buyer of a used motor vehicle before the end of the cooling-off period.

(2) However, the motor dealer must not deal in the trade-in or other consideration during the cooling-off period.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(3) The motor dealer must return the trade-in or other consideration immediately to the buyer, at no cost to the buyer, if the buyer avoids the contract under section 309.¹⁰³

Maximum penalty—200 penalty units or 1 year's imprisonment.

(4) Subsection (3) does not require the return to the buyer of any non-refundable deposit paid as consideration for the cooling-off period.

¹⁰² Section 301 (Option to purchase during cooling-off period)

¹⁰³ Section 309 (Procedure for avoidance)

PART 5—STATUTORY WARRANTY

Definitions for pt 5

312. In this part—

“**defect**” see section 313.

“**defect notice**” see section 320(1).

“**motor dealer**”, for the sale of used motor vehicles, includes a person carrying on the business of a motor dealer without a licence.

“**repair period**” see section 323(2).

“**statutory warranty**” means the warranty under section 318.

“**warrantor**”, of a warranted vehicle, means the motor dealer who owns the vehicle immediately before property in the vehicle passes to the buyer of the vehicle.

“**warranty advice**” see section 322(2).

“**warranty period**” see section 314.

Meaning of “defect”

313. A warranted vehicle has a “**defect**” for this part if—

- (a) a part of the vehicle does not perform its intended function; or
- (b) a part of the vehicle has deteriorated to an extent where it can not reasonably be relied on to perform its intended function.

Meaning of “warranty period”

314.(1) The “**warranty period**” of a warranted vehicle starts on the day the vehicle is sold by a motor dealer and ends—

- (a) for a class A warranted vehicle—
 - (i) at 5 p.m. on the first day, other than a Sunday or public holiday, 3 months after the day the vehicle is sold when the motor dealer’s place of business is open for business; or
 - (ii) at the time the vehicle travels 5 000 km after it is sold;

whichever happens first; or

(b) for a class B warranted vehicle—

(i) at 5 p.m. on the first day, other than a Sunday or public holiday, 1 month after the day the vehicle is sold when the motor dealer's place of business is open for business; or

(ii) at the time the vehicle travels 1 000 km after it is sold;

whichever happens first.

(2) The period mentioned in subsection (1)(a) or (b) is extended by 1 day for each day or part of a day a warranted vehicle is not in the possession of the buyer of the vehicle if—

(a) the buyer has complied with section 320(1);¹⁰⁴ and

(b) a defect in the vehicle is being repaired by, or at the direction of, the warrantor of the vehicle under the statutory warranty.

(3) For this section, a warranted vehicle is “**sold**” when property in the vehicle passes from the seller of the vehicle to the buyer of the vehicle.

Application of pt 5

315.(1) This part applies to each warranted vehicle sold by a motor dealer as owner of the vehicle or on consignment for another motor dealer or auctioneer.

(2) This part does not apply to the sale of a motor vehicle by a motor dealer—

(a) to another motor dealer or an auctioneer; or

(b) on consignment for a person who is not an auctioneer or motor dealer.

Particular vehicles without statutory warranty to be identified when offered for sale

316. An unwarranted vehicle may be advertised or displayed for sale only if it is advertised or displayed for sale, in the way provided under a

¹⁰⁴ Section 320 (Buyer's obligations under statutory warranty)

regulation, as a vehicle that does not have a statutory warranty.

Maximum penalty—100 penalty units.

Buyer to be given notice about statutory warranty

317.(1) A motor dealer must, immediately before the sale of a warranted vehicle, give the buyer of the vehicle a notice in the approved form stating—

- (a) the name, business address and hours of business of the warrantor of the vehicle; and
- (b) the length of the warranty period for the vehicle; and
- (c) defects to which the statutory warranty does not apply.

Maximum penalty—100 penalty units.

(2) A motor dealer must, immediately before the sale of an unwarranted vehicle, give the buyer of the vehicle notice in the approved form that the vehicle does not have a statutory warranty.

Maximum penalty—100 penalty units.

(3) The buyer must acknowledge receipt of a notice given under subsection (1) or (2) by signing a copy of it.

(4) For this section, a warranted vehicle is “**sold**” when property in the vehicle passes from the seller of the vehicle to the buyer of the vehicle.

Statutory warranty

318.(1) The warrantor of a warranted vehicle warrants that—

- (a) the vehicle is free from defects at the time of sale and for the warranty period; and
- (b) defects in the vehicle reported during the warranty period will be repaired by the warrantor free of charge.

(2) In this section—

“**defects**” does not include defects not covered by the statutory warranty.

Defects not covered by statutory warranty

319. The following defects in a warranted vehicle are not covered by the statutory warranty—

- (a) a defect in—
 - (i) a tyre; or
 - (ii) a battery; or
 - (iii) a light; or
 - (iv) a radiator hose; or
 - (v) a vehicle accessory prescribed under a regulation; or
 - (vi) something else prescribed under a regulation;
- (b) a defect in the vehicle’s paintwork or upholstery that should have been apparent on any reasonable inspection of the vehicle before the buyer took delivery;
- (c) a defect after the buyer takes delivery—
 - (i) arising from or incidental to any accidental damage to the vehicle; or
 - (ii) arising from the buyer’s misuse or negligence; or
 - (iii) in an accessory to the vehicle not fitted to the vehicle when sold to the buyer.

Buyer’s obligations under statutory warranty

320.(1) If the buyer of a warranted vehicle believes the vehicle has a defect the warrantor of the vehicle is obliged to repair under this part, the buyer must—

- (a) give the warrantor written notice of the defect (“**defect notice**”) before the end of the warranty period; and
- (b) deliver the warranted vehicle—
 - (i) to the warrantor to repair the defect; or
 - (ii) to someone else nominated by the warrantor by signed writing given to the buyer to repair the defect.

(2) The buyer is taken to deliver the vehicle and the warrantor is taken to have possession of the vehicle if the buyer makes reasonable efforts to deliver the vehicle under this section but is unable to do so because the warrantor, or the person nominated by the warrantor, refuses to accept delivery of the vehicle.

(3) The place of delivery under subsection (1)(b)(ii) must not be more than 20 km from the warrantor's place of business, unless the warrantor and the buyer otherwise agree.

(4) In this section—

“**warrantor**” includes someone apparently working for the warrantor at the warrantor's place of business.

Warrantor to record particulars of extension of warranty period

321. The warrantor must keep a record, in the way prescribed under a regulation, of the day the warranted vehicle is delivered under section 320(1)(b) and the day the vehicle is returned to the buyer.

Maximum penalty—100 penalty units.

Warrantor to advise whether defect covered by statutory warranty

322.(1) This section applies if a defect notice is given, and the vehicle is delivered, under section 320.

(2) The warrantor must advise the buyer in writing (“**warranty advice**”) whether the warrantor accepts or refuses to accept that the defect is covered by the statutory warranty.

(3) If the warrantor fails to give the warranty advice within 5 business days after receiving the defect notice and delivery of the vehicle, the warrantor is taken to have given a warranty advice accepting that the defect is covered by the statutory warranty.

(4) In this section—

“**business day**”, in relation to the giving of a warranty advice by a warrantor, means a day, other than Sunday or a public holiday, when the warrantor's place of business is open for business.

Warrantor's obligation to repair defects

323.(1) If the warrantor accepts that the defect is covered by the statutory warranty, the warrantor must repair the defect at the warrantor's expense.

(2) The warrantor must ensure that the defect is repaired within 14 days after the warrantor accepts that the defect is covered by the statutory warranty (the "**repair period**"), unless the warrantor has a reasonable excuse.

Maximum penalty—200 penalty units.

(3) If the warrantor nominates someone else to repair the vehicle, the warrantor must advise the buyer of the other person's name and the address where the defect is to be repaired.

(4) The warrantor is taken to have repaired the defect if the part of the vehicle affected by the defect is repaired so that it can be reasonably relied on to perform its intended function.

(5) The warrantor's obligation to repair the defect under this section continues even though the warrantor is no longer carrying on the business, or performing the activities, of a motor dealer or auctioneer.

Warrantor's failure to repair

324.(1) This section applies if the warrantor has by warranty advice or otherwise—

- (a) refused to accept that the defect is covered by the statutory warranty; or
- (b) accepted that the defect is covered by the statutory warranty but—
 - (i) failed to repair a defect within the repair period; or
 - (ii) failed to repair the defect so that the defective part can be reasonably relied on to perform its intended function.

(2) The buyer may apply to a small claims tribunal for an order under this section.

(3) A small claims tribunal may, in addition to the orders it is empowered to make under the *Small Claims Tribunals Act 1973*,

section 20,¹⁰⁵ make the following orders—

- (a) an order that the defect is or is not a defect covered by the statutory warranty;
- (b) an order extending the warranty period for the warranted vehicle to a specified date;
- (c) an order declaring the warranted vehicle is covered by the statutory warranty until a specified date.

(4) Also, the tribunal may make an order that the warrantor pay to the buyer a stated amount the tribunal decides is the reasonable cost of having a defect repaired if—

- (a) the warrantor has, by warranty advice or otherwise, refused to accept that the defect is covered by the statutory warranty; and
- (b) the buyer has had the defect repaired by another person; and
- (c) the tribunal decides that the defect was one to which the statutory warranty applied.

(5) The small claims tribunal may make an order under subsection (3)(b) or (c) only if it is satisfied—

- (a) the vehicle was not able to be used by the buyer for a period during the warranty period; and
- (b) the period from which the order is to be effective to the date the warranty period is to end, and the period during which the vehicle was able to be used by the buyer, taken together, are not more than—
 - (i) for a class A warranted vehicle—3 months; or
 - (ii) for a class B warranted vehicle—1 month.

(6) If, after the matter is heard by a small claims tribunal, an order is made by the tribunal in the buyer's favour and the warrantor contravenes the order, the contravention is a ground for starting disciplinary proceedings under section 496.¹⁰⁶

¹⁰⁵ *Small Claims Tribunals Act 1973*, section 20 (Orders of tribunals)

¹⁰⁶ Section 496 (Grounds for starting disciplinary proceedings)

(7) Subsection (6) does not limit any right the buyer may have to enforce the order.

Applications for more than prescribed amount

325.(1) This section applies if—

- (a) an application under section 324 may be made to a small claims tribunal; and
- (b) the application seeks the payment of an amount (“**application amount**”) greater than the prescribed amount.

(2) In a provision of this part about the application—

- (a) a reference to a small claims tribunal is taken to be a reference to a court having jurisdiction for the recovery of a debt equal to the application amount; and
- (b) the provision applies with necessary changes as if the small claims tribunal were the court.

(3) In this section—

“**prescribed amount**” has the meaning given by the *Small Claims Tribunals Act 1973*, section 4.

PART 6—GENERAL

Registered office

326. A motor dealer’s “**registered office**” is—

- (a) for a motor dealer who is a principal licensee—
 - (i) the place the dealer specifies in the dealer’s application for a motor dealer’s licence as the dealer’s principal place of business; or
 - (ii) another place notified to the chief executive by the motor dealer in the approved form as the dealer’s principal place of business; and

- (b) for a motor dealer who is an employed licensee—
 - (i) the place the dealer specifies in the dealer's application for a motor dealer's licence as the dealer's business address; or
 - (ii) another place notified to the chief executive by the dealer in the approved form as the dealer's business address.

Motor dealer must notify chief executive of change in place of business etc.

327.(1) A motor dealer who is a principal licensee must—

- (a) notify the chief executive in the approved form of any change in the dealer's principal place of business within 14 days after the change; and
- (b) notify the chief executive in the approved form of the closure of any place where the dealer carries on business within 14 days after the closure; and
- (c) notify the chief executive in the approved form of the opening of any place where the dealer carries on business within 14 days after the opening.

Maximum penalty—200 penalty units.

(2) A motor dealer who is an employed licensee must notify the chief executive in the approved form of any change in the dealer's business address within 14 days after the change.

Maximum penalty—200 penalty units.

Display and publication of licensee's name

328.(1) A motor dealer who is a principal licensee must display at each place the motor dealer carries on business, in the way that may be prescribed under a regulation—

- (a) the dealer's name; and
- (b) if the dealer is not the person in charge of the dealer's business at the place, the name of the motor dealer who is in charge at the place; and

- (c) the other particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

(2) A motor dealer must not publish in a newspaper or elsewhere an advertisement for the dealer's business without stating in the advertisement the particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

Principal licensee to keep employment register

329.(1) A motor dealer who is a principal licensee must keep a register of employees ("**employment register**") at each place where the licensee carries on business.

Maximum penalty—200 penalty units.

(2) The motor dealer must enter, and keep entered, in the employment register—

- (a) the name, and the other particulars that may be prescribed under a regulation, of each person ("**employee**") who is employed as an employed licensee or motor salesperson at the place; and
- (b) if the employee is a motor salesperson, the activities the salesperson is authorised to perform for the dealer during the salesperson's employment by the motor dealer.

Maximum penalty—200 penalty units.

Note—

The motor dealer must give the salesperson a statement clearly specifying the salesperson's activities under section 281 (Motor dealer must give salespersons employment authority).

(3) The motor dealer must—

- (a) enter the particulars about each employee, and for each motor salesperson, the activities the salesperson is authorised to perform, immediately after the employee is employed at the place; and
- (b) if there is a change in an employee's particulars or activities, correct the entry in the way prescribed under a regulation immediately after the change.

Maximum penalty—200 penalty units.

- (4) The form of the register may be prescribed under a regulation.

Motor dealer to keep transactions register

330.(1) A motor dealer must keep, at each place the motor dealer carries on business, a register of transactions (“**transactions register**”).

Maximum penalty—200 penalty units or 1 year’s imprisonment.

(2) The motor dealer must enter, and keep entered, in the transactions register the particulars that may be prescribed under a regulation for each transaction entered into in the course of business within 24 hours after the transaction is completed.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

- (3) The form of the register may be prescribed under a regulation.

(4) If the register is kept in electronic form, the motor dealer is taken to comply with subsection (1) if information in the register can be accessed electronically and as hard copy from the place of business.

- (5) In this section—

“**motor dealer**”—

- (a) means a motor dealer who is a principal licensee or a person in charge of a licensee’s business at a place; but
- (b) does not include a motor dealer whose licence is conditioned to allow the dealer to perform only the activity of negotiating, under a consultancy arrangement, for a person who is not a motor dealer or auctioneer for the purchase of a motor vehicle for the person.

“**transaction**” means any of the following—

- (a) a sale;
- (b) a purchase;
- (c) accepting a deposit;
- (d) giving an option to purchase;
- (e) accepting a trade-in;

- (f) accepting a motor vehicle for sale on consignment;
- (g) a transfer of a motor vehicle from 1 place of business to another place of business.

Motor dealer to obtain statement from seller of vehicle

331.(1) A motor dealer must, when buying a motor vehicle or accepting a motor vehicle for sale on consignment from a person (“**seller**”) in the course of carrying on the motor dealer’s business, obtain from the seller a statement, signed by the seller, stating the particulars about the seller and the vehicle that may be prescribed under a regulation.

Maximum penalty—200 penalty units.

(2) The motor dealer must—

- (a) keep a copy of the statement at the motor dealer’s place of business; and
- (b) give a copy to the seller; and
- (c) make a copy available for immediate inspection by an inspector who asks to see it.

Maximum penalty—200 penalty units.

(3) This section does not apply if the seller is—

- (a) a financier of the business of the motor dealer; or
- (b) another motor dealer or auctioneer.

Motor dealer to give statement to buyer of vehicle

332.(1) A motor dealer must, when selling a motor vehicle, including when selling on consignment, to a person (“**buyer**”), give to the buyer a statement, signed by the motor dealer, stating the particulars about the vehicle’s owner immediately before the sale and the vehicle that may be prescribed under a regulation.

Maximum penalty—200 penalty units.

(2) The motor dealer must—

- (a) keep a copy of the statement at the motor dealer’s place of

business; and

- (b) give a copy of the statement to the buyer immediately after it is signed; and
- (c) make a copy available for immediate inspection by an inspector who asks to see it.

Maximum penalty—200 penalty units.

(3) Nothing in this section prevents the statement being contained in the contract for sale of the vehicle.

Contract of sale

333.(1) A motor dealer must ensure that a contract for the sale of a motor vehicle by the motor dealer—

- (a) is in writing; and
- (b) contains the particulars that may be prescribed under a regulation in the way prescribed under the regulation.

Maximum penalty—200 penalty units.

(2) The motor dealer must—

- (a) give 1 copy of the contract to each other person signing the contract immediately after it is signed; and
- (b) make a copy available for immediate inspection by an inspector who asks to see it.

Maximum penalty—200 penalty units.

(3) A contract for the sale of a motor vehicle by a motor dealer that is not in writing is not enforceable against the buyer of the motor vehicle.

PART 7—OFFENCES

Acting as motor dealer

334.(1) A person must not carry on the business of a motor dealer unless—

- (a) the person holds a motor dealer’s licence; and
- (b) the activities performed in the carrying on of business as a motor dealer are authorised under the person’s licence.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) Without limiting the ways a person may carry on the business of a motor dealer, a person “**carries on business**” as a motor dealer if the person—

- (a) advertises or notifies or states that the person carries on the business of motor dealing, either generally or in relation to a single transaction; or
- (b) in any way holds out as being ready to carry on the business of motor dealing, either generally or in relation to a single transaction.

(3) This section does not apply to a person who carries on a business that is primarily concerned with the hiring out or leasing of motor vehicles.

Pretending to be motor salesperson

335. A person must not hold out that the person is a motor salesperson unless the person holds a registration certificate as a motor salesperson.

Maximum penalty—200 penalty units.

Motor dealer must not act for more than 1 party

336.(1) A motor dealer must not act for more than 1 party to a transaction.

Maximum penalty—200 penalty units.

- (2)** If the motor dealer acts for more than 1 party to a transaction, an

appointment to act for a party to the transaction is ineffective from the time it is made.

Production of licence

337. A motor dealer must, if asked by a person with whom the dealer is dealing, produce the dealer's licence for inspection by the person.

Maximum penalty—100 penalty units.

Employment of persons in motor dealer business

338.(1) A motor dealer must not employ, as a motor salesperson, a person the motor dealer knows, or ought to know, does not hold a registration certificate as a motor salesperson.

Maximum penalty—200 penalty units.

(2) A principal licensee who is an individual and carries on the business of a motor dealer must not employ, as a registered employee for the business, himself or herself or another individual with whom the principal licensee carries on business as a motor dealer.

Maximum penalty—200 penalty units.

(3) A principal licensee that is a corporation and carries on business as a motor dealer must not employ an executive officer of the corporation as a motor salesperson for the business.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591¹⁰⁷—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

¹⁰⁷ Section 591 (Executive officers must ensure corporation complies with Act)

CHAPTER 10—COMMERCIAL AGENTS

PART 1—COMMERCIAL AGENT'S AUTHORISATION AND RESPONSIBILITIES

Division 1—Commercial agent's licence

What a commercial agent's licence authorises

339.(1) A commercial agent's licence authorises the holder of the licence (“**commercial agent**”) to perform the following activities as an agent for others for reward—

- (a) to find, or repossess, for a person any goods or chattels that the person is entitled to repossess under an agreement;
- (b) to collect, or request payment of, debts;
- (c) to serve any writ, claim, application, summons or other process.

(2) A commercial agent may perform the activities in the carrying on of a business, either alone or with others, or as an employee of someone else.

Division 2—Responsibilities of persons in charge of a licensee's business for commercial subagents

Responsibility for acts and omissions of commercial subagent

340.(1) A commercial agent who is a principal licensee must take reasonable steps to ensure each commercial subagent employed by the agent is properly supervised, acts only within the scope of the subagent's employment authority under section 341 and complies with this Act.

(2) A commercial agent who is an employed licensee in charge of a commercial agent's business at a place must take reasonable steps to ensure each commercial subagent employed at the place is properly supervised, acts only within the scope of the subagent's employment authority under section 341 and complies with this Act.

(3) A commercial agent who fails to comply with subsection (1) or (2) is liable to disciplinary action under chapter 14, part 3.¹⁰⁸

Commercial agent must give commercial subagents employment authority

341. Immediately after a commercial agent starts to employ a commercial subagent, the agent must give the subagent a statement (“**employment authority**”) clearly specifying the activities of a commercial agent the subagent is authorised by the agent to perform for the agent during the subagent’s employment by the agent.

Maximum penalty—200 penalty units.

PART 2—CONDUCT PROVISIONS

Division 1—Carrying on business

Carrying on of business under commercial agent’s licence

342. An individual who carries on the business of a commercial agent with others is not required to hold a commercial agent’s licence if—

- (a) at least 1 of the persons with whom the individual carries on business is a commercial agent; and
- (b) the individual does not perform the activities of a commercial agent; and
- (c) the individual is a suitable person to hold a licence.

Licensee to be in charge of commercial agent’s business at a place

343.(1) A commercial agent who is an individual and a principal licensee

¹⁰⁸ Chapter 14 (Claims against the fund and other proceedings), part 3 (Disciplinary proceedings)

must—

- (a) be in charge of the agent’s business at the agent’s registered office;¹⁰⁹ and
- (b) if the commercial agent has more than 1 place of business, ensure that at each other place of business a commercial agent who is an individual is in charge of the agent’s business at the place.

Maximum penalty—200 penalty units.

(2) A commercial agent that is a corporation and a principal licensee (“**corporate agent**”) must ensure that—

- (a) the individual in charge of the corporate agent’s business at its registered office is a commercial agent; and
- (b) if the corporate agent has more than 1 place of business, at each other place of business an individual who is a commercial agent is in charge of the corporate agent’s business at the place.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591¹¹⁰—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

(3) An individual must not be in charge of a commercial agent’s business at more than 1 place.

Maximum penalty—200 penalty units.

Division 2—Appointment

Appointment of commercial agent

344.(1) A commercial agent who is asked by a person (“**client**”) to perform an activity (“**service**”) for the client must not act for the client unless the client appoints the agent in writing under this section.

¹⁰⁹ See section 350 (Registered office).

¹¹⁰ Section 591 (Executive officers must ensure corporation complies with Act)

Maximum penalty—200 penalty units.

- (2) The appointment may be for the performance of—
- (a) a particular service (“**single appointment**”); or
 - (b) a number of services over a period (“**continuing appointment**”).
- (3) The appointment must—
- (a) state the service to be performed by the commercial agent and how it is to be performed; and
 - (b) state—
 - (i) the fees, charges and any commission payable for the services; and
 - (ii) the expenses, including travelling expenses, the commercial agent is authorised to incur in connection with—
 - (A) for a single appointment—the performance of the service; or
 - (B) for a continuing appointment—the performance of each service or category of service; and
 - (iii) the source and the estimated amount or value of any rebate, discount, commission or benefit that the commercial agent may receive in relation to any expenses the commercial agent is authorised to incur in connection with the performance of the service; and
 - (iv) any condition, limitation or restriction on the performance of the service; and
 - (c) state when the fees, charges and any commission for the service become payable.
- (4) A continuing appointment must state—
- (a) the date the appointment ends; and
 - (b) the appointment may be revoked on the giving of 90 days notice, or some lesser period (not less than 30 days) agreed by the parties.
- (5) The notice revoking a continuing appointment must be by signed

writing given to the other party.

(6) The appointment must be signed and dated by the client and the commercial agent or someone authorised or apparently authorised to sign for the agent.

(7) The commercial agent must give a copy of the signed appointment to the client.

Maximum penalty for subsection (7)—200 penalty units.

Form of appointment

345.(1) The appointment must be in writing and contain any particulars that may be prescribed under a regulation.

(2) An appointment that does not comply with subsection (1) is ineffective from the time it is made.

Division 3—Recovery of expenses and costs

Restriction on remedy for reward or expense

346. A person is not entitled to sue for, or recover or retain, a reward or expense for the performance of an activity as a commercial agent unless, at the time the activity was performed, the person—

- (a) held a commercial agent's licence; and
- (b) was authorised under the person's licence to perform the activity; and
- (c) had been properly appointed under division 2¹¹¹ by the person to be charged with the reward or expense.

Recovery of costs of commercial agent

347.(1) A person must not recover or attempt to recover from a debtor the costs or expenses of a commercial agent for—

¹¹¹ Division 2 (Appointment)

- (a) collecting or attempting to collect a debt owed by the debtor; or
- (b) repossessing or attempting to repossess goods or chattels from the debtor.

Maximum penalty—200 penalty units.

(2) Subsection (1)(b) does not apply to prevent a person who appoints a commercial agent to repossess goods or chattels from a debtor from recovering the commercial agent's costs and expenses if the person has a right under an agreement with the debtor or otherwise to recover the costs or expenses.

(3) Costs or expenses recovered in contravention of subsection (1) may be recovered by the debtor as a debt.

(4) This section applies subject to the Consumer Credit Code.

(5) In this section—

“costs” do not include—

- (a) stamp duty; or
- (b) legal costs fixed by, or payable under, rules of court or a court order.

“debtor” includes a person from whom goods or chattels may be lawfully repossessed.

Division 4—Code of conduct

Code of conduct

348. A regulation may prescribe a code of conduct about commercial agency practice that may include the following—

- (a) setting conduct standards for commercial agents and commercial subagents;
- (b) establishing principles for fair trading;
- (c) providing for a system of complaint resolution.

Complaints about conduct

349.(1) A person aggrieved by the conduct of a commercial agent or commercial subagent may complain in writing to the chief executive about the conduct.

(2) The chief executive may investigate the complaint and, if satisfied that the code of conduct has been breached, take the action in relation to the conduct allowed under this Act.

Note—

Breach of a code of conduct is a ground for starting disciplinary proceedings under section 496 (Grounds for starting disciplinary proceedings).

(3) The investigation may take place and action may be taken against a person who was a commercial agent or commercial subagent even though the person complained about is no longer a commercial agent or commercial subagent.

PART 3—GENERAL

Registered office

350. A commercial agent's "**registered office**" is—

- (a) for a commercial agent who is a principal licensee—
 - (i) the place the agent specifies in the agent's application for a commercial agent's licence as the agent's principal place of business; or
 - (ii) another place notified to the chief executive by the agent in the approved form as the agent's principal place of business; and
- (b) for a commercial agent who is an employed licensee—
 - (i) the place the agent specifies in the agent's application for a commercial agent's licence as the agent's business address; or
 - (ii) another place notified to the chief executive by the agent in

the approved form as the agent's business address.

Commercial agent must notify chief executive of change in place of business etc.

351.(1) A commercial agent who is a principal licensee must—

- (a) notify the chief executive in the approved form of any change in the agent's principal place of business within 14 days after the change; and
- (b) notify the chief executive in the approved form of the closure of any place where the agent carries on business within 14 days after the closure; and
- (c) notify the chief executive in the approved form of the opening of any place where the agent carries on business within 14 days after the opening.

Maximum penalty—200 penalty units.

(2) A commercial agent who is an employed licensee must notify the chief executive in the approved form of any change in the agent's business address within 14 days after the change.

Maximum penalty—200 penalty units.

Display and publication of licensee's name

352.(1) A commercial agent who is a principal licensee must display at each place the commercial agent carries on business, in the way that may be prescribed under a regulation—

- (a) the agent's name; and
- (b) if the agent is not the person in charge of the agent's business at the place, the name of the commercial agent who is in charge of the agent's business at the place; and
- (c) the other particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

(2) A commercial agent must not publish in a newspaper or elsewhere an advertisement for the agent's business without stating in the advertisement

the particulars that may be prescribed under a regulation.

Maximum penalty—100 penalty units.

Principal licensee must keep employment register

353.(1) A commercial agent who is a principal licensee must keep a register (“**employment register**”) at each place where the licensee carries on business.

Maximum penalty—200 penalty units.

(2) The commercial agent must enter, and keep entered, in the employment register—

- (a) the name, and the other particulars that may be prescribed under a regulation, of each person (“**employee**”) who is employed as a commercial agent or commercial subagent at the place; and
- (b) if the employee is a commercial subagent, the activities the subagent is authorised to perform for the agent during the subagent’s employment by the agent.

Maximum penalty—200 penalty units.

Note—

The commercial agent must give the employee a statement clearly specifying the employee’s activities under section 341 (Commercial agent must give commercial subagents employment authority).

(3) The commercial agent must—

- (a) enter the particulars about each employee, and for each commercial subagent, the activities the subagent is authorised to perform, immediately after the employee is employed at the place; and
- (b) if there is a change in an employee’s particulars or activities, correct the entry in the way prescribed under a regulation immediately after the change.

Maximum penalty—200 penalty units.

(4) The form of the register may be prescribed under a regulation.

PART 4—OFFENCES

Acting as commercial agent

354.(1) A person must not, as an agent for someone else for reward, perform an activity that may be done under the authority of a commercial agent's licence unless the person—

- (a) holds a commercial agent's licence and the performance of the activity is authorised under the person's licence; or
- (b) is otherwise permitted under this or another Act to perform the activity.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A person must not act as a commercial agent unless—

- (a) the person holds a commercial agent's licence and the act is done under the authority of the person's licence; or
- (b) the act is otherwise permitted under this or another Act.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) Without limiting the ways a person may act as a commercial agent, a person “acts” as a commercial agent if the person—

- (a) performs an activity mentioned in section 339(1);¹¹² or
- (b) advertises, notifies or states that the person—
 - (i) performs an activity mentioned in section 339(1); or
 - (ii) is willing to perform an activity mentioned in section 339(1);
or
- (c) in any way holds out as being ready to perform an activity mentioned in section 339(1).

(4) However—

- (a) a person does not act as a commercial agent only because the person requests, by telephone, payment of a debt for a commercial agent as an employee of the agent if the request is

¹¹² Section 339 (What a commercial agent's licence authorises)

made under the supervision of the agent; and

- (b) a lawyer does not act as a commercial agent only because the lawyer collects debts in the lawyer's practice if the lawyer complies with the requirements of the *Trust Accounts Act 1973* in relation to the debts.

Pretending to be commercial subagent

355.(1) A person must not hold out that the person is a commercial subagent unless the person holds a registration certificate as a commercial subagent.

Maximum penalty—200 penalty units.

(2) A person does not act as a commercial subagent only because the persons requests, by telephone, payment of a debt for a commercial agent as an employee of the agent if the request is made under the supervision of the agent.

Commercial agent must not act for more than 1 party

356.(1) A commercial agent who is appointed to perform an activity for a person (“**client**”) in relation to another person must not accept appointment from the other person to perform an activity while the agent continues to act for the client in relation to the other person.

Maximum penalty—200 penalty units.

(2) Subsection (1) does not apply if the commercial agent acts for more than 1 party in relation to a debt agreement under the *Bankruptcy Act 1966* (Cwlth), part IX.

Production of licence

357. A commercial agent must, if asked by a person with whom the agent is dealing, produce the agent's licence for inspection by the person.

Maximum penalty—100 penalty units.

Employment of persons in commercial agent's business

358.(1) A commercial agent must not employ, as a commercial subagent, a person the commercial agent knows, or ought to know, does not hold a registration certificate as a commercial subagent.

Maximum penalty—200 penalty units.

(2) A principal licensee who is an individual and carries on the business of a commercial agent must not employ, as a commercial subagent for the business, himself or herself or another individual with whom the principal licensee carries on business as a commercial agent.

Maximum penalty—200 penalty units.

(3) A principal licensee that is a corporation and carries on business as a commercial agent must not employ an executive officer of the corporation as a commercial subagent for the business.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591¹¹³—200 penalty units; or
- (b) for a corporation—1 000 penalty units.

Licence not to be used improperly

359.(1) A commercial agent or subagent must not—

- (a) represent that the person's commercial agent's licence or registration certificate entitles the person to exercise a power the person may not lawfully exercise; or
- (b) use the person's licence or certificate to exercise a power the person may not lawfully exercise.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(2) In this section—

“represent” includes suggest and imply.

“use” includes attempt to use.

¹¹³ Section 591 (Executive officers must ensure corporation complies with Act)

Unlawful entry

360. A commercial agent or subagent must not, when performing the activities of a commercial agent, enter any premises without lawful authority.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

Misrepresentation

361.(1) A commercial agent or subagent must not by any false or misleading representation induce a person to enter into an arrangement for the payment of a debt.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) In this section—

“false or misleading”, in relation to a representation, includes the wilful concealment of a material fact in the representation.

“induce” includes attempt to induce.

Impersonating commercial agents

362.(1) A creditor, when dealing with a person for payment of a debt, must not use any name, description, document or device intended to make the person believe that the person is not dealing directly with the creditor, but with a commercial agent acting on the creditor’s behalf.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A commercial agent must not give any document to a creditor to enable the creditor to make a third person believe that the third person is dealing directly with the commercial agent.

Maximum penalty—200 penalty units or 2 years imprisonment.

Example for subsection (2)—

Commercial agent’s letterhead or stationery.

CHAPTER 11—RESIDENTIAL PROPERTY SALES

PART 1—PRELIMINARY

Purposes of ch 11

363. The purposes of this chapter are—

- (a) to give persons who enter into relevant contracts a cooling-off period; and
- (b) to require all contracts for the sale of residential property in Queensland to include consumer protection information, including a statement about whether or not the contract is subject to a cooling-off period.

Definitions for ch 11

364. In this chapter—

“business day” means a day other than a Saturday, Sunday or public holiday.

“contract” means a contract to buy residential property in Queensland.

“cooling-off period”, for a relevant contract, means a period of 5 business days—

- (a) starting on the day the buyer under the contract is bound by the contract or, if the buyer is bound by the contract on a day other than a business day, the first business day after the day the buyer is bound by the contract; and
- (b) ending at 5 p.m. on the fifth business day.

“property information session” means a presentation (however described) given to 1 or more persons that has as a significant purpose the purchase of residential property in Queensland by 1 or more persons attending the presentation.

“relevant contract” means a contract to buy residential property in Queensland that arises out of an unsolicited invitation to attend a property information session.

“termination penalty”, in relation to a relevant contract, means an amount equal to 0.25% of the purchase price under the contract.

“warning statement” see section 366(1).

When buyer is bound under a relevant contract

365. A buyer is bound under a relevant contract when the buyer gives the seller under the contract or the seller’s agent—

- (a) a copy of the contract signed by both the buyer and the seller; and
- (b) a notice in the approved form signed and dated by the seller declaring the date on which the seller signed the contract.

PART 2—WARNING STATEMENTS

Warning statement to be attached to contract

366.(1) A contract for the sale of residential property in Queensland must have attached, as its first or top sheet, a statement in the approved form (**“warning statement”**) containing the information mentioned in subsection (3) or (4).

(2) The seller of the property or a person acting for the seller who prepares a contract for the sale of residential property in Queensland commits an offence if the seller or person prepares a contract that does not comply with subsection (1).

Maximum penalty—200 penalty units.

(3) The warning statement for a relevant contract must state the following information—

- (a) the contract is subject to a cooling-off period;
- (b) when the cooling-off period starts and ends;
- (c) a recommendation that the buyer seek independent legal advice about the contract before the cooling-off period ends;
- (d) what will happen if the buyer terminates the contract before the

cooling-off period ends;

- (e) the amount or the percentage of the purchase price that will not be refunded from the deposit if the contract is terminated before the cooling-off period ends;
- (f) if the seller under the contract is a property developer, that a person who suffers financial loss because of, or arising out of, the person's dealings with a property developer or the property developer's employees can not make a claim against the claim fund.

(4) The warning statement for a contract that is not a relevant contract must state the following—

- (a) the contract is not subject to a cooling-off period;
- (b) a recommendation that the buyer seek independent legal advice about the contract before signing the contract;
- (c) if the seller under the contract is a property developer, that a person who suffers financial loss because of, or arising out of, the person's dealings with a property developer or the property developer's employees can not make a claim against the claim fund.

(5) A statement purporting to be a warning statement is of no effect unless—

- (a) before the contract is signed by the buyer, the statement is signed and dated before a witness by—
 - (i) the seller of the property or someone acting for the seller; and
 - (ii) the buyer; and
- (b) the words on the statement are presented in substantially the same way as the words are presented on the approved form.

Example for subsection (5)(b)—

If words on the approved form are presented in 14 point font, the words on the warning statement must also be presented in 14 point font.

Buyer's rights if warning statement not given

367.(1) This section applies to a contract to which a warning statement must be attached.

(2) If a warning statement is not attached to the contract or is of no effect under section 366(5), the buyer under the contract may terminate the contract at any time before the contract settles by giving signed, dated notice of termination to the seller or the seller's agent.

(3) The notice of termination must state that the contract is terminated under this section.

(4) If the contract is terminated, the seller must, within 14 days after the termination, refund any deposit paid under the contract to the buyer.

Maximum penalty—200 penalty units.

(5) If the contract is terminated, the seller and the person acting for the seller who prepared the contract are liable to the buyer for the buyer's reasonable legal and other expenses incurred by the buyer in relation to the contract after the buyer signed the contract.

(6) If more than 1 person is liable to reimburse the buyer, the liability of the persons is joint and several.

(7) An amount payable to the buyer under this section is recoverable as a debt.

PART 3—COOLING-OFF PERIOD**Terminating contract during cooling-off period**

368.(1) A buyer under a relevant contract who has not waived the cooling-off period for the contract may terminate the contract at any time before the cooling-off period ends by giving a signed, dated notice to the seller or the seller's agent indicating that the buyer terminates the contract.

(2) If notice of termination is given under subsection (1), the contract is at an end.

(3) The seller must, within 14 days after the contract is terminated, refund

any deposit paid under the contract to the buyer less the amount of the termination penalty.

Maximum penalty—200 penalty units.

(4) An amount payable to the buyer under subsection (3) is recoverable as a debt.

Waiving cooling-off period

369.(1) A buyer who proposes to enter into a relevant contract may waive the cooling-off period for the contract by giving the seller under the proposed contract or the seller's agent a lawyer's certificate in the approved form.

(2) The buyer may waive the cooling-off period only if the certificate is given to the seller or the seller's agent before the buyer is bound by the contract.

(3) The lawyer's certificate must be signed and dated by the lawyer giving the certificate and must state the following—

- (a) the lawyer is independent of the seller and the seller's agents and has no business, family or other relationship with the seller or the seller's agent;
- (b) the lawyer has explained to the buyer—
 - (i) the effect of the contract; and
 - (ii) the purpose and nature of the certificate; and
 - (iii) the legal effect of the buyer giving the certificate to the seller or the seller's agent.

Shortening cooling-off period

370.(1) A buyer under a relevant contract may shorten the cooling-off period for the contract by giving the seller under the contract or the seller's agent a lawyer's certificate in the approved form.

(2) The lawyer's certificate must be signed and dated by the lawyer giving the certificate and must state the following—

- (a) the lawyer is independent of the seller and the seller's agents and

has no business, family or other relationship with the seller or the seller's agent;

- (b) the lawyer has explained to the buyer—
 - (i) the effect of the contract; and
 - (ii) the purpose and nature of the certificate; and
 - (iii) the legal effect of the buyer giving the certificate to the seller or the seller's agent.

(3) The giving of a lawyer's certificate under this section is effective to shorten the period to 5 p.m. (or another stated time) on the day stated in the certificate.

PART 4—ACCOUNTING REQUIREMENTS FOR RELEVANT CONTRACTS

Application of pt 4

371. This part applies if—

- (a) the seller under a relevant contract is a property developer; and
- (b) a relevant contract provides for the payment by the buyer under the contract of an amount (“**part payment**”) for the purchase of property; and
- (c) the buyer is not entitled under the contract to receive a registrable instrument of transfer of the property in exchange for the part payment.

Example of part payment—

A deposit payable under the contract.

Note—

A real estate agent is required to deal with part payments under chapter 12, part 1.¹¹⁴

¹¹⁴ Chapter 12 (Accounts and funds), part 1 (Trust accounts)

Part payments must be paid to particular persons

372.(1) The part payment must be paid directly to—

- (a) the public trustee; or
- (b) a solicitor whose name is on the roll of solicitors of the Supreme Court and who practises as a solicitor in Queensland; or
- (c) a real estate agent;

within 3 business days after the amount is paid by the buyer.

(2) If the property developer or a property developer director conducting the business of the property developer receives a part payment and fails to comply with subsection (1), the developer or director commits an offence.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(3) A provision of the relevant contract is void if it provides for payment of the part payment other than in accordance with subsection (1).

(4) A provision of an instrument made in connection with the relevant contract is void if it provides for payment of the part payment other than in accordance with subsection (1).

Part payment to be held in trust

373.(1) The part payment must be held—

- (a) if the part payment is paid to the public trustee, by the public trustee in a trust account kept for the purposes of this Act by the public trustee; or
- (b) if the part payment is paid to an individual, by the individual in a trust account kept for the purposes of this Act by—
 - (i) the individual; or
 - (ii) if the individual is a member of a firm or partnership, the firm or partnership of which the individual is a member.

(2) The part payment must be dealt with by the public trustee, individual, firm or partnership in accordance with the law governing the operation of the public trustee's, individual's, firm's or partnership's trust account.

CHAPTER 12—ACCOUNTS AND FUNDS

PART 1—TRUST ACCOUNTS

Division 1—Application of pt 1

Pt 1 applies only to principal licensees

374. This part applies to principal licensees, other than a principal licensee who is a property developer.

Division 2—Opening trust accounts

Notice before opening account

375.(1) Before opening a general trust account or special trust account, a licensee must give the chief executive written notice stating—

- (a) the licensee's intention to open the account; and
- (b) for a general trust account, the office or branch of an approved financial institution within the State where the licensee proposes to open the account; and
- (c) for a special trust account, the office or branch of a financial institution within the State where the licensee proposes to open the account; and
- (d) whether the account is to be a general trust account or special trust account.

Maximum penalty—200 penalty units.

Note—

A special trust account is a trust account created under section 380 in which an amount is held for investment at the direction of both parties to the sale.

(2) The chief executive must give the licensee a written acknowledgment of the notice.

(3) Before opening the account, the licensee must give the manager or

other officer in charge of the institution's office or branch a copy of the chief executive's acknowledgment.

Maximum penalty for subsection (3)—200 penalty units.

Account's name

376.(1) The licensee opening a general trust account must ensure that the account's name includes the words 'general trust account'.

Maximum penalty—200 penalty units.

(2) The licensee opening a special trust account must ensure that the account's name includes the words 'special trust account'.

Maximum penalty—200 penalty units.

Notice of account's opening, closing or name change

377.(1) A licensee must immediately give the chief executive written notice if the licensee—

- (a) opens a general trust account or special trust account; or
- (b) changes the name of a general trust account or special trust account; or
- (c) closes a general trust account or special trust account.

Maximum penalty—200 penalty units.

(2) The written notice must include—

- (a) the name of the financial institution where the account is or was kept; and
- (b) the account name; and
- (c) the identifying number of the financial institution;¹¹⁵ and
- (d) the trust account number.

¹¹⁵ This is commonly referred to as the bank state branch number.

Division 3—Dealing with trust money**Subdivision 1—Payments to trust accounts****Application**

378.(1) Sections 379 and 380 apply if an amount is received by a licensee—

- (a) for a transaction; or
- (b) with a written direction for its use.

Example of paragraph (b)—

An amount received by a real estate agent with a written direction to use it for advertising or marketing by the agent or another person.

(2) In this section—

“amount”, received by a licensee for a transaction—

- (a) includes deposit and purchase monies for the transaction; but
- (b) does not include an amount payable to the licensee in relation to the transaction in refund of an expense the licensee was authorised to incur and did incur and for which the licensee holds a receipt.

Dealing with amount on receipt

379. A licensee must, immediately on receiving the amount—

- (a) pay it to the licensee’s general trust account; or
- (b) if section 380(1) applies, invest it under section 380(2).

Example of paragraph (a)—

A licensee who collects an amount of rent for a property owner must pay the amount to the licensee’s general trust account before the money can be paid to the owner.

Maximum penalty—200 penalty units or 3 years imprisonment.

Investments

380.(1) A licensee may invest the amount under subsection (2) if—

- (a) the licensee receives the amount for a sale; and
- (b) the sale is to be completed on a day that is—
 - (i) stated in the contract or ascertainable on the day the contract is entered into; and
 - (ii) more than 60 days after the amount is received; and
- (c) the amount is received with a direction from all parties to the sale that it be invested.

(2) The licensee must pay the amount as required by the direction to a special trust account with a branch of a financial institution within the State operated for the investment of the amount.

Maximum penalty for subsection (2)—200 penalty units or 3 years imprisonment.

No other payments to trust account

381.(1) A licensee must not pay to a trust account an amount other than an amount that must be paid to the account under section 379 or 380.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(2) However, if the licensee receives an amount consisting of trust money and other money ("**non-trust money**") that can not be divided, the licensee must—

- (a) pay the whole amount to the licensee's general trust account; and
- (b) draw the non-trust money from the account within 14 days after the money becomes available for drawing.

Example of amount consisting of trust money and non-trust money—

A real estate agent receives a single cheque for rent and services provided by the licensee, including, for example, television rental.

Maximum penalty—200 penalty units or 1 year's imprisonment.

Multiple licence holders

382. A licensee who holds more than 1 licence is not required to keep a general trust account for each licence.

Trust money not available to licensee's creditors

383. An amount paid, or required to be paid, to a trust account under this division can not be—

- (a) used for payment of the debt of a creditor of a licensee; or
- (b) attached or taken in execution under a court order or process by a creditor.

*Subdivision 2—Payments from trust accounts***When payments may be made from trust accounts**

384.(1) An amount paid to a trust account must be kept in the account until it is paid out under this Act.

Maximum penalty—200 penalty units or 3 years imprisonment.

(2) An amount may be paid from a trust account only in a way permitted under this Act.

Maximum penalty—200 penalty units or 3 years imprisonment.

Permitted drawings from trust accounts

385.(1) A licensee may draw an amount from the licensee's trust account to pay the licensee's transaction fee or transaction expenses in relation to a transaction only if—

- (a) the amount is drawn against the transaction fund for the transaction; and
- (b) the licensee is authorised to draw the amount under this section.

Maximum penalty—200 penalty units or 3 years imprisonment.

(2) The licensee is authorised—

- (a) to draw an amount from the transaction fund to pay a transaction expense when the expense becomes payable; and
- (b) when the transaction is finalised, to draw an amount from the transaction fund that is equal to the difference between—
 - (i) the balance of the transaction fund; and
 - (ii) the total of the licensee’s transaction fee and any outstanding transaction expense;
 to pay the person entitled to the amount or in accordance with the person’s written direction; and
- (c) to draw the licensee’s transaction fee from the transaction fund when the amount, if any, mentioned in paragraph (b) has been paid and when the transaction is finalised.

(3) For subsection (2)(b) or (c), if a dispute about the transaction fund arises, the transaction is not taken to be finalised until the licensee is authorised to pay out the transaction fund under section 388.¹¹⁶

(4) The licensee must pay an amount mentioned in subsection (2)(b) to the person entitled to it or in accordance with the person’s written direction—

- (a) if the person asks, in writing, for the balance—within 14 days after receiving the request; or
- (b) if the person has not asked, in writing, for the balance—within 42 days after the person first had the right to the balance.

Maximum penalty—200 penalty units or 3 years imprisonment.

(5) In this section—

“**transaction expenses**” means the expenses the licensee is authorised to incur in connection with the performance of the licensee’s activities for a transaction.

“**transaction fee**” means the fees, charges and commission payable for the performance of the licensee’s activities for a transaction.

“**transaction fund**” means the amount held in a licensee’s trust account for the transaction.

¹¹⁶ Section 388 (When amount in dispute may be paid)

Subdivision 3—Other trust account obligations**Accounting to clients**

386.(1) A licensee must account to the person (“**client**”) who appoints the licensee to perform an activity for all amounts received in relation to a transaction, including an amount mentioned in subsection (2)(c).

Maximum penalty—200 penalty units or 3 years imprisonment.

(2) The account must be in writing and state—

- (a) the amounts received in relation to the transaction; and
- (b) how the amounts were or are to be paid out; and
- (c) the source and the amount of any rebate, discount, commission or benefit that the licensee received—
 - (i) in relation to any expenses that the licensee incurred for the person in connection with the performance of a service; or
 - (ii) for referring the person to someone else for services in connection with the transaction.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) The licensee must give the client the account—

- (a) if the client asks, in writing, for the account—within 14 days after receiving the request; or
- (b) if the client has not asked, in writing, for the account—within 42 days after the transaction is finalised.

Maximum penalty—200 penalty units or 3 years imprisonment.

Division 4—Disputes about trust money**Application of div 4**

387.(1) This division applies if—

- (a) a licensee holds a transaction fund for a transaction under

section 385;¹¹⁷ and

- (b) before the transaction fund is paid out under section 385, the licensee receives written notice from a party to the transaction that ownership of the fund or part of the fund is in dispute (the **“amount in dispute”**).

(2) In subsection (1)—

“party”, to a transaction, does not include a licensee acting for a party to the transaction.

When amount in dispute may be paid

388. The licensee must not pay out the amount in dispute unless the licensee—

- (a) receives written notice—
 - (i) from all parties to the transaction stating the person who is entitled to the amount in dispute; or
 - (ii) a legal proceeding has been started in a court to decide who is entitled to the amount in dispute; or
- (b) pays the amount under section 390(3).¹¹⁸

Maximum penalty—200 penalty units or 3 years imprisonment.

Where amount must be paid if notice given

389. The licensee must pay the amount in dispute immediately—

- (a) if notice under 388(a)(i) is received—to the person stated to be entitled to the amount or in accordance with the person’s direction; or
- (b) if notice under section 388(a)(ii) is received—to the court in which the proceeding was started.

Maximum penalty—200 penalty units or 3 years imprisonment.

¹¹⁷ Section 385 (Permitted drawings from trust accounts)

¹¹⁸ Section 390 (Dealing with amount if no notice)

Dealing with amount if no notice

390.(1) This section applies if the licensee does not receive a notice under section 388¹¹⁹ within 30 days after receiving notice of the dispute.

(2) The licensee must, within 7 days after the end of the 30 day period, give all parties to the transaction a written notice that—

- (a) 30 days after the notice is given, the licensee will pay the amount in dispute to a stated person who the licensee believes is entitled to receive it if the licensee has not received a notice under section 388; or
- (b) the licensee can not decide who is entitled to the amount and is keeping it in the licensee's trust account until the licensee receives notice under section 388.

Maximum penalty—200 penalty units or 3 years imprisonment.

(3) If the licensee gives a notice under subsection (2)(a), the licensee may pay the amount to the person stated in the notice if the licensee does not receive a notice under section 388 within 30 days after the notice under subsection (2)(a) is given.

PART 2—AUDIT REQUIREMENTS

Division 1—Preliminary

Definitions for pt 2

391. In this part—

“approved auditor” means a person who is approved by the chief executive under section 394¹²⁰ to audit the licensee's trust accounts.

“auditor” means an approved auditor or a qualified auditor.

¹¹⁹ Section 388 (When amount in dispute may be paid)

¹²⁰ Section 394 (Chief executive to consider application)

“qualified auditor” means a person who is—

- (a) registered as an auditor under the Corporations Law; or
- (b) a member of CPA Australia or the Institute of Chartered Accountants in Australia; or
- (c) a member of the National Institute of Accountants who has satisfactorily completed an auditing component of a course of study in accountancy of at least 3 years duration at a tertiary level conducted by a prescribed university or other prescribed institution under the Corporations Law, section 1280(2)(a)(ii).

Division 2—Provisions about auditors

Principal licensee must appoint auditor

392.(1) A principal licensee who is required under this Act to keep a trust account must appoint an auditor to audit the trust accounts kept or to be kept by the licensee under this Act.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

(2) If the licensee is unable to appoint a qualified auditor to audit the licensee’s trust accounts, the chief executive, if asked by the licensee, may approve another person to audit the licensee’s trust accounts.

Application for approval as auditor

393.(1) A person may apply to the chief executive to be an approved auditor for a stated licensee.

(2) The application must—

- (a) be made in the approved form to the chief executive; and
- (b) establish the person’s qualifications to be an approved auditor; and
- (c) be accompanied by—
 - (i) a request by the stated licensee that the person be approved as the auditor to audit the licensee’s trust accounts; and

- (ii) evidence that the person holds current professional indemnity insurance in an amount not less than the amount prescribed under a regulation.

Chief executive to consider application

394.(1) The chief executive must consider the application and approve, or refuse to approve, the person as an approved auditor for a stated licensee.

(2) The chief executive may approve the person as an approved auditor if the chief executive is satisfied the person—

- (a) is a suitable person to be an approved auditor; and
- (b) has at least a diploma level tertiary qualification in accounting with an auditing component; and
- (c) holds current professional indemnity insurance in an amount not less than the amount prescribed under a regulation.

(3) The chief executive may approve a person who meets the requirements of subsections (2)(a) and (c) but does not have the minimum qualification mentioned in subsection (2)(b) if the chief executive is satisfied—

- (a) the person resides in a remote locality; and
- (b) the person has the necessary skills or experience and a sufficient knowledge of this Act to perform the functions of an approved auditor; and
- (c) there is no qualified auditor available to serve the needs of the locality.

(4) If the chief executive decides to refuse to approve the person as an approved auditor, the chief executive must give the person an information notice within 14 days after the decision is made.

(5) A person is not a “**suitable person**” for this section if the person—

- (a) is affected by bankruptcy action; or
- (b) is a person who has been convicted of an indictable offence involving dishonesty; or
- (c) has been found guilty of professional misconduct or

unprofessional conduct by CPA Australia, the Institute of Chartered Accountants in Australia or the National Institute of Accountants.

When approval of person as approved auditor ends

395. The approval of a person as an approved auditor ends if—

- (a) the person's appointment to audit the trust accounts of the licensee for whom the person is the approved auditor ends; or
- (b) the person is no longer a suitable person under section 394; or
- (c) the person no longer holds current professional indemnity insurance in an amount not less than the amount prescribed under a regulation; or
- (d) the chief executive withdraws approval of the person as the approved auditor for the licensee under section 398.¹²¹

Notice and evidence of auditor's appointment

396.(1) This section applies if—

- (a) a principal licensee appoints an auditor; and
- (b) the licensee has not already advised the chief executive of the auditor's name and address under section 25.¹²²

(2) The licensee must, within 1 month after the appointment, give the chief executive—

- (a) written notice of the auditor's name and address; and
- (b) evidence that the auditor has accepted the appointment.

Maximum penalty—200 penalty units.

¹²¹ Section 398 (Chief executive may withdraw approval as approved auditor)

¹²² Section 25 (Applicant intending to carry on business to advise name of auditor)

Steps to be taken if auditor's appointment ends

397.(1) If a licensee's auditor resigns or the licensee ends the auditor's appointment, both the auditor and the licensee must immediately notify the chief executive of—

- (a) the resignation or ending of the appointment; and
- (b) the reasons for it.

(2) An auditor or licensee who is required to give the chief executive notice under subsection (1) and fails to give the notice commits an offence.

Maximum penalty—200 penalty units.

(3) The licensee must appoint another auditor and, unless the licensee has a reasonable excuse, within 1 month after the resignation or ending of the appointment mentioned in subsection (1) takes effect, give the chief executive—

- (a) written notice of the auditor's name and address; and
- (b) evidence that the auditor has accepted the appointment.

Maximum penalty—200 penalty units.

(4) If a licensee's auditor dies, the licensee must—

- (a) as soon as the licensee becomes aware of the death, notify the chief executive of the death; and
- (b) unless the licensee has a reasonable excuse, within 1 month after becoming aware of the death, appoint another auditor and give the chief executive—
 - (i) written notice of the auditor's name and address; and
 - (ii) evidence that the auditor has accepted the appointment.

Maximum penalty—200 penalty units.

Chief executive may withdraw approval as approved auditor

398.(1) The chief executive may withdraw the approval of a person as an approved auditor if the chief executive is satisfied that the person—

- (a) has not audited the licensee's trust accounts in accordance with generally accepted standards of professional competency; or

(b) has failed to detect or report material irregularities in the operation of the licensee's trust accounts; or

(c) has not properly performed the person's functions under this Act.

(2) The chief executive must give the person written notice—

(a) stating that the chief executive proposes to withdraw the person's approval as an approved auditor for a stated licensee on a ground mentioned in subsection (1); and

(b) outlining the facts and circumstances forming the basis for the ground; and

(c) inviting the person to show, within a stated time of at least 21 days, why the approval should not be withdrawn.

(3) If the chief executive decides the ground still exists after considering any written representations within the stated time, the chief executive must—

(a) withdraw the person's approval; and

(b) give an information notice to the person and the licensee for whom the person is the approved auditor within 14 days after the decision is made.

Chief executive may make information available to supervisory bodies

399.(1) The chief executive may report a matter about a qualified auditor to the Australian Securities and Investment Commission or a prescribed entity of which the auditor is a member if the chief executive believes, on reasonable grounds, that the auditor—

(a) has not audited a licensee's trust accounts in accordance with generally accepted standards of professional competency; or

(b) has failed to detect or report material irregularities in the operation of a licensee's trust accounts; or

(c) has not properly performed the auditor's functions under this Act.

(2) The chief executive may make any information in the chief executive's possession available to the commission or entity for the purposes of any investigation conducted by the commission or entity.

(3) In this section—

“prescribed entity” means CPA Australia, the Institute of Chartered Accountants in Australia or the National Institute of Accountants.

Division 3—Audit of trust accounts

Definitions for div 3

400. In this division—

“audit month”, for a licensee’s licence, means—

- (a) the eighth month after the month in which the licence was first issued to the licensee and the same month in each subsequent year; or
- (b) another month specified by the chief executive by written notice given to the licensee.

Example of paragraph (a)—

If a licensee’s licence was first issued to the licensee in January, the audit month for the licensee’s licence is September.

“audit period” means—

- (a) the 12 month period in each year ending on the last day of the audit month; or
- (b) another period decided by the chief executive, either generally, by gazette notice, or by written notice given to a licensee.

“audit report”, for a licensee, means a report from the licensee’s auditor under section 407.¹²³

“trust account” means a general trust account or a special trust account.

What trust accounts must be audited

401.(1) A licensee’s trust accounts must be audited for each audit period for which the licensee carried on business as a licensee and operated a trust

¹²³ Section 407 (Audit reports)

account.

(2) A licensee's trust accounts need not be audited for an audit period if the licensee gives the chief executive a statutory declaration that the licensee did not operate a trust account during the period.

Time for audit

402.(1) This section applies to each audit period for which a licensee's trust accounts must be audited.

(2) The licensee must, within 4 months after the last day of the audit month in each year or the extended period allowed by the chief executive under subsection (3)—

- (a) have the licensee's trust accounts for the last audit period audited by the licensee's auditor; and
- (b) file the auditor's signed original audit report with the chief executive.

Maximum penalty—200 penalty units or 2 years imprisonment.

Note—

The auditor must give the licensee a signed original audit report under section 407 (Audit reports).

(3) The chief executive may extend the time mentioned in subsection (2) if an auditor or licensee applies in writing to the chief executive for the extension.

(4) The application must state the grounds on which the extension is sought.

(5) If a licensee is charged with an offence relating to a failure to file an audit report, it does not matter that the contravention happened without the licensee's authority or contrary to the licensee's instructions.

Auditors—functions

403.(1) An auditor has the following functions under this division—

- (a) to inspect and audit, in each audit period, the trust accounts of each licensee by whom the auditor is engaged;

- (b) to make an audit report for the licensee for the audit period;
- (c) if the licensee is a licensee for the whole of the audit period—to make 2 unannounced examinations of the licensee's trust accounts during the audit period;
- (d) if the licensee is a licensee for less than the whole audit period, but more than 6 months of the period—to make 1 unannounced examination of the licensee's trust accounts during the audit period.

(2) An auditor must not make an unannounced examination of a licensee's trust accounts within 2 months after the last day of the audit period or another unannounced examination.

Auditor's advice to chief executive

404. An auditor must immediately give written notice to the chief executive if the auditor—

- (a) can not report that a trust account has been satisfactorily kept under this Act; or
- (b) finds, on an unannounced examination of a licensee's trust accounts, an irregularity in relation to an account that ought to be brought to the chief executive's notice.

Maximum penalty—200 penalty units or 1 year's imprisonment.

Auditor may ask licensee to produce other accounts

405.(1) This section applies if an auditor considers, to enable the auditor to decide whether a licensee's trust accounts have been satisfactorily kept under this Act, it is necessary—

- (a) to examine a general account of the licensee; or
- (b) to be given information about the accounts.

(2) The auditor may ask the licensee to produce the general account or give the information.

(3) If the licensee refuses, the auditor must immediately give written notice to the chief executive.

Maximum penalty for subsection (3)—200 penalty units or 1 year's imprisonment.

Audit on ceasing to be licensee or carrying on business

406.(1) This section applies if—

- (a) a licensee must keep trust accounts; and
- (b) the licensee stops being a principal licensee.

(2) The licensee must, within 2 months after the licensee stops being a principal licensee—

- (a) have the licensee's trust accounts audited by the licensee's auditor for the period—
 - (i) starting on the day immediately after the end of the period covered by the last audit of the trust accounts or, if the trust accounts have not previously been audited, the day on which the licensee was first required to keep trust accounts; and
 - (ii) ending on the day the licensee stops being a principal licensee; and
- (b) file the auditor's signed original audit report with the chief executive.

Maximum penalty—200 penalty units or 2 years imprisonment.

Audit reports

407.(1) An auditor who audits a licensee's trust accounts must give the licensee an original signed audit report.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(2) The auditor must include the following in the report—

- (a) the audit period for which the report is made;
- (b) the name and number of each trust account audited;
- (c) the name of the financial institution, the office or branch of the institution where each trust account was kept and the identifying number of the office or branch;

- (d) the licensee's name and—
 - (i) if the licensee is a corporation—the name of each of its licensed directors during the audit period; and
 - (ii) if the licensee carried on business under a registered business name—the business name and the names of any persons with whom the licensee carried on the business;
- (e) each place where the licensee carried on business as a licensee;
- (f) a statement about whether each trust account has been satisfactorily kept under this Act;
- (g) a statement specifying the day and result of each unannounced examination for the audit period under section 403(1);¹²⁴
- (h) a statement about whether the auditor has audited the licensee's general account;
- (i) a statement about whether any trust account has been overdrawn;
- (j) a statement about whether a trust creditor's ledger account has been overdrawn;
- (k) a statement about whether, for each month during the audit period—
 - (i) each trust account cash book was reconciled with the bank balance and trust ledger; and
 - (ii) an analysis was made showing the name of each person for whom an amount was held and the amount held for each person;
- (l) the serial numbers of the trust receipts used during the audit period and the unused trust receipts produced to the auditor;
- (m) particulars of the amounts held in trust for more than 3 months by the licensee at the last day of the audit period;
- (n) a statement that each trust account cash book has been reconciled with the bank balance of the trust account at the last day of the audit period;
- (o) a copy of the reconciliation of the trust account cash book and the bank balance of the trust account at the last day of the audit period;

¹²⁴ Section 403 (Auditors—functions)

- (p) a statement about anything else about any trust account audited that the auditor considers should be reported to the chief executive.

PART 3—CLAIM FUND

Claim fund

408.(1) The claim fund is established.

(2) The fund consists of—

- (a) the amount standing to the credit of the auctioneers and agents fidelity guarantee fund established under the repealed Act immediately before the commencement of section 602;¹²⁵ and
- (b) amounts payable to the fund under this Act; and
- (c) other amounts transferred to the fund by the Treasurer.

(3) The Treasurer must transfer amounts to the fund, appropriated from time to time, to meet claims against the fund for any particular financial year.

(4) Accounts for the fund must be kept as part of the departmental accounts of the department.

(5) Amounts transferred to the fund must be deposited in a departmental financial-institution account of the department, but may be deposited in an account used for depositing other amounts of the department.

How fund may be applied

409.(1) The fund must be used to pay the amount of all claims allowed against the fund.

(2) The Treasurer may transfer an amount from the fund to the consolidated fund.

¹²⁵ Section 602 (Act repealed)

Agreements with financial institutions

410.(1) The chief executive may enter into an agreement for the State with a financial institution about the keeping of general trust accounts by licensees.

(2) The chief executive may enter into an agreement only if—

- (a) the Minister approves the chief executive entering into the agreement; and
- (b) the financial institution is prescribed under a regulation as a financial institution to which this section applies.

(3) The agreement may provide for the following things—

- (a) payment of interest on the whole or part of amounts held in licensees' general trust accounts to the consolidated fund;
- (b) informing the chief executive of amounts held in licensees' general trust accounts;
- (c) auditing licensees' general trust accounts;
- (d) other things concerning licensees' general trust accounts.

(4) A financial institution may pay interest to the consolidated fund under an agreement.

PART 4—FREEZING TRUST ACCOUNTS AND APPOINTING RECEIVERS AND SPECIAL INVESTIGATORS

Division 1—Definitions

Definitions for pt 4

411. In this part—

“account” means—

- (a) a trust account in a licensee's name with a financial institution; or

- (b) an account in the licensee's name or in which the licensee has an interest with a financial institution; or
- (c) another account to which trust money is deposited.

“defalcation” means stealing, embezzlement, omitting to account, misappropriation or misapplication, or other act about property punishable by imprisonment.

“holder”, of an account, means the licensee or other person authorised to operate on the account.

“licensee” includes a former licensee and the personal representative of a deceased licensee.

“money” includes—

- (a) an instrument for the payment of an amount if the instrument may be paid to a financial institution; and
- (b) security for money if title to the security is transferable by delivery.

“receivership property”, for a receiver, has the meaning given by section 420(2).¹²⁶

“trust money” includes an amount that was, or ought, under this Act, to have been, deposited in a trust account required to be kept by a licensee.

“trust property”, for a licensee—

- (a) means—
 - (i) property received by the licensee in trust that has not been given to the person entitled to it or someone else under the person's direction or according to law; or
 - (ii) property that, except for the appointment of a receiver, would be receivable for another person by the licensee in trust after the receiver's appointment; or
 - (iii) trust money; and
- (b) includes computer hardware, software and discs, ledgers, books

¹²⁶ Section 420 (How receivers are appointed)

of account, vouchers, records, deeds, files and other documents used in connection with something mentioned in paragraph (a).

Division 2—Freezing licensees' accounts

Chief executive may freeze licensee's accounts in particular cases

412.(1) The chief executive may decide to give a direction under subsection (2) if it appears to the chief executive that any of the following persons has, or may have, stolen or misappropriated or misapplied trust money—

- (a) a licensee;
- (b) the person in charge of a licensee's business at a place;
- (c) an employee of a licensee.

(2) The chief executive may direct, by signed writing, that—

- (a) if a claim has been made against the fund concerning the trust money, all or part of the amount to the credit of a stated account be paid to the chief executive; or
- (b) an amount must not be drawn from a stated account other than with the chief executive's written approval; or
- (c) a stated account may be operated only under stated conditions.

(3) The direction must—

- (a) be given to each holder of the account and the financial institution where the account is kept; and
- (b) state the account to which it relates; and
- (c) if it includes a direction under subsection (2)(c), state the conditions under which the account may be operated.

(4) If an amount is paid to the chief executive under subsection (2)(a), the chief executive must pay the amount to the fund.

Financial institution must comply with direction

413.(1) After the direction has been given to a financial institution, and until it is withdrawn, the financial institution must not—

- (a) pay a cheque or other instrument drawn on the account stated in the direction unless the cheque or instrument is also signed by the chief executive; or
- (b) give effect to another transaction on the account that is not authorised because of the direction.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence—200 penalty units or 1 year's imprisonment; or
- (b) for a corporation—1 000 penalty units.

(2) Subsection (1) applies whether or not a copy of the direction has been given to anyone else.

(3) For section 412(2)(b), the chief executive's signature on the cheque or other instrument is sufficient evidence of the chief executive's approval to draw an amount from the account to honour the cheque or other instrument.

(4) A manager or principal officer in charge of an office or branch of the financial institution where the account is kept, or another officer of the financial institution, must not knowingly contravene this section.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(5) A person to whom a direction is given does not incur a civil liability to another only because the person complies with the direction.

Account not to be operated unless chief executive allows

414. After the direction has been given to the holder of an account, and until it is withdrawn, the holder must not sign a cheque or other instrument drawn on an account stated in the direction unless the cheque or other instrument has first been signed by the chief executive or a person authorised by the chief executive to sign the cheque or instrument.

Maximum penalty—200 penalty units or 2 years imprisonment.

Chief executive may operate account

415.(1) This section applies if a holder of an account is unwilling to operate an account stated in a direction under section 412.¹²⁷

(2) The chief executive or a person authorised in writing by the chief executive (“**authorised person**”) may operate on the account.

(3) A statutory declaration made by the chief executive or authorised person to the effect that the account holder is unwilling to operate on the account is sufficient evidence to the licensee’s financial institution of that fact.

Withdrawal of direction

416.(1) The chief executive may withdraw a direction given under section 412 at any time.

(2) If the direction is withdrawn, the chief executive must immediately give all persons who were given the direction a notice that the direction has been withdrawn.

(3) A direction stops having effect when it is withdrawn.

*Division 3—Receivers**Subdivision 1—Appointment***When receiver may be appointed**

417.(1) If the chief executive believes, on reasonable grounds, a defalcation has, or may have, been committed in relation to a licensee’s trust account, the chief executive may appoint a receiver if—

- (a) the licensee consents to the appointment; or
- (b) the chief executive—
 - (i) gives the licensee written notice—

¹²⁷ Section 412 (Chief executive may freeze licensee’s accounts in particular cases)

- (A) stating that the chief executive proposes to appoint a receiver on the ground that a defalcation has, or may have, been committed in relation to the licensee's trust account; and
 - (B) outlining the facts and circumstances forming the basis for the ground; and
 - (C) inviting the licensee to show, within a stated time of at least 21 days, why the appointment should not be made; and
- (ii) after considering any written representations given within the stated time, still considers the ground exists.

Note—

Under the *Judicial Review Act 1991*, part 4, a person aggrieved by an administrative decision of the chief executive can ask the chief executive to give a written statement of reasons for the decision, if they are not given. See the *Acts Interpretation Act 1954*, section 27B (Content of statement of reasons for decision) for what the chief executive must set out in the reasons.

(2) The chief executive may immediately appoint a receiver if the chief executive believes, on reasonable grounds, a person can not obtain payment or delivery of trust property held for the person by a licensee because of—

- (a) the licensee's mental or physical infirmity; or
- (b) the licensee's death; or
- (c) the abandonment of the licensee's business; or
- (d) the licensee's disqualification from holding a licence; or
- (e) the cancellation of the licensee's licence; or
- (f) a refusal to renew the licensee's licence; or
- (g) the expiry of the licensee's licence.

Trust property over which receiver may be appointed

418. A receiver may be appointed over trust property—

- (a) held by a licensee; or
- (b) held by another person for a licensee; or

- (c) recoverable by a licensee; or
- (d) if a licensee is dead, that may be recoverable by the licensee's personal representative.

Who may be appointed

419.(1) The chief executive may appoint a person as a receiver only if satisfied the person is appropriately qualified to perform a receiver's functions.

(2) A person may be appointed as a receiver and a special investigator¹²⁸ over the same trust property.

How receivers are appointed

420.(1) The chief executive must appoint a receiver by signed notice.

(2) The notice must state the trust property ("**receivership property**") over which the receiver is appointed.

(3) The appointment takes effect when the notice is signed.

(4) The chief executive must give a copy of the notice to the licensee and the receiver as soon as practicable after the signing of the notice.

(5) If the licensee is a corporation, the licensee must give notice of the appointment to each person who was an executive officer of the corporation at the time the event giving rise to the appointment happened, unless the licensee has a reasonable excuse.

Maximum penalty for subsection (5)—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—100 penalty units; or
- (b) for a corporation—500 penalty units.

¹²⁸ See section 440 (Appointment of special investigator)

Subdivision 2—Receiver’s functions and powers**Receivers—functions**

421. A receiver appointed under this division has the following functions—

- (a) to take possession of receivership property;
- (b) to manage receivership property;
- (c) to receive claims against receivership property;
- (d) if the licensee held receivership property in trust—
 - (i) to identify the person or persons who have the right to it; and
 - (ii) to distribute it under this division;
- (e) to identify any defalcation that has, or may have, been committed;
- (f) to report to the chief executive about a receivership.

Requiring information

422.(1) A receiver may ask a person to give the receiver information the receiver reasonably requires about receivership property.

(2) A person must give the receiver the information, unless the person has a reasonable excuse.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

(3) It is a reasonable excuse for a person not to give information to a receiver if doing so might tend to incriminate the person.

Possession of receivership property

423.(1) A receiver may take or enter into possession of receivership property.

(2) As soon as practicable after taking or entering into possession of receivership property, the receiver must give a receipt for it to the person from whom the property was taken or who held possession of the property.

(3) The receiver must allow a person who would be entitled to the

receivership property if it were not in the receiver's possession—

- (a) to inspect it; or
- (b) if it is a document, to take a copy of it.

(4) The receiver must return receivership property that the receiver is satisfied is not required for the receivership to the licensee or other person who has the right to it.

(5) The receiver may take or enter into possession of receivership property under subsection (1) despite a lien or other security over it claimed by any person.

(6) However, the taking or entry into possession does not affect the person's claim to the lien or other security against a person other than the receiver.

Orders for possession of receivership property

424.(1) This section applies if—

- (a) a receiver requires a person in possession of receivership property to give possession of it to the receiver; and
- (b) the person does not comply with the requirement.

(2) The receiver may apply to a court having jurisdiction for the recovery of debts up to the amount or value of the receivership property concerned for an order for possession of the property.

(3) On the application, the court may make any order it considers appropriate.

Enforcing orders

425.(1) This section applies if—

- (a) a court makes an order under section 424 for possession of receivership property against a person; and
- (b) the person has been given a copy of the order; and
- (c) the person has not complied with the order.

(2) The court may make an order authorising a police officer, or the

receiver or another person and a police officer—

- (a) to enter stated premises or another place occupied by the person and search for the receivership property; and
- (b) to seize the receivership property and move it to a place the receiver considers appropriate.

(3) The court may also make another order it considers appropriate.

Improperly withdrawing, destroying or concealing receivership property

426. A person must not—

- (a) withdraw an amount or make a payment from an account with intent to defeat a receiver's functions; or
- (b) destroy, conceal, move from 1 place to another place, give to another or place under another's control receivership property over which a receiver has been appointed.

Maximum penalty—200 penalty units or 2 years imprisonment.

Dealing with receivership property

427.(1) A receiver may deal with receivership property in the same way as the licensee may have lawfully dealt with the property.

(2) Without limiting subsection (1), the receiver may do the following—

- (a) if the licensee had no general trust account, open a general trust account;
- (b) claim or receive a debt owing to the licensee in connection with the receivership property;
- (c) start or defend a proceeding concerning the receivership property for the licensee;
- (d) engage a legal representative or other agent to give advice;
- (e) engage employees or agents to help the receiver carry out the receiver's functions;
- (f) if the licensee had power to sell or require the sale of the receivership property, sell or require the sale of the property.

Obstructing receivers

428. A person must not obstruct a receiver in the performance of the receiver's functions or the exercise of the receiver's powers under this subdivision.

Maximum penalty—200 penalty units or 1 year's imprisonment.

Subdivision 3—Distributing receivership property**Notice to claimants against receivership property**

429.(1) The receiver must give notice to persons who may have a claim against receivership property.

(2) The notice may be given—

- (a) by post; or
- (b) by newspaper advertisement; or
- (c) in another way the receiver reasonably thinks will bring the notice to the attention of persons who may have a claim to the receivership property.

(3) A notice must state a time, at least 1 month after the notice is given, for particulars and grounds of a claim against the receivership property to be given to the receiver.

(4) The claim must state—

- (a) the event alleged to give rise to the claim; and
- (b) when the event happened; and
- (c) if the claimant was not immediately aware that the claimant suffered financial loss because of the event, when the claimant became aware of the financial loss; and
- (d) all relevant particulars about the event and the financial loss; and
- (e) the claimant's estimated financial loss.

(5) A claim is taken to have been made on the day the claim is given to the receiver even though the claimant is unable to state all of the particulars mentioned in subsection (4).

(6) The receiver may require the claimant to verify the claim, or part of the claim.

Example of verification—

Statutory declaration.

Access to documents

430.(1) The receiver must give a person who wishes to claim against receivership property reasonable access to documents held by the receiver to allow particulars and grounds of the claim to be given.

(2) The receiver must give the access free of charge.

Deciding claims

431.(1) The receiver must consider all claims against receivership property and decide whether each claim is allowable.

(2) The receiver may refuse to allow the person's claim against the receivership property if—

- (a) the person was given notice under section 429;¹²⁹ and
- (b) particulars and grounds of the claim were not given within the time stated in the notice.

(3) The receiver must refuse to allow a person's claim against the receivership property if the receiver is satisfied that the person does not have a lawful claim against the property.

(4) If the receiver refuses a claim under subsection (2) or (3), the receiver must give the person written notice of the refusal.

Payment of claims

432.(1) This section applies if—

- (a) a receiver has given notice under section 429(1); and
- (b) the time for giving particulars and grounds of claims has ended;

¹²⁹ Section 429 (Notice to claimants against receivership property)

and

- (c) the receiver has considered the claims against receivership property.

(2) The receiver may pay a claim allowed by the receiver only if the receivership property is enough to pay all claims allowed by the receiver.

(3) If the receivership property is not enough to pay all of the allowed claims, the receiver—

- (a) may pay any part of the property that consists of money to the chief executive; and
- (b) must give the claims the receiver has allowed and any documents in relation to the claims to the chief executive; and
- (c) must give a report to the chief executive—
 - (i) stating that the receiver can not pay all of the claims allowed by the receiver; and
 - (ii) identifying the claims against the property that the receiver considers should be paid from the fund.

(4) Money paid to the chief executive under subsection (3) must be—

- (a) paid to the fund; and
- (b) paid from the fund under section 433(3)(b).

(5) In this section—

“**claim**” does not include a claim by the licensee.

Money not dealt with by receiver

433.(1) This section applies to receivership property consisting of money in the receiver’s possession.

(2) The receiver must give the money to the chief executive if—

- (a) the receiver has not dealt with it under this division; and
- (b) the chief executive asks for it.

(3) Money given to the chief executive under subsection (2) must be paid to the fund and be paid from the fund in the following order—

- (a) to reimburse claims paid from the fund in relation to the licensee;
- (b) to pay unsatisfied claims against the fund in relation to the licensee;
- (c) to pay claims by the licensee against the money.

Subdivision 4—Recovery of receivers’ remuneration and costs

Recovery of remuneration and costs

434.(1) The following persons are liable to reimburse the chief executive for an amount paid to the receiver for the receiver’s remuneration and costs—

- (a) the licensee;
- (b) if the licensee is a corporation, the executive officers of the corporation when the event in relation to which the chief executive appointed the receiver happened.

(2) If more than 1 person is liable to reimburse the chief executive, the liability of the persons is joint and several.

(3) The chief executive may recover an amount liable to be reimbursed under subsection (1) as a debt.

Subdivision 5—Ending receivership

Ending receiver’s appointment

435. A receiver’s appointment ends if—

- (a) the receiver resigns by signed notice given to the chief executive;
or
- (b) the receiver or licensee applies to the chief executive to end the appointment and the chief executive approves the application; or
- (c) the receiver dies; or
- (d) the chief executive ends the appointment by signed notice given to the receiver.

Dealing with receivership property when appointment ends

436.(1) This section applies to receivership property if—

- (a) the receiver's appointment ends; and
- (b) the chief executive has not asked for the property under section 433.¹³⁰

(2) If, within 14 days after the end of the receiver's appointment, the chief executive appoints another person ("**new receiver**") to be the receiver in the former receiver's place, the former receiver must—

- (a) give the receivership property to the new receiver as soon as reasonably practicable; or
- (b) if the chief executive gives the former receiver a direction about how to deal with the receivership property, comply with the direction.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(3) If a new receiver is not appointed within the 14 days, the former receiver must give the receivership property to the licensee or other person who has the right to it.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(4) However, the chief executive may direct the former receiver to destroy or give to the chief executive any part of the receivership property consisting of documents if the documents have not been given to the person entitled to them.

(5) The former receiver must comply with a direction under subsection (4).

Maximum penalty for subsection (5)—200 penalty units or 1 year's imprisonment.

Returns by receiver

437.(1) A receiver must give the chief executive a report about the receivership when the chief executive directs.

¹³⁰ Section 433 (Money not dealt with by receiver)

(2) The receiver must also give the chief executive a report when the receiver's appointment ends.

(3) The report must contain the information reasonably required by the chief executive.

(4) The receiver is not entitled to be paid for the receivership until reports required to be given under this section are given to the chief executive.

Subdivision 6—Miscellaneous

Receiver not personal representative

438. To prevent any doubt, a receiver of a deceased licensee, in performing the receiver's functions, is not to be taken to be the licensee's personal representative.

Receivership property free from execution or attachment

439. Receivership property can not be levied on or taken or attached under a judgment.

Division 4—Special investigators

Appointment of special investigator

440.(1) The chief executive may by written notice appoint a special investigator over a licensee's trust account if the chief executive considers the trust account has not been kept as required under this Act.

(2) The notice must state—

- (a) the licensee's name and the trust account; and
- (b) the terms on which the special investigator is appointed; and
- (c) the special investigator's functions and powers.

(3) A copy of the notice must be given to the licensee.

(4) The chief executive may appoint a person as a special investigator only if the chief executive is satisfied the person is appropriately qualified to

perform a special investigator's functions.

- (5) An inspector may be appointed as a special investigator.

Special investigators—functions

441. A special investigator appointed under this division may perform any of the following functions stated in the investigator's notice of appointment—

- (a) inspecting the licensee's trust accounts and records that relate to the trust accounts;
- (b) preparing or constructing incomplete trust account records;
- (c) performing other accounting tasks to establish the state of the trust account;
- (d) reporting to the chief executive under section 444.¹³¹

Special investigators—powers

442.(1) The chief executive may, by signed notice, give a special investigator any or all of an inspector's powers under chapter 15, part 2.¹³²

(2) A special investigator's powers under subsection (1) end when the special investigator's appointment ends.

Licensee must comply with special investigator's lawful requests

443.(1) The licensee over whose trust account the special investigator is appointed must comply with a special investigator's lawful requests, unless the licensee has a reasonable excuse.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(2) The special investigator must advise the chief executive of any failure by the licensee to comply with a request.

¹³¹ Section 444 (Reports to chief executive)

¹³² Chapter 15 (Enforcement), part 2 (Inspectors' powers)

Reports to chief executive

444.(1) A special investigator must report to the chief executive at the time, and in the way, required by the chief executive.

(2) However, if the special investigator considers sufficient grounds exist to appoint a receiver, the special investigator must advise the chief executive immediately of the grounds.

Recovery of remuneration, costs or liabilities

445.(1) The following persons are liable to reimburse the chief executive for any amount paid to the special investigator for the investigator's remuneration and costs—

- (a) the licensee over whose trust account the special investigator is appointed;
- (b) if the licensee over whose trust account the special investigator is appointed is a corporation, the executive officers of the corporation when the event in relation to which the chief executive appointed the special investigator happened.

(2) If more than 1 person is liable to reimburse the chief executive, the liability of the persons is joint and several.

(3) The chief executive may recover an amount liable to be reimbursed under subsection (1) as a debt.

Ending special investigator's appointment

446. A special investigator's appointment ends if—

- (a) the investigator resigns by signed notice given to the chief executive; or
- (b) the investigator dies; or
- (c) the investigator's notice of appointment states the appointment ends when an event happens and the event happens; or
- (d) the chief executive ends the appointment by signed notice given to the investigator.

CHAPTER 13—PROPERTY AGENTS AND MOTOR DEALERS TRIBUNAL

PART 1—DEFINITIONS

Definitions for ch 13

447. In this chapter—

“former licensee” means a person who held a licence under this or the repealed Act at any time within 3 years before a proceeding under this chapter is started involving the person.

“former registered employee” means a person who was a registered employee, or the holder of a certificate of registration under the repealed Act, at any time within 1 year before a proceeding under this chapter is started involving the person.

“licensee” includes a former licensee.

“registered employee” includes a former registered employee.

PART 2—ESTABLISHMENT, JURISDICTION AND POWERS

Division 1—Establishment

Establishment

448.(1) The Property Agents and Motor Dealers Tribunal is established.

(2) The tribunal consists of the chairperson of the tribunal and at least 6 other members.

Tribunal's seal

- 449.(1)** The tribunal must have a seal.
- (2) The registrar is to have custody of the seal.
- (3) The seal must be judicially noticed.

Division 2—Jurisdiction and powers**Jurisdiction**

450. The tribunal has the following jurisdiction—

- (a) to hear and decide disciplinary matters involving licensees and registered employees;
- (b) to hear and decide claims, other than minor claims, against the fund;
- (c) to review decisions of the chief executive in relation to minor claims;
- (d) to review decisions of the chief executive in relation to licensing and registration.

Powers

451.(1) The tribunal may do all things necessary or convenient to be done for, or in relation to, exercising its jurisdiction.

(2) Without limiting subsection (1), the tribunal has the powers conferred on it by this Act.

PART 3—TRIBUNAL MEMBERS**Appointment of members**

452.(1) The chairperson of the tribunal is to be appointed by the Governor in Council on a full-time basis.

(2) The other members of the tribunal are to be appointed by the Governor in Council and may be appointed on a full-time or part-time basis.

(3) A person is eligible for appointment as the chairperson of the tribunal only if the person is a lawyer of at least 5 years standing.

(4) A person is eligible for appointment as another member only if the person—

- (a) is a lawyer of at least 5 years standing; or
- (b) has experience in business in—
 - (i) the sale, letting, exchange or marketing of property or businesses; or
 - (ii) the sale of motor vehicles; or
 - (iii) the finding or repossessing of goods or chattels, the collection of debts or the service of process; or
- (c) has qualifications and experience in business or the finance industry; or
- (d) has qualifications or experience that make the person suitable to represent community interests.

(5) A person is not eligible for appointment if the person is a licensee or an executive officer of a corporation that is a licensee.

(6) In recommending persons for appointment as members, the Minister must take into account—

- (a) the need for a balanced gender representation in the membership of the tribunal; and
- (b) the range and experience of members of the tribunal; and
- (c) the need for the membership of the tribunal to reflect the social and cultural diversity of the general community.

(7) Members are to be appointed under this Act, and not under the *Public Service Act 1996*.

(8) The chairperson may hold, or act in, and perform the functions of, another public office in addition to the office of chairperson if the chairperson is appointed to, or appointed to act in, the other office by the Governor in Council.

Duration of appointment

453. A member of the tribunal holds office for a term of not longer than 7 years stated in the instrument of appointment.

Terms and conditions of member's appointment

454.(1) A member of the tribunal is entitled to be paid the remuneration and allowances decided by the Governor in Council.

(2) To the extent that the terms and conditions are not provided for by this Act, a member of the tribunal holds office on the terms and conditions decided by the Governor in Council.

Resignation

455. A member of the tribunal may resign office by signed notice given to the Minister.

Termination of appointment

456.(1) The Governor in Council may terminate the appointment of a member of the tribunal if the member—

- (a) becomes incapable of performing the duties of a member because of physical or mental incapacity; or
- (b) commits misconduct of a kind that could justify dismissal from the public service if the member were a public service officer; or
- (c) is affected by bankruptcy action.

(2) The Governor in Council must terminate the appointment of a member of the tribunal if the member—

- (a) ceases to be eligible for appointment as a member; or
- (b) is convicted of an indictable offence; or
- (c) is absent from 3 consecutive hearings to which the member was appointed by the chairperson, without notice and without reasonable excuse.

Acting appointment

457.(1) The Governor in Council may appoint a person, who is eligible for appointment as the chairperson of the tribunal, to act as chairperson—

- (a) for any period the office is vacant; or
- (b) for any period, or all periods, when the chairperson is absent from duty or the State or can not, for another reason, perform the duties of the office.

(2) If the office of a member of the tribunal, other than the chairperson, is vacant, the Governor in Council may appoint a person who is eligible for appointment as a member of the tribunal to act as the member during the vacancy.

Chairperson's role

458.(1) To ensure that the tribunal exercises its jurisdiction in an appropriate way, the chairperson's role includes the following—

- (a) being responsible for the standards of practice of the tribunal and the constitution of the tribunal for hearings;
- (b) being responsible for the issuing of practice directions of general application to proceedings before the tribunal;
- (c) being responsible for the professional development and training of members of the tribunal.

(2) The chairperson may do all things necessary or convenient to be done in relation to the performance of the chairperson's role.

(3) Without limiting subsection (2), the chairperson has the powers conferred on the chairperson by this Act.

PART 4—REGISTRAR AND OTHER STAFF**Registrar of tribunal**

459.(1) There is to be a registrar of the tribunal.

(2) The registrar is a member of the staff of the tribunal.

(3) A person is eligible for appointment as the registrar only if the person has particular knowledge and experience of—

- (a) public administration; and
- (b) something else with substantial relevance to the functions of the registrar.

Registrar's functions and powers

460.(1) Subject to the chairperson, the registrar is to be responsible for managing the administrative affairs of the tribunal.

(2) Without limiting subsection (1), the registrar must—

- (a) keep a register containing details of all applications made to the tribunal; and
- (b) ensure the register is available for inspection by a person paying any fee that may be prescribed under a regulation; and
- (c) supply a certificate as to the correctness of a matter in the register to a person paying any fee that may be prescribed under a regulation; and
- (d) sign and issue attendance notices under section 485 or 497;¹³³ and
- (e) keep the tribunal's records and decisions; and
- (f) notify the parties to a proceeding of the tribunal's decision in the proceeding and the reasons for the decision; and
- (g) keep account of fees paid and payable to the tribunal.

(3) Also, the registrar is responsible for the collection of statistical data and other information relevant to the administration of this Act for inclusion in the tribunal's annual report.

(4) The registrar may exercise the powers given to the registrar under this Act.

¹³³ Section 485 (Registrar to fix hearing date and issue attendance notices) or 497 (How to start disciplinary proceedings)

Chairperson may direct registrar

461. The chairperson may give the registrar a direction about the exercise of the registrar's powers, other than to the extent the direction would be inconsistent with the provisions of this Act about the registrar's powers.

Engagement of consultants

462.(1) The registrar may engage persons having suitable qualifications and experience as consultants to perform services for the tribunal.

(2) Without limiting subsection (1), the services a consultant may be engaged to perform include conducting research for the tribunal.

(3) An engagement under subsection (1) must be made for the State under a written agreement.

Appointment of acting registrar

463.(1) The chief executive may appoint an appropriately qualified person to act as registrar.

(2) The appointee is to act as registrar if—

- (a)** the registrar is not available to carry out the registrar's duties; or
- (b)** there is a vacancy in the office of registrar.

(3) In this section—

“appropriately qualified” includes having particular knowledge and experience of—

- (a)** public administration; and
- (b)** something else with substantial relevance to the functions of the registrar.

Delegation by registrar

464.(1) The registrar may delegate the registrar's powers under this Act or another Act to an appropriately qualified member of the staff of the tribunal.

(2) In this section—

“appropriately qualified”, for a person to whom a power is delegated, includes having the qualifications, experience or standing appropriate to exercise the delegated power.

Example of ‘standing’—

A person’s seniority level as a member of the staff of the tribunal.

Appointment of tribunal staff

465.(1) The registrar and other staff of the tribunal are to be appointed and employed under the *Public Service Act 1996*.

(2) The registrar may hold, or act in, and perform the functions of, another public office in addition to the office of registrar.

PART 5—GENERAL

Protection of members etc.

466.(1) A tribunal member has, in the performance of the member’s duties as a member, the same protection and immunity as a Supreme Court judge carrying out the functions of a judge.

(2) A person representing a person before the tribunal has the same protection and immunity as a barrister appearing for a party in a proceeding before the Supreme Court.

(3) A person appearing before the tribunal as a witness has the same protection as a witness in a proceeding before the Supreme Court.

(4) A document produced at, or used for, a hearing has the same protection it would have if produced before the Supreme Court.

Rule-making power

467.(1) The Governor in Council may make rules under this Act.

(2) Rules may be made about the following matters—

(a) regulating the practice and procedure to be followed and used in

or for proceedings in the tribunal;

- (b) fees and expenses payable to witnesses;
- (c) service of process, notices, orders or other things on parties and other persons.

(3) Rules made under this section are rules of court.

Annual report

468.(1) As soon as practicable each year, but not later than 30 September, the chairperson must give the Minister a report containing—

- (a) a review of the operation of the tribunal during the 12 months ending on the preceding 30 June; and
- (b) proposals for improving the operation of, and forecasts of the workload of, the tribunal in the 12 months following that 30 June.

(2) The Minister must cause a copy of the report to be laid before the Parliament within 14 sitting days after its receipt by the Minister.

CHAPTER 14—CLAIMS AGAINST THE FUND AND OTHER PROCEEDINGS

PART 1—PRELIMINARY

Definitions for ch 14

469. In this chapter—

“**claimant**” means a person who makes a claim against the fund.

“**claim notice**” see section 474(1).

“**complaint**” see section 497(1).

“**financial loss**”, suffered by a person, if evidenced by a judgment of a court, does not include interest awarded on the judgment.

“licensee” includes a former licensee and a person who is not licensed, but who acts as a licensee.

“relevant person” means—

- (a) a licensee; or
- (b) a licensee’s employee or agent, or a person carrying on business with the licensee; or
- (c) a person having charge or control, or apparent charge or control, of a licensee’s registered office or business.

“respondent” see section 474(1).

PART 2—CLAIMS AGAINST THE FUND

Division 1—Who can claim

Claims

470.(1) A person may make a claim against the fund if the person suffers financial loss because of the happening of any of the following events—

- (a) the contravention of any of the following provisions by a relevant person—
 - section 144, 145 or 149(1)¹³⁴
 - section 183, 184 or 188(1)¹³⁵
 - section 221, 222 or 226(1)¹³⁶

¹³⁴ Section 144 (Beneficial interest—options), 145 (Beneficial interest—other than options) or 149 (Notice to be given about vacant land)

¹³⁵ Section 183 (Beneficial interest—options), 184 (Beneficial interest—other than options) or 188 (Notice to be given about vacant land)

¹³⁶ Section 221 (Beneficial interest—options), 222 (Beneficial interest—other than options) or 226 (Notice to be given about vacant land)

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- section 233(2)¹³⁷
 - section 291 or 292¹³⁸
 - section 295(2)¹³⁹
 - section 302(4)¹⁴⁰
 - section 311¹⁴¹
 - chapter 12, part 1¹⁴²
 - section 573¹⁴³
 - section 574;¹⁴⁴
- (b) a failure of an auctioneer to ensure a person who has bought a motor vehicle sold by the auctioneer (other than a motor vehicle sold for another auctioneer or a motor dealer) gains clear title to the vehicle at the time property in the vehicle passes to the buyer, whether or not the auctioneer contravenes section 233;
- (c) a failure of a motor dealer to ensure a person who has bought a motor vehicle sold by or for the dealer gains clear title to the vehicle at the time property in the vehicle passes to the buyer, whether or not the motor dealer contravenes section 233 or 295;
- (d) a contravention of any of the following provisions of the *Land Sales Act 1984* by a licensee appointed by the owner of land to which that Act applies or a relevant person employed by the licensee—

¹³⁷ Section 233 (Guarantee of title for motor vehicles)

¹³⁸ Section 291 (Beneficial interest—options) or 292 (Beneficial interest—other than options)

¹³⁹ Section 295 (Guarantee of title for motor vehicles)

¹⁴⁰ Section 302 (Buyer's rights if notice not given or materially defective)

¹⁴¹ Section 311 (Consideration for used motor vehicle during cooling-off period)

¹⁴² Chapter 12 (Accounts and funds), part 1 (Trust accounts)

¹⁴³ Section 573 (Wrongful conversion and false accounts)

¹⁴⁴ Section 574 (False representations about property)

- section 9¹⁴⁵
- section 11¹⁴⁶
- section 12¹⁴⁷
- section 21¹⁴⁸
- section 23¹⁴⁹
- section 24;¹⁵⁰

(e) a stealing, misappropriation or misapplication by a relevant person of property entrusted to the person as agent for someone else in the person's capacity as a relevant person.

(2) A person may make a claim against the fund even if the person has made another claim for the loss against a receiver and the receiver has not considered or has refused the other claim.

Persons who can not claim

471.(1) A person who suffers financial loss because of, or arising out of, the stealing, misappropriation or misapplication of an amount that a relevant person was directed to invest under section 380¹⁵¹ can not make a claim against the fund.

(2) The following persons can not make a claim against the fund for any of the following financial losses—

- (a) a seller of livestock who suffers financial loss in relation to the sale of the livestock if—
 - (i) the livestock are received by a relevant person from the seller; and

¹⁴⁵ *Land Sales Act 1984*, section 9 (Identification of land)

¹⁴⁶ *Land Sales Act 1984*, section 11 (Contractual requirement re holding of money)

¹⁴⁷ *Land Sales Act 1984*, section 12 (Trustee's duty)

¹⁴⁸ *Land Sales Act 1984*, section 21 (Statement identifying proposed lot etc.)

¹⁴⁹ *Land Sales Act 1984*, section 23 (Contractual requirement re holding of money)

¹⁵⁰ *Land Sales Act 1984*, section 24 (Trustee's duty)

¹⁵¹ Section 380 (Investments)

- (ii) the relevant person and the seller agree in writing that the relevant person guarantees payment to the seller of the livestock's purchase price;¹⁵²
- (b) a relevant person who suffers financial loss in the course of performing an activity, or carrying on business, as a relevant person;
- (c) a person holding a licence, however described, under a corresponding law that is similar to a licence under this Act who suffers financial loss in the course of performing an activity, or carrying on business, under the person's licence;
- (d) a financier of a motor dealer's business who suffers financial loss because of financing the motor dealer's business;
- (e) a person who suffers financial loss because the person guaranteed a motor dealer's obligations under a financial arrangement made by the motor dealer;
- (f) a person who suffers financial loss because of a failure to disclose or make effective disclosure under section 138 or 268;¹⁵³
- (g) a person who suffers financial loss because of, or arising out of, the person's dealings with a property developer or the property developer's employees.

Division 2—Making and dealing with claims

Claims—time limit

472.(1) A person may make a claim against the fund—

- (a) only if the person makes the claim within the earlier of the following—
 - (i) 1 year after the person becomes aware that the person has suffered financial loss because of the happening of an event

¹⁵² The practice in section 471(2)(a)(ii) is commonly referred to as 'del credere'.

¹⁵³ Section 138 (Disclosures to prospective buyer) or 268 (Disclosures to prospective buyer)

mentioned in section 470(1);¹⁵⁴

(ii) 3 years after the happening of the event that caused the person's financial loss; or

(b) if the person has started a proceeding in a court to recover the person's financial loss, only if the person makes the claim within 3 months after the proceeding in the court ends.

(2) Despite subsection (1), the tribunal, on application under section 510,¹⁵⁵ may extend the time within which a person may make a claim against the fund.

How to make a claim

473.(1) A claim must be made to the chief executive in the approved form.

(2) The claim must state—

- (a) the event alleged to give rise to the claim; and
- (b) when the event happened; and
- (c) if the claimant was not immediately aware that the claimant suffered financial loss because of the happening of the event, when the claimant became aware of the financial loss; and
- (d) all relevant particulars about the event and the financial loss; and
- (e) the claimant's estimated financial loss.

(3) A claim is taken to have been made on the day the claim is given to the chief executive even though the claimant is unable to state all of the particulars mentioned in subsection (2).

(4) The chief executive may require the claimant to verify the claim, or part of the claim.

Example of verification—

Statutory declaration.

¹⁵⁴ Section 470 (Claims)

¹⁵⁵ Section 510 (Application to extend time to file claim or review decision)

(5) If the claim is not made within the time allowed under section 472, the chief executive must give the person a notice in the approved form stating that—

- (a) the claim is out of time; and
- (b) the person may apply to the tribunal, within 14 days after being given the notice, for an extension of time within which to make the claim.

(6) A claim given to the chief executive by a receiver under section 432(3)(b)¹⁵⁶ is taken to have been made to the chief executive under this section within the time allowed under section 472.

Chief executive to give respondent notice of claim

474.(1) The chief executive must give notice of the claim (“**claim notice**”) to the person or persons (“**respondent**”) whose actions are alleged to have given rise to the claim.

(2) The claim notice must be accompanied by a copy of the claim.

(3) The respondent may—

- (a) give the chief executive any information relevant to the claim; or
- (b) attempt to settle the claim with the claimant.

(4) The respondent must give the chief executive any information relevant to the claim within 14 days after the claim notice is received by the respondent.

(5) If the respondent and claimant settle the claim, the respondent must immediately advise the chief executive in writing and provide evidence of the settlement.

(6) If the chief executive is satisfied that the claim has settled, the chief executive may treat the claim as having been withdrawn.

(7) In this section—

“**claim**” does not include a claim given to the chief executive by a receiver under section 432(3)(b).

¹⁵⁶ Section 432 (Payment of claims)

Corporation to give notices in relation to claim

475.(1) This section applies if the respondent is a corporation.

(2) The respondent must give written notice of the claim, within 14 days after the claim notice is received by the respondent, to each person who was an executive officer of the corporation at the time the event alleged to give rise to the claim happened, unless the respondent has a reasonable excuse.

Maximum penalty—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—100 penalty units; or
- (b) for a corporation—500 penalty units.

(3) An executive officer mentioned in subsection (2) is taken to be a respondent to the claim.

(4) The respondent is taken to have given the notice to an executive officer if the notice is sent to the residential and business address of the officer last known to the respondent.

(5) The respondent must give the chief executive, within 21 days after the claim notice is given to the respondent—

- (a) written notice of the name and last known residential and business address of each person who was an executive officer of the corporation at the time the event alleged to give rise to the claim happened; and
- (b) a copy of the notice to the former executive officer given under subsection (2) and information about when the notice was given.

Maximum penalty for subsection (5)—

- (a) for an individual guilty under chapter 2 of the Criminal Code of an offence or for section 591—100 penalty units; or
- (b) for a corporation—500 penalty units.

Dealing with claims that have not settled

476. If the claim has not settled within 28 days after the claim notice is given to the respondent, the claimant may apply to the chief executive in the approved form—

- (a) if the claim is a minor claim—to have the claim decided by the chief executive; or
- (b) if the claim is other than a minor claim—to refer the claim to the tribunal for decision.

Inspector may investigate claims and prepare report

477.(1) The chief executive may direct an inspector to investigate a claim that has not settled.

(2) If an inspector investigates a claim, the inspector must prepare a report about the claim and give a copy of the report to the chief executive.

(3) The chief executive must give a copy of the report to the claimant and the respondent and, if the report is about a claim to be decided by the tribunal, to the chairperson of the tribunal.

Note—

The claimant or respondent may apply to the tribunal under section 513 (Attendance notice) for an attendance notice requiring the attendance of the inspector at the hearing of the claim before the tribunal.

Division 3—Minor claims

Procedure for deciding minor claims

478.(1) This division applies to a minor claim the chief executive must decide.

(2) The chief executive, by written notice, must invite the claimant and the respondent (the “**parties**”) to give the chief executive written comments in relation to the inspector’s report prepared under section 477 within the time, not less than 7 days, stated in the notice.

(3) If the chief executive receives comments from 1 or both parties, the chief executive must provide the other party with a copy of the comments and invite that party to give the chief executive any further comments within the time, not less than 7 days, stated in the notice.

(4) The chief executive, by written notice, may ask the claimant or respondent for the further information or documents the chief executive

reasonably requires to decide the claim.

(5) The chief executive must have regard to any report prepared by an inspector under section 477 and the parties' comments when deciding the claim.

(6) The chief executive must decide the claim without a hearing.

Amendment of claim

479.(1) The chief executive may, at any time before deciding the claim, amend the particulars of the claim in the way the chief executive considers appropriate—

- (a) on application, if the chief executive is satisfied the amendment is of a formal or minor nature and no party is unfairly prejudiced by the amendment; or
- (b) on the chief executive's own initiative, if all the parties agree.

(2) The amended claim is taken to be the claim.

Respondent fails to respond to claim

480.(1) This section applies if the chief executive is satisfied that the respondent—

- (a) has been given notice of the claim, but has not responded to the claim; or
- (b) can not be located after the making of reasonable inquiries into the respondent's whereabouts.

(2) The chief executive may consider and decide the claim in the absence of any comments or submissions made by the respondent.

Deciding minor claims

481.(1) The chief executive may allow the claim, wholly or partly, or reject the claim.

(2) However, the chief executive may allow the claim only if satisfied, on the balance of probabilities, that—

- (a) an event mentioned in section 470(1)¹⁵⁷ happened; and
- (b) the claimant suffered financial loss because of the happening of the event.

(3) If the chief executive allows the claim, wholly or partly, the chief executive must—

- (a) take into account any amount the claimant might reasonably have received or recovered if not for the claimant's neglect or default; and
- (b) decide the amount of the claimant's financial loss; and
- (c) name the person who is liable for the claimant's financial loss.

(4) The chief executive's decision must be signed and dated and must state clearly—

- (a) the decision; and
- (b) the chief executive's findings in relation to the facts of the case; and
- (c) the reasons for the decision; and
- (d) if the decision is that an amount be paid to the claimant from the fund—
 - (i) that the respondent named in the decision is liable to reimburse the fund to the extent of the amount paid to the claimant from the fund; and
 - (ii) if more than 1 person is named as being liable to reimburse the fund, that the liability of the persons named is joint and several.

Notifying decision

482.(1) The chief executive must give the parties written notice of the chief executive's decision, a copy of the decision and a review notice within 14 days after making the decision.

(2) In this section—

¹⁵⁷ Section 470 (Claims)

“review notice” means a notice stating the following—

- (a) that a party dissatisfied with the chief executive’s decision may apply to the registrar to have the decision reviewed by the tribunal within 28 days after receiving the notice;
- (b) how the application to have the decision reviewed is to be made;
- (c) that if no application is made to have the decision reviewed within the time allowed—
 - (i) the decision is binding on the parties; and
 - (ii) if the decision is to allow the claim and authorise payment from the fund, the respondent named in the decision as liable to reimburse the fund is liable to reimburse the fund to the extent of the amount paid to the claimant from the fund.

Party may ask tribunal to review chief executive’s decision

483.(1) A party who is dissatisfied with the chief executive’s decision under section 481 may apply to the registrar within 28 days after receiving the review notice to have the decision reviewed by the tribunal.

(2) An application under subsection (1) must be—

- (a) made in the approved form; and
- (b) accompanied by the fee prescribed under a regulation.

(3) The party must give a copy of the application to the other party and the chief executive.

Chief executive’s decision binds the parties

484. If no application for review of the chief executive’s decision is made within the time allowed under section 483(1)—

- (a) the chief executive’s decision is binding on the claimant and the respondent; and
- (b) the amount paid to the claimant from the fund in accordance with the decision may be recovered by the chief executive as a debt owing to the chief executive by the respondent named in the decision; and

- (c) the respondent may not subsequently challenge the correctness of the decision or the amount payable.

Division 4—Claims other than minor claims

Registrar to fix hearing date and issue attendance notices

485.(1) On referral of a claim, other than a minor claim, to the tribunal, the registrar must fix a day for the hearing of the claim (“**hearing date**”) and issue a notice in the approved form (“**attendance notice**”) to the claimant requiring the claimant and the respondent to attend before the tribunal.

(2) The hearing date must be a day at least 14 days after the claim is referred to the tribunal, unless the parties agree on an earlier day.

(3) The claimant must give a copy of the attendance notice to the respondent at least 7 days before the day fixed for the hearing.

Amendment of claim

486.(1) The tribunal may at any stage of the proceeding amend the particulars of the claim in the way it considers appropriate—

- (a) on application, if the tribunal is satisfied the amendment is of a formal or minor nature and no party is unfairly prejudiced by the amendment; or
- (b) on its own initiative, if all the parties agree.

(2) The amended claim is taken to be the claim.

Non-appearance of respondent

487.(1) This section applies if the tribunal is satisfied that the respondent—

- (a) has been given an attendance notice for the hearing and does not appear at the hearing; or
- (b) can not be located after the making of reasonable inquiries into the respondent’s whereabouts.

(2) The tribunal may hear and decide the matter in the respondent's absence.

Deciding claims other than minor claims

488.(1) The tribunal may allow the claim, wholly or partly, or reject the claim.

(2) However, the tribunal may allow the claim only if satisfied, on the balance of probabilities, that—

- (a) an event mentioned in section 470(1)¹⁵⁸ happened; and
- (b) the claimant suffered financial loss because of the happening of the event.

(3) If the tribunal allows the claim, wholly or partly, the tribunal must—

- (a) take into account any amount the claimant might reasonably have received or recovered if not for the claimant's neglect or default; and
- (b) decide the amount of the claimant's financial loss; and
- (c) name the person who is liable for the claimant's financial loss.

Division 5—Payment of claims and liability of persons for payments from the fund

Payment of claims

489.(1) If a claim is allowed under section 481 or 488¹⁵⁹ or on a review of the chief executive's decision, the chief executive must authorise payment from the fund in the amount decided by the chief executive or the tribunal.

(2) A payment under subsection (1)—

- (a) must not be made—

¹⁵⁸ Section 470 (Claims)

¹⁵⁹ Section 481 (Deciding minor claims) or 488 (Deciding claims other than minor claims)

- (i) for a minor claim—until the end of the period allowed for review of the chief executive’s decision and, if a review is applied for, until the review and any appeal is finally decided; or
 - (ii) otherwise—until the end of the period allowed for appeal and, if an appeal is made, until the appeal is finally decided; and
- (b) is taken to be in full settlement of the claim against the fund.

Liability for payment from the fund

490.(1) On payment of the amount, the person named in the chief executive’s decision or the tribunal’s order as being liable for the claimant’s financial loss is liable to reimburse the fund to the extent of the amount paid to the claimant from the fund.

(2) If more than 1 person is named as being liable to reimburse the fund, the liability of the persons named is joint and several.

Chief executive to give respondent letter of demand

491.(1) On payment of the amount, the chief executive must give a letter of demand to the person or persons named as being liable to reimburse the fund.

(2) The demand must require the person or persons to pay the amount to the chief executive within 28 days after receiving the demand.

Limits on recovery from fund

492.(1) A claimant can not recover from the fund an amount more than the balance of the claimant’s financial loss after deducting from the claimant’s loss—

- (a) the amount, including the value of all benefits, received or recovered by the claimant from a source other than the fund in reduction of the loss; and
- (b) the amount, including the value of all benefits, the chief executive or the tribunal considers the claimant might reasonably have

received or recovered if not for the claimant's neglect or default.

Examples of paragraph (a)—

1. Compensation received from the licensee for the loss.
2. A payment from a receiver for the loss.

(2) A claimant may not recover from the fund for a single claim an amount more than the amount prescribed under a regulation.

(3) A regulation may prescribe the total amount that may be paid from the fund because of, or arising out of, a contravention, failure to ensure clear title to a vehicle, stealing, misappropriation or misapplication (a “**wrong**”) by a single person.

(4) If the amount of claims against the fund because of, or arising out of, a wrong is more than the amount prescribed under subsection (3), the total amount that may be paid from the fund is to be distributed proportionally among the claimants.

(5) Interest is not payable from the fund in relation to a claim allowed against the fund.

Notice of other recovery

493. A claimant must give the chief executive written notice of an amount or benefit, other than an amount from the fund, received by the claimant in relation to the claimant's financial loss, whether before or after the claim is paid.

Maximum penalty—200 penalty units or 3 years imprisonment.

Division 6—Reimbursements to fund

Recovery of payments—general

494. The chief executive must pay to the fund any amount recovered by the chief executive in satisfaction of an amount paid from the fund.

Recovery of overpayments

495.(1) This section applies if a claimant who has received a payment from the fund recovers—

- (a) an amount more than the claimant is entitled to recover under section 492¹⁶⁰ (“**overpayment**”); or
- (b) a thing capable of physical delivery in relation to which the claimant received a payment from the fund.

(2) The claimant must—

- (a) reimburse the overpayment to the fund; or
- (b) for a thing capable of physical delivery—
 - (i) deliver the thing to the chief executive in accordance with the chief executive’s direction; or
 - (ii) reimburse to the fund the amount of the payment from the fund the person received in relation to the thing.

Maximum penalty—200 penalty units.

(3) The chief executive may recover the overpayment or the amount of the payment from the fund the person received in relation to the thing as a debt owing to the chief executive by the person.

(4) If the chief executive receives a thing, the chief executive may sell the thing in the way the chief executive decides.

PART 3—DISCIPLINARY PROCEEDINGS

Grounds for starting disciplinary proceedings

496.(1) The following are grounds for starting a disciplinary proceeding against a licensee or registered employee—

- (a) the licensee or employee has been convicted of an indictable offence or an offence against this Act;

¹⁶⁰ Section 492 (Limits on recovery from fund)

- (b) the licensee or employee has contravened or breached—
 - (i) this Act, including a code of conduct: or
 - (ii) an undertaking given under chapter 16, part 2;¹⁶¹ or
 - (iii) a corresponding law;
- (c) the licensee or employee has been disqualified from holding a licence under a corresponding law;
- (d) an amount has been paid from the fund because the licensee or employee did, or omitted to do, something that gave rise to a claim against the fund;
- (e) the licensee or employee fraudulently or improperly obtained, or helped someone else to fraudulently or improperly obtain, a licence;
- (f) the licensee or employee has failed to comply with an order made by the small claims tribunal, a court or the tribunal;
- (g) for a licensee—
 - (i) the licensee is not a suitable person to hold a licence; or
 - (ii) the licensee has carried on, or is carrying on, business under a licence with someone who is not a suitable person to hold a licence; or
 - (iii) the licensee has, in carrying on a business or performing an activity, been incompetent or acted in an unprofessional way; or
 - (iv) the licensee has failed to ensure that the licensee's employed licensees or registered employees, or employees under the licensee's supervision—
 - (A) are properly supervised in the performance of their duties; or
 - (B) comply with this Act; or
 - (v) the licensee has failed to comply with a condition of the licensee's licence; or

¹⁶¹ Chapter 16 (Injunctions and undertakings), part 2 (Undertakings)

- (vi) the licensee is an executive officer of a corporation that the tribunal finds guilty of a disciplinary charge under section 529;¹⁶² or
- (vii) if the licensee is a corporation—
 - (A) an executive officer of the corporation is not a suitable person to be an executive officer of a corporation; or
 - (B) an executive officer of the corporation is disqualified under this Act from being an executive officer of a corporation;
- (h) for a registered employee—
 - (i) the employee is not eligible to be employed as a registered employee; or
 - (ii) the employee has—
 - (A) in performing an activity of a licensee, been incompetent or acted in an unprofessional way; or
 - (B) performed an activity not authorised under the employee's employment authority.

(2) The chief executive must not start a disciplinary proceeding against an executive officer under subsection (1)(g)(vi) if the chief executive is satisfied—

- (a) the act or omission relevant to the proceeding against the corporation was done or made without the officer's knowledge; and
- (b) the officer could not, with reasonable diligence, have prevented the doing of the act or the making of the omission.

How to start disciplinary proceedings

497.(1) A disciplinary proceeding against a person is started by the chief executive filing with the registrar a notice in the approved form ("**complaint**") stating—

¹⁶² Section 529 (Orders tribunal may make on disciplinary charge hearing)

(a) the grounds on which a disciplinary charge is to be brought against the person; and

(b) the nature of the matter being referred to the tribunal for decision.

(2) The registrar must fix a day for the hearing of the complaint (“**hearing date**”) and issue a notice in the approved form (“**attendance notice**”) requiring the person to attend before the tribunal.

(3) The chief executive must give a copy of the complaint and attendance notice to the person at least 7 days before the day fixed for the hearing.

(4) The complaint and attendance notice may be combined in 1 notice.

When proceeding is taken to start

498. A disciplinary proceeding is taken to have started on the day the person is given a complaint and attendance notice under section 497.

Hearing date must be at least 14 days after attendance notice is given

499. The hearing date must be a day at least 14 days after the proceeding starts.

Amendment of complaint

500.(1) The tribunal may at any stage of the proceeding amend the particulars of the complaint in the way it considers appropriate—

(a) on application, if the tribunal is satisfied the amendment is of a formal or minor nature and no party is unfairly prejudiced by the amendment; or

(b) on its own initiative, if all the parties agree.

(2) The amended complaint is taken to be the complaint.

PART 4—REVIEW PROCEEDINGS

Person dissatisfied with chief executive’s decision may seek review

501. A person who is dissatisfied with a decision of the chief executive made under a provision specified in schedule 1 may apply to the tribunal to have the decision reviewed (“**application for review**”).

How to start review proceeding

502.(1) An application for review must be—

- (a) made in the approved form; and
- (b) filed with the registrar within 28 days after the person receives notice of the decision to be reviewed; and
- (c) accompanied by the fee prescribed under a regulation.

(2) The applicant must give a copy of the application to the chief executive.

Amendment of application for review

503.(1) The tribunal may at any stage of the proceeding amend the particulars of the application for review in the way it considers appropriate—

- (a) on application, if the tribunal is satisfied the amendment is of a formal or minor nature and no party is unfairly prejudiced by the amendment; or
- (b) on its own initiative, if all the parties agree.

(2) The amended application for review is taken to be the application for review.

Considering application

504.(1) The tribunal must convene a hearing to consider the application.

(2) However, if the application is to review a decision of the chief

executive under section 481,¹⁶³ the tribunal may review the decision in any way it considers appropriate, including, for example, by—

- (a) reconsidering the material before the chief executive and having regard to the application; or
- (b) convening a hearing to consider the claim afresh.

Stay of operation of decisions

505.(1) A decision of the chief executive, other than a decision made under section 74, 104 or 412,¹⁶⁴ being reviewed is stayed for the purpose of securing the effectiveness of the review.

(2) However, the period of a stay does not extend past the time when the tribunal decides the application.

PART 5—PROCEEDINGS GENERALLY

Division 1—Constitution of tribunal

Constitution of tribunal for hearing

506.(1) The tribunal must be constituted by 3 members for a hearing.

(2) However, the tribunal may be constituted by the chairperson sitting alone for the following purposes—

- (a) conducting a preliminary hearing;
- (b) reviewing a decision of the chief executive in relation to a minor claim;
- (c) considering an application by the chief executive for a summary order;

¹⁶³ Section 481 (Deciding minor claims)

¹⁶⁴ Section 74 (Immediate suspension), 104 (Immediate suspension) or 412 (Chief executive may freeze licensee's accounts in particular cases)

- (d) deciding a claim, other than a minor claim, against the fund of not more than \$10 000;
- (e) considering an application for the extension of time made under section 509(4) or 510;¹⁶⁵
- (f) considering an application for joinder under section 512.¹⁶⁶

Division 2—Disclosure of interests

Disclosure of interests

507.(1) If a member of the tribunal becomes aware that the member has a conflict of interest in relation to a proceeding in the tribunal, the member must disclose the issue giving rise to the conflict—

- (a) if the member is the chairperson—to the parties to the proceeding;
or
- (b) otherwise—to the chairperson and the parties to the proceeding.

(2) After making the disclosure, the member may disqualify himself or herself.

(3) However, the member may take part in the proceeding, or exercise a power for the proceeding—

- (a) if the member is the chairperson—if the parties agree; or
- (b) otherwise—if the chairperson and the parties agree.

(4) A member of the tribunal has a conflict of interest in relation to a proceeding if the member—

- (a) has a direct or indirect interest in the subject matter of the hearing that may prevent the member from acting impartially; or
- (b) may reasonably be perceived as having a direct or indirect interest in the subject matter of the hearing that may prevent the member from acting impartially; or

¹⁶⁵ Section 509 (Directions and orders) or 510 (Application to extend time to file claim or review decision)

¹⁶⁶ Section 512 (Joinder of parties)

- (c) constitutes or constituted the tribunal for a related hearing or is or was a member of the tribunal as constituted for a related hearing.

(5) For this section, a hearing is a “**related hearing**” for another hearing if the hearing deals with the same issues or parties as the other hearing.

Division 3—Management of proceedings

Way tribunal is to conduct proceedings

508.(1) The procedure for a proceeding is at the discretion of the tribunal, subject to this Act and the rules of natural justice.

(2) The proceeding is to be conducted with as little formality and technicality and with as much speed as the requirements of this Act and a proper consideration of the matters before the tribunal permit.

(3) The tribunal is not bound by the rules of evidence, but may inform itself in any way it considers appropriate.

(4) The tribunal may, if appropriate, conduct the proceeding by means of telephone conferencing, video conferencing or another form of communication that allows reasonably contemporaneous and continuous communication between persons taking part in the proceeding.

Directions and orders

509.(1) The tribunal may make orders, give directions and do whatever is necessary for the expeditious, just, fair and cost effective resolution of a proceeding.

(2) The power to give directions under subsection (1) is subject to practice directions issued under section 458.¹⁶⁷

(3) Without limiting subsection (1), the tribunal may at any time—

- (a) set time limits for the completion of anything to be done in relation to the proceeding; and
- (b) require a party to the proceeding to give the tribunal either or both

¹⁶⁷ Section 458 (Chairperson’s role)

of the following if the tribunal considers it may be relevant to the proceeding—

- (i) a document in the party's possession or control;
- (ii) any other information or evidence.

(4) A party must comply with an order or direction within the time stated in the order or direction, unless the party—

- (a) applies to the tribunal for, and is granted, an extension of time to comply with the order or direction; or
- (b) has a reasonable excuse for not complying.

(5) The tribunal, on application of a party or on its own initiative, may at any time vary or revoke an order or direction given by it.

Application to extend time to file claim or review decision

510.(1) A person may apply to the tribunal to extend the time within which a claim may be made against the fund or an application to review a decision of the chief executive may be made.

(2) The application must—

- (a) be made in the approved form; and
- (b) be filed with the registrar; and
- (c) be accompanied by the fee prescribed under a regulation; and
- (d) state clearly and briefly the reasons supporting the application for an extension of time; and
- (e) include copies of any documents supporting the claim.

(3) The registrar must fix a day and time for the hearing of the application.

(4) The applicant must give a copy of the application and any supporting documents and a notice in approved form of the time fixed for the hearing—

- (a) if the application is made in relation to a claim—to the respondent to the claim; or
- (b) if the application is made in relation to a decision of the chief

executive—to the chief executive.

(5) The applicant must give the copy of the documents mentioned in subsection (4) to the respondent or the chief executive at least 7 days before the hearing.

Tribunal may extend time

511.(1) The tribunal may extend the time within which to file the claim or seek review of a decision of the chief executive if the tribunal is satisfied—

- (a) the application is made—
 - (i) for a claim—within the time mentioned in the notice given under section 473(5)(b);¹⁶⁸ or
 - (ii) for a review of a decision of the chief executive—within 42 days after the person receives notice of the decision to be reviewed; and
- (b) it is appropriate to extend time having regard to—
 - (i) the reasons for not making the claim or seeking the review within the time allowed; and
 - (ii) the application generally; and
 - (iii) for a claim, the relative hardship that an extension of time or a refusal to extend time would place on the claimant or respondent; and
 - (iv) the justice of the matter generally.

(2) No appeal lies against the tribunal's decision under this section.

Joinder of parties

512.(1) For a proceeding, the tribunal may order that a person be joined as a party to a proceeding if the tribunal considers that—

- (a) the person ought to be bound by, or have the benefit of, an order of the tribunal in the proceeding; or

¹⁶⁸ Section 473 (How to make a claim)

- (b) the person's interests are affected by the proceeding; or
- (c) for another reason it is desirable the person be joined as a party.

(2) The tribunal may make an order under subsection (1) on the application of any person or on its own initiative.

Attendance notice

513.(1) The tribunal may, on the application of a party to a proceeding or on the tribunal's own initiative, issue a notice in the approved form ("**attendance notice**") requiring a person to appear before the tribunal at a stated time and place to give evidence or to produce a stated document or thing.

(2) An attendance notice must be served personally on the person.

(3) The person must attend as required by the notice and continue to attend as required by the presiding member until excused from further attendance, unless the person has a reasonable excuse.

Maximum penalty for subsection (3)—200 penalty units.

Establishment of tribunal for hearing

514.(1) The chairperson must select the members of the tribunal for a hearing, one of whom must be a lawyer (who may be the chairperson).

(2) The lawyer is to be the presiding member of the tribunal for the hearing.

(3) The registrar must keep a record of the name of the members constituting the tribunal for each hearing and the purpose for which the hearing was held.

Preliminary hearing

515.(1) The tribunal may conduct a preliminary hearing if asked by a party to the proceeding or on its own initiative.

(2) At a preliminary hearing, the tribunal may make orders and give

directions under section 509, 511 or 512¹⁶⁹ or amend the particulars of a claim, complaint or application for review under section 486, 500 or 503.¹⁷⁰

Frivolous or vexatious claims

516.(1) The tribunal may dismiss a claim or an application for review if it is satisfied that the claim or application is frivolous, vexatious or oppressive.

(2) The tribunal may make an order dismissing the claim or application at any hearing, including a preliminary hearing.

Venues

517.(1) The tribunal may sit at the times and places decided by the chairperson.

(2) Subsection (1) does not affect the tribunal's power under section 522¹⁷¹ to adjourn a hearing of a disciplinary charge to a day fixed by the tribunal.

Division 4—Representation

Right of appearance and representation

518.(1) The following persons are entitled to appear before the tribunal at a hearing—

- (a) a party to the proceeding;
- (b) the party's lawyer;
- (c) the chief executive;
- (d) the chief executive's representative;

¹⁶⁹ Section 509 (Directions and orders), 511 (Tribunal may extend time) or 512 (Joinder of parties)

¹⁷⁰ Section 486 (Amendment of claim), 500 (Amendment of complaint) or 503 (Amendment of application for review).

¹⁷¹ Section 522 (Power to adjourn hearings)

(e) another person to whom the tribunal gives leave to appear.

(2) Subsection (1) is subject to section 504(2).¹⁷²

Division 5—Other provisions about proceedings

Powers of tribunal relating to taking of evidence

519.(1) For the hearing, the tribunal may—

- (a) take evidence on oath; or
- (b) require a person appearing before the tribunal to give evidence to take an oath; or
- (c) administer an oath to a person appearing before the tribunal.

(2) A person appearing as a witness at the tribunal hearing must not, without reasonable excuse—

- (a) fail to be sworn; or
- (b) fail to answer a question that the person is required to answer by the tribunal; or
- (c) fail to produce a document that the person was required to produce by an attendance notice served on the person.

Maximum penalty—200 penalty units.

(3) It is a reasonable excuse for a person to fail to answer a question or produce a document, other than a document the person is required to keep under this Act, if giving the answer or producing the document might tend to incriminate the person.

Inspection of documents

520.(1) If a document or thing is produced to the tribunal at a hearing, the tribunal may—

- (a) inspect the document or thing; and

¹⁷² Section 504 (Considering application)

(b) make copies of, photograph, or take extracts from, the document or thing if it is relevant to the hearing.

(2) The tribunal may also take possession of the document or thing, and keep it while it is necessary for the hearing.

(3) While it keeps a document or thing, the tribunal must permit a person otherwise entitled to possession of the document or thing to inspect, make copies of, photograph, or take extracts from, the document or thing, at the reasonable time, date and place the tribunal decides.

Power to refer matter for expert assessment or opinion

521.(1) The tribunal may refer a matter of a technical nature arising in the course of a hearing for investigation by an appropriate expert.

(2) In carrying out an investigation under this section, the expert has the same protection and immunity as a member of the tribunal in the performance of the member's duties as a member.

(3) The expert must report the results of the investigation in writing to the tribunal and provide each of the parties to the proceeding with a copy of the report.

(4) The tribunal may adopt the findings of the expert, wholly or partly.

Power to adjourn hearings

522. The tribunal may adjourn the hearing from time to time.

Questions of law to be decided by presiding member

523. A question of law arising in a proceeding in the tribunal is to be decided according to the presiding member's opinion.

Contempt of tribunal

524.(1) A person is in contempt of the tribunal if the person—

(a) insults a member of the tribunal at a hearing, or in going to or returning from the hearing; or

- (b) deliberately interrupts a hearing, or otherwise misbehaves at a hearing; or
- (c) creates or continues, or joins in creating or continuing, a disturbance in or near a place where a hearing is being conducted; or
- (d) obstructs or assaults a person attending a hearing; or
- (e) without lawful excuse, disobeys a lawful order or direction of the tribunal made or given at a hearing; or
- (f) does anything at a hearing or otherwise that would be contempt of court if the tribunal were a court of record.

(2) The tribunal may order that a person who is in contempt under subsection (1) at a hearing be excluded from the place where the hearing is being conducted.

(3) A person acting under the tribunal's order may, using necessary and reasonable help and force, exclude the person from the place.

Punishment of contempt

525.(1) Without limiting the tribunal's power to punish for contempt under section 524, a person's contempt of the tribunal may be punished under this section.

(2) The chairperson may certify the contempt in writing to the Supreme Court (the "**court**").

(3) For subsection (2), it is enough for the chairperson to be satisfied there is evidence of contempt.

(4) The chairperson may issue a warrant directed to a police officer or all police officers for the arrest of the person to be brought before the court to be dealt with according to law.

(5) The *Bail Act 1980* applies to the proceeding for the contempt started by the certification in the same way it applies to a charge of an offence.

(6) The court must inquire into the alleged contempt.

(7) The court must hear—

- (a) witnesses and evidence that may be produced against or for the

person whose contempt was certified; and

(b) any statement given by the person in defence.

(8) If the court is satisfied the person has committed the contempt, the court may punish the person as if the person had committed the contempt in relation to proceedings in the court.

(9) The *Uniform Civil Procedure Rules 1999* apply to the court's investigation, hearing and power to punish with necessary changes.

(10) The chairperson's certificate of contempt is evidence of the matters contained in the certificate.

Conduct that is contempt and offence

526. If conduct of a person is both contempt of the tribunal and an offence, the person may be proceeded against for the contempt or for the offence, but the person is not liable to be punished twice for the same conduct.

Division 6—Applications for summary orders

Application for summary order

527.(1) The chief executive may apply to the tribunal in the approved form for a summary order under this section.

(2) The application must be filed with the registrar and accompanied by the following documents—

- (a) a copy of the claim against the fund in relation to which the application is made;
- (b) copies of the written notice of the chief executive's decision, the decision and the review notice given under section 482;
- (c) a copy of the letter of demand given under section 491;
- (d) a statutory declaration by the chief executive stating—
 - (i) the amount paid from the fund in settlement of the claim;
 - and

- (ii) the amount of any payment received from the respondent in satisfaction of the claim.

Respondent to be advised of application for summary order

528.(1) On receiving the application, the registrar must—

- (a) fix a date for consideration of the application by the tribunal; and
- (b) give a copy of the application and the accompanying documents to the respondent; and
- (c) advise the respondent that the tribunal will make a summary order if satisfied that—
 - (i) the chief executive has made a decision in relation to the claim against the fund; and
 - (ii) under the chief executive's decision the respondent is liable to reimburse the fund in a stated amount; and
 - (iii) written notice of the chief executive's decision, a copy of the decision and a review notice under section 482 were sent to the respondent; and
 - (iv) the respondent did not apply for review of the chief executive's decision under section 483; and
 - (v) a letter of demand was sent to the respondent under section 491; and
 - (vi) the respondent has not paid the stated amount within the time allowed under the letter of demand.

(2) The registrar must invite the respondent to make written submissions for the tribunal's consideration about when and in what way the respondent intends to satisfy the amount paid from the fund in settlement of the claim.

(3) Submissions made under subsection (2) must be given to the registrar by a date notified to the respondent being a day at least 7 days before the day fixed for consideration of the application.

Division 7—Tribunal's orders**Orders tribunal may make on disciplinary charge hearing**

529.(1) The tribunal may make 1 or more of the following orders against a person the tribunal finds guilty of a disciplinary charge brought under this Act—

- (a) an order reprimanding the person;
- (b) an order that the person pay to the chief executive, within the time stated in the order, a fine of not more than 200 penalty units;
- (c) an order that the person's licence or registration certificate be suspended for the period stated in the order;
- (d) an order—
 - (i) if the person is the holder of a licence or registration certificate at the time the order is made—that the licence or registration certificate be cancelled; or
 - (ii) whether or not the person is the holder of a licence or registration certificate at the time the order is made—that the person be disqualified permanently, or for the period stated in the order, from holding a licence or registration certificate;
- (e) an order, for a licensed individual who is an executive officer of a corporation, that the individual be disqualified permanently, or for the period stated in the order, from being an executive officer of a corporation that holds a licence;
- (f) an order imposing conditions on, or amending or revoking the conditions of, the person's licence or registration certificate;
- (g) another order the tribunal considers appropriate to ensure the person complies with this Act.

(2) The tribunal may not make an order under subsection (1)(d)(ii) disqualifying the person from holding a licence or registration certificate if the tribunal is satisfied that a court has, in relation to the matter giving rise to the disciplinary charge—

- (a) been asked to make an order under section 592(2)¹⁷³ disqualifying the person from holding a licence or registration certificate; and
- (b) declined to do so.

Orders tribunal may make on claim hearing

530. The tribunal may make the following orders in relation to a claim against the fund—

- (a) an order allowing the claim, wholly or partly, or rejecting the claim;
- (b) an order stating that a named person is liable for a claimant's financial loss and the amount of the loss;
- (c) an order about recovery of an amount payable in relation to a claim;
- (d) an order that no amount is recoverable in relation to a claim.

Orders tribunal may make on review hearing

531.(1) In deciding an application for review of a decision of the chief executive, the tribunal may—

- (a) confirm the decision being reviewed; or
- (b) set aside the decision and substitute another decision; or
- (c) set aside the decision and return the matter to the chief executive with directions that the tribunal considers appropriate.

(2) In substituting another decision, the tribunal has the same powers as the chief executive.

Example—

The tribunal may decide that an unsuccessful applicant for a licence be granted the licence either unconditionally or on particular conditions.

(3) If the tribunal substitutes another decision, the substituted decision is taken to be the decision of the chief executive.

¹⁷³ Section 592 (Power of court)

Summary orders

532.(1) The tribunal must consider an application for a summary order and any written submissions made by the respondent for the application.

(2) The tribunal must make a summary order if satisfied that—

- (i) the chief executive has made a decision in relation to a claim against the fund; and
- (ii) under the chief executive's decision the respondent is liable to reimburse the fund in a stated amount; and
- (iii) written notice of the chief executive's decision, a copy of the decision and a review notice under section 482 were sent to the respondent; and
- (iv) the respondent did not apply for review of the chief executive's decision under section 483; and
- (v) a letter of demand was sent to the respondent under section 491; and
- (vi) the respondent has not paid the stated amount within the time allowed under the letter of demand.

(3) If the tribunal makes a summary order, the order must state that the respondent is liable to pay to the chief executive a stated amount within a stated period.

Form of order

533. A tribunal order must—

- (a) be signed by the presiding member; and
- (b) for an order other than a summary order, state the tribunal's findings in relation to the facts of the case.

Order must be supported by reasons

534. The tribunal must provide written reasons for its decision when making an order, other than a summary order.

Service of order

535. The registrar must give a copy of a tribunal order for a proceeding to each of the parties to the proceeding.

Publication of tribunal decisions

536. The tribunal may publish its decisions in any way it considers appropriate.

Division 8—Costs**Costs**

537.(1) In a proceeding, the tribunal may award the costs it considers appropriate on—

- (a) the application of a party to the proceeding; or
- (b) its own initiative.

(2) The costs the tribunal may award may be awarded at any stage of the proceeding or after the proceeding has ended.

(3) If the tribunal awards costs during a proceeding, the tribunal may order that the costs not be assessed until the proceeding ends.

(4) In deciding whether to award costs, and the amount of the costs, the tribunal may have regard to the following—

- (a) the outcome of the proceeding;
- (b) the conduct of the parties to the proceeding before and during the proceeding;
- (c) the nature and complexity of the proceeding;
- (d) the relative strengths of the claims made by each of the parties to the proceeding;
- (e) any contravention of the Act by a party to the proceeding;
- (f) for a proceeding to which the chief executive is a party, whether the other party to the proceeding was afforded natural justice by the chief executive;

(g) anything else the tribunal considers relevant.

(5) A party to a proceeding is not entitled to costs only because—

- (a) the party was the beneficiary of an order of the tribunal; or
- (b) the party was legally represented at the proceeding.

Division 9—Recovery of amounts

Recovery of fines

538.(1) An order of the tribunal requiring a person to pay to the chief executive an amount as a fine may be filed in the registry of a court having jurisdiction for recovery of debts up to the amount of the fine.

(2) When filing the order, the chief executive must also file an affidavit deposing to noncompliance, or the extent of noncompliance, with the order by the person.

(3) On being filed, the order is taken to be an order of the court and may be enforced against the named person as a penalty imposed by that court.

Recovery of amounts other than fines

539.(1) The chief executive may file an order of the tribunal stating that a named person (the “**respondent**”) is liable for the payment of an amount other than a fine in the registry of a court having jurisdiction for the recovery of debts up to the amount.

(2) When filing the order, the chief executive must also file an affidavit deposing to noncompliance, or the extent of noncompliance, with the order by the respondent.

(3) On being filed, the order is taken to be an order of the court and may be enforced by the chief executive against the respondent as a debt.

(4) If more than 1 person is named as being liable for the payment of the amount, the persons are jointly and severally liable for the payment.

Division 10—Appeal**Appeal to District Court on questions of law only**

540.(1) The chief executive or a party dissatisfied with the decision of the tribunal may appeal to the District Court, but only on a question of law.

(2) The party appealing must serve a copy of the appeal and supporting documents on the registrar within 7 days of filing the appeal in the District Court.

(3) On hearing the appeal, the court may make the order for costs it considers appropriate.

(4) The District Court registrar must give the registrar of the tribunal a copy of the court's judgment and reasons.

CHAPTER 15—ENFORCEMENT**PART 1—INSPECTORS****Appointment**

541.(1) The chief executive is an inspector.

(2) The chief executive may appoint a person as an inspector.

(3) The chief executive may appoint a person as an inspector only if the chief executive is satisfied the person has the necessary expertise or experience to be an inspector.

Limitation of inspector's powers

542. The powers of an inspector may be limited—

- (a) under a regulation; or
- (b) under a condition of appointment; or

- (c) by written notice of the chief executive given to the inspector.

Appointment conditions

543.(1) An inspector holds office on the conditions stated in the instrument of appointment.

(2) An inspector ceases holding office—

- (a) if the appointment provides for a term of appointment—at the end of the term; or
- (b) if the conditions of appointment provide—on ceasing to hold another office (the “**main office**”) stated in the appointment conditions.

(3) An inspector may resign by signed notice of resignation given to the chief executive.

(4) However, an inspector may not resign from the office of inspector (the “**secondary office**”) if a condition of the inspector’s employment to the main office requires the inspector to hold the secondary office.

Identity cards

544.(1) The chief executive must give each inspector an identity card.

(2) The identity card must—

- (a) contain a recent photo of the inspector; and
- (b) be signed by the inspector; and
- (c) identify the person as an inspector; and
- (d) include an expiry date on the card.

(3) This section does not prevent the issue of a single identity card to a person for this and other Acts.

Failure to return identity card

545. A person who stops being an inspector must return the person’s identity card to the chief executive as soon as practicable, but within 21 days, after the person stops being an inspector, unless the person has a

reasonable excuse.

Maximum penalty—10 penalty units.

Production or display of identity cards

546.(1) An inspector may exercise a power under this Act in relation to a person only if the inspector—

- (a) first produces the inspector's identity card for the other person's inspection; or
- (b) has the identity card displayed so it is clearly visible to the other person.

(2) However, if for any reason it is not practicable to comply with subsection (1) before exercising the power, the inspector must produce the identity card for the other person's inspection at the first reasonable opportunity.

PART 2—INSPECTORS' POWERS

Division 1—Entry to places

Entry to places

547.(1) An inspector may enter a place if—

- (a) its occupier consents to the entry; or
- (b) it is a public place and the entry is made when it is open to the public; or
- (c) the entry is authorised by a warrant.

(2) For the purpose of asking the occupier of a place for consent to enter, an inspector may, without the occupier's consent or a warrant—

- (a) enter land around premises at the place to an extent that is reasonable to contact the occupier; or

- (b) enter part of the place the inspector reasonably considers members of the public ordinarily are allowed to enter when they wish to contact the occupier.

Division 2—Procedure for entry

Entry with consent

548.(1) This section applies if an inspector intends to ask an occupier of a place to consent to the inspector or another inspector entering the place under section 547(1)(a).

(2) Before asking for the consent, the inspector must tell the occupier—

- (a) the purpose of the entry; and
- (b) that the occupier is not required to consent.

(3) If the consent is given, the inspector may ask the occupier to sign an acknowledgment of the consent.

(4) The acknowledgment must state—

- (a) the occupier has been told—
 - (i) the purpose of the entry; and
 - (ii) that the occupier is not required to consent; and
- (b) the purpose of the entry; and
- (c) the occupier gives the inspector consent to enter the place and exercise powers under this part; and
- (d) the time and date the consent was given.

(5) If the occupier signs the acknowledgment, the inspector must immediately give a copy to the occupier.

(6) A court must find the occupier of a place did not consent to an inspector entering the place under this part if—

- (a) an issue arises in a proceeding in the court whether the occupier of the place consented to the entry under section 547(1)(a); and
- (b) an acknowledgment mentioned in subsection (4) is not produced in evidence for the entry; and

- (c) it is not proved by the person relying on the lawfulness of the entry that the occupier consented to the entry.

Application for warrant

549.(1) An inspector may apply to a magistrate for a warrant for a place.

(2) The application must be sworn and state the grounds on which the warrant is sought.

(3) The magistrate may refuse to consider the application until the inspector gives the magistrate all the information the magistrate requires about the application in the way the magistrate requires.

Example—

The magistrate may require that additional information supporting the application be given by a statutory declaration.

Issue of warrant

550.(1) The magistrate may issue a warrant only if satisfied there are reasonable grounds for suspecting—

- (a) there is a particular thing or activity (the “**evidence**”) that may provide evidence of an offence against this Act; and
- (b) the evidence is at the place, or, within the next 72 hours, may be at the place.

(2) The warrant must state—

- (a) that an inspector may, with necessary and reasonable help and force—
 - (i) enter the place and any other place necessary for entry; and
 - (ii) exercise the inspector’s powers under this Act; and
- (b) the offence for which the warrant is sought; and
- (c) the evidence that may be seized under the warrant; and
- (d) the hours of the day or night when the place may be entered; and
- (e) the date, within 7 days after the warrant’s issue, the warrant ends.

Special warrants

551.(1) An inspector may apply for a warrant (“**special warrant**”) by phone, fax, radio or another form of communication if the inspector considers it necessary because of—

- (a) urgent circumstances; or
- (b) other special circumstances, including for example, the inspector’s remote location.

(2) Before applying for the special warrant, the inspector must prepare an application stating the grounds on which the warrant is sought.

(3) The inspector may apply for the special warrant before the application is sworn.

(4) After issuing the special warrant, the magistrate must immediately fax a copy (“**facsimile warrant**”) to the inspector if it is reasonably practicable to fax the copy.

(5) If it is not reasonably practicable to fax a copy to the inspector—

- (a) the magistrate must tell the inspector—
 - (i) what the terms of the special warrant are; and
 - (ii) the date and time the special warrant is signed; and
- (b) the inspector must complete a form of warrant (“**warrant form**”) and write on it—
 - (i) the magistrate’s name; and
 - (ii) the date and time the magistrate issued the special warrant; and
 - (iii) the terms of the special warrant.

(6) The facsimile warrant, or the warrant form properly completed by the inspector, authorises the entry and the exercise of the other powers stated in the special warrant issued.

(7) The inspector must, at the first reasonable opportunity, send to the magistrate—

- (a) the sworn application; and
- (b) if the inspector completed a warrant form—the completed warrant

form.

(8) On receiving the documents, the magistrate must attach them to the special warrant.

(9) A court must find the exercise of the power by an inspector was not authorised by a special warrant if—

- (a) an issue arises in a proceeding in the court whether the exercise of the power was authorised by a special warrant mentioned in subsection (1); and
- (b) the special warrant is not produced in evidence; and
- (c) it is not proved by the person relying on the lawfulness of the entry that the inspector obtained the special warrant.

Warrants—procedure before entry

552.(1) This section applies if an inspector named in a warrant issued under this part for a place is intending to enter the place under the warrant.

(2) Before entering the place, the inspector must do or make a reasonable attempt to do the following things—

- (a) identify himself or herself to a person present at the place who is an occupier of the place by producing a copy of the inspector's identity card or other document evidencing the inspector's appointment;
- (b) give the person a copy of the warrant or, if the entry is authorised by a facsimile warrant or warrant form mentioned in section 551(6), a copy of the facsimile warrant or warrant form;
- (c) tell the person the inspector is permitted by the warrant to enter the place;
- (d) give the person an opportunity to allow the inspector immediate entry to the place without using force.

(3) However, the inspector need not comply with subsection (2) if the inspector believes on reasonable grounds that immediate entry to the place is required to ensure the effective execution of the warrant is not frustrated.

Division 3—Powers after entry**Inspector's powers in a place under a warrant**

553.(1) This section applies to an inspector who enters a place under a warrant.

(2) The inspector may—

- (a) search any part of the place; or
- (b) seize the evidence for which the warrant was issued; or
- (c) seize a thing if the inspector believes, on reasonable grounds—
 - (i) the thing is evidence of an offence against this Act; and
 - (ii) the seizure is necessary to prevent—
 - (A) the thing being hidden, lost or destroyed; or
 - (B) the thing being used to commit, continue or repeat an offence against this Act; or
- (d) inspect, photograph or film the place or anything in the place; or
- (e) copy a document in the place; or
- (f) take into the place the persons, equipment and materials the inspector reasonably requires for exercising a power under this Act; or
- (g) require a person in the place to give the inspector reasonable help to exercise the powers mentioned in paragraphs (a) to (f).

(3) A person must comply with a requirement under subsection (2)(g), unless the person has a reasonable excuse.

Maximum penalty for subsection (3)—200 penalty units or 1 year's imprisonment.

Procedure after thing seized

554.(1) As soon as practicable after a thing is seized by an inspector under section 553, the inspector must give a receipt for it to the person from whom it was seized.

(2) The inspector must allow a person who would be entitled to the seized thing if it were not in the inspector's possession—

- (a) to inspect it; or
- (b) if it is a document—to copy it.

(3) The inspector must return the seized thing to the person at the end of—

- (a) 1 year; or
- (b) if a proceeding for an offence involving it is started within 1 year—the proceeding and any appeal from the proceeding.

(4) Despite subsection (3), the inspector must return the seized thing to the person if the inspector is satisfied that—

- (a) its retention as evidence is no longer necessary; and
- (b) its return is not likely to result in its use in repeating the offence.

(5) Copying under subsection (2)(b) must be allowed within 7 days after it is requested.

Power to require name and address

555.(1) An inspector may require a person to state the person's name and address if the inspector—

- (a) finds the person committing an offence against this Act; or
- (b) finds the person in circumstances that lead, or has information that leads, the inspector to reasonably suspect that the person has committed, or assisted in the commission of, an offence against this Act.

(2) When making the requirement, the inspector must warn the person that it is an offence to fail to state the person's name and address, unless the person has a reasonable excuse.

(3) The inspector may require the person to give evidence of the correctness of the person's name or address if the inspector reasonably suspects the name or address given is false.

(4) A person must comply with an inspector's requirement under subsection (1) or (3), unless the person has a reasonable excuse.

Maximum penalty—20 penalty units.

- (5) A person does not commit an offence against subsection (4) if—
- (a) the inspector required the person to state the person's name and address on suspicion of the person having committed an offence against this Act; and
 - (b) the person is not proved to have committed the offence.

Power to require documents to be produced

556.(1) An inspector may require—

- (a) a licensee to produce—
 - (i) the licensee's licence; or
 - (ii) documents relating to the licensee's trust account; or
- (b) a licensee or other person who has possession, custody, or control of documents or things relating to the licensee's business to produce the documents or things; or
- (c) a licensee or other person to give the inspector information about a produced document.

Examples of paragraph (b)—

1. Contracts relating to a transaction by or with the licensee in connection with the licensee's business as licensee.

2. Motor vehicle compliance plates.

(2) The inspector may require the licensee or other person to give the inspector the document, thing or information immediately or at a stated reasonable place at a stated reasonable time.

(3) The licensee or other person must comply with a requirement under subsection (1) or (2), unless the person has a reasonable excuse.

Maximum penalty—200 penalty units.

(4) It is a reasonable excuse for an individual to fail to give information if giving the information might tend to incriminate the individual.

- (5) The inspector may—
- (a) inspect a produced document or thing; or

- (b) audit or copy a produced document; or
- (c) seize a document or thing if the inspector believes, on reasonable grounds—
 - (i) the document or thing is evidence of an offence against this Act; and
 - (ii) the seizure is necessary to prevent—
 - (A) the document or thing being hidden, lost or destroyed; or
 - (B) the document or thing being used to commit, continue or repeat an offence against this Act.

(6) In this section—

“licensee” includes the following—

- (a) a person who was a licensee but whose licence is no longer current;
- (b) a person who is not licensed, but who acts as a licensee;
- (c) a partner of a licensee;
- (d) a person employed, or apparently employed, by a licensee.

“trust account” includes any account relating to money received in trust by a licensee as a licensee.

Power to require information

557.(1) This section applies if an inspector believes, on reasonable grounds—

- (a) an offence against this Act has been committed; and
- (b) a person may be able to give information about the offence.

(2) The inspector may require the person to give information about the offence.

(3) The inspector may require the person to give the inspector the information at a stated reasonable place at a stated reasonable time.

(4) The person must comply with a requirement under subsection (2)

or (3), unless the person has a reasonable excuse.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

(5) It is a reasonable excuse for an individual to fail to give information if giving the information might tend to incriminate the individual.

PART 3—OTHER PROVISIONS ABOUT ENFORCEMENT

Duties of financial institution managers

558.(1) The manager or principal officer of an office or branch of a financial institution where trust money has been deposited, whether to a trust account or another account, must—

- (a) allow an inspector, on written demand signed by the inspector, to inspect and copy any documents relating to the account; and
- (b) immediately a licensee’s trust account is overdrawn, inform the chief executive of that fact; and
- (c) immediately there is insufficient money in a licensee’s trust account to meet a cheque drawn on the account, inform the chief executive of—
 - (i) the amount for which the cheque is drawn; and
 - (ii) the amount in the account.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

(2) In this section—

“**licensee**” includes—

- (a) a former licensee; and
- (b) a person who is not licensed, but who acts as a licensee.

“**trust money**” includes—

- (a) an amount that, under section 379,¹⁷⁴ is required to be deposited to a licensee's trust account; and
- (b) an instrument for the payment of an amount mentioned in paragraph (a) if the instrument may be paid into a financial institution; and
- (c) a security for an amount mentioned in paragraph (a) if title to the security is transferable by delivery.

Notice of damage

559.(1) This section applies if—

- (a) an inspector damages property when exercising or purporting to exercise a power; or
- (b) a person (the “**other person**”) acting under the direction or authority of an inspector damages property.

(2) The inspector must immediately give written notice of particulars of the damage to the person who appears to the inspector to be the owner of the property.

(3) If the inspector believes the damage was caused by a latent defect in the property or circumstances beyond the inspector's or other person's control, the inspector may state the belief in the notice.

(4) If, for any reason, it is impracticable to comply with subsection (2), the inspector must leave the notice in a conspicuous position and in a reasonably secure way where the damage happened.

(5) This section does not apply to damage the inspector reasonably believes is trivial.

(6) In this section—

“**owner**”, of property, includes the person in possession or control of it.

Compensation

560.(1) A person may claim compensation from the State if the person

¹⁷⁴ Section 379 (Dealing with amount on receipt)

incurs loss or expense because of the exercise or purported exercise of a power under this chapter.

(2) Payment of compensation may be claimed and ordered in a proceeding for—

- (a) compensation brought in a court of competent jurisdiction; or
- (b) an offence against this Act brought against the person making the claim for compensation.

(3) A court may order the payment of compensation for the loss or expense only if it is satisfied that it is just to make the order in the circumstances of the particular case.

Threatening or obstructing inspectors

561. A person must not threaten or obstruct an inspector who is exercising a power under this Act, unless the person has a reasonable excuse.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

Impersonation of inspectors

562. A person must not pretend to be an inspector.

Maximum penalty—50 penalty units.

CHAPTER 16—INJUNCTIONS AND UNDERTAKINGS

PART 1—INJUNCTIONS

Injunctions

563. An injunction under this part may be granted by the District Court against a person (“**respondent**”) at any time.

Who may apply for injunction

564. The following persons may apply to the District Court for an injunction—

- (a) the chief executive;
- (b) a person aggrieved by the respondent's conduct.

Grounds for injunction

565. The District Court may grant an injunction if the court is satisfied that a person has engaged, or is proposing to engage, in conduct that constitutes or would constitute—

- (a) a contravention of this Act or a code of conduct; or
- (b) attempting to contravene this Act or a code of conduct; or
- (c) aiding, abetting, counselling or procuring a person to contravene this Act or a code of conduct; or
- (d) inducing or attempting to induce, whether by threats, promises or otherwise, a person to contravene this Act or a code of conduct; or
- (e) being in any way, directly or indirectly, knowingly concerned in, or party to, the contravention by a person of this Act or a code of conduct; or
- (f) conspiring with others to contravene this Act or a code of conduct.

Court's powers for injunctions

566.(1) The power of the District Court to grant an injunction restraining a person from engaging in conduct may be exercised—

- (a) whether or not it appears to the court that the person intends to engage again, or to continue to engage, in conduct of that kind; and
- (b) whether or not the person has previously engaged in conduct of that kind.

(2) The power of the court to grant an injunction requiring a person to do

an act or thing may be exercised—

- (a) whether or not it appears to the court that the person intends to fail again, or to continue to fail, to do the act or thing; and
- (b) whether or not the person has previously failed to do the act or thing.

(3) An interim injunction may be granted under this part until the application is finally decided.

(4) The District Court may rescind or vary an injunction at any time.

Terms of injunction

567.(1) The District Court may grant an injunction in the terms the court considers appropriate.

(2) Without limiting the court's power under subsection (1), an injunction may be granted restraining a person from carrying on a business as a licensee (whether or not the person is licensed or the business is carried on as part of, or incidental to, the carrying on of another business)—

- (a) for a stated period; or
- (b) except on stated terms and conditions.

(3) Also, the court may grant an injunction requiring a person to take stated action, including action to disclose information or publish advertisements, to remedy any adverse consequences of the person's contravention of this Act or a code of conduct.

Undertakings as to costs

568. If the chief executive applies for an injunction under this part, no undertaking as to damages or costs may be required or made.

PART 2—UNDERTAKINGS

Chief executive may seek undertaking after contravention

569.(1) If the chief executive believes, on reasonable grounds, a person has contravened or been involved in a contravention of this Act or a code of conduct, the chief executive may, by written notice given to the person—

- (a) state the act or omission the chief executive believes is the contravention; and
- (b) ask the person to give the chief executive a written undertaking that the person will not continue or repeat the act or omission.

(2) If—

- (a) the person gives the undertaking and, if the contravention is conduct consisting of a series of acts or omissions, the person stops the conduct; and
- (b) the chief executive accepts the undertaking;

the chief executive can not start an offence proceeding against the person for the contravention, unless the chief executive withdraws the undertaking under section 570.

Variation and withdrawal of undertakings

570.(1) If the chief executive accepts the undertaking, it may be varied or withdrawn at any time by—

- (a) the person who gave it, but only if the chief executive agrees to the variation or withdrawal; or
- (b) the chief executive, if the chief executive believes, on reasonable grounds—
 - (i) that, before it was accepted, the person who gave it contravened this Act in a way unknown to the chief executive; and
 - (ii) had the chief executive known about the contravention, the chief executive would not have accepted the undertaking or would not have accepted it unless its terms were changed.

(2) The chief executive may also withdraw the undertaking if the chief executive believes, on reasonable grounds, it is no longer necessary.

(3) If the chief executive varies or withdraws, or agrees to the variation or withdrawal of, the undertaking, the chief executive must give the person who gave it written notice of its variation or withdrawal.

(4) The variation or withdrawal takes effect when written notice of the variation or withdrawal is received by the person.

Enforcement of undertakings

571.(1) If the chief executive believes, on reasonable grounds, a person has contravened a term of an undertaking, the chief executive may apply to the District Court for an order under this section.

(2) If the court is satisfied that the person has contravened the term, the court may make 1 or more of the following orders—

- (a) an order directing the person to comply with the term;
- (b) an order directing the person to pay to the State an amount that is not more than the direct or indirect financial benefit obtained by the person from, and reasonably attributable to, the contravention;
- (c) an order directing the person to pay compensation to someone else who has suffered loss or damage because of the contravention;
- (d) an order directing the person to give a security bond to the State for a stated period;
- (e) another order the court considers appropriate.

(3) The District Court may order the forfeiture to the State of all or part of a security bond given by a person under subsection (2)(d) if—

- (a) the chief executive applies to the court for the order; and
- (b) the court is satisfied that the person contravened the undertaking during the period for which the bond was given.

Register of undertakings

572.(1) The chief executive must keep a register of each undertaking given to the chief executive by a person under this part.

(2) The register must contain a copy of the undertaking.

(3) A person may, on payment of any fee that may be prescribed under a regulation, inspect, or get a copy of details in, the register—

- (a)** at the department's head office when it is open to the public; or
- (b)** by using a computer.

(4) A person may pay the fee, in advance or in arrears, under an arrangement approved by the chief executive.

(5) The register may be kept in any way the chief executive considers appropriate.

CHAPTER 17—GENERAL OFFENCES, EVIDENTIARY MATTERS AND LEGAL PROCEEDINGS

PART 1—GENERAL OFFENCES

Wrongful conversion and false accounts

573.(1) This section applies if a licensee, in the performance of the activities of a licensee, receives an amount belonging to someone else.

(2) A licensee who—

- (a)** dishonestly converts the amount to the licensee's own or someone else's use; or
- (b)** dishonestly renders an account of the amount knowing it to be false in a material particular;

commits a crime.

Maximum penalty—1 000 penalty units or 5 years imprisonment.

(3) For a prosecution under subsection (2)(a), it is enough for the prosecution to prove that the licensee dishonestly converted an amount in the licensee's trust account to the licensee's own use or someone else's use without having to prove that the amount belonged to a particular person.

(4) In this section—

“**licensee**” includes a former licensee and a person who is not licensed, but who acts as a licensee.

False representations about property

574.(1) A licensee or registered employee must not represent in any way to someone else anything that is false or misleading in relation to the letting, exchange or sale of property.

Maximum penalty—540 penalty units.

(2) Without limiting subsection (1), a licensee or registered employee must not, in connection with the sale, or the possible sale, of an interest in land or in connection with the promotion in any way of the sale of an interest in land, represent in any way to someone else anything that is false or misleading in relation to—

- (a) the value of the land at the date of sale; or
- (b) the potential income from the leasing of the land; or
- (c) if the land has been previously sold, the date of the sale and the consideration for the sale; or
- (d) how the purchase of the land may affect the incidence of income taxation on the buyer.

Maximum penalty—540 penalty units.

(3) Without limiting subsection (1) or (2), a representation is taken, for the subsection, to be false or misleading if it would reasonably tend to lead to a belief in the existence of a state of affairs that does not in fact exist, whether or not the representation indicates that that state of affairs does exist.

(4) Also, if a person makes a representation in relation to a matter and the person does not have reasonable grounds for making the representation, the

representation is taken to be misleading.

(5) The onus of establishing that the person had reasonable grounds for making the representation is on the person.

(6) It is not a defence to a prosecution under subsection (1) or (2) for the defendant to prove that an agreement with the person was terminated or that the person did not enter into an agreement because of the representation.

(7) This section does not limit another Act or law about false or misleading representations.¹⁷⁵

(8) In this section—

“false or misleading”, in relation to a representation includes the wilful concealment of a material fact in the representation.

“licensee” includes a person acting as a licensee, but does not include a commercial agent.

“registered employee” includes a person acting as a registered employee, but does not include a commercial subagent.

Chief executive’s power to ask for substantiation of representations made by licensees or registered employees

575.(1) This section applies if the chief executive believes, on reasonable grounds, that a licensee or registered employee has made a representation in contravention of section 574(1) or (2).

(2) The chief executive may, by written notice, ask the person to give to the chief executive written proof that supports the representation.

(3) The notice must—

- (a) state a day, at least 14 days after the day the notice is given to the person, by which the person must give the proof to the chief executive; and
- (b) warn the person it is an offence to fail to respond to the notice by the stated day, unless the person has a reasonable excuse for the failure to respond.

¹⁷⁵ See, for example, *Fair Trading Act 1989*, section 40A and *Trade Practices Act 1974* (Cwlth), section 53A.

(4) The person must respond to the notice by the stated day, unless the person has a reasonable excuse for the failure to respond.

Maximum penalty—100 penalty units.

(5) It is a reasonable excuse to fail to comply with subsection (4) if complying with the subsection would tend to incriminate the person.

False representations about mileage

576. A person must not wilfully represent in any way to someone else anything that is false or misleading about the total distance travelled by a motor vehicle.

Maximum penalty—540 penalty units.

Tampering with odometers

577.(1) A person must not tamper with a motor vehicle's odometer with intent to falsely represent that, at a particular time, the vehicle—

- (a) has travelled a distance less than a specified distance; or
- (b) has travelled a distance more than a specified distance.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) If a court finds a person guilty of an offence against subsection (1), the court may, on its own initiative or on the application of the prosecution or a person who has suffered loss, order the person who committed the offence to compensate the person who suffered loss for loss resulting from the commission of the offence.

(3) In any proceeding, the distance shown at any time on the odometer tampered with is evidence of a false representation by the person who tampered with the odometer that the vehicle—

- (a) has travelled a distance less than a specified distance shown on the odometer; or
- (b) has travelled a distance more than a specified distance shown on the odometer.

(4) Subsection (2) does not limit a court's powers under the *Penalties and Sentences Act 1992* or any other law.

Offence to charge fee for providing documents etc.

578.(1) A licensee or a licensee's employee must not charge a fee for the provision, preparation or completion of a document for a transaction relating to, or arising out of, the performance of a licensee's activities.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(2) Subsection (1) does not limit the *Legal Practitioners Act 1995*, section 19¹⁷⁶ or the *Queensland Law Society Act 1952*, section 39.¹⁷⁷

(3) This section does not apply to the provision of a security interest certificate under section 233(5) or 295(4).¹⁷⁸

Offence to ask for, or receive, excess or improper remuneration

579.(1) If an amount is prescribed under a regulation as the maximum amount allowed to a licensee for the performance of a licensee's activities in relation to a stated transaction, a licensee must not ask for, or receive, a commission or reward for the transaction greater than the amount allowed under the regulation.

Maximum penalty—200 penalty units or 1 year's imprisonment.

(2) If, in a proceeding under this section, an amount is alleged to be payable to the licensee for recouping expenditure lawfully incurred by the licensee in connection with the transaction, the licensee must establish to the court's satisfaction, on the balance of probabilities, that the expenditure was lawfully incurred.

(3) If a licensee is convicted of an offence against subsection (1) or fails to satisfy the court under subsection (2) about expenditure incurred, the convicting court must also order the licensee to refund the amount to which the licensee was not entitled to the person from whom it was obtained.

(4) Subsection (1) does not prevent the licensee asking for or receiving an amount more than the maximum amount allowed under the regulation if the amount is for GST payable for a supply in relation to the transaction.

¹⁷⁶ *Legal Practitioners Act 1995*, section 19 (Conveyancing how prohibited)

¹⁷⁷ *Queensland Law Society Act 1952*, section 39 (Persons practising without certificates)

¹⁷⁸ Section 233 (Guarantee of title for motor vehicles) or 295 (Guarantee of title for motor vehicles)

Offence to deal with trust account

580. A person must not operate on a licensee's trust account unless the person is—

- (a) the licensee; or
- (b) a person actually employed by the licensee and authorised by the licensee to operate on the trust account; or
- (c) otherwise permitted under this Act to operate on the licensee's trust account.

Maximum penalty—200 penalty units or 3 years imprisonment.

Offence to lend or borrow licence

581.(1) A licensee must not—

- (a) lend or hire out the licensee's licence to someone else; or
- (b) notify or advertise that a licence is available for sale, loan or hire, or on another basis, to someone else, whether licensed or not; or
- (c) permit or allow someone else to hold out that the person is the holder of the licence issued to the licensee.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) A person must not borrow, hire or buy a licensee's licence.

Maximum penalty—200 penalty units or 2 years imprisonment.

(3) If a person who is not the holder of an appropriate licence or the licensee's substitute has the effective or apparent management or control of a licensee's business, the licensee is taken to have lent, and the person is taken to have borrowed, the licensee's licence.

False or misleading statements

582.(1) A person must not, for this Act, state anything to an official the person knows is false or misleading in a material particular.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) In this section—

“**official**” means the chief executive, an inspector or another person in the department in which this Act is administered.

False or misleading documents

583.(1) A person must not, for this Act, give an official a document containing information the person knows is false or misleading in a material particular.

Maximum penalty—200 penalty units or 2 years imprisonment.

(2) Subsection (1) does not apply to a person if the person, when giving the document—

- (a) informs the official, to the best of the person’s ability, how it is false or misleading; and
- (b) if the person has, or can reasonably obtain, the correct information, gives the correct information.

(3) A person must not make an entry in a document required or permitted to be made or kept under this Act knowing the entry to be false or misleading in a material particular.

Maximum penalty—200 penalty units or 2 years imprisonment.

(4) In this section—

“**official**” means the chief executive, an inspector or another person in the department in which this Act is administered.

Prohibited practices

584.(1) A person must not, for reward, supply, or undertake to supply, or advertise, or hold out in any way, that the person will supply to any person addresses or other particulars of—

- (a) places of residence that are to let; or
- (b) places of residence or land or interests in places of residence or land that are for sale.

Maximum penalty—200 penalty units or 1 year’s imprisonment.

(2) Subsection (1) does not apply to a real estate agent or pastoral house that has been appointed by the landlords or sellers of the places of residence or land or interests in the places of residence or land to perform an activity and has the landlord’s or seller’s consent to supply the particulars.

(3) A person must not make an unsolicited invitation to another person to attend a property information session unless the person is a property developer or a real estate agent or someone acting for the developer or agent.

Maximum penalty—200 penalty units or 2 years imprisonment.

PART 2—EVIDENTIARY MATTERS

Evidence of tampering by a motor dealer or auctioneer

585.(1) Evidence that a motor vehicle’s odometer reading when the vehicle was in the possession of a motor dealer or auctioneer was less than its reading when the dealer or auctioneer took possession of the vehicle is evidence that—

- (a) the motor vehicle’s odometer was tampered with; and
- (b) the dealer or auctioneer contravened section 577(1)(a).¹⁷⁹

(2) Evidence that a motor vehicle’s odometer was tampered with to increase the distance shown on the odometer when the vehicle was in a motor dealer’s or auctioneer’s possession is evidence that the dealer or auctioneer contravened section 577(1)(b).

(3) In this section—

“**possession**”, of a motor vehicle, includes custody and control of the vehicle.

¹⁷⁹ Section 577 (Tampering with odometers)

Continuing false representation—tampered with odometer

586.(1) This section applies, in any proceeding, if there is evidence (“**relevant evidence**”) that a person intentionally tampered with the odometer of a motor vehicle so that it showed that the vehicle at that time—

- (a) had not travelled the distance shown on the odometer before it was tampered with; or
- (b) had travelled more than the distance shown on the odometer before it was tampered with.

(2) The distance shown at any time afterwards on the odometer is evidence of a false representation by a person at that later time that—

- (a) if the relevant evidence relates to subsection (1)(a)—the vehicle had not travelled more than the distance shown on the odometer; or
- (b) if the relevant evidence relates to subsection (1)(b)—the vehicle had travelled more than the distance shown on the odometer.

Evidentiary provisions

587.(1) This section applies to a proceeding under this Act.

(2) The appointment or power of an inspector must be presumed unless a party, by reasonable notice, requires proof of—

- (a) the appointment; or
- (b) the power to do anything under this Act.

(3) A signature purporting to be the signature of the chief executive, a member of the tribunal or an inspector is evidence of the signature it purports to be.

(4) A certificate purporting to be signed by a person mentioned in subsection (3) and stating any of the following matters is evidence of the matter—

- (a) a stated document is—
 - (i) an order, direction, requirement or decision, or a copy of an order, direction, requirement or decision, given or made under this Act; or
 - (ii) a notice, or a copy of a notice, given under this Act; or

- (iii) a record, or a copy of a record, kept under this Act; or
- (iv) a document, or a copy of a document, kept under this Act;
- (b) on a stated day, a stated person—
 - (i) was, or was not, the holder of a stated licence or registration certificate under this Act; or
 - (ii) was given a stated notice, order, requirement or direction under this Act.

Entries in licensee's documents

588. An entry in a document kept by or belonging to a licensee or found in the licensee's premises is evidence that the entry has been made by or with the authority of the licensee.

PART 3—PROCEEDINGS

Proceedings for an offence

589.(1) Subject to subsection (2), a proceeding for an offence against this Act must be taken in a summary way under the *Justices Act 1886* within the later of the following—

- (a) 1 year after the offence is committed;
- (b) 6 months after the commission of the offence comes to the complainant's knowledge, but within 2 years after the commission of the offence.

(2) A proceeding for an indictable offence may be taken, at the prosecution's election—

- (a) by way of summary proceedings under the *Justices Act 1886*; or
- (b) on indictment.

(3) A proceeding against a person for an indictable offence must be before a magistrate if it is a proceeding—

- (a) for the summary conviction of the person; or

(b) for an examination of witnesses in relation to the charge.

(4) If a proceeding for an indictable offence is brought before a justice who is not a magistrate, jurisdiction is limited to taking or making a procedural action or order within the meaning of the *Justices of the Peace and Commissioners for Declarations Act 1991*.

(5) If—

- (a) a person charged with an indictable offence asks at the start of a summary proceeding for the offence that the charge be prosecuted on indictment; or
- (b) the magistrate hearing a charge of an indictable offence considers the charge should be prosecuted on indictment;

the magistrate—

- (c) must not decide the charge as a summary offence; and
- (d) must proceed by way of a committal proceeding.

(6) If a magistrate acts under subsection (5)—

- (a) any plea of the person charged, made at the start of the proceeding, must be disregarded; and
- (b) any evidence brought in the proceeding before the magistrate decided to act under subsection (5) is taken to be evidence in the proceeding for the committal of the person for trial or sentence; and
- (c) before committing the person for trial or sentence, the magistrate must make a statement to the person under the *Justices Act 1886*, section 104(2)(b).¹⁸⁰

(7) The maximum penalty that may be imposed on a summary conviction of an indictable offence is 200 penalty units or 1 year's imprisonment.

(8) In this section—

“indictable offence” means an offence against this Act for which the maximum penalty of imprisonment is 2 years or more.

¹⁸⁰ *Justices Act 1886*, section 104 (Proceedings upon an examination of witnesses in relation to an indictable offence)

Responsibility for acts or omissions of representatives

590.(1) This section applies in a proceeding for an offence against this Act.

(2) If it is relevant to prove a person's state of mind about a particular act or omission, it is enough to show—

- (a) the act was done or omitted to be done by a representative of the person within the scope of the representative's actual or apparent authority; and
- (b) the representative had the state of mind.

(3) An act done or omitted to be done for a person by a representative of the person within the scope of the representative's actual or apparent authority is taken to have been done or omitted to be done also by the person, unless the person proves the person could not, by the exercise of reasonable diligence, have prevented the act or omission.

(4) In this section—

“representative” means—

- (a) of a corporation—an executive officer, employee or agent of the corporation; or
- (b) of an individual—an employee or agent of the individual.

“state of mind”, of a person, includes—

- (a) the person's knowledge, intention, opinion, belief or purpose; and
- (b) the person's reasons for the intention, opinion, belief or purpose.

Executive officers must ensure corporation complies with Act

591.(1) The executive officers of a corporation must ensure that the corporation complies with this Act.

(2) If a corporation commits an offence against a provision of this Act, each of the executive officers of the corporation also commit an offence, namely, the offence of failing to ensure that the corporation complies with the provision.

Maximum penalty—the penalty for the contravention of the provision by an individual or, if the penalty is expressed to be for this section, the expressed

penalty.

(3) Evidence that the corporation has committed an offence against a provision of this Act is evidence that each of the executive officers committed the offence of failing to ensure that the corporation complies with the provision.

(4) However, it is a defence for an executive officer to prove that—

- (a) if the officer was in a position to influence the conduct of the corporation in relation to the offence—the officer took all reasonable steps to ensure the corporation complied with the provision; or
- (b) the officer was not in a position to influence the conduct of the corporation in relation to the offence.

(5) For subsection (4)(a), it is sufficient for the executive officer to prove that the act or omission that was the offence was done or made without the officer's knowledge despite the officer having taken all reasonable steps to ensure the corporation complied with the provision.

Power of court

592.(1) A court may, in addition to any other penalty it may impose, order that a licensee's licence or a registered employee's registration certificate be suspended for a stated period or cancelled if the licensee or registered employee has been convicted of an offence against this Act.

(2) The court may also order that a person convicted of an offence against this Act be disqualified from holding a licence or registration certificate under this Act for a stated period or permanently.

(3) The court may make an order under subsection (1) or (2)—

- (a) on the chief executive's application; or
- (b) on its own initiative.

(4) If an order is made by a court under this section on the court's own initiative, the court must cause a copy of the order to be given to the chief executive.

Allegations of false or misleading representations or statements etc.

593. In any proceeding for an offence against this Act involving a false or misleading statement, representation or entry, or false or misleading information, it is enough for a charge to state that the statement, representation, entry or information was ‘false or misleading’.

CHAPTER 18—GENERAL

Public warning statements

594.(1) The Minister or chief executive may make or issue a public statement identifying and giving warnings or information about any of the following—

- (a) contraventions of a code of conduct that have resulted in disciplinary action and persons who commit the contraventions;
- (b) business practices regulated under this Act that are unfair and persons who engage in the unfair practices;
- (c) the commission of offences against this Act and persons who commit the offences.

(2) The statement may identify particular contraventions, business practices, offences and persons.

(3) The Minister or chief executive must not make or issue a statement under this section unless satisfied that it is in the public interest to do so.

Civil remedies not affected

595. Nothing in this Act affects or limits any civil remedy that a person may have against a licensee or another person in relation to any matter.

Crimes (Confiscation) Act 1989 not limited

596. Nothing in this Act limits the *Crimes (Confiscation) Act 1989*.

Delegation—chief executive

597.(1) The chief executive may delegate the chief executive’s powers, other than power under section 594,¹⁸¹ to an appropriately qualified public service employee.

(2) In subsection (1)—

“appropriately qualified” includes having the qualifications, experience or standing appropriate to exercise the power.

Example of ‘standing’—

The level at which a person is employed within the department.

Approved forms

598.(1) Forms may be approved for use under this Act.

(2) A form may be approved by—

- (a) if the form is to be used for a proceeding in, or an application to, the tribunal—the chairperson of the tribunal; or
- (b) otherwise—the chief executive.

Review of Act

599.(1) The Minister must ensure the operation of this Act is reviewed.

(2) The review must start within 2 years after the commencement of this section.

(3) The Minister must table in the Legislative Assembly a report on the outcome of the review within 3 months after the review is finished.

Regulation-making power

600.(1) The Governor in Council may make regulations under this Act.

(2) Without limiting subsection (1), a regulation may be made about the following—

¹⁸¹ Section 594 (Public warning statements)

- (a) fees, including the refunding of fees;
- (b) the rate of commission that may be charged for transactions by licensees;
- (c) ways in which amounts may be paid from a trust account;
- (d) imposing a penalty for a contravention of a regulation of not more than 20 penalty units;
- (e) the audit of trust accounts and documents;
- (f) the keeping or destruction of motor vehicle identifiers;
- (g) the display at a motor dealer's registered office of the motor dealer's usual hours of business;
- (h) imposing time limits within which a del credere agent must pay the purchase price of livestock the agent is authorised to sell to the seller of the livestock;
- (i) the financial or insurance protection requirements for del credere agents;
- (j) imposing limits on out-of-pocket expenses incurred in the performance of activities under a licence;
- (k) the keeping of records, including the form in which a record is kept;
- (l) the keeping of receipts and evidence of expenditure;
- (m) the length of time a document required to be kept under this Act is to be kept.

Acts amended in sch 2

601. Schedule 2¹⁸² amends the Acts mentioned in it.

Act repealed

602. The *Auctioneers and Agents Act 1971* is repealed.

¹⁸² Schedule 2 (Consequential amendments)

CHAPTER 19—TRANSITIONAL AND SAVINGS PROVISIONS

Definitions for ch 19

603. In this chapter—

“commencement” means commencement of this section.

“committee” means the auctioneers and agents committee established under the repealed Act.

“former fund” means the auctioneers and agents fidelity guarantee fund established under the repealed Act.

Former fund

604.(1) The rights and liabilities of the former fund are taken to be the rights and liabilities of the claim fund.

(2) A claim that has been made against the former fund, and not finished before the commencement, continues as if it were a claim against the claim fund.

(3) If, before the commencement, a person could have made a claim against the former fund but did not make the claim, the person may make the claim against the claim fund.

(4) If, before the commencement, the committee had started a proceeding to recover an amount paid out of the former fund, the proceeding is taken to have been started by the chief executive as if the amount had been paid out of the claim fund.

(5) If, had the repealed Act not been repealed, the committee could start a proceeding to recover an amount paid out of the former fund, the chief executive may start the proceeding as if the amount had been paid out of the claim fund.

(6) The repealed Act applies to a proceeding under subsection (4) or (5), with necessary changes, as if the repealed Act had not been repealed.

Subrogation of committee

605.(1) This section applies if, immediately before the commencement, the committee was subrogated, to a particular extent, to the rights and remedies of a claimant who claimed against the former fund and whose claim has been settled by payment out of the former fund.

(2) The chief executive is taken to be subrogated, to the same extent, to the claimant's rights and remedies and the rights and remedies may be pursued in accordance with the repealed Act, with necessary changes, as if the repealed Act had not been repealed.

(3) An agreement entered into or anything else done by the committee under the subrogation is taken to have been entered into or done by the chief executive.

Existing substitute licensees

606.(1) This section applies to a substitute licensee whose appointment as a substitute licensee was approved before the commencement.

(2) The appointment is taken to have been made under this Act and to be subject to the same conditions as the conditions on which it was made under the repealed Act.

Existing licences

607.(1) This section applies to a person who, immediately before the commencement, held a licence mentioned in column 1 of the following table (a "**column 1 licence**")—

Table

column 1	column 2
commercial agent's licence	property agents and motor dealers licence (commercial agent)
corporation licence (with a director holding a real estate agent's licence)	property agents and motor dealers licence (real estate)
corporation licence (with a director holding a restricted real estate agent's licence)	property agents and motor dealers licence (restricted letting agent)

corporation licence (with a director holding a general auctioneer's licence)	property agents and motor dealers licence (auctioneer)
corporation licence (with a director holding a restricted auctioneer's licence)	property agents and motor dealers licence (auctioneer)
corporation licence (with a director holding a commercial agent's licence)	property agents and motor dealers licence (commercial agent)
corporation licence (with a director holding a motor dealer's licence)	property agents and motor dealers licence (motor dealer)
general auctioneer's licence	property agents and motor dealers licence (auctioneer)
manager's (commercial agency) licence	property agents and motor dealers licence (commercial agent)
manager's (motor dealing) licence	property agents and motor dealers licence (motor dealer)
manager's (real estate agency) licence	property agents and motor dealers licence (real estate)
motor dealer's licence	property agents and motor dealers licence (motor dealer)
pastoral house auctioneer's licence	property agents and motor dealers licence (pastoral house auctioneer)
pastoral house corporation licence	property agents and motor dealers licence (pastoral house)
pastoral house director's licence	property agents and motor dealers licence (pastoral house director)
pastoral house manager's licence	property agents and motor dealers licence (pastoral house manager)
real estate agent's licence	property agents and motor dealers licence (real estate)
restricted auctioneer's licence	property agents and motor dealers licence (auctioneer)

restricted real estate agent's licence property agents and motor dealers
licence (restricted letting agent)

(2) The person, on the commencement, is taken to be—

(a) a suitable and eligible person to hold a licence mentioned in column 2 of the table (a “**column 2 licence**”) shown opposite the column 1 licence; and

(b) the holder of the column 2 licence.

(3) If the licence held by the person immediately before the commencement was subject to a restriction or condition, the licence the person is taken to hold on the commencement is also taken to be subject to a condition in the same terms, so far as practicable, as the restriction or condition.

(4) If, apart from subsection (2)(a), the person would not, on the commencement, have been suitable to hold the column 2 licence because of a matter or event that happened before the person's licence was last granted, renewed or restored, the matter or event may be disregarded for the purposes of renewal or restoration of the licence after the commencement.

Existing certificates of registration

608.(1) This section applies to a person who, immediately before the commencement held a certificate of registration mentioned in column 1 of the following table (a “**column 1 certificate**”)—

Table

column 1	column 2
certificate of registration as a commercial subagent	registration certificate as a commercial subagent
certificate of registration as a real estate agent salesperson	registration certificate as a real estate salesperson
provisional auctioneer's licence	registration certificate as a trainee auctioneer
certificate of registration as a motor salesperson	registration certificate as a motor salesperson

(2) The person, on the commencement, is taken to be—

- (a) a suitable and eligible person to hold a registration certificate mentioned in column 2 of the table (a “**column 2 certificate**”) shown opposite the column 1 certificate; and
- (b) to be the holder of the column 2 certificate.

(3) If the certificate of registration held by the person immediately before the commencement was subject to a restriction or condition, the registration certificate the person is taken to hold on the commencement is also taken to be subject to a condition in the same terms, so far as practicable, as the restriction or condition.

(4) If, apart from subsection (2)(a), the person would not, on the commencement, have been suitable to hold the column 2 certificate because of a matter or event that happened before the person’s certificate was last granted, renewed or restored, the matter or event may be disregarded for the purposes of renewal or restoration of the certificate after the commencement.

Existing applications

609.(1) An application made under the repealed Act and not decided on the commencement must be decided under this Act.

(2) If the application is about a column 1 licence or a column 1 certificate, the application is taken to be about a column 2 licence or column 2 certificate shown opposite the column 1 licence or column 1 certificate.

(3) If the application is about a provisional auctioneer’s licence, the application is taken to be about a registration certificate as a trainee auctioneer.

(4) Subject to subsection (5), if the application is about the issue, renewal or restoration of a licence or certificate of registration, the provisions of this Act about issuing, renewing, or restoring licences or registration certificates apply to the application.

Example—

Section 22 (Application for licence).

(5) The provisions of this Act dealing with making the application in the approved form and paying the application fee do not apply to the application.

Existing objections

610.(1) This section applies if an objection about the grant, renewal or restoration of a licence or certificate of registration has been made, but not decided, under the repealed Act.

(2) The person making the objection has no right to appear under this Act in relation to the objection, but the chief executive must have regard to the objection when considering the application.

Existing exemptions

611.(1) If, immediately before the commencement, a person was exempted from a provision of the repealed Act for which there is an equivalent provision under this Act, the person is taken to be exempted from the equivalent provision under this Act.

(2) If the exemption under the repealed Act was subject to a condition, the exemption from the equivalent provision under this Act is also taken to be subject to the condition.

Existing approved financial institutions

612. A financial institution that was an approved financial institution under the repealed Act immediately before the commencement, is taken to be an approved financial institution under this Act.

Existing agreements with financial institutions

613.(1) This section applies to an agreement entered into between the registrar and an approved financial institution under the repealed Act about the keeping of general trust accounts by licensees.

(2) The agreement is taken to be an agreement entered into between the chief executive and a financial institution about the keeping of general trust accounts by licensees under this Act.

(3) References in the agreement to the registrar are taken to be references to the chief executive.

(4) References in the agreement to the former fund are taken to be references to the consolidated fund.

Existing appointments to act as licensee

614.(1) An engagement or appointment or an agreement to act as an auctioneer, real estate agent, commercial agent or motor dealer under the repealed Act that is in force immediately before the commencement and complies with the repealed Act continues to be a valid appointment under this Act according to its terms.

(2) However, if the engagement, appointment or agreement is for a sole agency within the meaning of the repealed Act, the engagement, appointment or agreement ends on the earlier of the following days—

- (a) the day it ends according to its terms;
- (b) a day 60 days after the commencement.

Existing trust accounts

615. A general trust account or special trust account opened under the repealed Act is taken to be a general trust account or special trust account under this Act.

Existing agreements entered into by committee

616.(1) This section applies to an agreement entered into, under the repealed Act, between the committee and another entity and in force immediately before the commencement.

(2) The agreement is taken to be an agreement entered into between the chief executive and the other entity under this Act.

(3) References in the agreement to the registrar or committee are taken to be references to the chief executive or, if the context permits, to the tribunal.

Existing auditors

617.(1) This section applies to an auditor appointed by a licensee or applicant for a licence under the repealed Act whose appointment is in force immediately before the commencement.

(2) The auditor is taken to be appointed by the licensee under this Act on the same conditions as the appointment under the repealed Act.

(3) If the appointment of the auditor was approved by the Minister under the repealed Act, section 109,¹⁸³ the auditor is taken to be approved by the chief executive under section 394¹⁸⁴ to audit the principal licensee's trust accounts.

Existing receivers appointed by committee

618.(1) A receiver of property appointed by the committee under the repealed Act is taken to be a receiver over the property appointed by the chief executive under this Act.

(2) If the receiver appointed by the committee is in possession of the property immediately before the commencement, the receiver is taken to be in possession of the property under this Act.

Existing inspectors

619. A person who held an appointment as an inspector under the repealed Act immediately before the commencement is taken to be appointed as an inspector under this Act.

Registrar's or deputy registrar's acts and decisions

620.(1) This section applies to an act done or decision made by the registrar, or a deputy registrar, of auctioneers and agents under the repealed Act that may be done lawfully by the chief executive under this Act.

(2) The act or decision is taken to have been done or made by the chief executive under this Act.

Continuation of restriction on licensee's remedy for commission etc.

621.(1) If, before the commencement, a licensee under the repealed Act was engaged or appointed for a particular transaction—

¹⁸³ *Auctioneers and Agents Act 1971*, section 109 (Remote localities)

¹⁸⁴ Section 394 (Chief executive to consider application)

- (a) section 76¹⁸⁵ of that Act continues to apply to the licensee in relation to the engagement or appointment; and
- (b) if the licensee wants to sue for, or recover or retain, a fee, charge or commission payable under the engagement or appointment, the licensee must do so under the repealed Act as if it had not been repealed.

(2) However, subsection (1) does not apply if the licensee and the person with whom the licensee entered into the engagement or appointment decide otherwise by written agreement after the commencement.

Disciplinary action

622.(1) If the committee had started, but not finished, disciplinary action under the repealed Act before the commencement, the action may be finished under that Act as if that Act had not been repealed and the tribunal were the committee.

(2) However, if the committee had started, but not finished, hearing a disciplinary proceeding under the repealed Act before the commencement, the disciplinary proceeding must be reheard under that Act as if that Act had not been repealed and the tribunal were the committee.

Appeals

623.(1) If—

- (a) a person had appealed to the District Court under the repealed Act before the commencement against a decision of the committee; and
- (b) the appeal had not been decided before the commencement;

the District Court may hear, or continue to hear, and decide the appeal under that Act as if it had not been repealed.

(2) If—

- (a) a person could have appealed to the District Court under the

¹⁸⁵ *Auctioneers and Agents Act 1971*, section 76 (Restriction on remedy for commission)

repealed Act before the commencement against a decision of the committee; and

- (b) the person had not appealed before the commencement;

the person may appeal under that Act as if it had not been repealed.

(3) For the purpose of rights of appearance before the court on an appeal mentioned in subsection (1) or (2) and for implementing the court's decision on appeal, a decision of the committee is taken to be—

- (a) for a decision of a kind that, under this Act, must be made by the chief executive—a decision of the chief executive; or
- (b) for a decision of a kind that, under this Act, must be made by the tribunal—a decision of the tribunal.

Legal proceedings by or against committee

624.(1) A legal proceeding by or against the committee that has not been finished before the commencement may be continued and finished by or against the chief executive.

(2) If, because of an event that happened before the commencement, a legal proceeding could have been started by or against the committee, the legal proceeding may be started by or against the chief executive.

Provisions for property developers

625.(1) This section applies to a person who, immediately before the commencement, conducts the business of a property developer or property developer director.

(2) The person is taken to hold a property developer's licence or property developer director's licence under this section if—

- (a) the person applies for the licence under chapter 2, part 3;¹⁸⁶ and
- (b) the application is made within 60 days after the commencement.

(3) The person is taken to hold the licence until the person's application and any review or appeal in relation to the application is finally decided.

¹⁸⁶ Chapter 2 (Licensing), part 3 (Applications for licence)

Provisions for property developer salespersons

626.(1) This section applies to a person who, immediately before the commencement, is employed by a property developer and performs an activity that may be performed by the property developer.

(2) The person is taken to hold a registration certificate as a property developer salesperson under this section if—

- (a) the person applies for the registration certificate under chapter 3, part 7;¹⁸⁷ and
- (b) the application is made within 60 days after the commencement.

(3) The person is taken to hold the registration certificate until the person's application and any review or appeal in relation to the application is finally decided.

Provisions for particular motor dealers

627.(1) This section applies to a person who, immediately before the commencement, carries on the business of negotiating, under a consultancy arrangement, for a person who is not a motor dealer or auctioneer for the purchase or sale of a motor vehicle for the person (the “**activity**”).

(2) The person is taken to hold a motor dealer's licence under this section, limited to the carrying on of the activity, if—

- (a) the person applies for the licence under chapter 2, part 3;¹⁸⁸ and
- (b) the application is made within 60 days after the commencement.

(3) The person is taken to hold the licence until the person's application and any review or appeal in relation to the application is finally decided.

Provisions for particular motor salespersons

628.(1) This section applies to a person who, immediately before the commencement, is employed by a person mentioned in section 627 and

¹⁸⁷ Chapter 3 (Employee registration), part 7 (Activities authorised under registration certificate)

¹⁸⁸ Chapter 2 (Licensing), part 3 (Applications for licence)

performs an activity that may be performed by that person.

(2) The person is taken to hold a registration certificate as a motor salesperson under this section if—

- (a) the person applies for the registration certificate under chapter 3, part 7;¹⁸⁹ and
- (b) the application is made within 60 days after the commencement.

(3) The person is taken to hold the registration certificate until the person's application and any review or appeal in relation to the application is finally decided.

References to repealed Act

629. In an Act or document, a reference to the repealed Act may, if the context permits, be taken as a reference to this Act.

References to former fund

630. In an Act or document, a reference to the former fund may, if the context permits, be taken as a reference to the claim fund.

¹⁸⁹ Chapter 3 (Employee registration), part 7 (Activities authorised under registration certificate)

SCHEDULE 1**DECISIONS SUBJECT TO REVIEW**

section 501

- section 28(2) (Chief executive must consider suitability of applicants and licensees)
- section 49(1) (Chief executive may issue or refuse to issue licence)
- section 53(1) (Licence—conditions)
- section 58(1) (Chief executive may renew or refuse to renew licence)
- section 61(1) (Chief executive may restore or refuse to restore licence)
- section 67(1) (Chief executive may appoint or refuse to appoint substitute licensee)
- section 70(1) (Amendment of licence conditions)
- section 74(2) (Immediate suspension)
- section 86(2) (Chief executive must consider suitability of applicants)
- section 91(1) (Chief executive may issue or refuse to issue registration certificate)
- section 92(1) (Registration certificate—conditions)
- section 95(1) (Chief executive may renew or refuse to renew registration certificate)
- section 98(1) (Chief executive may restore or refuse to restore registration certificate)
- section 101(1) (Amendment of registration certificate conditions)
- section 104(2) (Immediate suspension)
- section 394(1) (Chief executive to consider application)
- section 398(3) (Chief executive may withdraw approval as approved auditor)

SCHEDULE 1 (continued)

- section 412(1) (Chief executive may freeze licensee's accounts in particular cases)
- section 481(1) (Deciding minor claims)

SCHEDULE 2**CONSEQUENTIAL AMENDMENTS**

section 601

**BODY CORPORATE AND COMMUNITY
MANAGEMENT ACT 1997****1. Section 17(2), ‘Auctioneers and Agents Act 1971’—***omit, insert—**‘Property Agents and Motor Dealers Act 2000’.***2. Section 163(6) and (7)—***renumber as section 163(7) and (8).***3. Section 163—***insert—**‘(6) However, the seller is taken to comply with subsection (5) if—*

- (a) the lot the subject of the contract is residential property; and*
- (b) the information sheet is attached to the contract immediately beneath the warning statement that must be attached as the first or top sheet of the contract under the *Property Agents and Motor Dealers Act 2000*, section 366.¹⁹⁰’.*

4. Section 163—*insert—*

¹⁹⁰ *Property Agents and Motor Dealers Act 2000*, section 366 (Warning statement to be attached to contract)

 SCHEDULE 2 (continued)

‘(9) In this section—

“**residential property**” see *Property Agents and Motor Dealers Act 2000*, section 17.¹⁹¹’.

BUILDING UNITS AND GROUP TITLES ACT 1980

1. Section 29B(3)—

omit.

2. Section 39(3)(k), from ‘, within’ to ‘*Auctioneers and Agents Act 1971*,’—

omit, insert—

‘or restricted letting agent under the *Property Agents and Motor Dealers Act 2000*’.

3. Section 53(14), from ‘within’ to ‘*Auctioneers and Agents Act 1971*’—

omit, insert—

‘or restricted letting agent under the *Property Agents and Motor Dealers Act 2000*’.

¹⁹¹ *Property Agents and Motor Dealers Act 2000*, section 17—

Meaning of “residential property”

17. Property is “**residential property**” if the property is—

- (a) land, with an area of not more than 2.5 ha, on which a place of residence is constructed or being constructed; or
- (b) vacant land, with an area of not more than 2.5 ha, on which the construction of a place of residence is not prohibited by law.

SCHEDULE 2 (continued)

FIRE AND RESCUE AUTHORITY ACT 1990**1. Section 126(1), ‘Auctioneers and Agents Act 1971’—**

omit, insert—

‘Property Agents and Motor Dealers Act 2000’.

2. Section 126(1), ‘notwithstanding section 55’—

omit, insert—

‘despite section 347¹⁹²’.

FORESTRY ACT 1959**1. Section 22, ‘Auctioneers and Agents Act 1971’—**

omit, insert—

‘Property Agents and Motor Dealers Act 2000’.

LAND SALES ACT 1984**1. Section 6, definition “real estate agent”, ‘Auctioneers and Agents Act 1971’—**

omit, insert—

‘Property Agents and Motor Dealers Act 2000’.

¹⁹² *Property Agents and Motor Dealers Act 2000*, section 347 (Recovery of costs of commercial agent)

SCHEDULE 2 (continued)

2. Section 11(1)(b) and (c), ‘Auctioneers and Agents Act 1971’—*omit, insert—**‘Property Agents and Motor Dealers Act 2000’.***3. Section 23(1)(b), ‘Auctioneers and Agents Act 1971’—***omit, insert—**‘Property Agents and Motor Dealers Act 2000’.***POLICE POWERS AND RESPONSIBILITIES ACT
2000****1. Section 57(8), definition “motor dealer”, ‘Auctioneers and Agents Act 1971’—***omit, insert—**‘Property Agents and Motor Dealers Act 2000’.***SECOND-HAND DEALERS AND COLLECTORS ACT
1984****1. Section 6, definition “dealer”, ‘Auctioneers and Agents Act 1971’—***omit, insert—**‘Property Agents and Motor Dealers Act 2000’.*

SCHEDULE 2 (continued)

2. Section 39(1), ‘Auctioneers and Agents Act 1971’—*omit, insert—**‘Property Agents and Motor Dealers Act 2000’.***3. Section 42, ‘Auctioneers and Agents Act 1971’—***omit, insert—**‘Property Agents and Motor Dealers Act 2000’.***SMALL CLAIMS TRIBUNALS ACT 1973****1. Section 4(1), definition “claimant”, paragraph (a), ‘(f)’—***omit, insert—**‘(g)’.***2. Section 4(1), definition “claimant”—***insert—*

‘(g) in relation to a claim for repair of a defect in a motor vehicle under the Property Agents and Motor Dealers Act 2000—the buyer of the vehicle;’.

3. Section 4(1), definition “small claim”—*insert—*

‘(b) a claim for repair of a defect in a motor vehicle under the Property Agents and Motor Dealers Act 2000, section 324;¹⁹³ or’.

¹⁹³ *Property Agents and Motor Dealers Act 2000*, section 324 (Warrantor’s failure to repair)

SCHEDULE 2 (continued)

4. Section 14(2)(d), after ‘tenancy application,’—

insert—

‘or a claim for repair of a defect in a motor vehicle under the *Property Agents and Motor Dealers Act 2000*,’.

5. Section 16(2), ‘(f)’—

omit, insert—

‘(g)’.

6. Section 21(2), after ‘tenancy application’—

insert—

‘or a claim for repair of a defect in a motor vehicle under the *Property Agents and Motor Dealers Act 2000*, section 324.¹⁹⁴’.

SOUTH BANK CORPORATION ACT 1989**1. Schedule 7, section 29B(3)—**

omit.

2. Schedule 7, section 39(3)(k), from ‘, within’ to ‘Auctioneers and Agents Act 1971,’—

omit, insert—

‘or restricted letting agent under the *Property Agents and Motor Dealers Act 2000*’.

¹⁹⁴ *Property Agents and Motor Dealers Act 2000*, section 324 (Warrantor’s failure to repair)

SCHEDULE 2 (continued)

3. Schedule 7, section 53(14), from ‘within’ to ‘Auctioneers and Agents Act 1971’—

omit, insert—

‘or restricted letting agent under the *Property Agents and Motor Dealers Act 2000*’.

STATE HOUSING ACT 1945**1. Section 42(1), ‘Auctioneers and Agents Act 1971’—**

omit, insert—

‘*Property Agents and Motor Dealers Act 2000*’.

**TRANSPORT OPERATIONS (ROAD USE
MANAGEMENT) ACT 1995****1. Section 46A(1)(a)(i), ‘Auctioneers and Agents Act 1971’—**

omit, insert—

‘*Property Agents and Motor Dealers Act 2000*’.

SCHEDULE 3**DICTIONARY**

section 11

“account”, for chapter 12, part 4, see section 411.

“affected by bankruptcy action”, in relation to an individual, means the individual—

- (a) is bankrupt; or
- (b) has compounded with creditors; or
- (c) has otherwise taken, or applied to take, advantage of any law about bankruptcy.

“application for review” see section 501.

“approved auditor”, for chapter 12, part 2, see section 391.

“approved financial institution” means a financial institution that—

- (a) has been prescribed under a regulation to be a financial institution to which section 410 applies; and
- (b) has entered into an agreement under the section.

“approved form” see section 598.

“arrangement” includes agreement, promise, scheme, transaction (with or without consideration), understanding and undertaking (whether express or implied).

“associate”, of a person, means a spouse, de facto spouse, parent, brother, sister, child or stepchild of the person, or a child or stepchild of the person’s spouse or de facto spouse.

“attendance notice” means a notice issued under section 485, 497 or 513.

SCHEDULE 3 (continued)

“auctioneer”—

- (a) generally, see section 205(1); and
- (b) for chapter 7, part 4, see section 234.

“auctioneer’s licence” means a property agents and motor dealers licence (auctioneer).

“audit month”, for chapter 12, part 2, division 3, see section 400.

“auditor”, for chapter 12, part 2, see section 391.

“audit period”, for chapter 12, part 2, division 3, see section 400.

“audit report”, for chapter 12, part 2, division 3, see section 400.

“beneficial interest” see section 13.

“body corporate” means—

- (a) a body corporate under the *Building Units and Group Titles Act 1980*; or
- (b) a body corporate for a leasehold building units plan under the *South Bank Corporation Act 1989*; or
- (c) a body corporate under the *Body Corporate and Community Management Act 1997*.

“building complex” means—

- (a) a building on a single building units plan under the *Building Units and Group Titles Act 1980*; or
- (b) a building or buildings on a single group titles plan under the *Building Units and Group Titles Act 1980*; or
- (c) a building or buildings shown on a single leasehold building units plan under the *South Bank Corporation Act 1989*; or
- (d) a building or buildings on scheme land in a single community titles scheme or a layered arrangement of community title schemes under the *Body Corporate and Community Management Act 1997*.

“business address”, of a licensee, see section 23(1)(b).

SCHEDULE 3 (continued)

“business associate”, of an applicant for a licence or a licensee, means a person with whom the applicant or licensee carries on, or intends carrying on, business under a licence.

“business day”—

- (a) for chapter 9, part 4—see section 296; and
- (b) for chapter 11—see section 364.

“business of letting” includes the collecting or receiving of rents by an agent for a principal, whether or not the agent has let the place of residence, land, estate or business concerned.

“caravan” means a trailer fitted, equipped, or used principally—

- (a) for camping; or
- (b) as a dwelling; or
- (c) for carrying on any trade or business.

“claimant”, for chapter 14, see section 469.

“claim fund” means the claim fund established under section 408.

“claim notice”, for chapter 14, see section 469.

“class A warranted vehicle” means a warranted vehicle that—

- (a) at the day of its sale, has an odometer reading of less than 160 000 km; and
- (b) was manufactured less than 10 years before the day of sale.

“class B warranted vehicle” means a warranted vehicle that—

- (a) at the day of its sale, has an odometer reading of 160 000 km or more; or
- (b) was manufactured at least 10 years before the day of sale.

“commencement”, for chapter 19, see section 603.

“commercial agent” see section 339(1).

“commercial agent’s licence” means a property agents and motor dealers licence (commercial agent).

SCHEDULE 3 (continued)

“commercial subagent” means a person who holds a registration certificate as a commercial subagent.

“commercial vehicle” means a motor vehicle—

- (a) built mainly for carrying or hauling goods; or
- (b) designed to carry more than 9 persons;

but does not include a utility with a nominal load carrying capacity of 1 t or less.

“committee”, for chapter 19, see section 603.

“comparable certificate”, under the repealed Act, means—

- (a) for a registration certificate as a real estate salesperson—a certificate of registration as a real estate agent salesperson granted under the repealed Act;
- (b) for a registration certificate as a trainee auctioneer—a provisional auctioneer’s licence granted under the repealed Act;
- (c) for a registration certificate as a motor salesperson—a certificate of registration as a motor salesperson granted under the repealed Act;
- (d) for a registration certificate as a commercial subagent—a certificate of registration as a commercial subagent granted under the repealed Act.

“comparable licence”, under the repealed Act, means—

- (a) for a restricted letting agent’s licence, any of the following licences granted under the repealed Act—
 - (i) manager’s (real estate agency) licence;
 - (ii) real estate agent’s licence;
 - (iii) restricted real estate agent’s licence; or
- (b) for a real estate agent’s licence, either of the following licences granted under the repealed Act—
 - (i) manager’s (real estate agency) licence;

SCHEDULE 3 (continued)

- (ii) real estate agent's licence; or
- (c) for an auctioneer's licence, either of the following licences granted under the repealed Act—
 - (i) general auctioneer's licence;
 - (ii) restricted auctioneer's licence; or
- (d) for a motor dealer's licence, either of the following licences granted under the repealed Act—
 - (i) manager's (motor dealing) licence;
 - (ii) motor dealer's licence; or
- (e) for a commercial agent's licence, either of the following licences granted under the repealed Act—
 - (i) manager's (commercial agency) licence;
 - (ii) commercial agent's licence.

“complaint”, for chapter 14, see section 469.

“completes a residential property sale” see section 261.

“computer” means a mechanical, electronic or other device for the processing of data.

“consignment”, for the sale of a motor vehicle, means the delivering of the motor vehicle by a person into the possession of a motor dealer or auctioneer and the appointing of the motor dealer or auctioneer as an agent to sell the vehicle for the vehicle's owner.

“contract”, for chapter 11, see section 364.

“conviction” includes a plea of guilty or a finding of guilt by a court, but does not include a plea of guilty or a finding of guilt by a court if no conviction is recorded by the court.

“cooling-off period”—

- (a) for chapter 9, part 4, see section 296; and
- (b) for chapter 11, see section 364.

SCHEDULE 3 (continued)

“corresponding law” means a law of another State or New Zealand that provides for the same matter as this Act or a provision of this Act.

“criminal history”, of a person, means the person’s criminal history as defined under the *Criminal Law (Rehabilitation of Offenders) Act 1986*, other than convictions for which the rehabilitation period has expired, and not been revived, under that Act.

Note—

Because of this definition, sections 6, 8, 9 and 10 of the *Criminal Law (Rehabilitation of Offenders) Act 1986* have no relevant operation for the purposes of a person’s criminal history under this Act.

“defalcation”, for chapter 12, part 4, see section 411.

“defect”—

- (a) for chapter 7, part 4, see section 234; and
- (b) for chapter 9, part 5, see section 312.

“defect notice”—

- (a) for chapter 7, part 4, see section 234; and
- (b) for chapter 9, part 5, see section 312.

“del credere agent” means a licensee who—

- (a) is authorised under the licensee’s licence to sell livestock; and
- (b) guarantees the payment of the livestock’s purchase price to the seller of the livestock.

“employ” includes engage on a contract for services or commission and use the services of, whether or not for reward.

“employed licensee” means a licensee who performs the activities of a licensee as the employee of someone else.

“employment authority”—

- (a) for a real estate salesperson, see section 130;
- (b) for a pastoral house salesperson, see section 170;
- (c) for a trainee auctioneer, see section 207;

SCHEDULE 3 (continued)

- (d) for a property developer salesperson, see section 265;
- (e) for a motor salesperson, see section 281;
- (f) for a commercial subagent, see section 341.

“employment register”—

- (a) of a restricted letting agent, see section 124(1);
- (b) of a real estate agent, see section 159(1);
- (c) of a pastoral house, see section 196(1);
- (d) of an auctioneer, see section 253(1);
- (e) of a property developer, see section 274(1);
- (f) of a motor dealer, see section 329(1);
- (g) of a commercial agent, see section 353(1).

“exclusive agency” see section 19.

“executive officer”, for a corporation, means any person, by whatever name called and whether or not the person is a director of the corporation, who is concerned, or takes part, in the management of the corporation.

“financial loss”, for chapter 14, see section 469.

“financier” means a corporation whose ordinary business (whether or not it carries on any other business) is providing credit in relation to motor vehicles and that does not carry on the business of dealing with motor vehicles other than for 1 or more of the following purposes—

- (a) selling motor vehicles on instalment terms;
- (b) hiring motor vehicles under hire-purchase agreements;
- (c) putting in place or enforcing securities over motor vehicles;
- (d) hiring motor vehicles, if no right to purchase the motor vehicle is included in the hiring of any vehicle;
- (e) disposing of motor vehicles acquired by it in connection with a purpose mentioned in paragraphs (a) to (d).

“former fund”, for chapter 19, see section 603.

SCHEDULE 3 (continued)

“former licensee”—

- (a) generally, means a person who held a licence under this or the repealed Act; and
- (b) for chapter 13, part 3, see section 447.

“former registered employee”, for chapter 13, see section 447.

“fund” means the claim fund.

“holder”—

- (a) of an account, for chapter 12, part 4, see section 411; or
- (b) of a property agents and motor dealers licence, means the person in whose name the licence is issued; or
- (c) of a registration certificate, means the person in whose name the certificate is issued.

“in charge” see section 14.

“information notice”, for a decision of the chief executive, is a written notice stating—

- (a) the decision; and
- (b) the reasons for the decision; and
- (c) if the decision is a decision made under a provision specified in schedule 1—that the person to whom the notice is given may apply to have the decision reviewed by the tribunal within 21 days after receiving the notice.

“land” includes—

- (a) a lot or proposed lot under the *Land Title Act 1994*; and
- (b) a lot shown on a leasehold building units plan registered or to be registered under the *South Bank Corporation Act 1989*; and
- (c) land under the *South Bank Corporation Act 1989*.¹⁹⁵

¹⁹⁵ The *South Bank Corporation Act 1989*, section 4 defines land to include—

- ‘(a) any estate in, on, over or under land; and
- (b) the airspace above the surface of land and any estate in the airspace; and

SCHEDULE 3 (continued)

“letting” includes every form of leasing or letting of places of residence, land, estates, or businesses.

“licence” means a property agents and motor dealers licence.

“licence register” see section 80(1).

“licensed”, in relation to a person, means licensed under this Act.

“licensee”—

- (a) generally, means the holder of a property agents and motor dealers licence that is in force; and
- (b) for chapter 12, part 4, see section 411; and
- (c) for chapter 13, see section 447; and
- (d) for chapter 14, see section 469.

“livestock” means horses, mares, fillies, foals, geldings, colts, bulls, bullocks, cows, heifers, steers, calves, ewes, wethers, rams, lambs or swine.

“market”, residential property, means take action to sell the property, other than by appointing a real estate agent, pastoral house or auctioneer to sell the property.

“minor claim”, against the fund, means a claim of not more than \$5 000.

“misleading” includes deceptive.

“money”, for chapter 12, part 4, see section 411.

“motor dealer”—

- (a) generally, see section 279(1); and
- (b) for chapter 9, part 5, see section 312.

“motor dealer’s licence” means a property agents and motor dealers licence (motor dealer).

“motor salesperson” means a person who holds a registration certificate as a motor salesperson.

- (~~to~~) subsoil of land and any estate in the subsoil; and
- (d) a building; and
- (e) a stratum lot.’.

SCHEDULE 3 (continued)

“motor vehicle” see section 15.

“non-refundable deposit”, for chapter 9, part 4, see section 296.

“obstruct” includes hinder, delay and attempt to obstruct.

“obtain”—

- (a) for chapter 5, part 2, division 5, see section 143; and
- (b) for chapter 6, part 2, division 4, see section 182; and
- (c) for chapter 7, part 2, division 5, see section 220; and
- (d) for chapter 9, part 2, division 4, see section 290.

“open listing” see section 16(1).

“option to purchase” includes a right granted or purportedly granted, but not immediately exercisable, to purchase or to be given an option to purchase.

“pastoral house” see section 165(1).

“pastoral house auctioneer” see section 168(1).

“pastoral house auctioneer’s licence” means a property agents and motor dealers licence (pastoral house auctioneer).

“pastoral house director” see section 166(1).

“pastoral house director’s licence” means a property agents and motor dealers licence (pastoral house director).

“pastoral house licence” means a property agents and motor dealers licence (pastoral house).

“pastoral house manager” see section 167(1).

“pastoral house manager’s licence” means a property agents and motor dealers licence (pastoral house manager).

“pastoral house officer”, of a pastoral house, means—

- (a) an executive officer of the pastoral house; or
- (b) a pastoral house manager of the pastoral house; or
- (c) a pastoral house auctioneer of the pastoral house; or

 SCHEDULE 3 (continued)

(d) a pastoral house salesperson of the pastoral house.

“pastoral house salesperson” means a person who holds a registration certificate as a pastoral house salesperson.

“place of residence”—

(a) means—

- (i) a building or part of a building used, or currently designed for use, as a single dwelling only; and
- (ii) any outbuildings or other appurtenances incidental to the use of the building or part as a single dwelling; but

(b) does not include—

- (i) a building or part of a building used, or currently designed for use, for temporary accommodation; or
- (ii) any outbuildings or other appurtenances incidental to the use of the building or part as temporary accommodation.

Examples of paragraph (b)—

1. Motel
2. Caravan park
3. Hostel.

“principal licensee” means a licensee that carries on business under the licensee’s licence on the licensee’s own behalf.

“property agents and motor dealers licence” means a property agents and motor dealers licence issued under this Act.

“Property Agents and Motor Dealers Tribunal” means the Property Agents and Motor Dealers Tribunal established under section 448.

“property developer” see section 262(1).

“property developer director” see section 263.

“property developer director’s licence” means a property agents and motor dealers licence (property developer director).

“property developer salesperson” means a person who holds a registration certificate as a property developer salesperson.

SCHEDULE 3 (continued)

“property developer’s licence” means a property agents and motor dealers licence (property developer).

“property information session” see section 364.

“qualified auditor”, for chapter 12, part 2, see section 391.

“real estate agent” see section 128(1).

“real estate agent’s licence” means a property agents and motor dealers licence (real estate agent).

“real estate salesperson” means a person who holds a registration certificate as a real estate salesperson.

“receivership property”, for chapter 12, part 4, see section 411.

“registered employee”—

- (a) generally, means a person registered under this Act as any of the following—
 - (i) real estate salesperson;
 - (ii) pastoral house salesperson;
 - (iii) trainee auctioneer;
 - (iv) property developer salesperson;
 - (v) motor salesperson;
 - (vi) commercial subagent; and
- (b) for chapter 13, see section 447.

“registered office”—

- (a) of a restricted letting agent, see section 121;
- (b) of a real estate agent, see section 156;
- (c) of a pastoral house, pastoral house director, pastoral house manager or pastoral house auctioneer, see section 193;
- (d) of an auctioneer, see section 250;
- (e) of a property developer, see section 271;
- (f) of a motor dealer, see section 326;

SCHEDULE 3 (continued)

(g) of a commercial agent, see section 350.

“registration certificate” means a registration certificate issued under section 91.

“registration certificate register” see section 109(1).

“relevant contract”, for chapter 11, see section 364.

“relevant person”, for chapter 14, see section 469.

“repair period”—

(a) for chapter 7, part 4, see section 234; and

(b) for chapter 9, part 5, see section 312.

“repealed Act” means the *Auctioneers and Agents Act 1971*.

“representation” includes a statement, promise, publication and other representation made in any way.

“residential property” see section 17.

“respondent”—

(a) for chapter 14, see section 469; and

(b) for chapter 16, see section 563.

“restricted letting agent” see section 111(1).

“restricted letting agent’s business” see section 152.

“restricted letting agent’s licence” means a property agents and motor dealers licence (restricted letting agent).

“restricted real estate agent’s licence” means a real estate agent’s licence granted under the repealed Act, section 45(3).

“reward” includes remuneration of any kind including, for example, any fee, commission or gain.

“rural land” means land used for grazing stock or cultivating crops on a commercial basis.

“sale by auction” means the sale of property in any way commonly known and understood to be by auction.

SCHEDULE 3 (continued)

“security interest certificate” means a security interest certificate under the *Motor Vehicles Securities Act 1986*.

“sell” includes agree to sell, advertise or display for sale, attempt to sell, have for sale, negotiate for a sale, and in any way be concerned in selling.

“serious offence” means any of the following offences punishable by 3 or more years imprisonment—

- (a) an offence involving fraud or dishonesty;
- (b) an offence involving the trafficking of drugs;
- (c) an offence involving the use or threatened use of violence;
- (d) an offence of a sexual nature;
- (e) extortion;
- (f) arson;
- (g) unlawful stalking.

“sole agency” see section 19.

“statutory warranty”—

- (a) for chapter 7, part 4, see section 234; and
- (b) for chapter 9, part 5, see section 312.

“termination penalty”, for chapter 11, see section 364.

“trainee auctioneer” means a person who holds a registration certificate as a trainee auctioneer.

“transactions register” see section 330.

“tribunal” means the Property Agents and Motor Dealers Tribunal.

“trust account”—

- (a) generally, means a trust account kept under this Act; and
- (b) for chapter 12, part 2, division 3, see section 400.

“trust money”, for chapter 12, part 4, see section 411.

“trust property”, for chapter 12, part 4, see section 411.

SCHEDULE 3 (continued)

“unsolicited invitation” see section 18.

“unwarranted vehicle” means a used motor vehicle that does not have a statutory warranty.

“used motor vehicle”—

- (a) generally, means a motor vehicle that has, at any time, been licensed or registered, whether under the law of this State or of any other State or a foreign country; and
- (b) for chapter 9, part 4, see section 296.

“vacant land”—

- (a) for chapter 5, part 2, division 6, see section 147; and
- (b) for chapter 6, part 2, division 5, see section 186; and
- (c) for chapter 7, part 2, division 6, see section 224.

“warning statement”, for chapter 11, see section 364.

“warranted vehicle” means a used motor vehicle other than—

- (a) an unregistered motor vehicle that is—
 - (i) incapable of being registered in Queensland because of its design; or
 - (ii) sold for wrecking or dismantling; or
- (b) a motor vehicle sold on consignment, unless the owner of the vehicle is a motor dealer or auctioneer; or
- (c) a commercial vehicle; or
- (d) a caravan; or
- (e) a motor cycle.

“warrantor”—

- (a) for chapter 7, part 4, see section 234; and
- (b) for chapter 9, part 5, see section 312.

“warranty advice”—

- (a) for chapter 7, part 4, see section 234; and
- (b) for chapter 9, part 5, see section 312.

SCHEDULE 3 (continued)

“warranty period”—

- (a) for chapter 7, part 4, see section 234; and
- (b) for chapter 9, part 5, see section 312.