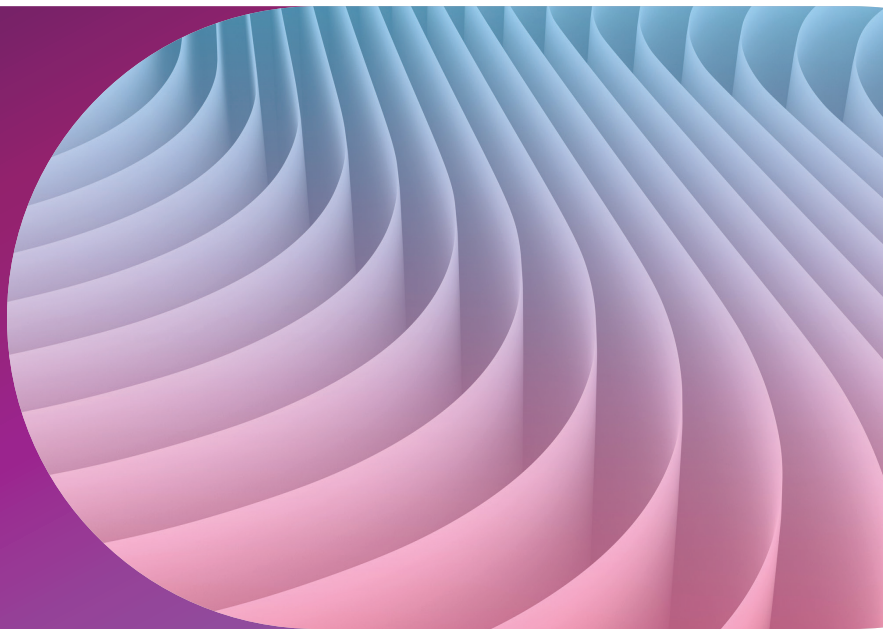
Computershare

WHITE PAPER

Transfer agent overview



This paper is intended to give a high- level overview of transfer agency, with definitions and descriptions of commonly used terms and processes, such as:

- Important terminology
- Registered and beneficial shareholders
- The Depository Trust Company (DTC) and its nominee, Cede & Co.
- Book-entry and printed stock certificates

What is stock?

Stock represents ownership in a company, shares of which may be held by individuals, fiduciaries, or entities. The first time a company offers the sale of stock to the public is referred to as an "initial public offering" (IPO) or "going public." Stock issuances by companies are governed by the Securities Act of 1933 and the Securities Exchange Act of 1934, and regulations thereunder, which are enforced by the United States Securities and Exchange Commission (SEC). Companies that have shareholders are commonly called issuers because they issue stock or shares. Issuers are also subject to the corporate law of the company's state of incorporation, the rules of the exchange on which its stock is traded, operational guidelines and eligibility requirements of The Depository Trust Company (DTC) if eligible, and the issuers' corporate by-laws, articles of incorporation and other corporate governing documents. Corporations may issue different classes of stock, which may be subject to different ownership rules, value per share and privileges such as the right to vote on certain corporate matters. These classes of stock include the following:

- **Common stock**, which allows the holder to vote on matters of corporate policy and the composition of the board of directors. If a company goes bankrupt or is otherwise liquidated, common stockholders' claims are subordinate to bondholders or preferred stockholders' claims. Common stock may be sold on a stock market exchange, and its holders are entitled to a dividend if the company's board of directors approves a dividend payment to holders of common stock.

Preferred stock, which the corporation may or may not choose to issue, can offer certain financial advantages over common stock. Preferred stock usually does not confer voting rights but pays a fixed dividend before dividends are paid to common stockholders. In case of the company's bankruptcy or liquidation, holders of preferred stock take priority over common stockholders. Conditions and privileges associated with holding preferred stock vary by each company. Frequently, preferred stock allows holders to convert their shares to common stock.

- **Restricted stock** is subject to restrictions on transfer, purchase, and resale, generally because of its registration status with the SEC or due to contractual restrictions. It is usually rewarded as a form of employee compensation or as part of a merger or acquisition and may not be sold or transferred until certain conditions have been met.

The stock for publicly traded companies may be traded on any one of the thirteen exchanges registered with the SEC. Additionally, many equity securities, corporate bonds, government securities, and certain derivative products are traded on the over-the-counter (OTC) market, through systems such as OTCQX, OTCQB and Pink Limited Securities.

OTC exchanges are decentralized markets where securities not listed on formal exchanges like the NYSE are traded through broker-dealer networks. They typically involve smaller company stocks, bonds, and derivatives, offering investment opportunities but with higher risks due to less regulation and transparency.

Authorized stock

Authorized stock is the amount of shares, limited to a fixed amount, the corporation may legally issue, pursuant to its corporate charter. The amount of authorized stock a corporation may issue never changes, unless the charter, articles of incorporation or other appropriate governing documents are modified. Such modifications may require shareholder approval.

Issued and unissued stock

Issued- and- outstanding shares are shares of authorized common stock issued to shareholders. Unissued shares are authorized shares of common stock not yet issued by the corporation and held in reserve for future use, such as for a secondary offering, stock options, or dividends. The total of issued and unissued equals authorized stock.

Treasury stock

Treasury stock consists of shares that have already been issued but have been purchased back from the shareholders by the corporation. These shares are considered issued but not outstanding. Some states (Delaware, for one) may not recognize the validity of treasury stock.

Secondary offerings

In addition to shares sold to the public during an initial public offering (IPO), companies may choose to offer additional stock after the IPO. Post-IPO underwritten sales are known as secondary offerings. Proceeds from these sales can go to the company or to shareholders who have arranged to have their shares sold in the offering. These shareholders are called "selling shareholders."

Other activities by the corporation, such as offering shares through employee compensation plans, private placements, mergers and acquisitions and stock dividends may require issuance of shares that increase the outstanding share balance.

Registered and beneficial shareholders

There are two types of shareholders: registered and beneficial. Registered shareholders, also known as "shareholders of record," are individuals, groups or entities that hold shares directly in their own name on the company register. The issuer, or its transfer agent, then keeps the records of ownership for the shareholder and provides services such as transferring shares, paying dividends, coordinating shareholder communications and more, as described below. Beneficial shareholders have their stock held in the name of an intermediary such as a broker. The broker then can facilitate trading shares and other services for the shareholders. When shares are kept in this manner, it is often referred to as keeping the shares in "street name." Most shareholders are beneficial shareholders.

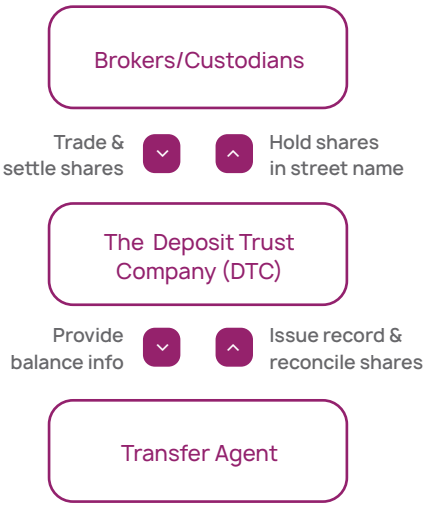
Additionally, beneficial owners are designated as objecting beneficial owners (OBOs) or non-objecting beneficial owners (NOBOs). By "objecting," OBOs shield their identity from the issuer and may only be contacted by the issuer via a third party, such as the holder's broker. NOBOs waive this right and may be contacted directly by the issuer, including shareholder communications such as proxy statements and annual/quarterly reports. Lists for an issuer's NOBOs may be requested from an intermediary.

When a shareholder opens a brokerage account and has their securities put in street name, the broker is required to give the shareholder the opportunity to designate themselves as an OBO or NOBO. If the shareholder does not elect to be a NOBO, they will often by default be listed by the intermediary as an OBO.

The Depository Trust Company (DTC)

The Depository Trust Company (DTC) is a repository through which stocks are transferred electronically between brokers, custodians, and transfer agents and provides electronic recordkeeping and clearinghouse services.

DTC was established to reduce the volume of physical stock certificate transfers involved in the trading of securities. DTC holds eligible securities for financial institutions such as brokerage firms and banks, collectively referred to as "participants." Participants then may request debits and corresponding credits to their DTC accounts to effect transfers. In this manner DTC facilitates share transfers on behalf of shareholders, via their brokers or transfer agents.



A transfer agent recognizes DTC as a single registered holder, often listed as "CEDE & CO.," which is DTC's nominee name. Transfer agents maintain the "master" shareholder record while DTC holds an aggregated position of its participants. DTC tracks the total number of shares held through brokers and custodians and communicates their position balance daily with the transfer agent to stay in balance with the master shareholder record.

Recordkeeping and the transfer agent

Transfer agents maintain a record of ownership, including contact information, of an issuer's registered shareholders. Brokers maintain the records of beneficial shareholders.

Transfer agents' responsibilities also include the transfer, issuance, and cancellation of an issuer's shares. Although transfer agents are commonly associated with the transfer of shares of common stock, transfer agents may also handle other types of securities where ownership is registered, such as bonds.

One of a transfer agents' primary duties is assisting registered shareholders and fulfilling requests for transferring their shares. Other core services provided by a transfer agent include:

- Dividend payments
- Tax reporting
- Annual meeting services
- Direct stock purchase/dividend reinvestment plan administration
- Stock sales for participating Issuer plan participants
- Escheatment and lost shareholder search and report filing
- Share issuance for secondary offerings
- Stock option issuance
- Restricted stock transfers
- Communication with shareholders on behalf of the issuer, including sending:
  - Proxy materials
  - Statements with details of holdings and/or transactions
  - Tax forms, including W-9, W-8BEN, 1099-DIV and 1099-B
  - Letters confirming other transactions, such as address change confirmations.

Transfer agents may also provide additional services for shareholders and issuers, including online account access, employee equity compensation services, and corporate action services.

A transfer agent also acts as a registrar, to help ensure that the corporation does not issue more shares of stock than have been authorized. While previously the duties of a registrar were segregated from those of a transfer agent, today the duties of transfer agent and registrar are performed by one entity. In their capacity as registrar, transfer agents maintain records of the total authorized, issued and outstanding shares, and track the issuance and cancellation of shares.

The transfer agent and registrar is appointed by a resolution of a company's board of directors.

The duties of a transfer agent and registrar may be performed by an issuer in-house. However, in most corporations with widely held share ownership, keeping track of stock issuance and ownership is a considerable task in this increasingly complex regulatory environment. As a result, most issuing companies outsource this function to a commercial transfer agent.

Transfer agent regulations

Since the mid-1970s, transfer agents have been subject to federal regulation by the SEC in accordance with the Securities Exchange Act of 1934. Transfer agents must comply with all applicable rules of the SEC, primarily sections 17Ad-1 through 17Ad-20 of the Securities Exchange Act of 1934. These regulations include strict requirements for the accuracy and timeliness of processing shareholder transactions. Given wide fluctuations in trading volume and shareholder inquiries, transfer agents must also be prepared to handle associated periods of peak transfer volume.

Activities that are governed by these regulations include:

- Turnaround times for processing
- Prompt responses to inquiries
- Accuracy of recordkeeping
- Retention of records
- Posting, transportation and destruction of certificates
- Safeguarding of funds and securities
- Evaluation of internal accounting controls
- Searches for lost shareholders
- Notifications to "unresponsive payees"

Securities industry participants, such as transfer agents, must also comply with regulations designed to prevent fraud in connection with missing, lost, counterfeit and stolen securities, in addition to other data security requirements. These data security requirements also extend to industry participants' employees, who must be fingerprinted and undergo background checks.

In addition, transfer agents are required to comply with certain provisions of the Anti-Money Laundering (AML) regulations and can also be subject to regulations of the Office of Foreign Assets Control (OFAC).

Transfer agents may also be subject to the laws of the states of incorporation for both issuers and their shareholders by virtue of the services they provide, including laws pertaining to data privacy and escheatment.

Transfer agents are additionally required by IRS regulations to track and report the dividend income and share sale activity they facilitate on behalf of issuers via form 1099 reporting. Transfer agents must also follow IRS requirements concerning tax and cost basis reporting.

Cost basis

"Cost basis" is the original value of a securities asset (usually the purchase price), adjusted for stock splits, dividends, and other relevant corporate actions. This value is used to determine the capital gain or loss from the transaction for tax purposes, which is equal to the difference between the asset's original cost basis and the market value at the time of a sale.

IRS regulations effective since 2011 require financial intermediaries such as brokers, banks, and transfer agents to report adjusted cost basis to investors and the IRS for securities transactions.

Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act (FATCA) was passed by Congress in 2010 and is designed to ensure proper tax withholding for accounts domiciled outside of the United States. FATCA requires transfer agents to subject non-US entity shareholder detail to an additional level of scrutiny.

Book entry and printed certificates

Registered shares can either be held electronically, in "book entry," or as printed certificates. Records for registered shareholders' holdings are held by the transfer agent and may be recorded in book entry through the Direct Registration System (DRS), through a DRP/DSPP, or in certificated form. Shares of private companies or non-exchange-listed securities may also be held in book-entry form on the transfer agent's records.

Book entry has many advantages: it allows for faster and more efficient transfer of shares and mitigates the risks of holding and losing paper certificates. Book entry is necessary for "dematerialization," a movement long supported by the SEC toward the reduction of paper certificates. Book entry also allows corporations to issue stock without printing stock certificates and eliminates the need to call in certificates in the event of a corporate action.

Computershare offers the option of producing print-on-demand certificates: physical certificates that can be printed cost-effectively as needed, eliminating the need to print and store high volumes of preprinted engraved certificates.

Records for all beneficial shareholders' shares are held in book entry by the shareholder's broker or other financial intermediary and can be transferred via the DTC's FAST system, described below in the "Transferring shares" section.

Companies determine whether they will issue shares in book-entry form, certificated form, or both. This is generally done by board resolution and may be specified in a company's bylaws or other corporate documents.

Dividends

Dividends are payments representing a portion of a company's profits paid to shareholders out of the company's current or retained earnings. In addition, capital dividends may also be paid out of return on capital. Dividends may be paid on an ad hoc, annual, semiannual, quarterly, or monthly basis. Dividends must be declared by the board of directors each time the dividends are paid. Dividends may be paid in cash or in equity (shares of stock).

When a company declares the dividend, it sets both a "payable date," the date that holders are paid the dividend, and a "dividend record date," the date when stockholders must be on the company's records as a shareholder to receive the dividend.

Once the dividend record date is set, the stock exchanges or the Financial Industry Regulatory Authority (FINRA) fix the "ex-dividend date," which is the same date as the record date. Holders who purchase a stock on or after its ex-dividend date will not receive that dividend payment; the seller will receive it instead. Holders who acquire stock before the ex-dividend date will be entitled to receive the dividend.

Transfer agents generally act as an issuer's paying agent for dividends. The issuer provides all dividend funds to the transfer agent for disbursing. The transfer agent disburses dividends to registered shareholders either by electronic funds transfer or check. It disburses the dividends electronically to DTC, which in turn forwards the funds electronically to the brokers or other financial intermediaries for distribution to beneficial shareholders. If it is a stock rather than a cash dividend, the transfer agent will issue shares in book-entry form and send statements to the shareholders. Issuance in paper certificate form is still an option but rare in today's environment. Paying agents may also make other distributions on the issuer's behalf, such as paying out interest to bondholders.

Direct Stock Purchase Plans (DSPP) and Dividend Reinvestment Plans (DRP)

Direct stock purchase plans are investment plans that include dividend reinvestment, optional cash purchases, and initial investments for new investors.

A DSPP can either be sponsored through a bank or transfer agent program, which does not require SEC registration, or through the issuer, who registers the plan with the SEC. Which method the issuer chooses depends on various factors, such as the flexibility to use original-issue or treasury shares for plan purchases to raise capital and the option to offer discounted purchase price for new shares purchased through the plan. DSPP shares may be purchased on the open market, or if the plan is sponsored by an SEC registered issuer, issued by the company from treasury or a reserve.

DSPP's allow registered shareholders and new investors the ability to purchase shares without having to use a broker, in addition to enabling them to reinvest dividend payments.

A "waiver" plan is a feature of a registered DSPP that offers a controlled opportunity to raise capital without the costs of a traditional underwriting. Normally, a DSPP has a set limit on the maximum dollar amount per investment. This limit allows a company to control the investment in new shares. However, when a company wants to raise capital, they may waive the dollar limitation — hence the term "waiver" plan. The company may also offer a discount on the shares' current market price to entice additional share purchases.

The issuing company controls the key elements of the program, including the minimum price the market shares must meet or exceed before new shares are issued, who may participate, and the purchase limit.

Transferring shares

A "transfer" is the industry term for a change in the registered owner of stock. When a stock certificate is presented for transfer, the transfer agent must determine that the transfer request is in good order and that all requirements have been met. The same requirements apply to transferring the ownership of book entry shares. The transfer agent must determine that the request to transfer shares is authentic and that there is no restriction on the transfer of those shares.

The certificate or instruction to transfer book entry shares typically requires a signature of the registered owner and a medallion signature guarantee stamp. The stamp is a guarantee by the guarantor (typically a financial institution, brokerage firm or credit union) that the signature is genuine and that the person signing is the appropriate person with the legal capacity to sign. In affixing its stamp, the medallion signature guarantor assumes financial liability in the event of a forgery. Medallion signature guarantees protect shareholders by preventing unauthorized transfers and potential investor losses. They also protect the transfer agent that accepts the signature, and the issuer.

Transfer agents also are involved in other types of transactions that do not result in a change in ownership, such as shareholder account address and contact updates, selling shares, consolidating like accounts, or converting shares held via certificate to book-entry form.

Transfers and share movements through DTC

Book entry settlement at DTC is managed through the Fast Automated Securities Transfer (FAST) system. Securities eligible for FAST allow DTC participants to provide electronic transfer, deposit, and withdrawal services to beneficial holders. DTC establishes an account at the transfer agent for each FAST eligible security titled "CEDE & Co." This account represents the sum total of shares for that security that is held by DTC's participants. Transfer agents or participants can then use delivery order (DO) or withdrawal-by-transfer (WT) requests to debit or credit these accounts.

Deposit Withdrawal at Custodian (DWAC).

DTC's Deposit Withdrawal at Custodian program is used to transfer shares from issuer to broker accounts for company holdings such as stock options and employee plan shares. Issuers may help facilitate DWAC transactions by providing instructions to the participant, who initiates the transaction, and the transfer agent, which matches up the instructions with the participant and accepts the DWAC transaction.

Direct Registration System (DRS)

DRS was established as an addition to the FAST system and enabled shares to be transferred electronically between transfer agents and participants through the following methods:

- Shareholder initiated requests that transfer shares to or from the transfer agent to a participant.
- Participant initiated requests via DRS to transfer shares to street name from a transfer agent account. All major exchange listed securities must be DRS eligible.

Lost certificates

If a shareholder loses a stock certificate, the old certificate must be canceled and new shares issued, either in certificated or book-entry form. The shareholder is required to present an open-penalty surety bond, which indemnifies the issuer and transfer agent, and the transfer agent replaces the lost certificate with new shares.

Most transfer agents facilitate the bond purchase process for the shareholder for convenience, utilizing a third- party surety provider, which typically requires a fee based on a percentage of the value of the lost certificate. If a certificate is reported lost, the SEC requires transfer agents to report the certificate detail to their vendor which maintains a database of lost securities on their behalf. Brokers and other financial institutions can then reference this database when a certificate is presented to ensure that the certificate is valid.

Sales of shares

Some transfer agents offer sales facilities for registered shareholders through DRS or a DRP/DSPP and may be able to offer advanced options such as market-order sales and limit- order sales orders, instead of the customary practice of batching sales orders.

If the shares are held by the holder in certificated form, the holder must surrender the certificate to the transfer agent and have the shares deposited either in DRS or in a DRP/DSPP. A shareholder may also sell their certificated shares through a broker, by delivering the certificate to the broker and requesting that the broker sell the shares on his or her behalf.

Lost shareholders, abandoned property and escheatment

All 50 U.S. states, Puerto Rico, the U.S. Virgin Islands, and Washington, D.C. require financial institutions and issuers — either directly or through designated agent — to report property that is deemed "unclaimed" or "abandoned." Property may be considered unclaimed due to factors such as an uncashed check, an unissued credit, or prolonged inactivity on an account. Escheatment is the process of transferring abandoned property to the state where the property owner resides, and can apply to any type of holding, such as an abandoned banking account. The information provided in this section refers specifically to escheatment of stock and cash payments made to registered shareholders, such as dividend payments.

Some states also require that, prior to the escheatment of property, the shareholder be deemed "lost," consistent with the SEC's definition — which generally requires two successive pieces of returned mail.

In all cases, the states have an "abandonment" or "dormancy" period, which is typically either three or five years. This dormancy period, combined with the state requirements regarding "lost" status and inactivity is used to determine whether an account is eligible to be escheated.

All states have their own due diligence requirements mandating that issuers conduct various mailings to the shareholder prior to escheatment of the property. In addition, transfer agents are required to conduct a database search when a shareholder is deemed to be lost, helping reunite the shareholder with their property, if possible. After due diligence requirements have been satisfied, the issuer and its transfer agent file unclaimed property reports and turn the property over to the states.

Records must be kept by the transfer agent that comply with the SEC lost shareholder regulations. These records are kept on behalf of the issuers so that they are in compliance with escheatment laws and to ensure that shareholder property is not turned over to the state unnecessarily. The records also ensure that the property is escheated as required. Shareholders can reclaim their property by contacting the state directly.

Corporate actions

In the case of a corporate action such as a merger, acquisition or capital reorganization, exchange agents receive the stock of the acquired company and issue the stock of the new or acquiring company, as applicable. The exchange agent function is often performed by the company's transfer agent. In addition, the transfer agent may serve in several distinct roles, such as:

- **Tender agent** — collects shares surrendered from shareholders and makes payments for the shares at a predetermined price.
- **Subscription agent** — invites equity security holders of a corporation to subscribe to new issuance of additional debt or equity.
- **Conversion agent** — converts debt securities into equity securities.
- **Paying Agent** — pays proceeds due.
- **Escrow agent** — holds an asset on behalf of a first party for delivery to a second party upon specified conditions or events.

There are several types of corporate actions, including but not limited to:

- Stock and cash mergers
- Tender offers

- Cash stock elections
- Rights offerings
- Stock splits and spin-offs
- Redemptions and conversions
- Warrant agency
- Tabulations
- Security distributions

Annual meetings

A company's Annual Meeting of Shareholders — often called an Annual General Meeting (AGM) — is a legally required gathering where the company reports on its performance and conducts official business that requires shareholder approval. Most publicly traded companies are required by corporate governance rules and securities regulations to hold this meeting once per year. The key reasons a company holds an annual meeting is to report on company performance, elect the board of directors and vote on key corporate matters. Holders of common stock are generally entitled to one vote per share and can cast their vote either in person at the meeting or via proxy.

There are many major events leading up to an issuer's AGM that require compliance with state and federal law. These events need to be completed on or before an AGM takes place and include:

- **File Form 10K/annual report** — Filed with the SEC within a certain number of days after the issuer's fiscal year end.
- **Set the meeting record date** — to determine which shareholders are eligible to vote at the meeting.
- **Conduct broker and bank search** — The broker search is an SEC-mandated process whereby brokers, banks and other intermediaries are contacted to determine how much proxy material is required to provide copies to the beneficial shareholder. The broker search generally is required to be initiated at least twenty business days prior to the meeting record date.
- **Distribute the proxy material** either by mail or electronically.
- **Vote tabulation** — the transfer agent or other proxy service provider selected by the issuer will tabulate the votes of the registered and beneficial shareholders. Votes of beneficial shareholders are tabulated by the street-side proxy services, who then provide the vote tabulator with those results for addition to the master tabulation. The vote totals are provided to the meeting's Inspector of Election by the vote tabulator. Transfer agents often serve as the Inspector of Election.

Transfer agents can assist a company with their annual meeting by providing the notification of the upcoming AGM to the banks and brokers who represent the beneficial shareholders and distributing the documents (proxy materials) that are required to be provided to the shareholders prior to the AGM. Proxy materials include a proxy statement, a proxy card or vote instruction form (for beneficial holders who own their shares in street name), and an annual report. The documents can be distributed by mail or electronically.

Glossary of commonly used terms

Alternative trading system (ATS): OTC Markets is an example of an ATS, which brings buyers/sellers from major brokerages and individual traders together directly by matching orders according to a predefined logic. A regulated ATS has sufficient volume in non-government securities and commercial paper to be registered with the SEC.

AML (Anti-Money Laundering): A term used in the financial services to refer to the legal controls requiring financial institutions and other regulated entities to prevent or report money-laundering activities. Initially part of the Bank Secrecy Act of 1970, these controls later became a focal point for enforcement as part of the USA Patriot ACT of 2001.

Beneficial Holder or Owner: Any person or entity with sole or shared power to vote or dispose of a security. This includes a holder who enjoys the benefits of ownership although the shares may be held in another name, such as "street" name. When an investor opens an account at a brokerage the application paperwork currently asks the investor if they object to their name being known to the issuer (Objecting Beneficial Owner or OBO) or if they do not object to the name being known (Non-Objecting Beneficial Owner or NOBO).

Book Entry Shares: Shares held in non-certificate form by the corporation's transfer agent.

Cost Basis: Under IRS rules, an investor's cost basis is the total cost of an asset or security, usually equal to the purchase price of the security plus commissions and other expenses. It is used to calculate capital gains and losses for tax purposes; transfer agents report cost basis to the IRS on sales transactions for registered shareholders of an issuer.

CUSIP Number: A unique number used to identify the issue and the particular security issued. Acronym for Committee on Uniform Securities of Identification Procedures.

DTC or DTCC Acronym for the Depository Trust & Clearing Corporation, aka Depository Trust Company. Shares held at the depository are registered to CEDE & Co (DTC's nominee name) on the books of the issuer and these represent the 'street name' shares.

DWAC: Acronym for Deposit/Withdrawal at Custodian. Within DTC's FAST system, a DWAC allows transactions to occur directly between brokerage firms and/or the transfer agent.

Escheatment: The process of turning over unclaimed /abandoned property to the state in which the investor last resided. This may occur if a person's assets are classified as abandoned without current contact or if a person dies without a will or any successors to their estate. Property turned over to the state can typically be reclaimed by the rightful owner or executor by contacting the state's unclaimed property division.

Insider: Anyone in a position to influence the decisions of a corporation. Insiders include officers, directors, principal stockholders, and their respective immediate families. Insiders of a corporation are also referred to as affiliated persons or control persons.

Issuer: A legal entity (C Corp, LLC, S Corp, Master Trust, Limited Partnership) that has or will issue different types of securities to raise capital for its business (i.e. common stock, preferred stock, bonds, options, warrants, etc).

Legal opinion: A written opinion by a securities counsel stating whether or not the equity shares, the bond issue or a shareholder conforms with all the laws of the issuer, and the state and federal governments. If the opinion is for bonds, it also addresses the tax status of the bonds.

Limited Participant: A transfer agent who offers services on behalf of an issuer to the Depository Trust & Clearing Corporation. A limited participant cannot initiate any trade transactions nor is a limited participant a member of the self-regulatory organization of DTC.

Master Security Holder File: The official list of individual holder accounts, also known as a valid issuer shareholder list. The SEC holder the issuer and its transfer agent responsible for maintaining an accurate master list of all security holders.

Medallion Signature Guarantee: A warranty by a signature guarantor (typically a bank) that the endorser is authorized to transact the transfer a security to another party. Medallion signature guarantees are widely used across the securities investment industry to protect shareholder accounts and prevent the unauthorized transfer of securities.

Private Placement: A securities offering that is exempt from full registration requirements with the SEC, sometimes referred to as "unregistered shares" and generally placed with select private investors. These offerings can be performed in public companies as well as private companies. When a public company engages in a private placement, it is referred to as Private Investing in Public Equities (PIPE).

Restricted Securities: Generally, investors acquire these securities through private placement offerings, Regulation D offerings, employee equity plans, in exchange for professional services, or for providing "seed money" or start-up capital to the company.

Rule 144: Investors acquiring or holding restricted securities control securities may only sell or transfer such securities in the marketplace under exemption from the normal full SEC registration requirements. This rule allows for resale of restricted and control securities if certain requirements are met; requirements differ based upon how the securities were originally acquired and whether the seller is a control person or affiliate.

About Computershare Limited (CPU)

Computershare (ASX: CPU) is a global market leader in transfer agency and share registration, employee equity plans, proxy solicitation and stakeholder communications. We also specialise in corporate trust, mortgage servicing and a range of other diversified financial and governance services.

Founded in 1978, Computershare is renowned for its expertise in high integrity data management, high volume transaction processing and reconciliations, payments and stakeholder engagement. Many of the world's leading organisations use us to streamline and maximise the value of relationships with their investors, employees, creditors and customers.

Computershare is represented in all major financial markets and has over 12,000 employees worldwide.

For more information, visit www.computershare.com