

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### cmETH

Last updated on 17 October 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 Meteora and how does it work?

Meteora is a decentralized finance (DeFi) infrastructure platform built on the Solana blockchain. It provides a suite of tools and programmable components designed to support token launches, liquidity management, and automated trading. The protocol includes systems such as dynamic liquidity market makers (DLMM), dynamic bonding curves (DBC), token vesting mechanisms, and anti-bot fee scheduling. These components are intended to help projects launch and maintain liquidity in a more structured and adaptive manner. Meteora's documentation highlights its goal to serve as a modular, secure, and composable yield layer for Solana based applications.

MET is the associated token of the Meteora ecosystem, but it functions only as a brand token without any utility.

#### Who is behind the project?

Meteora was co-founded by Ben Chow and Siong Ong.

## Tokenomics of MET

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

Category	Percentage
Mercurial Stakeholders	15%
Mercurial Reserve	5%
LP Stimulus Plan	15%
Launch Pools & Launchpad Ecosystem	3%
Off-chain Contributors	2%
Jupiter Stakers	3%
CEX & MM	3%
M3M3 Stakeholders	2%
Meteora Ecosystem Reserve	34%
Team	18%
<b>Total</b>	<b>100%</b>

## 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 MET

### *Competition*

The Meteora protocol faces competition from other decentralized liquidity platforms such as Uniswap, Jupiter, and many others. MET's value derives from its broader adoption in the market. If the Meteora protocol fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of MET.

### *Regulatory and Litigation Risk*

Meteora and certain associated individuals have been referenced in private litigation and public investigations related to past token launches. One class action filed in April 2025 was voluntarily dismissed in July 2025, while another complaint was filed in October 2025 and motions concerning its scope and parties remain pending. Outcomes of these matters are uncertain. Adverse developments including expanded claims, regulatory actions, court orders, or related operational responses, could impair market access, reduce liquidity, heighten volatility, or otherwise negatively affect the value of MET.

### **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.