



Frequently Asked Questions Regarding OTCQX

Q: What is the OTC?

A: The OTC Markets Group (OTC), headquartered in New York City, sponsors and administers a number of platforms to facilitate trading for over-the-counter securities. Over-the-counter securities are securities that are not listed on a formal exchange, such as the NYSE or NASDAQ.

Q: What is the OTCQX for Banks?

A: The OTCQX for Banks marketplace (OTCQX) is an American financial market providing price and liquidity information for securities, as well as a marketplace where securities may be traded by brokers. The OTCQX is designed specifically for banks and is the top tier of the three marketplaces provided and operated by OTC. To maintain the listing of our common stock on the OTCQX, we must meet strict financial, disclosure and corporate governance standards, but more importantly, we will not need to become subject to SEC reporting.

Q: Who is Broadridge?

A: We have engaged a third party company called Broadridge to serve as the Transfer Agent. This means that Broadridge will maintain all of the ownership records for our common stock. Broadridge can be reached via telephone (toll-free) (877) 830-4936 or www.shareholder.broadridge.com.

Q: Why is Oconee Financial Corporation listing its common stock on the OTCQX?

A: Oconee Financial Corporation (Oconee) would like to improve the liquidity and visibility of its common stock, for the benefit of all shareholders. The OTCQX provides an informative trading experience that is efficient, transparent and cost effective. The OTCQX will enable our shareholders to view real-time price quotes similar to any exchange traded security. Our shareholders will also be able, in the near future, to engage in holding shares electronically through book-entry (rather than physical certificates), through our transfer agent, Broadridge.

Q: Is the decision to list on the OTCQX a step toward selling Oconee State Bank?

A: No. It is the intent of the board of directors to remain an independent community bank. The listing of Oconee's stock on the OTCQX is by no means an indication of the impending sale of the Bank.

Q: What is our ticker symbol?

A: Our ticker symbol is OSBK.

Q: How do I find Oconee common stock on the OTCQX?

A: Visit www.otcmarkets.com, locate the stock quote search field, type in "Oconee" or our ticker symbol, "OSBK", and navigate to the Oconee company overview page. Market activity for Oconee common stock will be available once Oconee goes live on OTCQX, which is expected to occur near the end of March, 2019.

Q: How can I see if Oconee stock is available for sale through the OTCQX?

A: While there will not be a place to view shares for sale, potential buyers can place an order for Oconee stock, through their broker, as they would any other publicly traded security.

Q: When can Oconee shares be purchased through the OTCQX?

A: It is anticipated you will be able to purchase shares of Oconee stock on the OTCQX, through your broker, near the end of March, 2019. We will make a public announcement once that occurs. Once Oconee goes live on the OTCQX, Oconee stock will be traded in the same manner as any other publicly traded security. Trading may take place Monday through Friday, from 6:00 a.m. ET to 5:00 p.m. ET. The majority of quoting and trading occurs between the open market hours of 9:30 a.m. ET to 4:00 p.m. ET; however, market participants are free to quote and trade at any time as long as they comply with current regulations, such as FINRA Best Execution. OTCQX does observe holidays and early-close days. The full list of market hours are available on the OTC Markets' website <https://www.otcmarkets.com/market-hours>. Oconee insiders – that is directors and certain employees of Oconee – will be required to follow our Insider Trading Policy and withhold from trading during certain blackout periods.

Q: How can I purchase Oconee shares through the OTCQX?

A: Purchase will need to be placed directly through your broker. You cannot purchase Oconee stock directly from the OTCQX.

To purchase shares through your broker, log in to your brokerage account, look up Oconee's ticker symbol, OSBK, and place an order. If there are shares available for sale that match the specifications of your order, then the transaction will take place.

Q: How can I sell Oconee shares through the OTCQX?

A: You can sell shares directly through your broker.

To sell shares through your broker, log in to your brokerage account, look up Oconee's ticker symbol, OSBK, and place an order. If there is an interested buyer that matches the specifications of your order, then the transaction will take place.

Q: Do I have to be an accredited investor to purchase Oconee stock through the OTCQX?

A: No. Oconee stock can be purchased through the OTCQX by any shareholder through their broker.

Q: How quickly will the trades be executed?

A: Supply and demand will ultimately determine how quickly trades will be executed. Orders will also determine the rate at which trades are executed.

Q: Where will my Oconee shares be held?

A: Oconee stock can be held like any other publicly traded security. Oconee shares can be held through Broadridge, through your broker, or via physical certificate or book entry.

Q: Can I trade without a broker?

A: Yes, but Oconee would prefer that trades be conducted through a broker so they can be properly recorded. Trading of stock requires change of ownership information so we may send dividends, proxy mailings, and other communication to the correct owner of stock. Our Transfer Agent, Broadridge, will maintain all of the ownership records for our common stock. Private transactions, conducted without a broker, should be registered either online or by calling Broadridge. You may also reach out to Oconee for assistance in having them properly recorded.

Q: Will there be brokerage fees for trading?

A: There may be a fee associated with trading but that is dependent upon the broker used.

Q: Can we use online services such as E-trade, Robinhood, etc?

A: Yes.

Q: Is Oconee issuing more shares of stock?

A: No. The listing of Oconee's stock will not result in any additional shares being issued.

Q: Will Oconee have to file disclosures similar to an exchange traded company?

A: Listing on the OTCQX does not come with the same level of reporting as listing on some of the bigger exchanges. Oconee will not be subject to the same level of disclosure as an exchange traded company.

Q: What is the initial price of Oconee stock on the OTCQX? And how will the ongoing price for Oconee stock be determined?

A: Oconee stock will initially be listed on the OTCQX at \$31.50 per share. Subsequently, the trading price of Oconee stock will be based upon the most recent trades which will fluctuate based on supply and demand.

Q: Is there any limit on the amount of Oconee stock I can buy or sell?

A: Generally speaking, the OTCQX does not impose any limitations on the number of shares that an individual may own, and Oconee stock can be bought and sold like any other exchange traded stock. However, the banking laws do require that pre-approval from the banking agencies be obtained where any person, entity, or group acting together, desires to own 9.9% or more (or 89,102 shares, as of March 11, 2019) of the total number of outstanding shares of Oconee.

Q: Will this allow shareholders who live outside of Oconee's market area to invest in Oconee?

A: There is no geographic limitation for ownership of Oconee stock. Any interested investor may buy and sell Oconee stock.

Q: Will this transition have an impact on Oconee's earnings?

A: There are costs associated with the OTCQX registration and transfer agent transition, however, this transition will allow Oconee to capture some internal efficiencies through the reduction of internal transfer agent responsibilities. It is anticipated annual expenses related to the shareholder maintenance function going forward will show a reduction.

Q: Who can I contact to determine how many shares I own?

A: Prior to the transition, please contact our Virtual Banking Center at (706) 769-6611. After the transition, contact Broadridge at (877) 830-4936.

Q: Will the transition affect the frequency of Oconee dividends?

A: The decision to list on the OTCQX will not have any impact on Oconee's dividend payout.

Q: Who at the bank can answer questions about the transition?

A: Please call our Virtual Banking Center at (706)769-6611 with any questions relating to the transition. If they are unable to answer your questions, you will be routed to the appropriate team member who will be able to help you.