

**REGULATION ON REGISTERING VIRTUAL ASSET SERVICE PROVIDER  
AUDITORS AND SETTING TERMS AND REQUIREMENTS  
FOR THEIR REGISTRATION**

**ONE. GENERAL PROVISIONS**

- 1.1 This regulation aims to regulate, the registration of firms that audit the financial statements of virtual asset service providers, by the Financial Regulatory Commission (hereinafter referred to as the 'FRC') and the setting of terms and requirements for their registration.

**TWO. TERMS AND REQUIREMENTS FOR AUDIT FIRMS**

- 2.1 The following terms and requirements shall apply to the audit firms:
- 2.1.1 have a license to conduct auditing activities, issued by the State Administrative Body in charge of finance and budget, and at least two years' experience in auditing activities;
  - 2.1.2 have at least four permanent auditors;
  - 2.1.3 have at least MNT 30.0 million of share capital;
  - 2.1.4 have auditors who are covered by professional liability insurance;
  - 2.1.5 have auditors with no record of professional misconduct;
  - 2.1.6 have auditors who attended training co-organized by the FRC and professional association specified in paragraph 10.8 of the *Law on Virtual Asset Service Providers*.

**THREE. REQUIRED DOCUMENTS**

- 3.1 Audit firms that meet the terms and requirements stipulated in Article 2 of this regulation shall submit their applications for registration to the FRC, with the following documents in the paper and electronic forms:
- 3.1.1 application form for registration as specified in Annex 1 of this regulation;
  - 3.1.2 relevant documents specified in Annex 2 of this regulation;
  - 3.1.3 audit firms shall submit an application form specified in Annex 1 of this regulation and relevant documents specified in Annex 2 of this regulation, when submitting a deregistration request and information regarding changes made in name, location, and composition of executive director and auditors.

**FOUR. REGISTRATION OF AUDIT FIRMS, REGISTRATION PERIOD, AND INFORMATION**

- 4.1 The FRC shall decide whether to register audit firms, within 15 working days if the FRC considers that the terms and requirements are met and the relevant documents specified in Annex 2 of this regulation are complete.
- 4.2 The registration validity shall be the same as the license expiry date of the audit firm issued by the State Administrative Body for Finance and Registration.
- 4.3 If the application is rejected, the FRC shall notify the applicant in writing with reasonable grounds.
- 4.4 An audit firm registered under by the FRC shall be deregistered on the following grounds.
- 4.4.1 by its own request;
  - 4.4.2 repeated non-compliance with tasks given by the FRC;
  - 4.4.3 use of forged or false documents submitted for the registration;
  - 4.4.4 failure to meet any of the requirements set forth in this regulation and related legislation;
  - 4.4.5 disclosure or transfer of confidential information of virtual property service providers to others;

- 4.4.6 making a fake conclusion;
- 4.4.7 State Administrative Body for Finance and Registration revokes a license.
- 4.5 An audit firm that has been deregistered for auditing, on grounds other than those stipulated in Paragraph 4.4.1 of this regulation, shall not have the right to re-apply for registration with the FRC within three years of the date of deregistration.

The FRC shall conduct supervision on auditing quality, alone or cooperating with the State Administrative Body for Finance and Registration.

- 4.6 In case of registration or deregistration of an audit firm, the FRC shall notify the audit firm and the State Administrative Body for Finance and Registration in writing within five working days and post it on the website of the FRC.

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*Annex 1 to the Regulation on Registering  
Virtual Asset Service Provider Auditors and  
Setting Terms and Requirements for  
their Registration*

**APPLICATION FORM FOR REGISTRATION OF AUDIT FIRM**

Date of application	<input type="text"/>	Year	<input type="text"/>	Month	<input type="text"/>	Day	<input type="text"/>
<b>Information of legal entity</b>							
Name of an applying legal entity	<input type="text"/>						
Areas of activities	<input type="text"/>						
Registration number	<input type="text"/>						
State registration number	<input type="text"/>						
Amount of share capital	<input type="text"/>						
License number	<input type="text"/>						
Date of the Minister of Finance Order (Validity of license)	<input type="text"/>						
Duration of operations	<input type="text"/>						
Amount of share capital (MNT)	<input type="text"/>						
Please select the appropriate type and check with <input checked="" type="checkbox"/>							
Registration		Change of address					
Deregistration		Change of executive management					
Change of legal name		Change of auditor					
Contact information	Telephone	<input type="text"/>	Mobile	<input type="text"/>	Fax	<input type="text"/>	<input type="text"/>
Email	<input type="text"/>						
Website	<input type="text"/>						

<b>Physical address for operations</b>		
Legal entity's address/location	Province/city	<input type="text"/>
	Soum/district	<input type="text"/>
	Sub-district	<input type="text"/>
	Street/building	<input type="text"/>
	Suite/Room number	<input type="text"/>
Own	<input type="checkbox"/>	
Lease	<input type="checkbox"/>	
Other	<input type="checkbox"/> (check using <input checked="" type="checkbox"/> in appropriate box)	
<i>Note: Physical address for operations must be the same as the address stated in the State Registration Certificate and the company's bylaws</i>		

<b>Shareholders</b>			
Full name /legal entity name	Registration number	Address	Share capital (MNT)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Note: include each shareholder</i>			

<b>Board Chair &amp; members</b>			
Full name	Registration number	Chair/member	Residential address, contact number
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<i>Note: include each member</i>			

**Executive Director**

Full name	Registration number	Residential address, contact number
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The ethics and business reputation of the above-mentioned persons do not contradict the management of the legal entity. The above-mentioned persons were appointed to authorized positions as they are deemed to meet the fit and proper criteria, along with the following criteria. Those are:

- sufficient knowledge, skills and experience to manage a legal entity fairly and efficiently;
- moral maturity to put the interests of a legal entity above personal interests, and being able to work in accordance with the code of ethics;
- no overdue debts under the loan, guarantee or guarantee agreement, and no debts under court enforcement;
- not involved in any crimes of money laundering, terrorist financing or others
- no record of criminal/offense punishments.

Number of auditors		Principal	Associate	Contracted employee / Other	
Full name	Registration number	Residential address, contact number	Employment ID number and validity at the legal entity, to provide services	MonICPA certificate number	Name of a specialized training, date, and certificate number
1/					
2/					
3/					
4/					
5/					

**Information on changes /Submit relevant documents specified in Annex 2 to this regulation/**

**Change of legal name**

Date and decision number of changing the legal name	
New legal name ( <i>Write the new name stated on the Confirmation sheet issued by the State Registration Authority for Legal Entity</i> )	

*Note: Please attach the confirmation sheet issued by the State Registration Authority for Legal Entity*

**Changes of auditors**

Nº	Full name	Registration number	Date/ decision number of authorization	Employment ID number and validity at the legal entity, to provide services	MonICPA certificate number	Name of a specialized training, date and certificate number
1						
2						
3						

*Note: Write each individual*

**Changes of executive director**

Nº	Full name	Registration number	Date of appointment	Residential address, contact number	Previous work	Reason for resignation


*Note: Please attach the confirmation sheet (showing registration of executive director) issued by the State Registration Authority for Legal Entity*

<b>Changes of address</b>		
Date and decision number. for changes in address and location	_____ year _____ month ____ day    number	
Location	Province/city	
	Soum/district	
	Bag/khoroo	
	Street/building	
	Suite/Room number	
	Contact tel:	
<i>Note: Legal entity's new address and location must be reflected in the legal entity's bylaws.</i>		

We have provided complete and accurate evidence of the rights for registration and shall be liable for any inaccuracies in the documents submitted.

Please review the application and other relevant documents and register as a legal entity to audit the activities of virtual asset service providers.

We shall comply with the Law on Combating the money laundering and financing terrorism, the *Law on Virtual Asset Service Providers*, *Law on Auditing*, and other relevant laws, regulation and procedures, and the requirements by the FRC.

*Authorized individual to apply (select and check "√" appropriate box):*

- Executive management*
- Founder, shareholder*
- Other persons authorized by power of attorney*

*Name:* \_\_\_\_\_

*Registration number:* \_\_\_\_\_

*Position:* \_\_\_\_\_

*Telephone number:* \_\_\_\_\_

**APPLICANT:**

*Legal entity stamp* \_\_\_\_\_/

\_\_\_\_\_/

*Signature*

*Print name*

*Annex 2 to the “Regulation on Registering  
Virtual Asset Service Provider Auditors and  
Setting Terms and Requirements for their Registration”*

**LIST OF DOCUMENTS FOR APPLICATION**

№	Type of document	Number of pages
<b>General</b>		
1	Official request and application form (Annex 1 to the regulation)	
<b>Registration of a legal entity</b>		
1	Copy of State Registration Certificate	
2	Legal entity introduction/copy of bylaws	
3	Certified copy of license for auditing	
4	Reference of compliance with the requirements of the <i>Law on Auditing and the Law on Combating Money Laundering and Terrorism Financing</i> in accordance with the template approved by the Mongolian Institute of Certified Public Accountants	
5	MONICPA reference that auditors have no record of misconduct or record of misconduct is expired	
6	Certified copy of audit firm’s audit procedures and internal monitoring regulation	
7	A shareholder’s decision to audit in financial statements of virtual asset service provider	
8	Financial statement as of the time of application	
<b>Deregistration request by the applicant</b>		
1	Minutes of the shareholders’ meeting and a copy of the decision for deregistration	
2	Financial statement as of the time of application	
<b>Registration of legal name change</b>		
1	Certified copy of bylaws with changes	
2	Certified copies of State Registration Certificate and license certificate and annex to the certificates	
<b>Registration of changes in executive management</b>		
1	Copy of decision to appoint an executive director	
2	Certified copy of State Registration Certificate that registered the changes of executive management	
<b>Registration of changes in auditors</b>		
1	Copy of the certificate authorizing the auditing service	
2	Copy of professional liability insurance coverage	
3	MONICPA reference that auditors have no record of misconduct or record of misconduct is expired	
4	Copy of certificate of virtual asset training	
<b>Registration of address changes</b>		
1	Certified copy of legal entity’s bylaws with the new address registered with the State Registration Authority	
2	Copy of the State Registration Certificate that registered the changes of address	