

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

PNUT

Peanut the Squirrel (PNUT)

Last updated on August 26, 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 PNUT 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 PNUT. 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 PNUT and how does it work?

Peanut the Squirrel (PNUT) is a community-owned and managed meme token deployed on the Solana blockchain. The project is a tribute to the deceased squirrel Peanut, who gained virality after he was removed from his home by the New York State Department of Environmental Conservation (NYSDEC) and killed. As a meme token, PNUT's value is driven by social commentary, community, and online presence.

Who is behind the project?

PNUT was created by an anonymous user on pump.fun and subsequently taken over by the community on November 7th, 2024. There is no single owner or developer behind the project, it is entirely volunteer and community organised. The token's development and management therefore are in the hands of its users.

Tokenomics of PNUT

The total and current circulating supply of PNUT is 999,858,912 million as per CoinGecko. There is no pre-allocated pool or treasury, and the community governs the project.

General Risks

Like all other digital assets, there are some general risks to investing in PNUT. These include short history risk, volatility, and 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 PNUT

Competition

The PNUT network faces competition from other meme tokens such as DOGE, SHIB, and POPCAT. PNUT's value derives from its broader adoption in the market. If the PNUT network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of PNUT.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on PNUT and determined that PNUT 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 PNUT, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created PNUT;
- The supply, demand, maturity, utility and liquidity of PNUT;
- Material technical risks associated with PNUT, including any code defects, security breaches and other threats concerning PNUT 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 PNUT, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of PNUT, 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 PNUT about whether PNUT, or generally about whether the type of crypto asset, is a security and/or derivative.