

July 29, 2022

July 29, 2022 (Update)

On July 1, 2022, OTC Markets Group published proposed amendments to the OTCQX Rules for International Companies. Please be advised that OTC Markets Group has delayed the effective date of these proposed rules, originally scheduled on August 1, 2022, while it reviews comments received during the comment period. The final rules will be published and become effective September 1, 2022.

July 1, 2022

OTCQX RULES RELEASE NO. 20 (PROPOSED AMENDMENT)

OTC Markets Group has published for comment proposed amendments to the OTCQX Rules for International Companies (the "Proposed Amendments"). The Proposed Amendments update the OTCQX Rules for International Companies to primarily allow for a Corporate Advisor to act as an OTCQX Sponsor and the proposed language required for their Letter of Introduction. These Proposed Amendments are scheduled to become effective August 1, 2022.

Proposed Amendments

OTCQX Rules for International Companies:

1. The Corporate Advisor OTCQX Sponsor may provide OTC Markets Group with a Letter of Introduction in connection with the Company's application for OTCQX. Each letter shall state that it may be relied upon only by OTC Markets Group for purposes of qualification for trading of the Company's securities on OTCQX, but not by any other Person or for any other reason, and that the Company and its management are solely responsible for the content of the Information, except that the OTCQX Sponsor is responsible for ensuring that the Company provides disclosure in the Information relating to any conflict of interest that may affect the advice given by the OTCQX Sponsor to the Company. The Letter of Introduction will also, in substance, make the following additional statements:
 - a) *OTCQX Sponsor Qualifications.* The OTCQX Sponsor has been approved by OTC Markets Group to serve as an OTCQX Sponsor, continues to satisfy the standards for serving as an OTCQX Sponsor, as provided in its "Application to Serve as an OTCQX Sponsor" and in the OTCQX Rules for International Companies, and is competent and able to serve and to exercise independent judgment as the Company's OTCQX Sponsor without reservation.
 - b) *OTCQX Sponsor Selection.* The OTCQX Sponsor has been engaged by the Company to provide this Letter of Introduction to OTC Markets Group.
 - c) *Company's Formal Compliance.* Based on the Sponsor's review of the Company, and information provided by the Company, the Corporate Advisor makes the following affirmations:
 1. The Company satisfies the eligibility requirements of OTCQX for International Companies;
 2. The Company is not out of compliance with the rules and standards of the Qualified Foreign Exchange on which it is listed;

3. The Company has not been delisted, removed or suspended from the Qualified Foreign Exchange other than in connection with a temporary trading halt, in the last five years; and
 4. The Company makes its disclosure publicly available in English.
2. Provided additional clarity for Companies on a Qualified Foreign Exchange and being compliant with the rules and regulations of such Exchange.
 - a) Have a class of securities listed on a Qualified Foreign Stock Exchange and be compliant with the rules and regulations of such Qualified Foreign Stock Exchange, and (b) be exempt from registration under Exchange Act Rule 12g3-2(b) and be compliant with all obligations thereunder, including the publication of specified disclosure in English

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 August 1, 2022.

Effective Date of Proposed Amendments:

The proposed rules are scheduled to become effective for OTCQX International Companies on August 1, 2022.