

# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

### JUNO

#### Juno (JUNO)

Last updated on August 12, 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 JUNO 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 JUNO. 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 Juno and how does it work?

Juno is a permissionless, open-source smart contract network built on the Cosmos software development kit (SDK) and secured by a Proof-of-Stake (PoS) consensus mechanism. Launched in October 2021 through a decentralized genesis distribution to ATOM stakers, Juno is designed to be a cross-chain smart contract hub for the Cosmos ecosystem, enabling developers to deploy decentralized applications using CosmWasm — a WebAssembly (Wasm)-based smart contract engine.

The network emphasizes interoperability, allowing seamless asset and data transfers across blockchains in the Cosmos ecosystem via the Inter-Blockchain Communication (IBC) protocol. JUNO, the network's native token, is used for staking to secure the network, governance to vote on proposals, and as gas fees to execute smart contracts.

Juno supports contract development primarily in the Rust programming language, and developers can write, test, and deploy smart contracts using a range of tools maintained by the community. Users can stake JUNO to participate in the consensus process and receive staking rewards. The unbonding (unstaking) period on the Juno network is approximately 21 days.

### Who is Behind the Project?

Juno originated as a community-driven project proposed by members of the Cosmos ecosystem. Early contributors included Gregory Landua, co-founder of Regen Network; Ethan Frey, a Cosmos SDK and CosmWasm developer; and Christopher Goes, a Cosmos SDK contributor. As of 2025, the network is maintained by an open-source community with no central authority.

### Tokenomics of JUNO

JUNO was launched with an initial supply of 64,903,242 tokens, distributed as follows:

Category	Amount (JUNO)	Percentage of Initial Supply
ATOM stakers	30,663,193	47.25%
Community pool	20,000,000	30.82%
Core development team	10,084,396	15.54%
HackJuno challenge rewards	2,373,341	3.66%
Core team (additional)	1,782,312	2.74%

The maximum supply of 185,562,268 JUNO is expected to be reached after 12 years (by 2033), after which the network will transition to a deflationary model. The remaining tokens beyond the initial supply are slated for gradual distribution to delegators securing the network through staking over this period. As of August 2025, the circulating supply of JUNO is approximately 79.5 million tokens.

### General Risks

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

#### Competition Risk

The Juno Network faces competition from other smart contract protocols such as Ethereum, Binance Chain, and many others. JUNO's value derives from Juno's broader adoption in the market. If Juno fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of JUNO.

### Due Diligence

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