

OTCQB STANDARDS RELEASE NO. 9 (PROPOSED AMENDMENT)

OTC Markets Group has published amendments to the OTCQB Standards primarily to update the OTCQB Fees section, provide certain security types corporate governance relief exemptions, and other clarifications related to certain note/debt security disclosures. As of September 1, 2020, OTC Markets Group has made the following proposed amendments to the OTCQB Standards, which will become effective October 1, 2020.

Proposed Amendments

1. **All OTCQB Fee amounts have been removed from the OTCQB Standards.** All OTCQB Fees are now published on the Corporate Services Fee Schedule, available at: <https://www.otcmarkets.com/corporate-services/fee-schedule>.

***Effective January 1, 2021, the OTCQB Annual Fee is \$14,000 and the OTCQB Application Fees is \$5,000.**
2. Trusts, funds, and other similar companies may now be exempted from certain corporate governance requirements. A company must apply in writing to OTC Markets Group for an exemption.
3. Additional clarification regarding the requirement to disclose noteholders.
4. Stock promotion, dilution risk, and use of toxic financiers are included as some possible reasons that OTC Markets Group may refuse an application if it determines that having the Company trade on OTCQB may likely impair the reputation or integrity of OTC Markets Group or be detrimental to the interests of investors.

Comment Period of 30 days:

OTC Markets Group welcomes your feedback about the proposed changes. Send comments and questions to Mike Vasilios, SVP of Issuer Compliance at mike@otcmarkets.com by September 30, 2020.

Effective Date of Amendment:

The new OTCQB Standards are scheduled to become effective for all OTCQB companies on October 1, 2020.