

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
Rain (RAIN)

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Disclaimer

Please note that this Crypto Asset Statement is not exhaustive of all risks associated with trading RAIN. 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 RAIN and how does it work?

Rain is a decentralized prediction markets protocol that allows users to create and participate in markets based on the outcomes of future events. The protocol supports both public and private markets and uses smart contracts and an automated market maker (AMM) to manage pricing, liquidity, and payouts. It is deployed on the Arbitrum blockchain and supports deposits in assets such as USDT, USDC, ETH, and BNB. Market outcomes are resolved either by the market creator or by an AI-based oracle, with a dispute process that can escalate to human oracles.

The native token of the protocol is RAIN. The token is a utility and governance token planned to be used within the Rain ecosystem. Its intended uses include enabling access to trading functionality through a Trading Power mechanism, participation in protocol governance, and involvement in economic mechanisms such as buyback and burn. Under the described model, a portion of trading fees is intended to be used to buy back and burn RAIN tokens, while a smaller portion may be re-minted and allocated for ecosystem-related purposes.

Who is behind the project?

Rain is led by Roy Shaham (CEO), Eyal Milstein (COO), and Muhammad Wasif (CTO).

Tokenomics of RAIN

The total supply of RAIN is 1.15 trillion tokens, which is distributed as follows:

RAIN Allocation	% of Total supply
Marketing & Development Fund	20%

Reserve & Treasury	20%
Launchpad, Exchanges & Liquidity Providers	15%
Ecosystem Growth & Staking	15%
Contributors, Advisors & Strategic Partners	10%
Team	10%
Strategic Sale	9%
Presale	1%
Total	100%

General Risks

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

Competition

The Rain protocol faces competition from other decentralized prediction platforms such as Augur, and many others. RAIN's value derives from its broader adoption in the market. If the Rain protocol fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of the RAIN.

Due Diligence

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