

Medallion Signature Guarantee

A **medallion signature guarantee** is a special signature guarantee for the transfer of securities. It is a guarantee by the transferring financial institution that the signature is genuine and the financial institution accepts liability for any forgery. Signature guarantees protect shareholders by preventing unauthorized transfers and possible investor losses. They also limit the liability of the transfer agent who accepts the certificates.

A medallion signature guarantee is not the same as an acknowledgment by a notary public, in the sense that a "signature guarantee" is a certification by the Credit Union that the signature is authentic, and an acknowledgment is a certification by a notary public attesting that the signer signed a document voluntarily, signed the document in the presence of the notary and provided proof of identity.