

GRAYSCALE BITCOIN CASH TRUST (BCH)
2021 Grantor Trust Tax Information
EIN: 82-6867376

The following information is being provided to assist Shareholders of the Grayscale Bitcoin Cash Trust (BCH) (the "Trust") with reporting of their taxable income and expenses for the period January 1, 2021 through December 31, 2021

TAXATION OF THE TRUST

The Trust is a grantor trust for U.S. federal income tax purposes. As a result, the Trust itself is not subject to U.S. federal income tax. Instead, the Trust's income and expenses "flow through" to the Shareholders.

TAXATION OF US INDIVIDUAL SHAREHOLDERS

Shareholders generally will be treated, for U.S. federal income tax purposes, as if they directly owned a pro rata share of the underlying assets held in the Trust. Shareholders also will be treated as if they directly received their respective pro rata shares of the Trust's income and proceeds, and directly incurred their pro rata share of the Trust's expenses. Most state and local tax authorities follow U.S. income tax rules in this regard. However, Shareholders should contact their own tax advisors as to the state and local tax consequences of ownership of shares of the Trust.

The Trust holds only Bitcoin Cash ("BCH") tokens and, accordingly, received no income during the year.

The Trust paid expenses periodically, as shown in the attached 2021 Gross Proceeds File. These expenses are allocated into monthly periods as shown in the 2021 Expense File. An example illustrating the computation of a Shareholder's share of expenses is provided.

Because the Trust paid out only a *de minimis* amount of BCH tokens for payment of Trust expenses during the year and made no distributions of sale proceeds to its Shareholders, under Treas. Reg. Sec. 1.671-5(c)(2)(iv)(B) neither the Trust nor brokers are required to report the gross proceeds of Trust sales to Shareholders on Form 1099B. In lieu of Form 1099B, this information is contained in the attached 2021 Gross Proceeds File together with an example illustrating how a Shareholder should calculate gain or loss.

GLOSSARY OF TERMS

Grayscale Bitcoin Cash Trust (BCH) - (the "Trust")

Expense File – Summary of allocated monthly Trust expenses per share in USD (page 2)

Gross Proceeds File – Summary of daily value per share (in BCH), amount of BCH paid to cover trust expenses (in BCH), and per share proceeds from BCH paid to cover trust expenses (in USD) - (pages 3 - 14)

Pro-Rated Shares – All income and expenses are distributed pro rata based on the actual number of days in the calendar month (see example on page 2)

GRAYSCALE BITCOIN CASH TRUST (BCH) 2021 EXPENSE FILE

Summary of Expenses by Month (Details on pages 3-14)

Date	Expenses Per Share (USD)	Amount of BCH Per Share
January	0.00727417	0.00001832
February	0.00784625	0.00001716
March	0.01030618	0.00001959
April	0.01878619	0.00001900
May	0.01368421	0.00001959
June	0.00973535	0.00001869
July	0.00998058	0.00001903
August	0.01242326	0.00001947
September	0.00935265	0.00001880
October	0.01186880	0.00001939
November	0.01089696	0.00001873
December	0.00834023	0.00001931
Total for year	0.13049483	0.00022708

How to Calculate the Shareholder's Investment Expenses

Identify in the table above the months (full and partial) in which the Shareholder held shares in the Trust. The amount in the column labeled "Expenses Per Share," represents the amount of investment expense paid per share for a full month. For any month in which the shares were not held on each day in such month, the expenses should be pro-rated based on the number of days held (see attached details for each month pages 3-14).

Example illustrating calculation of a Shareholder's 2021 Grayscale Bitcoin Cash Trust (BCH) Expenses

Assume that a Shareholder purchased 20,000 shares on February 15, 2021 and sold them on September 15, 2021. For the month of February, Shareholder's expenses are \$0.00784625 (See Summary Table above – February Factor) x (13/28) = \$0.00364290 per share. For the months of March through August, the expenses per share are as shown in the summary table above. For the month of September, Shareholder's expenses are \$0.00935265 (See Summary Table above – September Factor) x (15/30) = \$0.00467633. The total expenses for Shareholder are therefore \$0.08323500 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held (20,000), or \$1,664.70.

Total Expenses per Share	\$0.08323500
Total Shares	<u>20,000</u>
Total Expense	<u>\$ 1,664.70</u>

(Please consult your tax advisor as to reporting)

GRAYSCALE BITCOIN CASH TRUST (BCH) 2021 GROSS PROCEEDS FILE

Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
1/1/2021	0.00931434		
1/2/2021	0.00931370		
1/3/2021	0.00931307		
1/4/2021	0.00931243		
1/5/2021	0.00931179		
1/6/2021	0.00931115		
1/7/2021	0.00931051		
1/8/2021	0.00930988		
1/9/2021	0.00930924		
1/10/2021	0.00930860		
1/11/2021	0.00930796		
1/12/2021	0.00930733		
1/13/2021	0.00930669		
1/14/2021	0.00930605		
1/15/2021	0.00930541		
1/16/2021	0.00930478		
1/17/2021	0.00930414		
1/18/2021	0.00930350		
1/19/2021	0.00930286		
1/20/2021	0.00930223		
1/21/2021	0.00930159		
1/22/2021	0.00930095		
1/23/2021	0.00930032		
1/24/2021	0.00929968		
1/25/2021	0.00929904		
1/26/2021	0.00929840		
1/27/2021	0.00929777		
1/28/2021	0.00929713		
1/29/2021	0.00929649		
1/30/2021	0.00929586		
1/31/2021	0.00929522	0.00001832	0.00727417

GRAYSCALE BITCOIN CASH TRUST (BCH) 2021 GROSS PROCEEDS FILE

Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
2/1/2021	0.00929458		
2/2/2021	0.00929395		
2/3/2021	0.00929331		
2/4/2021	0.00929267		
2/5/2021	0.00929204		
2/6/2021	0.00929140		
2/7/2021	0.00929077		
2/8/2021	0.00929013		
2/9/2021	0.00928949		
2/10/2021	0.00928886		
2/11/2021	0.00928822		
2/12/2021	0.00928758		
2/13/2021	0.00928695		
2/14/2021	0.00928631		
2/15/2021	0.00928568		
2/16/2021	0.00928504		
2/17/2021	0.00928440		
2/18/2021	0.00928377		
2/19/2021	0.00928313		
2/20/2021	0.00928250		
2/21/2021	0.00928186		
2/22/2021	0.00928122		
2/23/2021	0.00928059		
2/24/2021	0.00927995		
2/25/2021	0.00927932		
2/26/2021	0.00927868		
2/27/2021	0.00927805		
2/28/2021	0.00927741	0.00001716	0.00784625

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
3/1/2021	0.00927678		
3/2/2021	0.00927614		
3/3/2021	0.00927550		
3/4/2021	0.00927487		
3/5/2021	0.00927423		
3/6/2021	0.00927360		
3/7/2021	0.00927296		
3/8/2021	0.00927233		
3/9/2021	0.00927169		
3/10/2021	0.00927106		
3/11/2021	0.00927042		
3/12/2021	0.00926979		
3/13/2021	0.00926915		
3/14/2021	0.00926852		
3/15/2021	0.00926788		
3/16/2021	0.00926725		
3/17/2021	0.00926661		
3/18/2021	0.00926598		
3/19/2021	0.00926535		
3/20/2021	0.00926471		
3/21/2021	0.00926408		
3/22/2021	0.00926344		
3/23/2021	0.00926281		
3/24/2021	0.00926217		
3/25/2021	0.00926154		
3/26/2021	0.00926090		
3/27/2021	0.00926027		
3/28/2021	0.00925964		
3/29/2021	0.00925900		
3/30/2021	0.00925837		
3/31/2021	0.00925773	0.00001959	0.01030618

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
4/1/2021	0.00925710		
4/2/2021	0.00925646		
4/3/2021	0.00925583		
4/4/2021	0.00925520		
4/5/2021	0.00925456		
4/6/2021	0.00925393		
4/7/2021	0.00925329		
4/8/2021	0.00925266		
4/9/2021	0.00925203		
4/10/2021	0.00925139		
4/11/2021	0.00925076		
4/12/2021	0.00925013		
4/13/2021	0.00924949		
4/14/2021	0.00924886		
4/15/2021	0.00924823		
4/16/2021	0.00924759		
4/17/2021	0.00924696		
4/18/2021	0.00924633		
4/19/2021	0.00924569		
4/20/2021	0.00924506		
4/21/2021	0.00924443		
4/22/2021	0.00924379		
4/23/2021	0.00924316		
4/24/2021	0.00924253		
4/25/2021	0.00924189		
4/26/2021	0.00924126		
4/27/2021	0.00924063		
4/28/2021	0.00923999		
4/29/2021	0.00923936		
4/30/2021	0.00923873	0.00001900	0.01878619

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
5/1/2021	0.00923810		
5/2/2021	0.00923746		
5/3/2021	0.00923683		
5/4/2021	0.00923620		
5/5/2021	0.00923557		
5/6/2021	0.00923493		
5/7/2021	0.00923430		
5/8/2021	0.00923367		
5/9/2021	0.00923304		
5/10/2021	0.00923240		
5/11/2021	0.00923177		
5/12/2021	0.00923114		
5/13/2021	0.00923051		
5/14/2021	0.00922987		
5/15/2021	0.00922924		
5/16/2021	0.00922861		
5/17/2021	0.00922798		
5/18/2021	0.00922735		
5/19/2021	0.00922671		
5/20/2021	0.00922608		
5/21/2021	0.00922545		
5/22/2021	0.00922482		
5/23/2021	0.00922419		
5/24/2021	0.00922355		
5/25/2021	0.00922292		
5/26/2021	0.00922229		
5/27/2021	0.00922166		
5/28/2021	0.00922103		
5/29/2021	0.00922040		
5/30/2021	0.00921976		
5/31/2021	0.00921913	0.00001959	0.01368421

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
6/1/2021	0.00921850		
6/2/2021	0.00921787		
6/3/2021	0.00921724		
6/4/2021	0.00921661		
6/5/2021	0.00921598		
6/6/2021	0.00921534		
6/7/2021	0.00921471		
6/8/2021	0.00921408		
6/9/2021	0.00921345		
6/10/2021	0.00921282		
6/11/2021	0.00921219		
6/12/2021	0.00921156		
6/13/2021	0.00921093		
6/14/2021	0.00921030		
6/15/2021	0.00920967		
6/16/2021	0.00920903		
6/17/2021	0.00920840		
6/18/2021	0.00920777		
6/19/2021	0.00920714		
6/20/2021	0.00920651		
6/21/2021	0.00920588		
6/22/2021	0.00920525		
6/23/2021	0.00920462		
6/24/2021	0.00920399		
6/25/2021	0.00920336		
6/26/2021	0.00920273		
6/27/2021	0.00920210		
6/28/2021	0.00920147		
6/29/2021	0.00920084		
6/30/2021	0.00920021	0.00001869	0.00973535

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
7/1/2021	0.00919958		
7/2/2021	0.00919895		
7/3/2021	0.00919832		
7/4/2021	0.00919769		
7/5/2021	0.00919706		
7/6/2021	0.00919643		
7/7/2021	0.00919580		
7/8/2021	0.00919517		
7/9/2021	0.00919454		
7/10/2021	0.00919391		
7/11/2021	0.00919328		
7/12/2021	0.00919265		
7/13/2021	0.00919202		
7/14/2021	0.00919139		
7/15/2021	0.00919076		
7/16/2021	0.00919013		
7/17/2021	0.00918950		
7/18/2021	0.00918887		
7/19/2021	0.00918824		
7/20/2021	0.00918761		
7/21/2021	0.00918698		
7/22/2021	0.00918635		
7/23/2021	0.00918573		
7/24/2021	0.00918510		
7/25/2021	0.00918447		
7/26/2021	0.00918384	0.00000945	0.00480644
7/27/2021	0.00918321		
7/28/2021	0.00918258		
7/29/2021	0.00918195		
7/30/2021	0.00918132		
7/31/2021	0.00918069	0.00000958	0.00517414

GRAYSCALE BITCOIN CASH TRUST (BCH) 2021 GROSS PROCEEDS FILE

Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
8/1/2021	0.00918006		
8/2/2021	0.00917944		
8/3/2021	0.00917881		
8/4/2021	0.00917818		
8/5/2021	0.00917755		
8/6/2021	0.00917692		
8/7/2021	0.00917629		
8/8/2021	0.00917566		
8/9/2021	0.00917504		
8/10/2021	0.00917441		
8/11/2021	0.00917378		
8/12/2021	0.00917315		
8/13/2021	0.00917252		
8/14/2021	0.00917189		
8/15/2021	0.00917127		
8/16/2021	0.00917064		
8/17/2021	0.00917001		
8/18/2021	0.00916938		
8/19/2021	0.00916875		
8/20/2021	0.00916813		
8/21/2021	0.00916750		
8/22/2021	0.00916687		
8/23/2021	0.00916624		
8/24/2021	0.00916561		
8/25/2021	0.00916499		
8/26/2021	0.00916436		
8/27/2021	0.00916373		
8/28/2021	0.00916310		
8/29/2021	0.00916248		
8/30/2021	0.00916185		
8/31/2021	0.00916122	0.00001947	0.01242326

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
9/1/2021	0.00916059		
9/2/2021	0.00915997		
9/3/2021	0.00915934		
9/4/2021	0.00915871		
9/5/2021	0.00915808		
9/6/2021	0.00915746		
9/7/2021	0.00915683		
9/8/2021	0.00915620		
9/9/2021	0.00915557		
9/10/2021	0.00915495		
9/11/2021	0.00915432		
9/12/2021	0.00915369		
9/13/2021	0.00915307		
9/14/2021	0.00915244		
9/15/2021	0.00915181		
9/16/2021	0.00915119		
9/17/2021	0.00915056		
9/18/2021	0.00914993		
9/19/2021	0.00914931		
9/20/2021	0.00914868		
9/21/2021	0.00914805		
9/22/2021	0.00914743		
9/23/2021	0.00914680		
9/24/2021	0.00914617		
9/25/2021	0.00914555		
9/26/2021	0.00914492		
9/27/2021	0.00914429		
9/28/2021	0.00914367		
9/29/2021	0.00914304		
9/30/2021	0.00914241	0.00001880	0.00935265

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
10/1/2021	0.00914179		
10/2/2021	0.00914116		
10/3/2021	0.00914054		
10/4/2021	0.00913991		
10/5/2021	0.00913928		
10/6/2021	0.00913866		
10/7/2021	0.00913803		
10/8/2021	0.00913741		
10/9/2021	0.00913678		
10/10/2021	0.00913615		
10/11/2021	0.00913553		
10/12/2021	0.00913490		
10/13/2021	0.00913428		
10/14/2021	0.00913365		
10/15/2021	0.00913303		
10/16/2021	0.00913240		
10/17/2021	0.00913177		
10/18/2021	0.00913115		
10/19/2021	0.00913052		
10/20/2021	0.00912990		
10/21/2021	0.00912927	0.00000939	0.00589412
10/22/2021	0.00912865		
10/23/2021	0.00912802		
10/24/2021	0.00912740		
10/25/2021	0.00912677		
10/26/2021	0.00912615		
10/27/2021	0.00912552		
10/28/2021	0.00912490		
10/29/2021	0.00912427		
10/30/2021	0.00912365		
10/31/2021	0.00912302	0.00001000	0.00597468

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
11/1/2021	0.00912240		
11/2/2021	0.00912177		
11/3/2021	0.00912115		
11/4/2021	0.00912052		
11/5/2021	0.00911990		
11/6/2021	0.00911927		
11/7/2021	0.00911865		
11/8/2021	0.00911802		
11/9/2021	0.00911740		
11/10/2021	0.00911678		
11/11/2021	0.00911615		
11/12/2021	0.00911553		
11/13/2021	0.00911490		
11/14/2021	0.00911428		
11/15/2021	0.00911365		
11/16/2021	0.00911303		
11/17/2021	0.00911241	0.00000937	0.00553593
11/18/2021	0.00911178		
11/19/2021	0.00911116		
11/20/2021	0.00911053		
11/21/2021	0.00910991		
11/22/2021	0.00910929		
11/23/2021	0.00910866		
11/24/2021	0.00910804		
11/25/2021	0.00910741		
11/26/2021	0.00910679		
11/27/2021	0.00910617		
11/28/2021	0.00910554		
11/29/2021	0.00910492		
11/30/2021	0.00910429	0.00000936	0.00536103

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Date	BCH Per Share	Number of BCH Used to Cover Trust Expenses Per Share (in BCH)	Proceeds from Payout of BCH to Cover Trust Expenses Per Share (in USD)
12/1/2021	0.00910367		
12/2/2021	0.00910305		
12/3/2021	0.00910242		
12/4/2021	0.00910180		
12/5/2021	0.00910118		
12/6/2021	0.00910055		
12/7/2021	0.00909993		
12/8/2021	0.00909931		
12/9/2021	0.00909868		
12/10/2021	0.00909806		
12/11/2021	0.00909744		
12/12/2021	0.00909681		
12/13/2021	0.00909619		
12/14/2021	0.00909557		
12/15/2021	0.00909495		
12/16/2021	0.00909432	0.00000935	0.00414994
12/17/2021	0.00909370		
12/18/2021	0.00909308		
12/19/2021	0.00909245		
12/20/2021	0.00909183		
12/21/2021	0.00909121		
12/22/2021	0.00909059		
12/23/2021	0.00908996		
12/24/2021	0.00908934		
12/25/2021	0.00908872		
12/26/2021	0.00908810		
12/27/2021	0.00908747		
12/28/2021	0.00908685		
12/29/2021	0.00908623		
12/30/2021	0.00908561		
12/31/2021	0.00908498	0.00000996	0.00419029
Total		0.00022708	0.13049483

Grayscale Bitcoin Cash Trust (BCH) Gross Proceeds and Expense Files show BCH tokens per share owned in the Trust, as well as BCH tokens paid out, proceeds, and expenses per share in the Trust. You can use this information to calculate your share of Trust expenses, and your gain or loss on sale of BCH tokens to pay such expenses.

The Trust holds no assets other than BCH tokens. Accordingly, when expenses are incurred, Trust assets (i.e., BCH tokens) are sold to cover the expenses. The following example illustrates the tax consequences to the Shareholder. In Step 1, we discuss how a Shareholder would determine his or her stake in the Trust (i.e., how many BCH tokens they own). In Step 2, we discuss how much of his or her stake is sold throughout the year to cover expenses (and how many BCH tokens they still own). In Step 3, we determine the Shareholder's basis in the BCH tokens sold by the Trust. Gain or loss from this sale is determined in relation to the basis of the assets sold. In Step 4, we determine the gain or loss from the sale of the assets and where the gain or loss is reported on the Shareholder's tax return. In Step 5, we calculate the Shareholder's portion of the Trust's expenses. In Step 6, we determine the Shareholder's new balance of BCH tokens at the end of the year and his or her new cost basis in those BCH tokens.

The following example is for illustrative purposes only and is not intended to be construed as tax advice. Shareholders should consult a tax professional in the use of their information on their respective tax returns.

Example: Shareholder XYZ purchases 20,000 Trust shares on 2/10/2021 at a price of \$4.70 per share for a total purchase price of \$94,000. Shareholder XYZ had no other purchases or sales of Trust shares during 2021 and held the shares for the remainder of 2021.

Step 1: Identify the shareholder's pro rata ownership of Bitcoin Cash.

Locate the Bitcoin Cash Per Share amount on Shareholder XYZ's purchase date of 2/10/2021 in the gross proceeds file. In this example the number is 0.00928886. This represents the number of BCH tokens per share on that date.

For Shareholder XYZ, the total amount of BCH tokens owned for its 2/10/2021 purchase is 185.77720000 (0.00928886 per share multiplied by 20,000 shares purchased on 2/10/2021). Note: This step should be completed for each date on which Trust shares were purchased.

Step 2: Calculate the Bitcoin Cash paid out from Shareholder XYZ's account during 2021 to pay expenses

The BCH tokens paid out per share during 2021 includes the cumulative amounts of all BCH token payouts for the period which includes the day after the purchase date of 2/10/2021 through the day before payout date.

During 2021, the amount of BCH tokens paid out after the 2/10/2021 purchase date is 0.00020263 per share. This is determined by taking the total amount of BCH tokens per share paid out in 2021 (0.00022708) and subtracting the amount of BCH tokens paid out prior to the purchase (0.00001832 from January plus 0.00000613 (10/28 multiplied by 0.00001716 from February)). Then multiply this number (0.00020263) by the number of shares owned (20,000) for a total of 4.05262857 BCH tokens paid to cover trust expenses.

Step 3: Calculate Shareholder’s cost basis in Bitcoin Cash paid out from Shareholder’s account

Total BCH token payout (<i>Step 2</i>)	4.05262857		
	-----	X	\$94,000
BCH tokens acquired (<i>Step 1</i>)	185.77720000		
Cost basis of BCH token payout	\$2,050.56		

Step 4: Calculate Shareholder’s gain or loss on Bitcoin Cash payout for each lot purchased

Identify all proceeds per share received by the Trust after Shareholder XYZ’s 2/10/2021 purchase date. During 2021, periodic payouts for the period 2/11/2021 through 12/31/2021 generated proceeds per share of \$0.12041843 (total proceeds of payout of BCH tokens for the year, \$ 0.13049483, less \$0.01007640, which is the proceeds of payouts made prior to purchase [\$0.00727417 from January] plus \$0.00280223 from the first ten days in February). Therefore, Shareholder XYZ’s gain or loss is determined as follows:

Total Proceeds: \$0.12041843 per share X 20,000 shares	\$ 2,408.37
Less: Total cost basis of BCH token payout (<i>Step 3</i>)	<u>2,050.56</u>
Total Reportable Gain/(Loss)	<u>\$ 357.81</u>

(To be reported on Shareholder’s Form 1040 Schedule D)

Step 5: Calculate Shareholder’s investment expenses

Identify all expenses per share paid by the Trust after Shareholder XYZ’s 2/10/2021 purchase date. During 2021, the expenses were paid periodically and for the period of 2/11/2021 through 12/31/2021 amounted to \$0.12041843 per share. Therefore, Shareholder XYZ’s expenses are as follows:

Total Expenses Per Share (<i>Step 4</i>)	\$ 0.12041843
Total Shares	<u>20,000</u>
Total Expense	<u>\$ 2,408.37</u>

Step 6: Calculate Shareholder’s Adjusted Bitcoin Cash Tokens Held and Cost Basis

BCH tokens Purchased on 2/10/2021 (<i>Step 1</i>)	185.77720000
Less: BCH token payout during 2021 (<i>Step 2</i>)	<u>4.05262857</u>
Adjusted Shareholder’s BCH tokens at 12/31/2021	<u>181.72457143</u>
Original Purchase Cost on 2/10/2021	\$ 94,000.00
Less: Cost of BCH token payout during 2021 (<i>Step 3</i>)	<u>2,050.56</u>
Adjusted Shareholder’s basis at 12/31/2021	<u>\$ 91,949.44</u>

Shareholder's adjusted BCH tokens and adjusted cost calculated in Step 6 are his/her adjusted BCH tokens and adjusted basis for the 2/10/2021 purchase at the end of 12/31/2021.

Shareholders with several purchases should calculate gain, loss, and adjusted basis separately for each purchased lot and then sum up the results of each lot to arrive at the net reportable gain or loss and the total investment expenses. Shareholders, who purchased their shares prior to 2021, and made no other purchases, should calculate their adjusted cost basis using the gross proceeds information for the relevant years by following the same steps as in the example above. The adjusted cost basis at 12/31/2020 should be used as the beginning cost for 2021 instead of the original purchase cost. Shareholders with an additional purchase in 2021 will have two cost lots to account for in 2021. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.