

PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

Dogecoin (DOGE)

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Disclaimer

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

Dogecoin is a peer-to-peer digital currency that began in December 2013 as a light-hearted tribute to the “Doge” Shiba Inu meme. The project was conceived to make cryptocurrency approachable for everyday users and its playful brand quickly attracted an enthusiastic online community that still uses DOGE for low-fee payments and social-media tipping. Public interest spiked again in 2021 after high-profile endorsements, most notably from Elon Musk, drew mainstream attention.

Technically, Dogecoin is a fork of Luckycoin (itself a fork of Litecoin) and relies on a Scrypt-based Proof-of-Work algorithm. Blocks are produced roughly once per minute, and since 2014 Dogecoin has been merge-mined with Litecoin, allowing miners to secure both networks simultaneously. Each new block currently rewards miners with 10,000 DOGE. The supply was initially capped at 100 billion coins, but that limit was removed within months of launch; Dogecoin is therefore inflationary, adding about five billion new coins to circulation each year.

Who is behind the project?

Timothy Stebbing serves as Executive Director & Chief Technology Officer of the Dogecoin Foundation, and Jens Wiechers serves as Co-Executive Director responsible for governance and external partnerships.

Tokenomics of DOGE

DOGE token supply was initially capped at 100 billion DOGE but in February 2014 this cap was removed.

The amount of DOGE in circulation as of August 2025 is approximately 150,419,716,383.

General Risks

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

Competition

The Dogecoin network faces competition from other cryptocurrencies and memecoins such as Bitcoin, Litecoin, Dash, Shiba Inu, and many others. Dogecoin's value derives from its broader adoption in the market. If the Dogecoin network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of DOGE.

Developer Dependence

While there are many developers who contribute to Dogecoin, there are no guarantees that they will continue to contribute. DOGE, Dogecoin'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.

Proof of Work Pushback

Proof-of-Work cryptocurrencies have come under considerable criticism because of their energy use. Regulatory efforts around the world could move to clamp down on Proof-of-Work mining, making it harder for the network to operate and affecting market perception. These criticisms could have negative impacts on the value of DOGE.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on DOGE and determined that Kraken was permitted to make DOGE 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 DOGE, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created DOGE;
- The supply, demand, maturity, utility and liquidity of DOGE;

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

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