

THE PORTAL ALLIANCE OTC TRADE NEGOTIATION SYSTEM REQUIREMENTS AND POLICIES

These Requirements and Policies (the "Requirements") apply to all OTC Participants that enter into the OTC System Participant Agreement with The PORTAL Alliance LLC. These Requirements are incorporated into, and form a part of, each OTC System Participant Agreement.

I. Requirements Applicable to PORTAL Alliance Securities

1. Qualification Requirements for PORTAL Alliance Securities

- i. To be a PORTAL Alliance Security, a security shall:
 - a) be eligible for resale pursuant to Rule 144A under the Securities Act;
 - b) be a depository eligible security or subject, alternatively, to a regular way settlement procedure between broker-dealers and/or broker-dealers and their customers;
 - c) be accepted for inclusion in the PORTAL Alliance Platform by The PORTAL Alliance LLC.

2. Suspension or Termination of a PORTAL Alliance Security Designation

- i. The PORTAL Alliance LLC may at any time suspend or terminate the inclusion of a security in the PORTAL Alliance Platform in its sole discretion.
- ii. The PORTAL Alliance will promptly notify OTC Participants of the suspension or termination of a security's inclusion in the PORTAL Alliance Platform through a notice posted on the PORTAL Alliance Platform.

II. Limitations on Transactions in PORTAL Alliance Securities

1. No OTC Participant shall purchase, sell or otherwise transfer a PORTAL Alliance Security using the OTC System unless the transfer is to a person that the OTC Participant reasonably believes is a "qualified institutional buyer" in a transaction exempt from registration under the Securities Act by reason of compliance with Rule 144A.

2. Only PORTAL BD Participants may enter Indicative Quotes, Indications of Interest, OTC System Orders or OTC System Invitations on the OTC System.

3. PORTAL Alliance Securities that are included in a system of a transfer tracking agent authorized by The PORTAL Alliance ("Tracked Securities") are subject to additional requirements. An OTC Participant may only undertake actions with respect to Tracked Securities as provided in these Requirements if such OTC Participant has been permissioned by the applicable transfer tracking system to take such action with respect to the applicable Tracked Security.

III. Reporting Transactions in PORTAL Alliance Securities

1. Transactions in PORTAL Alliance Securities shall be reported by the OTC Participant in accordance with any applicable self-regulatory organization rules.

IV. Entry and Display of Indicative Quotes and Indications of Interest

1. Entry of Indicative Quotes and Indications of Interest — PORTAL BD Participants may enter Indicative Quotes and Indications of Interest into the OTC System subject to the following requirements and conditions:

- i. PORTAL BD Participants shall be permitted to transmit to the OTC System Indicative Quotes only at a single price level on either, or both, the bid or offer side, or unpriced Indications of Interest designated as "Bid Wanted" and/or "Offer Wanted."
- ii. Indicative Quote size will be entered in actual shares.
- iii. Only PORTAL BD Participants that have been permissioned by the applicable transfer tracking system may enter Indicative Quotes or Indications of Interest with respect to a Tracked Security.

2. Display of Indicative Quotes and Indications of Interest in the OTC System — The OTC System will display Indicative Quotes submitted to the OTC System as follows:

- i. Attributable Indicative Quotes — The price and actual size of a PORTAL BD Participant's Attributable Indicative Quote on the bid or offer or both sides will be displayed in the OTC System and on the PORTAL Alliance Platform under the PORTAL BD Participant's MPID. Multiple Indicative Quotes at the same price level will be displayed in the order in which they were entered. Unpriced Indications of Interest in the OTC System will be displayed in the OTC System and the PORTAL Alliance Platform under the PORTAL BD Participant's MPID at the lowest level (and in the order in which they were received).
- ii. Non-Attributable Indicative Quotes — Non-Attributable Indicative Quotes and Non-Attributable Indications of Interest are not permitted.
- iii. Indicative Quotes and Indications of Interest will be displayed until the end of the then current trading day unless withdrawn before then or carried over for up to 90 days as designated by the relevant PORTAL BD Participant.
- iv. Nothing in these Requirements and Policies requires a PORTAL BD Participant to transmit to the OTC System any Indicative Quote or Indication of Interest.

V. Order Entry Parameters

1. OTC System Orders —

- i. General. The following requirements shall apply to OTC System Orders entered by PORTAL BD Participants.

a) A PORTAL BD Participant may use the OTC System to send an OTC System Order to a PORTAL BD Participant.

b) An OTC System Order must be a limit order and must indicate whether it is a buy or sell. If an OTC System Order is not accepted or otherwise responded to within the time period selected by the PORTAL BD Participant placing the Order, up to an OTC System-imposed maximum of 99 minutes or the Close of Business, whichever is earlier, the unexecuted order (or portion thereof) shall be cancelled.

c) From 8:00 a.m. to 6:30 p.m. New York City time on any Business Day, OTC System Orders may be entered into the OTC System (or previously entered orders may be cancelled).

d) The OTC System Order must be specifically directed to an individual MPID.

e) OTC System Orders will be processed as described in Section VIII below.

f) the OTC System shall accept OTC System Orders that are "All-or-None", "Non-negotiable Price and Size", or "ANY" as a minimum size of execution.

2. Order Size — Any order in whole shares up to 999,999 shares may be entered into the OTC System for normal processing. Orders in excess of 999,999 shares must be entered as more than one order.

3. Tracked Securities — Only PORTAL BD Participants that have been permissioned by the applicable transfer tracking system may enter OTC System Orders with respect to a Tracked Security.

VI. Invitations to Negotiate

1. PORTAL Alliance Invitations—

i. General. The following requirements shall apply to OTC System Invitations entered by PORTAL BD Participants.

a) A PORTAL BD Participant may use the OTC System to send an OTC System Invitation to PORTAL BD Participants.

b) An OTC System Invitation must be unpriced and indicate whether it is a buy or sell. If an OTC System Invitation is not responded to within the time period selected by the PORTAL BD Participant placing the Invitation, up to an OTC System-imposed maximum of 99 minutes or the Close of Business, whichever is earlier, the Invitation shall expire and be removed from the OTC System.

c) From 8:00 a.m. to 6:30 p.m. New York City time on any Business Day, OTC System Invitations may be entered into the OTC System (or previously entered Invitations may be removed from the OTC System).

d) OTC System Invitations will be processed as described in Section VIII below.

2. Invitation Size — Any OTC System Invitation in whole shares up to 999,999 shares may be entered into the OTC System for normal processing. Invitations in

excess of 999,999 shares must be entered as more than one invitation.

3. Tracked Securities — Only PORTAL BD Participants that have been permissioned by the applicable transfer tracking system may enter OTC System Invitations with respect to a Tracked Security.

VII. OTC Participant Inquiries

1. OTC Participant Inquiries—

i. General. The following requirements shall apply to OTC Participant Inquiries entered by OTC Participants.

a) An OTC Participant may use the OTC System to send an OTC Participant Inquiry to a PORTAL BD Participant that has posted Indicative Quotes or Indications of Interest for a PORTAL Alliance Security.

b) An OTC Participant Inquiry must be unpriced and indicate whether it is a buy or sell. If an OTC Participant Inquiry is not responded to within the time period selected by the OTC Participant placing the Inquiry, up to an OTC System-imposed maximum of 99 minutes or the Close of Business, whichever is earlier, the Inquiry shall expire and be removed from the OTC System.

c) From 8:00 a.m. to 6:30 p.m. New York City time on any Business Day, OTC Participant Inquiries may be entered into the OTC System (or previously entered Inquiries may be removed from the OTC System).

d) OTC Participant Inquiries will be processed as described in Section VIII below.

2. Tracked Securities — Only OTC Participants that have been permissioned by the applicable transfer tracking system may enter OTC Participant Inquiries with respect to a Tracked Security.

VIII. OTC System Processing

1. Order Negotiation and Execution

a) Once an OTC System Order is delivered by the OTC System to a PORTAL BD Participant, the recipient will be able to respond by accepting, partially accepting, countering, or declining the Order during the time period set forth in the Order, up to an OTC System-imposed maximum of 99 minutes or the Close of Business, whichever is earlier.

b) If no acceptance or other response to the delivered Order is received during this time period, the Order will expire and be cancelled. If a timely response is received that would commence further negotiation between the parties through the OTC System, the time limits governing further individual offers and counter-offers, up to an OTC System-imposed maximum of 99 minutes or the Close of Business, whichever is earlier, will be those selected by the negotiating parties.

c) If the negotiating parties successfully negotiate a trade through the OTC System, the OTC System will automatically notify the resulting transaction details to the executing PORTAL BD Participant for clearance and settlement.

2. Invitations to Negotiate

a) Once an OTC System Invitation is delivered by the OTC System to PORTAL BD Participants, the recipients will be able to respond by accepting or declining the Invitation during the time period set forth in the Invitation, up to an OTC System-imposed maximum of 99 minutes or the Close of Business, whichever is earlier.

b) If no acceptance or other response to the delivered Invitation is received during this time period, the Invitation will expire and be removed from the OTC System. If a timely response is received that would commence further negotiation between the parties through the OTC System through the OTC System Order process, the individual offer and counter-offers shall be conducted as provided in Section VIII.1(b) above.

c) If the initial Invitation commencing a negotiation was an Invitation broadcast to more than a single party, the remaining non-negotiating parties will be informed by the OTC System that a negotiation in response to the Invitation is being conducted. If the negotiating parties successfully negotiate a trade through the OTC System, the OTC System will notify the non-negotiating parties that the Invitation is no longer available and automatically notify the resulting transaction details to the executing PORTAL BD Participant for clearance and settlement.

d) If a negotiation resulting from a broadcast Invitation is terminated, the OTC System will deliver the next response in queue for further negotiation. If there are no remaining responses in queue, the OTC System will rebroadcast the Invitation, or its remainder, indicating that it continues to be available for further negotiation.

3. OTC Participant Inquiries

a) Once an OTC Participant Inquiry is delivered by the OTC System to a PORTAL BD Participant, the recipient will be able to respond by accepting or declining the Inquiry during the time period set forth in the Inquiry, up to an OTC System-imposed maximum of 99 minutes or the Close of Business, whichever is earlier.

b) If no acceptance or other response to the delivered Inquiry is received during this time period, the Inquiry will expire and be removed from the OTC System. If a timely response is received that would commence further negotiation between the parties through the OTC System through the OTC System Order process, the individual offer and counter-offers shall be conducted as provided in Section VIII.1(b) above.

IX. Dissemination of PORTAL Alliance Information

1. OTC Participants shall not provide or otherwise disclose PORTAL Alliance Information (as such term is defined in the Access Agreement) to any party except as permitted under Section III of the Access Agreement.

X. Obligation to Honor OTC System Trades

1. If an OTC Participant is reported by the OTC System as constituting a side of an OTC System trade, such OTC Participant shall honor such trade on the scheduled settlement date.

2. The PORTAL Alliance and OTC Participants that are not party to the relevant transaction, and their respective affiliates, subsidiaries agents and representatives are not responsible, and shall have no liability, for the clearance or settlement of any transaction negotiated on or otherwise involving the OTC System.

XI. Compliance with Requirements and Policies

1. Failure by an OTC Participant to comply with any of the requirements and policies applicable to the OTC System shall subject such OTC Participant to suspension or revocation of its participation in the OTC System.

XII. No Adjustment of Open Indicative Quotes

1. The OTC System will not automatically adjust or cancel the price and/or size of open Indicative Quotes resident in the OTC System in response to executions or issuer corporate actions (related to a dividend, payment, distribution or otherwise). All such adjustments and/or cancellations shall remain the sole responsibility of the entering party.

XIII. [Intentionally Omitted.]

XIV. Hours of Operation

1. The OTC System operates in accordance with the following schedule:

- Indicative Quote Update/Entry: 7:30 am to 6:30 pm, New York City Time on any Business Day
- Order, Invitation and Inquiry Entry and Processing: 8:00 am to 6:30 pm, New York City Time on any Business Day

XV. Clearly Erroneous Transactions

1. All allegations of clearly erroneous transactions in the OTC System shall be resolved between the counterparties to the transactions.

XVI. Quotations in PORTAL Alliance Securities

1. OTC Participants shall not enter a quotation with respect to any PORTAL Alliance Security on any national securities exchange, any electronic communication network (as defined in SEC Rule 600) or any interdealer quotation system (other than the OTC System), unless in each case such quotation does not constitute a general solicitation or general advertising under Rule 502 of the Securities Act and is entered in compliance with any other restrictions applicable to such OTC Participant and the relevant PORTAL Alliance Security.

XVII. Notice.

1. Subject to clause 2 below, all notices, invoices, and other communications required to be given under these OTC System Requirements and Policies or an OTC Participant's OTC System Participant Agreement to the OTC Participant shall be: (i) posted on a specially designated location on the PORTAL Alliance Platform or (ii) given in writing and sent to the OTC Participant at the email address and/or office address most recently designated in writing by the OTC Participant. All

notices and other communications required to be given under these OTC System Requirements and Policies or an OTC Participant's OTC System Participant Agreement to The PORTAL Alliance shall be sent to The PORTAL Alliance, One Liberty Plaza, 165 Broadway, New York, NY 10006 (or such other address as shall be notified in writing by The PORTAL Alliance to such OTC Participant as provided herein), and addressed to the attention of the PORTAL Alliance Administrator.

2. Written notice shall be deemed to have been duly given upon (i) actual receipt by the parties, (ii) one business day following the posting of such notice by The PORTAL Alliance on the PORTAL Alliance Platform or (iii) if sent by certified mail, return receipt requested, or by any other delivery method which obtains a signed delivery receipt, as of the date of signature or of first refusal of the delivery; provided, however, that only general system notices generally applicable to similarly situated OTC Participants may be delivered as provided in clause (ii) above.

XVIII. Amendments

1. The PORTAL Alliance may amend or adopt other changes to these Requirements and Policies from time to time by posting the text of the proposed amendments or other changes on the PORTAL Alliance Platform thirty (30) days prior to the date of effectiveness and sending a notification to the OTC Participants of such posting. Upon the expiration of such thirty (30)-day period such amendments or other changes shall be incorporated into these OTC System Requirements and Policies and will be in full force and effect. The thirty (30)-day notice period may be shortened or eliminated, and such amendments or changes may become immediately effective, if The PORTAL Alliance deems that such action is reasonably necessary to comply with regulatory requests or to address or respond to exigent circumstances.

XIX. Arbitration

1. All claims, disputes, controversies and other matters in question between The PORTAL Alliance, a Recognized QIB/QP or their respective employees, directors, agents and associated persons arising out of, or relating to, these OTC System Requirements and Policies, or to the breach hereof, shall be settled by final binding arbitration in accordance with the PORTAL Alliance Requirements.

XX. Definitions

1. Any capitalized term not defined herein shall have the meaning assigned in the OTC System Participant Agreement.

2. The term "Business Day" shall mean a day (other than a Saturday or a Sunday) when the NASDAQ Stock Market is open for business and such other days as The PORTAL Alliance may determine.

3. The term "Close of Business" shall mean, with respect to a Business Day, 6:30 p.m. New York City time.

4. The term "Exchange Act" or "Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

5. The term "Indication of Interest" or "IOI" shall mean a message entered in the OTC System by a PORTAL BD Participant that indicates to other OTC Participants that the sender is seeking bids or offers in a PORTAL Alliance Security.

6. The term "Indicative Quote" shall mean a single indicative quotation submitted to the OTC System by a PORTAL BD Participant. Such quotation must be an "Attributable Indicative Quote" which shall mean a bid or offer entered into the OTC System by a PORTAL BD Participant that is designated for price and size display next to the participant's MPID in the OTC System and on the PORTAL Alliance Platform.

7. The term "MPID" shall mean the market participant identifier assigned to an OTC Participant by The PORTAL Alliance.

8. The term "OTC Participant" shall mean a Recognized QIB/QP (as defined in the OTC System Participant Agreement) that has entered into the PORTAL Alliance OTC Platform Participant Agreement.

9. The term "OTC Participant Inquiry" or "Inquiry" shall mean an unpriced inquiry that is entered into the OTC System by an OTC Participant seeking a PORTAL BD Participant to represent the OTC Participant in a transaction in a PORTAL Alliance Security.

10. The term "OTC System" shall mean the electronic system for the quotation and negotiation of, and automated reporting of transactions in, PORTAL Alliance Securities that is owned and operated by The PORTAL Alliance.

11. The term "OTC System Invitation" or "Invitation" shall mean an unpriced invitation that is entered into the OTC System by a PORTAL BD Participant seeking to negotiate a transaction in a PORTAL Alliance Security with a PORTAL BD Participant.

12. The term "OTC System Order" or "Order" shall mean a limit order that is entered into the OTC System by a PORTAL BD Participant seeking to negotiate a transaction in a PORTAL Alliance Security with a PORTAL BD Participant displaying indicative contra-party trading interest.

13. The term "OTC System Participant Agreement" means the PORTAL Alliance OTC Trade Negotiation System Participant Agreement entered into between OTC Participants and The PORTAL Alliance, pursuant to which OTC Participants become eligible to access and use the OTC System.

14. The term "PORTAL Alliance" means The PORTAL Alliance LLC, a Delaware limited liability company.

15. The term "PORTAL Alliance Security" shall mean a security that satisfies the requirements set out in Section I hereof.

16. The term "PORTAL BD Participant" shall mean an OTC Participant that is registered as a broker-dealer under Section 15 of the Exchange Act that has made the representations and warranties set out in Schedule A to the OTC System Participant Agreement.

17. "Restricted Security" means a security that meets the definition of that term contained in Rule 144(a)(3) under the Securities Act. A PORTAL Alliance Security continues to be a restricted security even though it is

eligible to be resold pursuant to the provisions of Rule 144, but has not been so resold.

18. "Rule 144A" means Rule 144A under the Securities Act, as amended from time to time.

19. "Securities Act" means the Securities Act of 1933, as amended from time to time.

20. "Transaction" or "Trade" means the purchase or sale of a PORTAL Alliance Security.