

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
Sentient (SENT)

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Disclaimer

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

Sentient is building a “network of AI building blocks” (models, agents, data sources, and tools) that can be combined to answer user requests through a single interface. SENT token is used to pay for services and to reward participation in the network (builders, curators, and users) through emissions (new tokens distributed as rewards) and staking as key mechanisms for coordinating incentives and governance.

Who is behind SENT

SENT was founded by the following; Sandeep Nailwal (Co-founder), Himanshu Tyagi (Co-founder) and Pramod Viswanath (Co-founder).

Tokenomics of SENT

SENT has a maximum supply of 10 billion tokens, allocated as follows:

Category	Amount
Foundation	20%
Investors	13%
Community + Airdrop	45%
Team	22%
Total	100%

General Risks

Like all other digital assets, there are some general risks to investing in SENT. These include short history risk, volatility risk, 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 SENT

Competition

The SENT protocol faces competition from other cryptocurrencies such as Bittensor (TAO), Filecoin (FIL), ASI / Fetch.ai umbrella (FET), and Render (RENDER). SENT's value derives from its broader adoption in the market. If SENT fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of SENT.

Due Diligence

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