

PAYWARD CANADA INC.  
CRYPTO ASSET STATEMENT  
UNI

**Uniswap (UNI)**

Last updated on September 4, 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 UNI 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 UNI. 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 Uniswap (UNI) and how does it work?**

Uniswap is a decentralized exchange protocol operating on Ethereum and several other blockchains. Instead of relying on a central order book, Uniswap uses liquidity pools powered by automated market maker (AMM) smart contracts to facilitate token swaps. Liquidity providers deposit pairs of assets into pools, and traders can swap tokens directly against these pools. In return, liquidity providers earn a portion of the trading fees.

The protocol is now in its fourth iteration (Uniswap v4), launched in 2025. While its foundational AMM model remains the same, v4 introduced upgrades such as a single contract architecture for improved efficiency, “hooks” that allow developers to add custom logic (e.g., dynamic fees or on-chain limit orders), and flash accounting to reduce gas costs. Uniswap has also expanded beyond Ethereum to chains such as Arbitrum, Polygon, Base, and BNB Chain, broadening user access and liquidity.

UNI is the governance token of the Uniswap protocol. Holders can submit and vote on proposals related to upgrades, fee structures, and the use of community treasury funds. UNI is not required to trade or provide liquidity on the protocol, but it enables holders to influence Uniswap’s long-term direction.

Voting power can also be delegated, allowing token holders to participate in governance even if they do not vote directly.

### **Who is behind the project?**

Uniswap was launched in 2018 by Hayden Adams. Today, protocol development is supported by a wide network of contributors, while UNI holders govern the protocol through voting on proposals and upgrades.

### **Tokenomics of UNI**

The UNI token was launched in September 2020 with a fixed total supply of 1 billion tokens. At launch, UNI was distributed as follows:

Category	Percentage
Community	60%
Team	21.27%
Investors	18.04%
Advisors	0.69%
<b>Total</b>	<b>100%</b>

As of September 2025, the circulating supply is approximately 600.5 million tokens.

### **General Risks**

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

#### *Competition*

The Uniswap protocol faces competition from other decentralized exchanges such as Curve, Balancer, and PancakeSwap, among others. UNI's value derives from Uniswap's broader adoption in the market. If the Uniswap protocol fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of UNI.

#### *Developer Dependence*

Although there are many developers working on the Uniswap exchange, there are no guarantees that they will continue to contribute. UNI could be negatively affected by an inability to retain and/or attract developers to continue to maintain and build out its decentralized exchange.

#### *Regulatory Scrutiny*

A regulatory crackdown on DeFi could regulate decentralised exchanges similar to their centralised

counterparts effectively curtailing the growth of DeFi. This could have a negative impact on the value of UNI.

#### **Due Diligence**

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