

THE INSTITUTE OF
AUCTIONEERS AND APPRAISERS
IN SCOTLAND



PROFESSIONAL
CODE OF PRACTICE

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INSTITUTE OF AUCTIONEERS AND APPRAISERS IN SCOTLAND:

CODE OF PRACTICE

“The Institute”

The Institute of Auctioneers and Appraisers in Scotland (the Institute") is the corporate body of Scotland's auctioneers and appraisers.

The Institute's aims are:

- To maintain and safeguard high professional standards among its member auctioneers and appraisers in Scotland;
- To promote the services provided by its members;
- To represent the interests of its members to government and in industry forums;
- To provide professional education appropriate to the needs of its members and the profession;
- To encourage fair competition.

The conduct and management of the Institute shall be governed by its Articles of Association and directed by the decisions of the Council of the Institute (the “Council”)

Responsibilities of Institute Members

Members of the Institute ("Members") are bound to comply with the provisions of this Code of Practice in addition to such other rules as the Council may from time to time prescribe (together, the “Code”).

Members who are principals are responsible to the Council for the actions of their partners and staff so far as they relate to matters coming within the scope of the Member's practice.

The Institute recommends that Members carry and maintain adequate indemnity and public and employers' liability insurance relevant to the type of business undertaken.

Members must:

1. Act in the best interests of their clients at all times;
2. Abide by the Code and all other rules and principles of the Institute in all their business dealings;
3. Conduct business in a professional manner and not act in any way prejudicial to their professional standing or to the reputation of the Institute, whether or not acting in their capacity as an auctioneer and/or appraiser;
4. Not misrepresent or conceal pertinent facts;
5. Avoid involvement and any connection with an occupation or business which in the opinion of the Council, is inconsistent with the rules and principles of the Institute from time to time;
6. Conduct business, maintain premises and handle livestock according to all relevant legal requirements¹;
7. Ensure strict confidentiality of information relating to other Members and agent/client relationships;
8. Conduct all business and carry out all auctions according to terms and conditions that are compatible with fair trading practices;
9. Ensure that clients are fully aware of the relevant terms and conditions of business. These terms and conditions must be available for inspection;
10. Provide vendors with accurate statements of sales and pay promptly in accordance with the auction company's customary procedure;
11. Ensure that charges for services undertaken are transparent and declared in full on sales invoices;

12. Ensure that where property/land agency transactions are undertaken a client's money is kept in a separate bank account from the Member's own money and that full and complete records of all transfers are maintained.
13. Act in the main as "agents". Members acting as "principals" in any transaction must clearly advise their position to the party or parties involved.
14. Check for any actual or potential conflict of interest in the agent/client relationship. Should any conflict exist, the Members must advise their client immediately;
15. Adopt accepted standards of best practice on the operation of markets and adhere to current codes of practice governing the health and welfare of livestock and the health and safety of market staff and users;
16. Adopt a formal procedure for handling client complaints and make such procedure available in writing to clients and potential clients on request;
17. Ensure that any reference to the Institute, in whatever form or media, does not prejudice the reputation or standing of the Institute and that such reference is made in accordance with such rules as the Institute may from time to time prescribe.

Members are forbidden from..

1. Offering any financial inducement to secure instructions for sales or lettings;
2. Accepting an instruction to sell a property, other than by auction, if a bid is to be made by any person, firm, company or any other body corporate having a financial connection with that Member. If a situation is not clear-cut, the matter shall be referred to the Council for a ruling;
3. Soliciting or obtaining business by improper means, including but not limited to fraud, misrepresentation or deceit;

4. Trading without financial resources which are sufficient to avoid the risk of prejudice to the interests of clients, other Members or third parties;
5. Making statements in any form or media which may give the impression that such statement is being made on behalf of or is authorized by the Institute where the making of such statement has not been approved by the Council in advance;
6. Acting in the sale or purchase of property on his own behalf or on behalf of a member of his immediate family without disclosing this fact to the prospective purchaser or seller or his representative.

Disputes Procedure

Members and their clients have the right to make representations to the Council of the Institute if they consider that a Member has acted unethically in their professional conduct. The Council is also entitled to investigate any alleged breach of the Code that otherwise comes to its attention.

In general, the Council will only consider such representations where it is satisfied that (i) the complainant has already exhausted the Member's internal complaints procedure and (ii) the matter is not the subject of legal proceedings.

Representations must be made in writing to the President of the Institute accompanied by payment of £250 which will be refunded if the representation is upheld.

The Council has the authority to suspend or terminate membership of the Institute, or take such other action in relation to that member as the Council considers appropriate.

Registered in Scotland No: 13987

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