



QTS PAYROLL SERVICES, INC.  
NOTICE OF VOLUNTARY REDEMPTION OF  
CLASS A and B COMMON STOCK

December 21, 2020

Ladies and Gentlemen:

Pursuant to Chapter 78 of the Nevada Revised Statutes, the undersigned, being the President and Secretary of QTS Payroll Services, Inc., a Nevada corporation (the "Company"), do hereby certify and provide notice that the Company has elected to offer Class A and B Common Stockholders (as defined below) the opportunity to redeem the outstanding shares of Common Stock as described in that certain Certificate of Amendment to Articles of Incorporation of QTS Payroll Services, Inc. dated August 25, 2015 (the "Certificate of Amendment"). In accordance with the Certificate of Amendment, the Company authorized the issuance of thirty million (30,000,000) shares of Class A Common Stock and forty million (40,000,000) shares of Class B Common Stock with a \$.001 par value to stockholders meeting the requirements set forth in the Bylaws of the Company (the "Common Stockholders"). The Board of Directors of the Company believes that it would serve the long-term interests of the Company and the Stockholders of the Company to offer the voluntary redemption of the outstanding Class Common Stock. The required determination of the current valuation of such Common Stock was determined to be \$169.45 per share in cash (the "Current Rate"). Having recently paid for the determination of the Current Rate in accordance with the terms of the Stock Transfer Restriction Agreement, the Board has elected to offer every Class A and Class B Common Stockholder the same opportunity of voluntary redemption while the Current Rate is effective.

As such, in accordance with a resolution of the Board of Directors of the Company, holders of Common Stock may elect to redeem their Common Stock holdings in the Company at the Current Rate up to the maximum redemption amount of \$150,000.00, subject, however, to the option of the Board of Directors, in its sole discretion, to increase the maximum redemption amount to not more than \$200,000.00 (the "Maximum Redemption Amount"). Subject to the foregoing and to the extent the Company shall have funds legally available for such payment upon the date of redemption, the Company shall redeem the Common Stock of the Common Stockholders at the Current Rate in accordance with this Notice of Voluntary Redemption of Class A and B Common Stock.

Procedure for Redemption. This Notice of Voluntary Redemption of Common Stock ("Notice") shall be deemed notice to each holder of record of Common Stock at such holder's address as the same appears on the stock register of the Company; provided that neither the failure to give such notice nor any defect therein shall affect the validity of the giving of notice for the redemption of any share of Common Stock to be redeemed except as to the holder to whom the Company has failed to give said notice or except as to the holder whose notice was defective.

(a) By receipt of this Notice, you have been identified as a holder of Common Stock and therefore are entitled to redeem such stock at the Current Rate in accordance with the terms herein. If you wish to elect to redeem all of your shares of Common Stock, you will need to sign this Notice where indicated below and return the original signed letter to the Company at the address below **no later than December 31, 2020** (the "Outside Redemption Date"). In case of joint holding, this form should be completed and signed by all of the Stockholders. In case of shares held by entities (companies/trusts/partnerships), the duly completed Election to Redeem should be accompanied by a certified true copy of Board resolution/Authority for the purpose.

(b) The receipt of a signed original of this Notice, on or before the Outside Redemption Date of December 31, 2020, shall be deemed an election to redeem all of the Common Stock of the signing Common Stockholder (the "Election to Redeem"). No partial redemptions of Common Stock will be accepted, and incomplete or unsigned Elections to Redeem will be rejected.

(c) The date of receipt of the Election to Redeem shall be determined by (i) the date stamp on mail deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or (ii) when received, if delivered personally or sent by a nationally recognized overnight carrier. No Redemption Price (as defined below) shall be payable if the Election to Redeem is received after the Outside Redemption Date. Elections to Redeem received after this date will be strictly treated as if the reply from the stockholder has not been received.

(d) If the Company receives timely Elections to Redeem from Common Stockholders for equal to or less than the Maximum Redemption Amount on or before the Outside Redemption Date, the Common Stock shall be redeemed at the Current Rate on or before January 29, 2021; provided that such electing stockholders perform as required herein.

(e) In the event the Company receives Elections to Redeem from Common Stockholders for more than the Maximum Redemption Amount on or before the Outside Redemption Date (subject to the Board's option to increase the Maximum Redemption Amount as provided above), the Common Stock shall be redeemed on a "first come, first served" basis up to the amount of the Maximum Redemption Amount subject to the following Subsection (f).

(f) For Elections to Redeem received on the same date where the cumulative Elections to Redeem Common Stock exceed the Maximum Redemption Amount or for any electing Common Stockholder whose Election to Redeem is deemed to have been received last and the value of such stockholder's redeemable shares of Common Stock exceeds the Maximum Redemption Amount, the Election to Redeem of such Common Stockholder(s) shall be rejected and returned to the respective holders thereof.

(g) Following acceptance by the Company of a timely Election to Redeem from a Common Stockholder, the Company shall forward to such electing stockholder a Redemption Agreement, together with an Endorsement of Shares to be attached to the redeemable shares of Common Stock. Notice having been mailed as set forth herein, from and after the Outside Redemption Date (unless default shall be made by the Company in providing money for the payment of the redemption price of the shares at the Current Rate called for redemption (the "Redemption Price")), and all rights of the holders thereof as Common Stockholders of the Company (except the right to receive the Redemption Price from the Company) shall cease.

(h) Each holder of Common Stock submitting an Election to Redeem, by delivery thereof to the Company, acknowledges and agrees that (i) the redemption rights described herein are voluntary and without obligation, (ii) from and after the Outside Redemption Date, the holders of the Common Stock accepted for redemption shall have no further rights as Common Stockholders of the Company, and in lieu thereof shall have only the right to receive the Redemption Price, without interest, and (iii) Officers and members of the Board of Directors shall be entitled to the same opportunity to redeem Common Stock as set forth herein to the extent that such parties are holders of Common Stock, and (iv) the Board's determination as to the acceptance or rejection of an Election to Redeem shall be final.

(i) Only a registered holder of shares of Common Stock may surrender Common Stock for redemption. Any beneficial owner whose shares of Common Stock are registered in the name of his broker, dealer, commercial bank trust company or other nominee should contact the registered holder promptly and instruct the registered holder to review and deliver this Notice on the beneficial owner's behalf.

Additional Redemption Terms. If you currently hold certificate(s) representing shares of Common Stock, those certificate(s) **MUST BE RETURNED** with the Redemption Agreement and Endorsement of Shares in order to be redeemed for the Redemption Price. Notwithstanding your timely delivery of an Election to Redeem to the Company, payment of the Redemption Price will be made only upon your satisfactory execution of the Redemption Agreement, including the Endorsement of Shares, and the presentation and surrender for payment of your shares of Common Stock to the Company. A holder of shares of Common Stock will not be entitled to receive the Redemption Price until the certificate(s) representing such holder's shares and a completed copy of the Redemption Agreement are received at the address indicated in this Notice.

The method of delivery of the Election to Redeem Common Stock and Redemption Agreement to the Company is at your option and risk, but, if mail is used, registered mail is suggested.

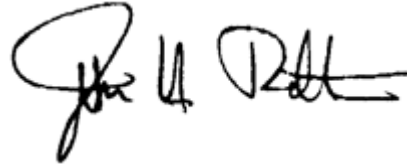
We highly recommend that you review this Notice carefully and confer with advisors of your choice to completely understand your rights regarding this optional redemption of Common Stock. Questions regarding redemption of the Common Stock or the procedures therefor may be referred to the Company at the address and telephone number below:

Jim Ritter  
QTS Payroll Services, Inc.  
8170 West Sahara Avenue, Suite 100  
Las Vegas, Nevada 89117  
(800) 586-0549

8170 West Sahara Avenue, Suite 100  
Las Vegas, Nevada 89117  
(800) 586-0549 [www.qtspayroll.com](http://www.qtspayroll.com)

IN WITNESS WHEREOF, the undersigned have caused this Notice of Voluntary Redemption of Common Stock to be signed and delivered this 21<sup>st</sup> day of December, 2020.

QTS PAYROLL SERVICES, INC.

A handwritten signature in black ink, appearing to read "Jim Ritter". The signature is written in a cursive style with a large initial "J" and "R".

By: \_\_\_\_\_

Name: Jim Ritter

Title: President

A handwritten signature in black ink, appearing to read "Rick Eddins". The signature is written in a cursive style with a large initial "R" and "E".

By: \_\_\_\_\_

Name: Rick Eddins

Title: Secretary

QTS PAYROLL SERVICES, INC.  
NOTICE OF VOLUNTARY REDEMPTION OF  
CLASS A and B COMMON STOCK

The undersigned, a Common Stockholder of the Company, hereby elects to redeem all of the Common Stock held by such stockholder, as and when provided in the Notice of Voluntary Redemption of Common Stock attached hereto.

CORPORATE STOCKHOLDER:

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

TRUST STOCKHOLDER:

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

INDIVIDUAL STOCKHOLDER:

\_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_