

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
DeLorean (DMC)

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Disclaimer

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

DeLorean Labs is a company focused on integrating the iconic DeLorean brand into the Web3 space. As part of the DeLorean Motor Company (DMC) ecosystem, DeLorean Labs aims to blend the brand's legacy with Web3 technology to engage a global community of enthusiasts.

The native token of the DeLorean Labs' ecosystem is DMC. DMC is used to purchase DeLorean branded products, to grant holders access to brand affinity incentives such as discounts on purchases, upgrades, option packages, and merchandise. According to the project team's roadmap, DMC will also be able to be staked to receive rewards.

Who is behind DeLorean Labs

DeLorean Labs is the Web3 branch of the DeLorean Motor Company (DMC) ecosystem. Evan Kuhn serves as CEO and President of DeLorean Labs. Julian Morris, Adrian Garner, Cody Hackman are Directors.

Tokenomics of DMC

DMC has a total supply of 12.8 billion tokens. The token distribution is as follows:

Category	Amount
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Ecosystem and Development	45%
Private Seed Round	16%
Team	12%
Airdrop	7%
Advisors	6%
Private Strategic Pre-sale	5%
Community Pre-sale	5%
Rewards and Incentives	4%

Note: The Team, Advisor and Private Seed Round allocations are subject to vesting schedules ranging from 24-30 months, with a six month cliff beginning at the time of the token generation event, with linear releases thereafter.

General Risks

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

Competition

DMC faces competition from other brand based web3 engagement platforms such as Porsche's NFT project, Lamborghini's Fast ForWorld project, and many others.. DMC's value derives from the project's broader adoption in the market. If DMC fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of DMC

Due Diligence

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