

[Company Letterhead]

[Date]

[External Auditor Name]

[Auditing Firm Name]

[Address]

[City, State, Zip Code]

**RE: Management Representation Regarding Key Management Personnel (KMP)  
Compensation Disclosures**

Dear [Auditor Name],

This representation letter is provided in connection with your audit of the financial statements of [Company Name] for the period ended [Date], for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position and results of operations in accordance with [Accounting Standards, e.g., IFRS/GAAP].

We confirm that we have fulfilled our responsibilities for the identification and disclosure of Key Management Personnel (KMP) and their compensation. We confirm the following representations to the best of our knowledge and belief:

1. **Identification:** We have identified all individuals who meet the definition of Key Management Personnel, including those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly (including any director, whether executive or otherwise).
2. **Completeness:** All compensation arrangements, including salaries, bonuses, non-monetary benefits, post-employment benefits, other long-term benefits, termination benefits, and share-based payments for the identified KMP have been accurately captured and disclosed.
3. **Classification:** KMP compensation has been appropriately categorized and disclosed in the notes to the financial statements in accordance with [Specific Standard, e.g., IAS 24].
4. **Related Party Transactions:** Aside from standard compensation, all other transactions between the entity and KMP (or their close family members/controlled entities) have been identified and disclosed.
5. **Valuation:** Share-based payments and non-cash benefits provided to KMP have been measured and recognized in accordance with applicable valuation frameworks.

We believe that the disclosures provided in the financial statements regarding KMP compensation are complete and accurate.

Yours sincerely,

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[Name of Chief Executive Officer]  
CEO

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[Name of Chief Financial Officer]  
CFO