

Professional Standard 18

Anti-Money Laundering & High-Risk Auction Transactions

Version 0.2 – May 2026

Auctioneers & Valuers Association of Australia
Reference: 4.27.18

Introduction

The Auctioneers and Valuers Association of Australia (AVAA) is committed to strengthening professionalism, integrity, and public confidence across the valuation and auction sectors. This *AVAA Professional Standard* forms part of a broader framework designed to support consistent practice, ethical conduct, and accountability across the diverse services provided by members.

Professional standards play an important role in defining expectations for those who hold themselves out as skilled practitioners. They establish clear principles for conduct, competence, and responsibility, helping practitioners, clients, and regulators understand the level of professionalism that should reasonably be expected in the marketplace.

Money laundering, terrorism financing, sanctions breaches, fraud, illicit asset transfers, and other high-risk transactions can have significant implications for auctioneers, clients, consumers, regulators, financial institutions, insurers, and the broader reputation of the auction sector. Professional auction practice therefore requires appropriate oversight, transaction controls, and financial crime risk management practices.

This Professional Standard establishes principles governing anti-money laundering awareness, high-risk transaction management, customer identification practices, and responsible auction conduct involving auctioneers and corporate members. The Standard supports professional accountability, consumer confidence, regulatory awareness, commercially responsible auction practices, and transparency regarding suspicious transactions, payment activities, and elevated financial crime risks.

This standard has been developed through consultation with practitioners and informed by regulatory frameworks, industry experience, and evolving client and government expectations. It is intended to provide practical guidance while reinforcing the importance of transparency, diligence, and professional judgement in everyday practice.

Those holding the AVAA Certified Auctioneer (CAAU) and AVAA Corporate Members apply this Professional Standard to demonstrate a commitment to continuous improvement and professional accountability. In doing so, they contribute to a stronger and trusted sector where valuers are recognised not only for their expertise but also for the integrity and reliability of their work.

Troy R Williams FAIM MAICD
AVAA Chief Executive

May 2026



Professional Standard 18

Title —

AVAA Professional Standard 18 – Anti-Money Laundering & High Risk Auction Transactions

Purpose —

Money laundering, terrorism financing, sanctions breaches, fraud, illicit asset transfers, and other high-risk transactions can have significant implications for auctioneers, clients, consumers, regulators, financial institutions, insurers, and the broader reputation of the auction sector. Professional auction practice therefore requires appropriate oversight, transaction controls, and awareness of financial crime risks associated with auction services.

This Professional Standard establishes principles governing anti-money laundering awareness, high-risk transaction management, customer identification practices, and responsible auction conduct involving auctioneers and corporate members. The Standard supports professional accountability, consumer confidence, regulatory awareness, commercially responsible auction practices, and transparency regarding suspicious transactions, payment arrangements, settlement activities, and elevated financial crime risks.

Scope —

This Professional Standard applies to auction transactions, consignments, bidder activities, payment arrangements, high-value transactions, cross-border dealings, precious products transactions, and other auction activities reasonably capable of giving rise to money laundering, fraud, sanctions, or other financial crime risks.

Application —

This Professional Standard applies to all individuals holding the AVAA Certified Auctioneer (CAAu) credential and AVAA Corporate Members providing valuation services.

Standard —

1. Principles Of Responsible Auction Conduct

- 1.1 Auctioneers and corporate members must maintain appropriate procedures, controls, and oversight measures to identify, assess, and manage money laundering, fraud, sanctions, terrorism financing, illicit asset transfer, and other high-risk transaction risks associated with auction activities.
- 1.2 Auction practices should support transparency, commercially responsible conduct, consumer confidence, and compliance with applicable legal and regulatory obligations.
- 1.3 Auctioneers should recognise that certain transactions, payment methods, asset classes, customer behaviours, jurisdictions, or transaction structures may present elevated financial crime or regulatory risks.

2. High-Risk Transactions And Risk Indicators

- 2.1 Auctioneers and corporate members should implement transaction monitoring, identification, verification, and risk management practices appropriate to the nature, scale, complexity, and risk profile of the auction services provided.



- 2.2 Elevated risk indicators may include:
- a. unusual payment arrangements.
 - b. unexplained third-party payments.
 - c. inconsistent ownership information.
 - d. unusual urgency or secrecy.
 - e. cross-border transactions involving higher-risk jurisdictions.
 - f. transactions involving precious metals, jewellery, watches, artworks, luxury goods, collectables, or portable high-value assets.
 - g. suspicious bidding or purchaser behaviour.
 - h. unusual transaction structures or settlement arrangements.
- 2.3 Auctioneers and corporate members should actively assess whether transactions, consignments, bidders, vendors, purchasers, or payment arrangements appear commercially unusual, inconsistent, suspicious, or inconsistent with the apparent nature of the transaction.

3. Customer Identification And Verification

- 3.1 Auctioneers and corporate members should implement customer identification, verification, and authority procedures reasonably appropriate to the nature and risk profile of the transaction, consignor relationship, bidder activity, or payment arrangement.
- 3.2 Auctioneers may require bidders, purchasers, vendors, consignors, beneficial owners, agents, or representatives to provide identification, authority documentation, ownership information, payment information, or other records reasonably necessary to manage legal, regulatory, commercial, operational, or financial crime risks.
- 3.3 Auctioneers should maintain appropriate procedures to verify the apparent authority of persons acting on behalf of companies, trusts, estates, partnerships, agents, representatives, or third parties where reasonably relevant.

4. Payment Arrangements And Transaction Controls

- 4.1 Auctioneers and corporate members must maintain appropriate controls relating to cash transactions, virtual assets, third-party payments, cross-border transactions, unusual settlement arrangements, and other elevated financial crime risks associated with auction activities.
- 4.2 Auctioneers may refuse, suspend, delay, restrict, limit, or decline transactions, consignments, bidders, payment methods, settlement arrangements, or auction participation where reasonably necessary to:
- a. comply with legal or regulatory obligations.
 - b. manage financial crime or operational risks.
 - c. address suspicious or unusual conduct.
 - d. protect the integrity of auction services.
- 4.3 Auctioneers and corporate members should maintain payment handling, settlement, and transaction recording procedures reasonably capable of supporting transaction transparency and compliance obligations.

5. Suspicious Conduct And Regulatory Awareness

- 5.1 Auctioneers and corporate members should maintain awareness of applicable anti-money laundering, sanctions, financial crime, and high-risk transaction obligations relevant to their activities.

- 5.2 Auctioneers and corporate members should actively manage suspicious, inconsistent, fraudulent, or high-risk conduct identified in connection with auction services and take appropriate action having regard to applicable legal, regulatory, and professional obligations.
- 5.3 Where required by applicable legislation, auctioneers and corporate members must comply with reporting, notification, customer due diligence, sanctions, or regulatory obligations arising in connection with auction activities.
- 5.4 This Professional Standard does not require auctioneers to undertake law enforcement functions or investigations beyond obligations arising under applicable legislation or reasonably necessary professional risk management practices.

6. Records And Information Management

- 6.1 Auctioneers and corporate members must maintain records reasonably capable of demonstrating transaction transparency, payment tracing, bidder identification processes, consignor arrangements, and compliance with applicable legal and professional obligations.
- 6.2 Records should include, where reasonably relevant:
 - a. bidder registration information.
 - b. payment arrangements.
 - c. transaction records.
 - d. consignor information.
 - e. identification and verification processes undertaken.
 - f. settlement arrangements.
 - g. material communications relevant to higher-risk transactions.
- 6.3 Records should be maintained in a manner reasonably capable of supporting professional accountability, operational transparency, regulatory compliance, and transaction traceability.

7. Professional Accountability

- 7.1 Responsible management of anti-money laundering and high-risk transaction risks forms part of professional and ethical auction practice.
- 7.2 Compliance with this Professional Standard does not replace obligations arising under legislation, sanctions laws, anti-money laundering laws, licensing obligations, consumer protection laws, court orders, or regulatory requirements.

8. Prohibited Conduct

- 8.1 Auctioneers and corporate members must not knowingly participate in, facilitate, conceal, ignore, or improperly assist conduct involving money laundering, sanctions evasion, fraud, suspicious transactions, illicit asset transfers, or other unlawful financial activity.
- 8.2 Auctioneers and corporate members must not knowingly accept misleading, false, fraudulent, or materially incomplete information relating to ownership, identity, authority, payment arrangements, beneficial ownership, or transaction structures where doing so would improperly compromise professional obligations or legal compliance.
- 8.3 Auctioneers and corporate members must not knowingly structure, facilitate, or assist transactions in a manner intended to improperly avoid legal, regulatory, reporting, sanctions, or financial crime obligations.

9. Failure To Comply

- 9.1 Failure to comply with this Professional Standard itself constitutes conduct capable of consideration under the *AVAA Code of Ethics for Individual Members*, the *AVAA Code of Practice for Corporate Members*.
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Status & Review —

AVAA Board Approval:	TBA (Draft)
Periodic Review Due:	5 Years after approval





The **Auctioneers and Valuers Association of Australia (AVAA)** is the leading national body representing professional auctioneers and valuers across a diverse range of specialties, including fine art, antiques, collectables, goods, vehicles, plant, and equipment.

Our Vision

As the peak body for auctioneers and valuers in Australia, AVAA upholds the highest professional and ethical standards through education, advocacy, and leadership.

Our Mission

To support and represent Australia's auctioneers and valuers through rigorous standards, ethical leadership, quality education, and credible advocacy, ensuring trust, professionalism, and future-readiness in a changing world.

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