

July 25, 2016

OTCQX RULES RELEASE NO. 12 (PROPOSED AMENDMENTS)

OTC Markets Group has published proposed amendments for initial qualification within the OTCQX Rules for U.S. Companies that would affect certain new OTCQX applicants. The proposed amendment provides REIT's with no operating history an opportunity to be considered for admission to OTCQX U.S.

Proposed Changes

OTCQX Rules for U.S. Companies:

The initial eligibility criteria have been updated for OTCQX U.S. companies. The following section has been added. You may select the following rule set to view the Rules in their entirety - [OTCQX Rules for U.S. Companies](#).

2.4 OTCQX Real Estate Investment Trust Eligibility Criteria

OTC Markets Group will consider on a case by case basis the appropriateness of considering for admission a Real Estate Investment Trust ("REIT") with no operating history but a comprehensive prospectus with details on the REIT's expected investments filed on EDGAR. To be considered for admission to OTCQX, a REIT must satisfy all of the eligibility requirements for the OTCQX U.S tier (set forth in Section 2.1 above, and 2.5 below) with the exception of 2.1(e), and must satisfy the following additional requirements:

- a) Have stockholders' equity of at least \$10 million evidenced in (i) its most recent audited financial statements or (ii) a quarterly or current event report with pro-forma financial statements (signed and certified by the CEO or CFO), in each case filed on EDGAR or posted through the OTC Disclosure & News Service;
- b) Maintain its status as a REIT under the Internal Revenue Code; and
- c) Be an SEC Reporting Company or a Regulation A Reporting Company.

OTCQX Rules for U.S. Banks

No changes

OTCQX Rules for International Companies

No changes

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 August 22, 2016.

Effective Date of Proposed Changes:

The proposed rules are scheduled to become effective for new OTCQX companies on August 23, 2016.