

PENNY STOCK EXEMPTION FORM

For transactions in securities priced at <\$5/share that are exempt by definition, representatives are required to provide the following information to the KCD home office. Please fax to 920-347-3402 or email dave@kcdfinancial.com prior to any transactions in the following security.

Date: _____ Rep Name: _____

Name of Stock: _____

Symbol: _____

This stock is not considered a Penny Stock even though it is priced below \$5/share based on the following exemptions (check all that apply):

- ☐ This stock is traded on a National Stock Exchange.
- ☐ This stock is traded on the NASDAQ.
- ☐ The Company has over \$5 million in net tangible assets and has been in business less than 3 years.
- ☐ The Company has more than \$2 million in net tangible assets and has been in business for at least three years.
- ☐ For the last three years the Company has revenues of at least \$6 million.

ADDITIONAL COMMENTS (if needed): _____
