

OTCQB RULES RELEASE NO. 12 (PROPOSED AMENDMENT)

OTC Markets Group has published for comment proposed amendments to the OTCQB Rules (the "Proposed Amendments"). The most significant change is an increase to the minimum bid price for companies seeking initial qualification on the OTCQB Venture Market, which will differentiate the initial bid price requirement from the ongoing requirement. We expect this change to reduce the number of issuers that qualify at very low bid prices and subsequently struggle to maintain ongoing compliance.

The Proposed Amendments also clarify Audit Committee requirements and introduce additional disclosure requirements for certain non-U.S. issuers. Collectively, these amendments are intended to enhance overall market quality, strengthen issuer compliance expectations, and support improved investor confidence across the OTCQB market.

The Proposed Amendments are scheduled to become effective April 6, 2026.

Proposed Amendments**OTCQB Rules:**

- 1) Bid Price: The minimum bid price requirement for initial qualification on OTCQB will increase from \$0.01 to \$0.05 per share. The minimum bid price requirement for continued qualification will remain unchanged at \$0.01.
- 2) Corporate Governance: The rules have been amended to clarify that an Audit Committee must have at least two members. (Applicable to all Alternative Reporting Companies and to other Companies as notified by OTC Markets Group at the time of their application to OTCQB).
- 3) Transfer Agent Criteria: A Company that is not incorporated in the U.S. or Canada but has a primary trading market in the U.S. must now retain a transfer agent that participates in the Transfer Agent Verified Shares Program and must authorize their transfer agent to provide share information directly to OTC Markets Group.
- 4) Interim Reports: An SEC Reporting Company not listed on a Qualified Foreign Exchange that files an annual Form 20-F or Form 40-F must now also publish semi-annual financial results in a Form 6-K within 6 months of the end of its second quarter end.

Comment Period of 30 days:

OTC Markets Group welcomes your feedback on the proposed changes. Please send comments and questions to Khushboo Shrestha, Head of Issuer Compliance at kshrestha@otcmarkets.com by April 3, 2026.

Effective Date of Proposed Amendments:

The Proposed Amendments are scheduled to become effective on April 6, 2026.