

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
The Open Network (GRAM)

Last updated on June 26, 2026

Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading GRAM. Investors should perform their own assessment to determine the appropriate level of risk for their personal circumstances. Be sure to do your own research and due diligence while taking into account your own financial situation and risk tolerance. Please review the [Risk Summary](#) for additional discussion of general risks associated with the assets made available in the 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 risk disclosure is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is The Open Network

The Open Network (“TON”) is a layer-1 blockchain originally developed by the team who created the messaging app Telegram. TON is designed to provide high performance in its ability to handle large-scale applications. During test runs it reached 100,000 transactions per second (“TPS”).

Gram (Ticker: GRAM) is the native token of The Open Network. Until June 2026 this token was known as Toncoin (Ticker: TON); following a community governance vote, the token was renamed Gram, while the blockchain itself retained The Open Network (TON) name. The change was a rebrand of the asset only. There was no token swap, migration, or change to balances, which transitioned on a one-for-one basis. Gram plays various roles in the TON ecosystem, including Decentralized Applications (dApp) operations, transaction fee payment, governance, and staking.

Who is behind The Open Network

The Open Network was initially developed by Nikolai Durov and Pavel Durov, the founders of the Telegram Messenger app. Following a 2020 settlement with the U.S. Securities and Exchange Commission, Telegram stepped away from the project, and for several years the network was maintained by an independent global developer community, most prominently the Switzerland-based TON Foundation.

In May 2026, Telegram resumed a leading role in the network’s development. Telegram has stated an intention to act as the primary driving force behind TON and has become the network’s largest validator.

How does it work?

The TON blockchain utilizes an adaptive infinite sharded multi-chain architecture. This approach is

designed to provide network scalability and flexibility by allowing interactions within and across various shard chains thus facilitating parallel transaction processing across chains. The Open Network applies a Proof-of-Stake (PoS) consensus mechanism.

One integral aspect of The Open Network is the TON Virtual Machine (TVM), which serves as the execution environment for smart contracts on the TON blockchain. The TVM is comparable to the Ethereum Virtual Machine in that it executes smart contracts and maintains the network's state transitions. This architecture is designed with the goal of high transaction throughput and scalability of the network. Recent network upgrades have reduced block production times to sub-second finality and lowered transaction fees.

Gram, the native token of The Open Network, has multiple uses within the network. Its primary function is to facilitate the operation of dApps. Additionally, Gram is used for transaction processing across TON's network, including cross-chain exchanges where it is used to pay transaction fees.

Users can stake Gram to enhance the security of The Open Network's blockchain and to earn rewards. Gram also allows participation in decentralized data payments for the TON Domain Name System (TON DNS) and TON Proxy services. The TON DNS is a decentralized domain name system which enables users to assign human-readable names to accounts, smart contracts, and dApps within the TON ecosystem. TON Proxy is an anonymization layer over the TON network enabling private connectivity, analogous to a Virtual Private Network (VPN).

Gram is utilized in The Open Network's governance program TON VOTE, which allows community members to participate in the network's decision-making process. The Gram token is also integrated into the Telegram app, allowing users to make commission-free cryptocurrency transfers to any Telegram user directly in the app. This integration also supports the use of Gram in Telegram's various decentralized applications.

Tokenomics of GRAM

As of June 2026, the circulating supply of Gram is approximately 2.70 billion (around 2,699,765,812). The Open Network does not have a fixed maximum supply; new supply enters circulation over time through Proof-of-Stake emissions. Total supply is currently reported at approximately 5.2 billion according to CoinGecko.

General Risks

Like all other digital assets, there are some general risks to investing in GRAM. 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 GRAM

Competition

GRAM faces competition from other Layer-1 blockchain projects such as Avalanche and Polkadot. GRAM's value derives from the project's broader adoption in the market. If GRAM fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of GRAM.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on GRAM and determined it was permitted to make GRAM available for trading to UK users. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of GRAM, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created GRAM;
- The supply, demand, maturity, utility and liquidity of GRAM;
- Material technical risks associated with GRAM, including any code defects, security breaches and other threats concerning GRAM 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 GRAM, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of GRAM, and (ii) consideration of statements made by any regulators or securities regulatory authorities in the UK, other regulators of the International Organization of Securities Commissions, or the regulator with the most significant connection to GRAM about whether GRAM, or generally about whether the type of crypto asset, is a security and/or derivative.

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong. [Take 2 mins to learn more.](#)

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