PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
TermMax (TMX)

Last updated on 29 January 2026

Disclaimer

Please note that this Crypto Asset Statement is not exhaustive of all risks associated with trading TMX. 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 Crypto Asset Statement is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is TermMax (TMX) and how does it work?

TermMax is a DeFi protocol on Ethereum that offers fixed-rate borrowing, lending, and leveraged yield strategies through a modular, permissionless design. Users interact with isolated markets, where each market supports its own fixed-rate tokens, pricing curves, and risk parameters. Key components include Smart Unwind, which automates leveraged yield strategies, and the Leaderboard system, which distributes rewards based on user activity like lending, vault deposits, and referrals. The protocol is part of the broader Term Structure ecosystem, which also includes interest rate derivatives and yield curve infrastructure.

At the time of writing, the TMX token is not yet live. TMX is planned to be used for staking (to earn sTMX and receive protocol rewards), governance participation in the TMX DAO, discounted platform fees, and preferential access for curators and market makers.

Who is behind the project?

TermMax is developed by Term Structure Labs and co-founded by Wei Chieh Jerry Li (Co-founder and CEO) and Wei Hsieh Li (Co-founder and CTO).

Tokenomics of TMX

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

Category	**Percentage**
Ecosystem Airdrop	15%

Community	29.5%
Liquidity Provision	4.5%
Foundation	5%
Advisors	3%
Team	15%
Investors	28%
Total	**100%**

General Risks

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

Competition

The TermMax protocol faces competition from other fixed-rate lending/borrowing protocols and other DeFi lending platforms such as Aave V3 and Morpho. TMX's value derives from its broader adoption in the market. If the TermMax protocol fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of TMX.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on TMX and determined it was permitted to make TMX available for trading to UK users. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of TMX, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created TMX;
- The supply, demand, maturity, utility and liquidity of TMX;
- Material technical risks associated with TMX, including any code defects, security breaches and other threats concerning TMX 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 TMX, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of TMX, 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 TMX about whether TMX, 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.