

**UPDATED: November 3, 2024**

## **Clarification on Offerings by Web3 Labs LLC:**

Web3 Labs LLC provides this clarification to emphasize that the use of the NEXUS Token does **not** constitute the purchase or sale of securities under any applicable law. The products and services offered by Web3 Labs LLC, including the NEXUS Token, should not be interpreted or construed as an investment in stocks, bonds, or any other form of securities. The NEXUS Token operates as a transactional fee mechanism, and its primary purpose is to facilitate Web3 transactions without any inherent expectation of profits.

Additionally, Web3 Labs LLC disclaims any ownership, management, or operational control over the Decentralized Exchanges (DEX) known as [SimpleSwap.io](https://simpleswap.io) and [PancakeSwap.finance](https://pancakeswap.finance), the On-Ramp/Off-Ramp system referred to as [Spritz.finance](https://spritz.finance), or the Yield Farm referred to as Harvest Labs. Any inquiries or concerns relating to these platforms should be directed to the respective entities:

- **SimpleSwap.io:** [support@simpleswap.io](mailto:support@simpleswap.io)
- **Spritz.finance:** [hello@spritz.finance](mailto:hello@spritz.finance)
- **Harvest Labs:** [contact@harvestlab.co](mailto:contact@harvestlab.co) (*Contract Discontinued as of 11.2.2024 per S.E.C. guidelines regarding Yield Farming*).
- **Pancake Swap:**  
<https://docs.pancakeswap.finance/contact-us/social-accounts-and-communities>

## **Legal Disclaimer:**

The NEXUS Token has undergone a comprehensive legal review and evaluation. Based on this analysis, it is determined that the NEXUS Token does not meet the criteria established under the

Howey Test and therefore does not constitute an "investment contract" or a security. The following points outline the legal rationale:

## **Compliance with the Securities & Exchange Commission (S.E.C.) Regulations**

### **1.) Investment of Money:**

The acquisition of NEXUS Tokens involves an exchange of value but does not constitute an investment of money with an expectation of profits. NEXUS Tokens are designed strictly as a transaction fee mechanism, and holding the tokens for speculative purposes (HODL) is not permitted.

*(Compliance with the S.E.C. Regulations Continued)*

**2.) Common Enterprise:**

The NEXUS Token does not operate within a structure that pools funds for a common enterprise. Token holders do not share in the risks or benefits associated with a collective venture. Each transaction involving the NEXUS Token is isolated, with its value determined solely by the smart contract's operational mechanics rather than any centralized organizational control.

**3.) Expectation of Profits:**

The NEXUS Token is intended exclusively as a transactional fee mechanism for authorized companies within the Web3 ecosystem. It is not designed as an asset acquired with the expectation of profits from the efforts of Web3 Labs LLC or any other entity.

**4.) Efforts of Others:**

The value of the NEXUS Token is determined solely by its smart contract structure and functionality, independent of any managerial or entrepreneurial efforts by Web3 Labs LLC or any centralized organization. This independence further differentiates it from securities. To enhance security, Web3 Labs has incorporated a requirePriceRises feature, ensuring that the token's calculated price remains the same or higher with each transaction; if this criterion is not met, the transaction is automatically reverted. This feature is designed and created to prevent the completion of any exploitative transactions intended to withdraw funds, maintaining the token's integrity and supporting its decentralized compliance with the Howie Test.

*This evaluation is provided within the current regulatory framework. However, Web3 Labs LLC acknowledges that interpretations of applicable laws and regulations may vary depending on jurisdiction and are subject to change. Users and purchasers of the NEXUS Token transactionary fee mechanism are advised to seek independent legal counsel to ensure compliance with specific legal obligations and to mitigate potential regulatory risks.*

***Disclaimer of Liability:***

Web3 Labs LLC expressly disclaims any and all liability for financial losses or outcomes arising from the use of the NEXUS Token or its transactionary fee mechanism. Users engage with the NEXUS Token entirely at their own risk and discretion. Web3 Labs LLC advises all users to thoroughly understand the inherent risks associated with blockchain technology and smart contracts, including but not limited to technological vulnerabilities, market volatility, regulatory uncertainty, and potential security breaches.

Web3 Labs LLC also disclaims any responsibility for the performance, security, or operation of third-party platforms or services, including but not limited to SimpleSwap.io, PancakeSwap.finance, Harvest Labs and Spritz.finance. Users are strongly encouraged to perform due diligence and seek legal or financial advice when engaging with such platforms.

This disclaimer is subject to change and will be updated as necessary to reflect evolving regulations and risks associated with blockchain technology.