

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### Renzo Protocol (REZ)

Last updated on March 9, 2026

#### Disclaimer

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

Renzo is an Ethereum-based liquid restaking protocol that abstracts EigenLayer for end-users. When participants deposit ETH or supported liquid-staking tokens, the system mints an equivalent amount of ezETH, a reward-bearing token that tracks each restaked position. A smart-contract “strategy manager” spreads the pooled stake across chosen Actively Validated Services (AVSs), targeting the best risk-adjusted yield while limiting slashing exposure.

REZ is the protocol’s native governance and utility token. Holders can create, delegate and vote on on-chain proposals that steer operator whitelists, AVS selection and treasury spend, and they may restake REZ through ezREZ, which auto-compounds AVS rewards, receives weekly instant-withdrawal fees and captures 10% of every protocol buy-back.

#### Who is behind the project?

Renzo Labs was founded in 2023 by Lucas Kozinski (Co-founder & Operations), James Poole (Co-founder & CTO), and Kratik Lodha (Co-founder & Product/Research).

#### Tokenomics of REZ

REZ has a capped maximum supply of 10 billion tokens, which were distributed as follows:

Category	Amount
Fund-raising	31.56%
Community Incentives	32.00%

Core Contributors	20.00%
Foundation	12.44%
Binance Launchpool	2.50%
Liquidity	1.50%

### **General Risks**

Like all other digital assets, there are some general risks to investing in REZ. 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 Renzo**

#### *Competition*

The Renzo network faces competition from other cryptocurrencies such as ether.fi and Puffer Finance, and many others. Renzo's value derives from its broader adoption in the market. If the Renzo network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of REZ.

#### *Depegging Risk*

At any given point in time, the price of REZ may not accurately reflect the value of the underlying asset ezETH. This risk arises because the price of REZ is determined by supply and demand in the secondary market, rather than the actual value of ezETH. If demand for REZ exceeds the available supply, the price may increase, leading to a higher price relative to ezETH. Conversely, if there is a surplus of REZ tokens and insufficient demand, the price may decrease, causing REZ to be worth less than ezETH.

#### *Developer Dependence*

While there are many developers who contribute to Renzo, there are no guarantees that they will continue to contribute. REZ, Renzo's native asset, could be negatively affected by an inability to retain and/or attract developers to keep up with market needs and improve its decentralized exchange tooling when necessary.

### **Due Diligence**

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

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

Payward Ltd (trading as Kraken) is registered as a cryptoasset firm with the Financial Conduct Authority (FRN: 928768) registered office at 6th Floor, One London Wall, London, EC2Y 5EB. Cryptoasset services offered by Payward Ltd are unregulated and not covered by the Financial Services Compensation Scheme as well as the FCA's consumer protection regulations. Note the value of cryptoassets can go down as well as up, gains may be subject to Capital Gains Tax and there may be extra charges when paying via credit card from your provider.