

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

AIOZ Network (AIOZ)

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Last updated on August 07, 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 AIOZ 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 AIOZ. 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 AIOZ Network and how does it work?

AIOZ Network is a Cosmos-SDK Layer-1 blockchain that is also Ethereum-Virtual-Machine compatible. The team positions the network as a decentralized physical infrastructure network (DePIN) that supplies distributed bandwidth, storage and GPU compute to Web 3 applications spanning video streaming, AI inference and object storage.

Instead of centralized data centres, thousands of “edge nodes” run the open-source aioz software. Participants contribute idle disk space, bandwidth and processing power, in return, they earn AIOZ tokens, which serve as (i) gas for on-chain transactions, (ii) a medium of payment for DePIN services and (iii) a staking asset that secures consensus via delegated Proof-of-Stake.

The protocol continues to evolve through on-chain governance. Recent network upgrades (v1.7.0 in April 2025 and v1.7.1 in July 2025) migrated the chain to Cosmos-SDK v0.50 and introduced enhanced burn mechanics, temporarily pausing transfers, staking and bridging while validators updated their clients.

## Who is behind the Project?

AIOZ Network was founded by Erman Tjiputra, who also serves as the CEO. The team includes key members such as Trieu Nguyen, the Chief Technology Officer, and Quang Tran, the Head of Artificial Intelligence.

## Tokenomics of AIOZ

There is no capped maximum supply of AIOZ. Following a tokenomics revision published in December 2023, on-chain inflation decreases by one percentage point every December 25 from 8% (2023) to a long-term rate of 5% (2026 onward).

The circulating supply on August 7 2025 is around 1.2 billion AIOZ.

The initial distribution of AIOZ was as follows:

Category	Allocation
Private sale	7.3%
Public sale	1.7%
Team	25%
Advisors	5%
Marketing	5%
Exchange liquidity	3%
Ecosystem growth	53%
Total	100%

## General Risks

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

### *Competition*

The AIOZ Network faces competition from other cryptocurrencies related to decentralized content, including Theta, Livepeer, and others. AIOZ's value derives from its broader adoption in the market. If the AIOZ Network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of AIOZ.

### **Due Diligence**

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