



## **D&P HOLDINGS MAKES FIRST USD \$1.5 MILLION INVESTMENT IN POWERBAND US-based Insurance Administrator Plans To Invest USD \$10-million Into PowerBand**

**Vancouver, British Columbia** (March 9, 2020) — PowerBand Solutions Inc. (TSXV: PBX) (OTCQB: PWWBF) (Frankfurt: 1ZVA) ("**PowerBand**", "**PBX**" or the "**Company**") is pleased to announce it has closed on the first USD \$1.5 million tranche of a USD \$10 million Convertible Debenture Agreement with Texas-based D&P Holdings, Inc. ("**D&P**").

PowerBand is currently in negotiations to secure extensive credit facilities for its cloud-based transaction platform, which will allow consumers and dealers to buy, sell, lease and trade vehicles on their smart phones and other devices. The strategic investment by D&P is an important step toward the Company's mission to offer the world's consumers the credit and financing to acquire electric and non-electric vehicles.

"This is an important investment — and a vote of confidence in PowerBand from a true industry leader," said PowerBand CEO Kelly Jennings. "Our mission is to take out unnecessary middlemen and make purchasing, selling, leasing and trading electric and non-electric vehicles as easy for people as buying a product on Amazon or ordering an Uber on their smart phone."

D&P is one of the United States' largest providers of automotive warranty and insurance products, directly working with more than 850 dealerships in all 50 states. It is the managing general agency for The Hanover Insurance Company, which has a \$5-billion market cap and is rated A (Excellent) with the rating agency AM Best.

"We are delighted to make this USD \$10-million strategic investment, to be part of PowerBand and help the Company secure the necessary credit facilities for their revolutionary transaction system," said D&P CEO John Armstrong. "This technology allows you to approve a vehicle lease in seconds, rather than days, as the Company and its teams have already proven with Tesla. That, in itself, is revolutionary for the automotive industry and consumers."

The investment is the first of three tranches of a USD \$10-million Convertible Debenture. The second tranche of USD \$3.5 million is scheduled to close on April 6, 2020, and the third tranche of USD \$5 million is scheduled to close on May 6, 2020.

The Debentures will all mature on March 6, 2023 and bear interest at a rate of 9 per cent per annum, payable monthly. PowerBand US can prepay, on thirty (30) days advance notice, all or any part of the principal and accrued but unpaid interest, at no penalty.

D&P, at any time during the term, shall have the option to exchange any number of its Debentures into (i) Common Shares of PowerBand US, and (ii) Common Shares of PowerBand's Canadian leasing division, on the basis of one Debenture for each of one Common Share of PowerBand US and one Common Share of PowerBand's Canadian leasing division. Assuming the conversion of all of the Debentures, D&P would hold 9 per cent interest in PowerBand US and a 9 percent interest in PowerBand's Canadian leasing division.

In consideration of its investment, D&P has been issued 2,500,000 share purchase warrants ("**Warrants**") entitling it to acquire common shares of the Company at an exercise price of CDN \$0.30 for a term of 24 months. Any common shares of the Company issued from the exercise of the Warrants will

be subject to a four-month hold period, which will expire on the date that is four months and one day from the date of issuance. The issuance of the Warrants has received the approval of the TSX Venture Exchange.

#### **About PowerBand Solutions Inc.**

PowerBand Solutions Inc. is a technology provider listed on the TSX Venture Exchange. The Company's cloud-based platform is revolutionizing how we buy, sell, lease, and auction vehicles. With the receipt of its exporter license and its acquisition of MUSA Auto Finance, the Company is well positioned to become a leader in the cross-border used vehicle export market, the used vehicle auction market, and the vehicle leasing market in the U.S. and Canada.

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#### **FORWARD-LOOKING STATEMENTS**

*This news release contains forward-looking statements relating to the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding future plans and objectives of the Company, are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.*

*The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, we cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.*

*Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as at the date of this news release, and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law.*

*Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.*

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