

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### Allora (ALLO)

Last updated on 1 August 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 ALLO 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 ALLO. 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 Allora and how does it work?

Allora is a decentralized protocol that combines artificial intelligence (AI), machine learning (ML), and blockchain to deliver predictions and inferences on-chain. It is designed to address information inefficiency by enabling participants to access and exchange AI-generated insights for use cases across finance, governance, logistics, and other sectors. Within the network, AI/ML agents submit predictions, assess each other's outputs, and reach consensus on their quality. Rewards are distributed according to the accuracy of contributions, creating a feedback loop that incentivizes high-quality inferences and allows the system to improve over time

At the time of writing the token is not live. The team plans for the ALLO token to be used for paying for inferences through a pay-what-you-want model, registering and participating in network topics, and staking to secure the protocol and earn rewards. Reputers, validators, and delegating token holders will be required to stake ALLO to participate in consensus.

## Who is behind the project?

Allora is developed by the Allora Foundation, co-founded by Nick Emmons and Kenny Peluso.

## Tokenomics of ALLO

The total supply of ALLO is 1 billion tokens, which is distributed as follows:

Allocation Type	Token Amount	Total Supply
Seed	50 million	5.00%
Series A1 + A2	260,5 million	26.05%
Network Emissions	214,5 million	21.45%
Foundation	88,5 million	8.85%
Liquidity Provision	5 million	0.5%
OKX Campaign	3 million	0.3%
Alpha + Hodler	40 million	4.00%
Ecosystem & Partnerships	88,5 million	8.85%
Initial Staking Rewards	25 million	2.5%
Airdrop	5 million	0.5%
Team	175 million	17.50%
<b>Total Supply</b>	<b>1 billion</b>	<b>100%</b>

## General Risks

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

### *Competition*

Allora Network faces competition from other AI-focused, blockchain-based platforms such as Bittensor, Gensyn, and Ora. ALLO's value derives from the project's broader adoption in the market. If Allora Network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of ALLO.

## **Due Diligence**

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