

September 4, 2018

OTCQX RULES RELEASE NO. 15 (PROPOSED AMENDMENT)

OTC Markets Group has published a proposed amendment to the OTCQX Rules for U.S. Companies, and OTCQX Rules for U.S. Banks.

Proposed Amendment

As of January 1, 2019, OTC Markets Group plans to require all U.S. companies and U.S. Banks trading on OTCQX to provide verified share data through a transfer agent that participates in the Transfer Agent Verified Shares Program. You may find a list of participating transfer agents at [Transfer Agent Verified Shares Program](#).

Background for Proposed Amendment

OTC Markets Group launched the Transfer Agent Verified Shares Program to provide investors with current and reliable share data. The program enables eligible stock transfer agents to report their clients' share information, including shares authorized and outstanding, to OTC Markets Group on a regular basis via a secure, electronic file transfer.

Share data provided by transfer agents is displayed on www.otcmarkets.com alongside a "Verified by Transfer Agent" logo. OTC Markets Group will use this data to confirm compliance with the OTCQX Rules. This data is also disseminated through OTC Markets Group's market data feeds and is available to investors and broker-dealers.

OTCQX Rules for U.S. Companies:

- All U.S. companies shall retain and maintain a transfer agent that participates in the Transfer Agent Verified Shares Program at all times. (see proposed rules [OTCQX Rules for U.S. Companies](#))

OTCQX Rules for U.S. Banks:

- All U.S. Banks shall retain and maintain a transfer agent that participates in the Transfer Agent Verified Shares Program at all times. (see proposed rules [OTCQX Rules for U.S. Banks](#))

Determine Compliance

- If your company profile on otcmarkets.com displays a "Verified by Transfer Agent" logo, then your company is already compliant with the proposed rule.
- If there is no logo displayed, but your transfer agent's name is on the list of [participating transfer agents](#), then you may contact your transfer agent to request that they send your company's data to OTC Markets Group.
- If your transfer agent is not on the list of participating transfer agents or the list of those in the process of onboarding, then you may contact your transfer agent to discuss their plans to participate. Alternatively, you may also contact Bob Power bob@otcmarkets.com (212) 896-4406 at OTC Markets Group for further guidance.

Comment Period of 30 days:

OTC Markets Group welcomes your feedback about the proposed changes. Send comments and questions to Mike Vasilios, Vice President of Issuer Compliance at mike@otcmarkets.com by October 4, 2018.

Effective Date of Proposed Amendment:

The proposed rules are scheduled to become effective for all OTCQX U.S. companies and OTCQX U.S. Banks on January 1, 2019.