

**AGREEMENT
ON
REPURCHASE AGREEMENT (REPO) BETWEEN INSTITUTIONS**

Formulated on June 30, 2017

Enforced on July 3, 2017

§1. Applicability

(1) This Agreement shall apply to the cases when the parties concerned make a repurchase agreement (hereinafter, “repo”) outside the KOSPI Market or the KOSDAQ Market.

(2) The parties concerned may supplement or amend the content of this Agreement through the use of the general contract (hereinafter referred to as “the Contract”) in the form of <Attachment 1>, and in the case that there occurs a difference in transaction terms and conditions between this Agreement and the Contract, the latter shall have precedence.

(3) With respect to an individual repo transaction (hereinafter referred to as “individual transaction”) subject to this Agreement, the parties concerned may, in relation to the individual transaction concerned, make a contract on matters different from this Agreement and the Contract in the transaction affirmation sheet (hereinafter referred to as “the transaction affirmation sheet”) in the form of <Attachment 2> or another form determined by the parties concerned, and in such a case, the transaction affirmation sheet shall have precedence over this Agreement and the Contract.

(4) In the case that an individual transaction is a buy/sell back transaction, such fact shall be stated in the transaction affirmation sheet, and be subject to <Attachment 3> concurrently.

(5) In the case that the parties concerned sign the individual transaction through its proxy, such fact shall be stated in the transaction affirmation sheet, and be subject to <Attachment 4> concurrently.

(6) A repo transaction, for which the repurchase service agency is the Korea Securities Depository, shall also be subject to <Attachment 6> concurrently.

(7) In the case that the parties concerned engage in a repo transaction in which they determine the type and the purchase price of securities in advance and determine specific issues and quantities of the securities afterwards (hereinafter referred to as the “transaction by securities type”), such transaction shall be subject to <Attachment 7> concurrently.

§2. Definitions

The terms used in this Agreement shall be defined as follows:

1. The term “repo” refers to the trading of securities with a repurchase agreement under which one party (hereinafter referred to as “the seller”) agrees to sell the securities to the other party (hereinafter referred to as “the buyer”) at the purchase price, and at the same time agrees to repurchase other securities equivalent in value to the securities from the buyer at an agreed amount of money, such as interest, etc., added to the purchase price on a repurchase date. This includes a buy/sell back agreement prescribed in <Attachment 3>.
2. The term “open transaction” refers to a repo in which the repurchase date is unspecified at the time of an agreement, to be determined by the repurchase notice of either party at any time.
3. The term “purchased securities” refers to, in relation to individual trading, securities agreed to be delivered to the buyer by the seller on the purchase date.
4. The term “equivalent-price purchased securities” refers to securities equivalent in value to purchased securities. In the case that the purchased securities have been repaid, the repaid principal shall be deemed to be equivalent-price purchased securities. In such a case, unless a separate agreement has been executed between the parties concerned in the Contract, interest calculated at the interest rate pursuant to [§5(5)] shall be added from the date when the principal has been received. For securities to be “equivalent in value” to other securities in this Agreement refers to the state where the two securities have the same issuer, same type, same issue, same par value and same quantity. Provided, That securities in “equivalent in value” relations, in the case where securities are converted, split or consolidated, or where the owner of securities is granted the right to purchase other securities due to the securities concerned, or in other similar cases, means that, due to such cases, other securities “equivalent in value” to the original securities that the original owner could purchase are added thereto or the original securities are substituted for other securities.
5. The term “margin securities” refers to securities that are delivered or returned to the counterparty in accordance with [§5], in case there is net valuation loss.
6. The term “equivalent margin securities” refers to the securities equivalent in value to margin securities.
7. The term “margin in cash” refers to the cash paid to the counterparty in accordance with [§5], in case there is net valuation loss.
8. The term “margin” refers to all margins in cash and margin securities paid in accordance with [§5]. Payment of margin refers to the payment of margin in cash or delivery of margin securities in accordance with [§5].

9. The term “income” refers to all cash inflow (excluding repaid principals) paid by the issuer of the purchased securities or margin securities for such securities, including interest, dividends, etc. It refers to the amount before imposition, collection or withholding of tax by the tax agency. The term refers to the amount before deduction or withholding of taxes or charges, if required to be deducted or withheld at the source according to tax law.
10. The term “purchase date” refers to, in relation to an individual trading, the date on which the buyer agrees to pay the purchase price to the seller and, the seller, to deliver the purchased securities to the buyer.
11. The term “purchase price” refers to, in relation to an individual trading, the price the buyer agrees to pay to the seller for the purchased securities to be delivered on the purchase date.
12. The term “repurchase date” refers to the date on which the seller and the buyer executes an agreement to repurchase the equivalent-price purchased securities (including the different date agreed on pursuant to [§4(2)]), or the date notified by either party as the repurchase date pursuant to [§4(3)] in the case of an open transaction, including the repurchase date which was advanced pursuant to [§12] of this Agreement.
13. The term “repurchase price” refers to the purchase price, adding the repurchase differential thereto.
14. The term “repurchase differential” refers to the amount obtained after multiplying the purchase price by the repurchase interest rate, then by the number of days (including the first day, but excluding the last day) from the purchase date to the calculation date of the repurchase differential (to the repurchase date, in the case that the calculation date of the repurchase differential is after the repurchase date), then dividing by 365 (or, it shall be subject to the case where the agreed-upon days of the year exist between the parties concerned in the Contract).
15. The term “repurchase interest rate” refers to the annual rate denoted in the percentage rate or similar methods as agreed to in the transaction affirmation sheet between the parties concerned. It shall be the rate used to determine the repurchase differential.
16. The term “margin percentage” refers to, in relation to an individual transaction, the percentage obtained after dividing the market value of the purchased securities as of the purchase date by the purchase price, unless otherwise stipulated between the seller and the buyer.
17. The term “market value” refers to the value of the securities concerned on the date

of valuation based on a method that is generally recognized as reasonable as agreed upon by the parties concerned in the Contract.

18. The term “net margin” refers to, unless otherwise agreed upon between the parties concerned in the Contract, with respect to a party at a certain point of time, the amount by which (i) the sum (excluding the margin in cash and the equivalent margin securities returned to the counterparty) of the margin in cash (including accrued interest that is not paid to the counterparty) paid to the party concerned in accordance with [§5] as margin payment and the margin securities (calculated at the market value of the net margin as of the calculation date) delivered to the party concerned, exceeds (ii) the sum (excluding the margin in cash and the equivalent margin securities returned by the counterparty) of the margin in cash (including accrued interest that is not paid by the counterparty) paid to the counterparty in accordance with [§5] as margin payment and the margin securities (calculated at the market value of the net margin as of the calculation date) delivered to the counterparty.
19. The term “net valuation loss” refers to, unless otherwise agreed upon between the parties concerned in the Contract, the case where (i) the amount calculated after subtracting the net margin paid to the party concerned from the sum of both the valuation loss amount in individual transactions of the party concerned and the amount payable, but has not been paid, to the party concerned in conformity with [§8], exceeds (ii) the amount incurred after subtracting the net margin paid to the counterparty concerned from the sum of both the valuation loss amount in individual transactions of the counterparty concerned and the amount payable, but has not been paid, to the counterparty in conformity with [§8]. The exceeding amount is referred to as the “net valuation loss amount”.
20. The term “valuation loss in individual transaction” refers to the case in which there exists a difference, at a certain point of time during the period from the purchase date until the repurchase date in an individual transaction, between (i) the amount calculated after multiplying the repurchase value as of that date by the margin percentage and (ii) the market value of the equivalent-price purchased securities as of the date. In the case that the amount (i) is larger than the market value (ii), such valuation loss in individual transaction shall be deemed to have occurred to the buyer of the transaction. In the opposite case, such valuation loss in individual transaction shall be deemed to have occurred to the seller of the transaction. In such events, the difference is referred to as the “valuation loss amount in individual transaction”.
21. The term “repurchase service agency” refers to a corporation designated with the prior consent of the buyer and the seller in the Contract, which provides, on behalf of the buyer and the seller, services related to a repo such as payment and administration of margin; payment of income; administration, substitution, and

exchange of purchased securities; settlement; termination of repo transaction following non-performance of contract and so on, in accordance with the contractual terms and conditions of the repo.

22. The term “proxy trading” refers to an individual transaction executed by either party as proxy for a third party, and shall be subject to <Attachment 4>.

§3. Formation of Trading Contract

(1) Both the buyer and the seller may, with respect to a repo transaction pursuant to this Agreement, execute an individual transaction, orally or in writing, in the case that there is an agreement on terms and conditions of the repo between them. Either the buyer or the seller shall deliver the transaction affirmation sheet to verify the trading content immediately upon the execution of each transaction (In the case that the repo transaction in accordance with this Agreement is executed through a repurchase service agency, the transaction affirmation sheet shall be deemed to have been delivered when each party has electronically transferred the content of the transaction affirmation sheet through the computer or other electronic device of the repurchase service agency). Provided, That in the case that a financial investment company, etc. mediates repo transactions upon receiving bids and offers from the buyer and the seller, an individual transaction shall be concluded after the financial investment company’s notification to the buyer and the seller of the execution of trading by mediation. In the case that either party raises any objection without delay with regard to the delivered transaction affirmation sheet, such transaction shall be deemed as not concluded. Provided, That these provisions shall not apply to cases where problems in the transaction affirmation sheet are evidently caused by miscalculation, typo or other similar error in expression.

(2) In the case that an individual transaction is concluded pursuant to Paragraph (1), the seller shall deliver the purchased securities to the buyer; at the same time, the buyer shall pay the purchase price to the seller on the purchase date.

§4. Termination of Trading Contract

(1) The buyer shall deliver the equivalent-price purchased securities to the seller on the repurchase date while at the same time the seller shall pay the repurchase price (subtracting the payables that are not yet paid to the seller by the buyer, as defined in [§8]). An individual transaction shall be terminated upon the completion of such delivery and payment.

(2) Either the buyer or the seller may terminate individual transactions defined in Paragraph (1) before the repurchase date stipulated in the transaction affirmation sheet, with the consent of the other party. In this case, the termination date agreed upon by both parties shall be the repurchase date of the such individual transactions.

(3) In the case of an open transaction, the buyer or seller shall, unless otherwise agreed upon between the parties concerned in the Contract, notify the other party of the repurchase date by the closing time of business hours at least two (2) business days prior to the desired repurchase date.

§5. Margin Maintenance

(1) In the case of net valuation loss, the party concerned may, by written or verbal notice (hereinafter referred to as “margin notice”) to the counterparty, demand the payment and/or delivery of cash or securities (based on the market value on the date of delivery) equivalent to the net valuation loss amount at the option of the counterparty.

(2) In the case that the party that gives a margin notice has previously paid or delivered the margin in cash or margin securities, and thus no amount equivalent to the margin in cash or equivalent margin securities is returned, the party may, within a limit, demand payment of margin in the form of cash equivalent to the amount of the margin in cash or/and return of the equivalent margin securities (such demand shall take precedence over the counterparty’s option on preferred payment method of margin subject to Paragraph (1)).

(3) A seller or buyer, unless otherwise agreed between the parties concerned in the Contract, who is notified of margin notice from the other party by 10:30 a.m. pursuant to Paragraph (1), shall pay, deliver and return to the other party cash and/or securities by 5:00 p.m. on the date of notice. Provided, That in the case of receiving the notice after 10:30 a.m., the buyer or the seller shall pay such margin by noon on the next business day.

(4) The parties concerned may, by specifying the ratio or amount of exemption from the obligation to pay the margin in the Contract, agree to exempt the obligation to pay margin defined in this Article to the counterparty when the net valuation loss amount does not exceed the agreed-upon ratio or the amount of exemption, even when there is net valuation loss.

(5) A buyer or seller who is paid with cash as part of margin payment pursuant to this Article shall, unless otherwise agreed between the parties concerned, pay, with respect to such cash, the interest calculated at the interest rate defined in the Contract on the date stipulated in the Contract.

(6) The securities delivered for the payment of margin shall, unless otherwise acknowledged by the party making the margin notice, be those confirmed in the Contract by the parties concerned.

(7) With respect to individual transactions, the parties concerned may, without applying Paragraphs (1) through (6), pay the margin in accordance with other agreed-upon methods. In such case, the transaction concerned may not be included in the calculation of the net valuation loss, nor be subject to the provisions in Paragraphs (1) through (6) relating to

payment of the margin.

(8) Even in the case that the buyer or the seller fails to make the margin notice pursuant to Paragraph (1) immediately after the occurrence of net valuation loss, this shall not constitute waiver of the right to demand payment of margin based on the net valuation loss through margin notice thereafter.

(9) The parties concerned may, instead of paying the margin in conformity with this Article, agree to resolve the net valuation loss either by recalculation of the purchase price defined in [§6], by the method of repo adjustment defined in [§7], or by a method of appropriately combining both.

(10) In the case that the issuer of the purchased securities is under suspension of transactions by a clearing house or a trading bank, commencement of rehabilitation procedures, or adjudication of bankruptcy, falls under the state of de facto insolvency, or fails to pay the principal or interest, in whole or in part, with respect to the equivalent-price purchased securities, the buyer may, only for the purpose of calculating the valuation loss amount in individual transactions, evaluate the market value of the equivalent-price purchased securities as “zero (0),” and demand through margin notice, pursuant to this Article, the payment and/or delivery of cash and/or securities (based on the market value on the date of delivery) equivalent to the net valuation loss.

§6. Recalculation of Purchase Price

(1) In the case that the buyer and the seller agree to recalculate the purchase price in individual transactions, the individual transaction concerned (hereinafter referred to as “the original transaction” in this Article) shall, when the buyer or the seller notifies the counterparty of the recalculation, be deemed to change as follows:

1. The repurchase date of the original transaction shall be deemed to have occurred on the date of recalculation (referring to the date set upon the agreement between the parties concerned; hereinafter referred to as “the recalculation date”);
2. The buyer and the seller concerned shall be deemed to have executed a new repo transaction (hereinafter referred to as “recalculated transaction”) subject to this Agreement on the basis of the following terms and conditions:
 - a. The purchased securities of the recalculated transaction shall be the equivalent-price purchased securities of the original transaction;
 - b. The purchase date of the recalculated transaction shall be the recalculation date;
 - c. The purchase price of the recalculated transaction shall be calculated by dividing the market value of the equivalent-price purchased securities as of the recalculation date by the margin percentage applicable to the original transaction; and
 - d. The repurchase date, repurchase interest rate, margin percentage and other

trading conditions of the recalculated transaction shall be the same as the original transaction.

(2) The obligation of delivering purchased securities and of paying the purchased price in the recalculated transaction shall be balanced with the obligations of delivering equivalent-price purchased securities and of paying the repurchase price in the original transaction, and the differences only shall be paid to the counterparty on the recalculation date. [§5-3] defining the payment of margin shall, unless agreed otherwise, apply *mutatis mutandis* to payment of such differences.

(3) In relation to the recalculated transaction pursuant to Paragraph (1), either the buyer or the seller shall deliver a new transaction affirmation sheet pursuant to [§3-1] on the recalculation date.

§7. Repo Adjustment

(1) Cases where the buyer and the seller agree to adjust the transaction with respect to an individual transaction shall be subject to this Article (hereinafter referred to as “repo adjustment”).

(2) The individual transaction concerned (hereinafter referred to as “the original transaction” in this Article) shall be terminated on the agreed-upon date of repo adjustment, and a new repo transaction (hereinafter referred to as “replaced transaction”) shall be deemed executed in accordance with this Agreement under the following conditions:

1. The purchased securities of the replaced transaction shall be the securities agreed to on the adjustment date or in advance between the parties concerned, but the market value of the securities as of the adjustment date shall be the same or more than the amount calculated by multiplying the present repurchase price by the margin percentage applicable to the original transaction;
2. The purchase date of the replaced transaction shall be the adjustment date; and
3. Other terms and conditions of the replaced transaction shall be subject to matters agreed to on the adjustment date or in advance between the parties concerned.

(3) The party responsible for payment or delivery of cash or securities, as a result of the termination of the original transaction and the establishment of a replaced transaction, shall perform its obligations pursuant to [§9], and unless otherwise agreed to separately on the date, [§5(3)] shall apply *mutatis mutandis*.

(4) In relation to a replaced transaction pursuant to this Article, either the buyer or the seller shall deliver a new transaction affirmation sheet in accordance with [§3(1)] on the adjustment date.

(5) In the case that the issuer of the purchased securities is under suspension of transactions by a clearing house or a trading bank, commencement of rehabilitation procedures, or adjudication of bankruptcy, falls under the state of de facto insolvency, or fails to pay the principal or interest, in whole or in part, with respect to the equivalent-price purchased securities, the buyer shall demand repo adjustment (hereinafter referred to as “replacement demand”) for replacing such purchased securities with securities of the issue approved in advance in the transaction affirmation sheet concerned or by securities otherwise agreed to by the parties concerned. In this case, the adjustment date shall be the next business day of the demand date. In the case of such repo adjustment, the seller shall deliver the securities of the issue approved in advance in the transaction affirmation sheet concerned or securities otherwise agreed to by the parties concerned by the closing time of business hours of such adjustment date (or by the time extended by the buyer), and the buyer shall return equivalent-price purchased securities of the original transaction to the seller immediately after the receipt thereof. The market value of the securities delivered as replacement shall be the same or more than the amount calculated by multiplying the repurchase price as of the delivery date by the margin percentage applicable to the original transaction, which shall be the purchased securities of the replaced transaction.

§8. Income Payment

(1) The buyer shall pay the seller the amount equivalent to the income (in the case the purchased securities have been sold, including the amount that it would have received if such purchased securities were not sold. This provision shall apply *mutatis mutandis* to Paragraph (2)) received from the issuer of purchased securities (or equivalent-price purchased securities) before the termination date of the individual transaction concerned, on the date of such receipt (referring to the first day on which it would have received such amount in the case the purchased securities have been sold; hereinafter referred to as “the payment date of income”).

(2) In the case that the payment date of income of the margin securities (or equivalent margin securities), with respect to such margin securities delivered to the counterparty by one party, has arrived before the return of the equivalent margin securities, the receiving party shall pay to the counterparty the amount equivalent to the income generated from the securities paid by the issuer of the margin securities concerned (or equivalent margin securities) on the payment date of income.

(3) In the case deducting or withholding tax at the source is required according to tax law, with respect to the payment of the amount equivalent to income pursuant to Paragraphs (1) and (2), the paying party shall pay the counterparty the amount that it would have received if such deduction and withholding had not taken place.

(4) The buyer may, in the case of the early arrival of the repurchase date pursuant to [§12(1)], refuse payment of amount equivalent to the income until the completion of

settlement subject to Article 12, and such income will be included in the calculation of such settlement.

§9. Payment and Delivery

(1) All rights and title to securities and cash to be delivered or paid in relation to this Agreement shall be transferred to the party who is to receive them upon such delivery or payment. Such expressions as “repurchase”, “repurchase date”, “repurchase price”, “repurchase differential”, “margin”, “net margin”, “margin percentage” or “substitution,” and other provisions in this Agreement shall not affect the interpretation of the content of this Paragraph, and securities or cash delivered or paid shall not be interpreted as security interest created by one party for the counterparty.

(2) All funds paid in relation to this Agreement shall be immediately available, unless otherwise agreed to between the seller and the buyer with respect to individual transactions.

(3) The amount payable by one party to the other in relation to this Agreement shall, unless otherwise agreed to, be free from any tax or any form of encumbrance, including charge, collection, or withholding by the tax agency. Provided, That in the case of deducting or withholding tax at the source according to tax law, the party paying such funds shall be obligated to additionally pay the counterparty the amount that it would have received if such deduction or withholding had not taken place.

(4) All securities to be delivered in relation to this Agreement shall not be restricted in the transfer of ownership, and the delivery of securities shall pass through all necessary procedures for the transfer of ownership. The party transferring such ownership shall take all measures that the counterparty demands reasonably in order for such ownership transfer. All securities to be transferred in relation to this Agreement shall be transferred in accordance with the book entry clearing between accounts by the Korea Securities Depository, other securities clearing by the repurchase service agency, or other methods mutually recognized by the parties concerned.

(5) All securities to be delivered in relation to this Agreement shall not be restricted or encumbered with respect to ownership, such as the creation of a security. The party delivering securities in relation to this Agreement shall be obligated to deliver all documents and take other measures necessary to discharge any restrictions or encumbrances on the ownership of such securities.

(6) Unless otherwise agreed between the parties concerned in the Contract, payment shall subtract the funds to be paid between both parties on the same date in relation to this Agreement, and in the case that securities are to be delivered mutually between both parties on the same date, and the securities have the same issuer, issue, type and par value, a party shall pay the other the quantity calculated after subtracting the quantity respectively.

(7) The expenses for the payment of funds or delivery of securities in relation to this Agreement shall be paid by the party who pays such funds or delivers such securities.

§10. Substitution of Purchased Securities

(1) The seller may demand the buyer to substitute the securities the seller has delivered for issues acknowledged in advance in the Contract or in the transaction affirmation sheet, or other securities recognized by the buyer, and the buyer may agree on the substitution of purchased securities in accordance with such substitution request. The market value of the substituted securities shall be the same or more than that of the equivalent-price purchased securities before the substitution, which this shall be the new purchased securities of the year concerned.

(2) In the case of the substitution of purchased securities pursuant to Paragraph (1), the seller shall, unless otherwise agreed between the parties concerned in the Contract, receive the existing equivalent-price purchased securities from the buyer concurrently with delivery of the newly substituted securities.

(3) Before the buyer or the seller transfers margin securities to the other party and the equivalent margin securities are returned pursuant to [§5], the party that transferred such margin securities may demand the counterparty to substitute such margin securities for issues acknowledged in advance in the Contract, or for other securities recognized by the counterparty, and the counterparty may agree on the substitution of margin securities in accordance with such substitution request. In this case, the latter part of Paragraph (1) and Paragraph (2) shall apply *mutatis mutandis* to this Paragraph.

§11. Representations and Warranties

(1) Each party hereby represents the following Subparagraphs to the counterpartySubparagraph, and warrants such representation is not contradictory to fact:

1. The party concerned is authorized to sign and deliver this Agreement, and to enter into transactions and perform obligations subject to this Agreement, and all necessary measures have been taken to delegate appropriate authority to the party concerned to carry out such signing, delivery, execution and performance;
2. The parties concerned, except for proxy trading as defined in <Attachment 4>, hereby acts as the principal, rather than a proxy, in connection with this Agreement and subsequent individual transactions;
3. The person who signed this Agreement or executed the transactions on behalf of the party concerned has been vested with the appropriate authority to do so;
4. The party concerned has obtained all approval, admission, permit and other

authorization of the competent authorities required in relation to this Agreement and subsequent transactions, and such approval, admission, permit and other authorization remain in effect;

5. The signing, delivery, execution and performance pursuant to this Agreement and the subsequent individual transactions do not violate any statute, regulation, rule, articles of incorporation, internal regulations or other applicable regulations, or any other contract to which the party concerned is a party or which may affect the party's assets;
6. The party concerned is fully aware of tax law matters related to the transactions under this Agreement;
7. As for this Agreement and subsequent transactions,
 - a. The party concerned does not rely on any advice of the counterparty, other than representations made in this Agreement;
 - b. The party concerned makes a decision on the execution of transactions on the basis of its own judgment or, if necessary, of expert's advice; and
 - c. The party concerned is aware of the trading conditions and risks of each transaction, and is willing to take such risks.
8. The party concerned has, with respect to the delivery of securities to the other party, any and all rights to make such delivery. Upon such delivery, the counterparty shall take the right, title and interest without any security, claim, encumbrance or any other restriction;
9. The party concerned subject to this Agreement falls under any of the Items of [§7(4)3] of the Enforcement Decree of the Financial Investment Services and Capital Markets Act.

(2) As of the date on which an individual transaction is executed between the parties concerned subject to this Agreement, and the date on which purchased securities, equivalent-price purchase securities, margin securities or equivalent margin securities are delivered, the buyer and the seller shall each be deemed to have made the representation in each of the Subparagraphs of Paragraph (1) and have confirmed that their representations are not inconsistent with the fact.

§12. Early Arrival of Repurchase Date and Settlement

(1) In the case that either party (hereinafter referred to as "the breaching party") falls under any of Subparagraphs 1 through 14 (hereinafter referred to as "causes for non-performance"), the repurchase date of all repos subject to this Agreement between the parties concerned shall be deemed to have arrived on the date on which the other party (hereinafter referred to as "the non-breaching party") delivers the notice of early arrival

(hereinafter referred to as “the notice of early arrival”) of the repurchase date. Provided, That as for the breaching party, in the case that an application for commencement of bankruptcy, rehabilitation procedures, or other similar procedures is submitted to the court or relevant authority, or a liquidator, custodian, legal receiver, trustee or other person in a similar position is assigned with respect to the breaching party, the repurchase date shall be deemed to have arrived on the date on which the cause concerned occurs, without notice of early arrival:

1. Cases where, on the purchase date of an individual transaction, the buyer fails to pay the purchase price or the seller fails to pay the repurchase price on the repurchase date of an individual transaction;
2. Cases where, on the purchase date of an individual transaction, the seller fails to deliver the purchased securities or the buyer fails to deliver the equivalent-price purchased securities on the repurchase date of an individual transaction;
3. Cases where the buyer or the seller fails to fulfill the duty of margin payment pursuant to [§5];
4. Cases where the buyer or the seller fails to pay the amount equivalent to income pursuant to [§8];
5. Cases where the buyer or the seller has agreed on recalculation of purchase price pursuant to [§6] or repo adjustment pursuant to [§7], but fails to fulfill the duty of payment/delivery of cash or securities pursuant to the agreement concerned;
6. Cases where representations by the buyer or the seller under [§11] are not accurate or are false;
7. Cases where either the buyer or the seller falls under suspension of transactions by a clearing house or a trading bank, admits suspension of payments or insolvency in writing, or an application for commencement of bankruptcy, rehabilitation procedures or other similar procedures thereto is filed with the court concerning the buyer or the seller;
8. Cases where the buyer or the seller undertakes to transfer or dispose of all or a material part of a business for the benefit of creditors, or executes a contract on the deferment and rescheduling of debt payment, private composition, administration and fund management, or other contracts similar thereto, due to lack of funds, or where a resolution at the general shareholders’ meeting, the convocation of a creditors’ consultation meeting or other procedures for the execution of such contract have commenced;
9. Cases where causes for dissolution defined in the articles of incorporation have

occurred to the buyer or the seller, a resolution on such dissolution at the general shareholders' meeting or other procedure equivalent thereto has been taken, or an application for dissolution order or request for dissolution ruling is filed with the court;

10. Cases where an administrative act against the buyer or the seller such as suspension or the revocation of the main business is taken by regulatory authorities, where the buyer or the seller is designated as an insolvent financial institution pursuant to the Depositor Protection Act or the Act on Structural Improvement of Financial Industry, or where assets of the buyer or the seller or investors' assets under custody of the buyer or the seller are transferred to a custodian or legal receiver or ordered by the supervisory authorities to be transferred pursuant to the financing and securities laws and regulations;
11. Cases where the buyer or the seller fails to comply with the payment obligation pursuant to Paragraphs (9) and (10);
12. Cases where the buyer or the seller explicitly or implicitly admits its intention of non-performance of this Agreement and the individual transactions;
13. Cases, except for those mentioned in the above Subparagraphs, where the buyer or the seller receives notice from the other party to correct his/her failure to fulfill his/her obligation pursuant to the Agreement and the individual transactions, but fails to make the correction within thirty (30) days after such notice;
14. Other cases falling under the provisions as agreed to between the buyer and the seller.

(2) In the case of non-performance, the party related to such cause for non-performance shall notify the counterparty of such fact without delay.

(3) When the repurchase date pursuant to Paragraph (1) arrives, the duty to return the margin in cash in its entirety (including related accrued interest) and equivalent margin securities shall take effect. The non-breaching party shall calculate the settlement amount pursuant to Paragraphs (4) and (5) and notify the breaching party thereof by the end of business hours of the next business day of the early arrival of repurchase date (the agreed-upon time, in the case otherwise agreed upon between the parties concerned in the Contract, hereinafter referred to as "the valuation timing" for the purposes of this Article), and the party concerned who is obligated to pay the calculated settlement amount shall pay the amount concerned to the other party by the end of business hours of the day after the notice of calculation of the settlement amount was delivered. Provided, That in the case that a non-breaching party waives the right to apply the actual sale price or the actual purchase price to the securities concerned, instead of the market value as of the valuation timing pursuant to Paragraph (5), it shall demand the breaching party to immediately pay the settlement amount calculated pursuant to Paragraph (4) (but, restricted to the case where

the breaching party is obligated to pay the amount settled pursuant to Paragraph (4)) after the occurrence of causes for non-performance (transmission of early arrival notice, if necessary for early arrival of repurchase date). In this case, the market value of the securities concerned as of the valuation timing pursuant to Paragraph (4) shall be that of the securities concerned at the time of the payment demand. The settlement amount calculated accordingly shall be paid by the end of business hours of the day after the above-mentioned demand for immediate payment of the non-breaching party is delivered pursuant to [§16]. The stipulations of this Article shall be applied prior to any other stipulations in this Agreement in the fulfillment of the duty of each party concerned to deliver equivalent-price purchase securities and equivalent margin securities, and to pay repurchase price and margin in cash pursuant to the arrival of the repurchase date pursuant to Paragraph (1).

(4) The settlement amount payable by one party to the other party pursuant to Paragraph (3) shall be, after confirming the market value, as of the valuation timing, of equivalent-price purchased securities and the equivalent margin securities that one party is obliged to deliver upon arrival of the repurchase date pursuant to this Article, the balance remaining after such market price is set off with any repurchase price, the margin in cash and other funds that the counter party is obliged to pay pursuant to this Agreement and each individual transaction as of the repurchase date which has arrived pursuant to Paragraph (1). Either party left with such remainder shall pay the same to the counterparty according to Paragraph (3). Provided, That in the case where the parties concerned separately agreed in the Contract, the non-breaching party may, when confirming the market value of equivalent-price purchased securities and equivalent margin securities as of the valuation timing pursuant to this Paragraph (4), determine the method of calculating the market value differently from market value calculation method pursuant to Subparagraph 17 of [§2].

(5) Notwithstanding Paragraph (4), the non-breaching party may, instead of the market value of equivalent-price purchased securities or equivalent margin securities that are to be delivered upon arrival of the repurchase date pursuant to Paragraph (1), calculate the settlement amount by using the actual sales value (excluding the expenses spent on such sales; hereinafter the same) for equivalent-price purchased securities or equivalent margin securities from the date of occurrence of causes for non-performance to the valuation timing; or the non-breaching party may, instead of the market value as of the valuation timing of equivalent-price purchased securities or equivalent margin securities that are to be delivered to the non-breaching party, calculate the settlement amount by using the actual purchase value (including the expenses spent on such purchase; hereinafter the same) for equivalent-price purchased securities or equivalent margin securities from the date of occurrence of causes for non-performance to the valuation timing.

(6) In the application of Paragraph (5), in the case that there exists inconsistency between the number of securities sold or purchased and that of the equivalent-price purchased securities (or equivalent margin securities) concerned, the non-breaching party shall, by a

method pursuant to any of the following, calculate the amount replacing the market value of the equivalent-price purchased securities or equivalent margin securities as of the valuation timing:

1. The amount obtained after calculating the unit price of the securities by dividing the sale or purchase value by the number of securities sold or purchased, and then multiplying the unit price by the number of the equivalent-price purchased securities or equivalent margin securities concerned;
2. The amount obtained by applying the sale or purchase value to the number of securities actually sold or purchased among equivalent-price purchased securities or equivalent margin securities, and by applying the market value calculated by applying the provisions of Paragraph (4) to the rest of the securities.

(7) In the case where the parties concerned separately agree in the Contract, the non-breaching party shall, in calculating the settlement amount pursuant to Paragraph (4), calculate the minimum transaction costs, such as fees reasonably expected to be spent with regard to the sale or purchase of equivalent-price purchase securities or equivalent margin securities henceforth (hereinafter referred to as “transaction costs”), and then add the transaction costs in the case equivalent-price purchase securities or equivalent margin securities are to be delivered by the breaching party, or subtract the transaction costs in the case equivalent-price purchase securities or equivalent margin securities are to be delivered to the breaching party. In such a case, if requested by the breaching party, the non-breaching party shall deliver to the breaching party details of calculation of the transaction costs.

(8) The breaching party shall be obligated to pay legal and other professional expenses incurred by the non-breaching party due to such non-performance and, at the same time, pay default interest calculated from the date of such expense in accordance with the default interest rate defined in [§13].

(9) Notwithstanding Paragraph (1), if agreed between the parties through the Contract, the transaction affirmation sheet or other method, in the case where the buyer has not delivered the purchased securities to the seller on the purchase date concerned, but the buyer has paid the purchase price to the seller, this may not be included in causes for non-performance, regardless of Subparagraph 2 of Paragraph (1), and in such a case, the buyer may take the following measures:

1. The buyer may demand the immediate return of funds paid to the seller;
2. The buyer may, in the case the he/she incurs valuation loss in an individual transaction concerned, demand the seller to pay the amount equivalent to the valuation loss in the individual transaction in margin in cash; and

3. The buyer may, if such non-performance continues, terminate the repo concerned, at any time with a notice to the seller.

(10) Notwithstanding Paragraph (1), if agreed between the parties through the Contract, the transaction affirmation sheet or other method, in the case where the buyer has not delivered the equivalent-price purchased securities to the seller on the repurchase date concerned, but the seller has paid to the buyer the repurchase price, this shall not be regarded as cause for non-performance, regardless of Subparagraph 1 of Paragraph (1), and in such a case, the seller may take the following measures:

1. The seller may demand the immediate return of funds paid to the buyer;
2. The seller may, in the case the he/she incurs a valuation loss in an individual transaction concerned, demand the buyer to pay the amount equivalent to the valuation loss in the individual transaction in margin in cash; and
3. The seller may, if such non-performance continues, terminate the repo concerned, at any time with a notice to the buyer.

(11) This Article shall be the final and complete agreement on all remedial measures that a party may claim to the counterparty in relation to the occurrence of causes for non-performance or any kind of non-fulfillment of duties in this Agreement. The party shall not claim any reparation, compensation, remedy or correction other than those stipulated in this Agreement, and each party shall not demand any other compensation for damages, including special damages, if they exceed the scope defined in this Agreement, in relation to any kind of non-performance of obligations, including causes for non-performance. Provided, That in the case that damage that would not have taken place are incurred otherwise due to the negligence of the notice mentioned in Paragraph (2), the compensation for such damages may be claimed notwithstanding the provisions in this Paragraph.

§13. Change in Tax System

(1) Paragraphs (2) through (5) shall apply in the case one of the parties notifies the other party to the transaction that maintaining the effectiveness of the originally contracted content with regard to some or all individual transactions between the parties concerned may or will bring about extremely unfair results to the party concerned, due to a measure taken by the tax authority, a ruling or decision by the competent court (regardless of whether the suit concerned is related to the parties to this Agreement), changes in the accounting and regulation systems (including, but not limited to, laws or general interpretations about laws; excluding changes in tax rates), or the occurrence of other changes in important circumstances that the parties failed to or were not able to foresee.

(2) The party notifying the content of Paragraph (1) shall, in the case there is a request

from the other party to the contract, provide the opinion of a qualified expert that the changes in circumstances prescribed in Paragraph (1) may or will bring about extremely unfair results to the party concerned.

(3) The party notifying the content of Paragraph (1) shall, unless otherwise agreed between the parties concerned in the Contract, change in the notice the originally contracted repurchase date of the individual transaction that may or is expected to incur the extremely unfair results mentioned in Paragraph (1), to a specific date that is more than thirty (30) days from the date of the notice.

(4) The party notified of the content of Paragraph (1) may defy the effects of the notice pursuant to Paragraph (3) by sending a counter-notice to the other party to the contract. In the case where a counter-notice is sent, the original repurchase date will continue to apply, and unless otherwise agreed between the parties concerned in the Contract, the party which sent the counter-notice shall be deemed to be guaranteeing compensation for the extremely unfair results brought about or expected to be brought about to the other party to the contract due to the maintenance of the effects of the originally contracted content.

(5) In the case the repurchase date is changed due to the notice pursuant to Paragraph (1), the party which sent the notice concerned shall compensate the other party to the contract for legal and other professional expenses incurred due to the change of the repurchase date, and the other party to the contract can not claim for compensation of consequential losses brought about by the change of the repurchase date pursuant to Paragraph (3).

§14. Default Interest

In the case that the funds payable pursuant to this Agreement have not been repaid by the repurchase date, default interest shall be payable after applying the agreed-upon default interest rate to the number of days from the repayment date and the day before the actual payment date.

§15. Single Agreement

(1) All repos that are executed between the same parties to which this Agreement applies shall be deemed to constitute one agreement.

(2) Non-performance of any repo constituting a single agreement mentioned in Paragraph (1) shall be deemed to constitute non-performance under all repos to which this Agreement applies.

(3) Each repo transaction shall be executed and performed in consideration of other repo transactions, and all payment and delivery relating to any repo transaction shall be deemed to have been made, taking into consideration the payment and delivery relating to other

repo transactions.

§16. Method and Effect of Notification

(1) Unless otherwise agreed in this Agreement or other agreement between the parties, all notices of intention prescribed in this Agreement shall be made to the other party to the address specified in <Attachment 5> and by the methods defined in Paragraph (2). In the case that an intention is expressed orally, it shall be documented immediately for delivery to the other party.

(2) The delivery time of all notices of intention mentioned in Paragraph (1) shall be as follows. Provided, That the delivery thereof after business hours shall be deemed to have been made at the time of commencement of business on the next business day:

1. Notices of intention in person: point of time delivered to the address of the other party;
2. Notices of intention by telex: point of time the other party advises the receipt of communication;
3. Notices of intention by facsimile: point of time transmitted in a form so as to be able to confirm the content of the notice, to the person of the other party who has the authority to receive such fax (the transmitter shall have the burden of proof with respect to the transmission);
4. Notices by registered mail, contents-certified mail or other method similar thereto: point of time delivered to the address of the other party; and
5. Notices of intention by electronic mail: point of time delivered to a computer, etc. that is operated by the other party.

(3) The buyer or the seller may change its address, telex or fax number, or e-mail address by the method for notices mentioned in Paragraph (2) thereof to the other party.

(4) Notices or execution in writing under this Agreement shall be interpreted to include communication through the agreed-upon electronic communications methods, except for the cases of [§17] and [§18]. Provided, That such electronic communications methods shall allow the printing of the content in document form.

§17. Severability

Each provision of, and each agreement between the parties subject to, this Agreement shall be deemed severable and enforceable, even in the case that the other provisions and agreements become invalid.

§18. Effects of Waiver of Rights

(1) Even when either party explicitly or implicitly waives the causes for non-performance of contract defined in [§12] or any specific remedies under this Agreement, such waiver shall not be deemed to be waiver of any other non-performance of contract in [§12] or other remedies available in this Agreement. A failure to exercise any remedies under this Agreement shall not be deemed to be waiver of the right to exercise other remedies under this Agreement.

(2) Any amendment or waiver of provisions of this Agreement, or agreement on the application of the amended Agreement shall not be valid, unless such amendment, waiver or agreement is put into writing.

§19. Transfer and Rescission of Rights and Obligations

(1) The buyer and the seller shall not transfer this Agreement and any rights or obligations with respect to each individual transaction, without prior written consent of the other party, except for cases prescribed in this Agreement.

(2) Notwithstanding Paragraph (1), either party may transfer or otherwise dispose of all or part of the rights or income to a third party, when a specific right to be paid or to be delivered or income pursuant to [§12] occurs.

(3) Either party may cancel the contractual relationship subject to this Agreement by written notice to the other party. Provided, That this Agreement shall be deemed applicable with respect to each individual transaction that is not completed at the time of the cancellation, even with such notice.

§20. Jurisdiction

When an action is raised in connection with this Agreement, jurisdiction shall be determined in accordance with the Civil Procedure Act, unless otherwise agreed to by both parties.

§21. Miscellaneous

(1) This Agreement shall be applicable only with the delivery of the transaction affirmation sheet with respect to any repo transaction entered into after execution date of this Agreement, unless otherwise agreed to in writing.

(2) Any matter not prescribed in this Agreement shall be governed in accordance with the

relevant statutes and regulations.

(3) The Terms and Conditions on Use of Electronic Financial Transactions and the laws on electronic financial transactions shall apply preferentially with respect to electronic financial transactions among repo transactions under this Agreement.

§22. Dispute Resolution

When a dispute arises between the seller and the buyer, the parties concerned may apply for resolution thereof to the Financial Supervisory Service or the Korea Financial Investment Association, etc.

[Company Name]
(seal)

Name:

Date:

[Company Name]
(seal)

Name:

Date:

<Attachment 1>

**General Contract
regarding Agreement on Repurchase Agreement (Repo)
between Parties Concerned**

The parties concerned agree as follows in connection with the Agreement on repo (“this Agreement”) executed on (month) (day) (year) as follows.

§1. The following Articles shall be subject to the following provisions of this Agreement:

(1) Subparagraph 4 of [§2]: [the interest subject to () shall be added from the date of principal receipt] / [the interest shall not be added], in case purchased securities are repurchased and collected.

(2) Subparagraph 14 of [§2]: One year shall be [] days, in the calculation of the repurchase differential.

(3) Subparagraph 17 of [§2]: The market value shall be determined by [].

(4) Subparagraph 18 of [§2]: Net margin refers to [].

(5) Subparagraph 19 of [§2]: Net valuation loss refers to [].

(6) Subparagraph 21 of [§2]: [] shall be designated as the repurchase service agency. <Attachment 6> shall apply to cases where the Korea Securities Depository is designated as the repurchase service agency.

(7) Subparagraph 22 of [§2]: Agency trading shall be [permitted] / [not be permitted]. In the case of permission, <Attachment 4> shall be applied.

(8) [§4(3)]: In the case of an open transaction, the deadline for the notice of the repurchase date shall be [].

(9) [§5(3)]: Deadline for payment of the margin shall be [].

(10) [§5(4)]: Duty to pay margin shall be exempt in the case that the net valuation loss amount does not exceed [exempt ratio / exempt amount].

(11) [§5(5)]: Interest rate on margin paid in cash shall be []. Deadline for payment of interest on margin in cash shall be [].

(12) [§5(6)]: Margin securities shall be transferred in [].

(13) [§9(6)]: The amount to be cross-paid to the same person, with respect to multiple individual transactions between the parties concerned, shall [be subtracted] / [not be subtracted].

The funds to be cross-transferred to the same person, with respect to multiple individual transactions between the parties concerned, shall [be subtracted] / [not be subtracted], in the case of the same issuer, issue, type and par value.

(14) [§10(1) and (3)]: The issue of securities substituted shall be [], in the case of [§10(1)], and [], in the case of [§10(3)].

(15) [§10(2)]: In the case of the substitution of purchase securities, the method of returning the existing equivalent-price purchased securities and the newly substituted securities shall be [].

(16) [§12(3)]: In the case of the early arrival of the repurchase date following the occurrence of causes for non-performance, the valuation timing for the calculation of the settlement amount shall be [].

(17) [§12(5)]: In the case of the early arrival of the repurchase date following the occurrence of causes for non-performance, the market value of securities shall be determined as [] only for the purpose of calculating the settlement amount.

(18) [§12(7)]: When calculating the settlement amount pursuant to [§12(4)], transaction cost shall [be added / be subtracted] / [not be added / not be subtracted].

(19) [§12(9)]: The seller's failure to deliver purchased securities on the purchase date of each repo shall [be regarded] / [not be regarded] as non-performance pursuant to [§12(1)].

(20) [§12(10)]: The buyer's failure to deliver equivalent-price purchased securities on the repurchased date of the individual transaction shall [be regarded] / [not be regarded] as the cause for non-performance pursuant to [§12(1)].

(21) [§13(3)]: The originally contracted repurchase date of the individual transaction may be changed to a date more than [] from the date of the notice.

(22) [§13(4)]: The party who sent a counter-notice shall [compensate] / [not compensate] for the extremely unfair results brought about or expected to be brought about to the other party to the contract due to the maintenance of the effectiveness of the originally contracted content.

(23) [§14]: Default interest rate shall be [].

§2. Other Special Stipulations

§3. Relations with this Agreement

This Contract shall constitute part of this Agreement, and shall take precedence over the Agreement in case of any conflict between the Contract and the Agreement. As for any individual transaction subject to this Agreement, the parties concerned may make a contract different from this Agreement and the Contract. In case such contract is executed, it shall take precedence over this Agreement and the Contract.

[Execution Date]

[Execution Date]

[Company Name]
(seal)

[Company Name]
(seal)

Name:

Name:

Date:

Date:

<Attachment 2>

Form of Transaction Affirmation Sheet

To:

From:

Date:

Subject: Classic Repo / Buy/Sell Back

This transaction affirmation sheet is to confirm the conditions and terms of a repo executed between your company and the company, and constitutes part of the Agreement on Repurchase Agreement (Repo) dated [month] [day] [year] and the Contract related thereto of the same date (hereinafter referred to as “the Agreement”) entered into between your company and the company. Other trading conditions and terms than the amendments and supplements pursuant to this transaction affirmation sheet shall be subject to the Agreement.

1. Execution date:
2. Buyer:
3. Seller:
4. Purchase date:
5. Repurchase date: [not applicable to open transactions]
- 5-1. Whether an open transaction:
6. Purchase price:
7. Repurchase interest rate:
8. Repurchase price:
9. Contents of purchased securities
 - (1) Name of issue:
 - (2) Code of issue:
 - (3) Par value:
10. Issue of securities replaced pursuant to [§7(5)]:
11. Issue of securities substituted pursuant to [§10(1)]:
12. Bank account of buyer:
13. Bank account of seller:
14. Case of agency trading: [Name of Agency] shall execute this transaction on the behalf of [Name of the party].
15. Other additional conditions agreed between the buyer and seller

From:

To:

Name of Corporation: (seal)

<Attachment 3>

Buy/Sell Back

1. The provisions of this Attachment shall apply to a repo transaction classified as buy/sell back in the transaction affirmation sheet.
2. In the case that the provisions of each Paragraph of this Attachment, with respect to buy/sell back, are in conflict with other provisions of the Agreement and Contract, the provisions of each Paragraph of this Attachment shall take precedence over any other provisions.
3. As for buy/sell back, one copy of the transaction affirmation sheet delivered pursuant to [§3] of the Agreement, may be prepared for both the present trade and future repurchase, or prepared for each of the present trade and future repurchase respectively.

4. Definitions

- (1) The term “accrued interest” in this Attachment refers to income that is not paid, but calculated for the purchased securities subject to buy/sell back during the period from the issuance date or final payment date to the calculation date (inclusion of the day of commencement, exclusion of the final day).
- (2) The term “buy/sell back price differential” in this Attachment refers to the amount calculated by multiplying the purchase price during the period from the purchase date to the repurchase date (inclusion of the day of commencement, exclusion of the final day) with the repurchase interest rate before dividing them by 365.
- (3) The term “buy/sell back repurchase price” in this Attachment is defined as follows:
 - a. The price agreed to for the buy/sell back transaction concerned, in the case that the repurchase date has been agreed to by the parties concerned;
 - b. The price calculated in accordance with the following formula, in other cases.

$$(P + D) - (I + C)$$

P = purchase price

D = buy/sell back price differential

I = income that is to be paid for the purchased securities on a certain day during the period between the purchase date and the repurchase date, or on the basis of such date as the base date

C = Interest calculated by applying the repurchase interest rate to the income during the period between the purchase date and the repurchase date (inclusion of the day of commencement, exclusion of the final day)

5. As for buy/sell back transactions, accrued interest shall be added to the calculation of the purchase price and the buy/sell back repurchase price.
6. The buyer and the seller shall, when entering into a buy/sell back agreement, agree on the buy/sell back repurchase price and repurchase interest rate applicable to such transaction, and record the same in the transaction affirmation sheet.
7. The seller shall transfer purchased securities to the buyer on the purchase date of the buy/sell back and, in return, the buyer shall pay the purchase price to the seller. The buyer shall transfer the purchased securities to the seller on the repurchase date of the buy/sell back, and in return, the seller shall pay the buyer:
 - (1) Buy/sell back repurchase price defined in [§4(3)1], in the case of repurchase date as agreed;
 - (2) Buy/sell back repurchase price defined in [§4(3) 2], in other cases.

Then, the repo shall be terminated.

8. Provisions of Subparagraph 2 of [§2] and [§5, §8, §10] of the Agreement shall not apply.
9. The repurchase price defined in the Agreement shall be deemed as “buy/sell back repurchase price or repurchase price.”

<Attachment 4>

Agency Trading

1. The designated person (“agency”) of the party (“the party concerned”) may, in accordance with the terms and conditions hereinafter, sign an individual transaction (“agency trading”) with the counterparty (“the other party concerned”).
2. This agency trading shall be valid only in the case that the agency indicates it as such and identifies itself when executing the agreement for each individual transaction and in the transaction affirmation sheet, and in the case the agency is authorized to execute and perform the agency trading on behalf of the principal..
3. Trading between the agencies of both parties shall not be accepted.
4. The party who contracts an agency trading shall, when causes for non-performance mentioned in [§12] of this Agreement have occurred against him/her, or contradictions against statements in the following Paragraph (8) have taken place, or causes for making those statements turn out to be false have occurred, notify the counterparty of such fact immediately, and provide additional information demanded reasonably by the counterparty.
5. The parties involved in an agency trade shall consist of the party itself and the counterparty, who have the rights and duties under the individual transaction of such agency trading. The agency shall not be responsible for any duty as a contracting party with respect to such individual transaction, other than those defined hereinafter.
6. All the provisions in this Agreement shall apply respectively to the party and the counterparty of the agency trading that the agency signed with the counterparty on behalf of the party. In such application, each party represented by an agency shall be deemed to have entered into this Agreement that is to be added and deleted in accordance with this Attachment. Provided, That the following matters shall be added and amended:
 - (1) In the case that causes for non-performance have occurred against the agency, the counterparty may regard such causes as those against the principal by written notice to the principal (may be replaced with notice to the agency pursuant to [§16] of this Agreement). In such notice, causes for non-performance shall be deemed to have occurred at the time at which such notice was given;
 - (2) An agency shall provide all information, and fulfill all the actions necessary for the counterparty to judge the net valuation loss state of an individual transaction; and

(3) The provisions of Paragraphs (1) and (2) shall not affect the application of this Agreement, in relation to the agency's individual transaction with the counterparty on his/her own calculation.

7. [Subparagraph 2 of § 11] of this Agreement shall be deleted and replaced with the following provision:

“2. The party shall execute this Agreement and the subsequent individual transaction as the principal, or execute this Agreement and the subsequent individual transaction as an agency pursuant to the restrictions prescribed in <Attachment 4>, and shall perform the conditions defined in <Attachment 4>.”

8. Each party hereby guarantees to the counterparty that it is, as the agency of the person identified as the principal in the agency trading, authorized to execute and perform each individual transaction on behalf of the principal.

<Attachment 5>

Address for Notices of Intention

1. In the case of [Name of the Party]

- (1) The receiving person (manager, assistant):
- (2) Buyer (Seller):
- (3) Address:
- (4) Telephone no.:
- (5) Fax no.:
- (6) E-mail:
- (7) Others:

2. In the case of [Name of the Party]

- (1) The receiving person (manager, assistant):
- (2) Buyer (Seller):
- (3) Address:
- (4) Telephone no.:
- (5) Fax no.:
- (6) E-mail:
- (7) Others:

<Attachment 6>

Repurchase Service Agency

1. The provisions of this Attachment shall apply to repo transactions for which the parties concerned designate the Korea Securities Depository (hereinafter referred to as “the KSD”) as the repurchase service agency in the Contract or the transaction affirmation sheet, and for which the KSD agrees to undertake the duties as such agency (hereinafter referred to as “the repoe transaction through the KSD”). [Amended on December 15, 2003]
2. With regard to the repo transaction through the KSD, the provisions of this Attachment shall take precedence, if the provisions of this Attachment conflict with the provisions of this Agreement and the Contract.
3. Notwithstanding [§5(1)] of this Agreement, the margin notice is to be made in accordance with regulations and enforcement bylaws of the KSD related to repo, and the notice by the KSD shall be deemed as a “margin notice.” [Amended on December 15, 2003]
4. Notwithstanding [§5(3)] of this Agreement, the deadline for payment of the margin shall be subject to regulations and enforcement bylaws of the KSD related to repo. [Amended on December 15, 2003]
5. Margin securities transferred pursuant to [§5(3)] of this Agreement shall, unless otherwise defined in the transaction affirmation sheet or recognized by the party who made such margin notice, be securities of the same issue as the purchased securities.
6. [§5(8)] of this Agreement shall be deleted and replaced with the following provision:

“(8) In the case that the KSD fails to give the margin notice pursuant to Paragraph (1), the party which has sustained net valuation loss may give margin notice to the counterparty. In the case that the party does not send such notice, it shall not be deemed to be waiver of its right to demand payment of margin.”
7. The agreement to subtract payment pursuant to [§9(6)] of this Agreement shall apply within the scope permitted by regulations and enforcement bylaws of the KSD related to repo.

<Attachment 7>

Transaction by Securities Type

1. In the case that the provisions of each Paragraph of this Attachment, with respect to a transaction by securities type, are in conflict with other provisions of the Agreement and Contract, the provisions of each Paragraph of this Attachment shall take precedence over any other provisions.
2. As for a transaction by securities type, “purchased securities” on the transaction affirmation sheet shall be referred to as “securities type” instead of purchased securities. The seller shall execute the transaction for the securities type first, and then deliver the purchased securities belonging to the type of securities concerned to the buyer.
3. As for a transaction by securities type, the margin securities delivered between the parties pursuant to [§5(1)] of the Agreement shall be limited to securities belonging to the type of securities agreed in advance.
4. As for a transaction by securities type, the purchased securities delivered by the seller pursuant to [§5(10)] and [§7(5)] of the Agreement shall be limited to securities belonging to the type of securities agreed in advance.
5. In the case of applying [§10(1)], [§10(3)] and [§7(5)] of the Agreement with respect to a transaction by securities type, replacements for purchased securities and margin securities shall be limited to securities belonging to the type of securities agreed in advance.
6. As for a transaction by securities type, a transaction may be concluded without the buyer's individual consent to the seller's request for replacement of the purchase securities or margin securities in relation to [§10(1)] and [§10(3)] of the Agreement (hereinafter referred to as "all-encompassing prior consent transactions").
7. Only in the case of an all-encompassing prior consent transaction, if the buyer has not fulfilled the seller's request to replace the purchase securities or margin securities, it shall be deemed to have reached the repurchase date pursuant to [§12(1)] of the Agreement.
8. Any matter not prescribed in the provisions of this Attachment shall be governed in accordance with the provisions of relevant enforcement bylaws such as the 「Regulation on Collateral Management of Securities」 of the Korea Securities Depository.