

RWA Tokenization Deal Book

Institutional Structuring & Compliance Blueprint



STRUCTURING REAL ASSETS.
UNLOCKING GLOBAL CAPITAL

Why Most Tokenization Projects Fail

It's not smart contracts. It's not infrastructure. It's structural misalignment between:

- The underlying asset
- The legal entity
- The token representation
- The regulatory framework
- Expectation that tokenization creates a wave of investor interest
- Expectation that tokenization transforms an illiquid asset into a liquid asset

What This Leads To

Securities violations and enforcement risk

Invalid or unenforceable investor rights

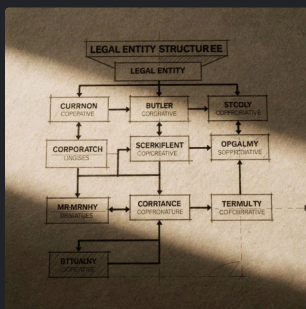
Failed capital raises

Inability to onboard institutional capital

⊗ **Bottom Line: If the structure is wrong, everything built on top of it breaks.**

Three Pillars of ICOLAW's Practice

ICOLAW delivers end-to-end counsel across the full spectrum of digital asset transactions – from origination through compliant issuance and secondary trading.



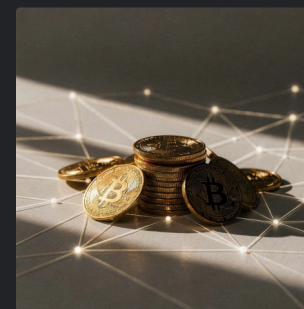
Institutional Structuring

SPV design, entity architecture, governance frameworks, and deal economics for compliant tokenized offerings.



Securities Compliance

Reg D / Reg S structuring, investor verification, transfer restrictions, and ongoing reporting obligations.



Tokenization Strategy

Token rights design, economic models, token standards, and utility vs. security analysis.

Tokenization Flow Overview

A compliant end-to-end framework for real-world asset tokenization — from asset identification to secondary liquidity.



1 Asset Origination

Identify & evaluate high-quality real-world assets



2 Legal Structuring

SPV, issuer entity, governance & regulatory alignment (U.S. & Offshore)



3 Token Design

Define token rights, standards, utilities & economic model



4 Offering Execution

Investor onboarding, compliance checks & capital raise



5 Secondary Liquidity

Compliant secondary markets & transfer enablement

Parallel Compliance Tracks

U.S. Investors (Reg D): Accredited investor verification → Reg D 506(b)/506(c) → Rule 144 transfer restrictions → Periodic disclosures & governance.

Offshore Investors (Reg S)

Non-U.S. Verification → Reg S safe harbor → Offshore transfer controls → Jurisdictional monitoring & reporting.

Both tracks converge into a **Unified Compliance Framework** with harmonized policies and investor protections.

Embedded Lifecycle Governance

Built-in controls from day one ensure every participant and transaction meets compliance standards throughout the token lifecycle.



Transfer Restrictions

Smart contract or registry-enforced limitations ensure only eligible transfers



Investor Onboarding

KYC/AML, accreditation, and jurisdictional checks at entry



Ongoing Compliance

Continuous monitoring, disclosures, and regulatory obligations



Corporate Governance

Defined roles, decision rights, and governance policies for the ecosystem



Audit & Transparency

On-chain / off-chain reporting and audit trails for investor confidence

Structuring Decision Framework

A clear path from Howey analysis to compliant tokenization – determining whether a token is a security and selecting the optimal issuance structure.

1

Howey Test (4 Prongs)

Investment of money · Common enterprise · Expectation of profits ·
Derived from efforts of others → **Security or Non-Security?**

2

Securities Pathway (Reg D / Reg S)

U.S.: Private placement, accredited investors, Rule 506(b)/(c),
transfer restrictions. Offshore: No general solicitation, Reg S safe
harbor, local law compliance.

3

Utility / Non-Security Path

Clear utility function · Limit profit expectations · Decentralized user
control · Legal & structural safeguards aligned to non-security
treatment.

4

Jurisdictional Arbitrage

U.S. entity: SEC registration/exemptions, strong investor
protections. Offshore entity: Reg S global access, regulatory
flexibility, broader investor reach.

Key Benefit: Optimize structure by aligning the right issuer in the right jurisdiction for the right investor base. Structure Smart. Tokenize Confidently.

Entity Architecture

A modular, compliant structure separating legal, financial, and operational responsibilities to enable compliant issuance, investor protection, and scalable growth.



4 Admin / Compliance Layer

KYC/AML onboarding, transfer agent, token registry, ongoing compliance & governance



3 Token Issuer Entity (Offshore)

Issues tokens (beneficial interests), handles Reg D/S offering, maintains cap table – Foundation / Ltd / SPC



2 SPV Holding Real-World Asset

Legally owns the underlying asset, isolates risk, generates cash flows – LLC / Trust / Corporation (Onshore)



1 Sponsor / Manager Entity

Identifies assets, conducts due diligence, sets strategy & governance – LLC / LP / Corporation (Onshore)

Risk Isolation

Segregate asset ownership (SPV) from token issuance and operations

Jurisdictional Flexibility

Use the right jurisdiction for the right purpose

Investor Protection

Enforce compliance & governance at every layer

Operational Clarity

Clear separation of legal, financial & administrative roles

Dual Offering Structure

Access global capital while maintaining compliance. Parallel securities offerings under Reg D and Reg S enable compliant access for both U.S. and non-U.S. investors through a unified cap table.

Reg D (506(c)) — U.S. Accredited Investors

- General solicitation permitted
- Reasonable steps to verify accredited investor status
- Disclosures delivered prior to investment
- Restricted securities with lock-up periods



Geofencing + KYC/AML

IP geolocation blocking, KYC/AML screening, accredited investor verification, and automated compliance monitoring

Reg S — Non-U.S. Investors

- No general solicitation in the U.S.
- Offer and sale made outside the U.S.
- No directed selling efforts in the U.S.
- Follow local laws in investor jurisdictions

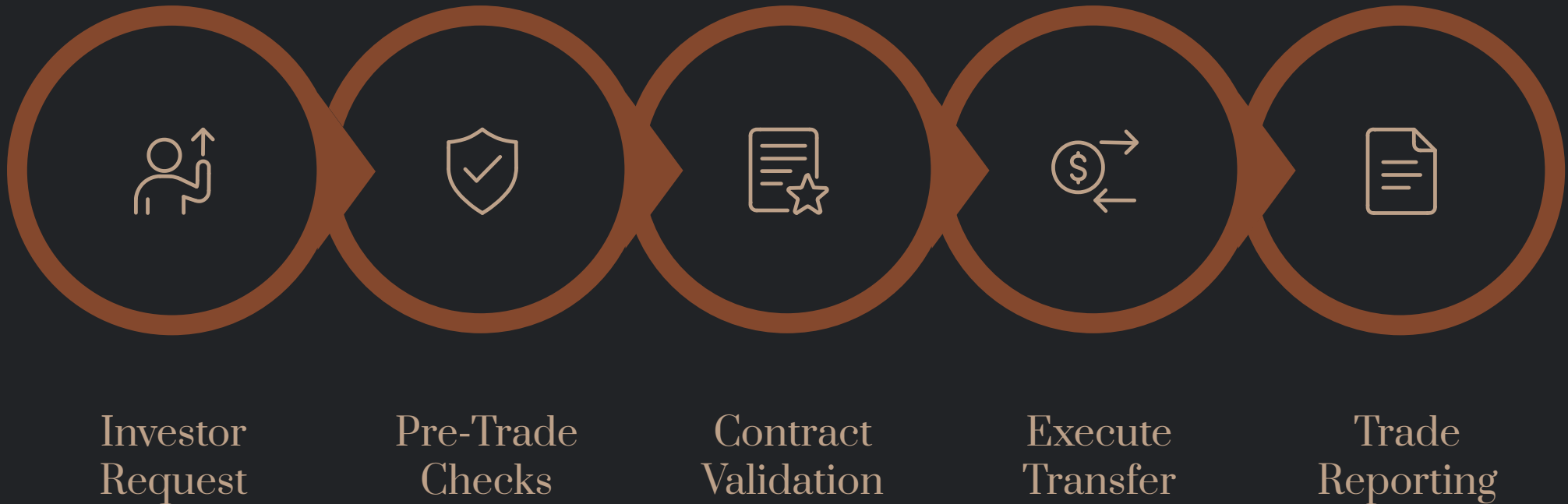


Unified Cap Table

Single source of truth for all tokenholders — segregated by Reg D / Reg S with pro-rata rights, economics, and governance alignment

Secondary Transfer Compliance

A multi-layered framework ensures secondary transfers occur only in accordance with applicable securities laws and investor restrictions — built-in controls, compliant trading, investor protection.



Enforcement Mechanisms

- Smart contract transfer restrictions (immutable, tamper-proof)
- Whitelisting & KYC/AML gating for all participants
- Rule 144 holding periods with automated tracking
- ATS / secondary marketplace integration with pre-trade checks

On-Chain Restrictions (Examples)

- No transfer to non-whitelisted addresses
- No transfer to restricted countries (geofencing)
- No transfer during lock-up or blackout periods
- No transfer to affiliates during restricted periods
- No transfer in violation of investor thresholds or caps

Institutional Deal Design: Token Structures

Designing the right token stack aligns investor objectives with asset performance through defined economic rights and governance. Flexible structures. Clear economics. Aligned incentives.

Equity Token

Ownership in the SPV · Residual value after obligations · Long-term appreciation · Governance & voting rights · Subject to lock-ups

Debt Token

Loan to the SPV · Fixed or floating yields · Senior claim on cash flows · Priority repayment · Defined maturity date

Revenue Share Token

Percentage of operating revenues · Variable, performance-aligned returns · Paid before/after expenses (as defined) · Typically non-voting

Waterfall & Governance

Priority: Operating expenses → Debt service → Revenue share → Equity distributions → Residual. Governance rights defined by token class, enforced on-chain.

Rights	Equity Token	Debt Token	Revenue Share
Vote on Major Decisions	✓ Full Voting	⊖ Limited/None	⊖ None
Approve Material Actions	✓ Yes	✓ Protective Rights	⊖ None
Board Representation	✓ Yes	⊖ Observer/None	⊖ None
Economic Rights	Residual Value	Fixed/Floating Yield	Revenue % (Defined)

Structure Smart. Tokenize Confidently.

Legal Clarity

Make informed decisions with a principles-based framework

Risk Mitigation

Reduce regulatory risk through structured analysis and design

Global Access

Leverage jurisdictional strategies to reach the right investors

Investor Confidence

Build trust with clear disclosures, governance, and compliance

Institutional Grade

Transparent, governable, and compliant by design

"Structuring Real Assets. Unlocking Global Capital."

Apply for a Tokenization Legal Sprint

→ [Apply for a Tokenization Legal Sprint](#)

Limited to select projects. Institutional-grade structures only.