

TOKENISATION FRAMEWORK

# Before You Tokenise: A Suitability Framework.

A pre-commitment framework for institutional capital raises through tokenised structures — six elements, six honest answers, applied across infrastructure, real estate, credit, and other major asset classes.

# The decision to tokenise is the decision to choose a wrapper.

Tokenisation does not change the underlying asset. It changes how the claim on the asset is held, transferred, taxed, and settled. The question is not whether the technology works — it does — but whether the asset, the wrapper, the tax path, and the enforcement route stack up cleanly across six interlocking elements.

## THE CENTRAL THESIS

Tokenisation is a wrapper innovation, not an asset innovation. It rarely creates a new asset class; it creates a new way of holding, transferring, and settling claims on existing ones. The discriminating question is not whether tokenisation is good or bad, but whether a specific raise sits on the side of the line where the wrapper benefits exceed the additional legal, tax, and operational layers it introduces.

# Asset Suitability

Tokenisation does not improve a bad asset. It only changes the wrapper. The first question is whether the underlying actually benefits from being held, transferred, and settled on-chain — or whether you are forcing a wrapper onto an asset that does not need one.

## THE FIVE QUESTIONS

- 01** Would this asset attract institutional capital in a traditional wrapper today, on its own merits?
- 02** Are the cash flows discrete and predictable enough to suit programmable distribution?
- 03** Is there latent demand for fractional ownership at the unit size you can offer?
- 04** Is the asset transferable under the relevant legal regime — or is the wrapper a workaround?
- 05** What does on-chain composability unlock that the existing wrapper cannot?

### SIGNALS TO PROCEED

- Multiple counterparties or diversified cash-flow streams.
- Discrete, naturally programmable unit economics.
- Latent demand at the unit size you can offer.

### SIGNALS TO PAUSE

- Single off-taker or concentrated counterparty risk.
- Cash flows tied to operator performance.
- Asset already efficiently served by an existing wrapper.

# How the six elements fall across asset classes.

Illustrative, not prescriptive. **Strong**: clean answer. **Workable**: structure exists, adds complexity. **Mixed**: depends on specifics. **Challenging**: tokenisation unlikely to outperform the traditional alternative.

Element	Energy Infra.	Commercial RE	Private Credit	Trade Finance	Carbon Credits
Asset Suitability	Workable	Workable	Strong	Workable	Mixed
Legal Wrapper	Strong	Strong	Strong	Strong	Challenging
Tax & Cross-Border	Workable	Mixed	Mixed	Workable	Challenging
Investor Base	Strong	Strong	Strong	Strong	Mixed
Counterparty Stack	Workable	Workable	Workable	Workable	Challenging
Liquidity & Cost	Mixed	Mixed	Strong	Mixed	Mixed

Reading the overlay. Private credit and trade finance clear most cleanly. Energy and commercial real estate sit in the workable middle — tokenisation is available but rarely cheaper than the alternatives. Carbon credits face structural challenges in three or more elements.

## Walk away if.

These signs do not mean the asset is bad. They mean the wrapper is wrong, the tax path is unsound, or the team selling it has not done the work.

- ! The pitch is about the chain, not about the asset.
- ! Admin authorities on the token contract are not disclosed, or sit with a single private key.
- ! The legal opinion covers the issuance jurisdiction but not where the asset sits.
- ! Smart-contract code, not the legal documents, is the senior instrument when they disagree.
- ! Tax characterisation is silent, deferred, or assumed to follow the issuance jurisdiction only.
- ! Secondary liquidity is promised, but no market maker or redemption mechanism is named.

05 / IN CLOSE

# Asset first.

The most reliable predictor of allocation outcomes is the rigour applied across all six elements, not the enthusiasm applied to the asset.

1

## Assess the asset.

Tokenisation cannot improve a structurally weak underlying. It only changes how the claim is held, taxed, and transferred.

2

## Assess the wrapper.

Legal structure, contract precedence, tax characterisation, counterparty stack — the wrapper carries the claim, not the token.

3

## Assess the path home.

If the wrapper fails or the secondary market disappoints, what is the dispute forum, the redemption route, and the time to resolution?