



The Programmable Functionality Behind Security Tokens

Security tokens are the future of investments. Part of what makes them such a powerful tool are the programmable smart contracts that manage asset properties and automate functionality. It's these modules that make security tokens truly digital.

What Are Modules? Modules are the backbone of security tokens. They give any issuer of securities the ability to program specific rules directly into their security token and execute actions in a standardized way. Some modules perform pre-established automated tasks, while corporate actions are manually actioned by the issuer as needed. All work together to create a security token that satisfies an issuer's need for functionality and regulator demands for compliance. Modules can be implemented for the offering, transfer management, and corporate actions.



Security Token Offering Modules

Manage how funds are raised through your STO by setting parameters



Simplified STO

Raise funds in ETH or POLY by setting a maximum fundraise amount and a conversion rate from ETH or POLY to your security token — e.g. 100 tokens for 1 ETH. Your sale ends when either the hard cap or the end-date is reached.



USD Tiered STO

Raise funds in ETH, POLY, and/or Stablecoin with the ability to set the security token price in USD terms. Set multiple investment tiers — e.g. first 100,000 tokens sold at \$1; next 100,000 sold at \$1.15; etc. Your sale ends when either the hard cap or end-date is reached.

How Will You Know Which Modules to Add?

Some are preference; others may be required based on regulations. Work closely with your advisory partner(s) and legal team(s) so they can guide you to the modules that are most important for your issuance.

Token Management Modules

Manage security token trading and whitelist functions



Permission Manager

Set up administrators or governance around specific wallets that can interact with the security token. These wallets can be given permission to update the whitelist, pay dividends, etc.



Tokenholder Limit

Set the limit for the maximum number of tokenholders, independent of the total number of potential investors included on the whitelist.



Trade Volume Restriction

Limit the number of security tokens an investor can trade over a rolling period e.g. 24 hours. This limit may be applied to all tokenholders or specific to each tokenholder.



Manual Transfer Approval

Authorize a transfer that would otherwise fail due to restrictions.



Lockup Transfer Manager

Create a schedule that unlocks specific investors' tokens over an established period of time. Note: Dividends and voting rights are allocated according to the total number of tokens (locked and unlocked).



Blackout Manager

Define periods where designated investors cannot trade your security tokens. E.g. Insiders cannot trade ahead of a corporate announcement.



General Transfer Manager

Enforce whitelist inclusion with basic security token trade and movement rules based on jurisdictional regulation and investor suitability.



Percentage Ownership Restriction

Limit the percentage of token supply that can be held by a single wallet. Select investor wallets may be exempt.

Corporate Actions Modules

Board-directed decisions that impact investors, like dividends



Corporate Voting

Poll your investors for corporate decisions and governance. Results may be revealed at the end of the voting period (hidden voting) or at any point in time (open voting).



Ether Dividend

Distribute dividends paid in Ether.



Automated Vesting Schedule

Create and automate schedules that vest security tokens to designated holders over time.



ERC20 Dividend

Distribute dividends paid in any ERC20 token, including stablecoins.