

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
Allora (ALLO)

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Disclaimer

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

Allora is a decentralized protocol that combines artificial intelligence (AI), machine learning (ML), and blockchain to deliver predictions and inferences on-chain. It is designed to address information inefficiency by enabling participants to access and exchange AI-generated insights for use cases across finance, governance, logistics, and other sectors. Within the network, AI/ML agents submit predictions, assess each other's outputs, and reach consensus on their quality. Rewards are distributed according to the accuracy of contributions, creating a feedback loop that incentivizes high-quality inferences and allows the system to improve over time

At the time of writing the token is not live. The team plans for the ALLO token to be used for paying for inferences through a pay-what-you-want model, registering and participating in network topics, and staking to secure the protocol and earn rewards. Reputers, validators, and delegating token holders will be required to stake ALLO to participate in consensus.

Who is behind the project?

Allora is developed by the Allora Foundation, co-founded by Nick Emmons and Kenny Peluso.

Tokenomics of ALLO

The total supply of ALLO is 1 billion tokens, which is distributed as follows:

Allocation Type	Token Amount	Total Supply
Seed	50 million	5.00%

Series A1 + A2	260,5 million	26.05%
Network Emissions	214,5 million	21.45%
Foundation	88,5 million	8.85%
Liquidity Provision	5 million	0.5%
OKX Campaign	3 million	0.3%
Alpha + Hodler	40 million	4.00%
Ecosystem & Partnerships	88,5 million	8.85%
Initial Staking Rewards	25 million	2.5%
Airdrop	5 million	0.5%
Team	175 million	17.50%
Total Supply	1 billion	100%

General Risks

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

Competition

Allora Network faces competition from other AI-focused, blockchain-based platforms such as Bittensor, Gensyn, and Ora. ALLO's value derives from the project's broader adoption in the market. If Allora Network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of ALLO.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on ALLO and determined it was permitted to make ALLO 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 ALLO, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created ALLO;
- The supply, demand, maturity, utility and liquidity of ALLO;

- Material technical risks associated with ALLO, including any code defects, security breaches and other threats concerning ALLO 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 ALLO, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of ALLO, 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 ALLO about whether ALLO, 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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