**(Sample Form)**

 **REPRESENTATION OF ELIGIBILITY**

This Form Should be completed by any entity in the U.S. wishing to transact business in Eligible Options on Korea Exchange (“KRX”) and provided to that entity’s KRX member. It contains representations as to the status of the entity in the U.S. as an Eligible Broker-Dealer/Eligible Institution under the terms of the July 1, 2013 Class No-Action Letter issued by the US Securities and Exchange Commission (“SEC”).

To: *Name of KRX member*

From: *Name of Eligible Broker-Dealer/Eligible Institution*

Address:

REPRESENTATION BY ELIGIBLE BROKER-DEALER/ELIGIBLE INSTITUTION

The Eligible Broker-Dealer/Eligible Institution identified above hereby represents to the KRX member as follows:

1. Its name and address set out above are correct.
2. It is an Eligible Broker-Dealer/Eligible Institution, and as such it (i) owns and invests on a discretionary basis a specified amount of eligible securities sufficient for it to be a qualified institutional buyer under Rule 144A under the Securities Act (and if a bank, savings and loan association, or other thrift institution, has net worth meeting the requirements of Rule 144A under the Securities Act), and (ii) has had prior actual experience in the U.S. standardized options markets and as a result thereof has received the options disclosure document entitled "Characteristics and Risks of Standardized Options" (the "Options Disclosure Document" or "ODD") that is prepared by the Options Clearing Corporation and the U.S. options exchanges.
3. Its transactions in Eligible Options will be for its own account or for the account of another Eligible Broker-Dealer/Eligible Institution or for the managed account of a non-U.S. person within the meaning of Rule 902(k)(2)(i) of Regulation S under the Securities Act.
4. It will not transfer any interest or participation in an Eligible Option it has purchased or written to any other U.S. person, or to any person in the United States, that is not an Eligible Broker-Dealer/Eligible Institution.
5. It will cause any disposition of an Eligible Option it has purchased or written to be effected only on KRX and settled on KRX, and it understands that any required payments for premium, settlement, exercise, or closing of any Eligible Option with respect to which it has a contract with the KRX member must be made in the designated currency.
6. It understands that if it has a contract as a writer of an Eligible Option with a KRX member, margin must be provided to that KRX member in such form and amount as determined by that KRX member, and such member, if a non-clearing member of KRX, must provide margin to its clearing member in such form and amount as determined by that clearing member; and if a clearing member of KRX , must maintain, measure, and deposit margin on such Eligible Option with KRX, in such form and amount as determined by KRX;
7. If it is an Eligible Broker-Dealer/Eligible Institution acting on behalf of another Eligible Broker-Dealer/Eligible Institution that is not a managed account, it has obtained from the other Eligible Broker-Dealer/Eligible Institution a written representation to the same effect as the foregoing and will provide it to the KRX member upon demand;
8. It will notify the KRX member of any change in the foregoing representations prior to placing any future order, and the foregoing representations will be deemed to be made with respect to each order it gives to the KRX member: and
9. It agrees that the KRX member may provide KRX with information in relation to activities carried out on KRX upon request, in accordance with the conditions of SEC’s Class No-Action Letter on July 1, 2013.

Name:

Position:

Date:

Signed for and on behalf of

the Eligible Broker-Dealer/Eligible Institution by: