

GRAYSCALE ETHEREUM TRUST (ETH)

2023 Grantor Trust Tax Information

EIN: 82-6677805

The following information is being provided to assist Shareholders of the Grayscale Ethereum Trust (ETH) (the "Trust") with reporting of their taxable income and expenses for the period January 1, 2023 through December 31, 2023.

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 the Trust.

The Trust holds only Ethereum ("ETH") tokens and, accordingly, received no income during the year.

The Trust paid expenses periodically, as shown in the attached 2023 Gross Proceeds File. These expenses are allocated into monthly periods as shown in the 2023 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 ETH 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 2023 Gross Proceeds File together with an example illustrating how a Shareholder should calculate gain or loss.

GLOSSARY OF TERMS

Grayscale Ethereum Trust (ETH) - (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 ETH), amount of ETH paid to cover trust expenses (in ETH), and per share proceeds from ETH 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 ETHEREUM TRUST (ETH) 2023 EXPENSE FILE

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

Date	Expenses Per Share (USD)	Amount of ETH Per Share
January	0.03296830	0.00002077
February	0.03047908	0.00001873
March	0.03784147	0.00002069
April	0.03808406	0.00001998
May	0.03840337	0.00002060
June	0.03831904	0.00001990
July	0.03808567	0.00002052
August	0.03391967	0.00002047
September	0.03320739	0.00001977
October	0.03694177	0.00002039
November	0.04025361	0.00001969
December	0.04631513	0.00002030
Total for year	0.44481856	0.00024181

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 2023 Grayscale Ethereum Trust (ETH) Expenses

Assume that a Shareholder purchased 20,000 shares on February 15, 2023 and sold them on September 15, 2023. For the month of February, Shareholder's expenses are \$0.03047908 (See Summary Table above – February Factor) x (13/28) = \$0.01415100 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 \$0.03320739 (See Summary Table above – September Factor) x (15/30) = \$0.01660370. The total expenses for Shareholder are therefore \$0.25540798 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held (20,000), or \$5,108.16.

Total Expenses per Share	\$ 0.25540798
Number of Shares Held	20,000
Total Expense	\$ 5,108.16

(Please consult your tax advisor as to reporting)

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
1/1/2023	0.00979313		
1/2/2023	0.00979246		
1/3/2023	0.00979179		
1/4/2023	0.00979112		
1/5/2023	0.00979045		
1/6/2023	0.00978978		
1/7/2023	0.00978911		
1/8/2023	0.00978844		
1/9/2023	0.00978777		
1/10/2023	0.00978710		
1/11/2023	0.00978643		
1/12/2023	0.00978576		
1/13/2023	0.00978509		
1/14/2023	0.00978442		
1/15/2023	0.00978375		
1/16/2023	0.00978308		
1/17/2023	0.00978241		
1/18/2023	0.00978174		
1/19/2023	0.00978107		
1/20/2023	0.00978040		
1/21/2023	0.00977973		
1/22/2023	0.00977906		
1/23/2023	0.00977839		
1/24/2023	0.00977772		
1/25/2023	0.00977705		
1/26/2023	0.00977638		
1/27/2023	0.00977571		
1/28/2023	0.00977504		
1/29/2023	0.00977437		
1/30/2023	0.00977370		
1/31/2023	0.00977303	0.00002077	0.03296830

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
2/1/2023	0.00977236		
2/2/2023	0.00977169		
2/3/2023	0.00977102		
2/4/2023	0.00977035		
2/5/2023	0.00976968		
2/6/2023	0.00976901		
2/7/2023	0.00976835		
2/8/2023	0.00976768		
2/9/2023	0.00976701		
2/10/2023	0.00976634		
2/11/2023	0.00976567		
2/12/2023	0.00976500		
2/13/2023	0.00976433		
2/14/2023	0.00976366		
2/15/2023	0.00976299		
2/16/2023	0.00976233		
2/17/2023	0.00976166		
2/18/2023	0.00976099		
2/19/2023	0.00976032		
2/20/2023	0.00975965		
2/21/2023	0.00975898		
2/22/2023	0.00975831		
2/23/2023	0.00975765		
2/24/2023	0.00975698		
2/25/2023	0.00975631		
2/26/2023	0.00975564		
2/27/2023	0.00975497		
2/28/2023	0.00975430	0.00001873	0.03047908

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
3/1/2023	0.00975364		
3/2/2023	0.00975297		
3/3/2023	0.00975230		
3/4/2023	0.00975163		
3/5/2023	0.00975096		
3/6/2023	0.00975030		
3/7/2023	0.00974963		
3/8/2023	0.00974896		
3/9/2023	0.00974829		
3/10/2023	0.00974763		
3/11/2023	0.00974696		
3/12/2023	0.00974629		
3/13/2023	0.00974562		
3/14/2023	0.00974496		
3/15/2023	0.00974429		
3/16/2023	0.00974362		
3/17/2023	0.00974295		
3/18/2023	0.00974229		
3/19/2023	0.00974162		
3/20/2023	0.00974095		
3/21/2023	0.00974028		
3/22/2023	0.00973962		
3/23/2023	0.00973895		
3/24/2023	0.00973828		
3/25/2023	0.00973762		
3/26/2023	0.00973695		
3/27/2023	0.00973628		
3/28/2023	0.00973561		
3/29/2023	0.00973495		
3/30/2023	0.00973428		
3/31/2023	0.00973361	0.00002069	0.03784147

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
4/1/2023	0.00973295		
4/2/2023	0.00973228		
4/3/2023	0.00973161		
4/4/2023	0.00973095		
4/5/2023	0.00973028		
4/6/2023	0.00972962		
4/7/2023	0.00972895		
4/8/2023	0.00972828		
4/9/2023	0.00972762		
4/10/2023	0.00972695		
4/11/2023	0.00972628		
4/12/2023	0.00972562		
4/13/2023	0.00972495		
4/14/2023	0.00972429		
4/15/2023	0.00972362		
4/16/2023	0.00972295		
4/17/2023	0.00972229		
4/18/2023	0.00972162		
4/19/2023	0.00972096		
4/20/2023	0.00972029		
4/21/2023	0.00971962		
4/22/2023	0.00971896		
4/23/2023	0.00971829		
4/24/2023	0.00971763		
4/25/2023	0.00971696		
4/26/2023	0.00971630		
4/27/2023	0.00971563		
4/28/2023	0.00971496		
4/29/2023	0.00971430		
4/30/2023	0.00971363	0.00001998	0.03808406

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
5/1/2023	0.00971297		
5/2/2023	0.00971230		
5/3/2023	0.00971164		
5/4/2023	0.00971097		
5/5/2023	0.00971031		
5/6/2023	0.00970964		
5/7/2023	0.00970898		
5/8/2023	0.00970831		
5/9/2023	0.00970765		
5/10/2023	0.00970698		
5/11/2023	0.00970632		
5/12/2023	0.00970565		
5/13/2023	0.00970499		
5/14/2023	0.00970432		
5/15/2023	0.00970366		
5/16/2023	0.00970299		
5/17/2023	0.00970233		
5/18/2023	0.00970166		
5/19/2023	0.00970100		
5/20/2023	0.00970034		
5/21/2023	0.00969967		
5/22/2023	0.00969901		
5/23/2023	0.00969834		
5/24/2023	0.00969768		
5/25/2023	0.00969701		
5/26/2023	0.00969635		
5/27/2023	0.00969569		
5/28/2023	0.00969502		
5/29/2023	0.00969436		
5/30/2023	0.00969369		
5/31/2023	0.00969303	0.00002060	0.03840337

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
6/1/2023	0.00969237		
6/2/2023	0.00969170		
6/3/2023	0.00969104		
6/4/2023	0.00969037		
6/5/2023	0.00968971		
6/6/2023	0.00968905		
6/7/2023	0.00968838		
6/8/2023	0.00968772		
6/9/2023	0.00968706		
6/10/2023	0.00968639		
6/11/2023	0.00968573		
6/12/2023	0.00968507		
6/13/2023	0.00968440		
6/14/2023	0.00968374		
6/15/2023	0.00968308		
6/16/2023	0.00968241		
6/17/2023	0.00968175		
6/18/2023	0.00968109		
6/19/2023	0.00968042		
6/20/2023	0.00967976		
6/21/2023	0.00967910		
6/22/2023	0.00967843		
6/23/2023	0.00967777		
6/24/2023	0.00967711		
6/25/2023	0.00967645		
6/26/2023	0.00967578		
6/27/2023	0.00967512		
6/28/2023	0.00967446		
6/29/2023	0.00967380		
6/30/2023	0.00967313	0.00001990	0.03831904

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
7/1/2023	0.00967247		
7/2/2023	0.00967181		
7/3/2023	0.00967115		
7/4/2023	0.00967048		
7/5/2023	0.00966982		
7/6/2023	0.00966916		
7/7/2023	0.00966850		
7/8/2023	0.00966783		
7/9/2023	0.00966717		
7/10/2023	0.00966651		
7/11/2023	0.00966585		
7/12/2023	0.00966519		
7/13/2023	0.00966452		
7/14/2023	0.00966386		
7/15/2023	0.00966320		
7/16/2023	0.00966254		
7/17/2023	0.00966188		
7/18/2023	0.00966121		
7/19/2023	0.00966055		
7/20/2023	0.00965989		
7/21/2023	0.00965923		
7/22/2023	0.00965857		
7/23/2023	0.00965791		
7/24/2023	0.00965724		
7/25/2023	0.00965658		
7/26/2023	0.00965592		
7/27/2023	0.00965526		
7/28/2023	0.00965460		
7/29/2023	0.00965394		
7/30/2023	0.00965328		
7/31/2023	0.00965261	0.00002052	0.03808567

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
8/1/2023	0.00965195		
8/2/2023	0.00965129		
8/3/2023	0.00965063		
8/4/2023	0.00964997		
8/5/2023	0.00964931		
8/6/2023	0.00964865		
8/7/2023	0.00964799		
8/8/2023	0.00964733		
8/9/2023	0.00964667		
8/10/2023	0.00964601		
8/11/2023	0.00964534		
8/12/2023	0.00964468		
8/13/2023	0.00964402		
8/14/2023	0.00964336		
8/15/2023	0.00964270		
8/16/2023	0.00964204		
8/17/2023	0.00964138		
8/18/2023	0.00964072		
8/19/2023	0.00964006		
8/20/2023	0.00963940		
8/21/2023	0.00963874		
8/22/2023	0.00963808		
8/23/2023	0.00963742		
8/24/2023	0.00963676		
8/25/2023	0.00963610		
8/26/2023	0.00963544		
8/27/2023	0.00963478		
8/28/2023	0.00963412		
8/29/2023	0.00963346		
8/30/2023	0.00963280		
8/31/2023	0.00963214	0.00002047	0.03391967

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
9/1/2023	0.00963148		
9/2/2023	0.00963082		
9/3/2023	0.00963016		
9/4/2023	0.00962950		
9/5/2023	0.00962884		
9/6/2023	0.00962818		
9/7/2023	0.00962752		
9/8/2023	0.00962686		
9/9/2023	0.00962620		
9/10/2023	0.00962555		
9/11/2023	0.00962489		
9/12/2023	0.00962423		
9/13/2023	0.00962357		
9/14/2023	0.00962291		
9/15/2023	0.00962225		
9/16/2023	0.00962159		
9/17/2023	0.00962093		
9/18/2023	0.00962027		
9/19/2023	0.00961961		
9/20/2023	0.00961895		
9/21/2023	0.00961830		
9/22/2023	0.00961764		
9/23/2023	0.00961698		
9/24/2023	0.00961632		
9/25/2023	0.00961566		
9/26/2023	0.00961500		
9/27/2023	0.00961434		
9/28/2023	0.00961369		
9/29/2023	0.00961303		
9/30/2023	0.00961237	0.00001977	0.03320739

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
10/1/2023	0.00961171		
10/2/2023	0.00961105		
10/3/2023	0.00961039		
10/4/2023	0.00960973		
10/5/2023	0.00960908		
10/6/2023	0.00960842		
10/7/2023	0.00960776		
10/8/2023	0.00960710		
10/9/2023	0.00960644		
10/10/2023	0.00960579		
10/11/2023	0.00960513		
10/12/2023	0.00960447		
10/13/2023	0.00960381		
10/14/2023	0.00960315		
10/15/2023	0.00960250		
10/16/2023	0.00960184		
10/17/2023	0.00960118		
10/18/2023	0.00960052		
10/19/2023	0.00959987		
10/20/2023	0.00959921		
10/21/2023	0.00959855		
10/22/2023	0.00959789		
10/23/2023	0.00959724		
10/24/2023	0.00959658		
10/25/2023	0.00959592		
10/26/2023	0.00959526		
10/27/2023	0.00959461		
10/28/2023	0.00959395		
10/29/2023	0.00959329		
10/30/2023	0.00959264		
10/31/2023	0.00959198	0.00002039	0.03694177

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
11/1/2023	0.00959132		
11/2/2023	0.00959067		
11/3/2023	0.00959001		
11/4/2023	0.00958935		
11/5/2023	0.00958869		
11/6/2023	0.00958804		
11/7/2023	0.00958738		
11/8/2023	0.00958672		
11/9/2023	0.00958607		
11/10/2023	0.00958541		
11/11/2023	0.00958476		
11/12/2023	0.00958410		
11/13/2023	0.00958344		
11/14/2023	0.00958279		
11/15/2023	0.00958213		
11/16/2023	0.00958147		
11/17/2023	0.00958082		
11/18/2023	0.00958016		
11/19/2023	0.00957950		
11/20/2023	0.00957885		
11/21/2023	0.00957819		
11/22/2023	0.00957754		
11/23/2023	0.00957688		
11/24/2023	0.00957622		
11/25/2023	0.00957557		
11/26/2023	0.00957491		
11/27/2023	0.00957426		
11/28/2023	0.00957360		
11/29/2023	0.00957295		
11/30/2023	0.00957229	0.00001969	0.04025361

GRAYSCALE ETHEREUM TRUST (ETH) 2023 GROSS PROCEEDS FILE

Date	ETH Per Share	Number of ETH Used to Cover Trust Expenses Per Share (in ETH)	Proceeds from Payout of ETH to Cover Trust Expenses Per Share (in USD)
12/1/2023	0.00957163		
12/2/2023	0.00957098		
12/3/2023	0.00957032		
12/4/2023	0.00956967		
12/5/2023	0.00956901		
12/6/2023	0.00956836		
12/7/2023	0.00956770		
12/8/2023	0.00956705		
12/9/2023	0.00956639		
12/10/2023	0.00956574		
12/11/2023	0.00956508		
12/12/2023	0.00956442		
12/13/2023	0.00956377		
12/14/2023	0.00956311		
12/15/2023	0.00956246		
12/16/2023	0.00956180		
12/17/2023	0.00956115		
12/18/2023	0.00956049		
12/19/2023	0.00955984		
12/20/2023	0.00955919		
12/21/2023	0.00955853		
12/22/2023	0.00955788		
12/23/2023	0.00955722		
12/24/2023	0.00955657		
12/25/2023	0.00955591		
12/26/2023	0.00955526		
12/27/2023	0.00955460		
12/28/2023	0.00955395		
12/29/2023	0.00955329		
12/30/2023	0.00955264		
12/31/2023	0.00955199	0.00002030	0.04631513
TOTAL		0.00024181	0.44481856

Grayscale Ethereum Trust (ETH) Gross Proceeds and Expense Files show ETH tokens per share owned in the Trust, as well as ETH 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 ETH tokens to pay such expenses.

The Trust holds no assets other than ETH tokens. Accordingly, when expenses are incurred, Trust assets (i.e., ETH 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 ETH 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 ETH tokens they still own). In Step 3, we determine the Shareholder's basis in the ETH 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 ETH tokens at the end of the year and his or her new cost basis in the ETH 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 2/10/2023 at a price of \$14.94 per share for a total purchase price of \$298,800. Shareholder XYZ had no other purchases or sales of Trust shares during 2023 and held the shares for the remainder of 2023.

Step 1: Identify the shareholder's pro rata ownership of Ethereum

Locate the Ethereum Per Share amount on Shareholder XYZ's purchase date of 2/10/2023 in the gross proceeds file. In this example the number is 0.00976634. This represents the number of ETH tokens per share on that date.

For Shareholder XYZ, the total amount of ETH tokens owned for its 2/10/2023 purchase is 195.32680000 (0.00976634 per share multiplied by 20,000 shares purchased on 2/10/2023). Note: This step should be completed for each date on which Trust shares were purchased.

Step 2: Calculate the Ethereum paid out from Shareholder XYZ's account during 2023 to pay expenses

The ETH tokens paid out per share during 2023 includes the cumulative amounts of all ETH token payouts for the period which includes the day after the purchase date of 2/10/2023 through the day before payout date.

During 2023, the total amount of ETH tokens paid out after the 2/10/2023 purchase date is 0.00021435 per share. This is determined by taking the total amount of ETH tokens per share paid out in 2023 (0.00024181) and subtracting the amount of ETH tokens paid out prior to the purchase (0.00002077 from January plus 0.00000669 (10/28 multiplied by 0.00001873 from February)). Then multiply this number (0.00021435) by the number of shares owned (20,000) for a total of 4.28701429 ETH tokens paid to cover trust expenses.

Step 3: Calculate Shareholder's cost basis in Ethereum paid out from Shareholder's account

Total ETH token payout (<i>Step 2</i>)	4.28701429		
	-----	x	\$ 298,800
ETH tokens acquired (<i>Step 1</i>)	195.32680000		
Cost basis of ETH token payout	\$ 6,558.03		

Step 4: Calculate Shareholder's gain or loss on Ethereum payout for each lot purchased

Identify all proceeds per share received by the Trust after Shareholder XYZ's 2/10/2023 purchase date. During 2023, periodic payouts for the period 2/11/2023 through 12/31/2023 generated proceeds per share of \$0.40096487 (total proceeds of payout of ETH tokens for the year, \$0.44481856, less \$0.04385369, which is the proceeds of payouts made prior to purchase [\$0.03296830 from January] plus \$0.01088539 from the first ten days in February). Therefore, Shareholder XYZ's gain or loss is determined as follows:

Total Proceeds: \$0.40096487 per share X 20,000 shares	\$	8,019.30
Less: Total cost basis of ETH token payout (<i>Step 3</i>)		6,558.03
Total Reportable Gain/(Loss)	\$	<u>1,461.27</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 2/10/2023 purchase date. During 2023, the expenses were paid periodically and for the period of 2/11/2023 through 12/31/2023 amounted to \$0.40096487 per share. Therefore, Shareholder XYZ's expenses are as follows:

Total Expenses Per Share (<i>Step 4</i>)	\$	0.40096487
Total Shares		<u>20,000</u>
Total Expense	\$	<u>8,019.30</u>

Step 6: Calculate Shareholder's Adjusted Ethereum Held and Cost Basis

ETH tokens Purchased on 2/10/2023 (<i>Step 1</i>)	195.32680000
Less: ETH token payout during 2023 (<i>Step 2</i>)	<u>4.28701429</u>
Adjusted Shareholder's ETH tokens at 12/31/2023	<u>191.03978571</u>
Original Purchase Cost on 2/10/2023	\$ 298,800.00
Less: Cost of ETH token payout during 2023 (<i>Step 3</i>)	<u>6,558.03</u>
Adjusted Shareholder's basis at 12/31/2023	<u>\$ 292,241.97</u>

Shareholder's adjusted ETH tokens and adjusted cost calculated in Step 6 are his/her adjusted ETH tokens and adjusted basis for the 2/10/2023 purchase at the end of 12/31/2023.

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 2023, 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 12/31/2022 should be used as the beginning cost for 2023 instead of the original purchase cost. Shareholders with an additional purchase in 2023 will have two cost lots to account for in 2023. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.