

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
POLS

Polkastarter (POLS)

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Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading POLS. 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 Polkastarter (POLS) and how does it work?

Polkastarter is a decentralized, multi-chain fundraising platform that enables Web3 projects to raise capital through Initial DEX Offerings (IDOs), NFT launches, and gaming token sales. It uses fixed-price swap pools to maintain stable token pricing during sales, preventing volatility and large early allocations. The platform operates across Ethereum, BNB Chain, Polygon, Solana, Avalanche, Celo, and Polkadot, and incorporates security measures such as project vetting, KYC, and anti-scam protections.

The native POLS token provides access to these fundraising opportunities through a system called POLS Power, which aggregates held, staked, or liquidity-paired POLS into an allocation score. Users receive lottery tickets for allowlist entry at a rate of one ticket per 250 POLS, with higher tiers granting multipliers, reduced cooldowns, and at the highest levels, guaranteed allocations. POLS can also be staked on Ethereum or BNB Chain to gain immediate POLS Power, though staked tokens must remain locked for seven days before withdrawal. In addition, POLS functions as a governance token, enabling holders to vote on platform proposals, and it can be used in liquidity pools to both earn fees and increase POLS Power.

Who is behind the project?

Polkastarter was founded in 2020 by Daniel Stockhaus, Tiago Martins, and Miguel Leite. Stockhaus serves as CEO, while Martins and Leite are co-founders who have remained involved in the project.

Tokenomics of POLS

POLS has a total and fixed supply of 100 million tokens.

At launch (TGE), approximately 17.875 million POLS (17.875%) entered circulation—this included unlocked portions from the seed sale, private sale, and initial liquidity. In total, 42.5 million POLS (42.5%) were sold across these funding rounds. Remaining tokens were allocated across liquidity provisions, marketing, team and advisors, and foundational reserve.

Category	Percentage (%)	Token Amount	Unlock Details
Seed Sale	15%	15,000,000	20% at TGE, remainder vested at 10% monthly over 8 months
Private Sale	22.5%	22,500,000	25% at TGE, remainder vested at 25% monthly over 3 months
Liquidity Fund	22.5%	22,500,000	~22.22% at TGE, remainder released monthly in variable tranches
Marketing Fund	15%	15,000,000	20% at TGE, remainder unlocked monthly (~6.67% for 12 months)
Team & Advisors	10%	10,000,000	Locked for at least one year before vesting
Foundational Reserve	10%	10,000,000	Locked for at least one year before vesting
Total	100%	100,000,000	—

As of August 2025, the circulating supply is approximately 99.2 million POLS (~99.2% of the total).

General Risks

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

Competition

Polkastarter faces competition from other blockchain-based fundraising platforms such as Binance Launchpad, DAO Maker, and others. POLS's value derives from Polkastarter's broader adoption in the market. If Polkastarter fails to achieve sufficient adoption compared to other options, this could negatively impact the value of POLS.

Regulatory Scrutiny

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

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on POLS and determined that Kraken was permitted to make POLS 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 POLS, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created POLS;

- The supply, demand, maturity, utility and liquidity of POLS;
- Material technical risks associated with POLS, including any code defects, security breaches and other threats concerning POLS 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 POLS, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of POLS, 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 POLS about whether POLS, 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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