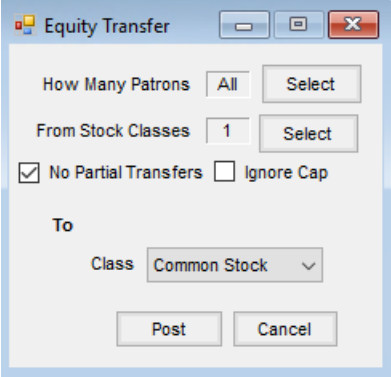


# Equity Transfer

Last Modified on 02/09/2024 2:17 pm CST

This utility allows transferring multiple Stock Certificates to one Stock Certificate. Multiple equity values may be transferred to a single Class at *Transfer Equity / Equity Transfer*. The receiving Patrons must have a Certificate established to receive the transferred equity. This process does not automatically create a Stock Certificate.



- **How Many Patrons** – Select the Patrons to be included in the transfer.
- **From Stock Classes** – Select the Stock Classes to transfer from.
- **No Partial Transfers** – Select if no amount less than the per share value set on the *To* certificate may be transferred.
- **Ignore Cap** – Optionally mark if the *Cap* set on the stock should be ignored, allowing the certificate value to exceed the cap value.
- **Class** – Select the Stock Class receiving the equity.

## Equity Transfer Posting Notes

Upon saving the transaction, the following posting occurs:

- On the *From* Stock Certificates, the *# of Shares* is reduced to zero and the *Total \$ Value* is updated to zero. The *Inactive* option is selected and the *Date Closed* is populated.
- On the *To* Stock Certificate, the *Total \$ Value* is updated to the sum of the amount being transferred for that Patron. The *Total \$ Value* is then divided by the *\$ Value Per Share* to calculate the new *# of Shares*.
- Stock History records are generated. A record for the Stock Certificates transferring equity out and a record for the Stock Certificate transferring value in.
- A General Journal Entry is posted to the current month.

General Ledger Entry	Debit	Credit
----------------------	-------	--------

General Ledger Entry	Debit	Credit
Transfers equity out	Account on Stock Class transferring from ( <i>Setup / Stock Class</i> )	
Transfers equity in		Account on Stock Class transferring to ( <i>Setup / Stock Class</i> )

## How to Equity Transfer

1. Select the Stock Classes from which the equity is being transferred.
2. Select the Patron(s) whose stock is being transferred. This defaults to all Patrons, but specific Patrons may be selected if necessary.
3. Select *No Partial Transfers* if the receiving stock cannot receive partial share values.
4. Select *Ignore Cap* if the receiving stock may exceed the cap entered on the Certificate.
5. Select the receiving Stock Class.
6. Choose **Post**.

## Stock Transfer Posting Notes

The following posting occurs:

- For each selected Patron, the first Stock Certificate in the selected *To* class will potentially receive value from all Stock Certificates in the *From* class (belonging to the same Patron). Only full shares are contributed to the Stock Certificates in the *To* class.
- The value contributed to the *To* class is relieved from the Certificates in the *From* class (leaving only values less than the \$ *Value Per Share* on the *To* Certificate).
- A Stock History entry is generated for each Stock Certificate that value is transferred *From* or *To*.
- A General Journal Entry is posted to the current month.

General Ledger Entry	Debit	Credit
Transfers equity out	Account on <i>From</i> Stock Class ( <i>Setup / Stock Classes</i> )	
Transfers equity in		Account on <i>To</i> Stock Class ( <i>Setup / Stock Classes</i> )

## How to Transfer Stock

1. Select the Patrons whose stock is being transferred. This defaults to all Patrons, but specific Patrons may be

selected if necessary.

2. Select the Stock Class being transferred from the drop-down.
3. Select the Stock Class receiving the transfer from the drop-down.
4. Choose **Post**.