

July 21, 2025

Re: Helium Draft Legislative Amendment Proposal

Ladies and Gentlemen:

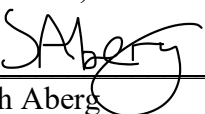
Nova Labs, Inc. (d/b/a Helium Mobile) (“Helium”), met with representatives of the SEC Crypto Task Force on July 7, 2025 to discuss potential guidance clarifying when the Commission will not consider the issuance and trading of digital assets from Decentralized Physical Network (“DePIN”) ecosystems and the sale of consumer products, including hardware and software, to be subject to U.S. federal securities laws, among other topics. We also submitted written input on this topic to the Crypto Task Force, which several other DePIN organizations also signed.

During our discussion, representatives of the SEC Crypto Task Force inquired about any proposed language that we could provide for legislative amendments to the existing federal securities laws, including a proposed definition for DePIN. Attached, please find proposed legislative language for an amendment to the Securities Act of 1933 that would codify an exemption for certain transactions relating to DePIN. This proposed legislative language includes a definition of DePIN and the requirements for qualifying for such an exemption.

We are happy to provide additional information or to arrange additional discussions if we can be of assistance. We thank you for your time and consideration.

Sincerely,

Nova Labs, Inc. dba Helium Mobile



Sarah Aberg
Chief Legal Officer

1 PROPOSED AMENDMENT

2 To address the regulation of digital assets in connection with decentralized physical infrastructure.

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4
5 SEC. 101. DEFINITIONS. – Section 2(a) of the Securities Act of 1933 {15 USC 77b(a)} is amended by
6 adding the following at the appropriate section:
7

8 (X1) Decentralized Physical Infrastructure. – The term ‘decentralized physical infrastructure’
9 means a tangible network framework of functional services coupled with blockchain technology
10 and is designed to decentralize physical infrastructure creation, operation, and management.

11 (A) Physical Infrastructure. – For purposes of this section, ‘physical infrastructure’ shall
12 mean the tangible network of devices and equipment that create functional services
13 and are connected to a blockchain network.

14 (B) Deployer. – For purposes of this section, ‘deployer’ shall mean the operator of the
15 device connected to the physical infrastructure.

16 (C) Device. – For purposes of this section, ‘device’ shall mean the physical device,
17 hardware, or equipment that, once deployed and operational, creates the physical
18 infrastructure and connects the physical infrastructure to the blockchain network.

19 (D) Service Provider. – For purposes of this section, ‘service provider’ refers to a person
20 or who utilizes the decentralized physical infrastructure network to provide
21 functional services to commercial partners and consumers.

22 (E) Core Developer. – For purposes of this section, ‘core developer’ refers to a person or
23 group of persons who make material contributions to building and maintaining the
24 underlying technical architecture of the decentralized physical infrastructure network.
25

26 SEC. 201. EXEMPTED TRANSACTIONS. –
27

28 (X2) In General. – The Securities Act of 1933 {15 USC 77a et. seq.} is amended –

29 (A) In Section 4(a) by adding at the end the following:

30 ‘(#) Digital assets issued and physical infrastructure deployed in connection with a
31 decentralized physical infrastructure network meeting the requirements of [Section
32 301].’

1 ‘(xx) For purposes of this section, Core Developers and Services Providers shall not
2 be considered issuers of securities in connection with Decentralized Physical
3 Infrastructure projects.

4
5 SEC. 301. TREATMENT OF DIGITAL ASSETS IN CONNECTION WITH DECENTRALIZED
6 PHYSICAL INFRASTRUCTURE.

7
8 (X3) Requirements. – At the appropriate section of the Securities Act of 1933, add the following:

9 (A) Treatment of Digital Assets. – To qualify for the exemptions provided in Section X2
10 decentralized physical infrastructure network shall:

- 11 (1) Require digital assets to be issued through any rules-based system permitting
12 deployers of the decentralized physical infrastructure network or holders of the
13 digital assets related to such network to form consensus or reach agreement in the
14 development, provision, publication, management, or administration of the
15 physical network provided in connection with the blockchain system.
16 (2) Digital assets must be used to incentivize the deployment of devices and the
17 provision of resources from the decentralized physical infrastructure network.
18 (3) No person or entity may hold or control 20% or more of the digital assets
19 generated in connection with a decentralized physical infrastructure network.
20 (4) Digital assets generated in connection with a decentralized physical
21 infrastructure network shall not be sold by any core developer or service provider
22 of the DePIN directly to the general public or a digital asset broker at any time
23 prior to DePIN launch, and the proportion of devices activated by service
24 providers and core developers is no greater than the proportion of devices
25 activated by unaffiliated persons.

26
27 (B) Decentralized Physical Infrastructure Requirements. – To qualify for the exemptions
28 provided in Section X2, the person or entity seeking the exemption in connection
29 with the decentralized physical infrastructure network shall:

- 30 (1) Provide a copy of any licensing from applicable federal, state, or local entities to
31 operate as a utility or infrastructure provider;
32 (2) Demonstrate its ability to eliminate single points of failure by distributing
33 infrastructure across multiple participants;
34 (3) Demonstrate scalability to support growing demand;

- 1 (4) Prioritize security for its infrastructure, participants, and data;
2 (5) Implement robust mechanisms to ensure reliability and prevent fraud or abuse;
3 and
4 (6) Demonstrate an ability to effectively and efficiently integrate with traditional
5 systems and infrastructure users to maximize adoption and utility.

6 (X3-A) Submission of Disclosures. – At the appropriate section of the Securities Act of 1933,
7 insert the following:

- 8 (A) The person or entity shall certify to the Commodity Futures Trading Futures
9 Commission that it meets the requirements of Section X3(A) and Section X3(B).
10 Within one year of the date of enactment of this section, the Commodity Trading
11 Futures Commission shall establish procedures for required disclosures and
12 certifications under this section.
13