OTCQX RULES FOR U.S. COMPANIES

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The OTCQX® Best Market is designed for established, investor-focused U.S. and international companies. Companies must meet certain financial standards, follow best practice corporate governance, demonstrate compliance with U.S. securities laws and remain current in filing obligations. Penny stocks, Shell Companies and companies in Bankruptcy cannot qualify for OTCQX. These OTCQX Rules are intended to outline for companies and investors the standards a U.S. Company must meet to qualify for trading on the OTCQX Market and describe the initial and ongoing disclosure it must provide to the investing public.

Capitalized terms used herein are defined in Section 7 of these OTCQX Rules for U.S. Companies.

1. Requirements for Admission

1.1. Eligibility Criteria

To be considered for admission to the OTCQX Market, a Company and each class of securities for which it is applying to OTCQX is required to meet all of the following standards, as applicable:

A. *Penny Stock Exempt*. Meet one of the following exemptions, consistent with the definition of a "Penny Stock" under Exchange Act Rule 3a51-1.

1. Based on audited financial reports dated within 15 months of the Company's admission to the OTCQX Market, report either:[1]

   i. Net tangible assets of $2,000,000, if the Company has been in continuous operation for at least three years, or $5,000,000, if the Company has been in continuous operation for less than three years;[2] or

   ii. Average revenue of at least $6,000,000 for the last three years.[3]

2. A Company that does not currently meet the criteria in Section 1.1(A)(1)(i) or 1.1(A)(1)(ii) may qualify on a conditional basis until the publication of its next annual report, if the Company and each class of securities for which it is applying to OTCQX, as applicable, meet the following conditions:

   i. Each class of securities to be traded on OTCQX has a minimum bid price of $5.00; and

   ii. The Company provides interim unaudited financial reports that demonstrate to OTC Markets Group's satisfaction that it will comply with Section 1.1(A)(1)(i) or 1.1(A)(1)(ii) as of the date of the Company's next annual report.

[1] Companies on OTCQX as of April 6, 2026 will become subject to Section 1.1(A)(1) effective April 6, 2027.
[2] Companies relying on Section 1.1(A)(1)(i) may demonstrate compliance using an interim audited balance sheet dated within 135 days prior to the Company's admission to OTCQX.
[3] Companies relying on Section 1.1(A)(1)(ii) must have at least three years of operations and reported revenue.

Any Company admitted conditionally pursuant to this Section 1.1(A)(2) must continuously meet the minimum bid price of $5.00 for each class of securities qualified for trading on OTCQX.

B. *No Bankruptcy*. The Company must not be subject to Bankruptcy or reorganization proceedings (including but not limited to placement in conservatorship or receivership);

C. *Ongoing Operations*. The Company must not be a Shell Company or Blank-Check Company, except as provided in Section 1.3 herein;

D. *Good Standing*. The Company must be duly organized and in good standing under the laws of each jurisdiction where it is organized or does business;

E. *Registration and Reporting Status.* The Company must meet one of the following reporting standards and be current in all reporting obligations:

1. Be an SEC Reporting Company or a Regulation A Reporting Company;

2. Be a Bank filing reports with a Bank Regulator; or

3. Be exempt from SEC registration and reporting under the Alternative Reporting Standard.

F. *Audit Requirement.* The Company must meet the following conditions:

1. Annual financial statements must be audited and include an audit opinion that is not adverse, disclaimed or qualified;

2. Audits must be performed by an auditor registered with the Public Company Accounting Oversight Board (PCAOB);

    i. Regulation A Reporting Companies are exempt from Section 1.1(F)(2) for initial eligibility only; all subsequent annual audits must be performed by an auditor registered with the PCAOB.

3. All periodic financial statements must be prepared in accordance with U.S. GAAP; and

4. Interim financial reports may be unaudited but must include:

    i. A balance sheet as of the Company's most recent interim period;

    ii. Income statement for the Company's most recent interim period; and

iii. Statement of cash flows for the Company's most recent interim period and the comparable period of the preceding 12 months.

G. *Public Float*. Each class of securities to be traded on OTCQX must have a market value of Public Float of at least $5,000,000 and meet one of the following float distribution tests:[4]

1. Public Float of at least 20% of the total class of securities outstanding; or

2. Public Float of between 10% and 20% of the total class of securities outstanding. If the Company is relying on this Section 1.1(G)(2), the Company must also meet the below criteria, which may be satisfied using unaudited interim financials:

i. Total assets of $50,000,000; and

ii. Stockholder's equity of $10,000,000.

Refer to the definition of "Public Float" in Section 7 of these OTCQX Rules for a description of how OTC Markets Group calculates Public Float.

H. *Shareholder Requirement*. Each class of securities to be traded on OTCQX must have at least 100 Beneficial Shareholders, each owning at least 100 shares;[4,5]

I. *Bid Price*. Each class of securities to be traded on OTCQX must have a minimum bid price of $0.25 per share, or $1.00 per share for Banks, as of the close of business on each of the 30 consecutive calendar days immediately preceding the Company's admission to OTCQX. If there has been no prior public market for the Company's securities in the U.S. and the Company can demonstrate to OTC Markets Group's satisfaction that it will meet the minimum bid price, OTC Markets Group may admit the class of securities to OTCQX on a conditional basis. Any security admitted conditionally must meet the bid price requirement for 30 consecutive calendar days after admission;

J. *Market Capitalization*. The Company must have a Market Capitalization of at least $25 million on each of the 30 consecutive calendar days immediately preceding the Company's admission to OTCQX. In the event there has been no prior public market for the Company's securities, OTC Markets Group may, in its sole and absolute discretion, grant an exemption from the 30 consecutive calendar day look back period. Companies granted this exemption must maintain a minimum Market Capitalization of $25 million for 30 consecutive days after admission to OTCQX;

[4] *A Company that has common shares listed on a U.S. national securities exchange or traded on the OTCQX Market may qualify for an exemption to the Public Float and/or the Shareholder Requirement for its secondary securities on a case-by-case basis*.

[5] *Companies on OTCQX as of April 6, 2026, will become subject to Section 1.1.(H) effective April 6, 2027.*

K. *Quotations.* The Company must have proprietary priced quotations published by two Market Makers in OTC Link ATS. A Company may phase in its compliance with this requirement by having:

1. At least one Market Maker publish proprietary priced quotes upon admission to OTCQX or, if the Company is applying to OTCQX in conjunction with an Initial Review, at least one Market Maker publish proprietary priced quotes within three business days of admission to OTCQX; and

2. Two Market Makers publish proprietary priced quotes within 90 days of admission to OTCQX.

L. *Additional Criteria for Banks*. Banks must meet the eligibility criteria set forth in Sections 1.1(A)–(K), and:

1. Report total assets of at least $100,000,000 (as of the most recent annual period end);

2. Report stockholders' equity of at least $4,000,000 (as of the most recent annual period end); and

3. Appoint a Corporate Broker approved by OTC Markets Group.

1.2. Corporate Governance

A. All Companies are required to meet the following corporate governance standards:

1. *Independent Directors*. A board of directors that includes at least two Independent Directors;

2. *Audit Committee.* An Audit Committee comprised of at least two members, with a majority of Independent Directors;

3. *Shareholder Meetings*. A Company with common stock, voting preferred stock, or their equivalent, must conduct annual shareholder meetings[6] and make annual financial reports available to its shareholders at least 15 calendar days prior to such meeting; and

4. *Distribution and Publication of Proxy Statements*. A Company required to hold an annual shareholder meeting must solicit proxies and publish all proxy materials within 15 calendar days of the mailing of such material as follows:

[6] *Section 1.2 does not supplant any applicable state or Federal Securities Laws concerning annual meetings*.

i. An SEC Reporting Company or a Regulation A Reporting Company must file such materials on EDGAR using Form DEF 14A or Form 1-U as applicable.

ii. An Alternative Reporting Company or Bank Reporting company must publish such materials through OTCIQ.com.

B. In the event that there has been no prior public market for the Company's securities in the U.S., and the Company meets the criteria set forth in Sections 1.2(A),(3),(4), a Company may phase in its compliance with the corporate governance standards under Section 1.2(A)(1) and 1.2(A)(2), provided that the Company becomes fully compliant thereunder within one year of its admission to OTCQX, as follows:

1. At least one member of the board of directors and the Audit Committee must be an Independent Director at the time of admission; and

2. At least two members of the board of directors and a majority of the members of the Audit Committee must be Independent Directors within the later of (i) 90 calendar days after the Company's admission to OTCQX or (ii) the time of the Company's next shareholder meeting.

Trusts, funds, and other similarly structured companies may be exempted from these corporate governance requirements. The Company must apply in writing to OTC Markets Group for an exemption under Section 1.2, which exemption may be granted by OTC Markets Group in its sole and absolute discretion.

1.3. Special Purpose Acquisition Company (SPAC)

OTC Markets Group may consider on a case-by-case basis the appropriateness for admission of a SPAC with substantial cash or investments and no prior operating history. To be considered for admission to OTCQX, the SPAC must satisfy all the eligibility requirements for the OTCQX Market (set forth in Sections 1.1 and 1.2), with the exception of Section 1.1(C), and must satisfy the following additional requirements:

A. *Public Float*. Have at least $20 million in market value of Public Float;

B. *Bid Price*. Have a minimum bid price of $5.00 per share as of the close of business on each of the 30 consecutive calendar days immediately preceding the Company's admission to OTCQX;

C. *Reporting Status*. Be an SEC Reporting Company; and

D. *Active Status*. Demonstrate to the satisfaction of OTC Markets Group that it is actively pursuing a business combination.

A SPAC admitted to OTCQX must enter into an agreement with a target company and complete a de-SPAC transaction within 18 months of initial quotation in the over-the-counter market, consistent with Exchange Act Rule 15c2-11.

A former SPAC that has completed or is in the process of completing a business combination may request an exemption to Section 1.1(G) (Public Float) of these OTCQX Rules. A qualifying company must meet all other OTCQX eligibility criteria and must have been publicly traded prior to the business combination. If an exemption is granted, the qualifying company may trade on OTCQX for 90 calendar days before being required to comply with Section 1.1(G) and may be granted one additional 90 day extension at OTC Markets Group's sole discretion.

1.4. Real Estate Investment Trust (REIT)

OTC Markets Group will consider on a case-by-case basis the appropriateness for admission of 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 the eligibility requirements for the OTCQX Market as set forth in Sections 1.1 and 1.2, with the exception of Section 1.1(C), in addition to the following:

A. *Reporting Status.* Be an SEC Reporting Company or a Regulation A Reporting Company;

B. *Stockholders' Equity*. Report stockholders' equity of at least $10 million in its most recent audited financial statements or a quarterly or current event report with pro forma financial statements signed and certified by the CEO or CFO and filed on EDGAR; and

C. *REIT Status*. Maintain status as a REIT under the Internal Revenue Code.

1.5. Transfer Agent Criteria

All Companies must retain a transfer agent that participates in the Transfer Agent Verified Shares Program and authorize their transfer agent to provide OTC Markets Group, upon its request, information related to the Company's securities, including total shares authorized, total shares issued and outstanding, and share issuance history.

1.6. Initial Disclosure Obligations

The Company must make the following disclosure available to the public prior to admission to OTCQX:

A. *Verified Company Profile*. All Companies must verify their Company Profile through OTCIQ.com.

B. *Management Certification*. All Companies must publish a Management Certification through OTCIQ.com.

C. *SEC Reporting*. An SEC Reporting Company must have filed all required reports on EDGAR.

D. *Regulation A Reporting*. A Regulation A Reporting Company must have filed all required reports on EDGAR.

E. *Alternative Reporting*. An Alternative Reporting Company must publish, through OTCIQ.com, all initial disclosure required under Section One of the OTCQX Disclosure Guidelines.

F. *Insurance Company*. An insurance company that is relying on section 12(g)(2)(G)(i) of the Exchange Act must also publish, through OTCIQ.com, its most recent "Insurance Company Annual Regulatory Statement" required to be filed with the Commissioner of Insurance (or other officer or agency performing a similar function) of its domiciliary state.

G. *Bank Reporting*. A Bank Reporting company must publish, through OTCIQ.com, annual reports for the prior three years (or such shorter time as the company has been in existence) as well as any interim reports and other material disclosure subsequent to the most recent annual report.

2. Requirements for Continued Qualification

The Company must maintain compliance with the applicable eligibility criteria set forth in Section 1 of these OTCQX Rules, in addition to the following continuing eligibility and ongoing disclosure obligations:

2.1. Continued Eligibility Criteria

A. *Bid Price*. Maintain a minimum bid price of $0.10 per share, or $1.00 per share for Banks, as of the close of business of at least one of every 30 consecutive calendar days;

B. *Market Capitalization*. Maintain a Market Capitalization of at least $10 million for at least one of every 30 consecutive calendar days;[7]

C. *Quotations*. Have at least two (2) Market Makers publishing proprietary priced quotations on OTC Link ATS;

D. *Corporate Governance Standards*. A Company with common stock, voting preferred stock, or their equivalent, is required to conduct an annual shareholder meeting each calendar year. If the Company fails to comply with the Independent Directors requirement or the Audit Committee composition requirement as set forth in Section 1.2 of these OTCQX Rules, the Company must:

[7] *Companies on OTCQX as of April 6, 2026, will become subject to Section 2.1(B) effective April 6, 2027.*

1. Notify OTC Markets Group immediately upon learning of the event or circumstance that caused the noncompliance; and

2. Regain compliance with the requirement by the earlier of (i) its next annual shareholder meeting or (ii) within one year of the event causing noncompliance.

E. *Payment of Fees*. The Company must pay an Annual Fee each year;

F. *Responding to OTC Markets Group's Requests*. The Company must respond promptly to OTC Markets Group's requests, including submission of Personal Information Forms and Background Check Authorization Forms for new officers, directors and control persons, and any request to provide a further undertaking or fulfill a further condition;

G. *Compliance with OTCQX Rules*. The Company is responsible for compliance with these OTCQX Rules and is solely responsible for the content of the information provided by the Company pursuant to these OTCQX Rules;

H. *Compliance with Laws*. The Company must comply with applicable Federal Securities Laws and U.S. state securities laws and cooperate with any U.S. federal or state securities regulator and any U.S. self-regulatory organization;

I. *Corporate Actions*. The Company must provide at least 10 days' prior notice to FINRA of certain corporate actions, including dividends, stock splits, reverse splits, name changes, mergers, acquisitions, dissolutions, change in nature of securities, bankruptcies or liquidations, in compliance with Exchange Act Rule 10b-17 and FINRA Rule 6490;[8]

J. *Sales of Company Securities by Affiliates.* Each officer, director or other Affiliate of the Company must inform their broker-dealer of their Affiliate status prior to trading the Company's securities;

K. *Redemption Requirements*. OTCQX securities may only be redeemed pro rata or by lot and the redemption date must be at least 15 calendar days after the date of an authorizing corporate action;

L. *Changes in Form or Nature of Securities*. Provide 20 days' prior written notice to OTC Markets Group before changing the form, nature, rights, or privileges of any of its securities traded on OTCQX;

M. *Changes in Auditors*. The Company must promptly update its Company Profile if it changes its independent public accountants regularly auditing the Company's books, accounts, and reports;

[8]*Notification information is available at https://www.finra.org/filing-reporting/upc/issuer-company-related-action-notification-form-and-adr-company-related-action-notification-form. Please reference FINRA Rule 6490 for more information.*

N. *Accounting Methods*. The Company will not make any substantial change, nor will the Company permit any subsidiary directly or indirectly controlled by the Company to make any substantial change, in accounting methods, in policies as to depreciation and depletion or in bases of valuations of inventories or other assets, without notifying OTC Markets Group and disclosing the effect of any such change in the Company's subsequent quarterly and annual financial reports; and

O. *Notification of Change in Control*. The Company must notify OTC Markets Group upon the completion of any transaction resulting in a Change in Control. OTC Markets Group may from time to time independently determine that the Company has undergone a Change in Control, and in such case will notify the Company of its determination. Subsequent to each Change in Control, the Company must submit a new Application and Application Fee within 20 calendar days of notification.

A Company that fails to submit a new Application and Application Fee or no longer meets the eligibility criteria set forth in Section 2 of these OTCQX Rules may be suspended or removed from OTCQX at any point in OTC Markets Group's sole and absolute discretion.

Immediately subsequent to a Change in Control, the Company must log in to OTCIQ.com to update and verify its Company Profile with the information needed to ensure its Company Profile is current and complete.

2.2. Ongoing Disclosure Obligations

A. *Financial Reporting Requirements*:

1. *SEC Reporting.* An SEC Reporting Company must file on an ongoing basis:

i. All required annual, quarterly and other interim reports on EDGAR.

2. *Regulation A Reporting*. A Regulation A Reporting Company must file on an ongoing basis:

i. All required annual, semi-annual and other interim reports on EDGAR under Regulation A;[9]

ii. A Form 1-U quarterly disclosure including all information required in the Company's semi-annual report within 45 days of the end of the first and third fiscal quarters where the Company is not already required to file an annual or semi-annual report; and

[9] *The most recent financial statements required to be audited under Regulation A must be audited by an auditor registered with the PCAOB.*

iii. On Form 1-U, copies of all proxies, proxy statements and all other material mailed by the Company to its shareholders with respect thereto, within 15 days of the mailing of such material.

3. *Alternative Reporting*. An Alternative Reporting Standard Company must publish, through OTCIQ.com, on an ongoing basis:

   i. All annual, quarterly and other interim reports as required under the OTCQX Disclosure Guidelines; and

   ii. All material events disclosure as required under the Current Reporting Obligations of the OTCQX Disclosure Guidelines.

4. *Insurance*. An insurance company that is relying on section 12(g)(2)(G)(i) of the Exchange Act must also publish, through OTCIQ.com, an "Insurance Company Annual Regulatory Statement" by March 1st of each year, in accordance with Exchange Act Rule 15c2-11.

5. *Bank Reporting*. A Bank Reporting Company must publish, through OTCIQ.com, the following information:

   i. On an ongoing basis, concurrently or as soon as practicable, any information required to be made publicly available pursuant to the requirements of the Company's Bank Regulator and any Material Information the Company distributes to its investors;[10]

   ii. On an annual basis, within 90 days following fiscal year end, audited financial statements prepared in accordance with U.S. GAAP by an auditor registered with the PCAOB, that include all of the following: (a) balance sheet; (b) statement of income; (c) statement of cash flows; (d) statement of changes in stockholders' equity; (e) financial notes; and (f) audit letter; and

   iii. On a quarterly basis, within 45 days following the most recent quarter end, excluding the fourth quarter of any fiscal year, audited or unaudited financial statements that include each of the following: (a) balance sheet and (b) statement of income.

B. *Notice of Inability to Timely File Reports*. If an Alternative Reporting Company or Bank Reporting Company fails to publish, on a timely basis, any annual, semi-annual, quarterly or interim report required by the OTCQX Disclosure Guidelines or these OTCQX Rules, such Company must publish a "Notification of Late Filing" through OTCIQ.com no later than one business day after the due date for such report.

   A Notification of Late Filing will extend the Company's due date for a quarterly report by five (5) calendar days and an annual report by 15 calendar days.

[10] *A Bank Reporting Company will have their Call Reports automatically published on their Company Profile page on www.otcmarkets.com.*

SEC Reporting and Regulation A Reporting Companies must file a notification of late filing (Form 12b-25) on EDGAR according to SEC filing obligations.

C. *Prompt Disclosure of Material News Releases/Developments.* Information that is required to be released promptly to the public under this Section 2.2(C) should be disclosed in a press release through OTCIQ.com or an Integrated Newswire.

1. An OTCQX Company is expected to promptly release to the public any news or information which might reasonably be expected to materially affect the market for its securities;[11] and

2. An OTCQX Company is expected to act promptly to dispel unfounded rumors that result in unusual market activity or price variations in its securities.

D. *Disclosure of Convertible Debt Arrangements*. The Company must promptly disclose all issuance of any promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the Company's equity securities. Such disclosure should include copies of the securities purchase agreement(s) or similar agreement(s) setting forth the terms of such arrangement, any related promissory notes or similar evidence of indebtedness, and any irrevocable transfer agent instructions. Companies should make such disclosure either through the SEC's EDGAR system or OTCIQ.com, as applicable.

E. *Annual Certification*. All Companies must file a Management Certification through OTCIQ.com concurrently with the Company's annual report filing. The Management Certification must be filed no later than 45 calendar days after the Company's annual report due date.

F. *Maintain Verified Company Profile*. The Company must verify and update its Company Profile through OTCIQ.com at least once every six months.

3. Fees

All OTCQX fees are published in the Corporate Services Fee Schedule, available on www.otcmarkets.com.

All fees are non-refundable. OTC Markets Group may modify the fees from time to time.

A. *Application Fee*. The Application Fee is due upon submission of the Application.

B. *Annual Fee*. The Annual Fee will be assessed for the twelve-month periods that begin each January 1st with payment due by December 1st of the prior calendar year.[12]

[11] *Please refer to the OTCQX Disclosure Guidelines for material events that must be disclosed.*
[12] *In the first calendar year, the Annual Fee will be prorated based on the month the Company's Application is approved. For example, a Company that begins trading on OTCQX on any day in April will owe 9/12ths of the Annual Fee.*

C. *Requalification Fee*. If the Company requalifies for OTCQX under Section 5, it must pay a Requalification Fee.

4. Removal, Withdrawal or Suspension

4.1. Removal for Failure to Meet Requirements

OTC Markets Group may remove the Company's securities from OTCQX for the Company's failure to meet any Requirement for Continued Qualification set forth in Section 2 herein, for nonpayment of any outstanding fees to OTC Markets Group, or for failure to comply with any other obligation under these OTCQX Rules. Such determination will be made by OTC Markets Group in its sole and absolute discretion. Failure to meet a Requirement for Continued Qualification may be cured within the period provided by OTC Markets Group which will be 30 calendar days, except in the following circumstances:

A. If the Company is delinquent in its periodic reporting obligations, the cure period will be 45 calendar days.

   If the Company is a Regulation A Reporting Company, the cure period will be 15 calendar days in accordance with Exchange Act Rule 15c2-11.

B. If the Company no longer meets an exemption from the definition of a "Penny Stock" under Exchange Act Rule 3a51-1, the cure period will be 90 calendar days. However, if the Company is conditionally qualified under Section 1.1(A)(2) and no longer meets the requirements of the conditional qualification, the Company's security will be removed from OTCQX effective immediately. Such Company must meet the standards outlined under Section 1.1(A)(1) to requalify for OTCQX.

C. In the event that the bid price, Market Capitalization or the number of Market Makers fall below the minimum criteria established in Section 2.1, the Company will receive a cure period of 90 calendar days, during which time the Company's securities must meet the applicable criteria for 10 consecutive trading days.

D. If the closing bid price falls below $0.01 at any time for five (5) consecutive trading days, the Company's security will be removed from OTCQX effective immediately.

E. If there are no proprietary priced quotes for four (4) consecutive trading days, the Company's security will be removed from OTCQX effective immediately.

F. If the Company is subject to Bankruptcy or reorganization proceedings, including but not limited to placement in conservatorship or receivership, the Company's security will be removed from OTCQX effective immediately.

G. If the Company fails to satisfy any eligibility criteria set forth in Sections 1 and 2 within the first 30 calendar days of joining OTCQX, OTC Markets Group may, in its sole and absolute discretion, remove the Company from OTCQX without providing a cure period.

OTC Markets Group may, in its sole and absolute discretion, allow additional time to cure, provided, however, that to remain on OTCQX, a Company's published audited financial reports must at all times be dated within the prior 18 months. An Alternative Reporting Company must at all times publish audited annual financials dated within the prior 16 months in accordance with Exchange Act Rule 15c2-11.

4.2. Removal for Public Interest Concern

OTC Markets Group may remove the Company's securities from OTCQX immediately and at any time, without notice, if OTC Markets Group, in its sole and absolute discretion, believes the continued inclusion of the Company's securities would impair the reputation or integrity of OTC Markets Group or be detrimental to the interests of investors.

4.3. Voluntary Withdrawal

The Company may voluntarily withdraw from OTCQX by providing a minimum of three (3) business days written notice delivered to OTC Markets Group at issuers@otcmarkets.com, with a copy to legal@otcmarkets.com. Such notice must include the effective date of the Company's withdrawal.

4.4. Temporary Suspension

OTC Markets Group may, at any time, in its sole and absolute discretion, temporarily suspend a Company's securities from inclusion on OTCQX pending the completion of additional review.

4.5. Continued Use of Certain Services

Subsequent to the Company's removal, withdrawal or suspension from OTCQX, OTC Markets Group may allow the Company to continue to use any service for which it is subscribed for the remainder of the calendar year and for any subsequent period for which it has paid, except services reserved for the use of Companies with securities traded on OTCQX.

5. Requalification

A Company removed from OTCQX in the past 180 calendar days may send a written request to OTC Markets Group to be considered for readmission if it meets the below criteria:

A. Company meets all Requirements for Admission set forth under Section 1 of these OTCQX Rules;

B. Company has not undergone a Change in Control, loss of proprietary quote eligibility or any other event that resulted in a material change at the Company since its removal from the OTCQX Market; and

C. Company was not removed for nonpayment of fees.

OTC Markets Group in its sole and absolute discretion may request additional materials for review. A Company that has been removed from the OTCQX Market for more than 180 calendar days or does not meet criteria set forth in this Section 5 must submit a new Application, Application Fee and Annual Fee.

6. Amendment of OTCQX Rules

OTC Markets Group may, in its sole and absolute discretion, amend these OTCQX Rules whenever it determines that an amendment is necessary or desirable to enhance the quality of the market represented by OTCQX, to improve the disclosure of OTCQX Companies for the benefit of public investors, or for any other reason. Each amendment will be effective 30 days subsequent to its publication in an OTCQX Rules Release.

7. Definitions

Capitalized terms used in these OTCQX Rules for U.S. Companies have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"**Affiliate**" shall mean (i) any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company (within the meaning of Rule 144(a)(1) under the Securities Act), including any officers or directors of the Company; (ii) any Person who is a beneficial owner of 10 percent or more of the Company's outstanding shares; and (iii) any Person that directly, or indirectly through one or more intermediaries, controls a beneficial owner of 10 percent or more of the Company's outstanding shares.

"**Alternative Reporting Company**" shall mean a Company that is not an SEC Reporting Company, Bank Reporting Company, Regulation A Reporting Company or International Reporting Company, that makes disclosure available pursuant to the Alternative Reporting Standard, and that is (i) incorporated in the U.S., or (ii) incorporated outside of the U.S. and meets the following criteria:

A. not listed on a non-U.S. exchange,
B. no more than 45 percent of its securities' trading volume takes place outside of the U.S. markets,
C. majority of its outstanding voting securities are held directly or indirectly by U.S. residents,
D. majority of its executive officers or directors are U.S. citizens or residents,
E. majority of its assets are located in the U.S., and
F. its business is administered principally in the U.S.

"**Alternative Reporting Standard**" shall mean the requirement to make disclosure available through OTCIQ.com pursuant to the OTCQX Disclosure Guidelines.

"**Annual Fee**" shall mean the annual fee specified on the Corporate Services Fee Schedule for OTCQX.

"**Application**" shall mean the application and associated documentation submitted by the Company to OTC Markets Group to provide for the qualification of the Company's securities for trading on the OTCQX Market.

"**Application Fee**" shall mean the application fee specified on the Corporate Services Fee Schedule for OTCQX.

"**Audit Committee**" shall mean a committee (or equivalent body) comprised of at least two members established by and amongst the board of directors of the Company for the purpose of overseeing the Company's accounting and financial reporting processes and audits of the Company's financial statements.

"**Background Check Authorization Form**" shall mean the form with the same name, as amended from time to time, that contains personal information for Persons associated with companies applying to various products or services provided by OTC Markets Group and authorizes OTC Markets Group to conduct background checks on such Persons.

"**Bank**" shall mean (i) a banking institution organized under the laws of the United States, (ii) a banking institution organized under the laws of any State or the District of Columbia which is engaged in the business of receiving deposits, other than trust funds, and which is supervised and examined by a State or Federal authority having supervision over banks or (iii) a bank holding company, as that term is defined in section 1841 of Title 12 of the United States Code.

"**Bank Regulator**" shall mean the Federal Deposit Insurance Corporation (FDIC), Federal Reserve or Office of the Comptroller of the Currency (OCC).

"**Bank Reporting**" shall mean a Bank, Bank holding company, U.S. thrift, U.S. thrift holding company or U.S. financial institution that is required to file periodic reports with its applicable Bank Regulator.

"**Bankruptcy**" shall mean, with respect to the Company, (i) an adjudication that it is bankrupt or insolvent, (ii) an admission of its inability to pay its debts as they mature, (iii) its making a general assignment for the benefit of creditors, (iv) its filing of a petition in bankruptcy or a petition for relief under any section of the United States Bankruptcy Code or any other bankruptcy or insolvency statute, or (v) the involuntary filing against it of any such petition that is not discharged within 60 days thereafter.

"**Beneficial Shareholder**" shall mean any person who, directly or indirectly has or shares voting power of such security or investment power, which includes the power to dispose, or to direct the disposition of, such security.

"**Blank-Check Company**" shall mean an entity that (i) has no specific business plan or purpose and (ii) is issuing "penny stock," as defined in Exchange Act Rule 3a51-1.

"**Call Report**" shall mean the consolidated reports of condition and income that is filed by Banks with their applicable Bank Regulator, referring to FFIEC 031, FFIEC 041 or FFIEC 051 as administered by the Federal Financial Institution Examination Council ("FFIEC").

"**Change in Control**" shall mean any events resulting in:

A. Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Exchange Act Rule 13d-3), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
B. The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
C. A change in the composition of the Company’s board of directors occurring within a two (2) year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
D. The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

“**Commission**” or “**SEC**” shall mean the United States Securities and Exchange Commission.

“**Company**” shall mean the entity identified on the Issuer Services Agreement.

“**Company Profile**” shall mean the information entered by the Company via OTCIQ (www.otciq.com) and displayed on its ‘Company Profile’ page on www.otcmarkets.com.

“**Corporate Broker**” shall mean the FINRA Member Broker-Dealer selected by the Company. See list of approved corporate brokers on OTCMarkets.com.

“**Corporate Services Fee Schedule**” shall mean the schedule of fees, including but not limited to Application Fees and Annual Fees for services provided by OTC Markets Group, that is published on www.otcmarkets.com/corporate-services/fee-schedule and amended from time to time.

“**EDGAR**” shall mean the SEC’s Electronic Data Gathering, Analysis and Retrieval system.

“**Exchange Act**” shall mean the United States Securities Exchange Act of 1934 and any rules adopted by the Commission thereunder, as amended from time to time.

"**Family Member**" shall mean a Person's spouse, parents, children, and siblings, whether by blood, marriage or adoption, or anyone residing in such Person's home.

“**Federal Securities Laws**” shall mean the Securities Act, the Exchange Act, the Sarbanes-Oxley Act of 2002, the Investment Company Act of 1940, the Investment Advisers Act of 1940, Title V of the Gramm-Leach-Bliley Act, and any rules adopted by the Commission under any of these statutes.

“**FINRA**” shall mean the Financial Industry Regulatory Authority.

“**Independent Director**” shall mean a Person other than an executive officer or employee of the Company or any other Person having a relationship which, in the opinion of the Company's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities as a director. The following persons shall not be considered independent: (A) a director who is, or at any

time during the past three years was, employed by the Company; (B) a director who accepted or has a Family Member who accepted any compensation from the Company in excess of $120,000 during any fiscal year within the three years preceding the determination of independence, other than compensation for board or board committee service; compensation paid to a Family Member who is an employee (other than an executive officer) of the Company; or benefits under a tax-qualified retirement plan, or non-discretionary compensation; or (C) A director who is the Family Member of a Person who is, or at any time during the past three years was, employed by the Company as an executive officer.

"**Initial Review**" shall mean a review of the Company's disclosure and other information, pursuant to Exchange Act Rule 15c2-11, in order to determine whether the Company's securities are eligible to be the subject of public broker-dealer quotations, including the satisfaction of all applicable information requirements of FINRA Rule 6432.

"**Integrated Newswire**" shall mean a newswire service that is integrated with OTCIQ.com and is included on OTC Markets Group's list of Integrated Newswires, as published on www.otcmarkets.com.

"**Issuer**" shall mean the same as "**Company**." (See definition for "Company" under this Section.)

"**Management Certification**" shall mean the certification published through OTCIQ.com in accordance with these OTCQX Rules.

"**Market Capitalization**" shall mean the total dollar value of the Company's outstanding shares, computed as number of outstanding shares multiplied by the closing price of such shares on the previous trading day.

"**Market Maker**" shall mean a FINRA-registered broker-dealer that stands ready to buy and sell a particular security on a regular and continuous basis at a publicly quoted price.

"**Material Information**" shall mean information pertaining to the Company's business to which there is a substantial likelihood a reasonable investor would attach importance in determining whether to buy, sell or hold the Company's securities trading on OTCQX.

"**OTC Link ATS**" shall mean the SEC registered alternative trading system(s) operated by OTC Link LLC, a wholly owned subsidiary of OTC Markets Group.

"**OTC Markets Group**" shall mean OTC Markets Group Inc., a corporation organized under the laws of the State of Delaware, located at 300 Vesey Street, 12th Floor, New York, NY 10282. OTC Markets Group is not a securities regulator or self-regulatory organization.

"**OTCIQ**" or "**OTCIQ.com**" shall mean the web portal accessed through OTCIQ.com via one or more secure www.OTCIQ.com user logins, as specified by the Company, consisting of online publication and management of disclosure statements, financial reports, news releases and certifications.

"**OTCQX Disclosure Guidelines**" shall mean the Alternative Reporting Standard Disclosure Guidelines for OTCQX and OTCQB found at https://www.otcmarkets.com/files/OTCQXOTCQBGuidelines.pdf.

"**OTCQX Market**" or "**OTCQX**" is a market for companies to provide information to investors. It is not a registered stock exchange.

"**OTCQX Rules**" shall mean the rules and standards outlined herein applicable to U.S. companies seeking qualification of their securities for trading on the OTCQX Market.

"**OTCQX Rules Release**" shall mean a notice, published by OTC Markets Group on an OTC Markets Group website, setting forth any amendments to these OTCQX Rules.

"**Person**" shall mean any individual, partnership, limited liability company, joint venture, corporation, trust, unincorporated organization, or other entity.

"**Personal Information Form**" shall mean the form with the same name, as amended from time to time, that, upon request by OTC Markets Group, must be filled out by certain Persons related to a company with securities traded on or applying for OTCQX, OTCQB or applying for OTCID/OTC Disclosure & News Service.

"**Public Float**" shall mean the total number of unrestricted shares not held directly or indirectly by (i) Affiliates; (ii) Family Members of officers and directors of the Company; and (iii) Family Members of any Person who is the beneficial owner of 10 percent or more of the Company's outstanding shares (a "10% Control Person").

OTC Markets Group calculates Public Float by taking the total number of shares outstanding and subtracting:

A. The total number of shares subject to any resale or transfer restrictions; AND

B. The total number of unrestricted shares held directly or indirectly by (i) Affiliates (including officers, directors and 10% Control Persons); (ii) Family Members of officers and directors of the Company; and (iii) Family Members of 10% Control Persons.

"**Real Estate Investment Trust**" shall mean a company that owns, and typically operates, income-producing real estate or real estate-related assets.

"**Regulation A**" shall mean Rules 251-263 under the Securities Act.

"**Regulation A Reporting Company**" shall mean a Company subject to the reporting obligations under Tier 2 of Regulation A under the Securities Act.

"**Requalification Fee**" shall mean the requalification fee specified on the Corporate Services Fee Schedule.

"**SEC Reporting Company**" shall mean a Company subject to the reporting obligations under Section 13 or 15(d) of the Exchange Act.

"**Securities Act**" shall mean the United States Securities Act of 1933 and any rules adopted thereunder, as amended from time to time.

"**Shell Company**" shall mean an entity (i) with no or nominal operations, (ii) with limited operations, if OTC Markets Group in its sole and absolute discretion determines such entity to be a Shell Company, (iii) with no or nominal assets, or (iv) defined as a "Shell Company" under Section 405 of the Securities Act. For purposes of this definition, the term "nominal operations" includes, but is not limited to, operations with the primary purpose of avoiding classification of such entity as a Shell Company.

"**Special Purpose Acquisition Company**" or "**SPAC**" shall mean a type of Blank-Check Company created specifically to pool funds in order to finance a merger or acquisition opportunity within a set timeframe.

"**Transfer Agent Verified Shares Program**" shall mean OTC Markets Group's program that enables eligible stock transfer agents to report their clients' share data, including authorized and outstanding shares, to OTC Markets Group on a regular basis via a secure, electronic file transfer.

A list of transfer agents that participate in this program is available on www.otcmarkets.com.

"**U.S. Company**" shall mean a company (i) incorporated in the U.S. or (ii) incorporated outside of the U.S. that meets of all the following criteria (a) not listed on a non-U.S. exchange, (b) no more than 45 percent of its securities' trading volume takes place outside of the U.S. markets, (c) a majority of its outstanding voting securities are held directly or indirectly by U.S. residents, (d) a majority of its executive officers or directors are U.S. citizens or residents, (e) a majority of its assets are located in the U.S., and (f) its business is administered principally in the U.S.

"**U.S. GAAP**" shall mean generally accepted accounting principles in the United States, consistently applied.

"**Verified Company Profile**" shall mean the electronic form available on OTCIQ.com submitted by the Company verifying, as necessary, the Company Profile information displayed on www.otcmarkets.com.