

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
PRCL

Parcl (PRCL)

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Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading PRCL. 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 risk disclosure is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is Parcl and how does it work?

Parcl is a decentralized exchange on Solana where people trade perpetual contracts linked to real-estate price indexes (for example, city-level home price measures). “Perpetuals” are futures-style trades with no expiry. Accounts are cross-margined, meaning one balance can support multiple positions. Parcl Labs produces the real-estate indices, which are delivered to the protocol through oracles (e.g., Pyth) and other approved channels. The protocol automatically handles funding payments, margin requirements, and liquidations. Liquidity providers deposit capital into a single pool for the exchange; that pool takes the other side of trader profit and loss and earns trading fees.

PRCL is the token used for governance within the Parcl ecosystem. Staking PRCL currently enables holders to participate in protocol governance, such as voting on risk parameters or market listings. Staking PRCL is not the same as participating in blockchain consensus, and it may involve an unbonding or cool-down period defined by the staking program.

Who is behind the Project?

Parcl was co-founded by Trevor Bacon (CEO) and Kellan Grenier (COO).

Tokenomics of PRCL

Parcl (PRCL) has a max supply of 1 billion tokens. At launch, PRCL was distributed as follows:

Category	Allocation (%)
Community, Growth, & Incentives	28%
Early Supporters & Advisors	28%
Core Contributors	21%
Ecosystem Fund	15%

Initial Community Supply	8%
Total	100%

As of August 2025, the circulating supply is approximately 409,169,112 PRCL.

General Risks

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

Competition

The Parcl protocol faces competition from other decentralized finance protocols such as Synthetify (a Solana-based synthetic assets protocol), Homebase (a Solana-based real-estate tokenization platform), and others. PRCL's value derives from its broader adoption in the market. If the Parcl protocol fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of PRCL.

Regulatory Scrutiny

A regulatory crackdown on decentralized finance (DeFi) could have a negative impact on DeFi and the value of PRCL.

Architecture

The Parcl protocol interacts with oracles that do not operate on a blockchain. These oracles are independently responsible for collecting the real estate market data requested by the contracts. Parcl combines individual publishers' reported prices and confidence intervals into a single price feed and confidence interval feed for a specific product. This mechanism is designed to produce robust price feeds; however, Parcl is unable to fully mitigate the risk of oracles producing incorrect data and impacting the accuracy of Parcl's aggregate data feeds.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on PRCL and determined that Kraken was permitted to make PRCL available for trading to UK users, in compliance with UK law. This process generally consists of reviewing publicly available information on the following:

- The creation, governance, usage and design of PRCL, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created PRCL;
- The supply, demand, maturity, utility and liquidity of PRCL;
- Material technical risks associated with PRCL, including any code defects, security breaches and other threats concerning PRCL 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 PRCL, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of PRCL,

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 PRCL about whether PRCL, 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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