

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

Sigma (SIGMA)

Last updated on November 27, 2024

Disclaimer

Please note that this Crypto Asset Statement is not exhaustive of all risks associated with trading Sigma. 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 Statement for additional discussion of general risks 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 that may be inaccurate, incomplete, or change at any time.

What is Sigma and how does it work?

Sigma is a memecoin project on the Solana blockchain. Sigma references the meme concept of a “Sigma” personality, one that is self-reliant, independent and strategic, akin to an “Alpha” personality. Sigma offers entertainment and social commentary and has no other utility on any crypto network.

Who is behind the project?

The founders, directors, or developers of the Sigma project have not been publicly identified. The project appears to focus on its community-driven approach.

Tokenomics of SIGMA:

SIGMA has a total supply of 900 Million tokens. The distribution of the SIGMA token is not published.

General Risks

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

Competition

Sigma faces competition from other memecoins such as Doge, PEPE, Dogwifhat, and many others. SIGMA's value derives from its broader adoption in the market. If SIGMA fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of SIGMA.

Due Diligence

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