

This Offering Document (the “**Offering Document**”), constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. This Offering Document is not, and under no circumstances is to be construed as a prospectus or advertisement or a public offering of these securities.

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

May 20, 2025

NEW WAVE HOLDINGS CORP.

(the “**Issuer**”, “**New Wave**” or “**we**”)

SUBSCRIPTION PRICE \$0.055 PER UNIT

PART 1 – SUMMARY OF OFFERING

What are we offering?

Offering:	The Issuer is hereby offering for sale to eligible investors units of the Issuer (the “ Units ”) pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 <i>Prospectus Exemptions</i> (“ NI 45-106 ”).
The Units:	Each unit (a “ Unit ”) is comprised of one common share of the Issuer (a “ Share ”) and one common share purchase warrant of the Issuer (a “ Warrant ”). Each Warrant will be exercisable to acquire one Share (each a “ Warrant Share ”, and together with the Units, Shares and Warrants, the “ Securities ”) at an exercise price of \$0.07 per Share for a period of 24 months from the date of closing (and not before the date that is 75 days from closing of the offering).
Offering Price:	\$0.055 per Unit.
Offering Amount:	7,000,000 Units, for aggregate gross proceeds of \$385,000 (the “ Offering ”). In the event that the Issuer does not raise the minimum gross proceeds of \$385,000 pursuant to the Offering, the Offering will not be completed and no securities will be issued thereunder.
Closing Date:	The closing of the Offering is expected to occur on or about May 30, 2025, or such earlier or later date that the Issuer may determine. On the closing date of the Offering, the Securities will be issued against receipt of funds.
Exchange:	The Shares of the Issuer are listed on the Canadian Securities Exchange (the “ Exchange ”), under the symbol “ NWAI ”.
Last Closing Price:	The closing price of the Shares on the Exchange on May 20, 2025, was \$0.07.
Description of Shares:	The holders of Shares are entitled to: (i) receive dividends as and when declared by the board of directors of the Issuer, out of the moneys properly applicable to the payment of dividends, in such amount and in such form as the board of directors may from time to time determine; (ii) in the event of the dissolution, liquidation or winding-up of the Issuer, whether voluntary or involuntary, or any other distribution of the assets of the Issuer among its shareholders for the purpose of winding-up its affairs, receive the remaining property and assets of the Issuer; and (iii) receive notice of and to attend all meeting of the shareholders of the Issuer and to have one vote for each Share held at all meetings of the shareholders of the Issuer, except for meeting at which only holders of another specified class or series of shares of the Issuer are entitled to vote separately as a class or series.
Description of Warrants:	Each Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.07 until 4:00 p.m. (Vancouver time) on the date that is 24 months following the date of closing of the Offering (provided, however, the Warrants may not be

exercised until the date that is 75 days from the closing of the Offering), after which time the Warrants will be void and of no value. The Warrants will be governed by the terms and conditions set out in the certificate representing the Warrants (the “**Warrant Certificates**”) delivered to you at the closing of the Offering. The Warrant Certificates will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain customary events. Notwithstanding the foregoing, the terms and conditions governing the Warrants may, at the election of the Issuer, be provided in an indenture to be entered into between the Issuer and a warrant agent, pursuant to which subscribers will be provided Warrant Certificates.

No fractional Warrant Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Issuer or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Certificate. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Shares.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The Units, the Shares and the Warrants comprising the Units, and the Warrant Shares issuable upon the exercise of the Warrants, have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person or any person in the United States, absent an exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. person unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available at the time of exercise. Securities issued to, or for the account or benefit of, a U.S. person or a person in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws will be “restricted securities” within the meaning of Rule 144 under the U.S. Securities Act subject to certain restrictions on transfer set forth therein, and may be represented by definitive certificates or other instruments bearing a legend regarding such restrictions.

All references in this Offering Document to “dollars” or “\$” are to Canadian dollars, unless otherwise stated.

General Information

The Issuer is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 – *Prospectus Exemptions*. In connection with this Offering, the Issuer represents the following is true:

- The Issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The Issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$25,000,000.
- The Issuer will not close this Offering unless the Issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The Issuer will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Issuer seeks security holder approval.

Cautionary Note Regarding Forward-Looking Statements

This Offering Document contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “will”, “proposes”, “expects”, “estimates”, “intends”, “anticipates” or “believes”, or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. All statements, other than statements of historical fact, that address activities, events or developments that the Issuer believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding any objectives and strategies of the Issuer) are forward-looking statements. Examples of such forward-looking statements in this Offering Document include the Issuer’s business plans focused on accretive acquisitions for investment purposes, consents and permits under applicable legislation; use of available funds, including the proceeds of the Offering and the costs of the Offering; business objectives and milestones; and adequacy of financial resources. These forward-looking statements reflect the current expectations, assumptions or beliefs of the Issuer based on information currently available to the Issuer.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking statements contained in this Offering Document include, without limitation, the availability and final receipt of required approvals, sufficient working capital, economic conditions, foreign currency exchange rates, interest rates, access to equity and debt markets and associated costs of funds, that the Issuer continues to retain its skilled management team, and that the Issuer maintains its ongoing relations with its business partners and governmental authorities.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance or developments could differ materially from those anticipated in such statements. Although the Issuer believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Issuer’s actual results, performance or developments to be materially different from any future results, performance or developments expressed or implied by the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Issuer. Prospective investors should carefully consider all information contained in this Offering Document including information contained in the section entitled “Cautionary Note Regarding Forward-Looking Statements”, before deciding to purchase the Units. Additionally, purchasers should consider the risk factors set forth below, as well as risks described in the Issuer’s filings that are available on the Issuer’s SEDAR+ profile at www.sedarplus.ca. Risks which may impact the forward-looking information contained in this Offering Document include but are not limited to, limited operating history as an investment issuer; risks associated with divestment, cash flow and revenue, private issuers with illiquid securities, competition; operating risks; risks related to a new and unproven market; reliance on management and dependence on skilled personnel; security breach risks; intellectual property risks; risks related to the market price of common shares and volatility; conflicts of interest of management; new laws and government restrictions; foreign financial, political, or economic risks; and other factors beyond the control of the Issuer. The reader is cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Issuer, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Although the forward-looking statements contained in this Offering Document are based upon what management of the Issuer currently believes to be reasonable assumptions actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given

that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits will be derived therefrom. These forward-looking statements are made as of the date of this Offering Document and, other than as specifically required by law, the Issuer does not assume any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

PART 2 – SUMMARY DESCRIPTION OF BUSINESS

What Is Our Business?

The Issuer was incorporated under the *Business Corporations Act* (British Columbia) on May 17, 2006 under the name “Stage Capital Inc.” On February 20, 2009, the Issuer changed its name to “Trueclaim Exploration Inc.”. On October 24, 2019, the Issuer changed its name to “New Wave Esports Corp.” and on May 8, 2020, the Issuer changed its name to “New Wave Holdings Corp.” The Issuer was listed for trading on the Exchange on October 28, 2019 under the trading symbol “NWES”. The trading symbol was changed to “SPOR” on May 8, 2020 following the change of name of the Issuer. The trading symbol was changed to “NWA1” on February 28, 2024.

The Shares trade on the Exchange under the symbol “NWA1”. The Issuer is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

The Issuer is an investment company that has been focused on supporting innovative and fast-growing companies within the esports, NFT, Metaverse, Blockchain, and Web3 sectors. It intends to also identify accretive acquisitions within a wider strategic scope, including exploring entry into the emerging AI market.

Recent Developments

The most material recent developments in our business are:

- On May 12, 2025, the Company announced that it has entered into debt settlement agreements for an aggregate of \$348,640 in debt. On May 20, 2025, in settlement of such debt, the Company issued an aggregate of 6,972,800 Shares at a deemed price of \$0.05 per Share.
- On April 17, 2025, the Issuer announced that, effective on April 25, 2025, the Issuer consolidated the common shares in the capital of the Issuer on the basis of one (1) post-consolidation share for every five (5) pre-consolidation shares.
- On November 7, 2024, at the annual general meeting of the shareholders of the Issuer, the shareholders approved the consolidation of Shares at a ratio of up to ten (10) pre-consolidation Shares for every one (1) post-consolidation Share, as and when determined by the board of directors of the Issuer.
- On February 20, 2024, the Issuer completed an acquisition of 50% of the issued and outstanding shares of Longevity AI Inc., a private corporation existing under the laws of the state of Delaware, United States is focused on leveraging artificial intelligence to help patients achieve better healthcare outcomes.
- On January 3, 2024, the Issuer issued 1,575,000 pre-consolidation Shares at a deemed price of \$0.06 per pre-consolidation Share for settlement of debt in the aggregate amount of \$94,500.
- On October 24, 2023, the Issuer completed an acquisition of 51% of the issued and outstanding shares of Rosey Inc., a private corporation having ownership of a series of intellectual property including certain assets relating to Artificial Intelligence and an AI-Powered Command Center encompasses a series of tools tailored for the enhancement of productivity, creativity, and both personal and professional development.

Material Facts

There are no material facts about the Shares being distributed hereunder that have not been disclosed either in this Offering Document or in another document filed by the Issuer over the 12 months preceding the date of this Offering Document on the Issuer's profile at www.sedarplus.ca. You should read these documents prior to investing.

What are the business objectives that we expect to accomplish using the available funds?

The Issuer's primary business objectives for the next 12 months are to evaluate investment opportunities and to assist the companies in its portfolio with corporate finance, branding and marketing, capital markets and investor awareness. The Issuer anticipates that the cost for the next 12 months is approximately \$350,000.

PART 3 – USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

		Assuming 100% of the Offering
A	Amounts to be raised by the Offering ⁽¹⁾	\$385,000
B	Selling commissions and fees ⁽²⁾	\$-
C	Estimated Offering costs (e.g., legal, filing fees)	\$15,000
D	Net proceeds of Offering: $D = A - (B+C)$	\$370,000
E	Working capital as at April 30, 2025	\$1,520,705
F	Additional sources of funding	\$-
G	Total available funds: $G = D+E+F$	\$1, 890,705

Note:

(1) The minimum and maximum amounts to be raised pursuant to the Offering are each \$385,000. In the event that the Issuer does not raise the minimum gross proceeds of \$385,000 pursuant to the Offering, the Offering will not be completed and no securities will be issued thereunder.

(2) Assumes no cash commissions to eligible finders.

As at December 31, 2024, the Issuer had cash on hand and a working capital position of \$14,140] and \$1,202,686, respectively. The working capital position at December 31, 2024 includes a note receivable and investments of \$15,303 and \$2,501,727, respectively. The increase in working capital of \$318,019 as at December 31, 2024 to \$1,520,705 as at April 30, 2025 is primarily a result of a share for debt settlement of accounts payables, changes in the fair value investments, and general and administrative expenses.

The Issuer is an investment issuer and is dependent upon equity or debt financing to maintain its current operations. Accordingly, the Issuer has had negative cash flows from operating activities and reported a net loss for the three months ended December 31, 2024 of \$30,889 and \$113,929, respectively. The Issuer anticipates that negative operating cash flows will continue as long as the Issuer continues as a going concern, and to the extent that the Issuer has negative cash flows from operating activities in future periods, the Issuer may need to deploy a portion of its cash reserves to fund such negative cash flow.

How will we use the available funds?

The Issuer intends to use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming 100% of the Offering
Future Investment Opportunities	\$100,000
Finance, Branding and Marketing of Current Investments	\$50,000
Legal and Audit Fees	\$100,000
General and Administrative Fees	\$100,000
Unallocated Working Capital	\$1,550,705

Total: Equal to G in the Use of Available Funds table	\$1,890,705
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The above noted allocation of capital and anticipated timing represents the Issuer’s current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Issuer intends to expend the proceeds from the Offering and its available funds as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Issuer’s ability to execute on its business plan.

The most recent audited annual financial statements and unaudited interim financial statements of the Issuer included a going concern note. Management is aware, in making its going concern assessment, of recurring losses, on-going negative cash flow and an ongoing dependence on financing activities that may cast significant doubt on the Issuer’s ability to continue as a going concern. The Issuer’s continued existence is dependent upon the profitability of its investments, its ability to dispose of its investments at a profit and its ability to make additional investments. The Offering is intended to permit the Issuer to continue to seek out additional investment opportunities and fund its management costs and is not expected to affect the decision to include a going concern note in the next financial statements of the Issuer. The available funds will not be paid to an insider, associate, or affiliate of the Issuer, except for normal course salaries or consulting fees that are currently or may be paid by the Issuer to its officers and/or director.

How have we used the other funds we have raised in the past 12 months?

The Issuer has not raised any funds in the past 12 months.

PART 4 – FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

There are no brokers, dealers, finders or other persons that will be compensated in connection with the Offering .

PART 5 – PURCHASERS’ RIGHTS

Rights of action in the Event of a Misrepresentation.

If there is a misrepresentation in this Offering Document, you have a right

- (a) to rescind your purchase of these securities with the Issuer, or
- (b) to damages against the Issuer and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

PART 6 – ADDITIONAL INFORMATION ABOUT THE ISSUER

Where can you find more information about us?

You can access the Issuer’s continuous disclosure under its profile at www.sedarplus.ca.

PART 7 – DATE AND CERTIFICATE

Dated: May 20, 2025

This Offering Document, together with any document filed under Canadian securities legislation on or after May 20, 2025, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

“Sunny Ray”

Sunny Ray
Chief Executive Officer

“Geoffrey J. Balderson”

Geoffrey J. Balderson
Chief Financial Officer

APPENDIX TO OFFERING DOCUMENT

ACKNOWLEDGEMENTS OF THE INVESTOR

Each purchaser of the Units (the “Investor”) makes, and is deemed to make, the following acknowledgements, covenants, representations and warranties to the Issuer, as at the date hereof, and as of the closing date of the Offering:

- a) The Investor acknowledges that this Offering is a private placement and accordingly is exempt from the prospectus filing requirements of applicable securities laws. The Investor has received a copy of the Offering Document, has had an opportunity to read it and understands that it does not contain all the information about the Issuer that would be contained in a prospectus.
- b) Unless the Investor has otherwise confirmed or agreed in writing to the Issuer, the Investor hereby confirms that:
 - i. the Investor does not own any other shares of the Issuer; and
 - ii. personal information provided by the Investor may be shared by the Issuer with all applicable securities regulatory authorities, law enforcement and taxation authorities in Canada and abroad. The Investor may contact the named public officials in each of the applicable provincial securities commissions with respect to questions about the commission’s indirect collection of such Information and the contact information for such public officials is available from the Issuer on request.
- c) the Investor confirms that it (i) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Units (including the potential loss of its entire investment); (ii) is aware of the characteristics of the Units and understands the risks relating to an investment therein; and (iii) is able to bear the economic risk of loss of its investment in the Units and understands that it may lose its entire investment in the Units;
- d) the Investor is resident in the jurisdiction disclosed to the Issuer and the Investor was solicited to purchase only in such jurisdiction;
- e) to the Investor’s knowledge and belief, the subscription for the Units by the Investor does not contravene any of the applicable securities legislation in the jurisdiction in which the Investor resides and does not give rise to any obligation of the Issuer to prepare and file a prospectus, registration statement or similar document or to register the Units;
- f) the funds representing the aggregate subscription funds which will be advanced by the Investor to the Issuer hereunder, as applicable, will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “PCMLTFA”) or for the purposes of the United States Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act, as may be amended from time to time (the “PATRIOT Act”) and the Investor acknowledges that the Issuer may in the future be required by law to disclose the Investor’s name and other information relating to the Investor’s subscription of the Units, on a confidential basis, pursuant to the PCMLTFA and the PATRIOT Act, and that, to the best of its knowledge: (i) none of the subscription funds to be provided by the Investor (A) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States or any other jurisdiction; or (B) are being tendered on behalf of a person who has not been

identified to the Investor; and (ii) it will promptly notify the Issuer if the Investor discovers that any of such representations ceases to be true, and to provide the Issuer with appropriate information in connection therewith;

- g) neither the Issuer nor any of its respective directors, employees, officers, affiliates or agents has made any written or oral representations to the Investor: (i) that any person will resell or repurchase the Units; (ii) that any person will refund all or any part of the subscription amount; or (iii) as to the future price or value of the Units;
- h) the Investor is not purchasing the Units with knowledge of any material information concerning the Issuer that has not been generally disclosed. The Investor's Units are not being purchased by the Investor as a result of any oral or written representation as to fact or otherwise made by, or on behalf of, the Issuer or any other person and is based entirely upon the Offering Document and the Issuer's continuous disclosure record at www.sedarplus.ca;
- i) no securities commission, agency, governmental authority, regulatory body, stock exchange or other regulatory body has reviewed or passed on the investment merits of the Units and there is no government or other insurance covering the Units;
- j) if the Investor is:
 - i. a corporation, it is duly incorporated and is validly subsisting under the laws of the jurisdiction where it has provided a business address to the Issuer and has all requisite legal and corporate power and authority to subscribe for the Units;
 - ii. a partnership, syndicate or other form of unincorporated organization, the Investor has the necessary legal capacity and authority to observe and perform its covenants and obligations under this Offering Document and has obtained all necessary approvals in respect thereof; or
 - iii. an individual, the Investor is of the full age of majority and is legally competent to observe and perform his or her covenants and obligations under this Offering Document;
- k) the Investor is responsible for obtaining such legal and tax advice as it considers appropriate in connection with the performance of this Offering Document and the transactions contemplated under this Offering Document, and that the Investor is not relying on legal or tax advice provided by the Issuer or its counsel;
- l) the purchase of the Units will not breach any third-party agreement or court order to which the Investor is subject; and
- m) where required by law, the Investor is either purchasing the Units as principal for its own account and not as agent or trustee for the benefit of another or is deemed to be purchasing the Units as principal for its own account in accordance with applicable securities laws.

United States Investors- Additional Acknowledgements

- n) unless the Investor has separately delivered to the Issuer a U.S. Representation Letter (in which case the Investor makes the representations, warranties and covenants set forth therein), the Investor (i) is not in the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the "**United States**"), (ii) was outside of the United States at the time the buy

order for the Units was originated, (iii) is not subscribing for the Units for the account of a person in the United States, (iv) is not subscribing for the Units for resale in the United States, and (v) was not offered the Units in the United States;

- o) the Investor is aware that the Units have not been and will not be registered under the *United States Securities Act of 1933* (the “**U.S. Securities Act**”) or the securities laws of any state of the United States and that the Units may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States, any state or territory of the United States or the District of Columbia, without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an exemption from such registration and it acknowledges that the Issuer has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of the sale or resale of the Units;
- p) (i) Neither the Investor, nor any beneficial purchaser, if any, nor any Subscriber Beneficial Owner (as defined below) has been subject to or experienced any event or circumstance described in Rule 506(d)(1)(i) through (viii) of Regulation D (“**Regulation D**”) under the U.S. Securities Act, (ii) neither the Investor, nor any beneficial purchaser, if any, nor any Subscriber Beneficial Owner has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 of Regulation D, and (iii) if at any time the Investor, any beneficial purchaser, if any, or any Subscriber Beneficial Owner is deemed, directly or indirectly, to be the beneficial owner of ten percent (10%) or more of the Issuer’s outstanding voting equity securities as calculated under Rule 13d-3 under the *United States Securities Exchange Act of 1934*, as amended, the Investor or the beneficial purchaser (as applicable) will immediately notify the Issuer if the Investor, any beneficial purchaser, or a Subscriber Beneficial Owner becomes subject to or experiences any of the events or circumstances listed in Rule 506(d)(1)(i) through (viii) of Regulation D (or any successor thereto or expansion thereof) or becomes subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 of Regulation D. The Investor has exercised, and will exercise, reasonable care to determine whether any beneficial purchaser and Subscriber Beneficial Owner is subject to any of the events or circumstances described in this paragraph. For these purposes, “**Subscriber Beneficial Owner**” means any person who through the Investor or the beneficial purchaser (if applicable) would be deemed, directly or indirectly, to be the beneficial owner of ten percent (10%) or more of the Issuer’s outstanding voting equity securities as calculated under Rule 13d-3 under the *United States Securities Exchange Act of 1934*, as amended.