

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### cmETH

#### Mantle Restaked ETH (cmETH)

Last updated on August 21, 2025

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

Mantle Restaked ETH (cmETH) is a liquid restaking token developed by the mETH Protocol, a permissionless platform for ETH staking and restaking. cmETH serves as a 1:1 receipt token representing mETH that has been restaked across various protocols, including EigenLayer, Symbiotic, and Karak. This structure allows users to participate in the restaking ecosystem and earn rewards from multiple sources without directly managing individual restaking positions. Rewards from restaking accrue in multiple third-party assets and can be claimed periodically. Users can choose between mETH and cmETH based on their preferred risk-reward profiles.

The cmETH token is built on Ethereum and utilises the LayerZero Omnichain Fungible Token (OFT) standard, aiming to enable seamless bridging between different blockchain networks. This design facilitates interoperability and enhances the utility of cmETH across decentralised finance (DeFi) applications.

#### Who is behind the project?

The mETH Protocol, responsible for developing cmETH, is an initiative under the Mantle ecosystem.

Mantle, formerly known as BitDAO, is a decentralised autonomous organisation (DAO). The Mantle DAO community oversees the development of Mantle products, including the Mantle Network (an Ethereum Layer-2 blockchain) and the mETH liquid staking protocol.

### **Tokenomics of cmETH**

cmETH is a receipt token for mETH restaking. It has an infinite maximum supply as cmETH is minted when mETH is restaked on the mETH Protocol.

### **General Risks**

Like all other digital assets, there are some general risks to investing in cmETH. 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 Mantle Restaked ETH**

#### *Competition*

cmETH faces competition from other staking protocols such as Alluvial Liquid Staking ETH, Lido Staked ETH, and many others. cmETH's value derives from the project's broader adoption in the market. If Mantle fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of cmETH.

### **Due Diligence**

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