



7711 Idlewild Road  
Indian Trail, NC 28079  
Telephone: (704) 882-4624  
<https://equitechintl.com>

Equitech Common Shares Trading Status  
May 25, 2022

Dear Shareholders,

I would like to bring you up-to-speed on matters related to the trading of Equitech shares in the over the counter (OTC) securities exchange platform (Pink Sheets).

Equitech was founded by the merger of NuStar Corporation (founded on March 28, 1995), a publicly traded shell company and Equitech, then a private small company. The new company adopted the name **Equitech Int'l Corporation** on May 17, 1996.

Although Equitech had active business operations and assets from its onset, the company "inherited" the shell status from NuStar. [A shell corporation is a corporation without active business operations or significant assets].

Equitech was able to issue unrestricted common shares for some time, shares that are now trading in the Pink Sheets. However, new regulations by the SEC were adopted in 2009 and because Equitech was a non-reporting entity, the company could not issue free trading shares ever since.

**Eliminating the Restrictions**

There are two paths to eliminate these restrictions, using Rule 144 or Section 4(a)(1)

**I. Rule 144**

The Company's shareholders are not eligible for use of Rule 144 because the Company was at one point a shell company. Restricted securities issued by a company that was formerly a shell company may be eligible for resale under Rule 144 only if the issuer meets the following conditions:

- Is no longer a shell company (Equitech meets this requirement).
- Is subject to the reporting requirements of the Exchange Act (Equitech does not meet this requirement).
- Has filed all reports required to be filed under the Exchange Act for the past 12 months (other than Form 8-K reports) (Equitech does not meet this requirement).
- Has filed all the information required by Form 10, to register the class of securities under the Exchange Act. This filing is often done by a "super 8-K," which is a Form 8-K report that contains all the required Form 10 information (Equitech does not meet this requirement).

In summary, Equitech stockholders cannot use Rule 144 to lift off the restrictions.

**II. Section 4(a)(1) Individual Legal Opinion**

Each account that holds restricted shares must obtain a legal opinion to free up the restricted shares. However, issuing a legal opinion requires that each shareholder presents to the securities attorney specific information and representations for each account. This information would typically include



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details and documentation showing exactly how the shares were received (i.e., purchased or for services, gift, etc.) among other items.

In addition, the guidance on 4(a)(1) points to needing definitive evidence that the shares were purchased (by reviewing purchase or subscription agreements) and that they were not received for nominal consideration.

We have received confirmation from our transfer agent that they will accept a 4(a)(1) legal opinion and Equitech will do so as well. It is up to each stockholder to obtain a legal opinion to free up his/her shares.

### III. Section 4(a)(1) Blanket Legal Opinion

If the information required was available for everyone, the company could ask a securities attorney to issue a blanket opinion. Unfortunately, because many of the shares were obtained many years ago, Equitech cannot guarantee that it has the required information for all shareholders.

In addition, the number of shares Equitech would have to ask for the opinion to release for trading equals approximately 57% of all shares the company has ever issued (about 652 accounts). Even if Equitech manages to obtain a large discount from a securities attorney, it would make this route not financially possible.

### Path Forward

Equitech will proceed with a Form 10 registration statement to meet the requirements of Rule 144.

*"In order to use Rule 144, a Company must have ceased to be a shell company, be subject to the reporting requirements of section 13 or 15(d) of the Exchange Act; filed all reports and other materials required to be filed by section 13 or 15(d) of the Exchange Act, as applicable, during the preceding 12 months (or for such shorter period that the issuer was required to file such reports and materials), other than Form 8-K reports; and have filed current "Form 10 information" with the Commission reflecting its status as an entity that is no longer a shell company, then those securities may be sold subject to the requirements of Rule 144 after one year has elapsed from the date that the issuer filed "Form 10 information" with the SEC".*

The Form 10 registers the class of shares (i.e., "the common stock") and upon effectiveness Equitech will be subjected to the reporting requirements of the Exchange Act. That is, Equitech must file annual reports on Form 10-K, quarterly reports on Form 10-Q and periodic reports on Form 8-K. In addition, Equitech will be then subject to the proxy rules in Section 14 of the Exchange Act, and ownership rules and reporting requirements in Sections 13 and 16 of the Exchange Act.

I hope this letter addresses your concerns. Please let us know if you have further questions.

A handwritten signature in blue ink that reads 'Jaime'.

Jaime