PAYWARD CANADA INC.
CRYPTO ASSET STATEMENT
QUID

Last updated on April 29, 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 QUID 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 QUID. 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 Squid and how does it work?

Squid is a cross-chain routing protocol that enables users to swap, bridge, and route digital assets across more than 100 blockchains in a single transaction. The protocol is built on the Axelar interoperability network and operates an intent-based execution engine, in which competing third-party solvers fill cross-chain transactions in order to deliver lower slippage and faster settlement than traditional bridge architectures. Squid powers cross-chain functionality embedded within over 1,000 third-party applications, including consumer wallets and infrastructure providers. Since launch in 2023, the protocol has processed cumulative cross-chain transaction volume in excess of $6 billion.

QUID is intended to be the native token of the Squid protocol. From token generation, QUID is intended to support staking, through which holders may stake the token to earn rewards from a fixed, non-inflationary reward pool, and on-chain governance, through which staked QUID will carry voting weight on parameters such as fee curves, chain onboarding, solver allow-lists, treasury grants, and buyback activation. The token contract is also designed to enable governance-activated buybacks funded by protocol revenue, with additional in-application utility, including fee discounts, premium-tier access, and the gating of advanced trading features within Squid's planned consumer mobile application, expected to come into effect following launch.

Who is behind the project?
Squid was co-founded by Christina Norgard Rud, who is publicly identified as a co-founder of the project. The available documentation does not publicly confirm the identities of additional executives or key individuals behind the project.

Tokenomics of Squid
At the planned token generation event scheduled for June 23, 2026, QUID is intended to launch with a fixed total supply of 1,000,000,000 tokens, of which approximately 22.37% (or 223,700,000 tokens) is expected to be in circulation at launch. The intended distribution is as follows: Investors 30.39%, Team & Advisors 24.36%, Ecosystem Growth 15.50%, Foundation Treasury 13.75%, Strategic Partners 10.00%, and Community Sale 6.00% (source: project documentation provided in the listing application, dated April 24, 2026).

Allocation Category	Percentage of Total Supply (1,000,000,000 QUID)
Investors	30.39%
Team & Advisors	24.36%
Ecosystem Growth	15.50%
Foundation Treasury	13.75%
Strategic Partners	10.00%
Community Sale	6.00%
Total	**100%**

General Risks
Like all other digital assets, there are some general risks to investing in QUID. 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 Squid

Competition
The Squid network faces competition from other cross-chain routing and bridging protocols such as LI.FI, Across, Stargate, Wormhole, deBridge, and others. Squid’s value derives from its broader adoption in the market. If the Squid network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of QUID.

Adoption by Protocols & Users
QUID’s value derives from protocols building on Squid. If Squid fails to attract sufficient adoption, this could negatively impact the value of QUID.

Regulatory Scrutiny

A regulatory crackdown on decentralized finance (DeFi) could have a negative impact on DeFi and the value of QUID.

Due Diligence

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