



Bitwise

Bitwise Ethereum Fund

Investor Class – Single Asset Fund

ABOUT THE FUND

The Bitwise Ethereum Fund (“The Fund”) aims to capture the total return available to investors in ether, one of the largest cryptoassets in the world. The fund invests exclusively in ether and offers investors an innovative, cost-efficient, and secure way to access the ether market. Bitwise uses professional trading expertise to minimize transaction costs, and assets are held in 100% cold storage with one of the world’s leading cryptoasset custodians.

The fund aims to capture all economically significant network distributions available to ether investors, including hard forks and air drops, if those network distributions can be captured and realized securely.

ABOUT THE FIRM

Bitwise is a specialist cryptoasset manager founded in 2017. It created the world’s first cryptoasset index fund. The firm has deep expertise in both software and asset management, with backgrounds across Google, Facebook, BlackRock, New York Life, Goldman Sachs and military software security. Bitwise has been featured by CNBC, Forbes, Bloomberg, Institutional Investor, The Wall Street Journal, The New York Times and many other leading media outlets.

SERVICE PROVIDERS

Cohen & Company
Audit & Tax

Coinbase Custody Trust Company
Custodian

Bitwise Asset Management, Inc.
Manager

Theorem Fund Services
Fund Administrator

Wilson Sonsini Goodrich & Rosati
Legal Counsel

WHY THE BITWISE ETHEREUM FUND?

Potential

Ether, one of the world’s largest cryptoassets, is the token that powers the Ethereum network, a global computing and value transfer platform. Originally proposed in a 2013 whitepaper by developer Vitalik Buterin, Ethereum was envisioned as a decentralized virtual machine able to execute scripts using a network of public nodes.

Institutional

As an institutional asset manager, Bitwise has access to professional trading solutions and custody partners, simplifies management and reporting, and works with best-in-class service providers. For many investors, transaction costs related to the fund are expected to be lower than the costs associated with the purchase, storage, and insurance of physical ether.

Security

Custody is a critical component of cryptoasset management. The Fund’s ether are held in 100% cold storage with multi-signature configuration. Bitwise uses a third-party custodian and continuously evaluates security developments to stay up-to-date with industry best practices.

PERFORMANCE AND CORRELATIONS

Performance as of February 26, 2021. Correlations from February 26, 2020 to February 26, 2021

RETURNS	1MO	2MO	3MO	SINCE INCEPTION ²	12MO	SINCE JAN 1, 17
Bitwise Ethereum Fund Investor Class	8.0%	122.4%	174.7%	1548.5%	522.6%	N
Ethereum ETH	8.2%	123.0%	176.2%	1309.5%	534.9%	--

¹Source: Bitwise Asset Management ²Fund Inception: December 12, 2018

Historical performance of ether (ETH) is not illustrative of the performance of the Bitwise Ethereum Fund. The returns of ether are historical and unaudited and do not represent the returns of an actual account. These historical returns do not include the fees and expenses that are charged by any Fund. Actual Fund returns may differ materially from the historical returns of ether (ETH). Please refer to additional important disclosures at the end of this document.

Fund returns are calculated net of expenses. Investor Class units are subject to a 1.5% Expense Ratio⁴ that includes the management fee, custody charges for holding the fund's assets charged by the custodian, and customary fees and expenses of the fund administrator and auditor.

CORRELATIONS	S&P 500 ³	US AGG BOND ³	GOLD ³
Ethereum ETH	0.35	0.15	0.26

³S&P 500 is represented by SPDR S&P 500 Trust ETF (SPY). US AGG BOND is represented by iShares Barclays Aggregate Bond Fund (AGG). Gold is represented by SPDR Gold Shares (GLD).

TERMS AND KEY FACTS

Investment Objective	Provide secure, convenient, liquid and cost-effective exposure to ether (ETH)
Strategy	Direct ownership of ether (ETH)
Investor Qualifications	Accredited investors
Minimum Investment	\$25,000
Expense Ratio ⁴	1.5% of assets under management
Performance Fee	0%
Redemptions	Weekly
Fund Registration	Exempt from registration; Regulation D private placement
Taxation	Pass-through partnership for tax purposes. K1s are prepared for investors.
Subscriptions	Accepted on an ongoing basis
IRA Eligible	Yes, from certain providers

Bitwise Asset Management, Inc. and its affiliates (collectively, the "Manager") are furnishing this presentation (this "Presentation") to sophisticated prospective investors for informational purposes only in relation to a potential opportunity to subscribe for limited liability company interests ("Interests") in Bitwise Ethereum Fund, LLC (the "Fund"). This is neither an offer to sell nor a solicitation for an offer to buy Interests in the Fund. Any offer to sell or solicitation of an offer to buy Interests will be made solely through definitive offering documents, identified as such, in respect of the Fund in compliance with the terms of all applicable securities and other laws. Such definitive offering documents, if any, will describe risks related to an investment in the Fund (including loss of the entire investment) and will qualify in their entirety the information set forth in this Presentation. The Units have not been registered under the Securities Act of 1933, the securities laws of any state or the securities laws of any other jurisdiction, nor is such registration contemplated. The Interests will be offered and sold under the exemption provided by Section 4(a)(2) of the Securities Act of 1933 and Rule 506 of Regulation D promulgated thereunder and other exemptions of similar import in the laws of the states and jurisdictions where the offering will be made. The offer and sale of the Interests have not been registered with or approved or disapproved by the Securities and Exchange Commission (the "SEC") or the securities commission or regulatory authority of any state or foreign jurisdiction.

No Advice on Investment; Risk of Loss: Prior to making any investment decision in respect of the Fund, each investor must undertake its own independent examination and investigation of the Fund, including the merits and risks involved in an investment in the Interests, and must base its investment decision—including a determination whether Interests would be a suitable investment for the investor—on such examination and investigation and must not rely on the Manager or the Fund in making such investment decision. Prospective investors must not construe the contents of this Presentation as legal, tax, investment, or other advice. Each prospective investor is urged to consult with its own advisors with respect to legal, tax, regulatory, financial, accounting, and similar consequences of investing in the Fund, the suitability of the investment for such investor, and other relevant matters concerning an investment in the Fund. This Presentation contains an overview summary of the terms of the Fund. The summary set forth in this Presentation does not purport to be complete, and is qualified in its entirety by reference to the definitive offering documents relating to the Fund. Do not place undue reliance on this Presentation.

Information May Change and Be Inaccurate, Incomplete, or Outdated: The information in this Presentation is for discussion purposes only and no representations or warranties are given or implied. The information contained in this Presentation is subject to further discussion, completion, and amendment. All of the information presented herein is subject to change without notice. For example, the Fund may select new service providers such as custodians and administrators. This Presentation may be updated to provide additional information on the Bitwise Ethereum Fund and its methodology. Any use of this Presentation is on an "as is" and "as available" basis and is at the user's sole risk.

The historical performance of ether (i.e., prior to December 12, 2018) is not illustrative of the performance of the Bitwise Ethereum Fund. The returns of ether are historical and unaudited and do not represent the returns of an actual account. These historical returns do not include the fees and expenses that are charged by any Fund. Actual Fund returns may differ materially from the historical returns of ether. Actual returns from live portfolios will differ materially from the historical, unaudited ether returns. Historical returns do not reflect the macroeconomic risks of using an investment strategy in a different time period or the financial risk of executing trades in a live portfolio which include the potential market impact on cryptocurrency prices caused by buying or selling that could cause price impact. Hypothetical returns do not reflect the macroeconomic risks of using an investment strategy in a different time period. They also do not reflect the financial risk of executing trades in a live portfolio, including the potential market impact on cryptocurrency prices caused by buying or selling, which could cause the model's buy or sell prices to differ from the frictionless trades of the back-tested model. Those estimated fees have not been included in (by reducing) the historical performance. Although the information on this Fact Sheet provides some idea of the historic risks involved in investing in a portfolio investing in Ethereum, past hypothetical performance is not a guarantee of future returns. Backward-looking performance cannot predict how any investment strategy will perform in the future.

⁴Expense Ratio includes the management fee, custody charges for holding the fund's assets charged by the custodian, and customary fees and expenses of the fund administrator and auditor. Please refer to important additional disclaimers at www.bitwiseinvestments.com/disclaimers