PAYWARD LTD

CRYPTO ASSET RISK DISCLOSURE

OpenLedger (OPEN)

Last updated on August 28, 2026

Disclaimer

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

OpenLedger is a blockchain network focused on providing decentralised "trust infrastructure" for artificial-intelligence (AI) models and data. The project says the network lets users contribute data, fine-tune models transparently, and monetise AI agents. OpenLedger is built as an Ethereum Layer-2 chain that settles to Ethereum while computation occurs on OpenLedger's L2.

The native token, OPEN, is intended to: pay gas fees and transaction costs; govern protocol parameters and treasury allocations through on-chain voting; be "staked" by node operators and AI-agent developers as economic security against poor behaviour. How does the network operate? Consensus & infrastructure: OpenLedger validators restake ETH (via EigenLayer) to secure the chain while running specialised AI-centric execution environments. Data Reservoir & Model Factory: Contributors upload curated datasets; model builders fine-tune language models and can publish agents that earn fees when used. Economic design: 51 % of total OPEN supply is earmarked for community incentives (testnet participants, validators, ecosystem grants), aligning token distribution with active network users.

Who is behind the project?

OpenLedger is overseen by the OpenLedger Foundation, registered in the British Virgin Islands and operating out of Singapore. Key contributors include Kamesh Elangovan as the Technical Lead and Ramkumar Subramanian as the Ecosystem Lead. Strategic advisers backing the project feature Sreeram Kannan (Founder, EigenLabs) and Balaji Srinivasan (former Coinbase CTO), while its $8 million seed round was led by Polychain Capital and Borderless Capital.

Tokenomics of OpenLedger

OpenLedger has a fixed maximum supply of 1 billion tokens. As of August 2026, the circulating supply is approximately 319 million OPEN according to CoinMarketCap. In October 2025, the OpenLedger Foundation announced an OPEN buyback program, funded by enterprise revenue, under which OPEN is purchased from the open market to support liquidity and network alignment; the Foundation has reported ongoing purchases through 2026.

General Risks

Like all other digital assets, there are some general risks to investing in *OPEN*. 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 OpenLedger

Competition

OpenLedger (OPEN) operates in a crowded arena of decentralised-AI networks and Ethereum Layer-2 (L2) scaling solutions, all vying for developers, data contributors, and user liquidity. On the AI side, competitors include EigenLayer's restaking protocol, which extends Ethereum security to new application chains and services.Bittensor offers a permissionless marketplace where participants train and validate AI models while earning TAO rewards. Projects such as SingularityNET and Fetch.ai provide decentralised marketplaces and agent frameworks for AI services. These two, together with Ocean Protocol, are merging their tokens into the Artificial Superintelligence (ASI) Alliance to pool liquidity and developer resources, further intensifying competition.

Due Diligence

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