



CONTINENTAL
STOCK TRANSFER & TRUST

Notes

FROM THE CHAIRMAN

SPRING 2019 NEWSLETTER

INDEPENDENT SPIRIT • RELENTLESS DEDICATION

As you may recall from our last newsletter, 2018 was proving to be a great year on all fronts for Continental: Our core stock transfer business has never been stronger, as we continued to take on scores of accounts both via takeovers from other agents and through IPOs as well. Particularly in the community bank and regional banking space, our business has continued to expand rapidly. (Read on >)

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*Steve Nelson
President & Chairman*

Connect with me directly
at 212.845.3201

“

*Thanks [Erika].
You have
always been
unbelievably
helpful.*

— Charles Garner
Managing Director,
M-III Partners, LP

”

LETTER FROM THE CHAIRMAN

Similarly, in the SPAC arena, Continental had a record-breaking year in 2018, having handled 45 SPAC IPOs, which raised more than \$12 billion in trust. Continental's share of the SPAC market continued to be dominant, as we handled more than 95% of all US SPACs brought to market. Coupled with our other traditional new IPO customers, Continental's share of the IPO market approached 25%, which is quite impressive in a robust IPO market such as existed in 2018.

Our impressive dominance in the SPAC space is a testament to both our unique proprietary platform developed over 15 years, and to the experience and dedication of our business managers, including Messrs Fran Wolf and Mark Zimkind.

Not only have they handled 80 SPACs over the past two years seamlessly, but they have also handled many, many back-end business combinations of increasing complexity and value. As SPACs continue to proliferate, particularly in the private equity world (both as buyers and sellers), the completion rate on SPACs is growing ever higher, which portends well for this product in 2019 and beyond. Thus far in 2019 the pace has not abated, and we see nothing to suggest that it will.

Similarly, 2018 was a record-breaking year in our corporate actions and paying agent business, where we handled more than 250 transactions, totaling more than \$10 billion in 2018. We handled many large and complex corporate actions for our own customers, particularly in the financial institution space, and as usual, handled many transactions for large institutional banks who refer these deals to us. These are high value, highly time sensitive transactions with the largest mergers and acquisitions law firms in the country, and 2018 and 2019 have proven to be banner years with record earnings.

So while 2018 and early 2019 have proven to be robust in terms of new customers and revenues, we have not rested on our laurels. We continue to expand and hire new senior staff with decades of experience in larger transfer agent businesses which have disappeared or been gobbled up by overseas expansion and mergers. These are seasoned professionals whom we were unable to attract in earlier times, and we feel fortunate to have them servicing our ever more complex deals. As the oldest US-owned stock transfer agent in the country, we are pleased that our extensive growth over the past few years is continuing unabated, and we are grateful to our many new customers as well as our legacy clients who have placed their trust in us over the years.

Industry Update

In my role at the Securities Transfer Association (“STA”), where I serve on the Executive Committee and Chair the Legal Committee, we meet with the Commissioners of the SEC and the Staff periodically on industry initiatives, which most recently have included proposed new transfer agent rules (promised for over 25 years) and proxy plumbing reform (also years overdue).

For more information, access the document [here](#).

On transfer agent rules, my last newsletter gave a detailed update on the status of those rules, as well as our proposal that the SEC issue rules about opinions on restricted transfers and provide transfer agents with a safe harbor if they obtain such opinions. There has been no movement on either front, but we will keep you apprised of any changes.

On May 6, my colleagues from the Executive Committee of the STA and I met with Commissioners Roisman and Peirce of the SEC and with Chairman Clayton’s key staff members. We also met with the staff in Corporation Finance and Trading and Markets. I am happy to report that under the leadership of Commissioner Roisman, who has agreed to take ownership of proxy reform, it appears that real progress is being made, particularly on proxy plumbing issues. The participants in all of our meetings recognize that the existing proxy system is outmoded and severely compromised. Issuers do not get to communicate adequately with their shareholders, and it is traceable to the NOBO/OBO distinction and the handling of street name positions predominantly through Broadridge. The proxy distribution system is way too expensive to issuers because there is no competition on pricing; and the voting system is simply broken. Over-voting is an all too regular occurrence, and there is no assurance that a street name holder’s vote is actually voted at an annual meeting and properly tabulated.

The Commission seems ready to move on these issues, particularly with respect to the integrity of the voting system. There seems to be a real chance that the Commission will in the foreseeable future require that street name holders be provided with a certification from their nominee broker that their vote was properly cast. In order to so certify, the brokers and Broadridge will likely have to do pre-reconciliation of their shareholder records as of the record date for each meeting. This seemingly simple change would, in my opinion, likely eradicate well over 90% of all over-voting and ensure the accuracy and sanctity of shareholder voting.

(Continued on page 4.)

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 2019 (January through April):

- Michael Cole
Proxy
- Jaswinder Goraya
Corporate Actions
- James Kiszka
Account Administration
- Rean Quito
Proxy

(Letter continued from page 3.)

Step #2 in the process, which is likely well down the line, is the requested elimination of the NOBO/OBO distinction, and allowing issuers to mail directly to all of their shareholders, registered and street name alike. In this model, issuers would be able to choose whatever vendor they prefer based on real competitive pricing -- something that has not existed to date.

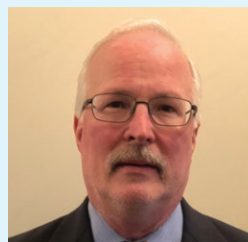
There have been excellent comment letters submitted by the STA and the Shareholder Communication Coalition on the proxy reform issues which you can easily locate on the SEC's website. I commend them for your review and will keep you apprised of new events as they unfold.

Alternative Markets

The past year has generally been challenging for alternative markets, including the digital currency space. Nevertheless, we continue to act as agent for over a dozen major players in this exciting space, including the Bitcoin, Ethereum, Grayscale, etc. While other players in this space have been crushed, these issuers have proven resilient and continue to prosper.

In summary, 2019 has even surpassed the record pace of 2018 thus far, and we continue to innovate to serve our customers. Our systems have become even more automated in the past year, to the point where straight through processing and automated reconciliation are now a reality at Continental. We greatly appreciate the trust of our issuers and, be assured, we will strive to get better each and every day in 2019 and beyond.

Get to Know Our Team



James Kiszka – Senior Relationship Manager

Jim Kiszka has approximately 40 years of experience in shareholder services/stock transfer industry. During the first half of his career he was

employed at two corporate issuers that acted as co-transfer agents handling shareholder communications, dividend and proxy services, bank reconciliations and abandoned property reporting in conjunction with their bank agents.

While working at the second issuer, Jim coordinated the implementation of a new shareholder software platform, the development and training of staff and the conversion of all external transfer agent functions to in-house processing. He managed all facets of the transfer operation, shareholder communications, proxy services, reinvestment and employee plans, and regulatory compliance. Interestingly, through the course of events Jim and his team employed Continental to act as co-agent to handle DTC FAST processing.

In 2000, Jim moved to the commercial stock transfer world when he joined The Bank of New York. There he managed a number of the bank's largest stock transfer client relationships, served as a team leader and coordinated several major corporate actions. He continued managing key relationships at BNY Mellon and Computershare and has served as Inspector of Election at over 100 shareholder meetings. Jim joined Continental Stock Transfer & Trust in November 2018.

Jim spent many years as an active participant of the Shareholder Services Association (SSA) and served on the board for 10 years. He was also a member of the Stock Transfer Association (STA) and the National Investor Relations Institute (NIRI).

He and his wife Jan live in Southbury, Connecticut and are thrilled to be recent grandparents. In his leisure time Jim enjoys golf and kayaking and is looking forward to spending time with his two grandsons.



Robert Zubrycki - Vice President and Director of Proxy and Mail Services

Robert is responsible for managing the day to day Annual Meeting process, Mail Operations and Scanning/Archiving operations. He has 49 years of Stock Transfer Operations experience and has worked at large transfer agents such as J.P. Morgan and The Bank of New York.

Robert is well versed in all aspects of transfer operations including Annual Meeting processes, Mail Operations, Scanning/Archiving processing. In his prior employment he was directly involved in developing many of the automation processes used in our business today. This includes electronic voting, workflow imaging and the use of barcode technology. Most recently, Robert had developed and implemented "Certificates on Demand" which allows Continental to design, proof and generate certificates in full color for our clients within 24 hours of a request. In addition, Robert has rolled out a pilot program this Proxy Season, offering 20 of our clients the ability to print their proxy cards in color to match the client's Annual Reports. The thought behind this is to test the importance of the visual look of the card with the hope that more shareholders will vote their proxy card.



Margaret Villani – Vice President & Director of Account Administration

Maggie is the Client Relationship Manager for Continental Stock Transfer & Trust's Client Administration team. Through the years, she hung her hat at other stock transfer agents beginning with First Fidelity Bank, Registrar & Transfer Company, Bank of New York and finally Continental Stock Transfer & Trust.

Maggie Villani has had over 30 years of experience in the stock transfer industry in the executive management level. She has been valued for her expertise in compliance and securities regulatory issues with a commitment to client education through one-on-one interactions and coordinated public forums. She is dedicated to excellence in customer satisfaction.

Maggie is experienced at leading shareholder meetings and has served as a consultant in contested proxy meetings. She has been a member of many industry related organizations and sat on the Board of the Mid Atlantic Securities chapter.

Maggie has 2 married sons and 4 grandchildren and she currently resides in upstate NY. Her passions are her grandchildren and her adopted German Shepherd, Heidi. Maggie enjoys traveling and recently toured Morocco, fulfilling a bucket list item.

“ *Thanks so much for the always-outstanding service and communication. It's a pleasure to work with you [Elizabeth] and your team. We're grateful to you for supporting us and taking great care of our shareholders.* ”

– Patrick Gill
CEO, Grand River Bank

WINTER/SPRING CONFERENCE HIGHLIGHT

DealFlow Events – SPAC Conference

Continental Stock Transfer & Trust was a proud sponsor of the SPAC Conference in New York City on February 7, 2019.



Steven Nelson is a Moderator at the 2019 SPAC Conference

Steven Nelson, President & Chairman at Continental Stock Transfer & Trust Co. will be a Moderator on the *Mechanics of the Redemption Process* panel at the conference.

Join us at The SPAC Conference on February 7, 2019 in NYC.

THE **SPAC** CONFERENCE 2019

A DEALFLOW EVENT SPACCONFERENCE.COM



Margaret Villani and Henry Farrell at SPAC Conference

Bank Director – Acquire or Be Acquired Conference

Continental sponsored the Acquire or Be Acquired Conference in Phoenix, Arizona from January 27-29, 2019.



Karri Van Dell at Continental's booth

Planet MicroCap

Continental Stock Transfer & Trust was a proud sponsor of the Planet MicroCap Showcase in Las Vegas, Nevada from April 30-May 2, 2019.



Karri Van Dell & Andy Kzyk - Senior Vice President of OTC Markets Group

ThinkEquity Conference

Continental Stock Transfer & Trust sponsored the ThinkEquity Conference in New York City on May 2, 2019.



Steven Nelson, at the ThinkEquity Conference

Reg A

Continental Stock Transfer & Trust was a proud sponsor of the Reg A Conference in New York City on May 9, 2019. Steven Nelson, our President & Chairman, also served as a Moderator.



Fran Wolf at Continental's booth



Margaret Villani and Steven Nelson

SHAREHOLDER SERVICES ASSOCIATION “SSA”

Continental has been a long time sponsor of The Shareholder Services Association (“SSA”). SSA is a nationwide network of shareholder services industry professionals. Our diverse membership includes corporations of all sizes, transfer agents and a wide variety of specialized service providers.

Whether you are new to the industry, a seasoned professional or someone who has multiple responsibilities, the SSA offers education and networking opportunities to help you succeed.

Join us at the SSA Annual Conference

Continental will be participating in the Shareholder Services Association’s Annual Conference, July 16-18, 2019, in Annapolis, Maryland. The conference will include educational sessions about new technology, issuer and agent roles and responsibilities, unclaimed property, regulation, and communications, along with several networking events.

If you work in the shareholder services industry and haven’t registered for the SSA Annual Conference, visit www.shareholderservices.org to learn more.

We hope to see you there!



INFORMED DELIVERY & AUGMENTED REALITY HIGHLIGHT



What's new in the horizon at Continental?

Robert Zubrycki, VP & Director of Proxy and Mail Services, is working with the USPS to utilize technology for "INFORMED DELIVERY".

What is Informed Delivery and will it impact our business?

Informed Delivery is an innovative feature to eligible residential consumers and P.O. Box users nationwide. Consumers that sign up can digitally preview their mail and manage the contents that will arrive in their mailbox by simply using their smartphone or tablet. Users also will have the ability to interact with digital content provided by Continental (e.g. client letters, quarterly reports, related links) directly from Informed Delivery. For more information on how Informed Delivery can help you communicate with your shareholder base, contact Robert Zubrycki.

What else is in the horizon?

Augmented Reality is here.

What is Augmented Reality (AR)?

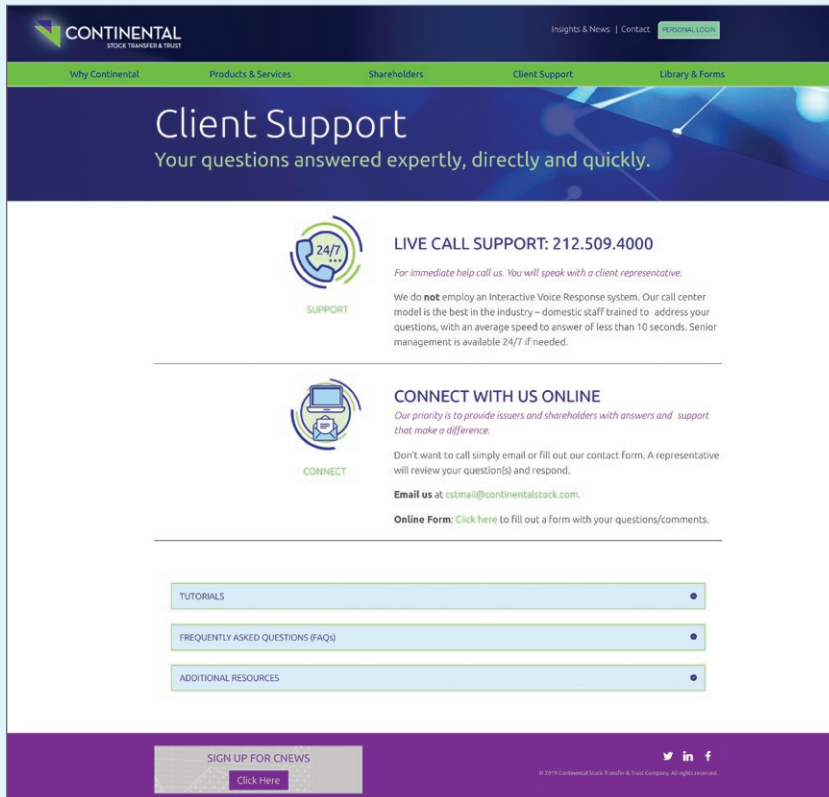
AR is the ability to use that funny looking square barcode that you scan on your smartphone and have something come alive.

AR is a great tool to make your communication come alive simply by scanning that little AR barcode. Look for AR barcodes on wine bottles, beer bottles and other products today that when scanned the label comes alive and tells you a story. We want to use that technology in our business line and shortly will create a model of how we can use it.

Exciting things are happening at Continental, so stay tuned.

NEW TRANSFER AGENT CUSTOMERS OCTOBER 2018 THROUGH MARCH 2019

- 1895 Bancorp of Wisconsin, Inc. - WI
- Acuity Ads Holdings, Inc. - Canada
- Agiliti, Inc. - MA
- Alberton Acquisition Corp - Hong Kong
- AMCI Acquisition Corp - PA
- Andina Acquisition Corp III - NY
- APPX Group Holdings, Inc. - Canada
- Aptorum Group Limited - Hong Kong
- Aquila Resources, Inc. - Canada
- Arch Biopartners - Canada
- Arya Sciences Acquisition Corp - NY
- Aurania Resources Ltd. - Canada
- Bioceres Crop Solutions Corp - NY
- Boxwood Merger Corp - CA
- Buckeye Corrugated, Inc. - OH
- CannTrust Holdings, Inc. - Canada
- Canopy Rivers Inc - Canada
- CF Finance Acquisition Corp - NY
- Chardan Healthcare Acquisition - NY
- Chaseberg Technology Acquisition - CA
- Cobalt 27 Capital Corp - Canada
- Collier Creek Holdings - NY
- Covetrus, Inc. - ME
- DD3 Acquisition - Mexico
- Edtech X Holdings - United Kingdom
- Fintech Acquisition Corp III - PA
- First Ottawa Bancshares, Inc. - IL
- Flurotech Ltd - Canada
- Gores Metropoulos, Inc. - CA
- Graf Industrial Corp - TX
- Hennessy Capital Acquisition Corp IV - WY
- Hexo Corp - Canada
- Hoth Therapeutics, Inc. - NY
- Innovative Industrial Properties, Inc. - CA
- Insurance Acquisition Corp. - PA
- James E. Wagner Cultivation Corp - Canada
- Largo Resources, Ltd. - Canada
- Legacy Housing Corp - TX
- Linkbancorp, Inc - PA
- MediPharm Labs, Inc. - Canada
- Minaurum Gold Inc. - Canada
- Monocle Acquisition Corp. - NY
- Morphogenesis, Inc. - FL
- New World Technologies - NY
- OneSpa World Holdings, Limited - Bahamas
- Pacific Valley Bank - CA
- Phunware, Inc - TX
- Pivotal Acquisition Corp - NY
- Pure Global Cannabis, Inc. - Canada
- Relevium Technologies, Inc. - Canada
- Rhinebeck Bancorp, Inc. - NY
- Schultze Special Purpose Acquisition Corp - NY
- Simplicity ESports & Gaming Co - FL
- Stellar Lumens Investment Trust - NY
- Target Hospitality Corp - TX
- Tortoise Acquisition Corp - NY
- Treehouse Real Estate Investment Trust - CA
- Trine Acquisition Corp - NY
- Troilus Gold Corp - Canada
- Troubadour Resources, Inc. - Canada
- Tuscan Holdings Corporation - NY
- Village Farms International - FL
- Wealthbridge Acquisition Limited - Hong Kong
- Woodbridge Liquidation Trust - FL
- Xpel, Inc. - Canada
- Zanzibar Gold, Inc. - Canada



NEW WEBSITE DESIGN COMING SOON!

We are working hard to create an enhanced website to promote an appealing environment for our clients and their shareholders.

Stay tuned for our redesigned website launch this summer!

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Just wanted to say thank you for helping with all of this.

We pride ourselves as a company on our relentless commitment to providing excellent customer service. Every time these types of situations have come up with our shareholders, you have never failed to deliver that same level of service to them and for us. We are so thankful you are part of our team and are so happy we made the decision to choose Continental as our partner.

”

– Kyle McVey
Senior Vice President & Chief Accounting Officer,
First Financial Bankshares, Inc.



CONTINENTAL

STOCK TRANSFER & TRUST

Our Solutions



As a privately-held trust company our singular focus translates into an exceptional, exacting solution delivered at the best possible price.

Contact Karri Van Dell 212.845.3224

Continental Stock Transfer & Trust | ContinentalStock.com | 1 State Street Plaza, 30th Floor | New York, NY 10004