



PROXY STATEMENT SUPPLEMENT NO. 2  
2019 ANNUAL MEETING OF STOCKHOLDERS  
To Be Held Friday, May 3, 2019

This Proxy Statement Supplement No. 2 (“Supplement No. 2”) supplements and amends the original definitive proxy statement of Psychemedics Corporation (the “Company”, “we”, or “our”), dated March 19, 2019 (the “Proxy Statement”) as supplemented by a Proxy Statement Supplement dated March 25, 2019 (“Supplement No. 1”) for the Company’s 2019 Annual Meeting of Stockholders (the “Annual Meeting”) to provide additional disclosure regarding Proposal 4, approval of the amendment and restatement of the Company’s 2006 Incentive Plan, including an increase in the number of authorized shares under the Plan. All capitalized terms used in this Supplement No. 2 and not otherwise defined herein have the meaning ascribed to them in the Proxy Statement.

**THIS SUPPLEMENT SHOULD BE READ IN CONJUNCTION  
WITH THE PROXY STATEMENT, AS SUPPLEMENTED  
BY SUPPLEMENT NO. 1**

**Supplemental Disclosure Concerning Proposal 4**

As disclosed in the Proxy Statement, the Company is seeking stockholder approval at the Annual Meeting to approve an amendment and restatement of the Company’s 2006 Incentive Plan (the “2006 Incentive Plan”) including an increase of 350,000 shares of Common Stock issuable under the 2006 Incentive Plan, as described in Proposal 4.

*Eligible Participants*

The individuals that are eligible to receive awards under the 2006 Incentive Plan are officers and other employees of the Company and its subsidiaries, non-employee directors of the Company and consultants of the Company.

As of April 8, 2019, four officers and approximately 240 other employees of the Company and its subsidiaries, and four non-employee directors of the Company, will be eligible to receive awards under the 2006 Incentive Plan. We do not currently expect to issue awards to consultants of the Company.

The basis for participation in the 2006 Incentive Plan is the Committee's decision, in its sole discretion, that an award to an eligible participant will further the 2006 Incentive Plan's purpose. In exercising its discretion, the Committee will consider the recommendations of management and the purpose of the 2006 Incentive Plan, which is to provide equity-based and other incentives to officers and other employees and non-employee directors to promote close alignment among their interests and those of the Company’s stockholders. We believe the awards will encourage recipients to continue their involvement with the Company and/or its subsidiaries and contribute to the Company’s long-term success and growth, which will benefit our stockholders.

**Psychemedics Corporation’s Board of Directors recommends that the stockholders  
vote “FOR” ratification of the amendment and restatement of  
the 2006 Incentive Plan.**

## Voting Procedures

Your vote is important. If you have not already voted your shares, we encourage you to do so. If you have already voted your shares and do not wish to change your vote, no further action is necessary. If you wish to change your vote, you may revoke your proxy and change your vote by delivering a later-dated proxy or by voting at the meeting. You may do this at a later date or time by signing and delivering a proxy card with a later date or voting at the meeting. (If you hold your shares beneficially through a broker, you must bring a legal proxy from the broker in order to vote at the meeting). Please also note that attendance at the meeting, in and of itself, without voting in person at the meeting, will not cause your previously granted proxy to be revoked.

If you are a registered stockholder, you can use the enclosed proxy card to change a prior vote or to vote for the first time.

If your shares are held by a broker, trustee or bank, you can obtain a new voting instruction form by contacting your broker, trustee or bank.

---

**Important Notice Regarding Availability of Proxy Materials for the 2019  
Annual Meeting of Stockholders to be Held on May 3, 2019**

A copy of the Company's Proxy Statement, Proxy Statement Supplement No. 1, this Proxy Statement Supplement No. 2, a proxy card and the Company's Annual Report on Form 10-K for the year ended December 31, 2018 may be obtained without charge by writing to the Company at Investor Relations, Psychomedics Corporation, 289 Great Road, Suite 200, Acton, Massachusetts 01720, or by viewing the "Investor Relations" section of the Company's website at [www.psychomedics.com](http://www.psychomedics.com).

*This Supplement No. 2 is first being released to stockholders on or about April 8, 2019 and should be read together with the Proxy Statement dated March 19, 2019, as supplemented by Proxy Statement Supplement No. 1 dated March 25, 2019. The information contained in this Supplement No. 2 to the Proxy Statement modifies or supersedes any inconsistent information contained in the Proxy Statement, as previously supplemented.*