

PAYWARD CANADA INC.

CRYPTO ASSET RISK DISCLOSURE RIZE

Rizenet Token (RIZE)

Last updated on September 8, 2025

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Please note that this Crypto Asset Statement may not be exhaustive of all risks associated with trading RIZE. 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 Rizenet Token (RIZE) and how does it work?

Rizenet is a public-permissioned blockchain network developed to support the secure tokenization and management of real-world and digital assets. Built on Avalanche Layer 1 infrastructure and compatible with the Ethereum Virtual Machine (EVM), Rizenet enables the creation and deployment of smart contracts while maintaining a compliance-oriented architecture. It operates as an Avalanche subnet optimized for tokenization, offering low fees, privacy features, and cross-chain interoperability with networks such as Ethereum, Base, and the Canton Network. In addition to asset tokenization, Rizenet supports decentralized machine learning (DML) workflows, enabling privacy-preserving AI collaboration across institutions. The network is part of a broader ecosystem led by the T-RIZE Group, which focuses on institutional-grade tools for asset issuance, decentralized applications, and platform services.

The RIZE token serves multiple roles within the Rizenet ecosystem. It is used as a medium of exchange to pay transaction fees and access platform services, including tokenization and lifecycle management. RIZE also enables governance through bonding, where tokens are locked and represented by NFTs that grant voting power that increases over time. Unlike traditional staking, bonding does not provide rewards but determines influence over network decisions. In addition, token holders may use RIZE to operate

validator nodes (subject to whitelisting) and to access tiered membership benefits that provide fee discounts and other platform services.

Who is behind the project?

Rizenet is developed by the T-RIZE Group, co-founded by Madani Boukalba (CEO), Michael Duchesne, Thien Duy Tran, and Eduardo Furtado.

Tokenomics of RIZE

RIZE has a fixed maximum supply of 5 billion tokens. At launch, RIZE was distributed as follows:

Category	% Allocation
Category 1 - Seed	5%
Category 2 - Partnerships & Growth	7%
Marketing & Incubation	3%
Private Sale	7%
Strategic Reserve	10%
Liquidity	10%
Airdrop	4%
Governance	30%
Treasury	10%
T-RIZE Team	14%
Total	100%

As of September 2025, the circulating supply is approximately 862.1 million RIZE.

General Risks

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

Competition

Rizenet faces competition from other tokenization-focused blockchains such as Polymesh. Rizenet's value derives from its broader adoption in the market. If Rizenet fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of RIZE.

Due Diligence

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