

A CASE STUDY BY

OTCQX

COMMUNITY BANKS SAY GOODBYE TO NASDAQ

*Reasons community banks with less than
1,200 shareholders are voluntarily delisting
from Nasdaq to trade on OTCQX*

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LOWERING REGULATORY COSTS UP TO \$500K PER YEAR



Under the JOBS Act, banks with fewer than 1,200 shareholders are eligible to deregister with the SEC. With legal and accounting fees amounting to upwards of \$500,000 per year, OTCQX enables banks to use their bank reporting in place of SEC reporting to qualify. Banks traded on OTCQX are required to file an annual report containing audited financial statements and quarterly financial statements, made available on www.otcmarkets.com.

OTCQX BANKS INDEX OUTPERFORMS NASDAQ'S ABA INDEX BY 10%

The OTCQX Banks Index, tracking the performance of US banks traded on the OTCQX Market, has increased 21.6% between July 2019 and July 2024 compared with a 12.6% increase in the ABA NASDAQ Community Bank Index over the same period.



IMPROVING THE SHAREHOLDER EXPERIENCE

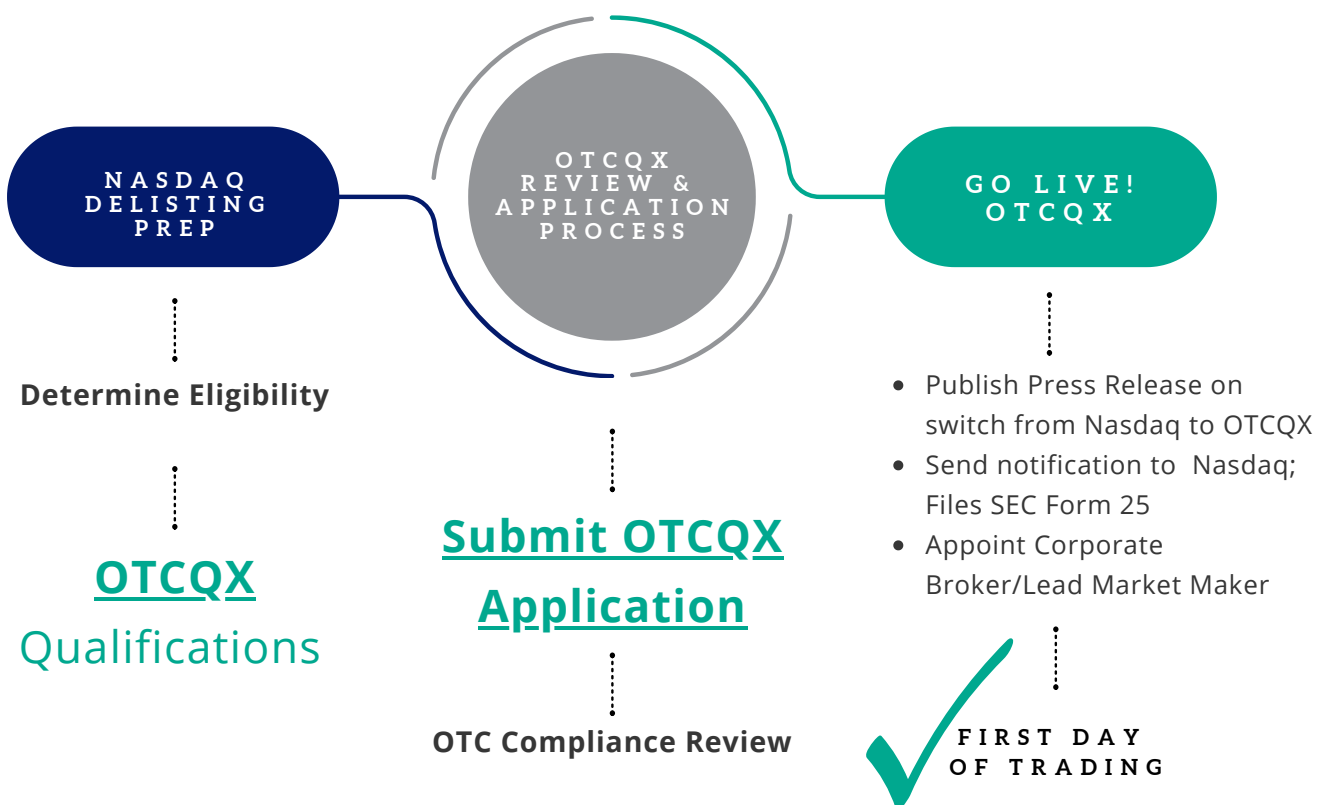
Upon joining OTCQX, banks are required to appoint a corporate broker/lead market maker to serve as their 'eyes and ears' for its shareholders while providing continuous liquidity in the market. Our network of 90+ market makers includes many familiar names such as KBW, DA Davidson, Stephens Inc., Monroe, Raymond James, JWTT, Piper Sandler, Janney and Hovde Group.



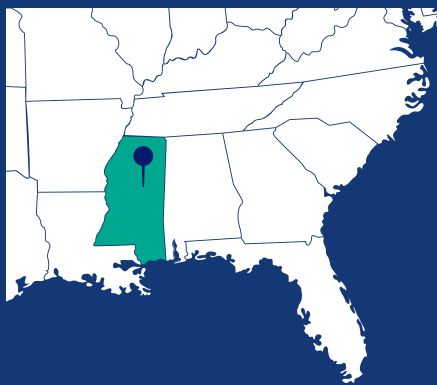
A Stifel Company



NASDAQ TO OTCQX IN 9-12 WEEKS



Date Joined OTCQX:
**December
2023**



Corporate Broker:



Number of
Market Makers:

15

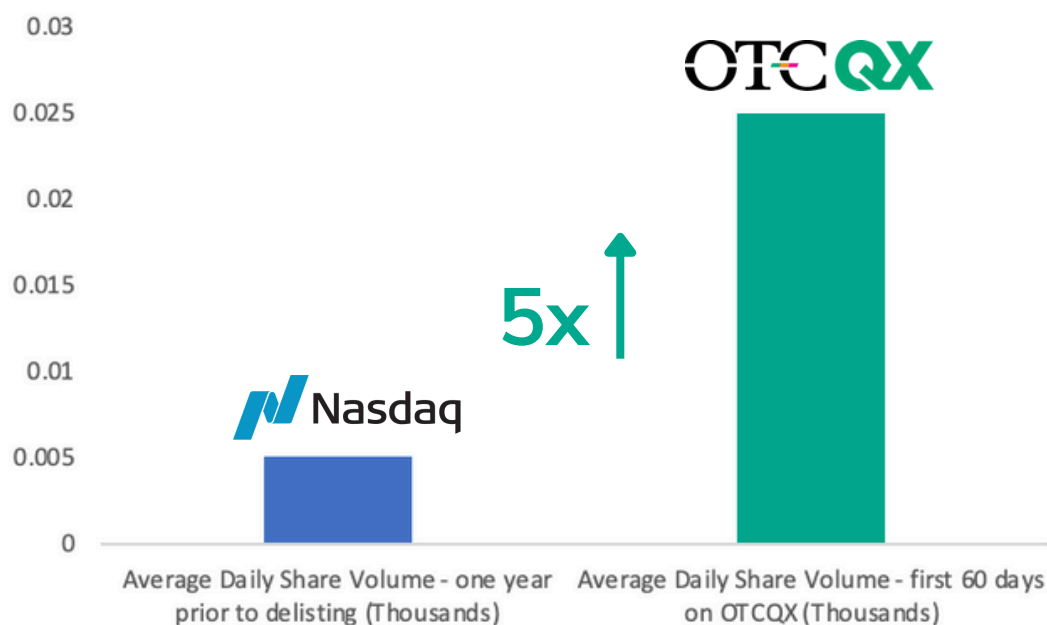
Citizens Holding Co.

[OTCQX: CIZN]

“We anticipate significant cost savings and efficiencies resulting from SEC deregistration and delisting from Nasdaq. After careful consideration, the Board of Directors approved this decision after concluding that the benefits to the Company and its shareholders outweighed the advantages of remaining an SEC-reporting, Nasdaq-listed company. We are excited to trade on the OTCQX Market alongside many investor-focused community banks.

Stacy Brantley, CEO

CIZN's Average Daily Share Volume One Year Prior to Delist vs. 6 Months Post



Date Joined OTCQX:

August
2023



Mid-Southern Bancorp, Inc. [OTCQX: MSVB]



The Board of Directors' decision to delist and deregister the Company's common stock was based on the conclusion that the significant costs and regulatory compliance burden outweigh the benefits of remaining an SEC-reporting, Nasdaq-listed company.

*Mid-Southern Bancorp, Inc. Announces Voluntary
Nasdaq Delisting and SEC Deregistration*

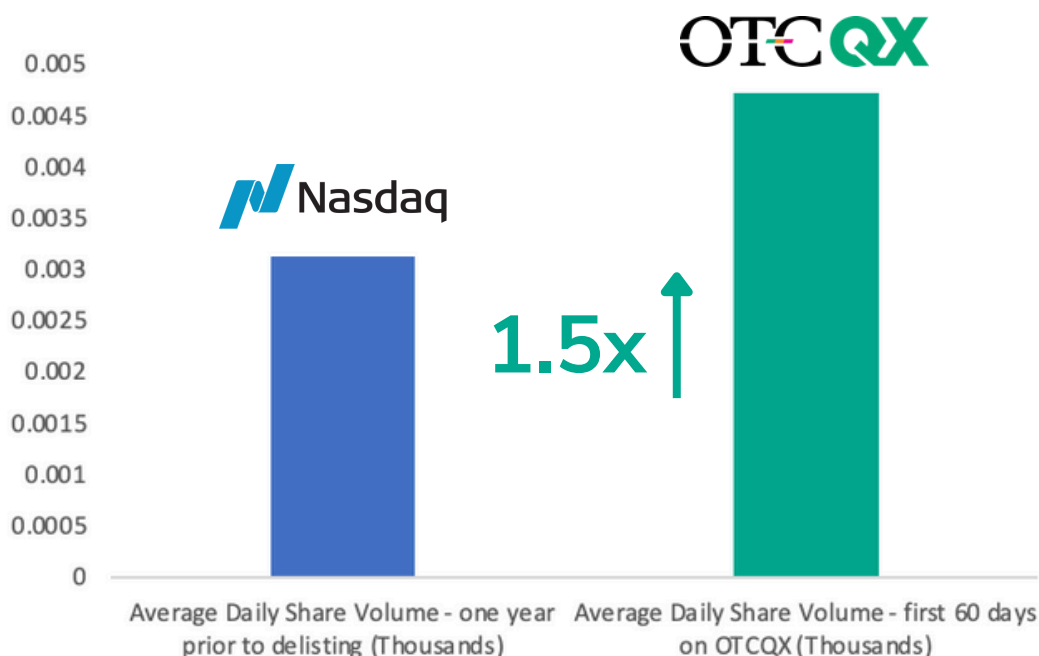
Corporate Broker:



Number of
Market Makers:

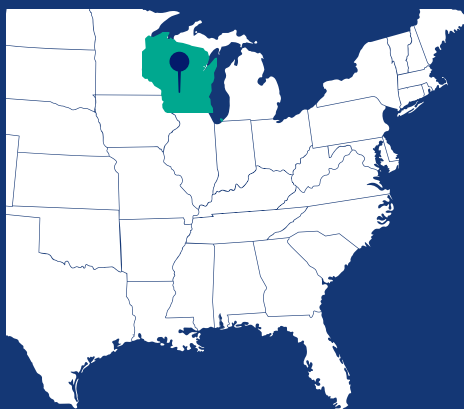
13

MSVB's Average Daily Share Volume One Year Prior to Delist vs. 6 Months Post



Date Joined OTCQX:

February
2023



Corporate Broker:



Number of
Market Makers:

14

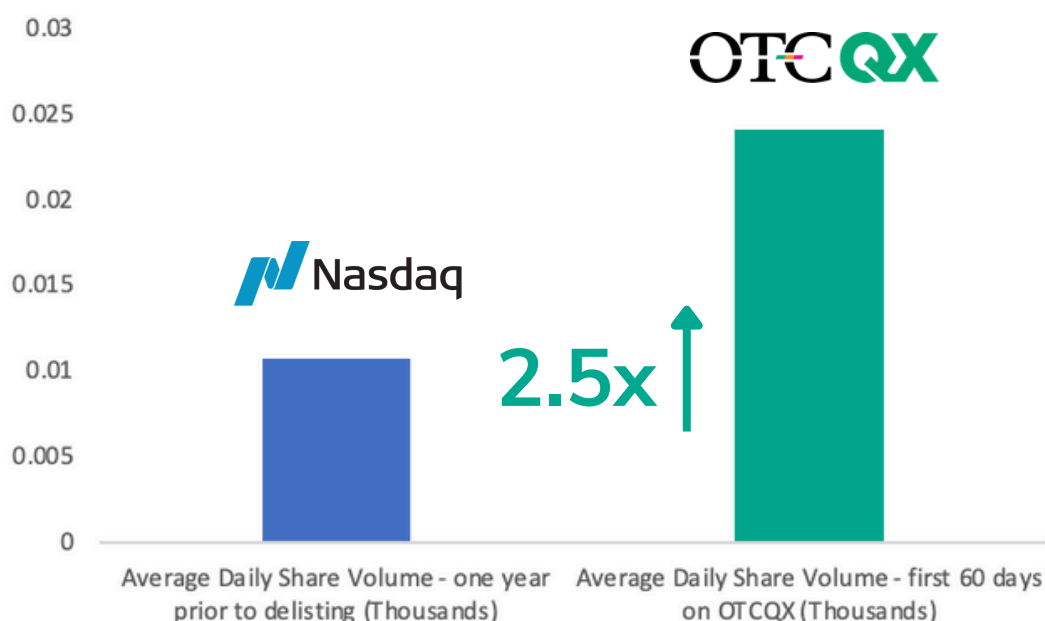
FFBW, Inc.

[OTCQX: FFBW]

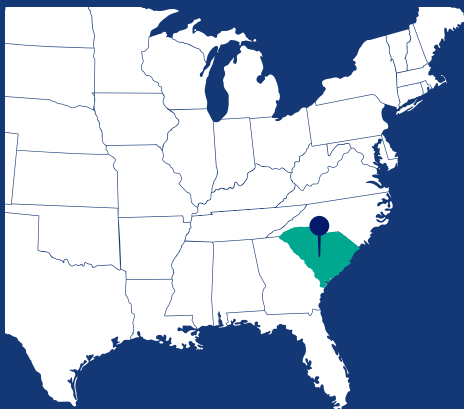
“The Company’s Board of Directors authorized the delisting and deregistration after concluding that the significant costs of remaining an SEC reporting company, including the regulatory compliance burden, outweighed the current benefits of NASDAQ listing and SEC registration.

Edward H. Schaefer, President and CEO

FFBW’s Average Daily Share Volume One Year Prior to Delist vs. 6 Months Post



Date Joined OTCQX:
**September
2023**



Bank of South Carolina Corp. [OTCQX: BKSC]

“We were interested in lowering the cost and complexity of being a publicly traded company, while also maintaining liquidity and a strong trading platform for our shareholders. By voluntarily deregistering with the SEC and switching our listing from NASDAQ to OTCQX, we were able to achieve all of these things.

Eugene Walpole, President and CEO

Corporate Broker:



Number of
Market Makers:

14

BKSC's Average Daily Share Volume One Year Prior to Delist vs. 6 Months Post

