

GRAYSCALE ZCASH TRUST (ZEC)

2024 Grantor Trust Tax Information

EIN: 82-6646113

CUSIP: 38964G108

Ticker: ZCSH

The following information is being provided to assist Shareholders of the Grayscale Zcash Trust (ZEC) (the "Trust") with reporting of their taxable income and expenses for the period January 1, 2024 through December 31, 2024.

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 Zcash ("ZEC") tokens and, accordingly, received no income during the year.

The Trust paid expenses periodically, as shown in the attached 2024 Gross Proceeds File. These expenses are allocated into monthly periods as shown in the 2024 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 ZEC 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 2024 Gross Proceeds File together with an example illustrating how a Shareholder should calculate gain or loss.

GLOSSARY OF TERMS

Grayscale Zcash Trust (ZEC) - (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 ZEC), amount of ZEC paid to cover trust expenses (in ZEC), and per share proceeds from ZEC 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 ZCASH TRUST (ZEC) 2024 EXPENSE FILE

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

Date	Expenses Per Share (USD)	Amount of ZEC Per Share
January	0.00392496	0.00018121
February	0.00484164	0.00016917
March	0.00547643	0.00017950
April	0.00337045	0.00016306
May	0.00474112	0.00017599
June	0.00347657	0.00016934
July	0.00559098	0.00017897
August	0.00572901	0.00017694
September	0.00482705	0.00017215
October	0.00647928	0.00017655
November	0.01054823	0.00017063
December	0.00993340	0.00017700
Total for year	0.06893912	0.00209051

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 2024 Grayscale Zcash Trust (ZEC) Expenses

Assume that a Shareholder purchased 20,000 shares on February 15, 2024 and sold them on September 15, 2024. For the month of February, Shareholder's expenses are \$0.00484164 (See Summary Table above – February Factor) x (14/29) = \$0.00233734 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 \$0.00482705 (See Summary Table above – September Factor) x (15/30) = \$0.00241353. The total expenses for the Shareholder are therefore \$0.03313543 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held (20,000), or \$662.71.

Total Expenses per Share	\$ 0.03313543
Number of Shares Held	20,000
Total Expense	\$ 662.71

(Please consult your tax advisor as to reporting)

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
1/1/2024	0.08565861		
1/2/2024	0.08565275		
1/3/2024	0.08564690		
1/4/2024	0.08564105		
1/5/2024	0.08563520		
1/6/2024	0.08562935		
1/7/2024	0.08562351		
1/8/2024	0.08561766		
1/9/2024	0.08561181		
1/10/2024	0.08560596		
1/11/2024	0.08560011		
1/12/2024	0.08559427		
1/13/2024	0.08558842		
1/14/2024	0.08558257		
1/15/2024	0.08557673		
1/16/2024	0.08557088		
1/17/2024	0.08556504		
1/18/2024	0.08555919		
1/19/2024	0.08555335		
1/20/2024	0.08554750		
1/21/2024	0.08554166		
1/22/2024	0.08553582		
1/23/2024	0.08552998		
1/24/2024	0.08552413		
1/25/2024	0.08551829		
1/26/2024	0.08551245		
1/27/2024	0.08550661		
1/28/2024	0.08550077		
1/29/2024	0.08549493		
1/30/2024	0.08548909		
1/31/2024	0.08548325	0.00018121	0.00392496

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
2/1/2024	0.08547741		
2/2/2024	0.08547157		
2/3/2024	0.08546573		
2/4/2024	0.08545990		
2/5/2024	0.08545406		
2/6/2024	0.08544822		
2/7/2024	0.08544238		
2/8/2024	0.08543655		
2/9/2024	0.08543071		
2/10/2024	0.08542488		
2/11/2024	0.08541904		
2/12/2024	0.08541321		
2/13/2024	0.08540737		
2/14/2024	0.08540154		
2/15/2024	0.08539571		
2/16/2024	0.08538987		
2/17/2024	0.08538404		
2/18/2024	0.08537821		
2/19/2024	0.08537238		
2/20/2024	0.08536654		
2/21/2024	0.08536071		
2/22/2024	0.08535488		
2/23/2024	0.08534905		
2/24/2024	0.08534322		
2/25/2024	0.08533739		
2/26/2024	0.08533156		
2/27/2024	0.08532574		
2/28/2024	0.08531991		
2/29/2024	0.08531408	0.00016917	0.00484164

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
3/1/2024	0.08530825		
3/2/2024	0.08530242		
3/3/2024	0.08529660		
3/4/2024	0.08529077		
3/5/2024	0.08528495		
3/6/2024	0.08527912		
3/7/2024	0.08527330		
3/8/2024	0.08526747		
3/9/2024	0.08526165		
3/10/2024	0.08525582		
3/11/2024	0.08525000		
3/12/2024	0.08524418		
3/13/2024	0.08523835		
3/14/2024	0.08523253		
3/15/2024	0.08522671		
3/16/2024	0.08522089		
3/17/2024	0.08521507		
3/18/2024	0.08520925		
3/19/2024	0.08520343		
3/20/2024	0.08519761		
3/21/2024	0.08519179		
3/22/2024	0.08518597		
3/23/2024	0.08518015		
3/24/2024	0.08517433		
3/25/2024	0.08516851		
3/26/2024	0.08516269		
3/27/2024	0.08515688		
3/28/2024	0.08515106		
3/29/2024	0.08514524		
3/30/2024	0.08513943		
3/31/2024	0.08513361	0.00017950	0.00547643

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
4/1/2024	0.08512780		
4/2/2024	0.08512198		
4/3/2024	0.08511617		
4/4/2024	0.08511035		
4/5/2024	0.08510454		
4/6/2024	0.08509873		
4/7/2024	0.08509292		
4/8/2024	0.08508710		
4/9/2024	0.08508129		
4/10/2024	0.08507548		
4/11/2024	0.08506967		
4/12/2024	0.08506386		
4/13/2024	0.08505805		
4/14/2024	0.08505224		
4/15/2024	0.08504643		
4/16/2024	0.08504062		
4/17/2024	0.08503481		
4/18/2024	0.08502900		
4/19/2024	0.08502319		
4/20/2024	0.08501739		
4/21/2024	0.08501158		
4/22/2024	0.08500577		
4/23/2024	0.08499997		
4/24/2024	0.08499416		
4/25/2024	0.08498835		
4/26/2024	0.08498255		
4/27/2024	0.08497674		
4/28/2024	0.08497094		
4/29/2024	0.08496514		
4/30/2024	0.08495933	0.00016306	0.00337045

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Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
5/1/2024	0.08495353		
5/2/2024	0.08494773		
5/3/2024	0.08494192		
5/4/2024	0.08493612		
5/5/2024	0.08493032		
5/6/2024	0.08492452		
5/7/2024	0.08491872		
5/8/2024	0.08491292		
5/9/2024	0.08490712		
5/10/2024	0.08490132		
5/11/2024	0.08489552		
5/12/2024	0.08488972		
5/13/2024	0.08488392		
5/14/2024	0.08487812		
5/15/2024	0.08487232		
5/16/2024	0.08486653		
5/17/2024	0.08486073		
5/18/2024	0.08485493		
5/19/2024	0.08484914		
5/20/2024	0.08484334		
5/21/2024	0.08483755		
5/22/2024	0.08483175		
5/23/2024	0.08482596		
5/24/2024	0.08482016		
5/25/2024	0.08481437		
5/26/2024	0.08480858		
5/27/2024	0.08480278		
5/28/2024	0.08479699		
5/29/2024	0.08479120		
5/30/2024	0.08478541		
5/31/2024	0.08477962	0.00017599	0.00474112

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Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
6/1/2024	0.08477382		
6/2/2024	0.08476803		
6/3/2024	0.08476224		
6/4/2024	0.08475645		
6/5/2024	0.08475066		
6/6/2024	0.08474488		
6/7/2024	0.08473909		
6/8/2024	0.08473330		
6/9/2024	0.08472751		
6/10/2024	0.08472172		
6/11/2024	0.08471594		
6/12/2024	0.08471015		
6/13/2024	0.08470436		
6/14/2024	0.08469858		
6/15/2024	0.08469279		
6/16/2024	0.08468701		
6/17/2024	0.08468122		
6/18/2024	0.08467544		
6/19/2024	0.08466965		
6/20/2024	0.08466387		
6/21/2024	0.08465809		
6/22/2024	0.08465231		
6/23/2024	0.08464652		
6/24/2024	0.08464074		
6/25/2024	0.08463496		
6/26/2024	0.08462918		
6/27/2024	0.08462340		
6/28/2024	0.08461762		
6/29/2024	0.08461184		
6/30/2024	0.08460606	0.00016934	0.00347657

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Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
7/1/2024	0.08460028		
7/2/2024	0.08459450		
7/3/2024	0.08458872		
7/4/2024	0.08458294		
7/5/2024	0.08457717		
7/6/2024	0.08457139		
7/7/2024	0.08456561		
7/8/2024	0.08455984		
7/9/2024	0.08455406		
7/10/2024	0.08454829		
7/11/2024	0.08454251		
7/12/2024	0.08453674		
7/13/2024	0.08453096		
7/14/2024	0.08452519		
7/15/2024	0.08451941		
7/16/2024	0.08451364		
7/17/2024	0.08450787		
7/18/2024	0.08450210		
7/19/2024	0.08449632		
7/20/2024	0.08449055		
7/21/2024	0.08448478		
7/22/2024	0.08447901		
7/23/2024	0.08447324		
7/24/2024	0.08446747		
7/25/2024	0.08446170		
7/26/2024	0.08445593		
7/27/2024	0.08445016		
7/28/2024	0.08444439		
7/29/2024	0.08443862		
7/30/2024	0.08443286		
7/31/2024	0.08442709	0.00017897	0.00559098

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
8/1/2024	0.08442132		
8/2/2024	0.08441556		
8/3/2024	0.08440979		
8/4/2024	0.08440402		
8/5/2024	0.08439826		
8/6/2024	0.08439249		
8/7/2024	0.08438673		
8/8/2024	0.08438097		
8/9/2024	0.08437520		
8/10/2024	0.08436944		
8/11/2024	0.08436368		
8/12/2024	0.08435791		
8/13/2024	0.08435215		
8/14/2024	0.08434639		
8/15/2024	0.08434063		
8/16/2024	0.08433487		
8/17/2024	0.08432911		
8/18/2024	0.08432335		
8/19/2024	0.08431759		
8/20/2024	0.08431183		
8/21/2024	0.08430607		
8/22/2024	0.08430031		
8/23/2024	0.08429455		
8/24/2024	0.08428879		
8/25/2024	0.08428304		
8/26/2024	0.08427728		
8/27/2024	0.08427152		
8/28/2024	0.08426577		
8/29/2024	0.08426001		
8/30/2024	0.08425425		
8/31/2024	0.08424850	0.00017684	0.00572617

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
9/1/2024	0.08424275		
9/2/2024	0.08423699		
9/3/2024	0.08423124		
9/4/2024	0.08422548		
9/5/2024	0.08421973		
9/6/2024	0.08421398		
9/7/2024	0.08420823		
9/8/2024	0.08420247		
9/9/2024	0.08419672		
9/10/2024	0.08419097		
9/11/2024	0.08418522		
9/12/2024	0.08417947		
9/13/2024	0.08417372		
9/14/2024	0.08416797		
9/15/2024	0.08416222		
9/16/2024	0.08415647		
9/17/2024	0.08415072		
9/18/2024	0.08414498		
9/19/2024	0.08413923		
9/20/2024	0.08413348		
9/21/2024	0.08412773		
9/22/2024	0.08412199		
9/23/2024	0.08411624		
9/24/2024	0.08411050		
9/25/2024	0.08410475		
9/26/2024	0.08409901		
9/27/2024	0.08409326		
9/28/2024	0.08408752		
9/29/2024	0.08408177		
9/30/2024	0.08407603	0.00017225	0.00482989

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
10/1/2024	0.08407029		
10/2/2024	0.08406454		
10/3/2024	0.08405880		
10/4/2024	0.08405306		
10/5/2024	0.08404732		
10/6/2024	0.08404158		
10/7/2024	0.08403584		
10/8/2024	0.08403010		
10/9/2024	0.08402436		
10/10/2024	0.08401862		
10/11/2024	0.08401288		
10/12/2024	0.08400714		
10/13/2024	0.08400140		
10/14/2024	0.08399567		
10/15/2024	0.08398993		
10/16/2024	0.08398419		
10/17/2024	0.08397845		
10/18/2024	0.08397272		
10/19/2024	0.08396698		
10/20/2024	0.08396125		
10/21/2024	0.08395551		
10/22/2024	0.08394978		
10/23/2024	0.08394404		
10/24/2024	0.08393831		
10/25/2024	0.08393258		
10/26/2024	0.08392684		
10/27/2024	0.08392111		
10/28/2024	0.08391538		
10/29/2024	0.08390965		
10/30/2024	0.08390391		
10/31/2024	0.08389818	0.00017655	0.00647928

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
11/1/2024	0.08389245		
11/2/2024	0.08388672		
11/3/2024	0.08388099		
11/4/2024	0.08387526		
11/5/2024	0.08386953		
11/6/2024	0.08386380		
11/7/2024	0.08385808		
11/8/2024	0.08385235		
11/9/2024	0.08384662		
11/10/2024	0.08384089		
11/11/2024	0.08383517		
11/12/2024	0.08382944		
11/13/2024	0.08382371		
11/14/2024	0.08381799		
11/15/2024	0.08381226		
11/16/2024	0.08380654		
11/17/2024	0.08380081		
11/18/2024	0.08379509		
11/19/2024	0.08378937		
11/20/2024	0.08378364		
11/21/2024	0.08377792		
11/22/2024	0.08377220		
11/23/2024	0.08376647		
11/24/2024	0.08376075		
11/25/2024	0.08375503		
11/26/2024	0.08374931		
11/27/2024	0.08374359		
11/28/2024	0.08373787		
11/29/2024	0.08373215		
11/30/2024	0.08372643	0.00017063	0.01054823

GRAYSCALE ZCASH TRUST (ZEC) 2024 GROSS PROCEEDS FILE

Date	ZEC Per Share	Number of ZEC Used to Cover Trust Expenses Per Share (in ZEC)	Proceeds from Payout of ZEC to Cover Trust Expenses Per Share (in USD)
12/1/2024	0.08372071		
12/2/2024	0.08371499		
12/3/2024	0.08370927		
12/4/2024	0.08370356		
12/5/2024	0.08369784		
12/6/2024	0.08369212		
12/7/2024	0.08368641		
12/8/2024	0.08368069		
12/9/2024	0.08367497		
12/10/2024	0.08366926		
12/11/2024	0.08366354		
12/12/2024	0.08365783		
12/13/2024	0.08365211		
12/14/2024	0.08364640		
12/15/2024	0.08364069		
12/16/2024	0.08363497		
12/17/2024	0.08362926		
12/18/2024	0.08362355		
12/19/2024	0.08361784		
12/20/2024	0.08361212		
12/21/2024	0.08360641		
12/22/2024	0.08360070		
12/23/2024	0.08359499		
12/24/2024	0.08358928		
12/25/2024	0.08358357		
12/26/2024	0.08357786		
12/27/2024	0.08357215		
12/28/2024	0.08356645		
12/29/2024	0.08356074		
12/30/2024	0.08355503		
12/31/2024	0.08354932	0.00017700	0.00993340
TOTAL		0.00209051	0.06893912

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

The Trust holds no assets other than ZEC tokens. Accordingly, when expenses are incurred, Trust assets (i.e., ZEC 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 ZEC 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 ZEC tokens they still own). In Step 3, we determine the Shareholder's basis in the ZEC 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 ZEC tokens at the end of the year and his or her new cost basis in the ZEC 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 2/10/2024 at a price of \$1.79 per share for a total purchase price of \$35,800. Shareholder XYZ had no other purchases or sales of Trust shares during 2024 and held the shares for the remainder of 2024.

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

Locate the Zcash Per Share amount on Shareholder XYZ's purchase date of 2/10/2024 in the gross proceeds file. In this example the number is 0.08542488. This represents the number of ZEC tokens per share on that date.

For Shareholder XYZ, the total amount of ZEC tokens owned for its 2/10/2024 purchase is 1,708.49760000 (0.08542488 per share multiplied by 20,000 shares purchased on 2/10/2024). Note: This step should be completed for each date on which Trust shares were purchased.

Step 2: Calculate the Zcash paid out from Shareholder XYZ's account during 2024 to pay expenses

The ZEC tokens paid out per share during 2024 includes the cumulative amounts of all ZEC token payouts for the period which includes the day after the purchase date of 2/10/2024 through the day before payout date.

During 2024, the total amount of ZEC tokens paid out after the 2/10/2024 purchase date is 0.00185097 per share. This is determined by taking the total amount of ZEC tokens per share paid out in 2024 (0.00209051) and subtracting the amount of ZEC tokens paid out prior to the purchase (0.00018121 from January plus 0.00005833 (10/29 multiplied by 0.00016917 from February)). Then multiply this number (0.00185097) by the number of shares owned (20,000) for a total of 37.01931034 ZEC tokens paid to cover trust expenses.

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

Total ZEC token payout (<i>Step 2</i>)	37.01931034		
	-----	x	\$ 35,800
ZEC tokens acquired (<i>Step 1</i>)	1,708.49760000		
Cost basis of ZEC token payout	\$ 775.71		

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

Identify all proceeds per share received by the Trust after Shareholder XYZ's 2/10/2024 purchase date. During 2024, periodic payouts for the period 2/11/2024 through 12/31/2024 generated proceeds per share of \$0.06334463 (total proceeds of payout of ZEC tokens for the year, \$0.06893912, less \$0.00559449, which is the proceeds of payouts made prior to purchase [\$0.00392496 from January] plus \$0.00166953 from the first ten days in February). Therefore, Shareholder XYZ's gain or loss is determined as follows:

Total Proceeds: \$0.06334463 per share X 20,000 shares	\$	1,266.89
Less: Total cost basis of ZEC token payout (<i>Step 3</i>)		775.71
Total Reportable Gain/(Loss)	\$	<u>491.18</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 2/10/2024 purchase date. During 2024, the expenses were paid periodically and for the period of 2/11/2024 through 12/31/2024 amounted to \$0.06334463 per share. Therefore, Shareholder XYZ's expenses are as follows:

Total Expenses Per Share (<i>Step 4</i>)	\$	0.06334463
Total Shares		<u>20,000</u>
Total Expense	\$	<u>1,266.89</u>

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

ZEC tokens Purchased on 2/10/2024 (<i>Step 1</i>)		1,708.49760000
Less: ZEC token payout during 2024 (<i>Step 2</i>)		<u>37.01931034</u>
Adjusted Shareholder's ZEC tokens at 12/31/2024		<u>1,671.47828966</u>
Original Purchase Cost on 2/10/2024	\$	35,800.00
Less: Cost of ZEC token payout during 2024 (<i>Step 3</i>)		<u>775.71</u>
Adjusted Shareholder's basis at 12/31/2024	\$	<u>35,024.29</u>

Shareholder's adjusted ZEC tokens and adjusted cost calculated in Step 6 are his/her adjusted ZEC tokens and adjusted basis for the 2/10/2024 purchase at the end of 12/31/2024.

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 2024, 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 12/31/2023 should be used as the beginning cost for 2024 instead of the original purchase cost. Shareholders with an additional purchase in 2024 will have two cost lots to account for in 2024. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.