

Tax

Certain Material U.S. Federal Income Tax Considerations [LL Tax update]¹

The following is a general discussion of certain material United States federal income tax considerations which may be relevant to prospective purchasers in EDGE196™ who are individual citizens or residents of the United States who purchase digital assets pursuant to this offering. This discussion is based on the current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed Treasury Regulations promulgated thereunder ("Regulations"), court decisions, and administrative rulings of the IRS, all in effect on the date of this document, and all of which are subject to change, possibly on a retroactive basis, or are subject to different interpretations. There can be no assurance that the IRS will not take a contrary view to any of the matters discussed herein, and no ruling from the IRS has been, or will be, sought on the issues discussed in this summary. In addition, no assurance can be given that future legislative or administrative changes or court decisions will not significantly modify the discussion contained herein. Any such changes may or may not be retroactive, including with adverse effect, with respect to transactions completed prior to the dates of any such changes.

This discussion only applies to individual citizens or residents of the United States who hold digital assets as capital assets within the meaning of Code Section 1221 (generally, property held for purchase). The tax treatment of unitholders may vary depending upon their particular situations. Certain holders, including corporations, estates, trusts, insurance companies, tax exempt organizations or governmental organizations, banks and other financial institutions, pass-through entities and purchasers in pass-through entities, taxpayers subject to the alternative minimum tax, broker-dealers, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, U.S. holders whose functional currency is not the U.S. Dollar, regulated purchase companies, real estate purchase trusts and persons holding digital assets as part of a "straddle", "hedge," "constructive sale," "conversion transaction," or other integrated transaction or risk reduction transaction, "controlled foreign corporations," "passive foreign purchase companies," and certain former citizens or former long-term residents of the United States, may be subject to special rules not discussed below. This discussion does not address any U.S. estate or gift tax considerations or any foreign, state or local tax considerations.

No ruling has been requested from the IRS regarding EDGE196™'s classification as a partnership for tax purposes or the consequences of owning digital assets. We urge you to consult your own tax advisors regarding the particular U.S. federal income tax consequences to you of acquiring, holding, and disposing of digital assets, any tax consequences that may arise under U.S. estate or gift tax laws or under the laws of any relevant foreign, state, local, or other taxing jurisdiction or under any applicable income tax treaty, as well as possible effects of changes in federal or other tax laws.