

- Market-driven pressures to consolidate operations and reduce costs
- Market acceptance of relatively new technologies

56. EDGE196™ lacks a past operating history and past performance measures.

EDGE196™ is a newly formed entity with little prior operating history. Although the directors and officers of EDGE196™ have experience making private equity investments, the past performance of EDGE196™'s business activities is not necessarily indicative of the future results of EDGE196™'s portfolio company purchases. The results and performance of EDGE196™ will likely differ from prior results and performance of EDGE196™ portfolio company due to, among other things, the fact that EDGE196™ will make investments in different assets using different structures and EDGE196™ will not be investing at the same time the prior purchases were made, so applicable regulatory restrictions, financing markets, supply, demand and other economic factors that could impact returns with respect to EDGE196™'s purchases will be different.

57. Asset valuations will be determined by EDGE196™.

Valuations with respect to EDGE196™ investments shall be determined by EDGE196™. EDGE196™ may, but is not required to commission independent third party valuations of its investments. EDGE196™ may consider these valuation reports in determining the value of EDGE196™'s investments.

58. EDGE196™ intends to make venture capital purchases, which have inherent risks associated with them.

The types of purchases that EDGE196™ anticipates making involve a high degree of risk. In general, financial and operating risks confronting portfolio companies can be significant. While targeted returns should reflect the perceived level of risk in any purchase situation, there can be no assurance that EDGE196™ will be adequately compensated for risks taken. A loss of a purchaser's entire investment in EDGE196™ digital assets is possible. The timing of profit realization, if any, is highly uncertain. Purchases in early to mid-stage companies in the expansion or growth stage involve substantial risks. Such companies may face significant regulatory hurdles to overcome before they can begin producing, marketing and selling products and may require significant additional purchase to obtain the required approvals.