



How to onboard a Transfer Agent

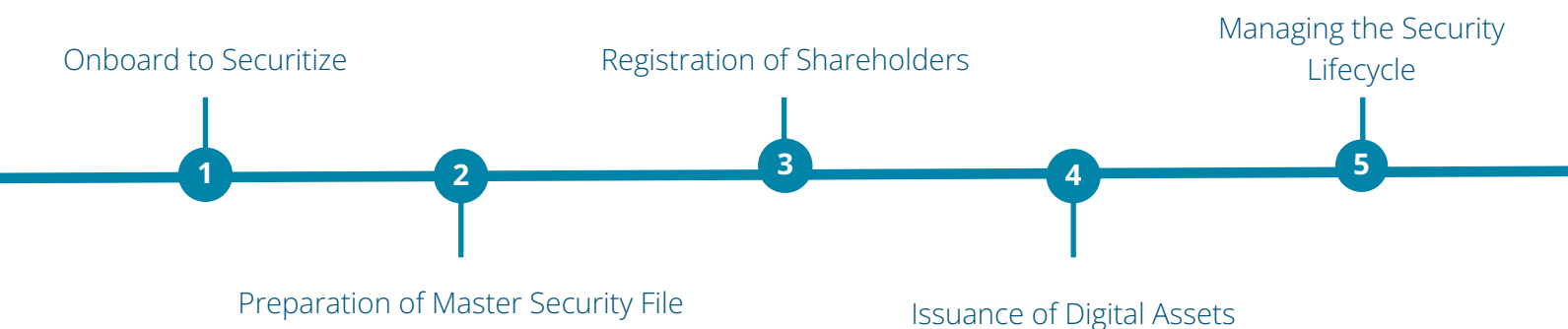
V.NOV2021

Getting Started

A Transfer Agent helps a company navigate the full lifecycle of their security and shareholder ownership with ease.

Transfer Agents bring knowledge of compliance requirements and the capabilities that are essential to successfully onboarding investors, issuing shares, and managing a cap-table. Securitize's Digital Transfer Agent streamlines shareholder management and eliminates inefficiencies of multiple third-parties and manual paperwork by leveraging digital asset securities.

Onboarding to Securitize's Digital Transfer Agent is a smooth process that takes between **1-2 months** and is largely managed by your dedicated Securitize Success Manager.



1 Onboard to Securitize

Our goal is to make the process of engaging a Transfer Agent for the first time as low-touch and smooth as possible. Throughout you'll be guided by one of our **Customer Success Managers** (CSM).

This initial phase starts with **Due Diligence**. During this diligence process, you will be requested to provide formation documents, such as a corporate charter and certificates of beneficial ownership, and written statements that include data such as the start date of operations and the number of employees.

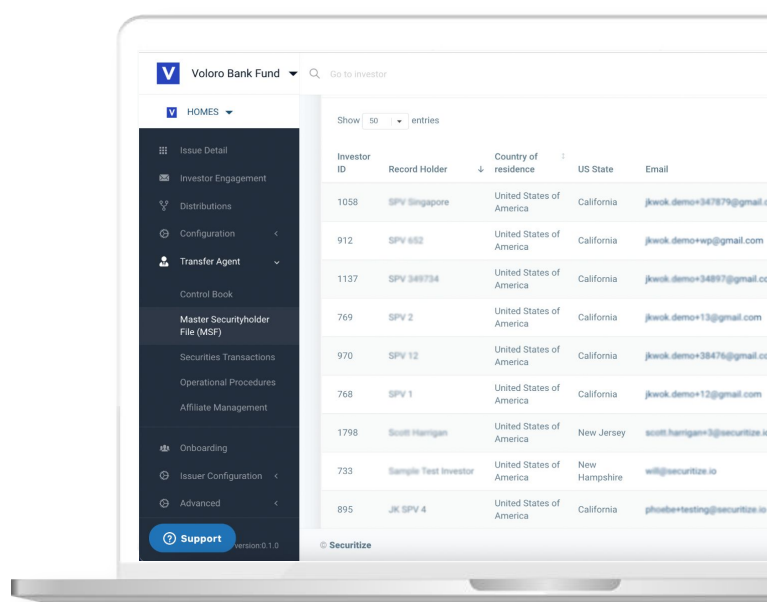
There are a few additional items to kick-start the process:

- General company information and brand assets for your Issuer Portal and Investor Dashboard page, where shareholders go to manage their shares and view your latest updates.
- Setup DocuSign and a crypto custody account.
- Indication of compliance restrictions and legal documentation, such as the investor accreditation terms and subscription agreement.

2 Prepare the Master Security File

To successfully onboard your current cap-table to Securitize's Digital Transfer Agent, a **Master Security File** is required. A Master Security File is a document that reflects your current cap-table and includes data such as personal information of shareholders, types of shares issued and vesting periods.

At Securitize, we want to make the onboarding process as easy for you as possible, hence we have **two templates you can use to set up your Master Security File**: one template for fully KYC shareholder profiles, and one template in the event you only have limited shareholder information, such as name and email address.



3 Register Shareholders

For shareholders who are fully KYC'd and that information is reflected in the Master Security File, they will automatically be visible in the Issuer Portal on Securitize, once your Master Security File is uploaded to Securitize.

If shareholders have not passed KYC verification, or their profiles are incomplete, they will receive an email invite to create an **investor passport on Securitize iD**, where they will be onboarded via an easy 4-step verification process.. The progress of the KYC verification of shareholders can easily be tracked within the Issuer Portal on Securitize.



4 Access Your Issuer Portal

You and your team will receive login access to your Issuer Portal, a **customized digital and real-time interface to manage your cap-table**, track token ownership, communicate with your shareholders, and much more.

Your shareholders will get access to an **Investor Dashboard**, where they can manage their holdings, find relevant information about your company, and follow your latest news.

5 Issuance of Digital Asset Securities / Book-entry shares

Securitize is an SEC registered Transfer Agent and gives companies and shareholders full flexibility to **opt for book-entry shares or digital asset securities, or a combination of both**.

Digital Asset Securities are issued via tokenization, which is the process of digitizing assets and recording the ownership on the blockchain. Shareholders will receive tokens that are the digital representations of their shares.

To issue the digital asset securities, we work with you to identify the most appropriate blockchain for your shares. Securitize is blockchain agnostic, and has created, for example, integrations with [Ethereum](#), [Algorand](#) and [Avalanche](#). The [Digital Security protocol](#) is leveraged on all issuances to automate and enforce compliance, by, for example, only allowing transfers between KYC'd - whitelisted, and verified wallets.

As an issuer, working with your Securitize CSM, you will indicate **what requirements and legal limitations the digital asset securities should include**, for example, jurisdictional restrictions or vesting periods. Once these conditions have been defined, we will establish the smart contracts for your digital asset security and introduce the configuration in the Control Panel, which is linked to your Issuer Portal <https://www.algorand.com/futurefi/>

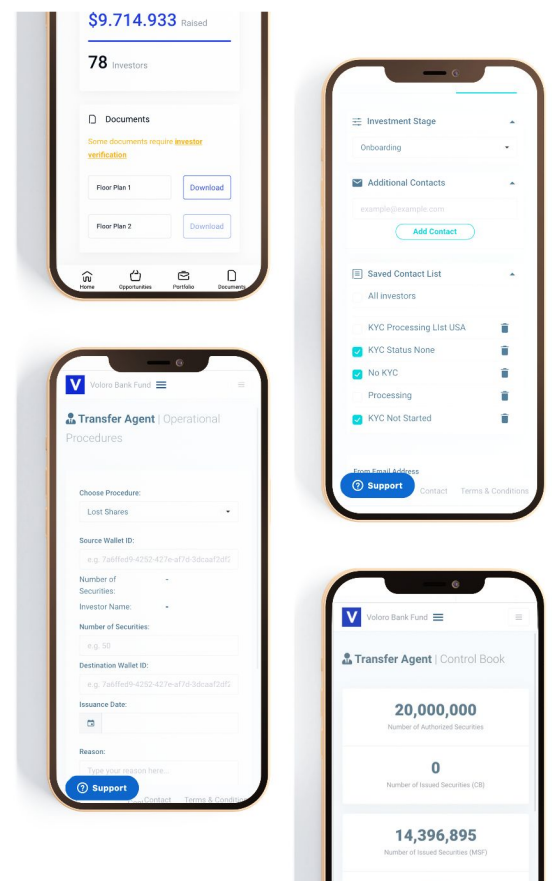
To facilitate the process, your Securitize CSM will complete the issuance for you via the Issuer Portal. Your shareholders are then notified when the tokens are issued.

If an investor has not added a personal wallet to their investor dashboard, we will automatically keep track of their shares via traditional book-entry. The investor can add a wallet and retrieve their digital asset securities at any given time.

6 Managing the Lifecycle of Your Security

Transfer Agent services can ensure you're prepared to **easily navigate the lifecycle of your security**, from payouts, distribution and liquidity, to downstream investor challenges, such as death, divorce, lost digital asset wallet keys.

- **Payouts and Distribution**
Within your Issuer Portal you can **distribute dividends** and other payouts, and find an up-to-date view of your past and current cap-table.
- **Lost or Stolen Tokens**
In the unfortunate event of stolen or lost access to wallets, Securitize can act on your behalf to **destroy and reissue** the tokens to a new investor wallet. Tracking will be visible through your Issuer Portal.
- **Provide Liquidity**
In addition to our Digital Transfer Agent solution, you can activate **secondary trading on Securitize Markets** to provide the potential for shareholder liquidity.





We're here to answer any questions and to get started with Securitize's Digital Transfer Agent.

Contact sales

V.NOV2021

CONFIDENTIAL AND PROPRIETARY. Any use of this material without specific permission of Securitize Inc. is strictly prohibited. Securitize Markets is an SEC-registered broker-dealer, FINRA / SIPC member and operator of Securitize Markets ATS, and an SEC-regulated Alternative Trading System (ATS).¹ Check the background of Securitize Markets on [Finra BrokerCheck](#).