LIBERTUM

HOW IT WORKS

# The Complete Tokenization Process

The full lifecycle of a tokenized real-world asset on Libertum — from entity verification and structuring, through compliance configuration and deployment, to servicing, distribution and compliant secondary trading.

| | |
|---|---|
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INTRODUCTION

# Tokenization is not one step

Most guides to tokenization stop at “deploy a token”. That is roughly a third of the work. Deploying a compliant contract is necessary, but it does not verify your entity, structure your asset, onboard and qualify investors, settle their money, pay distributions, or find the next investor after the first raise closes.

This document covers the whole lifecycle across nine phases. Every phase below is something an issuer actually does on Libertum, in the order they do it. The technical detail — contract architecture, compliance validation, order state machines — is drawn from the platform's own user manual rather than written for marketing.

## The nine phases

| # | Phase | What it settles | Typical duration |
|---|---|---|---|
| 01 | Prepare | Entity verified, plan chosen | 2–10 business days |
| 02 | Structure | Asset modelled, documents signed | 1–3 weeks |
| 03 | Configure compliance | The rules every transfer must pass | Same day |
| 04 | Deploy | Contracts live on chain | 2 business days (SLA) |
| 05 | Onboard investors | Verified investors, whitelisted wallets | Minutes to 2 days each |
| 06 | Raise | Capital in, tokens allocated | Offering window |
| 07 | Service | Distributions, corporate actions | Ongoing |
| 08 | Distribute | Investors found and qualified | Ongoing |
| 09 | Secondary | Transferable, still compliant | Post-issuance |

**A note on where compliance lives.** On Libertum, an offering's rules are enforced by the token's own contracts, not by a venue's database. A transfer that breaks a rule reverts on chain before any tokens move. That single design decision is what makes phases 07 and 09 behave the way they do — the asset stays compliant wherever it travels.

PHASE 01

# Prepare

Before any asset work begins, Libertum verifies who you are and what you are entitled to do on the platform.

Duration 2–10 business days  Who's involved Issuer · Libertum

**01**

### Know Your Business (KYB)

You start with a normal account and apply to become an issuer. KYB runs through SumSub's business flow. Fifteen entity types are supported — from Sole Proprietorship and LLC through Trust, Foundation and Publicly Traded Company.

**02**

### Assemble entity documentation

Certificate of incorporation, articles of association or operating agreement, tax registration, beneficial-owner ID and KYC for any owner at 25% or above, director and officer ID, a bank reference letter, and a source-of-funds declaration. The exact set varies by entity type and jurisdiction.

**03**

### Admin approval

SumSub processes the submission and routes the result to Libertum admin for final approval. Your issuer role activates on approval.

**04**

### Choose a subscription plan

Pay-per-listing suits infrequent or bespoke deals; monthly plans become cheaper from roughly six offerings a year. Your plan sets offering count, team seats and module access.

PHASE 02

# Structure

The Tokenization Wizard adapts its steps to the asset class you are issuing — you are never asked for fields your asset does not have.

Duration 1–3 weeks  Who's involved Issuer

## 01 Pick an asset class

Real Estate runs 4 wizard steps; Debt Digital Asset 8; Invoice Factoring, Revenue Digitisation and Bonding Token 9; Equity Digital Asset and Commodity Tokenization 10.

## 02 Overview and offering details

Offering name, token name, symbol, decimals, asset location, cover image, logo and description — then class-specific detail. Real estate captures property type, address, valuation and occupancy; equity captures structure, business model and key metrics; debt captures instrument type, seniority, security and covenants.

## 03 Tokenization structure

Total supply, token price, minimum and maximum ticket, raise target, allocation and vesting. Decimals are almost always 18. Token price is quoted in USD and stored at stablecoin precision. Get these wrong and fixing them means redeployment.

## 04 Documents and disclosures

A class-driven checklist splits mandatory from recommended documents. E-signature is mandatory for real estate and equity. Anything requiring signature wires through DocuSign. Risk factors are captured as a written checklist.

## 05 Distribution settings

Issuance start and end dates, marketplace visibility, featured placement, and a bulk-CSV investor invite list. Dividend frequency and mechanism, voting rights, quorum threshold and proposal cool-down are set here.

## Asset classes in the wizard

| Asset class | Typical distribution | Steps |
|---|---|---|
| Real Estate | Rental income; monthly or quarterly | 4 |
| Equity Digital Asset | Dividends + governance votes | 10 |
| Debt Digital Asset | Coupons + principal at maturity | 8 |
| Invoice Factoring | Discounted face value at maturity | 9 |
| Revenue Digitisation | Streaming revenue distribution | 9 |

| Asset class | Typical distribution | Steps |
|---|---|---|
| Commodity Tokenization | Spot- or NAV-pegged, optional yield | 10 |
| Bonding Token | Buy/sell on curve; optional staking | 9 |

PHASE 03

# Configure compliance

You compose a ruleset that every future transfer must satisfy — and it is enforced by the contract, not by a policy document.

**Duration** Same day **Who's involved** Issuer · Libertum

## 01 Choose a token standard

ERC-3643 (T-REX) is the default for security tokens needing on-chain enforcement. ERC-20 suits utility or governance tokens. ERC-721 covers one-of-one issuance. On Cardano, CIP-20 is live on mainnet for fungible native tokens; CIP-113 brings compliance-native tokenization and is on Preview testnet pending mainnet audit.

## 02 Enable compliance modules

Each module is an independently deployed contract. The Modular Compliance controller chains them so a transfer must pass every enabled check — Country Allow, Country Restrict, Supply Limit, Max Balance and Hold Time.

## 03 Compose for your regime

A US Reg D offering might enable Country Allow (US only), Max Balance for accreditation caps, and Hold Time at 365 days. A Reg S offering instead excludes the US via Country Restrict.

## 04 Set mint timing

On-order mints tokens as each primary order settles — the common choice for fundraises. On-deploy mints full supply to a custodian wallet at deployment and transfers as orders settle, which matters when you want secondary liquidity from day one.

## 05 Assign agents

An Agent may mint, burn, pause, freeze, force-transfer and recover. Routine operations are typically delegated to Libertum's relayer while you retain owner powers. Only the Owner can change compliance modules, change the identity registry or transfer ownership — so Owner is usually a hardware wallet or multi-sig.

## The five compliance modules

| Module | What it enforces on every transfer |
|---|---|
| Country Allow | Receiver's verified country claim must be in the allow-list |
| Country Restrict | Receiver's country must not be in the block-list |
| Supply Limit | Total supply may not exceed the cap |
| Max Balance | No single wallet may exceed its balance cap |

| Module | What it enforces on every transfer |
| --- | --- |
| Hold Time | Tokens may not move within N seconds of mint |

PHASE 04

# Deploy

Libertum reviews the submission, then the entire contract suite deploys in a single transaction.

**Duration** 2 business days (SLA) **Who's involved** Issuer · Libertum

## 01 Submit for review

Completing the wizard and signing the issuer declaration moves the offering to PENDING_ADMIN_APPROVAL.

## 02 What admins verify

That KYB is current and approved, mandatory documents are present, token economics are internally consistent, compliance configuration matches the stated jurisdictions, no restricted-country whitelist conflicts exist, and the offering description makes no claims that would constitute investment advice.

## 03 Contract suite deployment

On approval the TREXFactory deploys all six core contracts — Token, Identity Registry, Identity Registry Storage, Trusted Issuers Registry, Claim Topics Registry and Modular Compliance — plus your selected compliance modules, in one transaction, at deterministic CREATE2 addresses.

## The six core contracts

| Contract | Responsibility |
|---|---|
| Token | ERC-20-compatible token whose transfer enforces compliance |
| Identity Registry | Maps wallet addresses to identity contracts, tracks claims |
| Identity Registry Storage | Identity data layer; shareable across tokens |
| Trusted Issuers Registry | Approved claim issuers — KYC providers, attesters |
| Claim Topics Registry | Valid claim topics for this token |
| Modular Compliance | Chains the modules each transfer must pass |

PHASE 05

# Onboard investors

Investors are verified once, then whitelisted per offering. Both steps are required before a single token can reach them.

**Duration** Minutes to 2 days per investor

**Who's involved** Investor · Issuer · Transfer Agent

## 01 Account and two-factor

The investor registers with email, password, country of residence and acceptance of terms, then verifies a 6-digit code emailed to them within 5 minutes. Two-factor is required for any operation affecting funds — TOTP is the strongest of the three modes, with email and SMS codes also supported.

## 02 KYC through SumSub

Verification is embedded in the app rather than handed to a third-party site. Government photo ID, a live selfie, and where the jurisdiction requires it proof of address and a source-of-funds attestation. Status runs NOT_STARTED to IN_PROGRESS to PENDING to APPROVED, REJECTED or RESUBMIT. Clean submissions typically clear in minutes; human review can take up to 24 hours.

## 03 Connect a wallet

Self-custody throughout. EVM wallets connect on Base through RainbowKit and WalletConnect — MetaMask, Coinbase Wallet, Rabby, Rainbow, Trust, plus Ledger and Trezor via WalletConnect. Cardano wallets connect over CIP-30 with Eternl and Lace. Multiple wallets can be linked to one account.

## 04 Whitelist the wallet

Three routes: the investor connects a wallet and the platform raises a request to your Transfer Agent; you add the address manually and link it to the investor's identity record; or you bulk-upload a CSV of wallet, email and country to migrate an existing book.

## 05 Approved KYC is necessary, not sufficient

An approved KYC unlocks the ability to place primary orders. It does not authorise a transaction in any specific offering — that wallet must also be registered on that offering's Identity Registry.

PHASE 06

# Raise

The primary market: orders are placed and paid, tokens are allocated, and the cap table updates as money settles.

Duration Offering window

Who's involved Investor · Issuer

## 01 The order

The investor chooses a quantity or a USD amount. The summary shows subtotal, the 1% platform fee added on top, and the total — invest $10,000 and you pay $10,100. Orders move PENDING to PAYMENT_RECEIVED to SETTLED to MINTED, or REJECTED / CANCELLED.

## 02 Card, via Stripe

The investor is redirected to Stripe-hosted checkout, so card details never touch Libertum's servers. On success the order auto-progresses to SETTLED and tokens mint according to your mint-timing setting.

## 03 Bank wire, with two-sided acknowledgement

You publish bank accounts at offering creation, with multi-currency support. The platform shows beneficiary, IBAN or account number, routing or SWIFT and a reference. The investor marks as paid; you mark received; the order settles. Both sides are on record and both timestamps are retained.

## 04 Stablecoin, through on-chain escrow

For USDC or USDT the investor signs a one-time Approve then a Subscribe call to the EscrowController. Stablecoin locks in escrow for the hold period; on settlement the escrow releases to your wallet and tokens mint. Cardano runs the equivalent UTXO-style flow.

## 05 Mint, allocate, pay out

Under on-order minting tokens mint as each order settles; under on-deploy they transfer from the custodian wallet. For fiat payouts Stripe Connect splits automatically — Stripe takes processing, Libertum takes a platform fee in basis points, you receive the net.

PHASE 07

# Service

Most of an asset's life happens after the raise closes. This is the phase that decides whether the next one is possible.

Duration Ongoing

Who's involved Issuer · Transfer Agent

## 01 Cap table and reporting

A real-time holder table with wallet, investor name, country, holdings, cost basis and last transaction — filterable by country, holding range and recent activity, exportable to CSV. The Transfer Journal is an immutable chronological ledger mirroring on-chain events.

## 02 Declare and distribute

Declare an amount, currency (typically USDC or USDT), allocation method and scheduled date. The platform snapshots holders, computes pro-rata allocation across MINTED orders and writes one record per investor. On the scheduled date the relayer, acting as STABLECOIN agent, transfers stablecoin to each wallet and emails the investor.

## 03 Handle failures explicitly

Individual failures — a blacklisted wallet, for instance — are logged and surfaced in the dashboard. You can retry, refund off-chain, or hold pending compliance resolution. Nothing fails silently.

## 04 Freeze, force transfer, recover

Full freeze prevents a wallet sending or receiving; partial freeze locks a quantity. Forced transfer moves tokens bypassing the sender's frozen status but still subject to receiver verification and every compliance module — a force transfer can never place tokens in a non-compliant wallet. Recovery atomically moves all tokens from a lost wallet to a new one and re-links it to the same identity.

## 05 Documents and communications

A versioned per-offering document vault, with investor-visible documents tagged and some requiring DocuSign signature. Announcements reach all holders or a segment by email and in-app.

PHASE 08

# Distribute

Issuing a compliant token does not, by itself, find you investors. This is the phase most tokenization stacks leave entirely to the issuer.

Duration Ongoing

Who's involved Issuer · Libertum

01

### Distribution Hub

An AI-powered investor CRM and matching engine that discovers, qualifies and connects issuers with investors suited to a specific offering — rather than handing you an empty marketplace and wishing you luck.

02

### Libby AI

A conversational co-pilot inside the Distribution Hub. Ask in plain language and it discovers, scores and pipelines investors and drafts outreach, with the issuer deciding what actually goes out.

03

### Whitelabel Shopfront

A single-offering branded landing page. Configure logo, colours, hero image and custom CSS, write your own headline, value props and FAQ, then publish to your-tenant.libertum.market or your own domain via CNAME. Investors see only that offering — no marketplace, no other listings, no Libertum branding.

04

### Whitelabel Platform

A full investor and issuer marketplace under your own brand and domain. Choose whether it shows only your offerings or also Libertum-shared offerings, optionally supply tenant-specific KYC provider keys, and optionally enable a tenant admin role.

PHASE 09

# Secondary

Because compliance lives in the token, a transfer is validated the same way wherever it is initiated.

**Duration** Post-issuance **Who's involved** Investor · Issuer · Transfer Agent

## 01 How a transfer is validated

On every transfer the contract checks whether the sender is frozen, whether they hold enough non-frozen balance, whether the receiver is in the Identity Registry, and then each enabled compliance module in turn. All pass and the transfer executes and emits its event. Any fail and the transaction reverts — before a single token moves. There is no after-the-fact compliance check.

## 02 Peer-to-peer order book

A holder lists a quantity and price; the listing goes ACTIVE and that quantity is reserved off their balance until it fills or expires. A buyer's order opens a 20-minute settlement window — approve USDC, sign Execute Trade, and stablecoin moves to the seller while tokens move to the buyer subject to every on-chain check. Unpaid orders are swept every two minutes and the listing restored.

## 03 Bonding-curve liquidity

Offerings tokenized as a Bonding Token trade on a curve instead of an order book. Buys push market cap toward a target; sells burn tokens and return stablecoin proportional to current market cap, less fee. Continuous liquidity, typically for utility-style tokens rather than security tokens.

## 04 Redemptions and buybacks

Where redemption is enabled, buyback and redemption requests are managed through the Redemption Orders tab alongside primary orders.

VALUE PROPOSITION

# What each side actually gets

## Issuers

**One system, not five**
KYB, structuring, deployment, cap table, distributions and investor comms in a single platform.

**Compliance you configure**
Five modules composed per offering, enforced on chain — not a policy PDF.

**Distribution included**
The Distribution Hub and Libby AI address finding investors, not just serving them.

**Your brand, not ours**
Shopfront for a single offering, or a full whitelabel marketplace on your own domain.

**Multi-chain**
EVM on Base today, Cardano native alongside it — the same product surface.

**Operational control**
Freeze, force transfer and recovery, with optional dual control on every action.

## Investors

**Verified once**
KYC through SumSub, embedded in the app rather than a third-party detour.

**Self-custody**
Your wallet, on EVM or Cardano — including hardware wallets.

**Pay how you want**
Card, bank wire, USDC or USDT through on-chain escrow, or Cardano native settlement.

**Real-time position**
Holdings, cost basis, NAV, unrealised P&L, and a full transaction history with CSV export.

**Distributions to your wallet**
Pro-rata stablecoin distributions with gross, fee and net stated.

**Protected by construction**
A non-compliant transfer cannot settle — the chain rejects it.

## Asset managers

**A system of record**
An asset registry with valuation history, lifecycle stages and an immutable audit log.

**Operate before you tokenize**
Financials, maintenance, compliance checklists and a data room, tokenized or not.

**The Tokenization Bridge**
Readiness-score an asset, then hand it to the issuance wizard pre-populated.

**Bidirectional link**
Once live, cap-table changes and NAV updates flow between both views.

**Multi-client**
Assets linked to client portfolios with ownership percentages and per-client statements.

**Migration path**
CSV and Excel import with templates for common upstream systems.

WHY THIS STACK

# Where Libertum goes further

Plenty of platforms will deploy a compliant token for you. Fewer will carry the asset through its whole life, and fewer still will help you find the investor on the other side of the trade.

| Capability | How Libertum handles it |
|---|---|
| Lifecycle coverage | Nine phases from KYB to secondary — not issuance alone. |
| Distribution | Distribution Hub plus Libby AI: discovery, scoring, pipelining and outreach drafting. |
| Asset management | A full AM platform for assets before and after tokenization, joined by the Tokenization Bridge. |
| Multi-chain | ERC-3643, ERC-20 and ERC-721 on Base; CIP-20 live on Cardano mainnet; CIP-113 on Preview pending audit. |
| Compliance depth | Five composable on-chain modules, with force transfer still subject to receiver verification. |
| Payments | Card, wire with two-sided acknowledgement, stablecoin escrow, and Cardano native settlement. |
| Whitelabel | Single-offering Shopfront or a full marketplace under your own domain and brand. |
| Verifiability | The contract suite is deployed at public, deterministic addresses on Base. |

## Regulatory position

Libertum holds a Digital Asset Service Provider (DASP) registration in El Salvador — registry entry **PSAD-0094**, granted by the Comisión Nacional de Activos Digitales (CNAD) on 31 August 2026, covering the services in Article 19 (a), (d) and (f) 1–2 of the Ley de Emisión de Activos Digitales for USDT and USDC. It also holds a Bitcoin Service Provider registration in El Salvador and an MSB registration with FinCEN in the United States (no. 31000312444528). Libertum is a technology provider, not a broker-dealer: securities-law obligations including registration, exemption analysis and prospectus content remain with the issuer and their counsel.

## Ready to walk through your asset?

Explore the interactive version of this guide at libertum.io/en/docs/user-manual/complete-tokenization-process, or talk to the team about your specific asset and jurisdiction.