DuckChain (DUCK)
White paper

In accordance with Title II of Regulation (EU) 2023/1114 (MiCA)

N	Field	Content
0	Table of content	

01	Date of notification	2025-06-26
02	Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114	This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The operator of the trading platform of the crypto-asset is solely responsible for the content of this crypto-asset white paper.
03	Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114	This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 and, to the best of the knowledge of the management body, the information presented in the crypto-asset white paper is fair, clear and not misleading and the crypto-asset white paper makes no omission likely to affect its import.
04	Statement in accordance with Article 6(5), points (a), (b), (c) of Regulation (EU) 2023/1114	The crypto-asset referred to in this white paper may lose its value in part or in full, may not always be transferable and may not be liquid.
05	Statement in accordance with Article 6(5), point (d) of Regulation (EU) 2023/1114	false
06	Statement in accordance with Article 6(5), points (e) and (f) of Regulation (EU) 2023/1114	The crypto-asset referred to in this white paper is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council. The crypto-asset referred to in this white paper is not covered by the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

<table>
<tr><td colspan="3">Summary</td></tr>
<tr><td>07</td><td>Warning in accordance with Article 6(7), second subparagraph of Regulation (EU) 2023/1114</td><td>Warning
This summary should be read as an introduction to the crypto-asset white paper. The prospective holder should base any decision to purchase this crypto-asset on the content of the crypto-asset white paper as a whole and not on the summary alone. The admission to trading of this crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law. This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council (36) or any other offer document pursuant to Union or national law.</td></tr>
<tr><td>08</td><td>Characteristics of the crypto-asset</td><td>DuckChain is a Layer-2 network designed for the Telegram ecosystem and offering EVM-compatibility.

DUCK’s key uses include:

- Governance: DUCK holders can vote on major proposals, enabling community-driven decision-making for ecosystem development.

- Staking: By staking DUCK, participants help secure DuckChain, strengthening its network.

- Delegation to Consensus Nodes: DUCK holders can delegate tokens to consensus nodes or stake DUCK to operate their own node, supporting decentralization and scalability.

DUCK has a maximum supply of 10 000 000 000 and was distributed as follows:

<table>
<tr><th>Category</th><th>Allocation</th></tr>
<tr><td>Airdrop</td><td>50%</td></tr>
<tr><td>Ecosystem</td><td>20%</td></tr>
<tr><td>Investors</td><td>10%</td></tr>
<tr><td>Team</td><td>10%</td></tr>
<tr><td>Liquidity</td><td>4%</td></tr>
<tr><td>Marketing</td><td>3%</td></tr>
</table>
</td></tr>
</table>

		<table><tr><td>Advisors</td><td>3%</td></tr></table> DUCK tokens are freely transferable, in whole or in part, to third parties, and all associated usage rights and obligations follow the token upon transfer.
09	Information about the quality and quantity of goods or services to which the utility tokens give access and restrictions on the transferability	N/A
10	Key information about the offer to the public or admission to trading	Kraken seeks admission to trading of the DUCK token so as to be compliant with MiCA and in keeping with its mission to make available for trading to its clients a wide range of assets.
Part I – Information on risks		
I.1	Offer-Related Risks	**General Risk Factors Associated with Crypto-Asset Offerings** The admission to trading of crypto-assets, including DUCK, is subject to general risks inherent to the broader cryptocurrency market. **Market Volatility** The value of DUCK may experience substantial fluctuations driven by investor sentiment, macroeconomic developments, and market conditions. **Regulatory Risks** Changes in legislation, applicable laws, compliance requirements or the implementation of new regulatory frameworks could affect the availability, trading, or use of such assets. **Security Risks** The risk of exploitation, hacking or security vulnerabilities of the underlying protocol and/or contracts of the token leading to a loss. **Reputational Risks** The potential for damage to an organization's credibility or public trust, which can

		negatively impact stakeholder confidence and overall business viability**.**
I.2	Issuer-Related Risks	**Governance-Concentration Risk** Although DUCK governance is open to DUCK holders, large token holders or the project team could exert outsized influence on protocol decisions. **Operational Risk** As a young organization, the project faces typical start-up risks, limited operating history, reliance on key personnel, and the challenge of deploying funds effectively. If the project team were to encounter internal issues (e.g., loss of key developers or mismanagement of treasury), the development of DUCK could slow or stall.
I.3	Crypto-Assets-related Risks	**Market Volatility** The crypto-asset market is subject to significant price volatility, which may affect the value of DUCK. Prices can fluctuate rapidly and unpredictably due to various factors, including market sentiment, economic indicators, technological developments, regulatory news, and macroeconomic trends. This high level of volatility may lead to sudden gains or losses and can impact the liquidity and tradability of the crypto-asset. **Liquidity** Liquidity refers to the ability to buy or sell a crypto-asset without causing significant price impact. DUCK may experience periods of low liquidity, meaning that it could be difficult to enter or exit positions at desired prices or volumes. Reduced liquidity may result from limited market participation, exchange restrictions, or broader market conditions. This can lead to increased price volatility, slippage, and difficulty in executing transactions. **Cybersecurity & Technology Risks** Risks arising from vulnerabilities in the blockchain technology used by the project or platforms. Example risks include smart contract exploits, compromise of platforms, forking scenarios, compromise of cryptographic algorithms. **Adoption Risks** The risk associated with the project not achieving its goals leading to lower than expected adoption and use within the ecosystem, the impact leading to a reduced utility and value proposition. **Custody & Ownership Risk** The risk related to the inadequate safekeeping and control of crypto-assets e.g. loss of private keys, custodian insolvency leading to a loss. **Concentration of Holdings**

		Related to liquidity, there is a risk that DuckChain's ownership is concentrated among a small number of holders (such as early investors, the team, or strategic partners). According to the token distribution plan, the DUCK team and related entities retain a sizable share of tokens. While these tokens are locked initially, when they unlock, if one of these large holders decides to sell a substantial quantity, it could significantly depress the market price of DUCK. Conversely, the influence of large holders could lead to coordinated behavior that might not align with smaller holders' interests.
I.4	Project Implementation-Related Risks	**Development Delays or Shortfalls** DuckChain has planned several features and milestones. There is a risk that some of these planned developments could be delayed, scaled back, or not achieved as intended. Such delays or failures in delivering core features would directly impact the usefulness of DUCK, since the token's utility is tied to these features. If advanced capabilities are not implemented on schedule or at quality, user adoption and confidence in the project could decline.
I.5	Technology-Related Risks	**Smart contract risks** DUCK uses smart contracts to facilitate automated transactions and processes. While these contracts enhance efficiency and decentralization, they also introduce specific technical risks. Vulnerabilities such as coding errors, design flaws, or security loopholes within the smart contract code may be exploited by malicious actors. Such exploits could result in the loss of assets, unauthorized access to sensitive information, or unintended and irreversible execution of transactions. **Blockchain Network Risks** DUCK operates on a public blockchain infrastructure, which is maintained by a decentralized network of participants. The functionality and reliability of the crypto-asset are dependent on the performance and security of the underlying blockchain. Risks may include network congestion, high transaction fees, delayed processing times, or, in extreme cases, outages and disruptions. Additionally, vulnerabilities or failures in the consensus mechanism, attacks on the network (e.g., 51% attacks), or protocol-level bugs could impact the operation and availability of DUCK. **Cross-Chain Bridge Risks** Because DUCK is designed to be omnichain, utilizing a cross-chain bridge (LayerZero's protocol) to move between different networks, there are additional risks associated with bridging. Cross-chain bridges have historically been targets for hackers; an exploit in the LayerZero Omnichain Fungible Token mechanism or a failure of the bridge's security could lead to a loss or duplication of DUCK tokens across chains. While LayerZero is a well-known interoperability solution, any bridge involves locking tokens on one side and minting on the other; if the lock mechanism is compromised, it could affect the token's supply integrity or

		availability on one chain. DuckChain's reliance on this technology means a breach or failure in LayerZero could directly impact DUCK holders (e.g., inability to transfer DUCK between chains or, in a worst case, a portion of tokens being stolen from a bridge contract). **Risk of Cryptographic Vulnerabilities** Technological advancements, such as quantum computing, could pose potential risks to cryptocurrencies. **Privacy** Transactions involving DUCK are recorded on a public blockchain, where transaction data is transparent and permanently accessible. While public addresses do not directly reveal personal identities, transaction histories can be analyzed and, in some cases, linked to individuals through data aggregation or external information sources. This transparency may pose privacy concerns for users seeking confidentiality in their financial activity. Participants should be aware that transaction data on public blockchains is not inherently private and could be subject to scrutiny by third parties, including regulators, analytics firms, or malicious actors.
I.6	Mitigation measures	**Community Governance** DuckChain's governance system enables stakeholders to vote on protocol changes. This decentralized process allows the community to respond to risks (e.g. economic imbalances) by adjusting parameters, funding audits, or implementing emergency upgrades through transparent decision-making. While not a technical safeguard, governance serves as an adaptive mechanism to mitigate long-term systemic and coordination risks.
Part A - Information about the offeror or the person seeking admission to trading		
A.1	Name	N/A
A.2	Legal form	N/A
A.3	Registered address	N/A
A.4	Head office	N/A

A.5	Registration Date	N/A
A.6	Legal entity identifier	N/A
A.7	Another identifier required pursuant to applicable national law	N/A
A.8	Contact telephone number	N/A
A.9	E-mail address	N/A
A.10	Response Time (Days)	N/A
A.11	Parent Company	N/A
A.12	Members of the Management body	N/A
A.13	Business Activity	N/A
A.14	Parent Company Business Activity	N/A
A.15	Newly Established	N/A

A.16	Financial condition for the past three years	N/A
A.17	Financial condition since registration	N/A
Part B - Information about the issuer, if different from the offeror or person seeking admission to trading		
B.1	Issuer different from offeror or person seeking admission to trading	true
B.2	Name	DuckChain Foundation
B.3	Legal form	Foundation
B.4	Registered address	Not available
B.5	Head office	Not available
B.6	Registration Date	2024-11-12
B.7	Legal entity identifier	254900D14600EDO8T480
B.8	Another identifier required pursuant to applicable national law	Not available

B.9	Parent Company	Not available
B.10	Members of the Management body	Not available
B.11	Business Activity	Not available
B.12	Parent Company Business Activity	N/A
Part C- Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114		
C.1	Name	Payward Global Solutions LTD
C.2	Legal form	N/A
C.3	Registered address	N/A
C.4	Head office	N/A
C.5	Registration Date	11-07-2023
C.6	Legal entity identifier of the operator of the trading platform	9845003D98SCC2851458
C.7	Another identifier required pursuant to applicable national law	N/A

<table>
<tr><td>C.8</td><td>Parent Company</td><td>N/A</td></tr>
<tr><td>C.9</td><td>Reason for Crypto-Asset White Paper Preparation</td><td>Kraken seeks admission to trading of the DUCK token so as to be compliant with MiCA and in keeping with its mission to make available for trading to its clients a wide range of assets.</td></tr>
<tr><td>C.10</td><td>Members of the Management body</td><td>
<table>
<tr><th>Full Name</th><th>Business Address</th><th>Function</th></tr>
<tr><td>Shannon Kurtas</td><td>70 Sir John Rogerson's Quay, Dublin 2, Ireland</td><td>Board Member</td></tr>
<tr><td>Andrew Mulvenny</td><td>70 Sir John Rogerson's Quay, Dublin 2, Ireland</td><td>Board Member</td></tr>
<tr><td>Shane O'Brien</td><td>70 Sir John Rogerson's Quay, Dublin 2, Ireland</td><td>Board Member</td></tr>
<tr><td>Laura Walsh</td><td>70 Sir John Rogerson's Quay, Dublin 2, Ireland</td><td>Board Member</td></tr>
<tr><td>Michael Walsh</td><td>70 Sir John Rogerson's Quay, Dublin 2, Ireland</td><td>Board Member</td></tr>
</table>
</td></tr>
<tr><td>C.11</td><td>Operator Business Activity</td><td>PGSL is the operator of a Trading Platform for Crypto Assets, in accordance with Article 3(1)(18) of Regulation (EU) 2023/1114 (MiCA).</td></tr>
<tr><td>C.12</td><td>Parent Company Business Activity</td><td>Payward, Inc., a Delaware, USA corporation, is the parent company of a worldwide group of subsidiaries (the following paragraphs use the term "Payward" or “Payward Group” to refer to the group) collectively doing business as “Kraken.” Payward’s primary business is the operation of an online virtual asset platform that enables clients to buy and sell virtual assets on a spot basis, including the transfer of crypto-assets to and from external wallets.

Payward, through its various affiliates, offers a number of other services and products, including:
* A trading platform for futures contracts on virtual assets (“Kraken Derivatives”);
* A platform for buying and selling NFTs;
* An over-the-counter (“OTC”) desk;
* Extensions of margin to support spot trading of virtual assets;
* A benchmark administrator; and
* Staking services.</td></tr>
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C.13	Other persons drawing up the crypto-asset white paper according to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114	N/A
C.14	Reason for drawing the white paper by persons referred to in Article 6(1), second subparagraph, of Regulation (EU) 2023/1114	N/A
Part D- Information about the crypto-asset project		
D.1	Crypto-asset project name	DuckChain
D.2	Crypto-assets name	N/A
D.3	Abbreviation	N/A
D.4	Crypto-asset project description	DuckChain is a Layer-2 blockchain integrated with The Open Network (TON). DuckChain's core objective is to provide user-friendly decentralized applications (dApps) and AI-enhanced services directly within the Telegram ecosystem, and aims to help transform Telegram into a crypto-enabled super-app.. By combining AI tools for intuitive user interactions and blockchain infrastructure for security and transparency, DuckChain may lower the barrier to entry for non-crypto users and fosters mainstream adoption of blockchain technology.

D.5	Details of all natural or legal persons involved in the implementation of the crypto-asset project	The DuckChain Foundation supports decentralization, growth, and security of the network. It is registered in the Cayman Islands. Lolade Lawoyin is the co-founder of DuckChain.
D.6	Utility Token Classification	false
D.7	Key Features of Goods/Services for Utility Token Projects	N/A
D.8	Plans for the token	**Past Milestones:** DuckChain mainnet officially launched in November 2023. In 2025, DuckChain completed an airdrop campaign. **Future Milestones:** For future milestones, refer to official DuckChain channels for the most up-to-date roadmap updates.
D.9	Resource Allocation	The DuckChain foundation was launched with a $10 000 000 USD fund.
D.10	Planned Use of Collected Funds or Crypto-Assets	The foundation’s $10 million fund will be dedicated to investing in AI projects.
Part E - Information about the offer to the public of crypto-assets or their admission to trading		
E.1	Public Offering or Admission to trading	ATTR

E.2	Reasons for Public Offer or Admission to trading	Making secondary trading available to the consumers on the Kraken Trading platform in compliance with the MiCA regulatory framework
E.3	Fundraising Target	N/A
E.4	Minimum Subscription Goals	N/A
E.5	Maximum Subscription Goal	N/A
E.6	Oversubscription Acceptance	N/A
E.7	Oversubscription Allocation	N/A
E.8	Issue Price	N/A
E.9	Official currency or other crypto-assets determining the issue price	N/A
E.10	Subscription fee	N/A
E.11	Offer Price Determination Method	N/A

E.12	Total Number of Offered/Traded crypto-assets	10 000 000 000 maximum supply
E.13	Targeted Holders	ALL
E.14	Holder restrictions	N/A
E.15	Reimbursement Notice	N/A
E.16	Refund Mechanism	N/A
E.17	Refund Timeline	N/A
E.18	Offer Phases	N/A
E.19	Early Purchase Discount	N/A
E.20	time-limited offer	N/A
E.21	Subscription period beginning	N/A
E.22	Subscription period end	N/A

E.23	Safeguarding Arrangements for Offered Funds/crypto-assets	N/A
E.24	Payment Methods for crypto-asset Purchase	N/A
E.25	Value Transfer Methods for Reimbursement	N/A
E.26	Right of Withdrawal	N/A
E.27	Transfer of Purchased crypto-assets	N/A
E.28	Transfer Time Schedule	N/A
E.29	Purchaser's Technical Requirements	N/A
E.30	crypto-asset service provider (CASP) name	N/A
E.31	CASP identifier	N/A
E.32	Placement form	NTAV

E.33	Trading Platforms name	N/A
E.34	Trading Platforms Market Identifier Code (MIC)	N/A
E.35	Trading Platforms Access	N/A
E.36	Involved costs	N/A
E.37	Offer Expenses	N/A
E.38	Conflicts of Interest	All listings decisions made by Payward Global Solution Ltd are made independently by staff of the entity in line with internal policies. PGSL publishes a conflicts of interest disclosure on its website advising of potential conflicts that may arise.
E.39	Applicable law	Any dispute relating to this white paper shall be governed by and construed and enforced in accordance with the laws of Ireland without regard to conflict of law rules or principles (whether of Ireland or any other jurisdiction) that would cause the application of the laws of any other jurisdiction, irrespective of whether DUCK tokens qualify as right or property under the applicable law.
E.40	Competent court	Any disputes or claims arising out of this white paper will be subject to the exclusive jurisdiction of the Irish courts.
Part F - Information about the crypto-assets		
F.1	Crypto-Asset Type	DUCK is classified as a crypto-asset other than an asset referenced token or e-money token under MiCA, (EU) 2023/1114.
F.2	Crypto-Asset Functionality	DUCK serves multiple functions in the DuckChain ecosystem. Governance token: DUCK will allow holders to propose and vote on protocol updates and decisions (once the governance module is live).

		Staking Token: Validators and delegators stake DUCK to secure the network and earn rewards for transaction validation.
F.3	Planned Application of Functionalities	All core functionalities of DUCK are already active.
A description of the characteristics of the crypto-asset, including the data necessary for classification of the crypto-asset white paper in the register referred to in Article 109 of Regulation (EU) 2023/1114, as specified in accordance with paragraph 8 of that Article		
F.4	Type of white paper	OTHR
F.5	The type of submission	NEWT
F.6	Crypto-Asset Characteristics	DUCK is a fungible token native to the DuckChain network. It conforms to the ERC-20 standard given the chain's EVM compatibility. The token has a fixed total supply of 10 000 000 000.
F.7	Commercial name or trading name	DuckChain Foundation
F.8	Website of the issuer	https://duckchain.io/
F.9	Starting date of offer to the public or admission to trading	2025-01-10
F.10	Publication date	2025-07-24
F.11	Any other services provided by the issuer	N/A

F.12	Identifier of operator of the trading platform	PGSL
F.13	Language or languages of the white paper	English
F.14	Digital Token Identifier	91C5G6GWN
F.15	Functionally Fungible Group Digital Token Identifier	N/A
F.16	Voluntary data flag	Mandatory
F.17	Personal data flag	false
F.18	LEI eligibility	N/A
F.19	Home Member State	Ireland
F.20	Host Member States	Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Iceland, Liechtenstein, Norway
Part G - Information on the rights and obligations attached to the crypto-assets		
G.1	Purchaser Rights and Obligations	**Governance:** The holder can participate in on-chain governance. **Right of Transfer:**

		The holder can transfer the DUCK tokens to third parties. Upon transfer, all rights and obligations are transferred to the new holder. **Trading:** If the DUCK token is listed on cryptocurrency exchanges, holders can trade their tokens there.
G.2	Exercise of Rights and obligations	Transfer Procedure: To exercise the right of transfer, a holder uses a digital wallet supporting TON Jetton tokens. Transfers of DUCK are executed by initiating a blockchain transaction. Trading: Trading the token on exchanges follows the procedures of the trading platforms (for example, complying with exchange KYC rules and placing orders on the market). Governance Participation: To vote or take part in DUCK governance, holders need to connect to the official governance portal. The exercise of this right is subject to rules set by the DUCK Foundation or community (e.g., voting periods, quorum requirements). Participating in governance is voluntary; not exercising voting rights does not affect one's ability to hold or transfer tokens.
G.3	Conditions for modifications of rights and obligations	The rights and obligations attached to DUCK as described in this white paper reflect information available at the time of issuance. This white paper is issued by Kraken and does not constitute a commitment or guarantee by DuckChain or any other party regarding future modifications. No promises, warranties, or assurances are made herein regarding future token functionality, and this section is provided solely for informational purposes.
G.4	Future Public Offers	The project team has not announced any future public offers of DUCK
G.5	Issuer Retained Crypto-Assets	1 000 000 000 DUCK is noted as allocated to the team. This represents 10% of total supply.
G.6	Utility Token Classification	false

G.7	Key Features of Goods/Services of Utility Tokens	false
G.8	Utility Tokens Redemption	N/A
G.9	Non-Trading request	This white paper reflects a request to admit the token to trading.
G.10	Crypto-Assets purchase or sale modalities	N/A
G.11	Crypto-Assets Transfer Restrictions	Kraken may, in accordance with applicable laws and internal policies and terms, impose restrictions on buyers and sellers of these tokens.
G.12	Supply Adjustment Protocols	false
G.13	Supply Adjustment Mechanisms	N/A
G.14	Token Value Protection Schemes	false
G.15	Token Value Protection Schemes Description	N/A
G.16	Compensation Schemes	false

G.17	Compensation Schemes Description	N/A
G.18	Applicable law	Any dispute relating to this white paper shall be governed by and construed and enforced in accordance with the laws of Ireland without regard to conflict of law rules or principles (whether of Ireland or any other jurisdiction) that would cause the application of the laws of any other jurisdiction, irrespective of whether DUCK tokens qualify as right or property under the applicable law.
G.19	Competent court	Any disputes or claims arising out of this white paper will be subject to the exclusive jurisdiction of the Irish courts.
Part H – information on the underlying technology		
H.1	Distributed ledger technology	DUCK is implemented on The Open Network (TON). TON is a public blockchain platform originally initiated by Telegram, utilizing a multi-chain (sharded) architecture and a Proof-of-Stake (PoS) consensus. It is maintained by a decentralized network of validators
H.2	Protocols and technical standards	The DUCK token is based on The Open Network (TON), which utilizes decentralized Distributed-Ledger Technology. This protocol provides the foundation for secure transactions and smart contracts. The Jetton standard is a technical protocol for creating, transferring, and managing fungible tokens on The Open Network, ensuring that the DUCK token is interoperable with TON-compatible wallets, decentralized exchanges, and other dApps across the ecosystem.
H.3	Technology Used	The DUCK token uses the existing Jetton token standard on TON.
H.4	Consensus Mechanism	TON employs a Proof of Stake (PoS) consensus mechanism with Byzantine Fault Tolerance. Through this PoS system, blocks on TON are proposed and confirmed by a set of staked validators in a rotating schedule, and finality is achieved via a BFT agreement among validators. This consensus design allows DUCK transactions to be confirmed within seconds under normal network conditions while maintaining security through decentralization.
H.5	Incentive Mechanisms and Applicable Fees	DUCK relies on the existing incentive mechanisms and fee structures of the TON blockchain.

H.6	Use of Distributed Ledger Technology	false
H.7	DLT Functionality Description	N/A
H.8	Audit	true
H.9	Audit outcome	In 2024 the DuckChain bridge contract was audited by Quantstamp. Total Findings: 7 - 5 fixed, 2 acknowledged High Severity Findings: 0 Medium Severity Findings: 2 (fixed) Low Severity Findings: 2 (fixed) Undetermined Severity Findings: 1 (acknowledged) Information Findings: 2 (1 fixed, 1 acknowledged)
Part J - Information on the suitability indicators in relation to adverse impact on the climate and other environment-related adverse impacts		
S.1	Name	Payward Global Solutions Limited
S.2	Relevant legal entity identifier	9845003D98SCC2851458
S.3	Name of the crypto-asset	DuckChain Token
S.4	Consensus Mechanism	Toncoin utilizes a Proof of Stake (PoS) model with the Catchain consensus algorithm to provide a secure, scalable, and efficient multi-chain environment. Core Components of Toncoin's Consensus: 1. Proof of Stake (PoS) with Validators: Validator Role: Validators are required to stake Toncoin to participate in consensus. They validate transactions and secure the network by processing blocks and maintaining network integrity. 2. Catchain Consensus Algorithm:

		- High Scalability and Speed: The Catchain consensus protocol is specifically designed for Toncoin's multi-chain architecture, optimizing for fast and scalable operations across multiple shards. - Multi-Chain Compatibility: Catchain supports a sharded environment, allowing different chains (or shards) to reach consensus efficiently. This approach enhances the network's ability to process a high volume of transactions in parallel. 3. Byzantine Fault Tolerance (BFT): Fault Tolerance: The Catchain protocol is Byzantine Fault Tolerant (BFT), meaning it can tolerate some level of malicious or faulty behavior among validators. This BFT compliance ensures that the network remains secure and functional even when a minority of validators act maliciously. 4. Validator Rotation and Slashing: - Regular Rotation: Validators are rotated regularly to enhance decentralization and security. This system prevents any single validator or group from maintaining control over consensus indefinitely. - Slashing for Malicious Behavior: Validators who act maliciously or fail to perform their duties may be penalized through slashing, losing a portion of their staked Toncoin. This discourages dishonest behavior and promotes reliable network participation.
S.5	Incentive Mechanisms and Applicable Fees	Toncoin incentivizes network security, participation, and efficiency through staking rewards, transaction fees, and slashing penalties. Incentive Mechanisms: 1. Staking Rewards for Validators: Rewards for Securing the Network: Validators earn staking rewards for actively participating in the network's consensus process and ensuring its security. These rewards are provided in Toncoin and are proportional to each validator's staked amount, encouraging validators to maintain their roles responsibly.

		2. Transaction Fees: Ongoing Income for Validators: Validators also receive a share of transaction fees from the blocks they validate, providing a consistent reward that grows with network usage. This additional income incentivizes validators to process transactions accurately and efficiently. 3. Decentralization through Validator Rotation: Fair and Balanced Participation: The frequent rotation of validators ensures that new participants can join the validator set, promoting decentralization and preventing monopolization of the network by a small group of validators. 4. Slashing Mechanism: Penalties for Dishonest Behavior: To maintain security, Toncoin enforces a slashing mechanism that penalizes validators who act maliciously or fail to fulfill their duties. This risk of losing staked Toncoin encourages validators to behave honestly and fulfill their responsibilities. Applicable Fees: Transaction Fees: Transaction fees on the TON blockchain are paid in Toncoin. These fees vary based on transaction complexity and network demand, ensuring that validators are compensated for their work and that resources are efficiently utilized.
S.6	Beginning of the period to which the disclosure relates	2024-06-20
S.7	End of the period to which the disclosure relates	2025-06-20
S.8	Energy consumption	1413.64500 kWh/a
S.9	Energy consumption sources and methodologies	The energy consumption of this asset is aggregated across multiple components:

		To determine the energy consumption of a token, the energy consumption of the network(s) toncoin is calculated first. For the energy consumption of the token, a fraction of the energy consumption of the network is attributed to the token, which is determined based on the activity of the crypto-asset within the network. When calculating the energy consumption, the Functionally Fungible Group Digital Token Identifier (FFG DTI) is used - if available - to determine all implementations of the asset in scope. The mappings are updated regularly, based on data of the Digital Token Identifier Foundation. The information regarding the hardware used and the number of participants in the network is based on assumptions that are verified with best effort using empirical data. In general, participants are assumed to be largely economically rational. As a precautionary principle, we make assumptions on the conservative side when in doubt, i.e. making higher estimates for the adverse impacts.