

Risks Related to Blockchain Technology

30. The regulatory regime governing blockchain technologies, cryptocurrencies, digital assets, and offerings of digital assets, such as the digital assets, is uncertain, and new regulations or policies may materially adversely affect the development and the value of the digital assets.

Regulation of digital assets, like EDGE-Q and EDGE-X, and offerings such as this, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges, is currently undeveloped and likely to rapidly evolve as government agencies take greater interest in them, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future adopt laws, regulations, or guidance, or take other actions, which may severely impact the permissibility of the digital assets, tokens generally and, in each case, the technology behind them or the means of transaction in or transferring them. Failure by the Company or certain users of our digital assets to comply with any laws, rules and regulations, some of which may not exist yet or that are subject to interpretations that may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

Cryptocurrency networks, distributed ledger technologies, and coin and token offerings also face an uncertain regulatory landscape in many foreign jurisdictions such as the European Union, China and Russia. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the digital assets. Such laws, regulations or directives may conflict with those of the United States or may directly and negatively impact the Company's business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the adoption and value of the digital assets and the financial performance of the Company.

New or changing laws and regulations or interpretations of existing laws and regulations, in the United States and other jurisdictions, may materially and adversely impact the value of the digital assets, including with respect to the dividends that may be made, the liquidity of the digital assets, the ability to access marketplaces or exchanges on which to trade the digital assets, and the structure, rights and transferability of digital assets.