



International Valuation Professional Board
41 Moorgate
London EC2R 6PP
United Kingdom

September 30, 2010

Dear Sir

Re: Exposure Draft: Proposed Code of Ethics for Professional Valuers

We appreciate the opportunity to comment on the Exposure Draft *Proposed Code of Ethics for Professional Valuers* (the “ED”) issued by the International Valuation Professional Board (“IVPB” or the “Board”). The following response expresses the views of the international network of KPMG member firms, including its Global Valuation Committee. We have set out responses to the questions raised in the ED below while specific comments related to the ED as provided in Appendix 1.

In general, we found that the structure of the Code of Ethics is clearly set out and easy to follow. As mentioned in the ED, the Code has been developed largely based on the prior IVSC Code of Conduct as well as significant number of codes from professional valuation and accounting bodies, thus the structure of fundamental ethical principles, conduct and rules of conduct, is acceptable.

Based upon our review of the ED in relation to ethics code issued by other professional valuation and accounting bodies, we believe that the IVPB should consider including or expanding upon the following topics:

- a) Expand upon the broad categories of conflict of interests that should be assessed prior to accepting an engagement as well as continually assessed during the engagement, whether actual or if there could reasonably be a perception of a conflict of interest. A discussion of the types of conflicts that may arise including financial interests (directly or indirectly), conflict with existing clients, former clients or perceived conflicts by a third party. We note that the Code of Ethics of the Canadian Institute of Chartered Business Valuators is a good reference in this regard.



- b) Application of the Code of Ethics beyond that of an individual member, e.g. partnership or corporation.

We did not identify any topics that should be deleted from the Code or modified other than those specific comments referenced in Appendix 1.

While reviewing the ED, we did not identify any conflict within its contents in terms of the markets we serve, local regulations or valuation disciplines. We did note however that while the IVSC is a global standard setter for the valuation profession it has no mechanism to enforce the proposed Code of Ethics, and as such it will be particularly important that the IVSC member organizations and/or domestic bodies have sufficient clarity of understanding of the proposed Code of Ethics.

Please contact Patrick Coady at +1 613 212 2841 if you wish to discuss any of the issues raised in this letter.

Yours sincerely,

KPMG LLP

KPMG LLP



Appendix 1

Ref	Comment
3.2.9	...an explanation should be provided <i>unless the nature and extent of such reliance is noted.</i>
3.3.5	A Professional Valuer shall obtain the client's consent when external assistance is required <i>prior to the exchange of the client's confidential information to the third party.</i>
3.3.5	Please address the Professional Valuer requirement to assess the party providing external assistance as it relates to the protection of the client's confidential information.
3.5.7	Replace "must" with "should".
3.5.10	Replace "must" with "should". Replace "shall" with "should".