

REPRESENTATION OF ELIGIBILITY

This form must be completed by any U.S. entity wishing to transact in Equity Options and/or Index Options on the Osaka Exchange, Inc. (“OSE”). It contains representations as to the status of the U.S. entity as an Eligible Person for purposes of the OSE’s Rules and for the purpose of complying with the U.S. Securities & Exchange Commission (“SEC”) class no-action letter and U.S. securities law.¹

TO BE COMPLETED BY OSE TRANSACTION PARTICIPANT:

Name of OSE Transaction Participant: _____
Name of Eligible Institution: _____
Address: _____

Name of Eligible Broker-Dealer: _____
Address: _____

REPRESENTATIONS BY U.S. CLIENT:

The Eligible Institution/Broker-Dealer identified above hereby represents to the OSE Transaction Participant as follows:

1. Its name and address set out above are correct.
2. It (i) is an Eligible Broker-Dealer or Eligible Institution, sufficient to be a “qualified institutional buyer” as defined in SEC Rule 144A(a)(1) under the Securities Act of 1933, as amended (the “Securities Act”) or an international organization excluded from the definition of “U.S. person” in Rule 902(k)(2)(vi) of Regulation S under the Securities Act, and (ii) has had prior actual experience with standardized options traded in the U.S. options market and, therefore, has received the disclosure document for U.S. standardized options, “Characteristics and Risks of Standardized Options” prepared by the Options Clearing Corporation and U.S. options exchanges, as called for by Rule 9b-1 under the Securities Exchange Act of 1934, as amended.

Circle applicable item number(s) 3 through 6 and fill in applicable amount and date:

3. If an Eligible Broker-Dealer, it owns and invests on a discretionary basis US\$_____ (an amount not less than US\$10 million) worth of securities eligible under SEC Rule 144A as of _____ (a date at or since the close of its most recent fiscal year).
4. If an Eligible Institution, it owns and invests on a discretionary basis US\$_____ (an amount not less than US\$100 million) worth of securities eligible under SEC Rule 144A as of _____ (a date at or since the close of its most recent fiscal year).

¹ Letter from James R. Burns, Deputy Director, Division of Trading and Markets, SEC, to Arthur W. Hahn, Katten Muchin Rosenman LLP, dated July 1, 2013.

5. If the Eligible Institution is a bank, savings and loan association or other thrift institution, in addition, it has a net worth of US\$_____ (not less than US\$25 million) as of _____ (a date at or since the close of its most recent fiscal year).
6. If the Eligible Institution is a registered investment adviser and it is acting on behalf of a discretionary client that is not a registered investment company or a non-U.S. person within the meaning of SEC Rule 902 (k)(2)(vi), that client is an Eligible Institution which owns US\$_____ (an amount not less than US\$100 million) worth of securities eligible under SEC Rule 144A as of _____ (a date at or since the close of its most recent fiscal year).
7. Its transactions in OSE's Equity Options and/or Stock Index Options will be for its own account or for the account of another Eligible Broker-Dealer or Eligible Institution or for the managed account of a non-U.S. person within the meaning of SEC Rule 902 (k)(2)(i) of Regulation S under the Securities Act.
8. It will not transfer any interest or participation in an OSE Equity Option and/or Stock Index 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 or Eligible Institution.
9. It acknowledges that it will only cause any disposition of an OSE Equity Option and/or Stock Index Option it has purchased or written to be effected by an OSE Transaction Participant on the OSE and settled at the Japan Securities Clearing Corporation ("JSCC"), and it understands that any required payments for premium, settlement, exercise or closing of any OSE Equity Option and/or Stock Index Option with respect to which it has a contract with an OSE Transaction Participant must be made at JSCC in Japanese yen. It also acknowledges that if it has a contract as a writer of an OSE Equity Option and/or Stock Index Option with an OSE Transaction Participant, margin must be measured, maintained and provided to that OSE Transaction Participant in Japanese yen.
10. If it is an Eligible Broker-Dealer or Eligible Institution acting on behalf of another Eligible Broker-Dealer or Eligible Institution that is not a managed account, it has obtained from the other Eligible Broker-Dealer or Eligible Institution a written representation to the same effect as the foregoing and will provide that representation to the OSE Transaction Participant upon demand. Further, the Eligible Broker-Dealer or Eligible Institution shall furnish the OSE through the OSE Transaction Participant with written documentation evidencing the representations in the foregoing upon reasonable request whenever it becomes necessary to address questions or respond to inquiries.
11. It will notify the OSE Transaction Participant of any change in the foregoing representations prior to placing any future options order, and the foregoing representations will be deemed to be made with respect to each order it gives to the OSE Transaction Participant.

Signed for and on behalf of
the Eligible Person by:

(signature)

Name:

(print)

Position:

(Chief Financial Officer, equivalent or other executive officer)

Date:

NOTES:

An Eligible Person is a U.S. entity in either of the following categories:

1. An Eligible Broker-Dealer is a U.S. entity that (i) is registered as a broker-dealer with the SEC, (ii) in the aggregate owns and invests on a discretionary basis, at least US\$10 million of securities (excluding securities of issuers affiliated with such broker-dealer and the following “excluded instruments”: bank deposit notes and certificates of deposit, loan participations, repurchase agreements and securities subject to repurchase agreements, and interest rate, currency and commodity swaps) and (iii) has had prior actual experience with standardized options traded in the U.S. options market.
2. An Eligible Institution is a U.S. entity that (i) in the aggregate owns and invests on a discretionary basis at least US\$100 million in securities (excluding securities of issuers affiliated with such institution and the “excluded instruments” as defined for Eligible Broker-Dealers above), (ii) has had prior actual experience with standardized options traded in the U.S. options market and (iii) falls within one of the following eleven categories:
 - (1) An insurance company regulated by a state in the U.S.
 - (2) An investment company registered with the SEC under the U.S. Investment Company Act. To reach the US\$100 million invested in securities, a registered investment company may aggregate securities owned by the entire “family of investment companies” of which it is a part, defined to include investment companies having the same investment adviser (or, in the case of unit investment trusts, the same depositor) or having advisers (or depositors) that are majority-owned subsidiaries of the same parent or of each other.
 - (3) An investment adviser registered with the SEC under the U.S. Investment Advisers Act.
 - (4) A bank (including a U.S. agency or branch of a foreign bank), savings and loan association or other thrift institution, regulated in the U.S. which has a minimum net worth of US\$25 million.
 - (5) A corporation (other than a bank or thrift institution), partnership or business trust.
 - (6) An employee benefit plan within the coverage of the U.S. Employee Retirement Income Security Act (“ERISA”).
 - (7) An employee benefit plan established and maintained by a state or municipal government or instrumentality in the U.S.
 - (8) A U.S. tax-exempt charitable organization.
 - (9) A business development company as defined in the U.S. Investment Company Act or U.S. Investment Advisers Act.
 - (10) A small business investment company licensed by the U.S. Small Business Administration.
 - (11) An international organization, such as The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-America Development Bank, the Asian Development Bank, the African Development Bank, the United Nations or an agency, affiliate or pension plan of such international organizations.