

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### COPM (COPM)

Last updated on 27 August 2025

#### **Disclaimer**

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

COPM is a fully reserved, fiat-backed stablecoin pegged 1:1 to the Colombian peso (COP). It is issued by Minteo Inc., with each COPM token backed by Colombian pesos held in accounts at regulated financial institutions. Reserves are subject to monthly third-party attestations by BDO to confirm that tokens in circulation are properly backed. The token is natively issued on the Polygon, Celo, and Solana networks, using the ERC-20 and SPL standards. Its smart contracts include administrative features for minting, burning, pausing, freezing, and upgrading, operated through multisignature accounts to support compliance and operational integrity. Businesses and institutions that are onboarded with Minteo can mint or redeem COPM directly through supported channels, while the token may circulate more broadly across blockchain networks and trading venues.

#### **Who is behind the project?**

Minteo Inc. is the issuer of COPM. The company is led by William Durán, Javier Lozano, and Santiago Rodríguez.

#### **Tokenomics of COPM**

COPM is a fiat-backed stablecoin with supply determined by user demand through tokenization and redemption. New tokens are minted when Colombian pesos are deposited and burned when holders redeem for pesos, with Minteo stating that supply is always matched 1:1 with reserves. There is no fixed maximum supply, and circulation expands or contracts according to issuance and redemption flows. COPM does not include staking, governance, or profit-sharing features; its value is derived from its convertibility to COP and its use in payments, remittances, and settlement. Minteo publishes real-time circulation data on its transparency dashboard and provides monthly reserve attestations by BDO to confirm that outstanding tokens are fully backed.

## **General Risks**

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

### *Depegging Risk*

At any given point in time, the price of COPM may not accurately reflect the value of the underlying asset COP. This risk arises because the price of COPM is determined by supply and demand in the secondary market, rather than the actual value of COP. If demand for COPM exceeds the available supply, the price of COPM may increase, leading to a higher price relative to COP. Conversely, if there is a surplus of COPM tokens and insufficient demand, the price may decrease, causing COPM to be worth less than COP.

COPM should always be redeemable 1:1 with COP but there is always a risk of a smart contract bug. A potential bug could have a negative impact on the value of COPM.

### *Risk of Asset Freezing*

Minteo reserves the right to 'block' certain COPM addresses, and, if such addresses are Minteo custodied addresses, freeze associated COPM. Additionally, if COPM is deemed illegal in certain jurisdictions, the associated COPM tokens could be frozen resulting in the owner of the wallet not being able to transfer COPM.

### *Redemption Risk*

The value of COPM is backed by a reserve of Colombian pesos and secure, low-risk assets held by Minteo. However, there is a risk that COPM may be unable to meet redemption demands in a timely manner at some point in the future. If the issuer is unable to meet redemption requests due to insufficient reserves, it could lead to a loss of confidence in the asset, negatively impacting its value.

## **Due Diligence**

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