

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### Rayls (RLS)

Last updated on 01 October 2025

#### Disclaimer

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

Rayls is an institutional blockchain platform designed to bring traditional financial institutions and assets on-chain. Its architecture combines a public Layer-2 chain, built using Arbitrum Orbit and compatible with the Ethereum Virtual Machine, with private institutional networks. The public chain is intended to provide global liquidity, composability and settlement functions, while private “Privacy Nodes” allow banks and regulated entities to run their own ledgers with confidentiality and compliance features. A privacy layer called Enygma supports zero-knowledge proofs and selective disclosure, enabling private yet auditable transactions.

At the time of writing, the RLS token is not yet live. The project’s roadmap sets the token generation event (TGE) and first exchange listing for late 2025. RLS is planned to serve multiple roles, payment for network fees, staking by validators to secure the system and governance participation to propose or vote on protocol upgrades. Institutions will need RLS to operate Privacy Nodes, with transaction fees from real-world usage converted into RLS via the “Proof-of-Usage” mechanism. The token is also earmarked for ecosystem incentives such as grants, liquidity rewards and community programs, with these features to be phased in alongside mainnet launch.

#### Who is behind the project?

The project is led by Rayls Fusion, where Marcos Viriato is co-founder and Chief Executive Officer, Alex Buelau is co-founder and Chief Product & Technology Officer, Jacob Mendel acts as Co-Chief Technology Officer and Carlos Henrique Lopes is Chief Operating Officer.

## Tokenomics of RLS

Total Token Supply is 10 billion RLS and the distribution of tokens is as follows:

Category	Percentage
Technology provider	10%
Initial contributors	18%
Initial investors	22%
Community and Ecosystem	50%
<b>Total</b>	<b>100%</b>

## General Risks

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

### *Competition*

The Rayls network faces competition from other Institutional/Enterprise oriented blockchain projects such as Canton Network, Axoni, and many others. RLS's value derives from its broader adoption in the market. If the Rayls network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of RLS.

## Due Diligence

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