

Q: Why are the authorization, revocable, and clawback enabled flags set on my token?

A: All tokens issued on the platform must be to accredited investors. This is the authorization flag. All tokens must be revocable and clawbackable per the SEC regulations. This also makes it much easier to effect changes in a corporate structure. For example, a stock split, spin-off, etc.

Q: Why is the authorized_to_maintain_liabilities flag set to true?

A: Your account can only maintain current orders for the token. You can't create new orders, or use the token to make payments or send claimable balances.

Q: How am I notified of a corporate event on my token?

A: A payment is sent for 0.0000001 XLM with a memo indicating the account owner should visit the issuer's website. All tokens issued with the platform have the home domain set and a TOML information file entry so that any token holder can view relevant token information.

Q: How are corporate events handled?

A: In most cases, your original asset will be "clawed back" and a new asset issued with the "after action" covenants. You will be notified in the same manner as above.

Q: How do I provide liquidity for a token?

A: You can either place orders to buy and sell the asset on the Stellar Distributed Exchange, (SDEX) or form a liquidity pool with another asset. Typically, an issuer might provide a buy order for anyone who needs to liquidate, a sell order for any remaining tokens, and possibly a liquidity pool with the asset and say the USDC asset, providing conversion to US dollar stable coins by Circle.

Q: How do I comply with the "OFAC", "FinCEN", "Travel Rule", and the <insert regulatory rule here> rule(s)?

A: The BTF platform provides pre-payment and pre-trade checks on the destination account to see if it has any problems and can also check its previous payments and trades to see if there are issues with the destination account trading/payment partners. The "lookback" is configurable for regulatory needs. These checks are logged and available for compliance reports.

Q: Can anyone issue an asset?

A: From a technical perspective, yes. From a legal perspective, it depends on the asset. We can't provide legal advice here but some assets that are deemed "securities" by the US regulators need to be issued in a compliant manner.¹ Others such as utility tokens and NFT's may not be regulated and can be issued by anyone. Please check with your legal adviser regarding asset issuance on a blockchain.

¹ BTF is not a broker/delaer, bank, credit union, investment bank or other regulated entity. We are a software development company and as such, do not provide legal, tax, accounting or investment advice.