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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): September 16, 2022**

**Grayscale Ethereum Trust (ETH)**

(Exact name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**000-56193**  
(Commission File Number)

**82-6677805**  
(IRS Employer  
Identification No.)

**c/o Grayscale Investments, LLC**  
**290 Harbor Drive, 4th Floor**  
**Stamford, Connecticut**  
(Address of Principal Executive Offices)

**06902**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: 212 668-1427**

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Securities registered pursuant to Section 12(g) of the Act:**

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Grayscale Ethereum Trust (ETH) Shares	ETHE	N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## Item 7.01 Regulation FD Disclosure.

On September 16, 2022 (the “Notice Date”), Grayscale Investments, LLC, the sponsor (the “Sponsor”) of Grayscale Ethereum Trust (ETH) (the “Trust”), announced that it had declared a distribution and established a record date for the distribution of the rights to the ETH Proof of Work tokens (“ETHPoW”) received by the Trust, as a result of a fork in the Ethereum blockchain on September 15, 2022 to holders of record (“Record Date Shareholders”) of the Trust’s common units of fractional undivided beneficial interest in and ownership of the Trust (the “Shares”) as of the close of business on September 26, 2022 (the “Record Date”). The right to acquire, or otherwise establish dominion and control over, any ETHPoW as a result of the aforementioned fork in the Ethereum blockchain is referred to as an “Incidental Right” and any such ETHPoW acquired through such Incidental Rights is referred to as “IR Virtual Currency”.

On the Record Date, pursuant to the terms of the Trust Agreement governing the Trust, the Trust will appoint Grayscale Investments, LLC as agent (in this capacity, the “Agent”) on behalf of the Record Date Shareholders and transfer the Incidental Rights held by the Trust to the Agent on behalf of the Record Date Shareholders. The Trust currently holds rights to approximately 3,059,976.06309448 tokens of IR Virtual Currency, or approximately 0.00986585 tokens (or units) of the IR Virtual Currency per Share based on 310,158,500 Shares of the Trust outstanding.

The Agent will look to acquire the IR Virtual Currency as soon as practicable after receipt of the Incidental Rights and sell the IR Virtual Currency over a period of time, currently not expected to exceed 180 days, on behalf of the Record Date Shareholders. In case the Agent determines a market for the IR Virtual Currency does not develop or the cost incurred by the Agent in connection with the sale of the IR Virtual Currency is likely to be greater than the aggregate sale value, the Agent will abandon the IR Virtual Currency.

In the event that the Agent is able to sell the IR Virtual Currency, the Agent will remit the cash proceeds from the sales, net of any administrative and other reasonable expenses incurred by the Agent in its capacity as agent of the Record Date Shareholders and not in its capacity as Sponsor of the Trust, ratably to Record Date Shareholders. The Agent will announce one or more dates for remittance of such net cash proceeds as well as the right to remit any net cash proceeds from sales of the Record Date Shareholders’ IR Virtual Currency prior to the sale of all IR Virtual Currency tokens, in more than one remittance. The Agent may use an affiliated dealer, including Genesis Global Trading, Inc., to facilitate the sale of the IR Virtual Currency. Any such affiliated dealer would expect to receive a customary markup or other customary compensation for its services.

The trading venues for the IR Virtual Currency have not yet been broadly established and there is uncertainty as to whether digital asset custodians will support the IR Virtual Currency or if trading markets with meaningful liquidity will develop. In the event digital custodians do support the IR Virtual Currency and trading markets do develop it is expected that there will be widely fluctuating values for the IR Virtual Currency for some time. As a result of this uncertainty and the potential for significant volatility in prices for the IR Virtual Currency, it is not possible to predict the value of the IR Virtual Currency to be distributed as of the Record Date or the value, if any, that the Agent will be able to obtain from sales of IR Virtual Currency after the Record Date. Therefore, if the Agent is able to sell the IR Virtual Currency at all, there can be no assurance as to the price or prices for the IR Virtual Currency that the Agent may realize, and the value of the IR Virtual Currency may increase or decrease after any sale of the IR Virtual Currency by the Agent.

Record Date Shareholders are advised to consult with their advisors as to the tax consequences of the foregoing.

## Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
99.1	<a href="#">Press Release dated September 16, 2022</a>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Grayscale Investments, LLC as Sponsor of Grayscale  
Ethereum Trust (ETH)

Date: September 16, 2022

By: /s/ Michael Sonnenshein

Michael Sonnenshein  
Chief Executive Officer

## Grayscale Investments<sup>®</sup> Declares Distribution of Rights to Ethereum Proof of Work Tokens

The firm establishes record date for Grayscale Ethereum Trust and Grayscale Digital Large Cap Fund following Ethereum fork

September 16, 2022 09:15 ET | Source: Grayscale Investments

STAMFORD, Conn., Sept. 16, 2022 (GLOBE NEWSWIRE) -- Grayscale Investments<sup>®</sup>, the world's largest digital currency asset manager and the sponsor (the "Sponsor") of Grayscale Ethereum Trust (OTCQX: ETHE) (the "Trust"), and manager (the "Manager") of Grayscale Digital Large Cap Fund (OTCQX: GDLC) (the "Fund", and collectively with the Trust, the "Products"), announced today that each of the Products has declared a distribution and established a record date for the distribution of rights to the ETH proof of work tokens ("ETHPoW"), which were received by each of the Products as a result of a fork in the Ethereum blockchain on September 15, 2022 following the upgrade referred to as the "Merge", to holders of record of each Product ("Record Date Shareholders"), as of the close of business on September 26, 2022 (the "Record Date").

On the Record Date, pursuant to the terms of the Trust Agreement or LLC Agreement, as applicable, governing each Product, each Product will appoint Grayscale Investments, LLC as agent (the "Agent") on behalf of the Record Date Shareholders of such Product and transfer the rights to ETHPoW tokens held by such Product to the Agent on behalf of such Record Date Shareholders. The Agent, on behalf of the Record Date Shareholders of each Product, will look to acquire the ETHPoW tokens as soon as practicable after the receipt of the rights thereto from the applicable Product and sell them over a period of time, which is currently not expected to exceed 180 days.

The Agent may determine, in its sole discretion, whether, when, and in what manner to sell the ETHPoW tokens it holds on behalf of the Record Date Shareholders of the applicable Product. In addition, the Agent may choose to abandon the ETHPoW tokens held by it on behalf of the applicable Product.

If the Agent is able to sell the ETHPoW tokens it holds on behalf of the Record Date Shareholders of the applicable Product, the Agent will remit the cash proceeds from such sales, net of any administrative and other reasonable expenses incurred by the Agent in its capacity as agent of such Record Date Shareholders and not in its capacity as Sponsor or Manager of the Products, ratably to such Record Date Shareholders, upon completion of the sales. In this case, the Agent would subsequently announce one or more dates for the remittance of such net cash proceeds.

The Agent reserves the right to remit any net cash proceeds from the sale of the applicable ETHPoW tokens to Record Date Shareholders of the applicable Product on more than one occasion. The Agent may use an affiliated dealer, including Genesis Global Trading, Inc., to facilitate the sale of the ETHPoW tokens. Any such affiliated dealer would be expected to earn a customary markup or other customary compensation for its services. In the event the Agent is able to sell the ETHPoW tokens, there can be no assurance as to the price or prices for any ETHPoW tokens that may be realized, and the value of the ETHPoW tokens may increase or decrease after any sale by the Agent.

The Trust currently holds rights to approximately 3,059,976.06309448 ETHPoW tokens, or approximately 0.00986585 ETHPoW tokens per share based on 310,158,500 shares of the Trust outstanding as of the date hereof, and is expected to be outstanding as of the Record Date.

The Fund currently holds rights to approximately 40,653.24325763 ETHPoW tokens, or approximately 0.00256206 ETHPoW tokens per share based on 15,867,400 shares of the Fund outstanding as of the date hereof and expected to be outstanding as of the Record Date.

The trading venues for ETHPoW tokens are not broadly established given that the Ethereum Proof of Work Network was publicly launched on September 15, 2022, and there is uncertainty as to whether digital asset custodians will support ETHPoW tokens or if trading markets with meaningful liquidity will develop. In the event digital asset custodians do support ETHPoW tokens and trading markets do develop, it is expected that there will be widely

fluctuating values for ETHPoW tokens for some time. As a result of this uncertainty and the potential for significant volatility in prices it is not possible to predict the value of rights to ETHPoW tokens, if any, that the Agent will be able to realize from sales of ETHPoW tokens after the Record Date. Record Date Shareholders of each Product are advised to consult with their advisors as to the tax consequences of the foregoing.

Shareholders of each Product should note that any future forks or airdrops on the Ethereum Network may not be addressed by the Sponsor or the Manager in the same manner as the ETHPoW fork. The Sponsor and the Manager intend to evaluate each future fork or airdrop on a case-by-case basis, in consultation with the Products' legal advisors, tax consultants, and custodian.

The Sponsor and the Manager will communicate material new information to the market and to investors in the Products as it becomes available.

#### **About Grayscale Investments®**

Grayscale Investments® enables investors to access the digital economy through a family of secure, compliant, and future-forward investment products. Founded in 2013, Grayscale has a proven track record and deep expertise as the world's largest digital currency asset manager. Investors, advisors, and allocators turn to Grayscale's private placements, public quotations, and ETFs for single asset, diversified, and thematic exposure. Grayscale products are distributed by Genesis Global Trading, Inc. (Member FINRA/SIPC, MSRB Registered) or Foreside Fund Services, LLC. For more information, please follow [@Grayscale](https://twitter.com/Grayscale) or visit [grayscale.com](https://grayscale.com).

#### **Press Contact**

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