Auctioneers and Valuers Association of Australia

Professional Standard 14

Australian Valuation & Auction Standard: Engagement & Terms Of Appointment

Version 1.0 – July 2026

Auctioneers & Valuers Association of Australia
Reference: 4.27.14

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.

> Engagement arrangements, professional instructions, and terms of appointment can have significant implications for valuers, auctioneers, clients, consumers, insurers, regulators, courts, and the broader reputation of the valuation and auction sectors. Professional valuation and auction practice therefore requires engagement processes that are clear, transparent, professionally responsible, and consistent with consumer protection obligations.
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> This Professional Standard establishes principles governing engagement arrangements, professional instructions, appointment terms, and the documentation of commercial relationships involving valuation and auction services. The Standard is intended to support professional accountability, consumer confidence, informed decision-making, and clarity regarding the scope of services, responsibilities, limitations, and payment arrangements associated with professional engagements.

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 Valuer (CVAu) and the AVAA Certified Auctioneer (CAAu) credentials, plus 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

July 2026

Australian Valuation & Auction Standard
PS14 Engagement & Terms Of Appointment

Title —

AVAA Professional Standard 14 – Engagement & Terms Of Appointment

Purpose —

Engagement arrangements, professional instructions, and terms of appointment can have significant implications for valuers, auctioneers, clients, consumers, insurers, regulators, courts, and the broader reputation of the valuation and auction sectors. Professional practice, therefore, requires engagement processes that are clear, transparent, commercially responsible, and consistent with consumer protection obligations.

This Professional Standard establishes principles governing engagement arrangements, professional instructions, appointment terms, and the documentation of commercial relationships involving valuation and auction services. The Standard supports professional accountability, consumer confidence, informed decision-making, and clarity regarding the scope of services, responsibilities, limitations, reliance, and payment arrangements.

Scope —

This Professional Standard applies to engagement arrangements, appointment terms, professional instructions, fee arrangements, client communications, and related documentation associated with valuation and auction services.

Application —

This Professional Standard applies to all individuals holding the AVAA Certified Valuer (CVAu) credential, the AVAA Certified Auctioneer (CAAu) credential, and AVAA Corporate Members providing valuation and / or auction services.

Standard —

1. Principles Of Engagement & Appointment

1.1 Valuers, auctioneers, and corporate members should take reasonable steps to ensure that professional engagements are appropriately documented and clearly communicated.

1.2 Engagement arrangements should support transparency, informed decision-making, professional accountability, and a clear understanding of the services to be provided.

1.3 Members should seek to ensure that clients reasonably understand the nature of the engagement, the scope of services, the basis of fees and charges, and any material limitations or conditions relevant to the appointment.

1.4 This Professional Standard relates to the documentation and management of professional engagements and does not replace separate obligations arising under applicable legislation, consumer protection laws, or other AVAA Professional Standards relating to conflicts of interest, independence, reliance, or professional conduct.

2. Engagement Documentation

2.1 Valuers, auctioneers, and corporate members should maintain engagement documentation reasonably appropriate to the nature, scale, complexity, and risk profile of the services provided.

2.2 Engagement documentation may include engagement letters, terms and conditions, auction authority agreements, valuation instructions, fee agreements, electronic communications, quotations, online acceptance processes, or other records evidencing the appointment.

2.3 Engagement documentation should be sufficiently clear to reasonably identify:

a. the client.
b. the services to be provided.
c. the scope of the engagement.
d. relevant assets, property, goods, or subject matter.
e. material assumptions, exclusions, limitations, or conditions.
f. fee arrangements and payment terms.
g. timing requirements where relevant.
h. the basis upon which instructions have been accepted.

2.4 Engagement documentation should, where reasonably relevant, identify the intended purpose of the services, the intended client, and any material limitations relating to reliance, distribution, or use of the professional services.

2.5 Instructions, engagement acceptance, appointment terms, variations, approvals, and related communications may be evidenced electronically, including through email communications, online systems, digital platforms, or other technology-enabled processes.

3. Scope Of Services And Instructions

3.1 Valuers, auctioneers, and corporate members should take reasonable steps to ensure that instructions received from the client are sufficiently clear to allow the professional services to be properly undertaken.

3.2 Members should take reasonable steps to clarify material uncertainties, limitations, assumptions, or inconsistencies associated with the engagement where reasonably apparent.

3.3 The scope of services should be reasonably consistent with:

a. the member's qualifications, expertise, and professional capability.
b. the client's instructions.
c. the nature of the professional services to be provided.
d. applicable professional obligations and standards.

3.4 Members should take reasonable steps to ensure that variations to the scope of services, material instructions, or engagement terms are appropriately documented.

3.5 Where an AVAA Corporate Member provides valuation or auction services that may be performed, assisted, reviewed, or supported by individuals who do not hold the AVAA Certified Valuer (CVAu) credential and / or AVAA Certified Auctioneer (CAAu) credential, the engagement documentation should clearly disclose this to the client where reasonably relevant to the nature of the services provided.

3.6 Valuers, auctioneers, and corporate members should take reasonable steps to satisfy themselves that the person providing instructions appears to possess the authority to engage the professional services requested.

3.7 Engagement documentation may identify where professional services rely upon information, documents, representations, or instructions supplied by the client or third parties and the extent to which that information has or has not been independently verified.

3.8 Members may limit, suspend, decline, or terminate an engagement where:

a. instructions are unclear, misleading, improper, unlawful, or inconsistent with professional obligations.
b. the member lacks the expertise, capacity, authority, or information necessary to properly undertake the engagement.
c. the engagement gives rise to risks inconsistent with applicable professional, ethical, legal, or regulatory obligations.

3.9 Members should take reasonable steps to identify material assumptions, exclusions, limitations, or matters falling outside the agreed scope of services where reasonably relevant to the engagement.

3.10 Clients may be required to provide reasonable cooperation, access, instructions, information, documentation, approvals, or assistance necessary for the proper provision of professional services.

3.11 Where professional services may reasonably be relied upon by persons other than the client, engagement documentation may identify any limitations, restrictions, conditions, or assumptions relating to third-party reliance or use.

4. Fees, Charges, And Payment Arrangements

4.1 Fee arrangements and payment terms should be communicated in a manner reasonably capable of being understood by the client.

4.2 Engagement documentation should reasonably identify the basis upon which fees, commissions, charges, disbursements, expenses, or other amounts may be charged.

4.3 Valuers, auctioneers, and corporate members should avoid fee arrangements or commercial practices likely to mislead consumers or create unreasonable uncertainty regarding payment obligations.

4.4 Members should take reasonable steps to ensure that invoices, commissions, charges, disbursements, and expenses are reasonably consistent with the engagement arrangements communicated to the client.

5. Communication And Professional Conduct

5.1 Valuers, auctioneers, and corporate members should communicate professionally, honestly, and transparently in relation to engagement arrangements and appointment terms.

5.2 Members should avoid representations or engagement practices likely to create confusion regarding:

a. the identity of the contracting party.
b. the services to be provided.
c. professional responsibilities.
d. fee obligations.
e. limitations of the engagement.
f. the scope of authority granted by the client.

5.3 Valuers, auctioneers, and corporate members should take reasonable steps to maintain engagement records and communications in accordance with applicable record keeping, privacy, confidentiality, and information management obligations.

6. Consumer Protection And Professional Accountability

6.1 Proper engagement documentation forms part of professional and ethical practice.

6.2 Appropriate terms of appointment assist in supporting:

a. professional accountability.
b. consumer confidence.
c. clarity of instructions.
d. effective complaints handling.
e. appropriate risk management.
f. compliance with professional and regulatory obligations.

7. Prohibited Conduct

7.1 Valuers, auctioneers, and corporate members must not knowingly provide false, misleading, deceptive, or materially inaccurate engagement documentation or appointment terms.

7.2 Members must not knowingly conceal material limitations, exclusions, payment obligations, fee arrangements, or conditions relevant to the engagement.

7.3 Members must not misrepresent the nature, scope, authority, independence, or basis of professional services provided under an engagement.

8. Failure To Comply

8.1 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*.

Status & Review —

AVAA Board Approval:	30 July 2026
Periodic Review Due:	4 Years after approval

75th Anniversary
1952 - 2027

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 and antiques, rare coins and books, motor vehicles, aviation and marine, household items and office machinery, plant and equipment, to memorabilia and collectables.

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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