

## UNSIGNED VALUATION REPORTS

It has come to the Institute's attention that Members may be issuing **unsigned** valuation reports to clients, such that the client assumes the ownership of the work product and incorrectly appearing to absolve the Member from any responsibility to produce a valuation report per the Practice Standards. An example may be a purchase price allocation issued to a client on blank paper (without firm letterhead) and the report does not disclose the name of the preparer or their firm.

**The issuance of work product that does not disclose the firm responsible for its preparation or the valuator (in the case of work products for litigation purposes) constitutes a failure to abide by the Practice Standards.** The professional obligation to follow all applicable Practice Standards cannot be avoided by failing to disclose the identity of the preparer/firm or altered by the terms of engagement.

Members and Students are reminded that any written communication containing a conclusion as to the value of shares, assets or an interest in a business, that was prepared by them is a "Valuation Report" and their work must comply with the Practice Standards. The Institute and its Conduct and Discipline Committee (CDC) of the Board are concerned about any Practice Standard not being followed when work representing a valuation conclusion is provided to clients.

Members and Students are reminded of their professional obligation to report any such occurrences as a complaint<sup>1</sup>. Practitioners are encouraged to consult with the Institute if they have any concerns or doubts about such situations by contacting the Director, Professional Practice, Catalina Miranda, at [catalina.miranda@cbvinstitute.com](mailto:catalina.miranda@cbvinstitute.com).

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<sup>1</sup> Members and Students are required by the Code of Ethics to report the issue to the Institute as a complaint. "If a Member (the "Reviewing Member"), upon reviewing the work of another Member, is of the opinion that the other Member has not abided by the By-Laws, Code of Ethics or Practice Standards of the Institute, paragraph 202.1 of the Code of Ethics places an obligation on the Reviewing Member to report this failure to the Conduct and Discipline Committee as a complaint."