

INDEPENDENT SPIRIT • RELENTLESS DEDICATION

In our last Newsletter, I reported to you that 2017 was a record-setting year for Continental on all fronts. We achieved record revenues across all three of our core business lines: traditional stock transfer, SPACs, and corporate action processing. Happily, 2018 has proven to be an even better year. We continue to acquire more and more traditional stock transfer accounts, particularly in the community bank space, and our IPO market share continues to expand to well over 20%. (Read on >)

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Steve Nelson President & Chairman

Connect with me directly at 212.845.3201



Thank you Erika for your assistance.
We have always experienced very reliable service from Kevin and from Continental.
Your stepping in to continue this tradition is appreciated.

– John Flanagan President, Goodheart-Willcox Publisher



LETTER FROM THE CHAIRMAN

A significant portion of that relates to our dominance in the SPAC IPO market, where Continental continues to prevail with well over a 90% market share in the US. Where last year we were designated trustee and transfer agent for 32 SPAC IPOs, which raised a record \$10 billion, in 2018 we have already handled more than 40 SPAC IPOs which in the aggregate have raised more than \$12 billion!

Similarly, our corporate actions processing on behalf of two of the world's largest banks continues to expand exponentially. We have handled a record number of transactions this year already, and there is no sign of a slowdown. Most of these transactions are tech-related deals that emanate from Silicon Valley and the West Coast. To give you an idea of how active we are in this space, we recently handled our 8th Amazon acquisition!

So you can see that 2018 has been a very exciting year so far for Continental, and there is no sign of any letup. Indeed, business continues to expand and we have hired extensively to meet this demand. Just 2 years ago, we had 93 employees and today we have 123! This is amazing growth for a company which for the previous 10 years had stayed pretty much the same size. Our burgeoning business has fed this growth, and we are fortunate to have been able to hire many experienced stock transfer and corporate actions professionals to meet our customers' needs. Many of our competitors have gone out of the business, or have been gobbled up by overseas competitors. We are the beneficiaries in that these acquisitions have led to major reductions in staff and relocations either overseas or elsewhere in the US -- and we have been able to hire outstanding seasoned professionals as a result.

As previously reported to you, Continental is now the oldest and largest US-owned stock transfer agent and, as you can see from the foregoing, we are committed to getting better each and every day and refuse to rest on our laurels.

Industry Update

As you know, I serve on the Executive Committee of the Securities Transfer Association ("STA") and Chair its Legal Committee. As noted in my last article, I and other STA Executive Committee members met earlier in the year with Chairman Jay Clayton and several other Commissioners relative to pending proposals for new Transfer Agent rules. In addition, we have proposed that the Commission codify requirements for legal opinions for original issuances of stock and all restricted transfers inasmuch as the SEC requires all transfer agents to produce opinions when we are examined. Chairman Clayton agreed with our principal position that agents should not be required to obtain opinions unless the SEC is ready to put that requirement in writing. I have spoken with the Staff in Trading and Markets in this regard; and the STA has even offered a draft safe harbor rule setting forth the parameters of an agent's responsibility with regard to opinions and granting them cover if they obtain opinions. Just last month, two members of the Staff appeared at the annual STA Conference in Sarasota, Florida to discuss this issue and others.

Next month the STA Executive Committee will again meet with the SEC Commissioners and Staff in an attempt to break the logjam on this issue. I will report back to you in my next article.

The other major issue that we have focused on with the SEC is proxy reform and, in particular, proxy "plumbing" which relates to how "street" votes are currently cast and tabulated. The current system is clearly broken and has been for many years.

There have been annual meetings for certain companies where hundreds of millions of street votes were miscounted (see e.g. Yahoo) and the integrity of the entire proxy system has been compromised. The STA and other industry groups have pushed for pre-reconcilement of votes by banks and brokers as a fix to this fundamental problem. We have also pushed for the SEC to allow issuers access to the identities of their street name holders and the elimination of the NOBO/OBO distinction which the banks and brokers insist on. This system costs issuers a fortune in Broadridge distribution costs, which are unnecessary and unfair to the issuer.

I am happy to report that in response to demands in this area from the STA and other major industry groups, the SEC scheduled a Round Table on November 15 to address the problems with the existing system and our suggestions for reform. We hope that, once and for all, something significant will be done to fix this completely broken system. The panel at the Round Table was encouraging, and I will update you on new events in this space.

The Markets

2018 has been a turbulent year for the capital markets, particularly in October and November. We have been in a sustained bull market for almost 10 years, which is unprecedented. While the economy remains strong, the Fed's series of interest rate hikes, coupled with geopolitical forces, create a good deal of uncertainty going forward. Nevertheless the capital markets have fed Continental's business in a robust way to date: our number of IPOs to date (50+) and our share of the IPO market (20%+) continue Continental's unabated growth. We welcome our many new customers and thank you for the trust you have bestowed upon Continental.

Alternative Markets

I have reported to you previously that Continental has established a big footprint in the digital currency space. We act as agent for 2 Bitcoin issues, 2 Ethereum Issues, the Litecoin Investment Trust, the

(Continued on page 4.)



Continually impressed with you and your team Ana - top notch!

– Joel Primus President & Founder, Naked Brand Group Inc.



Welcome New Talent/Employees

Continental Stock Transfer & Trust is pleased to employ dedicated professionals to contribute value to our organization and ensure quality service to our customers. We welcomed the following team members so far in 2018 (January through September):

- Ana Astudillo

 SPAC & Escrow Administration
- Shawn Bailey
 <u>Distribution Services</u>
- Barry Baldwin
 Distribution Services
- Nicholas Christman
 Operations
- Tykeia Morris
 Account Administration
- Thuthao Truong

 Distribution Services
- Thutam Truong

 Distribution Services
- Matthew Velazquez
 Corporate Actions
- Yasmin Westres
 Operations

(Letter continued from page 3.)

Grayscale Investment Trust, the Zen Investment Trust, the ZCash Investment Trust and the XRP Investment Trust, as well as other new issuers in this exciting space.

Finally, I know that "blockchain" and distributed ledger technology are buzzwords bandied about by virtually everybody in the FinTech world as the be all and end all. It has been suggested by some that virtually all "intermediaries" and even most recordkeepers will be rendered obsolete by these new concepts and technologies.

We have been watching and exploring these technologies closely and with great interest. Here is my take: If I were Broadridge or DTC I would be seriously concerned long term about the effects of blockchain technology on those intermediary businesses.

Unsurprisingly, each has spent a fortune on blockchain trying to carve out a niche against the overwhelming

tide suggesting their business models may be rendered moot by blockchain technologies sometime in the future. However, while blockchain and distributed ledgers may have some utility in the transfer agent space relative to shareholder records and proxy voting, there will always be a need for a shareholder "register" independent of the blockchain. There will always be a need for an independent record keeper for such things as cost basis reporting, escheatment of abandoned property, and any number of other critical functions that issuers will look to an independent agent to oversee.

Nevertheless, you should know that Continental is actively looking at blockchain and distributed ledger technology as ways to enhance our menu of services. I promise to keep you apprised of unfolding events for our customers in this area in the years to come.

Get to Know Our Team



Steve Vacante Vice President & Account Relationship Manager

Steven began his career at Continental at the age of 17 in the mail room, moving up the ranks in

various departments and learning all facets of the stock transfer business. Now, as an Account Relationship Manager/Vice President, Steven's expertise includes: Proxy, legal transfers, DTCC interaction and DRS processing. With this responsibility, Steven specializes in the more complex accounts and manages all co-transfer accounts. During Steve's personal time he enjoys traveling, is a car enthusiast, and an avid audiophile who enjoys diverse musical genres.

Steven is the go-to person for technical updates, trouble-shooting and system demonstrations for the Client Administration team, and he was an integral part of the TS Conversion. With his knowledge of back office operations, he brings a wealth of knowledge to the team and is able to consult with clients, facilitating many complex transactions.



Cheryl Smith Vice President – Corporate Actions Administration

Cheryl has in-depth knowledge of managing a variety of corporate actions including private company

mergers, complex merger elections, subscriptions, and tender offers with a current focus on paying agent transactions. Cheryl joined the Continental team in 2014, and has close to 30 years of reorg industry experience at several large transfer agents, including Computershare and BNY Mellon. Her career in corporate actions began in 1990 while working for GTE on their acquisition of Contel.

Cheryl has worked with many high profile clients and law firms, and has overseen some of the largest and most complex transactions in her corporate actions career.

One memorable one being the week spent in St. Louis working on the Anheuser-Busch sale to InBev in 2008.

Cheryl resides in Saddle Brook, NJ and in her off time enjoys reading, cooking and frequent visits to Charleston and Isle of Palms, SC.

CONTROL BOOK REPORTING REAL-TIME ACCESS

By Michael Mullings, Chief Compliance Officer

Approximately five years ago, Continental took notice that an increasing number of our client issuers were requesting Control Book reports of issued and outstanding shares on schedules, some weekly, monthly and quarterly, mostly to reconcile outstanding shares not only for upcoming corporate actions (dividends, stock splits, etc.), annual meetings, or quarterly SEC filings, but for everyday reconciliations. As a result, we created a state-of-the-art ControlBook Reporting system which allows authorized issuer personnel to create "real time" reports to track Issued and outstanding shares for their common or ordinary Shares, Treasury and associated Reserve balances plus any related restricted unvested common shares and convertible securities (Preferred, Warrants, Debentures, etc.).

Instead of developing a system like most of our competitors that makes reports available the next business day (caused by a required updating of the files overnight), we went the extra step and developed a web-based reporting system which allows "real time" reports at any time, 24/7, and without restrictions. Authorized representatives now have direct access via our website to check outstanding shares or produce reports of any kind between any required date range, from inception of our services to current date. Clients will have the option of paging through detailed reports online or exporting and printing PDF and/or Microsoft Excel reports which will reference detailed descriptions of each line item reflecting the date of the instructions, the date of processing, transaction description with shareholder reference, sequence numbers (if provided), and the corresponding changes in the Issued and Authorized shares and Reserve balances (if any); in other words, these reports should make reconciliation a breeze. The system is proprietary and was designed in house

and enhanced after months of testing and valuable insights from our issuers and partners. Authorized personnel will be provided with credentials that will include setting their own passwords via a secure login using SSL encryption.

In the development stage, we stressed the need for the designers to make the system user-friendly and user-focused, concentrating on:

- 1. Simplicity and accuracy
- 2. Accessibility
- 3. Intuitive navigation
- 4. Aesthetics
- 5. Basic and detailed information.

The designers exceeded our set goals and the system is first rate in every way; it is easy to use and separates us from our competitors. The feedback from the users has been fantastic particularly as it relates to ease of use and the fact that the application is real time. The initial design was so thorough and inclusive that the need to make enhancements has been minimal.

60 PERCENT Currently about sixty percent of our client base are enjoying the advantages of ControlBook Reporting.

If you do not already have access or were previously unaware of the existence of this application, please communicate with your Relationship Manager to get access credentials and to start getting involved in tracking "real time" changes in your outstanding shares.

For some of our computer challenged partners, we also created a four minute tutorial which shows how easy it is to use the application. The tutorial will be provided when access credentials are granted.

GET STARTED NOW and contact your assigned Relationship Manager.

CONTINENTAL STOCK TRANSFER & TRUST COMPANY'S NCOA MAILING PROGRAM

As part of Continental's commitment to provide our customers and their shareholders with the best possible service, we have incorporated the use of the National Change of Address Database (NCOA) as part of our suite of services.

What is NCOA?

NCOA is a secure dataset of approximately 160 million permanent change-of-address (COA) records consisting of the names and addresses of individuals, families and businesses who have filed a change-of-address notice with the USPS. The NCOA database is maintained by the United States Postal Service and access to it is licensed to service providers and made available to mailers.

How does this help you?

Continental matches shareholder addresses against the NCOA database and receives back a file with both the old and new address. Continental will then perform a mailing to both the old and new address requesting confirmation from the shareholder of the new address prior to updating our records. This search process in

conjunction with Continental's lost shareholder searches and due diligence mailings ensure that we minimize the number of lost shareholders, thereby reducing the number of shareholder records being turned over to the states as abandoned property. This benefits issuers by reducing abandoned property filing costs and minimizing shareholder angst by not having their assets turned over to the states. An additional benefit of using the NCOA process is that it allows Continental to maintain discounted mail rates which helps reduce mailing costs to our customers.

So far in 2018, CST mailed thousands of letters to shareholders based on our NCOA matching process with a shareholder response rate in excess of 38%. While this process is laborious and time-consuming, it greatly enhances our ability to service you and your shareholders.

WHO IS KEANE, INC?

Keane provides and specializes in unclaimed property and recovery services. They assist companies, financial institutions, and major transfer agents in achieving compliance with state unclaimed property laws and regulations, SEC mandated compliance requirements, and voluntary recovery services. All of these services are effective in limiting risks associated with

non compliance of the abandoned property laws which differ from state to state. Continental utilizes Keane's services to ensure compliance for our issuers.

Keane has been in this business for over 65 years. Their team consists of industry experts, attorneys and certified accountants that are able to consult and assist shareholders with reuniting them

with their "abandoned property" in an expeditious manner. Keane's efforts result in updated shareholder registers for the issuer, thus reducing escheatment and state filing fees. Keane charges a fee for their Asset Recovery Services Program, however, it is noted on their communication that the shareholder still has the option of contacting Continental without further fees.



Gill Fishman Associates wins prestigious National Design Awards – 7 awards won including the design of our marketing folder/brochure

We are delighted to announce that our new Continental corporate brochure has been honored with a prestigious national design award from Graphic Design USA.

ABANDONED PROPERTY/LOST SHAREHOLDER SEARCHES

Keane, Inc.: searches are cost-free to shareholders

From time to time we are asked about our process for locating lost shareholders and their abandoned property. Continental Stock Transfer & Trust has an agreement with Keane to assist our issuers in locating lost shareholders. Keane plays a pre-eminent role in this field, acting on behalf of scores of high-profile Fortune 500 companies, as well as a number of large transfer agents. Keane provides mandatory due diligence of lost and unresponsive shareholders' accounts under SEC Rule 17 Ad-17.

This rule was instituted by the SEC in an effort to both reduce the instances of shareholders who lose contact with their property, as well as assist in reuniting shareholders with their assets.

The 17 AD-17 due diligence process entails two "mandatory searches" as outlined in the SEC Rule. These searches are cost free to the shareholder. As part of Keane's abandoned property services, Keane offers your shareholders an additional search alternative,

which is their asset-recovery program. The program locates abandoned property not found during the mandatory searches. Keane then offers your shareholders the opportunity to sell recently recovered assets at rates that are lower than customary brokerage fees. Keane charges a fee for this asset recovery service.

As always, shareholders continue to have the opportunity to contact Continental directly to update their shareholder information and address at no charge, rather than utilizing Keane's recovery services. The advantage to the issuer in the location process is that any previously abandoned property is returned to the rightful owner, and not escheated in accordance with the dormancy periods prescribed by the various states. Accordingly, your escheatment charges are reduced and more shareholders are reunited with their underlying assets.

Again, SEC rule 17 Ad-17 search process is cost free to the shareholder. Processing fees charged by Continental are not borne by the shareholder.

HIGHLIGHTS



D.A. Davidson 2-day PA Conferences and Panel Involvement

(Top Photo) Karri Van Dell, VP of Continental Stock Transfer & Trust with fellow panelists Lauren Ranalli, First Resource Bank PA (OTCQX: FRSB), Robert Wagner, Three Rivers Funds Advisors and Tom Dooley, D.A. Davidson Companies at the 2-day D.A. Davidson Mid-Atlantic Conference in PA earlier this Fall.



SNN Media Day at CSTT

September 5th was "Media Day" at Continental Stock Transfer & Trust. Clients and prospective companies were invited to tour office on State Street and participate in a complimentary SNNLive Video Interview with StockNewsNow.com.

(Middle Photo) Alan Joslyn (Oragenics), Ana Gois (Continental), and Joe Macaluso (Tel-Instrument)

(Bottom Photo) Henry Farrell (Continental), Kelly Taylor (The Victory Bancorp), Margaret "Bernie" Lloyd (Continental), Maggie Villani (Continental), and Ana Gois (Continental)



Ana, I just wanted to say that it was a pleasure working with you on this transaction. I really appreciate how responsive and patient you were throughout the entire matter.

> - April Richards-Parker Florida Registered Paralegal, Shumaker

REG A CONFERENCE

Continental was proud to be the lanyard sponsor at the Reg A+ Conference by DealFlow Financial Products, Inc. in June. Steven Nelson, President & Chairman served as a panelist pertaining to Post-Public Considerations.



BANK DIRECTOR

Continental looks forward to sponsoring the "Acquire or Be Acquired Conference" by Bank Director in January 2019 in Phoenix, AZ!

Bank Director offers a special Friend of Firm (FOF) conference discount for our banking clients and acquaintances.

\$400 Savings

Contact Karri Van Dell to receive the promotion code in order to receive a \$400 savings when registering for the Conference.

Karri Van Dell 212.845.3224 kvandell@continentalstock.com



More information on the conference and organization

can be found https://www.bankdirector.com/index.php/conferences/acquire-or-be-acquired-conference-2019/

NEW TRANSFER AGENT CUSTOMERS JUNE 2018 THROUGH SEPTEMBER 2018

- Alberton Acquisition Corp China
- · Allegro Merger Corp. NY
- · AltiBio, Inc. CA
- Anaconda Mining Inc. Canada
- ARYA Sciences Acquisition Corp. NY
- ChaSerg Technology Acquisition Corp. CA
- Chicken Soup for the Soul, LLC CT
- · Churchill Capital Corp NY
- CLPS Incorporation China
- Cognetivity Neurosciences Ltd. Canada
- Collier Creek Holdings NY
- Edtechx Holdings Acquisition Corp. United Kingdom
- Eve & Co Incorporated Canada
- Far Point Acquisition Corp. NY
- · FogChain Corp. Canada
- Forum Merger II Corp. NY
- Goldplay Exploration Ltd. Canada
- · Gores Holdings III, Inc. CA
- · Greenland Acquisition Corp. China
- GreenSky, Inc. GA
- · Grindrod Shipping Holdings Ltd. Singapore
- · Group Eleven Resources Corp Canada
- GTEC Holdings Ltd. Canada
- HCB Financial Corp. MI
- Hexo Corp. Canada
- HL Acquisitions Corp. NY

- Hoth Therapeutics, Inc. NY
- Khiron Life Sciences Corp. Canada
- LF Capital Acquisition Corp. NY
- · Longevity Acquisition Corp China
- LOOPShare Ltd. Canada
- Maverix Metals Inc. Canada
- MediPharm Labs Inc. Canada
- Megalith Financial Acquisition Corp. NY
- Naked Brand Group Limited Australia
- · New Frontier Corporation China
- New Point Exploration Corp. Canada
- · Orchestra BioMed, Inc. PA
- PreveCeutical Medical Inc. Canada
- Renaissance Gold Inc. NV
- · Sixty North Gold Mining Ltd. Canada
- Spartan Energy Acquisition Corp.- NY
- · Sproutly Canada Inc. Canada
- Tenzing Acquisition Corp. NY
- The Wonderfilm Media Corporation Canada
- · Thunder Bridge Acquisition Ltd. VA
- · TKK Symphony Acquisition Corporation China
- · Tottenham Acquisition I Ltd. China
- Trident Acquisitions Corp. NY
- · VectolQ Acquisition Corp. NY
- VR Resources Ltd Canada
- · Zen Investment Trust NY

C8030 XEROX COLOR PRINTER

Recently we added a commercial Xerox color printer to our printer inventory. This new high resolution color printer allows us to print certificates on demand in high resolution color. In addition, we receive many requests from clients to mail out letters to shareholders in color. We can now do all of those requests as needed.

The most exciting advantage relates to our upcoming 2019 proxy season. We will be offering to our clients the ability to enhance the look of their proxy cards by creating high-quality, full color logos, and crisp text.

Additionally, this advanced Xerox color printer provides maximum security by preventing intrusions and ensuring document and data safety. The multiple layers of security include: data encryption, disk overwrite, and industry certifications.





I just want to give a huge note of praise and thankfulness for one of your BEST employees!

Henry Farrell is the reason we switched to Continental, some 3 years ago. We worked with him when he was employed at Registrar and Transfer and when he was no longer employed there, we moved on. We then turned to Computer Share and the customer service and knowledge lacked what we were used to with Henry!

We then switched to Continental and ChoiceOne Bank has never looked back or regretted our decision! Henry is knowledgeable and his exceptional customer service is another attribute that lacks in most businesses these days. My relationship with him goes beyond a voice on the phone, I consider him a "co-worker" that works beside me, whenever called upon. So please, thank Henry, as you have a great employee, who IS one of the reasons for Continental's continued success!!

Candace Bouwkamp
 Assistant Controller, ChoiceOne Financial Services, Inc.



Trusted Solutions. Tailored to your unique needs.

INDEPENDENT SPIRIT • RELENTLESS DEDICATION

- SEC Registered Transfer Agent
 - New York State Chartered Trust Company
 - 25M Blanket Bond
 - DTCC Custodian Transfer Agent

THE PERFECT PARTNERSHIP.

Our unmatched expertise and exceptional execution free you to focus on growing your business.

Continental Stock Transfer & Trust was founded on a specific vision in 1964 – to fully support private and public companies with superior responsiveness, personal service and tailored shareholder-focused solutions. We will earn your trust each and every day.

As your partner, our mission is to bring you cutting edge solutions and individualized customer service. We are a leader in shareholder record keeping for financial institutions by providing dividend disbursement and plan administration services, corporate action event solutions, escrows, public and private offerings, annual meeting services, and DTCC transaction facilities.

CONTINENTAL - OUR NAME SAYS TRUST FOR A REASON!

Contact Karri Van Dell 212.845.3224