

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

Rekt (REKT)

Last updated on 14 July 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 REKT 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 REKT. 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 REKT and how does it work?

Rekt (REKT) is a meme-based token and brand ecosystem rooted in internet culture and built around the Rektguy NFT project. Positioned as a “brand coin,” REKT allows community members to engage with the Rekt ecosystem through token-gated product drops, NFTs, and cultural experiences. The token also extends into real-world branding, such as Rekt Drinks, blending digital engagement with physical consumer goods. While it shares characteristics with other memecoins, REKT differentiates itself by aligning token value with brand sentiment, community participation, and cultural relevance.

Who is behind the project?

Rekt Brands Inc., based in Wilmington, Delaware, is the entity behind the REKT token. The Ultimate Beneficial Owner (UBO) is Ovie Faruq.

Tokenomics of REKT

Rekt (REKT) has a total and permanently fixed supply of 420,690,000,000,000 tokens. There is no mechanism for inflation or future token issuance. The full supply was minted at launch and distributed across several categories.

Category	Amount
Community	63.5% (including 38.5% held back for future community rewards)
Contributors	15%
Ecosystem	11%
Investors	7.5%
Advisors	3%
Total	100%

General Risks

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

Competition

Rekt faces competition from other cryptocurrencies such as Dogecoin (DOGE), Shiba Inu (SHIB), and many others. Rekt's value derives from its broader adoption in the market. If the Rekt project fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of REKT.

Due Diligence

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