

# SECURITIES & EXCHANGE COMMISSION EDGAR FILING

## BIO KEY INTERNATIONAL INC

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

**BIO-key International, Inc.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.
- (1) Amount previously paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:
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**BIO-KEY INTERNATIONAL, INC.**  
**3349 Highway 138, Building A, Suite E**  
**Wall, NJ 07719**

October 13, 2020

Dear Stockholder:

You are cordially invited to attend a special meeting of stockholders of BIO-key International, Inc. (the "Company") on Monday, November 16, 2020, at 10:00 a.m., local time, at our offices at 3349 Highway 138, Building A, Suite E, Wall, NJ 07719.

The Notice of Special Meeting of Stockholders and Proxy Statement on the following pages describe the matters to be presented at the meeting and should be read in their entirety.

The sole purpose of the meeting is for our stockholders to consider and approve a proposed amendment to our Certificate of Incorporation, as amended, to effect a reverse split of our issued and outstanding common stock at a ratio between 1-for-4 and 1-for-10, with the final decision of whether to proceed with the reverse stock split and the exact ratio and timing of the reverse split to be determined by our board of directors, in its discretion, following stockholder approval (if obtained), but no later than October 31, 2021 (the "Reverse Stock Split").

The Reverse Stock Split should, among other things, assist the Company in our effort to regain compliance with Nasdaq Listing Rule 5550(a)(2), which requires that we maintain a minimum bid price of \$1.00 per share.

**THE REVERSE STOCK SPLIT WILL AFFECT ALL HOLDERS OF COMMON STOCK UNIFORMLY AND NO STOCKHOLDER'S INTEREST IN THE COMPANY WILL BE DILUTED AS EACH STOCKHOLDER WILL HOLD THE SAME PERCENTAGE OF COMMON STOCK OUTSTANDING IMMEDIATELY FOLLOWING THE REVERSE STOCK SPLIT AS THAT STOCKHOLDER HELD IMMEDIATELY PRIOR TO THE REVERSE STOCK SPLIT , EXCEPT FOR IMMATERIAL ADJUSTMENTS THAT MAY RESULT FROM THE TREATMENT OF FRACTIONAL SHARES AS DESCRIBED BELOW.**

It is important that your shares be represented at the meeting. We hope that you will have your shares represented by signing, dating and returning your proxy as soon as possible. Your shares will be voted in accordance with the instructions you have given in your proxy. Whether or not you plan to attend the meeting, we urge you to complete, date and sign the enclosed proxy card and return it at your earliest convenience in the enclosed envelope.

We look forward to seeing you at the meeting. Thank you for your continued support.

Sincerely yours,

/s/ Michael W. DePasquale

Michael W. DePasquale

Chairman and Chief Executive Officer

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**BIO-KEY INTERNATIONAL, INC.  
3349 Highway 138, Building A, Suite E  
Wall, NJ 07719**

**Notice of Special Meeting of Stockholders**

You are hereby notified that a special meeting of stockholders of BIO-key International, Inc. (the "Company") will be held on Monday, November 16, 2020, at 10:00 a.m., local time, at our offices at 3349 Highway 138, Building A, Suite E, Wall, NJ 07719, for the following purpose:

1. To consider and approve a proposed amendment to our Certificate of Incorporation, as amended, to effect a reverse split of our issued and outstanding common stock at a ratio between 1-for-4 and 1-for-10, with the final decision of whether to proceed with the reverse stock split and the exact ratio and timing of the reverse split to be determined by our board of directors, in its discretion, following stockholder approval (if obtained), but no later than October 31, 2021 (the "Reverse Stock Split").

Only holders of record of our common stock as of the close of business on October 5, 2020 are entitled to notice of and to vote at the meeting, or any adjournment thereof.

**YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, WE URGE YOU TO COMPLETE, DATE AND SIGN THE ENCLOSED PROXY CARD AND RETURN IT PROMPTLY IN THE ENCLOSED RETURN ENVELOPE. THE PROMPT RETURN OF PROXIES WILL ENSURE A QUORUM AND SAVE US THE EXPENSE OF FURTHER SOLICITATION. EACH PROXY GRANTED MAY BE REVOKED BY THE STOCKHOLDER APPOINTING SUCH PROXY AT ANY TIME BEFORE IT IS VOTED.**

By order of the board of directors,

/s/ Michael W. DePasquale

Michael W. DePasquale

Chairman and Chief Executive Officer

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**BIO-KEY INTERNATIONAL, INC.**  
**3349 Highway 138, Building A, Suite E**  
**Wall, NJ 07719**

**PROXY STATEMENT**

This proxy statement contains information related to the special meeting of stockholders of BIO-key International, Inc. (the “Company,” “we” or “us”) to be held on Monday, November 16, 2020, at 10:00 a.m., local time, at our offices at 3349 Highway 138, Building A, Suite E, Wall, NJ 07719, and at any postponements or adjournments thereof, for the purpose set forth in the attached Notice of Special Meeting of Stockholders. This proxy statement and the enclosed proxy card are first being mailed to our stockholders on or about October 13, 2020.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MONDAY, NOVEMBER 16, 2020. THIS PROXY STATEMENT AND THE ACCOMPANYING FORM OF PROXY CARD ARE AVAILABLE AT [WWW.PROXYVOTE.COM](http://WWW.PROXYVOTE.COM). In accordance with rules issued by the Securities and Exchange Commission (“SEC”), we are providing access to our proxy materials both by sending you this full set of proxy materials and by notifying you of the availability of our proxy materials on the Internet.

**VOTING AT THE SPECIAL MEETING**

**Who Can Vote**

Only stockholders of record at the close of business on October 5, 2020, the record date, are entitled to notice of and to vote at the meeting, and at any postponement(s) or adjournment(s) thereof. As of October 5, 2020, 62,376,443 shares of our common stock, par value \$.0001 per share, were issued and outstanding. Holders of our common stock are entitled to one vote per share for each proposal presented at the meeting.

**How to Vote; How Proxies Work**

Our board of directors is asking for your proxy. Whether or not you plan to attend the meeting, we urge you to vote by proxy. Please complete, date and sign the enclosed proxy card and return it at your earliest convenience. We will bear the costs incidental to the solicitation and obtaining of proxies, including the costs of reimbursing banks, brokers and other nominees for forwarding proxy materials to beneficial owners of our common stock. Proxies may be solicited by our officers and employees, without extra compensation, by mail, telephone, telefax, personal interviews and other methods of communication. In addition, we have engaged Morrow Sodali, LLC to assist in the solicitation of proxies. We anticipate that the costs associated with the engagement of Morrow Sodali, LLC will be approximately \$25,000.

If you are a registered stockholder, you may vote your shares or submit a proxy to have your shares voted by one of the following methods:

- *By Internet.* You may submit a proxy electronically via the internet by following the instructions provided on the proxy card. Please have your proxy card in hand when you access the website. Internet voting facilities will close at 11:59 p.m. ET on November 15, 2020.
  - *By Telephone.* You may submit a proxy by telephone using the toll-free number listed on the proxy card. Please have the proxy card in hand when you call. Telephone voting facilities will close at 11:59 p.m. ET on November 15, 2020.
  - *By Mail.* You may submit a proxy by signing, dating and returning your proxy card in the provided pre-addressed envelope in accordance with the enclosed instructions. We encourage you to sign and return the proxy or voter instruction card even if you plan to attend the Special Meeting so that your shares will be voted even if you are unable to attend.
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- *In Person.* If you plan to attend the Special Meeting and vote in person, we will provide you with a ballot at the Special Meeting. You may vote in person at the Special Meeting by completing a ballot; however, attending the Special Meeting without completing a ballot will not count as a vote.

At the meeting, and at any adjournment(s) or postponement(s) thereof, all shares entitled to vote and represented by properly executed proxies received prior to the meeting and not revoked will be voted as instructed on those proxies. If no instructions are indicated on a properly executed proxy, the shares represented by the proxies will be voted:

(i) FOR an amendment to our Certificate of Incorporation, as amended, to effect a reverse stock split of our issued and outstanding common stock at a ratio between 1-for 4 and 1-for-10, with the final decision of whether to proceed with the reverse stock split and the exact ratio and timing of the reverse split to be determined by our board of directors, in its discretion, following stockholder approval (if obtained), but no later than October 31, 2021, or to determine not to proceed with the Reverse Stock Split; and

(ii) in the discretion of the person named in the enclosed form of proxy, on any other proposals which may properly come before the meeting or any adjournment(s) thereof.

If your shares are held in the name of a bank, broker or other holder of record, you will receive instructions from the holder of record on how to vote your shares. You must follow the instructions of your broker or other nominee in order for your shares to be voted. If your shares are not registered in your name and you plan to vote your shares in person at the meeting, you must obtain and bring with you to the meeting a "legal proxy" from the broker or other nominee holding your shares that confirms your beneficial ownership of the shares and gives you the right to vote your shares at the meeting.

If you receive more than one proxy card because your shares are registered in different names or addresses, each such proxy card should be signed and returned to assure that all of your shares will be voted.

#### **What Constitutes a Quorum**

The presence, in person or by proxy, of the holders of a majority of the votes entitled to be cast at the meeting will constitute a quorum for the transaction of business.

#### **What Vote is Required**

In accordance with Delaware law, approval and adoption of this proposal requires the affirmative vote of at least a majority of our issued and outstanding shares entitled to vote either in person or by proxy at the meeting.

#### **How Abstentions and Broker Non-Votes Are Treated**

Abstentions will be counted as shares that are present for purposes of determining a quorum. For the approval of the Reverse Stock Split, abstentions have the practical effect of a vote against the proposal.

Broker non-votes occur when a beneficial owner of shares held in "street name" does not give instructions to the broker, bank or other nominee holding the shares as to how to vote on matters deemed "non-routine." Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the nominee holding the shares. If the beneficial owner does not provide voting instructions, the nominee can still vote the shares with respect to matters that are considered to be "routine," but not with respect to matters that are considered to be "non-routine." The Reverse Stock Split is a "routine" matter and may be voted upon by your broker if you do not submit voting instructions. As a result, we do not anticipate any broker non-votes with respect to Proposal 1. We encourage you to provide instructions to your broker regarding the voting of your shares.

Broker non-votes will be counted as shares that are present for purposes of determining a quorum. For the approval of the Reverse Stock Split, broker non-votes have the practical effect of a vote against such proposal.

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## Voting of Proxies

Our board of directors recommends a vote "FOR" the Reverse Stock Split. Your shares of common stock will be voted in accordance with the instructions contained in your signed proxy card. **If you return a signed proxy card without giving specific voting instructions with respect to the Reverse Stock Split, proxies will be voted in favor of the board of directors' recommendations with respect to such proposal as set forth in this proxy statement.**

## How to Revoke

Any stockholder who has submitted a proxy may revoke it at any time before it is voted, by written notice addressed to and received by our chief financial officer, by submitting a duly executed proxy bearing a later date, or by electing to vote in person at the meeting. The mere presence at the meeting of the person appointing a proxy does not, however, revoke the appointment. If you are a stockholder whose shares are not registered in your own name, you will need additional documentation from your record holder to vote personally at the meeting.

## No Dissenters or Appraisal Rights

Under the General Corporation Law of the State of Delaware, our Certificate of Incorporation and our bylaws, the holders of common stock will not be entitled to dissenter's rights or appraisal rights in connection with the reverse stock split.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of October 5, 2020, information with respect to the securities holdings of all persons that we, pursuant to filings with the SEC and our stock transfer records, have reason to believe may be deemed the beneficial owner of more than five percent (5%) of our common stock. The following table also sets forth, as of such date, the beneficial ownership of our common stock by all of our current officers and directors, both individually and as a group.

The beneficial owners and amount of securities beneficially owned have been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, in accordance therewith, includes all shares of our common stock that may be acquired by such beneficial owners within 60 days of October 5, 2020 upon the exercise or conversion of any options, warrants or other convertible securities. This table has been prepared based on 62,376,443 shares of common stock outstanding as of October 5, 2020. Unless otherwise indicated, each person or entity named below has sole voting and investment power with respect to all shares beneficially owned by that person or entity, subject to the matters set forth in the footnotes to the table below, and has an address of c/o BIO-key International, Inc., 3349 Highway 138, Building A, Suite E, Wall, NJ 07719.

<u>Name and Address of Beneficial Owner (1)</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Michael W. DePasquale	378,418(2)	*%
Cecilia Welch	208,833(3)	*
Mira LaCous	166,333(4)	*
Thomas Gilley	43,012(5)	*
Thomas E. Bush, III	39,166(5)	*
Pieter Knoock	34,339(6)	*
Robert J. Michel	38,521(6)	*
Emmanuel Alia	2,363(7)	*
Wong Kwok Fong (Kelvin)	4,607,041(8)	7.36%
All officers and directors as a group (8) persons	5,518,026	8.77%

\* Less than 1%

- (1) Unless otherwise indicated, the address of each person listed below is c/o BIO-key International, Inc., 3349 Highway 138, Building A, Suite E, Wall, NJ 07719.
- (2) Includes 325,001 shares issuable on exercise of options. Does not include 33,335 shares issuable upon exercise of options subject to vesting.
- (3) Consists of 33,000 shares of common stock and 175,833 shares issuable upon exercise of options. Does not include 25,001 shares issuable upon exercise of options subject to vesting.
- (4) Consists of 33,000 shares of common stock and 133,333 shares issuable upon exercise of options. Does not include 12,501 shares issuable upon exercise of options subject to vesting.
- (5) Includes 17,041 shares issuable on exercise of options. Does not include 4,668 shares issuable upon exercise of options subject to vesting.
- (6) Includes 11,832 shares issuable on exercise of options. Does not include 4,668 shares issuable upon exercise of options subject to vesting.
- (7) Consists of shares of common stock. Does not include 2,500 shares issuable upon exercise of options subject to vesting.
- (8) Includes 183,333 shares issuable on exercise of options. Does not include 33,335 shares issuable upon exercise of options subject to vesting. The address of Kelvin is Flat C, 27/F, Block 5, Grand Pacific Views, Siu Lam, Hong Kong N7.

## PROPOSAL 1

### APPROVAL OF AMENDMENT TO OUR CERTIFICATE OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT

#### General

The Board has unanimously approved, and recommended that our stockholders approve, an amendment to our Certificate of Incorporation, as amended, in substantially the form attached hereto as Appendix A (the "Certificate of Amendment"), to effect the Reverse Stock Split at a ratio of between 1-for-4 and 1-for-10, with the final decision of whether to proceed with the Reverse Stock Split and the exact ratio of the Reverse Stock Split to be determined by our board of directors, in its discretion. If the stockholders approve the Reverse Stock Split, and the Board decides to implement it, the Reverse Stock Split will become effective upon the filing of the Certificate of Amendment with the Delaware Secretary of State.

The Reverse Stock Split will be realized simultaneously for all outstanding common stock. The Reverse Stock Split will affect all holders of common stock uniformly and no stockholder's interest in the Company will be diluted as each stockholder will hold the same percentage of common stock outstanding immediately following the Reverse Stock Split as that stockholder held immediately prior to the Reverse Stock Split, except for immaterial adjustments that may result from the treatment of fractional shares as described below. The Certificate of Amendment will not reduce the number of authorized shares of common stock (which will remain at 170,000,000) and will not change the par value of the common stock (which will remain at \$0.0001 per share).

#### Reasons for the Reverse Stock Split

On July 25, 2017, our common stock became listed for trading on the Nasdaq Capital Market. On April 20, 2020, we received notice from the Listing Qualifications Department of The Nasdaq Capital Market that due to the global market impact caused by COVID-19 the grace period to regain compliance with the continued listing standard set forth in Rule 5550(a)(2) of the Nasdaq Listing Rules (the "Minimum Bid Price Requirement") was suspended effective April 16, 2020, until June 30, 2020. On July 1, 2020, companies received the balance of any pending compliance period in effect on April 16, 2020 to come back into compliance with the applicable Minimum Bid Price Requirement. As a result of this extension, we have until December 4, 2020 to regain compliance with the Minimum Bid Price Requirement. Our board of directors has unanimously approved and declared advisable an amendment to the Company's Certificate of Incorporation, as amended, to effect a reverse stock split of all issued and outstanding shares of our Common Stock, in a ratio between 1-for-4 and 1-for-10, in order to, among other things, assist the Company in our effort to regain compliance with the Minimum Bid Price Requirement, which requires us to maintain a minimum bid price of \$1.00 per share.

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The precise ratio of the proposed Reverse Stock Split shall be a whole number within this range, determined in the sole discretion of our board of directors. It is expected that such determination, if any, shall occur at some time on or prior to November 25, 2020. By approving this proposal, stockholders will give our board of directors authority, but not the obligation, to effect the Reverse Stock Split and full discretion to approve the ratio at which shares of Common Stock will be automatically reclassified up to and including a ratio between 1-for-4 and 1-for-10. Our board of directors believes that providing our board of directors with this grant of authority with respect to setting the reverse split ratio, rather than approval of a pre-determined reverse stock split ratio, will give our board of directors the flexibility to set the ratio in accordance with current market conditions and, therefore, allow our board of directors to act in the best interests of the Company and our stockholders.

In determining the ratio following the receipt of stockholder approval, our board of directors may consider, among other things, factors such as:

- the historical trading price and trading volume of our common stock;
- the then-prevailing trading price and trading volume of our common stock and the anticipated impact of the Reverse Stock Split on the trading market for our common stock;
- the number of shares of our common stock then outstanding, and the number of shares of common stock issuable upon exercise of options and warrants then outstanding;
- the anticipated impact of a particular ratio on our ability to reduce administrative and transactional costs;
- prevailing general market and economic conditions;
- any threshold prices of brokerage houses or institutional investors that could impact their ability to invest or recommend investments in our common stock; and
- Nasdaq Listing Rule 5550(a)(2), which requires us to maintain a minimum bid price of \$1.00 per share.

If our stockholders approve this proposal and our board of directors does not otherwise abandon the amendment contemplating the Reverse Stock Split, we will file a Certificate of Amendment to the Company's Certificate of Incorporation with the Secretary of State of the State of Delaware (the "Delaware Secretary of State") to effect the proposed Reverse Stock Split, in the form attached to this proxy statement as *Appendix A*. Our board of directors has approved and declared advisable the proposed amendment to the Company's Certificate of Incorporation as set forth in the Certificate of Amendment, in the form attached to this proxy statement as *Appendix A*. If the proposed Reverse Stock Split is effected, then the number of issued and outstanding shares of our common stock would be reduced. Our board of directors has reserved the right to abandon the amendment at any time before the effectiveness of the filing of the Certificate of Amendment with the Delaware Secretary of State, even if the adoption of the amendment is approved by the stockholders. Thus, the Board of Directors, at its discretion, may cause the filing of the Certificate of Amendment (following stockholder approval) to effect the Reverse Stock Split or abandon the amendment and not effect the Reverse Stock Split if it determines that any such action is or is not in the best interests of our Company and stockholders.

Prior to filing the amendment to the Certificate of Amendment reflecting the Reverse Stock Split, we must first notify Nasdaq of the anticipated record date of the Reverse Stock Split.

#### **Purpose of Proposed Reverse Stock Split**

Nasdaq Listing Rule 5550(a)(2) requires that we maintain a minimum bid price of \$1.00 per share to maintain our listing on the Nasdaq Capital Market. On September 30, 2020, the sale price of our common stock on the Nasdaq was \$0.44 per share. A decrease in the number of issued and outstanding shares of our common stock resulting from the Reverse Stock Split should, absent other factors, cause the per share market price of our common stock to trade above the required price. However, we cannot provide any assurance that (i) we will regain compliance with Nasdaq Listing Rule 5550(a)(2), or other listing requirements, in effect the Nasdaq Capital Market or (ii) even if we do, that our minimum bid price would remain over the minimum bid price requirement of the Nasdaq Capital Market following the Reverse Stock Split.

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Our board of directors believes that the Reverse Split and any resulting increase in the per share price of our common stock will enhance the acceptability and marketability of our common stock to the financial community and investing public. Some investors prefer to invest in stocks that trade at a per share price range more typical of companies listed on Nasdaq. Also, some brokerage houses and institutional investors have internal policies and practices that either prohibit them from investing in stocks priced below a certain level (for example, \$5.00 per share) or tend to discourage individual brokers from recommending lower-priced stocks to their customers. Moreover, because brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher-priced stocks, the current average price per share of common stock can result in individual stockholders paying transaction costs representing a higher percentage of their total share value than would be the case if the share price were higher. The Company believes that the Reverse Stock Split will make our common stock a more attractive and cost effective investment for many investors, which in turn would enhance the liquidity of the holders of our common stock. As a result, we believe that the Reverse Stock Split may make our common stock more attractive to certain investors.

Reducing the number of outstanding shares of our common stock through the Reverse Stock Split is intended, absent other factors, to increase the per share trading price of our common stock. However, other factors, such as our financial results and financial outlook and investor perception of our future prospects, as well as general market and economic conditions, among many factors, may positively or negatively affect the trading price of our common stock. Therefore, even if the Reverse Stock Split is effected, the trading price of our common stock may not increase to a level we may have expected following the Reverse Stock Split or, if it does, the trading price of our common stock may decrease in the future. Additionally, the trading price per share of our common stock after the Reverse Stock Split may not increase in proportion to the reduction in the number of shares of our common stock outstanding before the Reverse Stock Split. Accordingly, the total market capitalization of our common stock after the Reverse Stock Split may be lower than the total market capitalization before the Reverse Stock Split.

We believe increasing the trading price of our common stock will assist in meeting the continued listing criteria of The Nasdaq Capital Market and is our best option to meet the bid price criteria to comply with the continued listing requirements. Accordingly, we believe that the Reverse Stock Split is in our stockholders' best interests.

In addition, an increase in the per share trading value of our common stock would be beneficial to us to the extent that it would:

- improve the perception of our common stock as an investment security;
- reset our stock price to more normalized trading levels in the face of potentially extended market dislocation;
- appeal to a broader range of investors to generate greater investor interest in us; and
- reduce stockholder transaction costs because investors would pay lower commission to trade a fixed dollar amount of our stock if our stock price were higher than they would if our stock price were lower.

#### **Future Issuances**

In addition to the foregoing, the Reverse Stock Split will provide us with the ability to support our present capital needs and future anticipated growth. As discussed below under the caption "**Effect on Authorized but Unissued Shares**," the Reverse Stock Split will have the effect of significantly increasing the number of shares of common stock that we are authorized to issue. We have historically met our capital needs primarily through the sale of our debt and equity securities. The availability of additional shares of common stock would provide us with the flexibility to consider and respond to future business opportunities and needs as they arise, including public or private financings, subscription rights offerings, mergers, acquisitions, stock dividends, stock splits and the granting of equity incentive awards. The Reverse Stock Split would permit us to undertake certain of the foregoing actions without the delay and expense associated with holding a meeting of stockholders to obtain stockholder approval each time such an opportunity arises that would require the issuance of shares of our common stock.

We have no specific plans, arrangements or understandings, whether written or oral, to issue any additional shares.

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We do not intend to use the Reverse Stock Split as a part of or a first step in a “going private” transaction within the meaning of Rule 13e-3 of the Exchange Act. There is no plan or contemplated plan by us to take ourselves private at the date of this proxy statement.

### **Consequences of Not Obtaining Stockholder Approval of the Reverse Stock Split**

If we do not obtain stockholder approval of the Reverse Stock Split and we are unable to satisfy the listing requirements for the Nasdaq Capital Market, we may be delisted from the exchange. In addition, if we need additional capital to fund operations and at such time do not have a sufficient number of authorized and unissued shares of common stock to raise such additional capital, our business would be materially and adversely affected.

If stockholder approval for the Reverse Stock Split is not obtained, the number of shares of our common stock that are issued and outstanding will not change and the anticipated benefits of the Reverse Stock Split described above under “Reasons for the Reverse Stock Split” will not be achieved.

### **Principal Effects of the Reverse Stock Split**

A reverse stock split refers to a reduction in the number of outstanding shares of a class of a corporation’s capital stock, which may be accomplished, as in this case, by reclassifying and combining all of our outstanding shares of common stock into a proportionately smaller number of shares. For example, a stockholder holding 100,000 shares of common stock before the reverse stock split would instead hold 20,000 shares of common stock immediately after the reverse stock split if the ratio at which the board of directors determines the ratio to be 1-for-5. Each stockholder’s proportionate ownership of outstanding shares of common stock would remain the same, subject to immaterial adjustments due to the issuance of an additional share in lieu of a fractional share. All shares of common stock will remain validly issued, fully paid and non-assessable.

After the effective date of the Reverse Stock Split, our common stock will have a new committee on uniform securities identification procedures number, also known as a CUSIP number, which is a number used to identify our common stock. Our common stock is currently registered under Section 12(b) of the Exchange Act, and we are subject to the periodic reporting and other requirements of the Exchange Act. The proposed Reverse Stock Split will not affect the registration of our common stock under the Exchange Act.

### **Effect on Authorized but Unissued Shares**

The Reverse Stock Split will have the effect of significantly increasing the number of authorized but unissued shares of common stock available for issuance. The number of shares of common stock that we are authorized to issue will not be decreased and will remain at 170,000,000.

The table below provides examples of reverse stock splits at various ratios between 1-for-4 and 1-for-10, without giving effect to the treatment of fractional shares. The actual number of shares outstanding after giving effect to the Reverse Stock Split, if effected, will depend on the actual ratio that is determined by our board of directors.

Shares outstanding at October 5, 2020	Reverse Stock Split Ratio	Shares outstanding after Reverse Stock Split	Reduction in Shares Outstanding
62,376,443	1-for-4	15,594,111	75%
62,376,443	1-for-5	12,475,089	80%
62,376,443	1-for-10	6,237,645	90%

The resulting decrease in the number of shares of our common stock outstanding could potentially adversely affect the liquidity of our common stock, especially in the case of larger block trades.

### **Certain Risks Associated with the Reverse Stock Split**

*A reverse stock split could result in a significant devaluation of our market capitalization and the trading price of our common stock.*

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We cannot assure you that the Reverse Stock Split, if implemented, will increase the market price of our common stock in proportion to the reduction in the number of issued and outstanding shares of common stock or result in a permanent increase in the market price. Accordingly, the total market capitalization of our common stock after the Reverse Stock Split may be lower than the total market capitalization before the Reverse Stock Split and, in the future, the market price of our common stock following the Reverse Stock Split may not exceed or remain higher than the market price prior to the Reverse Stock Split.

The effect the Reverse Stock Split may have upon the market price of our common stock cannot be predicted with any certainty, and the history of similar reverse stock splits for companies in similar circumstances to ours is varied. The market price of our common stock is dependent on many factors, including our business and financial performance, general market conditions, prospects for future success and other factors detailed from time to time in the reports we file with the SEC. If the Reverse Stock Split is implemented and the market price of our common stock declines, the percentage decline as an absolute number and as a percentage of our overall market capitalization may be greater than would occur in the absence of the Reverse Stock Split.

*The Reverse Stock Split may result in some stockholders owning "odd lots" that may be more difficult to sell or require greater transaction costs per share to sell.*

The Reverse Stock Split may result in some stockholders owning "odd lots" of less than 100 shares of common stock on a post-split basis. These odd lots may be more difficult to sell, or require greater transaction costs per share to sell, than shares in "round lots" of even multiples of 100 shares.

*The reduced number of shares of common stock resulting from a reverse stock split could adversely affect the liquidity of our common stock.*

Although the Board believes that the decrease in the number of shares of common stock outstanding as a consequence of the Reverse Stock Split and the anticipated increase in the market price of common stock could encourage interest in our common stock and possibly promote greater liquidity for our stockholders, such liquidity could also be adversely affected by the reduced number of shares outstanding after the reverse stock split.

### **Anti-Takeover and Dilutive Effects**

The purpose of maintaining our authorized common stock at 170,000,000 after the Reverse Stock Split is to facilitate our ability to issue additional shares of common stock to execute our business plan, not to establish any barriers to a change of control or acquisition of the Company. Shares of common stock that are authorized but unissued provide the Board with flexibility to effect, among other transactions, public or private financings, subscription rights offerings, mergers, acquisitions, stock dividends, stock splits and the granting of equity incentive awards. However, the increase in the number of shares of common stock authorized for issuance could, under certain circumstances, be construed as having an anti-takeover effect. For example, in the event a person seeks to effect a change in the composition of our board of directors or contemplates a tender offer or other transaction involving the combination of our Company with another company, it may be possible for us to impede the attempt by issuing additional shares of common stock, thereby diluting the voting power of the other outstanding shares and increasing the potential cost to acquire control of our Company. By potentially discouraging initiation of any such unsolicited takeover attempt, our Certificate of Incorporation may limit the opportunity for our stockholders to dispose of their shares at the higher price generally available in takeover attempts or that may be available under a merger proposal. The proposed Reverse Stock Split may also have the effect of permitting our current management, including our Board, to retain its position indefinitely and place it in a better position to resist changes that our stockholders may wish to make if they are dissatisfied with the conduct of our business.

Our board of directors did not propose this Reverse Stock Split in response to any effort known to the Board to accumulate common stock or to obtain control of our Company by means of a merger, tender offer or solicitation in opposition to management. In addition, this proposal is not part of any plan by management to recommend a series of similar amendments to our stockholders. Finally, except as described in this proxy statement, our board of directors does not currently contemplate recommending the adoption of any other amendments to our Certificate of Incorporation that could be construed as affecting the ability of third parties to take over or change the control of our Company.

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In addition, the issuance of additional shares of common stock for any of the corporate purposes listed above could have a dilutive effect on earnings per share and the book or market value of our outstanding common stock, depending on the circumstances, and would likely dilute a stockholder's percentage voting power in the Company. Holders of common stock are not entitled to preemptive rights or other protections against dilution.

#### **Effect on Fractional Stockholders**

No fractional shares of common stock will be issued in connection with the Reverse Stock Split. In lieu of issuing fractional shares, we intend to round fractional shares up to the next whole share.

#### **Effect on Beneficial Stockholders**

If you hold shares of common stock in "street name" through an intermediary, we will treat your common stock in the same manner as stockholders whose shares are registered in their own names. Intermediaries will be instructed to effect the Reverse Stock Split for their customers holding common stock in street name. However, these intermediaries may have different procedures for processing a reverse stock split. If you hold shares of common stock in street name, we encourage you to contact your intermediaries.

#### **Registered "Book-Entry" Holders of Common Stock**

If you hold shares of common stock electronically in book-entry form with our transfer agent, you do not currently have and will not be issued stock certificates evidencing your ownership after the reverse stock split, and you do not need to take action to receive post-reverse stock split shares. If you are entitled to post-reverse stock split shares, a transaction statement will automatically be sent to you indicating the number of shares of common stock held following the reverse stock split.

#### **Effect on Registered Stockholders Holding Certificates**

As soon as practicable after the Reverse Stock Split, our transfer agent will mail transmittal letters to each stockholder holding shares of common stock in certificated form. The letter of transmittal will contain instructions on how a stockholder should surrender his or her certificate(s) representing shares of common stock (the "Old Certificates") to the transfer agent in exchange for certificates representing the appropriate number of whole shares of post-reverse stock split common stock (the "New Certificates"). No New Certificates will be issued to a stockholder until such stockholder has surrendered all Old Certificates, together with a properly completed and executed letter of transmittal, to the transfer agent. No stockholder will be required to pay a transfer or other fee to exchange his or her Old Certificates. Stockholders will then receive a New Certificate(s) representing the number of whole shares of common stock that they are entitled as a result of the reverse stock split. Until surrendered, we will deem outstanding Old Certificates held by stockholders to be cancelled and to represent only the number of whole shares of post-reverse stock split common stock to which these stockholders are entitled. Any Old Certificates submitted for exchange, whether because of a sale, transfer or other disposition of stock, will automatically be exchanged for New Certificates.

#### **Effect on Outstanding Options and Warrants**

Upon a reverse stock split, all outstanding options, warrants and future or contingent rights to acquire common stock will be adjusted to reflect the Reverse Stock Split. With respect to all outstanding options and warrants to purchase common stock, the number of shares of common stock that such holders may purchase upon exercise of such options or warrants will decrease, and the exercise prices of such options or warrants will increase, in proportion to the fraction by which the number of shares of common stock underlying such options and warrants are reduced as a result of the Reverse Stock Split. Also, the number of shares reserved for issuance under our existing stock option and equity incentive plans would be reduced proportionally based on the ratio of the Reverse Stock Split.

#### **Procedure for Effecting the Reverse Stock Split**

If our stockholders approve this proposal, and the board of directors elects to effect the Reverse Stock Split, we will effect the Reverse Stock Split by filing the Certificate of Amendment with the Secretary of State of the State of Delaware. The Reverse Stock Split will become effective, and the combination of, and reduction in, the number of our outstanding shares as a result of the Reverse Stock Split will occur automatically, at the time of the filing of the Certificate of Amendment (referred to as the "effective time"), without any action on the part of our stockholders and without regard to the date that stock certificates representing any certificated shares prior to the Reverse Stock Split are physically surrendered for new stock certificates. Beginning at the effective time, each certificate representing pre-Reverse Stock Split shares will be deemed for all corporate purposes to evidence ownership of post-Reverse Stock Split shares. The text of the Certificate of Amendment is subject to modification to include such changes as may be required by the office of the Secretary of State of the State of Delaware and as the Board deems necessary and advisable to effect the Reverse Stock Split.

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The board of directors reserves the right, notwithstanding stockholder approval and without further action by the stockholders, to elect not to proceed with the Reverse Stock Split if, at any time prior to filing the Certificate of Amendment, the Board, in its sole discretion, determines that it is no longer in the best interests of the Company and its stockholders to proceed with the Reverse Stock Split. By voting in favor of the Reverse Stock Split, you are also expressly authorizing the Board to delay or abandon the Reverse Stock split.

**Stockholders should not destroy any stock certificate(s) and should not submit any certificate(s) until they receive a letter of transmittal from our transfer agent.**

#### **Certain Material U.S. Federal Income Tax Consequences of the Reverse Stock Split**

The following is a summary of certain material United States federal income tax consequences of the Reverse Stock Split to our stockholders. This summary does not purport to be a complete discussion of all of the possible federal income tax consequences of the Reverse Stock Split and is included for general information only. Further, it does not address any state, local or foreign income or other tax consequences. Also, it does not address the tax consequences to stockholders that are subject to special tax rules, such as banks, insurance companies, regulated investment companies, personal holding companies, foreign entities, nonresident alien individuals, broker-dealers and tax-exempt entities. Other stockholders may also be subject to special tax rules, including but not limited to: stockholders that received common stock as compensation for services or pursuant to the exercise of an employee stock option, or stockholders who have held, or will hold, stock as part of a straddle, hedging or conversion transaction for federal income tax purposes. This summary also assumes that you are a United States holder (defined below) who has held, and will hold, shares of common stock as a "capital asset," as defined in the Internal Revenue Code of 1986, as amended (the "Code"), i.e., generally, property held for investment. Finally, the following discussion does not address the tax consequences of transactions occurring prior to or after the reverse stock split (whether or not such transactions are in connection with the Reverse Stock Split), including, without limitation, the exercise of options or rights to purchase common stock in anticipation of the Reverse Stock Split.

The tax treatment of a stockholder may vary depending upon the particular facts and circumstances of such stockholder. You should consult with your own tax advisor with respect to the tax consequences of the Reverse Stock Split. As used herein, the term United States holder means a stockholder that is, for federal income tax purposes: a citizen or resident of the United States; a corporation or other entity taxed as a corporation created or organized in or under the laws of the United States or any state, including the District of Columbia; an estate the income of which is subject to federal income tax regardless of its source; or a trust that (i) is subject to the primary supervision of a U.S. court and the control of one of more U.S. persons or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

The following discussion is based on the Code, applicable Treasury Regulations, judicial authority and administrative rulings and practice, all as of the date hereof. The Internal Revenue Service could adopt a contrary position. In addition, future legislative, judicial or administrative changes or interpretations could adversely affect the accuracy of the statements and conclusions set forth herein. Any such changes or interpretations could be applied retroactively and could affect the tax consequences described herein. No ruling from the Internal Revenue Service or opinion of counsel has been obtained in connection with the Reverse Stock Split.

No gain or loss should be recognized by a stockholder upon such stockholder's exchange of pre-Reverse Stock Split shares of common stock for post-Reverse Stock Split shares of common stock pursuant to the Reverse Stock Split. The aggregate tax basis of the post-Reverse Stock Split shares received in the Reverse Stock Split (including any whole share received in exchange for a fractional share) will be the same as the stockholder's aggregate tax basis in the pre-Reverse Stock Split shares exchanged therefore. The stockholder's holding period for the post-Reverse Stock Split shares will include the period during which the stockholder held the pre-Reverse Stock Split shares surrendered in the Reverse Stock Split.

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THE PRECEDING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX EFFECTS RELEVANT THERETO. YOU SHOULD CONSULT YOUR OWN TAX ADVISORS AS TO THE PARTICULAR FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT IN LIGHT OF YOUR SPECIFIC CIRCUMSTANCES.

### **Accounting Matters**

The par value of the common stock will remain unchanged at \$0.0001 per share after the Reverse Stock Split. As a result, our stated capital, which consists of the par value per share of the common stock multiplied by the aggregate number of shares of the common stock issued and outstanding, will be reduced proportionately at the effective time of the Reverse Stock Split. Correspondingly, our additional paid-in capital, which consists of the difference between our stated capital and the aggregate amount paid to us upon the issuance of all currently outstanding shares of common stock, will be increased by a number equal to the decrease in stated capital. Further, net loss per share, book value per share and other per share amounts will be increased as a result of the Reverse Stock Split because there will be fewer shares of common stock outstanding.

### **Required Vote**

In accordance with Delaware law, approval and adoption of this proposal requires the affirmative vote of at least a majority of our issued and outstanding shares entitled to vote either in person or by proxy at the meeting. Accordingly, abstentions and broker non-votes will have the same effect as a vote against the proposal. Shares represented by valid proxies and not revoked will be voted at the meeting in accordance with the instructions given. If no voting instructions are given, such shares will be voted "FOR" this proposal.

### **Board Recommendation**

After careful consideration, our board of directors has determined that the reverse stock split is advisable and in the best interests of the Company and its stockholders and recommends that you vote "FOR" the approval of the Reverse Stock Split.

### **OTHER MATTERS**

As of the date of this proxy statement, our board of directors knows of no matter not specifically referred to above as to which any action is expected to be taken at the meeting. The person named in the enclosed proxy, or his substitutes, will vote the proxies, insofar as the same are not limited to the contrary, in his best judgment, in regard to such other matters and the transaction of such other business as may properly be brought at the meeting.

### **FORWARD-LOOKING STATEMENTS**

This Proxy Statement and the documents to which we refer you in this Proxy Statement contain forward-looking statements that involve numerous risks and uncertainties which may be difficult to predict. The statements contained in this Proxy Statement that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act, including, without limitation, the Company's expectations, beliefs, strategies, objectives, plans, intentions and similar matters. All forward-looking statements included in this Proxy Statement are based on information available to the Company on the date hereof. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "believe," "should," "estimate," "will," "may," "future," "plan," "intend" and "expect" or the negative of those terms, or variations of such words, similar expressions, or the negative of these terms or other comparable terminology.

Forward-looking statements involve a number of risks and uncertainties, and actual results or events may differ materially from those projected or implied in those statements. Particular uncertainties that could cause our actual results to be materially different than those expressed in our forward-looking statements include: our history of losses and limited revenue; our ability to raise additional capital; our ability to protect our intellectual property; changes in business conditions; changes in our sales strategy and product development plans; changes in the marketplace; continued services of our executive management team; security breaches; competition between us and other companies in the biometric technology industry; market acceptance of biometric products generally and our products under development; our ability to execute and deliver on contracts in Africa, our ability to expand into Asia, Africa and other foreign markets, our ability to integrate the operations and personnel of Pistol Star into our business; the duration and severity of the current coronavirus COVID-19 pandemic and its effect on our business operations, sales cycles, personnel, and the geographic markets in which we operate; delays in the development of products and statements of assumption underlying any of the foregoing as well as other factors set forth under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the Securities and Exchange Commission and other filings with the SEC. These factors are not intended to represent a complete list of the general or specific factors that may affect us. It should be recognized that other factors, including general economic factors and business strategies, may be significant, presently or in the future.

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All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the foregoing. We caution against placing undue reliance on forward-looking statements, which contemplate our current beliefs and are based on information currently available to us as of the date a particular forward-looking statement is made. Any and all such forward-looking statements are as of the date of this Proxy Statement. We undertake no obligation to revise such forward-looking statements to accommodate future events, changes in circumstances, or otherwise, except as required by law.

BY THE BOARD OF DIRECTORS

/s/ Michael W. DePasquale

Michael W. DePasquale  
Chief Executive Officer

Dated: October 13, 2020

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**CERTIFICATE OF AMENDMENT  
TO THE  
CERTIFICATE OF INCORPORATION  
OF  
BIO-KEY INTERNATIONAL, INC.**

\_\_\_\_\_  
**Pursuant to Section 242 of the  
General Corporation Law of the State of Delaware**  
\_\_\_\_\_

BIO-key International, Inc., a Delaware corporation (the "**Corporation**"), does hereby certify as follows:

FIRST: Upon the filing and effectiveness (the "**Effective Time**") pursuant to the General Corporation Law of the State of Delaware (the "**DGCL**") of this Certificate of Amendment to the Certificate of Incorporation of the Corporation, each [ ] shares of the Corporation's common stock, par value \$0.0001 per share (the "**Common Stock**"), issued and outstanding or held by the Corporation in treasury stock immediately prior to the Effective Time shall automatically be combined into one (1) validly issued, fully paid and non-assessable share of Common Stock without any further action by the Corporation or the holder thereof, subject to the treatment of fractional interests as described below. Notwithstanding the immediately preceding sentence, no fractional shares will be issued in connection with the reverse stock split. Stockholders of record who otherwise would be entitled to receive fractional shares, will be entitled to rounding up of their fractional share to the nearest whole share. No stockholder will receive cash in lieu of fractional shares. Each certificate that immediately prior to the Effective Time represented shares of Common Stock (the "**Old Certificates**") shall thereafter represent that number of shares of Common Stock into which the shares of Common Stock represented by the Old Certificate shall have been combined, subject to the adjustment for fractional shares as described above.

SECOND: The foregoing amendment was duly adopted in accordance with Section 242 of the DGCL.

THIRD: This Certificate of Amendment shall become effective upon filing.

*[signature page follows]*

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed by its undersigned officer this \_\_\_\_ day of \_\_\_\_\_, 2020.

BIO-KEY INTERNATIONAL, INC.

By: \_\_\_\_\_  
Name: Michael W. DePasquale  
Title: Chief Executive Officer

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**BIO-key International, Inc.**  
 C/O Broadridge  
 P.O. Box 1342  
 Brentwood, NY 11717

Investor Address Line 1  
 Investor Address Line 2  
 Investor Address Line 3  
 Investor Address Line 4  
 Investor Address Line 5  
 John Sample  
 1234 ANYWHERE STREET  
 ANY CITY, ON A1A 1A1

1 OF 2



**VOTE BY INTERNET - www.proxyvote.com**  
 Use the Internet to transmit your voting instructions and for electronic delivery of information. Vote by 11:59 P.M. ET on 11/15/2020. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

**ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS**  
 If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

**VOTE BY PHONE - 1-800-690-6903**  
 Use any touch-tone telephone to transmit your voting instructions. Vote by 11:59 P.M. ET on 11/15/2020. Have your proxy card in hand when you call and then follow the instructions.

**VOTE BY MAIL**  
 Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

**NAME**

THE COMPANY NAME INC. - COMMON  
 THE COMPANY NAME INC. - CLASS A  
 THE COMPANY NAME INC. - CLASS B  
 THE COMPANY NAME INC. - CLASS C  
 THE COMPANY NAME INC. - CLASS D  
 THE COMPANY NAME INC. - CLASS E  
 THE COMPANY NAME INC. - CLASS F  
 THE COMPANY NAME INC. - 401 K

**CONTROL #** → 0000000000000000

**SHARES**

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**PAGE** 1 OF 2

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

KEEP THIS PORTION FOR YOUR RECORDS  
 DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

The Board of Directors recommends you vote FOR proposal 1:

	For	Against	Abstain
1. APPROVAL OF THE AMENDMENT TO THE COMPANY'S CERTIFICATE OF INCORPORATION TO EFFECT A REVERSE SPLIT OF OUR ISSUED AND OUTSTANDING COMMON STOCK AT A RATIO BETWEEN 1-FOR-4 AND 1-FOR-10, WITH THE FINAL DECISION OF WHETHER TO PROCEED WITH THE REVERSE STOCK SPLIT AND THE EXACT RATIO AND TIMING OF THE REVERSE SPLIT TO BE DETERMINED BY OUR BOARD OF DIRECTORS, IN ITS DISCRETION, FOLLOWING STOCKHOLDER APPROVAL (IF OBTAINED), BUT NO LATER THAN OCTOBER 31, 2021.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**NOTE:** Such other business as may properly come before the meeting or any adjournment thereof.

Investor Address Line 1  
 Investor Address Line 2  
 Investor Address Line 3  
 Investor Address Line 4  
 Investor Address Line 5  
 John Sample  
 1234 ANYWHERE STREET  
 ANY CITY, ON A1A 1A1

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

		<b>JOB #</b>			<b>SHARES CUSIP # SEQUENCE #</b>
<small>Signature (PLEASE SIGN WITHIN BOX)</small>	<small>Date</small>		<small>Signature (Joint Owners)</small>	<small>Date</small>	

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**Important Notice Regarding the Availability of Proxy Materials for the Special Meeting:** The Proxy Statement is available at [www.proxyvote.com](http://www.proxyvote.com)

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	<p><b>BIO-KEY INTERNATIONAL, INC.</b> <b>Special Meeting of Stockholders</b> <b>November 16, 2020 10:00 a.m.</b> <b>This proxy is solicited by the Board of Directors</b></p>
<p>The undersigned hereby constitutes and appoints Michael W. DePasquale as his or her true and lawful agent and proxy with full power of substitution, to represent and to vote on behalf of the undersigned all of the shares of common stock of BIO-key International, Inc. (the "Company") which the undersigned is entitled to vote at the Special Meeting of Stockholders of the Company to be held on November 16, 2020 at 10:00 a.m., local time, at the Company's offices at 3349 Highway 138, Building A, Suite E, Wall, NJ 07719 and at any adjournment(s), continuation(s) or postponement(s) thereof, upon the following proposal more fully described in the Notice of Special Meeting of Stockholders and Proxy Statement for the Special Meeting (receipt of which is hereby acknowledged), and in his discretion upon any other matters which may properly come before said meeting.</p>	
<p><b>This proxy when properly executed will be voted in the manner directed herein by the undersigned stockholder. If no direction is made, this proxy will be voted "FOR" Proposal 1.</b></p>	
<p><b>Continued and to be signed on reverse side</b></p>	

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