

[Company Letterhead]

[Date]

[Counterparty Name/Bank Name]

[Address]

[City, State, Zip Code]

RE: Management Comfort Letter Regarding Hedging Derivative Strategies

Dear [Contact Person/Department],

This letter is provided by the management of [Company Name] (the "Company") in connection with the derivative financial instruments and hedging strategies entered into with [Counterparty Name].

Management hereby confirms and represents the following:

- **Authorized Purpose:** All derivative transactions are entered into solely for the purpose of hedging identified financial risks, including but not limited to [Interest Rate/Foreign Exchange/Commodity] risks, arising from the Company's core business operations.
- **Non-Speculative Intent:** The Company does not engage in derivative transactions for speculative purposes or as a means of generating profit from market fluctuations independent of underlying exposures.
- **Risk Oversight:** The Company's Board of Directors and senior management have reviewed and approved the hedging policy. Management maintains internal controls to monitor and manage the risks associated with these instruments.
- **Understanding of Terms:** The Company fully understands the terms, conditions, and risks of the derivative products utilized and has the financial capacity to meet all obligations, including margin calls or settlement payments, as required under the Master Agreement.
- **Accounting Compliance:** Management intends to apply hedge accounting treatment where applicable, in accordance with [IFRS / GAAP], and ensures that all documentation required to demonstrate hedge effectiveness is maintained.

This letter is for informational purposes to provide comfort regarding the Company's internal governance and intent. It does not supersede any terms set forth in the ISDA Master Agreement or related confirmations.

Sincerely,

[Signature]

[Name of Authorized Officer]

[Title, e.g., Chief Financial Officer / Treasurer]

[Company Name]