

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
VELO (VELO)

Last updated on 14 October 2025

Disclaimer

Please note that this Crypto Asset Statement is not exhaustive of all risks associated with trading VELO. 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 Crypto Asset Statement is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is VELO and how does it work?

Velo is a payments-focused network positioned as a “Web3+ Universal Financial Network” for cross-border payments, remittances, merchant/loyalty tools, and real-world-asset integrations. Its PayFi stack centers on a USD-pegged stable-credit called USDV, supported by components such as a Digital Reserve System (DRS) and an Ecosystem/Foundation Reserve that back settlement and incentives.

VELO is used in the Omni Points Platform, a Web3 loyalty system that lets users earn, redeem and exchange points across brands using VELO as the settlement token. It is also used on Travalta.com for travel payments and is planned for the Orbit Plus Super App and VELO FX DEX for wallet, asset, and cross-chain functions.

Who is behind the project?

Velo Labs is the issuer of VELO, and Chatchaval Jiaravanon serves as the chairman of Velo Labs.

Tokenomics of VELO

The total supply of VELO is 30 billion tokens, which is distributed as follows:

Category	Percentage
Listing	0.67%
Private Placement	4.88%

Founders	10.00%
VELO Development Reserve	23.33%
Early Backers and Advisors	7.90%
Strategic Partners	18.28%
Community Development	18.28%
Reserve	16.67%
Total	100%

General Risks

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

Competition

The Velo network faces competition from other payment-focused blockchains and stablecoin networks such as Stellar and Ripple/XRP Ledger, and many others. VELO’s value derives from its broader adoption in the market. If the Velo network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of VELO.

Due Diligence

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

Payward Ltd (trading as Kraken) is registered as a cryptoasset firm with the Financial Conduct Authority (FRN: 928768) registered office at 6th Floor, One London Wall, London, EC2Y 5EB. Cryptoasset services offered by Payward Ltd are unregulated and not covered by the Financial Services Compensation Scheme as well as the FCA's consumer protection regulations. Note the value of cryptoassets can go down as well as up, gains may be subject to Capital Gains Tax and there may be extra charges when paying via credit card from your provider.