

By email [REDACTED]

Confidential - not for public release

**Attention** Danny James De Hek

Dear Mr De Hek

**Actionable Defamation Statements - "Exposing NexQloud: A Rinse-and-Repeat Crypto Ponzi Masquerading as Cloud Innovation"**

1. We refer to your second email communication of 17 July 2025, and your subsequent YouTube video dated 18 July 2025.
2. You invited NexQloud to address and respond to certain allegations. Our client's response for publication is set out in Appendix A.
3. We note that the defence of responsible communication in the public interest is only available if you are able to demonstrate that the publication was reasonable and responsible at the time, based on a number of specific factors. As you offered our client the opportunity to respond to particular allegations, it was incumbent on you to await that response prior to publication. We look forward to the full and accurate report of our client's response appearing on each of your platforms.

Our client reserves all of its rights.

Yours faithfully

**Bell Gully**



**Tania Goatley**  
Partner

## **APPENDIX A – FOR PUBLICATION**

### **1. Business Presence**

NexQcloud maintains multiple operating addresses, including at 228 Hamilton Avenue, Palo Alto, CA—a legitimate business mailing address secured through Regus, which is a standard practice for early-stage technology startups and multinationals alike. NexQcloud’s operational and engineering activities are conducted remotely and globally by design, consistent with modern decentralized companies.

NexQcloud promptly responds to all client inquiries that are made through the Company’s website, using a Customer Relationship Management (“CRM”) platform that tracks all incoming inquiries and their resolution. There is no legal requirement under U.S. or California law to lease private office space for public legitimacy.

As indicated on page 36 of the Form C Offering Memorandum filed with the Securities and Exchange Commission, “NexQcloud operates with a remote-first policy, allowing for a global talent pool. The Company utilizes virtual offices and co-working spaces for team meetings and collaborations, reducing overhead costs and supporting a flexible work environment”.

### **2. Business Registrations**

NexQcloud is lawfully permitted to offer its services to clients in any of the US States and in most foreign countries, including the UAE, without restrictions or licenses.

NexQcloud does not and never had any association with Mr Juniman Kasman. From a search on the internet, Mr Kasman appears to be involved in a business named “NexusGuard”, to which NexQcloud has absolutely no relation.

NexQcloud’s legal entity is NexQcloud Technologies, Inc., a U.S.-registered Delaware C-Corporation in good standing. Delaware is the most popular jurisdiction in the USA to incorporate a legal entity, due to its business-friendly environment. For instance, more than 60% of Fortune 500 companies are incorporated in Delaware, including Alphabet (Google’s parent company), Amazon etc.

NexQcloud is also registered with the SEC under Regulation CF, as disclosed in the Form C Offering Memorandum, page 1.

### **3. Product Viability and Pricing**

NexQcloud’s NanoServers are not generic consumer devices. They are custom-configured systems equipped with proprietary firmware, container orchestration capabilities, zero-trust networking, Tamperlock™ encryption, and an automated deployment engine designed specifically for decentralized cloud workloads.

The pricing reflects the bundled hardware, secure OS, provisioning tools, and inclusion in a distributed network that compensates contributors with tokenized earnings based on verifiable Qcloudscore™ benchmarks. We have filed for patents in the United States covering this technology, and public documentation will be released in the usual way following approval milestones.

NexQloud's energy efficiency claim (up to 88% savings vs. centralized data centres) is based on comparative analysis with hyperscale cloud providers using third-party data and internal benchmarks, to be peer-reviewed during our upcoming carbon impact study.

NexQloud has filed a patent application for its Distributed Kubernetes Service (DKS) with the United States Patent and Trademark Office. on 10/21/2024, under application number: 63/709,801. NexQloud is awaiting review of the application. Public documentation relating to this patent and 6 others will be released in the usual way after reaching the appropriate regulatory milestones.

NexQloud's technologies have been subject to an independent third-party audit by CertiK, the largest Blockchain auditor. CertiK's platform publicly displays NexQloud's security score and Team Verified status. In addition to technology audit, NexQloud has been subject to a third-party financial audit, by a US licensed CPA.

Multiple external media sources have reported NexQloud's technology as a sign of interest towards decentralised physical networks within the cloud computing industry, for example Yahoo Finance:

<https://finance.yahoo.com/news/nexqloud-gears-disrupt-cloud-tech-050100899.html>

<https://finance.yahoo.com/news/week-cloud-ai-nexqloud-innovates-120753135.html>

#### 4. **Real-World Cloud Hosting Product**

NexQloud's team includes experienced customer and sales representatives that engage with potential clients and actively promote NexQloud's technology and services. A generic claim that someone attempted to contact NexQloud, without receiving assistance is not supported by factual evidence.

NexQloud's cloud hosting infrastructure is in live production, with workloads actively running across a globally distributed node network. NexQloud is currently onboarding select enterprise and SME clients in a phased rollout, consistent with secure beta launch protocols.

Limited public access during early infrastructure deployment and testing is usual and does not equate to product absence. Access to the hosting dashboard and provisioning system is available to approved users.

The following applications can be used as illustrations of real instances that are run through NexQloud's decentralised cloud computing network:

<https://tetris.dcp.nexqloud.net/>

<https://mario.dcp.nexqloud.net/>

#### 5. **No use of MLM-Style Recruitment**

NexQloud is not a multi-level marketing model. There is no referral commission, override compensation, or tier-based reward system. NXQ token generation is performance-based, directly linked to computing power contribution and Qloudscore analytics, not recruitment.

NexQloud's SEC Regulation CF approval confirms that the token ecosystem and hardware sales were legally vetted through a FINRA-registered funding portal. NexQloud has worked closely with securities counsel to ensure our tokenomics are compliant and are not at risk of

being unregistered securities. No daily income is guaranteed—compensation is based on actual workloads.

NexQcloud conducted a public fundraising under Regulation Crowdfunding (Reg CF), as filed with the United States Securities and Exchange Commission (SEC) under Form C (available publicly via the SEC's EDGAR database on):

[https://www.sec.gov/edgar/search/#/ciks=0002012810&entityName=NexQcloud%2520Technologies%252C%2520Inc.%2520\(CIK%25200002012810\)\)](https://www.sec.gov/edgar/search/#/ciks=0002012810&entityName=NexQcloud%2520Technologies%252C%2520Inc.%2520(CIK%25200002012810))).

All prospective investors were explicitly notified, both in SEC filings and in subscription agreements, that:

- (a) Investments in NexQcloud are speculative and carry a risk of total loss;
- (b) There are no guaranteed profits or returns; and
- (c) The company is in early-stage development and may fail entirely.

These are statutory disclosures mandated by US federal securities law, which NexQcloud has complied with fully.

Unlike MLM or Ponzi schemes—which operate without regulatory oversight and rely on recruitment for payouts—NexQcloud's business model ties token rewards directly to verifiable revenue generated by the sale of computing services on its network.

## 6. App Store Use

*"The iOS app is listed under "Rydeum Technologies, Inc." and not NexQcloud Technologies, Inc. This is a red flag. If NexQcloud is the true operator, why is the app hidden under a different name? Is it to avoid App Store scrutiny or obfuscate true corporate ownership?"*

NexQcloud was initially incubated with support from Rydeum's team (hence some shared resources) but is now a standalone company. Far from hiding this, NexQcloud embraces it – even the crowdfunding bio highlights Raju's role at Rydeum.

The mobile app listed under Rydeum's developer account is a practical decision because Rydeum's established developer accounts (on Apple App Store and Google Play) were used to publish the NexQcloud app.

The app listing clearly shows "Seller: RYDEUM Technologies, Inc." and "© NexQcloud Technologies, Inc.", making the relationship transparent. NexQcloud is not hiding behind Rydeum, it is openly associated with it.

## 7. Transparent Marketing Practices

NexQcloud has absolutely no relation with WEWE Global whatsoever.

NexQcloud has previously utilised stock imagery available on graphic libraries, along with hundreds of thousands of companies around the world. Any images that may appear similar between content published by NexQcloud and any other company is purely coincidental.

Use of licensed or royalty-free imagery in promotional materials is an industry-standard design practice. NexQloud's updated branding and UI/UX are undergoing a redesign to reflect their growing community and technological maturity.