

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC)
2019 Grantor Trust Tax Information
EIN: 82-6239281

The following information is being provided to assist Shareholders of the Grayscale Ethereum Classic Trust (ETC) (the "Trust") with reporting of their taxable income and expenses for the period January 1, 2019 through December 31, 2019.

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 Trust.

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

The Trust paid expenses periodically, as shown in the attached 2019 Gross Proceeds File. These expenses are allocated into monthly periods as shown in the 2019 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 ETC 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 2019 Gross Proceeds File together with an example illustrating how a Shareholder should calculate gain or loss.

GLOSSARY OF TERMS

Grayscale Ethereum Classic Trust (ETC) - (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 ETC), amount of ETC paid to cover trust expenses (in ETC), and per share proceeds from ETC 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 CLASSIC TRUST (ETC) 2019 EXPENSE FILE

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

Date	Expenses Per Share (USD)	Amount of ETC Per Share
October, 2018	0.01030019	0.00236243
November, 2018	0.01001036	0.00229595
December, 2018	0.01050807	0.00241011
January, 2019	0.01159496	0.00241597
February, 2019	0.01318056	0.00217143
March, 2019	0.01459614	0.00240464
April, 2019	0.01173723	0.00197264
May, 2019	0.01239021	0.00208239
June, 2019	0.01262918	0.00212255
July, 2019	0.01382327	0.00232324
August, 2019	0.01341866	0.00214356
September, 2019	0.00968527	0.00204763
October, 2019	0.01117876	0.00231925
November, 2019	0.00897350	0.00227754
December, 2019	0.01022211	0.00230747
Total for Tax year 2019	0.17424847	0.03365680

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 2019 Grayscale Ethereum Classic Trust (ETC) Expenses

Assume that a Shareholder purchased 20,000 shares on February 15, 2019 and sold them on September 15, 2019. For the month of February, Shareholder's expenses are \$0.01318056 (See Summary Table above – February Factor) x (13/28) = \$0.00611955 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 \$0.00968527 (See Summary Table above – September Factor) x (15/30) = \$0.00484264. The total expenses for Shareholder are therefore \$0.08955687 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held (20,000), or \$1,791.14

Total Expenses Per Share	\$0.08955687
Total Shares	<u>20,000</u>
Total Expense	<u>\$ 1,791.14</u>

(Please consult your tax advisor as to reporting)

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
1/1/2019	0.95047213		
1/2/2019	0.95039401		
1/3/2019	0.95031589		
1/4/2019	0.95023778		
1/5/2019	0.95015968		
1/6/2019	0.95008159		
1/7/2019	0.95000350		
1/8/2019	0.94992542		
1/9/2019	0.94984734		
1/10/2019	0.94976927		
1/11/2019	0.94969121		
1/12/2019	0.94961315		
1/13/2019	0.94953510		
1/14/2019	0.94945706		
1/15/2019	0.94937902		
1/16/2019	0.94930099		
1/17/2019	0.94922296		
1/18/2019	0.94914494		
1/19/2019	0.94906693		
1/20/2019	0.94898893		
1/21/2019	0.94891093		
1/22/2019	0.94883294		
1/23/2019	0.94875495	0.00886381	0.03864617
1/24/2019	0.94867697		
1/25/2019	0.94859900		
1/26/2019	0.94852103		
1/27/2019	0.94844307		
1/28/2019	0.94836511		
1/29/2019	0.94828717		
1/30/2019	0.94820922		
1/31/2019	0.94813129		

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
2/1/2019	0.94805336		
2/2/2019	0.94797544		
2/3/2019	0.94789752		
2/4/2019	0.94781961		
2/5/2019	0.94774171		
2/6/2019	0.94766381		
2/7/2019	0.94758592		
2/8/2019	0.94750804		
2/9/2019	0.94743016		
2/10/2019	0.94735229		
2/11/2019	0.94727443		
2/12/2019	0.94719657		
2/13/2019	0.94711872		
2/14/2019	0.94704087		
2/15/2019	0.94696303		
2/16/2019	0.94688520		
2/17/2019	0.94680737		
2/18/2019	0.94672955		
2/19/2019	0.94665174		
2/20/2019	0.94657393		
2/21/2019	0.94649613		
2/22/2019	0.94641834		
2/23/2019	0.94634055		
2/24/2019	0.94626277		
2/25/2019	0.94618500		
2/26/2019	0.94610723		
2/27/2019	0.94602946		
2/28/2019	0.94595171		

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
3/1/2019	0.94587396		
3/2/2019	0.94579622		
3/3/2019	0.94571848		
3/4/2019	0.94564075		
3/5/2019	0.94556302		
3/6/2019	0.94548531		
3/7/2019	0.94540760		
3/8/2019	0.94532989		
3/9/2019	0.94525219		
3/10/2019	0.94517450		
3/11/2019	0.94509682		
3/12/2019	0.94501914		
3/13/2019	0.94494146		
3/14/2019	0.94486380		
3/15/2019	0.94478614		
3/16/2019	0.94470848		
3/17/2019	0.94463084		
3/18/2019	0.94455320		
3/19/2019	0.94447556		
3/20/2019	0.94439793		
3/21/2019	0.94432031		
3/22/2019	0.94424270		
3/23/2019	0.94416509		
3/24/2019	0.94408748		
3/25/2019	0.94400989		
3/26/2019	0.94393230		
3/27/2019	0.94385471		
3/28/2019	0.94377714		
3/29/2019	0.94369957		
3/30/2019	0.94362200		
3/31/2019	0.94354444		

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
4/1/2019	0.94346689		
4/2/2019	0.94338935		
4/3/2019	0.94331181	0.00519672	0.03154412
4/4/2019	0.94323428		
4/5/2019	0.94315675		
4/6/2019	0.94307923		
4/7/2019	0.94300172		
4/8/2019	0.94292421		
4/9/2019	0.94284671		
4/10/2019	0.94276922		
4/11/2019	0.94269173		
4/12/2019	0.94261425		
4/13/2019	0.94253677		
4/14/2019	0.94245930		
4/15/2019	0.94238184		
4/16/2019	0.94230438		
4/17/2019	0.94222693		
4/18/2019	0.94214949		
4/19/2019	0.94207205		
4/20/2019	0.94199462		
4/21/2019	0.94191720		
4/22/2019	0.94183978		
4/23/2019	0.94176237		
4/24/2019	0.94168496		
4/25/2019	0.94160757		
4/26/2019	0.94153017		
4/27/2019	0.94145279		
4/28/2019	0.94137541		
4/29/2019	0.94129803		
4/30/2019	0.94122067		

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
5/1/2019	0.94114331		
5/2/2019	0.94106595		
5/3/2019	0.94098860		
5/4/2019	0.94091126		
5/5/2019	0.94083393		
5/6/2019	0.94075660		
5/7/2019	0.94067928		
5/8/2019	0.94060196		
5/9/2019	0.94052465		
5/10/2019	0.94044735		
5/11/2019	0.94037005		
5/12/2019	0.94029276		
5/13/2019	0.94021548		
5/14/2019	0.94013820		
5/15/2019	0.94006093		
5/16/2019	0.93998366		
5/17/2019	0.93990640		
5/18/2019	0.93982915		
5/19/2019	0.93975190		
5/20/2019	0.93967466		
5/21/2019	0.93959743		
5/22/2019	0.93952020		
5/23/2019	0.93944298		
5/24/2019	0.93936577		
5/25/2019	0.93928856		
5/26/2019	0.93921136		
5/27/2019	0.93913416		
5/28/2019	0.93905697		
5/29/2019	0.93897979		
5/30/2019	0.93890261		
5/31/2019	0.93882544		

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
6/1/2019	0.93874828		
6/2/2019	0.93867112		
6/3/2019	0.93859397		
6/4/2019	0.93851683		
6/5/2019	0.93843969		
6/6/2019	0.93836256		
6/7/2019	0.93828543		
6/8/2019	0.93820831		
6/9/2019	0.93813120		
6/10/2019	0.93805409		
6/11/2019	0.93797699		
6/12/2019	0.93789990		
6/13/2019	0.93782281		
6/14/2019	0.93774573		
6/15/2019	0.93766865		
6/16/2019	0.93759158		
6/17/2019	0.93751452		
6/18/2019	0.93743747		
6/19/2019	0.93736042		
6/20/2019	0.93728337		
6/21/2019	0.93720634		
6/22/2019	0.93712930		
6/23/2019	0.93705228		
6/24/2019	0.93697526		
6/25/2019	0.93689825		
6/26/2019	0.93682125		
6/27/2019	0.93674425		
6/28/2019	0.93666725		
6/29/2019	0.93659027		
6/30/2019	0.93651329		

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
7/1/2019	0.93643631		
7/2/2019	0.93635935		
7/3/2019	0.93628239		
7/4/2019	0.93620543		
7/5/2019	0.93612848		
7/6/2019	0.93605154		
7/7/2019	0.93597460		
7/8/2019	0.93589767		
7/9/2019	0.93582075		
7/10/2019	0.93574384		
7/11/2019	0.93566692		
7/12/2019	0.93559002		
7/13/2019	0.93551312		
7/14/2019	0.93543623		
7/15/2019	0.93535935		
7/16/2019	0.93528247		
7/17/2019	0.93520559		
7/18/2019	0.93512873		
7/19/2019	0.93505187		
7/20/2019	0.93497501		
7/21/2019	0.93489817		
7/22/2019	0.93482133		
7/23/2019	0.93474449		
7/24/2019	0.93466766		
7/25/2019	0.93459084		
7/26/2019	0.93451403		
7/27/2019	0.93443722		
7/28/2019	0.93436041		
7/29/2019	0.93428362		
7/30/2019	0.93420683		
7/31/2019	0.93413004		

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
8/1/2019	0.93405326	0.00850082	0.05057988
8/2/2019	0.93397649		
8/3/2019	0.93389973		
8/4/2019	0.93382297		
8/5/2019	0.93374622		
8/6/2019	0.93366947		
8/7/2019	0.93359273		
8/8/2019	0.93351600		
8/9/2019	0.93343927		
8/10/2019	0.93336255		
8/11/2019	0.93328583		
8/12/2019	0.93320913		
8/13/2019	0.93313242		
8/14/2019	0.93305573		
8/15/2019	0.93297904		
8/16/2019	0.93290235		
8/17/2019	0.93282568		
8/18/2019	0.93274901		
8/19/2019	0.93267234		
8/20/2019	0.93259568		
8/21/2019	0.93251903		
8/22/2019	0.93244239		
8/23/2019	0.93236575		
8/24/2019	0.93228912		
8/25/2019	0.93221249		
8/26/2019	0.93213587		
8/27/2019	0.93205925		
8/28/2019	0.93198265		
8/29/2019	0.93190605		
8/30/2019	0.93182945		
8/31/2019	0.93175286	0.00214356	0.01341866

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
9/1/2019	0.93167628		
9/2/2019	0.93159970		
9/3/2019	0.93152313		
9/4/2019	0.93144657		
9/5/2019	0.93137001		
9/6/2019	0.93129346		
9/7/2019	0.93121692		
9/8/2019	0.93114038		
9/9/2019	0.93106385		
9/10/2019	0.93098732		
9/11/2019	0.93091080		
9/12/2019	0.93083429		
9/13/2019	0.93075778		
9/14/2019	0.93068128		
9/15/2019	0.93060479		
9/16/2019	0.93052830		
9/17/2019	0.93045182		
9/18/2019	0.93037534		
9/19/2019	0.93029887		
9/20/2019	0.93022241		
9/21/2019	0.93014595		
9/22/2019	0.93006950		
9/23/2019	0.92999306		
9/24/2019	0.92991662		
9/25/2019	0.92984019		
9/26/2019	0.92976376		
9/27/2019	0.92968734		
9/28/2019	0.92961093		
9/29/2019	0.92953453		
9/30/2019	0.92945813	0.00204763	0.00968527

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
10/1/2019	0.92938173		
10/2/2019	0.92930534		
10/3/2019	0.92922896		
10/4/2019	0.92915259		
10/5/2019	0.92907622		
10/6/2019	0.92899986		
10/7/2019	0.92892350		
10/8/2019	0.92884715		
10/9/2019	0.92877081		
10/10/2019	0.92869447		
10/11/2019	0.92861798		
10/12/2019	0.92854165		
10/13/2019	0.92846533		
10/14/2019	0.92838902		
10/15/2019	0.92831271		
10/16/2019	0.92823642		
10/17/2019	0.92816012		
10/18/2019	0.92808383		
10/19/2019	0.92800755		
10/20/2019	0.92793128		
10/21/2019	0.92785501		
10/22/2019	0.92777875		
10/23/2019	0.92770249		
10/24/2019	0.92762624		
10/25/2019	0.92755000		
10/26/2019	0.92747376		
10/27/2019	0.92739753		
10/28/2019	0.92732131		
10/29/2019	0.92724509		
10/30/2019	0.92716888		
10/31/2019	0.92709267	0.00231925	0.01117876

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
11/1/2019	0.92701647		
11/2/2019	0.92694028		
11/3/2019	0.92686409		
11/4/2019	0.92678791		
11/5/2019	0.92671174		
11/6/2019	0.92663557		
11/7/2019	0.92655941		
11/8/2019	0.92648325		
11/9/2019	0.92640710		
11/10/2019	0.92633096		
11/11/2019	0.92625491		
11/12/2019	0.92617878		
11/13/2019	0.92610266		
11/14/2019	0.92602654		
11/15/2019	0.92595043		
11/16/2019	0.92587432		
11/17/2019	0.92579822		
11/18/2019	0.92572213		
11/19/2019	0.92564604		
11/20/2019	0.92556996		
11/21/2019	0.92549389		
11/22/2019	0.92541782		
11/23/2019	0.92534176		
11/24/2019	0.92526570		
11/25/2019	0.92518965		
11/26/2019	0.92511361		
11/27/2019	0.92503757		
11/28/2019	0.92496154		
11/29/2019	0.92488552		
11/30/2019	0.92480950	0.00227754	0.00897350

GRAYSCALE ETHEREUM CLASSIC TRUST (ETC) 2019 GROSS PROCEEDS FILE

Date	ETC Per Share	Number of ETC Used to Cover Trust Expenses Per Share (in ETC)	Proceeds from Payout of ETC to Cover Trust Expenses Per Share (in USD)
12/1/2019	0.92473349		
12/2/2019	0.92465748		
12/3/2019	0.92458148		
12/4/2019	0.92450549		
12/5/2019	0.92442950		
12/6/2019	0.92435352		
12/7/2019	0.92427755		
12/8/2019	0.92420158		
12/9/2019	0.92412562		
12/10/2019	0.92404966		
12/11/2019	0.92397371		
12/12/2019	0.92389777		
12/13/2019	0.92382183		
12/14/2019	0.92374590		
12/15/2019	0.92366998		
12/16/2019	0.92359406		
12/17/2019	0.92351815		
12/18/2019	0.92344224		
12/19/2019	0.92336634		
12/20/2019	0.92329045		
12/21/2019	0.92321456		
12/22/2019	0.92313868		
12/23/2019	0.92306281		
12/24/2019	0.92298694		
12/25/2019	0.92291108		
12/26/2019	0.92283522		
12/27/2019	0.92275937		
12/28/2019	0.92268353		
12/29/2019	0.92260769		
12/30/2019	0.92253186		
12/31/2019	0.92245604	0.00230747	0.01022211
TOTAL		0.03365680	0.17424847

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

The Trust holds no assets other than ETC tokens. Accordingly, when expenses are incurred, Trust assets (i.e. ETC 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 ETC 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 ETC tokens they still own). In Step 3 we determine the Shareholder's basis in the ETC 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 ETC tokens at the end of the year and his or her new cost basis in those ETC 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 2/10/2019 at a price of \$3.80 per share for a total purchase price of \$76,000. Shareholder XYZ had no other purchases or sales of Trust shares during 2019 and held the shares for the remainder of 2019.

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

Locate the Ethereum Classic Per Share amount on Shareholder XYZ's purchase date of 2/10/2019 in the gross proceeds file. In this example the number is 0.94735229. This represents the number of ETC tokens per share on that date.

For Shareholder XYZ, the total amount of ETC tokens owned for its 2/10/2019 purchase is 18,947.04580000 (0.94735229 per share multiplied by 20,000 shares purchased on 2/10/2019). Note: This step should be completed for each date on which Trust shares were purchased.

Step 2: Calculate the Ethereum Classic paid out from Shareholder XYZ's account during 2019 to pay expenses

The ETC tokens paid out per share during 2019 includes the cumulative amounts of all ETC token payouts for the period which includes the day after the purchase date of 2/10/2019 through the day before payout date.

During 2019 the amount of ETC tokens paid out after the 2/10/2019 purchase date is 0.02339683 per share. This is determined by taking the total amount of ETC tokens per share paid out in 2019 (0.03365680) and subtracting the amount of ETC tokens paid out prior to the purchase (0.00948446 from October 2018 through January 2019 plus (10/28 multiplied by 0.00217143) from February 2019)). Then multiply this number (0.02339683) by the number of shares owned (20,000) for a total of 467.93658571 ETC tokens paid to cover trust expenses.

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

Total ETC token payout (Step 2)	467.93658571	
	-----	X \$76,000
ETC tokens acquired (Step 1)	18,947.04580000	
Cost of ETC token payout	\$1,876.98	

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

Identify all proceeds per share received by the Trust after Shareholder XYZ's 2/10/2019 purchase date. During 2019, periodic payouts for the period 2/11/2019 through 12/31/2019 generated proceeds per share of \$0.12712755 (total proceeds of payout of ETC tokens for the year, 0.17424847, less 0.04712092, which is the proceeds of payouts made prior to purchase [0.04241358 from October 2018 through January 2019] plus 0.00470734 from the first ten days in February 2019). Therefore, Shareholder XYZ's gain or loss is determined as follows

Total Proceeds: \$0.12712755 per share X 20,000 shares	\$	2,542.55
Less: Total cost basis of ETC token payout (Step 3)		<u>1,876.98</u>
Total Reportable Gain/(Loss)	\$	<u>665.57</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 2/10/2019 purchase date. During 2019, the expenses were paid periodically and for the period of 2/11/2019 through 12/31/2019 amounted to \$0.12712755 per share. Therefore, Shareholder XYZ's expenses are as follows:

Total Expenses Per Share (Step 4)	\$	0.12712755
Total Shares		<u>20,000</u>
Total Expense	\$	<u>2,542.55</u>

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

ETC tokens Purchased in 2/10/2019 (Step 1)	18,947.04580000
Less: ETC token payout during 2019 (Step 2)	<u>467.93658571</u>
Adjusted Shareholder's ETC tokens at 12/31/2019	<u>18,479.10921429</u>
Original Purchase Cost on 2/10/2019	\$ 76,000.00
Less: Cost of ETC token payout during 2019 (Step 3)	<u>1,876.98</u>
Adjusted Shareholder's basis at 12/31/2019	<u>\$ 74,123.02</u>

Shareholder's adjusted ETC tokens and adjusted cost calculated in Step 6 are his/her adjusted ETC tokens and adjusted basis for the 2/10/2019 purchase at the end of 12/31/2019.

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 2019, 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 12/31/2018 should be used as the beginning cost for 2019 instead of the original purchase cost. Shareholders with an additional purchase in 2019 will have two cost lots to account for in 2019. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.