

UBS ZK Space Network



Legal & Regulatory Memorandum

(Informational Document – Not Legally Binding)

0. Purpose of This Memorandum

This memorandum consolidates the legal status, participation terms, and positioning of **UBS ZK Space Network**.

Its purpose is to:

- clarify the **non-financial and utility-only nature** of the protocol;
- exclude any interpretation as an “investment scheme” or “token offering”;
- provide a transparent framework for **lawyers, compliance reviewers, regulators, and ecosystem partners**.

1. Project Status

- **UBS ZK Space Network** is an open-source Layer-1 protocol focused on:
 - ✓ **Proof-of-Space (PoSpace)** consensus;
 - ✓ cryptographic fairness via **Verifiable Delay Functions (VDF)**;
 - ✓ native Zero-Knowledge (ZK) privacy.
- The project:
 - ✗ is **not a company, DAO, fund, or legal entity**;
 - ✗ has **no registered token issuer**;
 - ✓ is developed by independent pseudonymous contributors;
 - ✓ is governed entirely by **open-source code (MIT/GPL)**.

2. Participation Terms

- Participation is fully **voluntary, off-chain, and non-refundable**.
- Modes of participation:
 - reading and reviewing documentation;
 - testing code and running nodes;
 - allocating storage space for PoSpace mining.
- Participants are **not investors and not clients**.
- Participation **does not grant rights, guarantees, or financial benefits**.

3. UBS Token

- The UBS token is a **utility-only infrastructure token**.
- Primary functions:
 - PoSpace mining rewards;
 - ZK services and private computations;
 - validation and network security.
- **UBS is not:**
 - a security or share;
 - a financial instrument;
 - a claim to profits, dividends, or ownership;
- an investment product.
- No:
 - token presales, ICOs, IDOs, SAFE/SAFT;
 - pre-allocation or guaranteed distributions;
 - expectation of listing, liquidity, or profits.
- All UBS tokens are **minted solely by the protocol via decentralized PoSpace mining**.

4. Pre-Seed Contributions

- Development may be supported by **voluntary, off-chain contributions**.
- Contributions:
 - do not guarantee tokens or financial returns;
 - are not sales, contracts, or investments;
 - are treated purely as open-source support.
- UBS ZK Space **does not raise capital and does not sell financial products**.

5. Legal Boundaries

UBS ZK Space explicitly excludes:

- **X** public token sales or distributions;
- **X** custodial services or asset management;
- **X** profit-sharing, staking rewards, or investment contracts;
- **X** issuance of securities or financial products.

All documents contain disclaimers:

- token utility or value is not guaranteed;
- the protocol may change, fork, or be discontinued;
- participation is at participants' sole risk.

6. Risk Disclaimer

- UBS ZK Space is **experimental infrastructure**.
- Participants must understand:
 - mined tokens may have no value;
 - rewards are algorithmic and may change or vanish;
 - there is no promise of income, support, or refunds;
- participation may result in loss of time, resources, or capital.

7. Regulatory Positioning

7.1 Project Classification

- UBS ZK Space = **open-source L1 protocol**, not a legal entity.
- Codebase under MIT/GPL.
- Contributors = decentralized, independent.

7.2 UBS Token

- Purely utility-based.
- Not security, e-money, or financial product.
- Never sold or marketed as an investment.

7.3 Pre-Seed

- Not a SAFE, not a SAFT, not an investment contract.
- Voluntary support without obligations.

7.4 Regulatory Exclusions

- UBS ZK Space falls outside: SEC securities definitions; MiCA crypto-asset regulation scope; FATF treatment of financial services.
- Positioning: **open-source software, not a financial service**.

8. Recommended Use of This Memo

- As an appendix to **Whitepaper, Litepaper, Pitch Deck**.
- For **compliance audits, legal reviews, grant applications, and partnerships**.
- As a transparency tool for community communications.

9. Final Statement

UBS ZK Space Network follows the philosophy of "**law as code**":

- The protocol is governed by code and cryptography, not by promises.
- All tokens, if ever mined, are generated solely by users.
- The project offers no guarantees of value, liquidity, or returns.
- Participation is voluntary, experimental, and at personal risk.