



Proposed Revisions to the Fee-Related Provisions of the Code

I generally support the proposal especially with regard to the transparency of fee-related information for PIE audit clients. I would like to reemphasize the point above with regard to prohibiting NAS to be provided to PIE audit clients. Reading the ED, I have some minor enquiries/observations:

With regard to question 3 under the "Request for Specific Comments" about suggestions for further factors relevant to evaluating the level of threats associated with fees, I was wondering if by using current-time AI and statistics tools, an estimate of what a reasonable fee for audit engagements can be developed. Possibly, such fee can be linked to the size of revenue, total assets, or any other indicator.

- With regard to overdue fees, I would suggest prohibiting engaging with PIE clients where over-due fees exist.
- With regard to transparency of fee-related information for PIE audit clients, I would suggest adding the transparency report as one of the communication channels where the fees can be disclosed.
- For paragraph 410.25, I would suggest adding some language to indicate that such fees should be disclosed for each engagement separately and not on total basis.
- For section 330, paragraph 330.3 A2 indicated that the level of fee can create self-interest threat if the fee quoted is "so low". I would suggest adding some explanatory material to try define what a low level of fee can be.

