

## GRAYSCALE LITECOIN TRUST (LTC)

2021 Grantor Trust Tax Information

EIN: 82-6868171

The following information is being provided to assist Shareholders of the Grayscale Litecoin Trust (LTC) (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 Litecoin ("LTC") 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 LTC 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 Litecoin Trust (LTC) - (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 LTC), amount of LTC paid to cover trust expenses (in LTC), and per share proceeds from LTC 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 LITECOIN TRUST (LTC) 2021 EXPENSE FILE

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

Date	Expenses Per Share (USD)	Amount of LTC Per Share
January	0.02304914	0.00018021
February	0.02785653	0.00016984
March	0.03725026	0.00019279
April	0.05093496	0.00018983
May	0.03592739	0.00019548
June	0.02628927	0.00018565
July	0.02711526	0.00019384
August	0.03369260	0.00019473
September	0.02851138	0.00018806
October	0.03775992	0.00019392
November	0.04119359	0.00018727
December	0.02846492	0.00019311
<b>Total for year</b>	<b>0.39804522</b>	<b>0.00226473</b>

### 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 Litecoin Trust (LTC) 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 \$0.02785653 (See Summary Table above – February Factor) x (13/28) = \$0.01293339 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 \$0.02851138 (See Summary Table above – September Factor) x (15/30) = \$0.01425569. The total expenses for Shareholder are therefore \$0.23839882 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held (20,000), or \$4,767.98.

Total Expenses per Share	\$0.23839882
Total Shares	<u>20,000</u>
<b>Total Expense</b>	<b><u>\$ 4,767.98</u></b>

(Please consult your tax advisor as to reporting)

**GRAYSCALE LITECOIN TRUST (LTC) 2021 GROSS PROCEEDS FILE**

<b>Date</b>	<b>LTC Per Share</b>	<b>Number of LTC Used to Cover Trust Expenses Per Share (in LTC)</b>	<b>Proceeds from Payout of LTC to Cover Trust Expenses Per Share (in USD)</b>
1/1/2021	0.09314341		
1/2/2021	0.09313703		
1/3/2021	0.09313065		
1/4/2021	0.09312427		
1/5/2021	0.09311789		
1/6/2021	0.09311152		
1/7/2021	0.09310514		
1/8/2021	0.09309876		
1/9/2021	0.09309239		
1/10/2021	0.09308601		
1/11/2021	0.09307963		
1/12/2021	0.09307326		
1/13/2021	0.09306688		
1/14/2021	0.09306051		
1/15/2021	0.09305413		
1/16/2021	0.09304776		
1/17/2021	0.09304139		
1/18/2021	0.09303502		
1/19/2021	0.09302864		
1/20/2021	0.09302227		
1/21/2021	0.09301590		
1/22/2021	0.09300953		
1/23/2021	0.09300316		
1/24/2021	0.09299679		
1/25/2021	0.09299042		
1/26/2021	0.09298405		
1/27/2021	0.09297768		
1/28/2021	0.09297131		
1/29/2021	0.09296494		
1/30/2021	0.09295858		
<b>1/31/2021</b>	<b>0.09295221</b>	<b>0.00018021</b>	<b>0.02304914</b>

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<b>Date</b>	<b>LTC Per Share</b>	<b>Number of LTC Used to Cover Trust Expenses Per Share (in LTC)</b>	<b>Proceeds from Payout of LTC to Cover Trust Expenses Per Share (in USD)</b>
2/1/2021	0.09294584		
2/2/2021	0.09293948		
2/3/2021	0.09293311		
2/4/2021	0.09292675		
2/5/2021	0.09292038		
2/6/2021	0.09291402		
2/7/2021	0.09290765		
2/8/2021	0.09290129		
2/9/2021	0.09289493		
2/10/2021	0.09288856		
2/11/2021	0.09288220		
2/12/2021	0.09287584		
2/13/2021	0.09286948		
2/14/2021	0.09286312		
2/15/2021	0.09285676		
2/16/2021	0.09285040		
2/17/2021	0.09284404		
2/18/2021	0.09283768		
2/19/2021	0.09283132		
2/20/2021	0.09282496		
2/21/2021	0.09281860		
2/22/2021	0.09281225		
2/23/2021	0.09280589		
2/24/2021	0.09279953		
2/25/2021	0.09279318		
2/26/2021	0.09278682		
2/27/2021	0.09278047		
<b>2/28/2021</b>	<b>0.09277411</b>	<b>0.00016984</b>	<b>0.02785653</b>

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3/1/2021	0.09276776		
3/2/2021	0.09276140		
3/3/2021	0.09275505		
3/4/2021	0.09274870		
3/5/2021	0.09274234		
3/6/2021	0.09273599		
3/7/2021	0.09272964		
3/8/2021	0.09272329		
3/9/2021	0.09271694		
3/10/2021	0.09271059		
3/11/2021	0.09270424		
3/12/2021	0.09269789		
3/13/2021	0.09269154		
3/14/2021	0.09268519		
3/15/2021	0.09267884		
3/16/2021	0.09267249		
3/17/2021	0.09266614		
3/18/2021	0.09265980		
3/19/2021	0.09265345		
3/20/2021	0.09264711		
3/21/2021	0.09264076		
3/22/2021	0.09263441		
3/23/2021	0.09262807		
3/24/2021	0.09262173		
3/25/2021	0.09261538		
3/26/2021	0.09260904		
3/27/2021	0.09260269		
3/28/2021	0.09259635		
3/29/2021	0.09259001		
3/30/2021	0.09258367		
<b>3/31/2021</b>	<b>0.09257733</b>	<b>0.00019279</b>	<b>0.03725026</b>

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4/1/2021	0.09257099		
4/2/2021	0.09256465		
4/3/2021	0.09255831		
4/4/2021	0.09255197		
4/5/2021	0.09254563		
4/6/2021	0.09253929		
4/7/2021	0.09253295		
4/8/2021	0.09252661		
4/9/2021	0.09252027		
4/10/2021	0.09251394		
4/11/2021	0.09250760		
4/12/2021	0.09250126		
4/13/2021	0.09249493		
4/14/2021	0.09248859		
4/15/2021	0.09248226		
4/16/2021	0.09247592		
4/17/2021	0.09246959		
4/18/2021	0.09246326		
4/19/2021	0.09245692		
4/20/2021	0.09245059		
4/21/2021	0.09244426		
4/22/2021	0.09243793		
4/23/2021	0.09243160		
4/24/2021	0.09242526		
4/25/2021	0.09241893		
4/26/2021	0.09241260		
4/27/2021	0.09240627		
4/28/2021	0.09239995		
4/29/2021	0.09239362		
<b>4/30/2021</b>	<b>0.09238729</b>	<b>0.00018983</b>	<b>0.05093496</b>

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5/1/2021	0.09238096		
5/2/2021	0.09237463		
5/3/2021	0.09236831		
5/4/2021	0.09236198		
5/5/2021	0.09235565		
5/6/2021	0.09234933		
5/7/2021	0.09234300		
5/8/2021	0.09233668		
5/9/2021	0.09233035		
5/10/2021	0.09232403		
5/11/2021	0.09231770		
5/12/2021	0.09231138		
5/13/2021	0.09230506		
5/14/2021	0.09229874		
5/15/2021	0.09229242		
5/16/2021	0.09228609		
5/17/2021	0.09227977		
5/18/2021	0.09227345		
5/19/2021	0.09226713		
5/20/2021	0.09226081		
5/21/2021	0.09225449		
5/22/2021	0.09224817		
5/23/2021	0.09224186		
5/24/2021	0.09223554		
5/25/2021	0.09222922		
5/26/2021	0.09222290		
5/27/2021	0.09221659		
5/28/2021	0.09221027		
5/29/2021	0.09220395		
5/30/2021	0.09219764		
<b>5/31/2021</b>	<b>0.09219132</b>	<b>0.00019548</b>	<b>0.03592739</b>

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6/1/2021	0.09218501		
6/2/2021	0.09217870		
6/3/2021	0.09217238		
6/4/2021	0.09216607		
6/5/2021	0.09215976		
6/6/2021	0.09215344		
6/7/2021	0.09214713		
6/8/2021	0.09214082		
6/9/2021	0.09213451		
6/10/2021	0.09212820		
6/11/2021	0.09212189		
6/12/2021	0.09211558		
6/13/2021	0.09210927		
6/14/2021	0.09210296		
6/15/2021	0.09209665		
6/16/2021	0.09209034		
6/17/2021	0.09208404		
6/18/2021	0.09207773		
6/19/2021	0.09207142		
6/20/2021	0.09206512		
6/21/2021	0.09205881		
6/22/2021	0.09205251		
6/23/2021	0.09204620		
6/24/2021	0.09203990		
6/25/2021	0.09203359		
6/26/2021	0.09202729		
6/27/2021	0.09202099		
6/28/2021	0.09201468		
6/29/2021	0.09200838		
<b>6/30/2021</b>	<b>0.09200208</b>	<b>0.00018565</b>	<b>0.02628927</b>



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7/1/2021	0.09199578		
7/2/2021	0.09198948		
7/3/2021	0.09198318		
7/4/2021	0.09197687		
7/5/2021	0.09197058		
7/6/2021	0.09196428		
7/7/2021	0.09195798		
7/8/2021	0.09195168		
7/9/2021	0.09194538		
7/10/2021	0.09193908		
7/11/2021	0.09193279		
7/12/2021	0.09192649		
7/13/2021	0.09192019		
7/14/2021	0.09191390		
7/15/2021	0.09190760		
7/16/2021	0.09190131		
7/17/2021	0.09189501		
7/18/2021	0.09188872		
7/19/2021	0.09188242		
7/20/2021	0.09187613		
7/21/2021	0.09186984		
7/22/2021	0.09186354		
7/23/2021	0.09185725		
7/24/2021	0.09185096		
7/25/2021	0.09184467		
<b>7/26/2021</b>	<b>0.09183838</b>	<b>0.00009448</b>	<b>0.01289522</b>
7/27/2021	0.09183209		
7/28/2021	0.09182580		
7/29/2021	0.09181951		
7/30/2021	0.09181322		
<b>7/31/2021</b>	<b>0.09180693</b>	<b>0.00009936</b>	<b>0.01422004</b>

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8/1/2021	0.09180064		
8/2/2021	0.09179436		
8/3/2021	0.09178807		
8/4/2021	0.09178178		
8/5/2021	0.09177550		
8/6/2021	0.09176921		
8/7/2021	0.09176292		
8/8/2021	0.09175664		
8/9/2021	0.09175035		
8/10/2021	0.09174407		
8/11/2021	0.09173779		
8/12/2021	0.09173150		
8/13/2021	0.09172522		
8/14/2021	0.09171894		
8/15/2021	0.09171266		
8/16/2021	0.09170637		
8/17/2021	0.09170009		
8/18/2021	0.09169381		
8/19/2021	0.09168753		
8/20/2021	0.09168125		
8/21/2021	0.09167497		
8/22/2021	0.09166869		
8/23/2021	0.09166241		
8/24/2021	0.09165614		
8/25/2021	0.09164986		
8/26/2021	0.09164358		
8/27/2021	0.09163730		
8/28/2021	0.09163103		
8/29/2021	0.09162475		
8/30/2021	0.09161847		
<b>8/31/2021</b>	<b>0.09161220</b>	<b>0.00019473</b>	<b>0.03369260</b>

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<b>Date</b>	<b>LTC Per Share</b>	<b>Number of LTC Used to Cover Trust Expenses Per Share (in LTC)</b>	<b>Proceeds from Payout of LTC to Cover Trust Expenses Per Share (in USD)</b>
9/1/2021	0.09160592		
9/2/2021	0.09159965		
9/3/2021	0.09159338		
9/4/2021	0.09158710		
9/5/2021	0.09158083		
9/6/2021	0.09157456		
9/7/2021	0.09156829		
9/8/2021	0.09156201		
9/9/2021	0.09155574		
9/10/2021	0.09154947		
9/11/2021	0.09154320		
9/12/2021	0.09153693		
9/13/2021	0.09153066		
9/14/2021	0.09152439		
9/15/2021	0.09151812		
9/16/2021	0.09151185		
9/17/2021	0.09150559		
9/18/2021	0.09149932		
9/19/2021	0.09149305		
9/20/2021	0.09148679		
9/21/2021	0.09148052		
9/22/2021	0.09147425		
9/23/2021	0.09146799		
9/24/2021	0.09146172		
9/25/2021	0.09145546		
9/26/2021	0.09144919		
9/27/2021	0.09144293		
9/28/2021	0.09143667		
9/29/2021	0.09143040		
<b>9/30/2021</b>	<b>0.09142414</b>	<b>0.00018806</b>	<b>0.02851138</b>

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<b>Date</b>	<b>LTC Per Share</b>	<b>Number of LTC Used to Cover Trust Expenses Per Share (in LTC)</b>	<b>Proceeds from Payout of LTC to Cover Trust Expenses Per Share (in USD)</b>
10/1/2021	0.09141788		
10/2/2021	0.09141162		
10/3/2021	0.09140536		
10/4/2021	0.09139910		
10/5/2021	0.09139284		
10/6/2021	0.09138658		
10/7/2021	0.09138032		
10/8/2021	0.09137406		
10/9/2021	0.09136780		
10/10/2021	0.09136154		
10/11/2021	0.09135528		
10/12/2021	0.09134903		
10/13/2021	0.09134277		
10/14/2021	0.09133651		
10/15/2021	0.09133026		
10/16/2021	0.09132400		
10/17/2021	0.09131775		
10/18/2021	0.09131149		
10/19/2021	0.09130524		
10/20/2021	0.09129899		
<b>10/21/2021</b>	<b>0.09129273</b>	<b>0.00009388</b>	<b>0.01862093</b>
10/22/2021	0.09128648		
10/23/2021	0.09128023		
10/24/2021	0.09127397		
10/25/2021	0.09126772		
10/26/2021	0.09126147		
10/27/2021	0.09125522		
10/28/2021	0.09124897		
10/29/2021	0.09124272		
10/30/2021	0.09123647		
<b>10/31/2021</b>	<b>0.09123022</b>	<b>0.00010004</b>	<b>0.01913899</b>

**GRAYSCALE LITECOIN TRUST (LTC) 2021 GROSS PROCEEDS FILE**

<b>Date</b>	<b>LTC Per Share</b>	<b>Number of LTC Used to Cover Trust Expenses Per Share (in LTC)</b>	<b>Proceeds from Payout of LTC to Cover Trust Expenses Per Share (in USD)</b>
11/1/2021	0.09122397		
11/2/2021	0.09121772		
11/3/2021	0.09121148		
11/4/2021	0.09120523		
11/5/2021	0.09119898		
11/6/2021	0.09119274		
11/7/2021	0.09118649		
11/8/2021	0.09118024		
11/9/2021	0.09117400		
11/10/2021	0.09116775		
11/11/2021	0.09116151		
11/12/2021	0.09115527		
11/13/2021	0.09114902		
11/14/2021	0.09114278		
11/15/2021	0.09113654		
11/16/2021	0.09113029		
<b>11/17/2021</b>	<b>0.09112405</b>	<b>0.00009368</b>	<b>0.02153906</b>
11/18/2021	0.09111781		
11/19/2021	0.09111157		
11/20/2021	0.09110533		
11/21/2021	0.09109909		
11/22/2021	0.09109285		
11/23/2021	0.09108661		
11/24/2021	0.09108037		
11/25/2021	0.09107413		
11/26/2021	0.09106790		
11/27/2021	0.09106166		
11/28/2021	0.09105542		
11/29/2021	0.09104918		
<b>11/30/2021</b>	<b>0.09104295</b>	<b>0.00009359</b>	<b>0.01965453</b>

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<b>Date</b>	<b>LTC Per Share</b>	<b>Number of LTC Used to Cover Trust Expenses Per Share (in LTC)</b>	<b>Proceeds from Payout of LTC to Cover Trust Expenses Per Share (in USD)</b>
12/1/2021	0.09103671		
12/2/2021	0.09103048		
12/3/2021	0.09102424		
12/4/2021	0.09101801		
12/5/2021	0.09101177		
12/6/2021	0.09100554		
12/7/2021	0.09099931		
12/8/2021	0.09099307		
12/9/2021	0.09098684		
12/10/2021	0.09098061		
12/11/2021	0.09097438		
12/12/2021	0.09096815		
12/13/2021	0.09096192		
12/14/2021	0.09095569		
12/15/2021	0.09094946		
<b>12/16/2021</b>	<b>0.09094323</b>	<b>0.00009349</b>	<b>0.01411175</b>
12/17/2021	0.09093700		
12/18/2021	0.09093077		
12/19/2021	0.09092454		
12/20/2021	0.09091831		
12/21/2021	0.09091209		
12/22/2021	0.09090586		
12/23/2021	0.09089963		
12/24/2021	0.09089341		
12/25/2021	0.09088718		
12/26/2021	0.09088096		
12/27/2021	0.09087473		
12/28/2021	0.09086851		
12/29/2021	0.09086228		
12/30/2021	0.09085606		
<b>12/31/2021</b>	<b>0.09084984</b>	<b>0.00009962</b>	<b>0.01435317</b>
<b>TOTAL</b>		<b>0.00226473</b>	<b>0.39804522</b>

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

**The Trust holds no assets other than LTC tokens. Accordingly, when expenses are incurred, Trust assets (i.e., LTC 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 LTC 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 LTC tokens they still own). In Step 3, we determine the Shareholder's basis in the LTC 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 LTC tokens at the end of the year and his or her new cost basis in those LTC 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 \$17.01 per share for a total purchase price of \$340,200. 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 Litecoin.**

Locate the Litecoin Per Share amount on Shareholder XYZ's purchase date of 2/10/2021 in the gross proceeds file. In this example the number is 0.09288856. This represents the number of LTC tokens per share on that date.

For Shareholder XYZ, the total amount of LTC tokens owned for its 2/10/2021 purchase is 1,857.77120000 (0.09288856 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 Litecoin paid out from Shareholder XYZ's account during 2021 to pay expenses**

The LTC tokens paid out per share during 2021 includes the cumulative amounts of all LTC 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 LTC tokens paid out after the 2/10/2021 purchase date is 0.00202386 per share. This is determined by taking the total amount of LTC tokens per share paid out in 2021 (0.00226473) and subtracting the amount of LTC tokens paid out prior to the purchase (0.00018021 from January plus 0.00006066 (10/28 multiplied by 0.00016984 from February)). Then multiply this number (0.00202386) by the number of shares owned (20,000) for a total of 40.47725714 LTC tokens paid to cover trust expenses.

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

Total LTC token payout ( <i>Step 2</i> )	40.47725714		
LTC tokens acquired ( <i>Step 1</i> )	<u>1,857.77120000</u>	x	<b>\$340,200</b>
Cost basis of LTC token payout			\$7,412.30

**Step 4: Calculate Shareholder's gain or loss on Litecoin 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 \$0.36504732 (total proceeds of payout of LTC tokens for the year, \$0.39804522, less \$0.03299790, which is the proceeds of payouts made prior to purchase [\$0.02304914 from January] plus \$0.00994876 from the first ten days in February). Therefore, Shareholder XYZ's gain or loss is determined as follows:

Total Proceeds: \$0.36504732 per share X 20,000 shares	\$	7,300.95
Less: Total cost basis of LTC tokens payout ( <i>Step 3</i> )		<u>7,412.30</u>
Total Reportable Gain/(Loss)	\$	<u>(111.35)</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 \$0.36504732 per share. Therefore, Shareholder XYZ's expenses are as follows:

Total Expenses Per Share ( <i>Step 4</i> )	\$	0.36504732
Total Shares		<u>20,000</u>
Total Expense	\$	<u>7,300.95</u>

**Step 6: Calculate Shareholder's Adjusted Litecoin tokens Held and Cost Basis**

LTC tokens Purchased on 2/10/2021 ( <i>Step 1</i> )	1,857.77120000
Less: LTC token payout during 2021 ( <i>Step 2</i> )	<u>40.47725714</u>
Adjusted Shareholder's LTC tokens at 12/31/2021	<u>1,817.29394286</u>
Original Purchase Cost on 2/10/2021	\$ 340,200.00
Less: Cost of LTC token payout during 2021 ( <i>Step 3</i> )	<u>7,412.30</u>
Adjusted Shareholder's basis at 12/31/2021	<u>\$ 332,787.70</u>



Shareholder's adjusted LTC tokens and adjusted cost calculated in Step 6 are his/her adjusted LTC 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.