PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

Codatta (XNY)

Last updated on September 1, 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 XNY 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 XNY. 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 Codatta and how does it work?

Codatta is a decentralized, multi-chain data infrastructure protocol that aims to transform human and AI-generated knowledge into structured, blockchain-based assets. The project focuses on building the "AI Knowledge Layer" by enabling contributors to annotate and validate data, which is then used to train AI models. Contributors receive perpetual royalties when their data is utilized, promoting a collaborative approach to data curation.

Codatta's XNY token plays a multifaceted role in both the crypto and AI ecosystems. By staking XNY, orchestration nodes help secure and operate the network supplying storage and compute resources and users can stake to build reputation, making their data contributions more likely to be validated and rewarded. Misconduct may lead to reputation reduction and XNY slashing. As a universal gas token, XNY simplifies multi-chain and multi-provider settlements; it also serves as the medium of exchange for purchasing AI data assets and distributing continuous royalties. The protocol addresses challenges such as data silos and lack of data integrity by aggregating and curating data through collaborative and automated mechanisms. Key features include account annotation and user demographic annotation, which are critical for applications like AML software, on-chain risk management, and personalized experiences in decentralized applications.

Who is behind the project?

Codatta is developed by Codatta Pte. Ltd., a private limited company incorporated in Singapore in 2022. The company is led by Yi Zhang, who serves as the Chief Executive Officer.

Tokenomics of Codatta

As of July 2025, XNY has a total supply of 10,000,000,000 billion tokens.

General Risks

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

Competition

The Codatta network faces competition from other cryptocurrencies such as Ocean Protocol (OCEAN), The Graph (GRT), and others. XNY's value derives from its broader adoption in the market. If the Codatta network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of XNY.

Due Diligence

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