5224 - Is it permissible for people taking part in an auction to ask someone present not to increase the price?

the question

A group of people went to an auction, and they had agreed beforehand that they would not increase the price against one another. The auction started and a friend of theirs came in and started bidding. They spoke to him and said, “We will give you a share, so keep quiet.” Then after the auction was over, they sold the things they had bought and shared the profit between them. What is the ruling on this?

Detailed answer

Praise be to Allah.

We put the following question to Shaykh Muhammad ibn Saalih al-‘Uthaymeen, may Allaah preserve him, who replied as follows:

-If there is no one else present at the auction except them, then this is not permissible. But if there are others present, there is nothing wrong with them making such an agreement, so long as they do not prevent anyone else from taking part in the auction. But preventing someone else from taking part and telling him that he will have a share in their profits, is not allowed.

Question: if they give him a share, does he have to get rid of the money?

Answer: If they give him a share then they are sinners.

Question: What should he do with the money?

Answer: he should give it back, or he should give it in charity. And Allaah knows best.