

TOKENIZED REPORT

A REFERENCE GUIDE

The Tokenization Glossary

Plain-English definitions of the terms
you keep hearing in crypto and RWA finance.

Julie James

Founder, Women in Crypto Global · Editor, Tokenized Report

Every term defined twice: once in the language the industry uses, and once the way a
friend who knows the space would explain it to you over coffee.

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TOKENIZED REPORT · THE PLAIN-ENGLISH GLOSSARY

FROM THE EDITOR

Why this glossary exists.

Most crypto glossaries are written by people who already speak crypto, for people who already speak crypto. They define one piece of jargon by using three other pieces of jargon, which is how you end up with a 400-word definition of "smart contract" that requires you to already know what "EVM," "gas," and "oracle" mean.

This is a glossary for everyone else. Each term has two definitions: the industry version (what you'll actually read in offering documents and product pages) and the plain version (what it actually means). The goal is not to make you sound like you work in crypto. The goal is to let you read a tokenization pitch and understand what is actually being offered.

Twenty-five terms are covered, organized into four sections: foundational concepts, asset types, regulatory terms, and risk and structure terms. Save this. Reference it when you need to. Send it to a friend who is trying to figure out what they're reading.

Julie James

Editor, Tokenized Report

What the words actually mean.

Blockchain

Industry: A distributed ledger maintained by a decentralized network of nodes that records transactions in cryptographically linked blocks.

PLAIN ENGLISH

A shared database that lives on thousands of computers at once, where every transaction is recorded permanently and anyone can verify it. Nobody owns it, nobody can secretly change old entries, and you don't need a bank or middleman to use it.

Token

Industry: A digital asset issued on a blockchain that represents value, ownership, or a right to something. **PLAIN ENGLISH**

A digital receipt that lives on a blockchain. Depending on what it represents, a token can be a piece of money (a stablecoin), a share of an asset (tokenized real estate), or just a unit in a video game. The token itself is just data; what matters is what it's a receipt for.

Tokenization

Industry: The process of creating a blockchain-based digital representation of a real-world asset, enabling fractional ownership and on-chain transfer.

PLAIN ENGLISH

Turning something in the real world (a Treasury bond, a building, an ounce of gold) into a digital version that can be bought, sold, and tracked on a blockchain. The promise is faster trades, smaller minimum investments, and 24/7 access. The risk is that the digital version is only as good as the legal paperwork connecting it to the real thing.

Smart Contract

Industry: A self-executing program deployed on a blockchain that automatically performs predetermined functions when specified conditions are met.

PLAIN ENGLISH

Software that lives on a blockchain and runs by itself. Once it's deployed, it follows its programmed rules without anyone needing to click a button. If you've ever set up a recurring bank transfer, that's the same idea, just running on a blockchain instead of a bank.

On-chain / Off-chain

Industry: On-chain refers to data and transactions recorded on a public blockchain; off-chain refers to anything happening in traditional systems outside the chain.

PLAIN ENGLISH

If something is "on-chain," it lives on the blockchain and anyone can see it. If it's "off-chain," it lives in a regular database or in the physical world. Most tokenized assets are a mix: the token is on-chain, but the building, gold bar, or bond it represents is off-chain.

What you're actually buying.

Real-World Asset (RWA)

Industry: A tangible or financial asset that has been tokenized, including Treasuries, real estate, commodities, private credit, and equities.

PLAIN ENGLISH

Anything from the real world that has been put on a blockchain in token form. The big categories in 2026 are tokenized US Treasuries (by far the largest), private credit, real estate, and commodities like gold. The full category passed \$30 billion in early 2026.

Tokenized Treasury

Industry: A digital token representing fractional ownership in a fund that holds U.S. Treasury bills or notes.

PLAIN ENGLISH

A token that gives you exposure to U.S. government bonds, the same asset that pension funds and money market funds buy for safety. You earn the same yield the Treasuries pay (about 4 to 5% in 2026), minus fees. BlackRock's BUIDL and Franklin Templeton's BENJI are the two biggest examples.

Stablecoin

Industry: A cryptocurrency designed to maintain a stable value, typically by being pegged 1:1 to a fiat currency like the U.S. dollar.

PLAIN ENGLISH

A digital dollar (or euro, etc.) that lives on a blockchain. USDC and USDT are the two largest. They are not investments and shouldn't pay yield on their own. They're the "cash" of crypto, used to move money between exchanges and pay for tokenized assets.

Tokenized Equity

Industry: A digital representation of a share of stock in a public or private company. **PLAIN ENGLISH**

A token that represents a share of stock. The legal structure varies a lot. Sometimes it's a direct share issued in tokenized form. Sometimes it's a token that tracks the price of a stock without actually being the stock. The differences matter for taxes, voting rights, and what happens if the issuing platform fails.

Private Credit

Industry: Lending arrangements made outside public markets, typically to mid-market businesses, now increasingly tokenized for fractional access.

PLAIN ENGLISH

Private credit is loans made directly to businesses that aren't traded on public exchanges. Yields are higher than Treasuries (often 8 to 15%) because the risk is higher. Tokenization lets smaller investors access this market with lower minimums. As of 2025, private credit became the largest tokenized RWA category by value.

SECTION THREE · THE REGULATORY TERMS

Who can buy what, and why.

Accredited Investor

Industry: An individual or entity meeting SEC Rule 501 thresholds, including income over \$200,000 (\$300,000 with spouse) or net worth exceeding \$1 million.

PLAIN ENGLISH

A label the SEC uses for people who are wealthy enough to invest in private offerings that aren't available to everyone. You qualify if you earn \$200K+ per year, have a \$1M+ net worth (not counting your home), or hold certain professional licenses. Most institutional tokenized offerings in the U.S. require you to be one.

Regulation D / Reg D

Industry: A series of SEC exemptions allowing private securities offerings without full registration, most commonly Rules 506(b) and 506(c).

PLAIN ENGLISH

A set of SEC rules that let companies raise money privately without doing a full public offering. Most tokenized offerings use Reg D because it's faster and cheaper than registration. The trade-off is that you can only sell to accredited investors, and there are restrictions on advertising and reselling.

Regulation A+

Industry: An SEC exemption allowing public offerings of up to \$75 million with streamlined disclosure requirements and investor protections.

PLAIN ENGLISH

A "mini-IPO" framework that lets companies sell to anyone (not just accredited investors), with caps on how much non-accredited investors can put in. Some tokenized real estate platforms use Reg A+ to be accessible to retail investors, but it requires more disclosure than Reg D and has strict marketing rules.

GENIUS Act

Industry: Federal legislation passed in July 2025 establishing the first U.S. regulatory framework for payment stablecoins, including reserve and disclosure requirements.

PLAIN ENGLISH

A 2025 law that finally gave stablecoins a federal rulebook. It requires stablecoin issuers to hold 100% reserves, publish regular disclosures, and meet licensing standards. It also opened the door for traditional banks to issue stablecoins, which is part of why institutional money started moving in.

CLARITY Act

Industry: Pending federal legislation that would define classification rules for digital assets as either commodities or securities, dividing oversight between the SEC and CFTC.

PLAIN ENGLISH

The big follow-up law to the GENIUS Act. It would settle the long fight over whether each crypto asset is a "security" (SEC territory) or a "commodity" (CFTC territory). It cleared the Senate Banking Committee in May 2026 and is expected to be voted on before the 2026 midterm elections. Its passage would

significantly affect how tokenized offerings are structured and sold.

How the plumbing works.

Special Purpose Vehicle (SPV)

Industry: A legal entity created to hold specific assets and isolate them from the operating company's broader balance sheet.

PLAIN ENGLISH

A separate company set up to own just one specific asset (a building, a loan portfolio, a piece of art). The tokens you buy represent shares of the SPV, not the asset itself. The point of an SPV is to protect investors if the platform that created it goes bankrupt. If the SPV is properly structured, the asset stays safe even if the parent company fails.

Bankruptcy Remoteness

Industry: A legal structure designed to insulate assets in an SPV from claims against the parent operating company in the event of insolvency.

PLAIN ENGLISH

The legal feature that determines whether your tokens are protected if the platform you bought them from goes bust. "Bankruptcy remote" means the assets in the SPV cannot be touched by the parent company's creditors. If the offering documents don't use this term explicitly, you may not have this protection.

Custodian

Industry: A regulated financial institution responsible for safekeeping assets on behalf of investors.

PLAIN ENGLISH

The institution that physically holds whatever your token represents (the bonds, the gold, the property deed). For your protection, the custodian should be a separate, regulated entity (a bank or trust company), not the same company that's selling you the token. Mixing the two is one of the structural failures that took down FTX.

Proof of Reserves

Industry: An independent verification, typically published periodically, that a tokenized asset's on-chain supply is fully backed by off-chain assets.

PLAIN ENGLISH

A regular report (usually monthly or quarterly) from an independent auditor confirming that every token in circulation is actually backed by what it claims. For tokenized Treasuries, this means confirming the issuer has the underlying Treasuries. The absence of credible proof of reserves is one of the loudest red flags in tokenization.

Oracle

Industry: A service that provides external real-world data (prices, asset reserves, identity verification) to smart contracts on a blockchain.

PLAIN ENGLISH

A bridge between the blockchain and the real world. Smart contracts can't see real-world information by themselves, so they rely on oracles to feed them prices, reserve data, and other facts. Chainlink is the most-used oracle service. Oracles are also a potential point of failure: if the oracle reports bad data, smart contracts act on it.

Attestation

Industry: A formal statement, typically from a qualified accounting firm, verifying specific facts about an asset, reserve, or transaction.

PLAIN ENGLISH

A signed report from an outside firm (usually an accountant) saying "yes, we checked, and the numbers are accurate." Better than self-reporting because there's a professional name and reputation on the line. In tokenization, attestations of reserves are the gold standard for transparency.

Yield

Industry: The return generated by an asset, typically expressed as an annual percentage of the invested amount.

PLAIN ENGLISH

How much money the asset pays you each year, as a percentage. For tokenized Treasuries, the yield comes from the interest the bonds pay. For tokenized private credit, it comes from interest paid by the borrowers. If anyone offers you "yield" without being able to explain where exactly the money comes from, treat that as a warning.

Composability

Industry: The ability of tokenized assets to interact with multiple DeFi protocols, including being used as collateral, traded, or pooled.

PLAIN ENGLISH

The crypto-specific superpower that lets tokenized assets do things traditional finance can't easily do. Your tokenized Treasury can simultaneously be earning yield, posted as collateral on a loan, and tradable on a market, all 24/7. This flexibility is what attracts sophisticated users to RWA tokenization, but it also creates new risks that don't exist in traditional finance.

Secondary Market

Industry: A venue where tokens can be bought and sold after their initial offering, providing liquidity for existing holders.

PLAIN ENGLISH

Where you actually sell your tokens after you buy them. Some tokenized assets have active, deep secondary markets where you can exit anytime. Others have almost no secondary market at all, meaning you might not be able to sell when you want to. Always check before you buy, because this is often the gap between marketing and reality.

Permissioned vs. Permissionless

Industry: Permissioned systems require identity verification (KYC) to participate; permissionless systems allow anyone to participate without identification.

PLAIN ENGLISH

Whether the system asks for your ID before letting you in. Most regulated tokenized offerings are permissioned (you must KYC and meet investor criteria). DeFi protocols that purely live on-chain are often permissionless. The trend in 2026 is hybrid: permissioned at the user level, permissionless at the protocol level.

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A FINAL WORD

Words are tools. Use them precisely.

The point of this glossary is not to make you sound like a crypto native. It's to give you the language to evaluate what's being pitched to you. When an advisor mentions "tokenized private credit," you know what they mean and what questions to ask next. When a marketing email says "fractional ownership of premium real estate," you know to ask about the SPV structure, custodian, and secondary market.

Bookmark this. Share it. Most people in this space, including many of the people selling it, don't fully understand half these terms. You now know more than they do.

"Jargon is the place where confusion gets hidden."

ABOUT TOKENIZED REPORT

Tokenized Report is the weekly editorial newsletter on real-world assets, stablecoin yield, and tokenization, published by Women in Crypto Global. Built for the readers crypto media has overlooked. No price predictions. No shilling. No bro energy. Subscribe at womenincryptoglobal.com.

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