# PAYWARD CANADA INC.

## CRYPTO ASSET STATEMENT

Basic Attention Token (BAT)

Last updated on September 8, 2026

**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 BAT 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 BAT. 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 Basic Attention Token and how does it work?

Basic Attention Token (BAT) is the utility token of the Brave browser, a privacy oriented web browser built by Brave Software, Inc. Brave blocks third party trackers and intrusive advertising by default, and its Brave Rewards program lets users earn BAT for choosing to view privacy preserving advertisements. Advertisers fund these advertisements, and users can direct the BAT they earn to support the content creators they follow.

At present BAT is used to reward users who choose to view privacy preserving advertisements in the Brave browser, and to let those users tip and support content creators. It is also being extended for use across the Brave Wallet, the Brave Rewards Card, and BravePay payments.

### Who is behind the project?

Brave Software, Inc. was founded in 2015 by Brendan Eich and Brian Bondy. Brendan Eich, the creator of JavaScript and a founding figure at Mozilla, serves as Chief Executive Officer. BAT and the Brave browser are operated by Brave Software, Inc., a company incorporated in the United States.

### Tokenomics of Basic Attention Token

The total supply of BAT is 1.5 billion tokens which is distributed as follows:

| BAT Allocation | Percentage |
|---|---|
| Public token sale (2017 ICO) | 67% |
| User Growth Pool | 20% |
| Development and team | 13% |
| **Total** | **100%** |

### General Risks

Like all other digital assets, there are some general risks to investing in BAT. 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 Basic Attention Token

*Competition*

The Basic Attention Token platform faces competition from other digital advertising and attention economy platforms such as Presearch, AdEx, and others. BAT's value derives from its broader adoption in the market. If the Basic Attention Token platform fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of BAT.

### Due Diligence

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