

remain effective and the Company has no obligation to register such digital assets. Furthermore, a seller under a registration statement may have liabilities that a seller under Rule 144 does not have. Any or all of these matters may cause affiliates of the Company to elect not to acquire the digital assets, which could depress the value of digital assets.

15. The tax treatment of our digital assets is uncertain and there may be adverse tax consequences for purchasers upon certain future events.

The tax characterization of our digital assets is uncertain, and each purchaser must seek its own tax advice in connection with a purchase of our digital assets. An investment in our digital assets may result in adverse tax consequences to purchasers, including withholding taxes, income taxes and tax reporting requirements. See "Certain United States Federal Income Tax Considerations," herein. Each purchaser should consult with and must rely upon the advice of its own professional tax advisors with respect to the United States and non-U.S. tax treatment of an investment in our digital assets.

The tax characterization of our digital assets also affects the Company's tax liability in connection with the Offering. In addition, the accounting consequences are uncertain, and there is a possibility that the proceeds of the Offering might be treated as a liability rather than equity for accounting purposes, which would reduce EDGE196™'s net book value compared to equity treatment, which would prevent EDGE196™ from making dividend payments until such time, if ever, that EDGE196™'s net book value increases to a positive amount at least greater than the aggregate amount of any proposed dividend.

16. The potential application of U.S. laws regarding investment into our digital assets is unclear.

Our digital assets are novel and the application of U.S. federal and state securities laws is unclear in many respects. Because of the differences between our digital assets and traditional investment securities, there is a risk that issues that might easily be resolved by existing law if traditional securities were involved may not be easily resolved for our digital assets. In addition, because of the novel risks posed by our digital assets, it is possible that securities regulators may interpret laws in a manner that adversely affects the value of our digital assets. For example, if applicable securities laws restrict the ability for the digital assets to be transferred, this would have a material adverse effect on the value of our digital assets. The occurrence of any such legal or regulatory issues or disputes, or uncertainty about the legal and regulatory framework applicable to our digital assets, could have a material adverse effect on the holders of Our digital assets.