

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### BTT

#### BitTorrent (BTT)

Last updated on 08 August, 2025

#### Disclaimer

***Please note that this risk disclosure is not exhaustive of all risks associated with trading BTT. 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 BitTorrent (BTT) and how does it work?

BitTorrent began in 2001 as peer-to-peer software that enables users to share data directly instead of relying on a central server. After its 2018 acquisition by the TRON ecosystem, BitTorrent incorporated a native utility token, **BTT**, issued on the TRON blockchain. Users who request files can attach a BTT bid that rewards providers—called seeders—for bandwidth and storage. When a bid is accepted, an off-chain payment channel opens between requester and seeder; micro-transactions accrue as pieces of the file are transferred and subsequently settle in bulk on TRON.

Beyond file-sharing incentives, BTT powers several BitTorrent-built applications. BitTorrent Speed lets downloaders compensate seeders for faster throughput, while BitTorrent File System (BTFS) offers a decentralized storage layer where renters pay hosts in BTT. BitTorrent Chain (BTTC) links TRON, Ethereum, and BNB Smart Chain and operates with a delegated proof-of-stake model that allows BTT holders to stake tokens to validators securing cross-chain transfers. Through these mechanisms, BTT functions both as a micropayment currency for network resources and as a staking asset that underpins validator participation on BTTC.

#### Who is behind the project?

BitTorrent was initially released in 2001 by developers Brad Cohen and David Harrison. Justin Sun serves as Chief Executive Officer of Rainberry Inc., BitTorrent's operating company, and guides the strategic direction of the BitTorrent Foundation.

## Tokenomics of BTT

BTT has a fixed total supply of **990 trillion tokens** minted at genesis, and approximately **986 trillion** were circulating on August 8 2025. Percentages refer to the total supply as of August 8 2025.

Category	Percentage
Public token sale	6 %
Private token sale	2 %
Seed sale	9 %
Airdrops (through 2025)	20.1 %
BitTorrent team & Foundation	19 %
TRON Foundation reserve	20 %
BitTorrent ecosystem growth	19.9 %
Partnerships	4 %

## General Risks

Like all other digital assets, there are some general risks to investing in PRO. 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 BitTorrent (BTT)

### *Competition*

The BitTorrent network faces competition from other decentralized storage and bandwidth marketplaces such as Filecoin, Siacoin, and Storj. If BitTorrent fails to achieve sufficient adoption relative to competitors, the value of BTT could decline.

### **Due Diligence**

Prior to listing on the Kraken platform, Kraken performed due diligence on BTT and determined that Kraken was permitted to make BTT available for trading to UK users, in compliance with UK law. This process generally consists of reviewing publicly available information on the following:

- The creation, governance, usage and design of BTT, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created BTT;
- The supply, demand, maturity, utility and liquidity of BTT;

- Material technical risks associated with BTT, including any code defects, security breaches and other threats concerning BTT 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 BTT, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of BTT, 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 BTT about whether BTT, 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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