

PAYWARD CANADA INC.

CRYPTO ASSET STATEMENT

Quant (QNT)

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Last updated on September 01, 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 QNT 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 QNT. 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 Quant and how does it work?

Quant is a project focused on blockchain interoperability and compliance-oriented infrastructure. Its core technology, Overledger, functions as a universal API-based gateway that allows developers and enterprises to build decentralised applications (“dApps” or “mDApps”) able to read from, write to and transfer data or value across multiple distributed-ledger networks, even when those networks use different consensus mechanisms or transaction formats.

Key components include: the Overledger SDK (developer tools and APIs), the Overledger Network (a secure private network that links existing enterprise systems to blockchains), the Overledger BPI (integration layer for legacy applications) and Overledger OS (an operating system for deploying and managing private or public blockchain infrastructure). Connectors within Overledger translate each target chain’s native language into a standardised format, enabling seamless messaging, filtering, ordering, and execution.

In 2025 Quant introduced Fusion, described as a Layer 2.5 multi-ledger roll-up network that extends Overledger with trusted-node staking and compliance controls tailored to regulated institutions. Fusion's Trusted Node Program allows qualified operators to stake QNT, validate cross-chain roll-ups, and earn network fees while giving enterprises jurisdictional choice over transaction processing. This evolution preserves Overledger's original API model while adding native, bridge-free asset transfers across supported Layer 1s.

QNT is an ERC-20 token used to pay annual licence and transaction fees for accessing Overledger services, lock value for 12-month periods to obtain enterprise licences and stake within Fusion's trusted-node framework to secure multi-ledger roll-ups and receive rewards proportional to network activity.

Who is behind the Project?

The project was founded in 2018 by Gilbert Verdian, a cybersecurity veteran and former CISO of Vocalink, a Mastercard company.

Tokenomics of QNT

The maximum supply of QNT is approximately 14.6 million tokens. As of September 2025, the current circulating supply of QNT is around 14.5 million tokens.

The initial token distribution was as follows:

Category	Allocation
Community	35%
Token sale	35%
Team	10%
Advisors	10%
Quant Treasury	10%
Total	100%

General Risks

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

Competition

The Quant network faces competition from other interoperability networks such as Polkadot, Hyperledger, Cosmos, and many others. QNT 's value derives from the Quant network's broader adoption by developers and users. If the Quant network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of QNT.

Due Diligence

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