

# NEW ZEALAND INSTITUTE OF VALUERS

## CODE OF ETHICS

(As provided in Rule 133)

Approved by members at the Annual General Meeting of the Institute held on 12 April 1996, and approved by the Minister in Charge of the Valuation Department in accordance with Section 16(3) of the Valuer's Act 1948, on 9 May 1996.

The following is the Code of Ethics of the Institute, and every person referred to in Rule 8 of the Rules of the Institute is bound by this Code. A breach of any of the provisions of this Code may render the person concerned liable to disciplinary action.

### 1. PROFESSIONAL RESPONSIBILITY

- 1.1 The first duty of each and every member is to render service to the member's client or the member's employer with absolute fidelity, and to practise their profession with devotion to high ideals of integrity, honour and courtesy, loyalty to the Institute, and in a spirit of fairness and goodwill to fellow members, employees and subordinates.
- 1.2 A member's conduct shall at all times uphold the reputation of the Institute and the dignity of the profession and abide by all laws, statutes, regulations and rules relevant to their professional practice.
- 1.3 Each and every member shall maintain the high standards of their profession and should refer to the Institute, any act or omission of a fellow member they are aware of and which may appear to bring discredit on the Institute or its members.
- 1.4 No member shall prepare or certify any statement which is known to be or ought to be known to be false, incorrect, misleading, deceptive or open to misconstruction by reason of a misstatement, omission or suppression of a material fact, any deceptive act, or otherwise.
- 1.5 A member shall exercise the utmost care and good faith to ensure the maintenance of the highest standards in the preparation of statements, reports and certificates, as these constitute one of the most valuable assets of the profession, being relied upon by clients, employers, shareholders, investors, creditors and the public.
- 1.6 When asked for a valuation of real property, or an opinion on a real estate matter, no member shall give an unconsidered answer. A member's counsel constitutes professional advice which must be prepared to the highest standards of competency and rendered only after having properly ascertained and weighed the facts.
- 1.7 A member must maintain the strictest independence and impartiality in the performance of the member's professional duties. To this end no member shall
  - a) adopt the role of advocate to the exclusion of that independence and impartiality

- b) allow the performance of that member's professional duties to be improperly influenced by the preferences of clients or others as to the result of their professional work
- c) rely improperly upon information supplied by clients or others in the performance of their professional duties or
- d) act in any other way inconsistent with the duties of independence and impartiality.

### 2. RESPONSIBILITY TO CLIENTS

- 2.1 Every member shall act towards that member's clients in all professional matters strictly in a fiduciary manner. Any information of a confidential nature given to the member by a client shall be kept confidential and not disclosed to any other party without the consent of the client. A member shall not be deemed to commit a breach of this requirement by reason of a member answering any question which the member is legally compellable to answer in any judicial proceedings in which the member is called as a witness.
- 2.2 A member must not accept or carry out any instruction where there is, or may reasonably be construed to be, a conflict of interest and must withdraw from any instruction if such a conflict of interest arises or becomes known after the instruction has been accepted, unless such conflict of interest is fully disclosed in writing to all relevant parties and all such parties agree that the instruction may be accepted or continued by the member.
- 2.3 A member must inform the member's client or clients of the nature of any business connections, interests or other affiliations the member may have in connection with the service to the client or clients.
- 2.4 A member should not undertake any work for which the member is not qualified or where the member is in any doubt or ought to be in any doubt as to the adequacy of the member's professional competency and or experience to undertake the work unless such work is completed under the supervision of a person of adequate competence.

### **3. PROFESSIONAL FEES**

- 3.1 No member shall in respect of the member's professional work levy a fee to the member's client that is other than reasonable in all the circumstances.
- 3.2 A member shall make known the basis of the member's fee if requested by the client.
- 3.3 Fees may be negotiated on any mutually agreeable basis. However, no fee shall be contingent upon the reporting of a predetermined value or direction of value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- 3.4 A member shall not pay by commission or otherwise any person who may introduce clients to the member.
- 3.5 A member's charge to the member's client or clients shall constitute their only remuneration in connection with their professional advice.

### **4. PROFESSIONAL WORK BY MEMBERS IN EMPLOYMENT**

- 4.1 A member in employment shall not accept professional work on the member's own account unless with the knowledge and consent of the member's employer or unless the member's employment contract expressly provides such authority.

### **5. PROFESSIONAL COMPETENCY**

- 5.1 As part of maintaining the standards of professional competency referred to under Clause 1.6 and 2.4 hereof every member shall, unless exempted by Council, participate in an ongoing annual programme of Continuing Professional Development in accordance with guidelines published to members from time-to-time by the Institute.

### **6. USE OF MEMBER'S NAME AND DESIGNATION**

- 6.1 A member should avoid the use of the member's name by, or personal association with, any enterprise or activity which may bring the member, the Institute, or the profession into disrepute.
- 6.2 The initials F.N.Z.I.V. and A.N.Z.I.V. denoting members' status, and statutory designations "Registered Valuer" and "Public Valuer", as appropriate, are personal to individual members and shall be used only following or immediately in connection with the member's name.

- 6.3 A member's name and signature must appear on every valuation or report undertaken, together with the approved initials as set out in the Rules of the New Zealand Institute of Valuers indicating their status as a Fellow or Associate and where appropriate the designation of "Public Valuer", "Registered Valuer" or such other designation as the Institute may from time to time approve.

- 6.4 A member acknowledges that when signing reports as the primary professional the member accepts full responsibility for the content of those reports including content that may be the result of inquiries or development by others.

### **7. ADVERTISING AND PROMOTION**

- 7.1 A member may advertise or promote the member's professional services, either individually or collectively, provided that such advertising or promotion complies with the following:

- 7.1.1 It must not contravene, or be inconsistent with, the other provisions of the Code of Ethics.

- 7.1.2 It must not contain any reference to a client without that client's consent having first been obtained.

- 7.1.3 The content does not carry the implication of any ability to influence any court, tribunal, regulatory agency, or similar body or official.

- 7.2 A member when advertising or presenting practice stationery shall not do so in a manner that may be construed as misleading.

- 7.3 A member is responsible for any advertising or promotion which the member has expressly or impliedly authorised or which is for the member's benefit.

- 7.4 Neither the Institute's crest or logo may be used without first obtaining approval of the Council.

### **8. GENERAL**

- 8.1 A member shall at all times faithfully observe and perform all the member's obligations under the Valuers Act 1948, with its amendments and the Regulations thereunder, and the Rules of the Institute.

- 8.2 A member shall at all times abide by every lawful decision of the Council or of the Committee of the Branch of which they are a member or of any general meeting of the Institute or of that Branch.