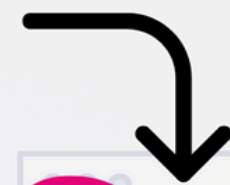
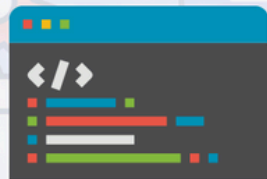


~~Security~~



Software



CONGRATS?
**POLKADOT IS NO
LONGER SECURITY**

Report by **Crypto Extraction**



CryptoExtraction

EXTRACTING EVERY CRYPTOCURRENCY

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@cryptoextraction



THE SEC CONCERNS

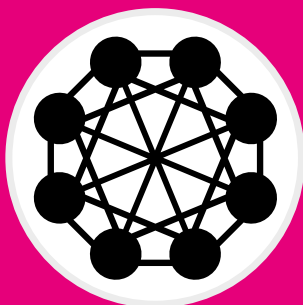
In July 2017, "The DAO Report" showed that any token for fundraising a blockchain project, such as a DOT token, was categorized as security based on SEC. Moreover, SEC said that as time goes on, any given token for fundraising can reduce its characteristics from security to nonsecurity, called morph



DOT MORPH



The Web3 Foundation has been in open dialogue with the SEC (Office of Finhub and the division of corporation finance) for the last 3 years. The SEC has guided how Polkadot native token, DOT to morph from security to software



Decentralized the Polkadot

To become genuinely decentralized, Polkadot required to open on their investment disclosures, token distribution, communication, and marketing

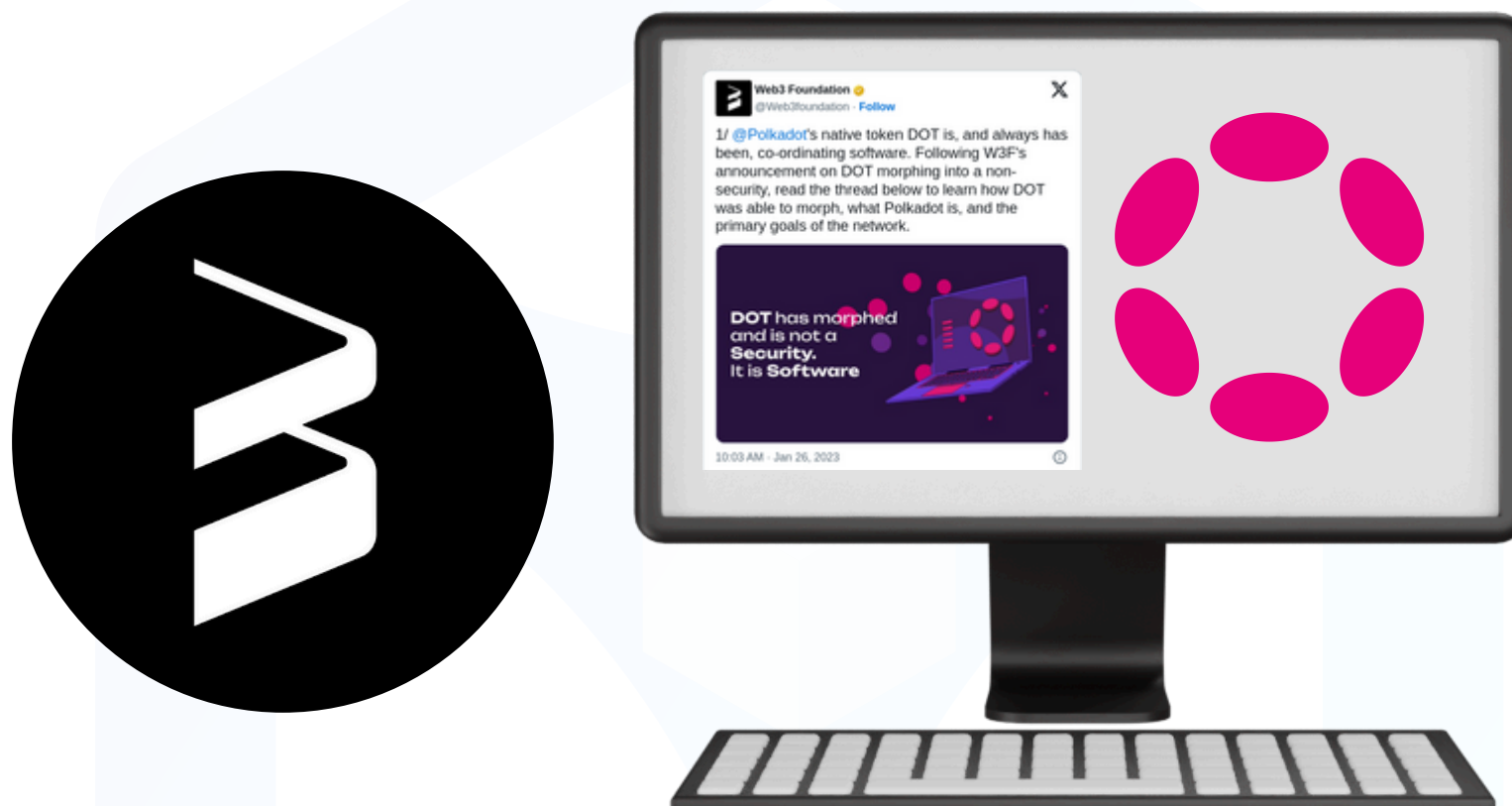


Approach to Compliance

The Polkadot foundation team and developers are ready to make DOT comply with US federal securities laws and make it safe for all holders



NOW DOT IS A SOFTWARE



The web3 foundation announces that the Polkadot native token, Dot is a software. DOT has never been a security as the release of DOT

"When contemplating the launch of the Polkadot network, there was no intention to issue a security. We always thought of DOT as vertical agnostic & use-case agnostic coordinating software."

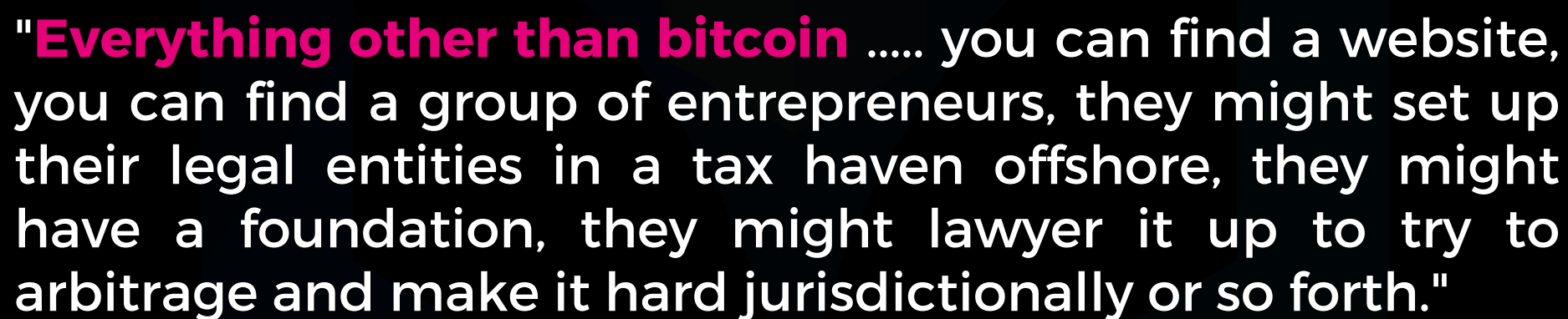
Daniel Schoenberger

Attorney at Law, LLM (Edinburgh), Chief Legal Officer,
Web3 Foundation (Polkadot, Kusama)

Swipe



On 23 February 2023,
New York Magazine's
Intelligencer released
an interview of the
SEC, Gary Gensler



"They might drop their tokens overseas at first and contend or pretend that it's going to take six months before they come back to the U.S., But at the core, these tokens **are securities** because there's a group in the middle and the public is anticipating profits based on that group."

The chairman of the U.S. Securities and Exchange Commission (SEC)





SO, THE CONCLUSION

Since DOT is not Bitcoin and is categorized as a Polkadot token, we can say that DOT in the U.S. is classified as a security.

Hopefully, Gary Gensler has a follow-up on how DOT tokens become nonsecurity!
DOT POW?



Wait!
What?

You are a
security



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Logo:

- DOT logo taken from <https://polkadot.network/ecosystem/brand-hub/>
- Web3 Foundation logo taken from https://www.linkedin.com/company/web3foundation?original_referer=https%3A%2F%2Fwww.ecosia.org%2F

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