

PAYWARD CANADA INC.
CRYPTO ASSET STATEMENT
THQ

Last updated on 14 October 2025

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 THQ 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 THQ. 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 THQ and how does it work?

Theoriq is a decentralized protocol that lets autonomous AI agents (“swarms”) coordinate and perform on-chain financial tasks. The Alpha protocol provides primitives for agent autonomy, swarm coordination, and reputation, enabling agents to collaborate on DeFi strategies. AlphaSwarm automates on-chain liquidity provisioning, yield optimization, and trading, with specialized agents rebalancing positions, rotating liquidity, and acting across venues as conditions change.

THQ is the network’s utility token. At the time of writing, the token is not yet live. The token is intended for access, staking, and incentive alignment. Holders can stake THQ to mint sTHQ (which earns emissions); time-locking sTHQ in the AlphaLocker mints non-transferable α THQ with time-weighted power. Delegated α THQ acts as slashable collateral for agents, may confer fee discounts, and can share in rewards. Protocol fees from agent activity (e.g., strategy execution, vault management) help fund rewards and sTHQ buybacks.

Who is behind the project?

Theoriq was founded by Ron Bodkin, David Mueller and Arnaud Flament.

Tokenomics of THQ

The total supply of THQ is 1 billion tokens, which is distributed as follows:

| Category | Percentage |
|-------------------|-------------|
| Community | 18% |
| Treasury | 28% |
| Core Contributors | 24% |
| Investors | 30% |
| Total | 100% |

General Risks

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

Competition

The Theoriq network faces competition from other on-chain AI agent platforms and AI/DeFi protocols such as Fetch.ai/SingularityNET (ASI), Autonolas (OLAS), Bittensor (TAO), and many others. THQ's value derives from its broader adoption in the market. If the Theoriq network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of THQ.

Due Diligence

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