

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### AUTO

Last updated on March 5, 2026

#### 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 AUTO 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 AUTO. 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 AUTO and how does it work?

Tokemak - recently re-branded as Auto Finance - is an Ethereum-based liquidity-coordination layer. Liquidity providers deposit single-sided assets (e.g., ETH, USDC) into smart-contract “Reactors”, while newer Autopools automate rebalancing and deployment. The protocol then routes that inventory to decentralised exchanges where depth is most needed, continuously re-allocating positions according to on-chain signals and votes from token-holders. [OBJ]

The native token TOKE underpins governance and incentives. Holders stake TOKE to direct where liquidity is deployed, and in return receive a share of protocol fees and priority access to new Autopools. A 1:1 migration to an upgraded ERC-20 called AUTO began on February 3, 2026; until that migration is complete, TOKE remains the live governance and reward asset.

### Who is behind the project?

Auto Finance was founded by Carson Cook, who also founded OTC-clearing platform Membrane. Development is overseen by the Auto Finance Foundation.

### Tokenomics of AUTO

AUTO has a fixed maximum supply of 100 million tokens, with roughly 88.04 million already in circulation.

Category	Amount
Circulating supply	88.04%
Locked / not yet released	11.96%

### General Risks

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

#### *Competition*

The Auto Finance network faces competition from other liquidity-management protocols such as Convex Finance, Aura Finance and Arrakis. AUTO's value derives from the breadth of its adoption. If Auto Finance fails to achieve sufficient adoption compared with these alternatives, the value of AUTO could be negatively affected.

### Due Diligence

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