

Dear Marta,

Surely, the proposed revisions to the existing SMOs seem to be effective and workable, thus will serve good benchmark for further development of PAOs.

I very much hope that we are not too late for forwarding comments on the revised SMOs.

I have read through the entire documentation, and cannot see any serious or important input other than the proposed revisions, except the following few items:

1. Design of QA review system (SMO 1):

Paragraph 27 identifies the subject of the review to be either a firm or a partner at national level. As you may recall, type of an audit firm as accepted by the Audit law of Mongolia is a limited liability, there is no partner system. In this case, how to satisfy this requirement for jurisdictions like Mongolia where partner system is not in existence?

2. Investigation and Disciplinary (SMO 6):

Paragraph 26 states "Many cases can be **dealt with without** the need for a full tribunal....". I would like to change the wording of this statement, or to substitute the phrase with more wiser phrase. Otherwise, "Many cases can be **handled without the need**....." for example. Please keep in your mind that the latter is just my comment.

There is no other comment from our end.

Best regards,

Badmaa

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