

- 1. Where law or regulation requires the reporting of identified or suspected NOCLAR to an appropriate authority, do respondents believe the guidance in the proposals would support the implementation and application of the legal or regulatory requirement?**

R= Agree, some examples were mentioned in the proposals that the law will not tolerate, as well as measures to identify or suspected .

- 2. Where there is no legal or regulatory requirement to report identified or suspected NOCLAR to an appropriate authority, do respondents believe the proposals would be helpful in guiding PAs in fulfilling their responsibility to act in the public interest in the circumstances?**

R= The proposals clearly mention the purpose of the law and how they should perform their duties.

- 3. The Board invites comments from preparers (including TCWG), users of financial statements (including regulators and investors) and other respondents on the practical aspects of the proposals, particularly their impact on the relationships between:**

a) Auditors and audited entities;

Auditors: The opportunity areas are increased to inspect.

Audited companies: Monitoring and understanding of new obligations to meet.

b) Other PAs in public practice and their clients;

If any malpractice is detected, discuss with management and discuss actions to be taken to rectify, remedy or mitigate the consequences of that non-compliance.

c) PAIBs and their employing organizations.

Greater oversight to ensure that activities are being conducted in accordance with laws and regulations.

- 4. Do respondents agree with the proposed objectives for all categories of PAs?**

R= Agree, the accountant is the one who is aware of each operation of an entity also is in charge of maintaining close communication with the administration and management of the entity, therefore, it is one of the elements that form an essential part in preventing operations not complying with laws and regulations.

- 5. Do respondents agree with the scope of laws and regulations covered by the proposed Sections 225 and 360?**

R= Agree, It is considered that the proposals aim generally detect malpractices, therefore will help both the directors and auditors to avoid any situation you fail according to the laws and regulations.

- 6. Do respondents agree with the differential approach among the four categories of PAs regarding responding to identified or suspected NOCLAR?**
 R= Agree, It is considered that most of the accountants have an important role in the decision making of enterprises, but an accountant can be found in different areas of an organization, so classification helps that the accountant can focus on areas that is responsible.
- 7. With respect to auditors and senior PAIBs:**
- A. Do respondents agree with the factors to consider in determining the need for, and the nature and extent of, further action, including the threshold of credible evidence of substantial harm as one of those factors?**
 Al igual que con cualquier auditoría, las áreas para la revisión son los que muestran un mayor impacto en cantidad, sin embargo no por el hecho de no superar el umbral significa es absuelto de cualquier responsabilidad.
 - B. Do respondents agree with the imposition of the third party test relative to the determination of the need for, and nature and extent of, further action?**
 The measures imposed to cover the review of the selected areas and its scope are considered appropriate.
 - C. Do respondents agree with the examples of possible courses of further action? Are there other possible courses of further action respondents believe should be specified?**
 Agree, because in a particular case, the auditor can distance itself from any guilt at having given up to be part of any unlawful activity and leave in charge it to the competent authority.
 - D. Do respondents support the list of factors to consider in determining whether to disclose the matter to an appropriate authority?**
 Si, ya que los factores se enfocan en divulgar solo si se puede cometer un daño con gran impacto o si daña a terceros, pero se considera que debería de haber más factores, es decir, para que exista menos tolerancia en éste tipo de operación.
- 8. For PAs in public practice providing services other than audits, do respondents agree with the proposed level of obligation with respect to communicating the matter to a network firm where the client is also an audit client of the network firm?**
 R= No, the counter does any operation that does not conform to the laws and regulations must also have a high level of responsibility although he were not the one who made the decision.
- 9. Do respondents agree with the approach to documentation with respect to the four categories of PAs?**
 R=Agree, It is Important to keep evidence of any review of the documentation or implementation of an operation, and any subsequent event Referring to correction.

REQUEST FOR GENERAL COMMENTS

In addition to the request for specific comments above, the Board is also seeking comments on the matters set out below:

(a) PAIBs working in the public sector— Recognizing that many PAIBs work in the public sector, the Board invites respondents from this constituency to comment on the revised proposals and, in particular, on their applicability in a public sector environment.

The proposals are aimed at preventing and detecting any situation that is developing in an entity that does not conform to the laws and regulations, but it is difficult for firms of auditors the start using the short term, because this could be routed to the separation with some customers.

(b) Developing Nations—Recognizing that many developing nations have adopted or are in the process of adopting the Code, the Board invites respondents from these nations to comment on the proposals, and in particular, on any foreseeable difficulties in applying them in their environment.

It is more likely that the companies that are beginning to operate have wider acceptance of this system than the entities that are already established actually, ya que it is better to start from scratch than to want to implement it in an organization that already have a very different way to see of working ethics.

Although to adapt in México, could be a good idea to have a guide of steps to make the complaint, and that the identity of the counter can remain anonymous to avoid consequences that may be aimed at the dismissal of the accountant.

(c) Translations—Recognizing that many respondents may intend to translate the final pronouncement for adoption in their environments, the Board welcomes comment on potential translation issues respondents may note in reviewing the revised proposals.

It is considered good option adapt any prevention and correction measure of illegal activities if it were detected, therefore implement the pronouncement will help positively to adequately meet the laws and regulations..