PAYWARD CANADA INC.
CRYPTO ASSET STATEMENT
cmETH

Last updated on 12 November 2025

Disclaimer

Payward Canada Inc. (Kraken) is registered under Canadian securities laws as a restricted dealer and is offering Crypto Contracts on crypto assets in reliance on a prospectus exemption contained in the exemptive relief decision [Re Payward Canada Inc.](#) dated 04/01/2025 (the Decision). The statutory rights in section 130.1 of the Securities Act (Ontario), and, if applicable, similar statutory rights under the securities legislation of each other province and territory in Canada, do not apply in respect of the Crypto Asset Statement to the extent a Crypto Contract is distributed under the prospectus relief in the Decision.

No securities regulatory authority has expressed an opinion about the Crypto Contracts or any Crypto Assets (as defined in the Risk Statement) made available on the Kraken platform, including an opinion that cmETH is not itself a security and/or derivative. Changes to applicable law may adversely affect the use, transfer, exchange, or value of any of your crypto assets, and such changes may be sudden and without notice.

Please note that this Crypto Asset Statement may not be exhaustive of all risks associated with trading cmETH. Please review the Risk Statement and Fee Schedule for additional discussion of general risks and transaction fees associated with the Crypto Contracts and Crypto Assets made available through the Canadian Platform. These materials are for general information purposes only and are not investment advice or a recommendation or solicitation to buy, sell or hold any crypto asset or to engage in any specific trading strategy. The information contained in this Crypto Asset Statement is based on publicly available information provided by third parties.

What is Soda (SODA) and how does it work?

SODAX is a decentralized finance (DeFi) platform developed by the ICON Foundation. It offers services including cross-chain swaps, lending, borrowing, and liquidity tools across multiple blockchains. The platform has transitioned from the ICON Layer 1 network to the Sonic blockchain, an EVM-compatible network designed for faster interoperability and smart contract execution. This shift allows SODAX to focus on interoperability and DeFi infrastructure rather than operating its own Layer 1 network.

At the time of writing, the token is not live. The team plans for the SODA token to be used for governance and liquidity functions within the SODAX platform. It will replace the former ICX and BALN tokens from the ICON ecosystem.

Who is behind the project?

The project is backed by the ICON Foundation, founded by Min Kim.

Tokenomics of SODA

The total supply of SODA is 1.5 billion tokens, which is distributed as follows:

Category	Percentage
TGE Address	28%
DAO Treasury Wallet	72%
Total	**100%**

General Risks

Like all other digital assets, there are some general risks to investing in SODA. These include short history risk, volatility risk, liquidity risk, demand risk, forking risk, code defects, cryptography risk, regulatory risk, concentration risk, electronic trading risk and cyber security risk. For more information on general risks associated with smart contracts and digital assets, see Kraken's Risk Statement.

Risks specific to SODA

Competition

The SODAX network faces competition from other DeFi platforms such as Uniswap (UNI), Aave (AAVE) and many others. SODA's value derives from its broader adoption in the market. If the SODAX network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of SODA.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on cmETH and determined that cmETH is unlikely to be a security or derivative under Canadian securities legislation. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of cmETH, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created cmETH;
- The supply, demand, maturity, utility and liquidity of cmETH;
- Material technical risks associated with cmETH, including any code defects, security breaches and other threats concerning cmETH and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and
- Legal and regulatory risks associated with cmETH, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of cmETH, and (ii) consideration of statements made by any regulators or securities regulatory authorities in Canada, other regulators of the International Organization of Securities

Commissions, or the regulator with the most significant connection to cmETH about whether cmETH, or generally about whether the type of crypto asset, is a security and/or derivative.