

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

SIGN

Last updated on 16 September 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 SIGN 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 SIGN. 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 SIGN and how does it work?

Sign is the project behind Sign Protocol, an omni-chain attestation framework for creating and verifying structured attestations on public blockchains. Its Sign Stack combines a configurable Sovereign Chain (L2), the Sign Protocol attestation layer (with optional zero-knowledge features), and TokenTable for programmable distributions to connect existing credentials to Web3 (identity, reputation, governance).

SIGN is a utility token that can currently be staked to earn rewards. It is also planned to be used across Sign products to pay for abstract gas, interact with services such as document signing and attestations, and serve as an in-app currency for platform transactions and rewards.

Who is behind the project?

Sign was founded by Xin Yan, Houyao Li, and Boyuan Xu.

Tokenomics of SIGN

The total supply of SIGN is 10 billion tokens, which is distributed as follows:

Category	Percentage
Community	40%
Backers	20%
Early Team Members	10%
Foundation	20%
Ecosystem	10%
Total	100%

General Risks

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

Competition

The Sign network faces competition from other decentralized identity and attestation protocols/networks such as Worldcoin's World ID and KILT Protocol, and many others. SIGN's value derives from its broader adoption in the market. If the Sign network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of SIGN.

Due Diligence

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