



# Nexo Reaches Landmark Resolution with U.S. Regulators

January 19, 2023 – [Nexo](#) has reached a final landmark resolution with the [U.S. Securities and Exchange Commission](#) (SEC), the [North American Securities Administrators Association](#) (NASAA), consisting of all 50 U.S. States and three territories, the [Attorney General of New York](#), the [Texas Department of Banking](#), the [Washington Consumers Services Division](#) and the [Alaska Division of Banking and Securities](#).

Important characteristics of the settlement with U.S. Federal regulators include:

- The settlements are on a no-admit-no-deny basis.
- The sole allegation has been that Nexo’s Earn Interest Product (EIP) was an unregistered securities offering.
- This closes all multi-year-long inquiries into Nexo, looking at various aspects of the business, following the company’s voluntary decision to stop offering its EIP in the U.S., Nexo’s proactive exit from the U.S. market in an orderly fashion, and an agreement to pay a monetary penalty, payable over a 12-month period.
- **The U.S. Federal Regulators do not contend that Nexo engaged in any fraud, or misleading business practices, or that any Nexo customers have been harmed or misled about Nexo’s financial health.**

“We are content with this unified resolution which unequivocally puts an end to all speculations around Nexo’s relations to the United States. We can now focus on what we do best - build seamless financial solutions for our worldwide audience,” said Antoni Trenchev, Co-founder of Nexo.

“We thank the commissioners involved for their time, effort, and dedication in doing what they believe is in their constituents’ best interests and in line with the American values of transparency, financial freedom, and adherence to the highest professional and legal standards that have built this great nation and which Nexo deeply relates to. We are grateful to our legal advisors at [Schulte Roth and Zabel LLP](#) for facilitating a most constructive dialog with the U.S. federal and state regulators, as well as the New York Attorney General’s Office, which helped us secure this most favorable of outcomes,” said Trenchev.

It is Nexo's belief that the company has been recognized for what it truly is - a pioneer, like Uber and Airbnb, providing disruptive solutions in a fast-paced environment. As innovators do not quite fit into existing provisions, constructive dialogue for the enhancement of the prevailing regulatory frameworks is of paramount importance.

Kosta Kantchev, Co-founder of Nexo, added: "We are confident that a clearer regulatory landscape will emerge soon, and companies like Nexo will be able to offer value-creating products in the United States in a compliant manner, and the U.S. will further solidify its position as the world's engine of innovation."

Nexo cooperated fully with the U.S. government's inquiries since day one. These resolutions are the pinnacle of almost two years of work and clearly show that Nexo is not a problem but part of the solution. It is also an extension of Nexo's philosophy of building a robust and sustainable business model, which has stood the test of time and is part of its devotion and unwavering commitment to uphold the highest standards in terms of complying with its regulatory and KYC/AML/CTF obligations, protecting clients and investors, and ensuring financial stability and growth of its operations and the industry as a whole.

## **About Nexo**

[Nexo](#) is the world's leading digital assets institution. The company's mission is to maximize the value and utility of digital assets by offering a comprehensive suite of products that include advanced trading solutions for retail and institutional clients, aggregation of liquidity from leading venues, and tax-efficient asset-backed credit lines. In early 2022, the enterprise launched its investment arm Nexo Ventures, which now boasts over 60 portfolio companies. Nexo has processed \$130+ billion for 5,000,000+ satisfied users across more than 200 jurisdictions.