

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

OKB

Last updated on 30 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 OKB 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 OKB. 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 OKB (OKB) and how does it work?

X Layer is an Ethereum Layer-2 network in the OKX ecosystem. It aims to make on-chain activity cheaper and faster while relying on Ethereum for security. Built with Polygon's Chain Development Kit, it's EVM-compatible, supports apps for payments, trading, and other Web3 services, and connects directly with the OKX exchange and wallet.

The OKB token is used to pay transaction fees on X Layer and will be used for governance across the OKX ecosystem. Holders can also use OKB in supported programs to earn rewards.

Who is behind the project?

OKX was founded by Star Xu.

Tokenomics of OKB

The total supply of OKB is 21 million tokens, which is distributed as follows:

Category	Percentage
Development & Marketing	60%
Team Motivation	20%
Purchased by Shareholder	10%
Blockchain Foundation	10%
Total	100%

General Risks

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

Competition

The X Layer network faces competition from other Layer-2 EVM-compatible networks such as Arbitrum, Optimism, Avalanche, and many others. OKB's value derives from its broader adoption in the market. If the X Layer network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of OKB.

Due Diligence

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

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 OKB about whether OKB, or generally about whether the type of crypto asset, is a security and/or derivative.