



**Case Summary: 2024-03**

**Adjudicating Sub-Committee Hearing Date: April 24, 2024**

**General Summary**

**File opened:** June 21, 2022

The original complaint received from a consumer was related to a Candidate and contained concerns about:

- a missed appointment for performing an inspection of the subject property and statements made by the Candidate that the Complainant's claim that an appointment had been missed were untrue;
- the internal business processes within the company for which the Candidate works lacking quality, consistency and rigor and that in such an environment, professional services not being rendered with due diligence and due care as required by CUSPAP, and
- The Candidate's signature block not conforming to the requirements of CUSPAP 5.3.8 which could lead to a misinterpretation of the Candidate's qualifications.

The complaint file against the Candidate's Designated Co-signer was opened as an issue arising from the original complaint. The Designated Member is the registered co-signor for the Candidate who is the subject of the original complaint.

As the Candidate's co-signor, the Designated Member is responsible for ensuring that the Candidate receives reasonable and appropriate supervision, instruction, guidance, and advice in accordance with the AIC Co-signing Policy.

The co-signor's role in a Candidate's professional life is significant and carries the weight of responsibility for a person's growth and development into a professional appraiser. The Designated Member's with this Candidate does not rise to meet the responsibilities of the role as co-signer.

The two matters were combined and heard at one Adjudicating Hearing on consent of the Members.

**Complainant Allegations**

The Complainant raised these CUSPAP concerns, breaches to:

4.1.1: Members of the Institute pledge to conduct themselves in a manner that is not

detrimental to the public, the Institute, CUSPAP, or the appraisal profession. A Member's relationships with other Members, the Institute, and the public shall portray courtesy, respect, and good faith. [see 4.2.2].

4.1.2: A Member is required to use due diligence and due care and must not render Professional Services in a careless, biased, discriminatory, or negligent manner.

### Issues Arising from the Complaint Review

None

### Adjudicating Sub-Committee Decision dated June 4, 2024

### CANDIDATE

**Breaches of CUSPAP 2022:**

#### **Ethic Standard Comment 5.3 Misleading Advertising**

**5.3.7** Candidate Members must not:

**5.3.7.i** identify themselves with any term/title that might be misinterpreted as an AIC designation, (e.g. "accredited appraiser" or a "Designated appraiser");

**5.3.7.ii** use initials or abbreviations that might be misinterpreted as an AIC designation; or

**5.3.7.iii** promote the Candidate Membership in such a way that it might be perceived as a valuation designation (e.g., "CRA [or AACI] Candidate" or "Candidate CRA [or AACI]" or any combination or variation thereof).

**5.3.8** AIC Candidates Members must identify themselves as:

**5.3.8.i** "Candidate Member of the Appraisal Institute of Canada"; or

**5.3.8.ii** "Candidate Member of the AIC"; or

**5.3.8.iii** "AIC Candidate Member".

### Discipline

**Section 5.35.1 Reprimand.** A Reprimand is a written warning calling the attention of a Member to a breach of the Institute By-Laws, Code of Conduct, Regulations, Policies, or CUSPAP.

**Section 5.35.4 Fine.** A fine in the amount of \$500.

### Costs

Costs were waived.

**CO-SIGNER**

**Breaches of CUSPAP 2022:**

**Ethic Standard Requirements of Members 4.1.1** Members of the Institute pledge to conduct themselves in a manner that is not detrimental to the public, the Institute, CUSPAP, or the appraisal profession. A Member’s relationships with other Members, the Institute, and the public shall portray courtesy, respect, and good faith. [see 4.2.2]

**Ethics Standard Rule 4.2.1** It is unethical for a Member to knowingly fail to comply with the Bylaws, Regulations, Standards, policies, and Professional Liability Insurance Program of the Institute;

**Ethics Standard Rule 4.2.2** It is unethical for a Member to knowingly engage in conduct that would prejudice their professional status, the reputation of the Institute, CUSPAP, or any other Member;

**Discipline**

**Section 5.35.1 Reprimand.** A Reprimand is a written warning calling the attention of a Member to a breach of the Institute By-Laws, Code of Conduct, Regulations, Policies, or CUSPAP.

**Section 5.35.2 Education.** Completion of UBC course: Effective Co-signing: Guiding and Overseeing Candidates.

**Costs**

Costs in the amount of \$1,000 were levied.

**Comments**

**Related to the Candidate Member:**

The Panel found considerable written evidence contained within the AIC Exhibits to support the Allegation of a breach to Ethics Standard Comment 5.3 Misleading Advertising.

The Panel was troubled by the Candidate Member’s lack of understanding of how they were misleading the public about their qualifications. The Appraisal Institute of Canada is one of very few professional organizations that allows Candidates (apprentices, trainees) to sign a professional opinion alongside a Designated Member. This privilege comes with a strict responsibility not to mislead the public about qualifications. A Candidate Member can only identify themselves using one of the three options available to them under CUSPAP Section 5.3.8. This not only applies to reports but also to advertising in any form, including email signatures, social media posts, LinkedIn, and so on.

**Related to the Designated Member:**

As laid out in the Candidate Co-Signing Policy, June 2020: In a Co-Signing relationship it is the AIC Designated Member that must assume responsibility for the report and must:

- ensure CUSPAP compliance,
- ensure that the Candidate receives reasonable and appropriate supervision, instruction, guidance, and advice,
- accompany the Candidate on the inspection until the Candidate gains the necessary competence to conduct unsupervised inspections of that property type,
- confirm that the Candidate clearly understands any problems, constraints, or issues arising in the circumstances for an assignment, including inspection best practices.

In addition to the Candidate Co-Signing Policy and the requisite Co-Signing training that Designated Member was required to take in 2021, the Ethics Standards of CUSPAP are clear:

**5.1.4** A Member acting as a Co-signor must provide the Member seeking designation with adequate and reasonable supervision and advisory services.

The Panel has a *reasonable belief* based upon the evidence that it was as a direct result of lack of adequate and reasonable supervision and advice to Candidate Member that led to an escalation in tensions between the Complainant and Candidate Member.