TOKENIZATION

AN ISSUER READINESS GUIDE

PREPARING FOR TOKENIZATION

Understanding how tokenization could reshape ownership, shareholder visibility, and market infrastructure — and what issuers can do to prepare today.

READINESS | MARKET INFRASTRUCTURE | TRANSPARENCY | RISK

MODERNIZING OWNERSHIP.
PRESERVING TRUST.

EQUINITI TRUST COMPANY, LLC
2026 EDITION

Understanding how tokenization could reshape ownership, shareholder visibility, and market infrastructure

Tokenization has moved from industry discussion to active market development. While many issuers are still determining when, or if, tokenized securities may become relevant to their organization, key questions are beginning to emerge:

What could tokenization mean for shareholder ownership? What are the potential benefits and risks for issuers? How might it affect visibility into investor bases? What role will my transfer agent play as traditional and blockchain-based models begin to coexist?

This guide is designed to help issuers understand the practical implications of tokenization, what preparations can begin today, and where market infrastructure may be heading. Key terminology is explained throughout, recognizing that many of these concepts remain unfamiliar outside specialist market circles.

Over 3,000

ISSUERS

Equiniti serves as transfer agent to over 3,000 public companies today, including a significant share of the S&P 500 and FTSE 100.

20M+

SHAREHOLDERS

More than 20 million shareholder positions already sit on registers Equiniti maintains.

2027

A COMBINATION UNDERWAY

The pending combination with Bullish is designed to pair that registry with blockchain-native infrastructure, expected to close in January 2027.

01

READINESS

What issuers should do before they ever issue a token

Issuers do not need a firm tokenization timeline to start preparing and, given the pace of change in market infrastructure, most should not wait for one.

One of the questions boards, legal teams, and investor relations professionals may need to consider is when a company should start planning for tokenization. Readiness rests on fundamentals that pay off regardless, and much of that work happens on the register Equiniti already maintains.

Start With the Register

Every issuer-sponsored tokenized share is created from the official shareholder register.

Stale records, unexchanged positions, and **escheatment** exposure can become blockers later. Equiniti maintains that register today and can help address these issues while there is no deadline attached to them. For many issuers, shareholder data quality may become one of the most important foundations of a future tokenization strategy.

Map Your Ownership

The **street name** portion of your shareholder base is where tokenization is likely to change visibility the most, so knowing that number can help you gauge the potential opportunity. Equiniti can produce that split from the register and surveillance data you already have with us.

What This Can Cost a Business

Issuers that arrive with a messy register and limited internal fluency may face months of remediation before they can act, while better-prepared peers could move more quickly. An Equiniti readiness review is designed to help close that gap before it carries a deadline.

> **Readiness starts with understanding your ownership structure, maintaining accurate shareholder data, and asking how your organization would prepare if tokenization became commercially relevant tomorrow.**

THREE THINGS TO ESTABLISH NOW

1. **Your ownership structure**
   How much of the shareholder base sits registered versus in **street name**.

2. **Accurate shareholder data**
   A register free of stale records, unexchanged positions, and **escheatment** exposure.

3. **A prepared organization**
   Board, legal, and IR teams fluent enough to move if tokenization became relevant tomorrow.

KEY TERMS EXPLAINED

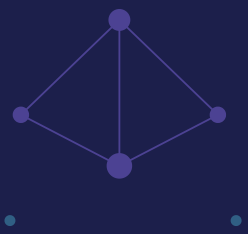
Tokenized Share
A digital representation of a share recorded using blockchain technology.

Street Name
Shares held through a broker or nominee on behalf of an investor rather than directly in the investor's name.

Escheatment
The process through which unclaimed shareholder property may eventually transfer to a state authority.

02

MARKET INFRASTRUCTURE



DWAC, DRS, street name, and 24/7 trading

Tokenization does not arrive on a blank page. It is expected to work alongside the settlement machinery the market already runs on, likely through coexistence rather than replacement, with the transfer agent positioned to hold the two forms together.

On Settlement

On-chain transfer may ultimately perform a similar function to today's DWAC and DRS movements, with the potential for greater speed and transparency.

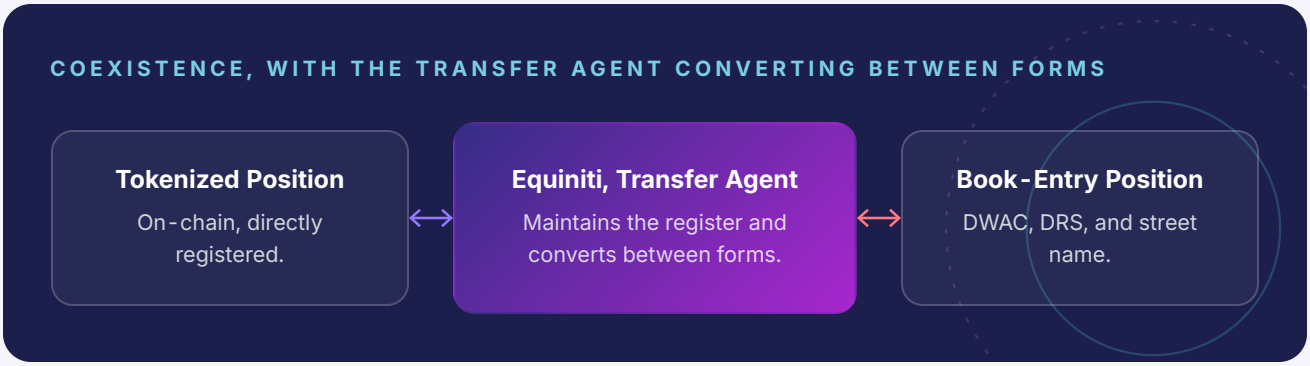
A likely path is coexistence: tokenized and traditional book-entry positions running in parallel, with conversion between forms handled by Equiniti as transfer agent. If a receiving broker cannot yet support tokenized positions, the shares are designed to convert back to conventional form before delivery, so holders are not left without a way to settle.

On Broker Custody

Most traditional broker-dealers are not yet set up to hold tokenized securities, an area governed by specific SEC guidance and still maturing. Direct registered holding through Equiniti is currently the most fully supported channel while that capability develops.

On Trading Hours

A market that trends toward 24/7 trading would not eliminate insider trading windows. Those are issuer policies, not market mechanics. It does mean blackout enforcement, pre-clearance procedures, and 10b5-1 plan design should be reviewed with counsel against a continuous-trading scenario.



Equiniti is positioned to maintain the official record across both forms and convert between them, operating alongside DTCC and Euroclear rather than outside them, so holders are not left without a path to settle.

Street name has held its advantage for decades because brokerage holding has generally been more convenient than registration. Tokenization may narrow that convenience gap, and the ownership mix could shift accordingly over time.

WORTH WATCHING

Boards, legal, and IR teams that build regulatory fluency early may be better positioned to move quickly once tokenization becomes commercially relevant. The GENIUS Act, signed into law in July 2025, established the first federal framework for payment **stablecoins**, providing a useful preview of how quickly comparable rules for tokenized securities could move once they take shape.

KEY TERMS EXPLAINED

DWAC
A system used to transfer shares electronically between brokers and transfer agents.

DRS, or Direct Registration System
A system that allows shares to be recorded directly in an investor's name on the official shareholder register.

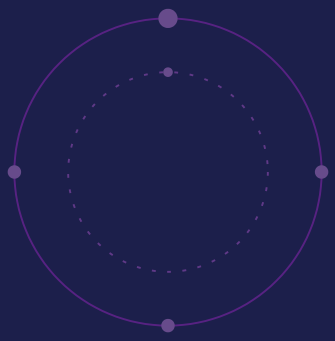
On-Chain
Recorded and tracked on a blockchain network.

Settlement
The process through which ownership and payment are completed following a trade.

03

TRANSPARENCY

What issuers will actually see



Issuers already receive a complete register of registered shareholders from Equiniti. The additional transparency that tokenization may bring sits largely elsewhere, concentrated in the public float.

Where the Visibility Gap Tends to Sit

For most public companies, the majority of outstanding shares sit in **street name**, held through nominee structures where beneficial owners are visible to the issuer only through **NOBO lists**, **13F filings**, and periodic surveillance.

As positions move into tokenized, directly registered form, ownership that was previously obscured can become visible on the register Equiniti maintains, potentially in near real time. Registered holders were never the gap. The float generally was.

Compliance obligations are generally expected to travel with the share rather than the wrapper. Beneficial ownership reporting under **Schedules 13D and 13G** is expected to continue to apply to tokenized positions, although issuers should confirm treatment with counsel. Greater register visibility may also make threshold monitoring easier for issuers.

VISIBLE TODAY

Registered Holders

Already fully visible on the official register. This was never the gap.

THE OPPORTUNITY

Street Name Float

Visible only through **NOBO lists**, **13F filings**, and periodic surveillance. This is where tokenization may change the picture most.

WHAT BETTER FLOAT VISIBILITY MAY CHANGE

Proxy Solicitation

Campaigns may be able to target real holders more directly, rather than working back through nominee chains.

Activist Accumulation

Position building may become visible sooner, potentially before a filing obligation is triggered.

Shareholder Engagement

Outreach may more directly reach the people who hold the shares and cast the votes.

Better float visibility can compound across the governance calendar, turning ownership data into something the business may be able to act on rather than reconstruct after the fact. For many issuers, this may represent one of the clearest potential benefits of tokenization.

KEY TERMS EXPLAINED

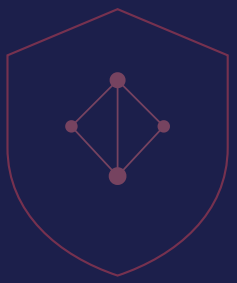
NOBO List
A list of non-objecting beneficial owners who permit their details to be shared with an issuer.

13F Filing
A US regulatory filing through which certain institutional investment managers disclose equity holdings.

Schedules 13D and 13G
US regulatory filings used to report certain significant beneficial ownership positions.

04 RISK

Volatility, synthetics, and the duplication question



Three risks are routinely attributed to tokenized securities. Each deserves a direct answer.

RISK 01

Volatility

Belongs to the rail, not the asset.

A **tokenized share's** worth is generally the worth of the underlying equity. **Stablecoins**, now governed by the federal GENIUS Act, may enter only as a fixed-value **settlement** leg, separate from the share itself.

RISK 02

Synthetics

Not a share, and not a shareholder.

A synthetic instrument is a third-party product that mimics economic exposure without conveying ownership. It typically carries no shareholder rights, no register entry, and no formal relationship with the issuer.

RISK 03

Duplication

Designed to be addressed structurally.

A single transfer agent acting as **minting authority** means a token with no corresponding register entry is not considered a share.

KEY TERMS EXPLAINED

Stablecoin
A digital asset designed to maintain a stable value and which may be used as part of a settlement process.

Minting Authority
The entity authorized to create a tokenized security and validate it against the official register.

> **Tokenization is the defining infrastructure trend of the next 25 years.**

Tom Farley
CEO, Bullish

LOOKING AHEAD

For issuers, the infrastructure challenge may not be onboarding a new provider in the future. It may be understanding how, and if, your existing provider can help you prepare for, plan, and evolve with the opportunities tokenization could create.

Equiniti already serves as transfer agent to thousands of issuers today. In May 2026, Equiniti and Bullish (NYSE: BLSH) entered a definitive agreement, valued at $4.2 billion, to combine Equiniti's registry expertise with Bullish's blockchain platform, with the transaction expected to close in January 2027, subject to regulatory approval.

Whether an organization ultimately chooses to tokenize its shares or not, understanding the implications, opportunities, and operational requirements is increasingly becoming part of the issuer readiness conversation.

3,000+ Issuer clients Equiniti serves today.	**21.8M+** Shareholders in share plans and registration services.	**$300B** Processed in issuer payments annually.
15+ Years Average length of client relationships.	**64%** Of the S&P 500 served as issuer clients.	**97+ Years** Supporting issuer services.

Start with a tokenization readiness review.

Ask your Equiniti representative for a tokenization **readiness review**, covering **register health**, your **street name float**, and a briefing for board, legal, and IR teams.

TALK TO EQUINITI

KEY TERMS EXPLAINED

Register Health
The overall accuracy and currency of an issuer's shareholder register, free of stale records, unexchanged positions, and **escheatment** risk.

Readiness Review
An assessment of an issuer's shareholder register, ownership visibility, and organizational preparedness ahead of any tokenization decision.

Street Name Float
The share of an issuer's outstanding shares held in **street name** through brokers or nominees, rather than directly registered.

IMPORTANT INFORMATION

This guide is for general information only and does not constitute legal, tax, regulatory, or investment advice. Statements regarding the pending Bullish–Equiniti transaction, including its expected closing date, are forward-looking, remain subject to regulatory approval and customary closing conditions, and could change. Statements about future regulatory treatment, market structure, or outcomes are also forward-looking and subject to change. Issuers should consult their own counsel and advisors regarding their specific circumstances.

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GET STARTED

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