

## MEMORANDUM

**To:** Crypto Task Force Meeting Log  
**From:** Crypto Task Force Staff  
**Re:** Meeting with Representatives of DeFi Technologies, Inc., Liquid Advisors, Lowenstein Sandler LLP, and Valour Inc.

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On April 14, 2025, Crypto Task Force Staff met with representatives from DeFi Technologies, Inc., Liquid Advisors, Lowenstein Sandler LLP, and Valour Inc.

The topic discussed was approaches to addressing issues related to regulation of crypto assets. DeFi Technologies, Inc., Liquid Advisors, Lowenstein Sandler LLP, and Valour Inc. representatives provided the attached document, which was discussed during the meeting.

## Request Form for Meetings with the Crypto Task Force

### Information About You

Name: Ethan Silver  
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### Information About Your Meeting Request

Purpose of the Requested Meeting: Securities Registration and Determination of Instrument as a “Security”  
Your Request\*:

### Securities Registration and Determination of Instrument as a “Security”

We are writing to the Crypto Task Force (the “Task Force”) on behalf of our client DeFi Technologies, Inc. (the “Company”) to request a meeting to discuss the Company’s Registration Statement (as defined below). Specifically, the Company wishes to discuss the Commission’s position with respect to (1) the appropriate non-securities treatment of various widely traded digital assets (“Non-Securities Digital Assets”), (2) the application of the Investment Company Act of 1940, as amended (the “1940 Act”) to entities engaged in Non-Securities Digital Asset activities, and (3) ensuring appropriate and timely Registration Statement effectiveness with respect to the Company and other similarly situated entities.

#### *Procedural Background*

The Company is a technology company incorporated in British Columbia pursuant to the Company Act (British Columbia) and publicly listed on the CBOE Canada Exchange and on the OTCQB. The Company has three primary business lines: (a) the development and listing of Exchange Traded Products (“ETPs”), (b) providing network security and stability, governance, and transaction validation for public blockchain networks, and (c) investing in early-stage decentralized finance companies.

On September 16, 2024, the Company filed a Registration Statement on Form 40-F (as amended on January 17, 2025, the “Registration Statement”) for the registration of its Common Shares on the Nasdaq Stock Market LLC.

On October 15, 2024, The Company received a comment letter (the “First Comment Letter”) from the Commission on the Registration Statement. The First Comment Letter focused on the following topics:

- Whether by virtue of the digital assets on the Company’s balance sheet, the Company is an investment company under Section 3(a)(1)(C) of the Investment Company Act of 1940 (the “1940 Act”);
- Whether certain digital assets, including the Solana token (“SOL”) are securities under federal securities laws;
- Whether certain digital asset lending and staking arrangements constitute investment securities as defined under Section 3(a)(2) of the 1940 Act; and

- Whether given the Company's and its subsidiary's activities, the Company could be considered an investment company under Section 3(a)(1)(A) of the 1940 Act, addressing the factors of *Tonapah Mining Company of Nevada*, 26 SEC 426 (1947).

On January 17, 2025, the Company provided a response letter to the Commission (the "First Response Letter"), providing the detailed legal analysis requested by the First Comment Letter. The full text of the First Comment Letter and our First Response Letter is attached hereto under Additional Analysis.

On February 19, 2025, the Company received a second comment letter from the Commission (the "Second Comment Letter"), requesting additional analysis with respect to DeFi's status as an investment company pursuant to the 1940 Act. A copy of this comment letter is attached hereto under Additional Analysis.

#### *Requested Meeting Topics*

We are requesting a meeting with the Crypto Task Force of the Commission to discuss:

- (1) the status of SOL as a non-security digital asset, as set forth in the Company's First Response Letter;
- (2) as a result of SOL's status as a non-security digital asset, the Company's failure to satisfy the definition of an "investment company" under the 1940 Act; and
- (3) the Commission's position on granting effectiveness to the Registration Statement given that the Company is not operating as an investment company under the 1940 Act.

#### **Attendees:**

Kenny Choi, Corporate Secretary and General Counsel of DeFi Technologies, Inc.

Annemarie Tierney, Principal, Liquid Advisors Inc.

Ethan Silver, Partner, Lowenstein Sandler LLP

Daniel Forman, Partner, Lowenstein Sandler LLP

Will Brannan, Partner, Lowenstein Sandler LLP

#### **Agenda:**

1. We will present a summary of the Company's business lines and the nature of the non-security digital assets on the Company's balance sheet.
2. Discussion of the Task Force's Review of the First and Second Comment Letters and the Company's First Response Letter.
3. Discussion of SOL's status as a non-security digital asset under the federal securities laws, as more fully described in DeFi's First Response Letter.
4. Discussion of the Company's status under the 1940 Act, given SOL's status as a non-security digital asset.
5. Discussion of next steps with respect to the Company's Registration Statement.

**Additional Analysis:** Please reference the following attachments:

1. The First Comment Letter, dated October 15, 2024
2. The First Response Letter, dated January 17, 2025
3. The Second Comment Letter, dated February 19, 2025.