

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
QuackAI (Q)

Last updated on September 2, 2026

Disclaimer

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

Quack AI describes itself as a modular, AI powered governance layer for what it calls the agent economy, live across more than ten blockchain networks including BNB Chain, according to its own website. Through its web dashboard, communities submit proposals, delegate votes to on chain AI agents and have approved actions executed automatically across chains. Smart contracts bundle a Proposal Engine, Delegation Layer and Execution Router, so the system filters and scores proposals, carries out reputation based delegation and routes execution without human bottlenecks. In October 2025 the project introduced Q402, a sign to pay execution layer that lets AI agents make gasless, policy governed payments across chains, announced on the project's own blog. The project has also extended its governance tooling toward compliance for tokenized real world assets, including a live integration on the MANTRA network.

The Q is intended to be used for governance participation including voting on and executing proposals, staking and delegation to earn rewards and automate decision making via AI agents, payment of proposal fees, access to advanced AI powered analytics and insights, and settlement of subscription or licensing fees for projects integrating Quack AI's governance tools.

Who is behind the project?

Quack AI's team remains anonymous and undisclosed, no individual contributors or leadership profiles are publicly available.

Tokenomics of QuackAI

The total supply of Q is 10 billion tokens. As of mid 2026, the circulating supply is approximately 4.17 billion Q according to CoinMarketCap.

General Risks

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

Competition

The Quack AI project faces competition from other automated governance platforms such as Aragon. Q's value derives from its broader adoption in the market. If the Quack AI project fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of Q.

Due Diligence

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