

PAYWARD CANADA INC.
CRYPTO ASSET RISK DISCLOSURE
HarryPotterObamaSonic10Inu (HPOS10I)

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Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading HPOS10I. 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 HarryPotterObamaSonic10Inu and how does it work?

HarryPotterObamaSonic10Inu (HPOS10I) is a meme coin that fuses elements of Harry Potter, Barack Obama and Sonic the Hedgehog into one eccentric digital asset. HarryPotterObamaSonic10Inu is often abbreviated as HPOS10I, and trades under the ticker symbol “BITCOIN” on some exchanges. This project has no affiliation with the Bitcoin cryptocurrency, which trades under ticker symbol “BTC”, or the Bitcoin project.

HarryPotterObamaSonic10Inu is a community-driven project promoting fan-created memes, videos, and artwork. The project’s stated goal is to create an ecosystem for active community members to meet, collaborate, and share the token’s lore with the public. HPOS10I is a fair launch token, with zero percent reserved for the Project Team or insiders, and no presale or whitelist.

HPOS10I is an ERC-20 memecoin, whose only utility is entertainment and to promote engagement in the HarryPotterObamaSonic10Inu project.

Who is behind HarryPotterObamaSonic10Inu?

The founders and developers of the HarryPotterObamaSonic10Inu project remain anonymous. The project emphasizes its community-driven nature.

Tokenomics of HPOS10I

HPOS10I has a maximum supply of 1 billion tokens. There is no published token allocation.

General Risks

Like all other digital assets, there are some general risks to investing in HPOS10I. 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 HPOS10I

Competition

HPOS10I faces competition from other meme tokens such as DOGE, SHIB, and POPCAT. HPOS10I's value derives from its community adoption and online presence. If HarryPotterObamaSonic10Inu fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of HPOS10I.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on HPOS10I and determined that HPOS10I is unlikely to be a security or derivative under Canada 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 HPOS10I, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created HPOS10I;
- The supply, demand, maturity, utility and liquidity of HPOS10I;
- Material technical risks associated with HPOS10I, including any code defects, security breaches and other threats concerning HPOS10I 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 HPOS10I, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of HPOS10I, 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 HPOS10I about whether HPOS10I, or generally about whether the type of crypto asset, is a security and/or derivative.

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 HPOS10I 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.