

## GRAYSCALE CHAINLINK TRUST (LINK)

2022 Grantor Trust Tax Information

EIN: 86-6368584

The following information is being provided to assist Shareholders of the Grayscale Chainlink Trust (LINK) (the "Trust") with reporting of their taxable income and expenses for the period January 1, 2022 through December 31, 2022

### 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 Chainlink ("LINK") tokens and, accordingly, received no income during the year.

The Trust paid expenses periodically, as shown in the attached 2022 Gross Proceeds File. These expenses are allocated into monthly periods as shown in the 2022 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 LINK 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 2022 Gross Proceeds File together with an example illustrating how a Shareholder should calculate gain or loss.

### GLOSSARY OF TERMS

Grayscale Chainlink Trust (LINK) - (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 LINK), amount of LINK paid to cover trust expenses (in LINK), and per share proceeds from LINK 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)

**Stock Split - On March 18, 2022, the Trust underwent a 1:10 reverse stock split, replacing ten existing shares with one combined share. All expenses presented in this statement reflect the expense per share on the post-split number of shares.**

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 EXPENSE FILE

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

Date	Expenses Per Share (USD)	Amount of LINK Per Share
January	0.03537349	0.00206984
February	0.02768774	0.00187206
March	0.03487410	0.00206845
April	0.02335136	0.00199755
May	0.01520153	0.00205983
June	0.01201490	0.00198922
July	0.01624582	0.00205124
August	0.01361181	0.00204689
September	0.01488475	0.00197673
October	0.01585839	0.00203835
November	0.01499985	0.00196848
December	0.01132659	0.00202985
<b>Total for year</b>	<b>0.23543033</b>	<b>0.02416849</b>

The Trust underwent a 1:10 reverse stock split on March 18, 2022. For purposes of this letter, Shareholders should utilize their post-split number of shares when factoring expense and Chainlink sold per share

### **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 2022 Grayscale Chainlink Trust (LINK) Expenses**

Assume that a Shareholder purchased 20,000 shares on February 15, 2022 and sold them on September 15, 2022. For the month of February, Shareholder's expenses are \$0.02768774 (See Summary Table above – February Factor) x (13/28) = \$0.01285502 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 \$0.01488475 (See Summary Table above – September Factor) x (15/30) = \$0.00744238. The total expenses for Shareholder are therefore \$0.13559692 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held. **As noted in the glossary of terms, the expenses per share reflect the post-split number of shares. To calculate the expense per share, Shareholders should divide their shares by ten (assuming those shares were acquired prior to March 18, 2022) to arrive at their expenses.** As such, the 20,000 shares purchased in February are divided by ten and total 2,000 shares post-split, and Shareholder's total expense is \$271.19

Total Expenses per Share	\$ 0.13559692
Number of Shares Held	2,000
<b>Total Expense</b>	<b>\$ 271.19</b>

(Please consult your tax advisor as to reporting)

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
1/1/2022	0.97905730		
1/2/2022	0.97899024		
1/3/2022	0.97892319		
1/4/2022	0.97885614		
1/5/2022	0.97878909		
1/6/2022	0.97872205		
1/7/2022	0.97865502		
1/8/2022	0.97858799		
1/9/2022	0.97852096		
1/10/2022	0.97845394		
1/11/2022	0.97838692		
1/12/2022	0.97831991		
1/13/2022	0.97825290		
1/14/2022	0.97818590		
1/15/2022	0.97811890		
1/16/2022	0.97805190		
1/17/2022	0.97798491		
1/18/2022	0.97791793		
1/19/2022	0.97785095		
1/20/2022	0.97778397		
1/21/2022	0.97771700		
1/22/2022	0.97765003		
1/23/2022	0.97758307		
1/24/2022	0.97751611		
1/25/2022	0.97744916		
1/26/2022	0.97738221		
1/27/2022	0.97731527		
1/28/2022	0.97724833		
1/29/2022	0.97718139		
1/30/2022	0.97711446		
<b>1/31/2022</b>	<b>0.97704754</b>	<b>0.00206984</b>	<b>0.03537349</b>

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
2/1/2022	0.97698061		
2/2/2022	0.97691370		
2/3/2022	0.97684679		
2/4/2022	0.97677988		
2/5/2022	0.97671298		
2/6/2022	0.97664608		
2/7/2022	0.97657918		
2/8/2022	0.97651230		
2/9/2022	0.97644541		
2/10/2022	0.97637853		
2/11/2022	0.97631166		
2/12/2022	0.97624479		
2/13/2022	0.97617792		
2/14/2022	0.97611106		
2/15/2022	0.97604420		
2/16/2022	0.97597735		
2/17/2022	0.97591050		
2/18/2022	0.97584366		
2/19/2022	0.97577682		
2/20/2022	0.97570999		
2/21/2022	0.97564316		
2/22/2022	0.97557633		
2/23/2022	0.97550951		
2/24/2022	0.97544269		
2/25/2022	0.97537588		
2/26/2022	0.97530908		
2/27/2022	0.97524228		
<b>2/28/2022</b>	<b>0.97517548</b>	<b>0.00187206</b>	<b>0.02768774</b>

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
3/1/2022	0.97510868		
3/2/2022	0.97504190		
3/3/2022	0.97497511		
3/4/2022	0.97490833		
3/5/2022	0.97484156		
3/6/2022	0.97477479		
3/7/2022	0.97470802		
3/8/2022	0.97464126		
3/9/2022	0.97457451		
3/10/2022	0.97450776		
3/11/2022	0.97444101		
3/12/2022	0.97437427		
3/13/2022	0.97430753		
3/14/2022	0.97424079		
3/15/2022	0.97417407		
3/16/2022	0.97410734		
3/17/2022	0.97404062		
3/18/2022	0.97397391		
3/19/2022	0.97390720		
3/20/2022	0.97384049		
3/21/2022	0.97377379		
3/22/2022	0.97370709		
3/23/2022	0.97364040		
3/24/2022	0.97357371		
3/25/2022	0.97350703		
3/26/2022	0.97344035		
3/27/2022	0.97337368		
3/28/2022	0.97330701		
3/29/2022	0.97324034		
3/30/2022	0.97317368		
<b>3/31/2022</b>	<b>0.97310703</b>	<b>0.00206845</b>	<b>0.03487410</b>

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Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
4/1/2022	0.97304037		
4/2/2022	0.97297373		
4/3/2022	0.97290709		
4/4/2022	0.97284045		
4/5/2022	0.97277382		
4/6/2022	0.97270719		
4/7/2022	0.97264056		
4/8/2022	0.97257394		
4/9/2022	0.97250733		
4/10/2022	0.97244072		
4/11/2022	0.97237411		
4/12/2022	0.97230751		
4/13/2022	0.97224092		
4/14/2022	0.97217432		
4/15/2022	0.97210774		
4/16/2022	0.97204115		
4/17/2022	0.97197458		
4/18/2022	0.97190800		
4/19/2022	0.97184143		
4/20/2022	0.97177487		
4/21/2022	0.97170831		
4/22/2022	0.97164175		
4/23/2022	0.97157520		
4/24/2022	0.97150866		
4/25/2022	0.97144212		
4/26/2022	0.97137558		
4/27/2022	0.97130905		
4/28/2022	0.97124252		
4/29/2022	0.97117599		
<b>4/30/2022</b>	<b>0.97110948</b>	<b>0.00199755</b>	<b>0.02335136</b>

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Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
5/1/2022	0.97104296		
5/2/2022	0.97097645		
5/3/2022	0.97090995		
5/4/2022	0.97084344		
5/5/2022	0.97077695		
5/6/2022	0.97071046		
5/7/2022	0.97064397		
5/8/2022	0.97057749		
5/9/2022	0.97051101		
5/10/2022	0.97044454		
5/11/2022	0.97037807		
5/12/2022	0.97031160		
5/13/2022	0.97024514		
5/14/2022	0.97017869		
5/15/2022	0.97011224		
5/16/2022	0.97004579		
5/17/2022	0.96997935		
5/18/2022	0.96991291		
5/19/2022	0.96984648		
5/20/2022	0.96978005		
5/21/2022	0.96971363		
5/22/2022	0.96964721		
5/23/2022	0.96958080		
5/24/2022	0.96951439		
5/25/2022	0.96944798		
5/26/2022	0.96938158		
5/27/2022	0.96931519		
5/28/2022	0.96924879		
5/29/2022	0.96918241		
5/30/2022	0.96911603		
<b>5/31/2022</b>	<b>0.96904965</b>	<b>0.00205983</b>	<b>0.01520153</b>

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Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
6/1/2022	0.96898327		
6/2/2022	0.96891691		
6/3/2022	0.96885054		
6/4/2022	0.96878418		
6/5/2022	0.96871783		
6/6/2022	0.96865148		
6/7/2022	0.96858513		
6/8/2022	0.96851879		
6/9/2022	0.96845245		
6/10/2022	0.96838612		
6/11/2022	0.96831979		
6/12/2022	0.96825347		
6/13/2022	0.96818715		
6/14/2022	0.96812084		
6/15/2022	0.96805453		
6/16/2022	0.96798822		
6/17/2022	0.96792192		
6/18/2022	0.96785562		
6/19/2022	0.96778933		
6/20/2022	0.96772305		
6/21/2022	0.96765676		
6/22/2022	0.96759049		
6/23/2022	0.96752421		
6/24/2022	0.96745794		
6/25/2022	0.96739168		
6/26/2022	0.96732542		
6/27/2022	0.96725916		
6/28/2022	0.96719291		
6/29/2022	0.96712667		
<b>6/30/2022</b>	<b>0.96706043</b>	<b>0.00198922</b>	<b>0.01201490</b>



## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
7/1/2022	0.96699419		
7/2/2022	0.96692796		
7/3/2022	0.96686173		
7/4/2022	0.96679550		
7/5/2022	0.96672929		
7/6/2022	0.96666307		
7/7/2022	0.96659686		
7/8/2022	0.96653066		
7/9/2022	0.96646446		
7/10/2022	0.96639826		
7/11/2022	0.96633207		
7/12/2022	0.96626588		
7/13/2022	0.96619970		
7/14/2022	0.96613352		
7/15/2022	0.96606735		
7/16/2022	0.96600118		
7/17/2022	0.96593501		
7/18/2022	0.96586885		
7/19/2022	0.96580270		
7/20/2022	0.96573655		
7/21/2022	0.96567040		
7/22/2022	0.96560426		
7/23/2022	0.96553812		
7/24/2022	0.96547199		
7/25/2022	0.96540586		
7/26/2022	0.96533974		
7/27/2022	0.96527362		
7/28/2022	0.96520750		
7/29/2022	0.96514139		
7/30/2022	0.96507529		
<b>7/31/2022</b>	<b>0.96500919</b>	<b>0.00205124</b>	<b>0.01624582</b>

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
8/1/2022	0.96494309		
8/2/2022	0.96487700		
8/3/2022	0.96481091		
8/4/2022	0.96474483		
8/5/2022	0.96467875		
8/6/2022	0.96461268		
8/7/2022	0.96454661		
8/8/2022	0.96448054		
8/9/2022	0.96441448		
8/10/2022	0.96434842		
8/11/2022	0.96428237		
8/12/2022	0.96421633		
8/13/2022	0.96415028		
8/14/2022	0.96408425		
8/15/2022	0.96401821		
8/16/2022	0.96395219		
8/17/2022	0.96388616		
8/18/2022	0.96382014		
8/19/2022	0.96375413		
8/20/2022	0.96368812		
8/21/2022	0.96362211		
8/22/2022	0.96355611		
8/23/2022	0.96349011		
8/24/2022	0.96342412		
8/25/2022	0.96335813		
8/26/2022	0.96329215		
8/27/2022	0.96322617		
8/28/2022	0.96316019		
8/29/2022	0.96309422		
8/30/2022	0.96302826		
<b>8/31/2022</b>	<b>0.96296230</b>	<b>0.00204689</b>	<b>0.01361181</b>

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
9/1/2022	0.96289634		
9/2/2022	0.96283039		
9/3/2022	0.96276444		
9/4/2022	0.96269850		
9/5/2022	0.96263256		
9/6/2022	0.96256663		
9/7/2022	0.96250070		
9/8/2022	0.96243477		
9/9/2022	0.96236885		
9/10/2022	0.96230294		
9/11/2022	0.96223703		
9/12/2022	0.96217112		
9/13/2022	0.96210522		
9/14/2022	0.96203932		
9/15/2022	0.96197343		
9/16/2022	0.96190754		
9/17/2022	0.96184165		
9/18/2022	0.96177578		
9/19/2022	0.96170990		
9/20/2022	0.96164403		
9/21/2022	0.96157816		
9/22/2022	0.96151230		
9/23/2022	0.96144645		
9/24/2022	0.96138059		
9/25/2022	0.96131474		
9/26/2022	0.96124890		
9/27/2022	0.96118306		
9/28/2022	0.96111723		
9/29/2022	0.96105140		
<b>9/30/2022</b>	<b>0.96098557</b>	<b>0.00197673</b>	<b>0.01488475</b>

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
10/1/2022	0.96091975		
10/2/2022	0.96085393		
10/3/2022	0.96078812		
10/4/2022	0.96072232		
10/5/2022	0.96065651		
10/6/2022	0.96059071		
10/7/2022	0.96052492		
10/8/2022	0.96045913		
10/9/2022	0.96039335		
10/10/2022	0.96032757		
10/11/2022	0.96026179		
10/12/2022	0.96019602		
10/13/2022	0.96013025		
10/14/2022	0.96006449		
10/15/2022	0.95999873		
10/16/2022	0.95993298		
10/17/2022	0.95986723		
10/18/2022	0.95980149		
10/19/2022	0.95973575		
10/20/2022	0.95967001		
10/21/2022	0.95960428		
10/22/2022	0.95953855		
10/23/2022	0.95947283		
10/24/2022	0.95940711		
10/25/2022	0.95934140		
10/26/2022	0.95927569		
10/27/2022	0.95920999		
10/28/2022	0.95914429		
10/29/2022	0.95907859		
10/30/2022	0.95901290		
<b>10/31/2022</b>	<b>0.95894722</b>	<b>0.00203835</b>	<b>0.01585839</b>

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
11/1/2022	0.95888154		
11/2/2022	0.95881586		
11/3/2022	0.95875019		
11/4/2022	0.95868452		
11/5/2022	0.95861886		
11/6/2022	0.95855320		
11/7/2022	0.95848754		
11/8/2022	0.95842189		
11/9/2022	0.95835625		
11/10/2022	0.95829061		
11/11/2022	0.95822497		
11/12/2022	0.95815934		
11/13/2022	0.95809371		
11/14/2022	0.95802809		
11/15/2022	0.95796247		
11/16/2022	0.95789686		
11/17/2022	0.95783125		
11/18/2022	0.95776564		
11/19/2022	0.95770004		
11/20/2022	0.95763445		
11/21/2022	0.95756886		
11/22/2022	0.95750327		
11/23/2022	0.95743769		
11/24/2022	0.95737211		
11/25/2022	0.95730653		
11/26/2022	0.95724097		
11/27/2022	0.95717540		
11/28/2022	0.95710984		
11/29/2022	0.95704429		
<b>11/30/2022</b>	<b>0.95697873</b>	<b>0.00196848</b>	<b>0.01499985</b>

## GRAYSCALE CHAINLINK TRUST (LINK) 2022 GROSS PROCEEDS FILE

Date	LINK Per Share	Number of LINK Used to Cover Trust Expenses Per Share (in LINK)	Proceeds from Payout of LINK to Cover Trust Expenses Per Share (in USD)
12/1/2022	0.95691319		
12/2/2022	0.95684765		
12/3/2022	0.95678211		
12/4/2022	0.95671658		
12/5/2022	0.95665105		
12/6/2022	0.95658552		
12/7/2022	0.95652000		
12/8/2022	0.95645449		
12/9/2022	0.95638898		
12/10/2022	0.95632347		
12/11/2022	0.95625797		
12/12/2022	0.95619247		
12/13/2022	0.95612698		
12/14/2022	0.95606149		
12/15/2022	0.95599601		
12/16/2022	0.95593053		
12/17/2022	0.95586505		
12/18/2022	0.95579958		
12/19/2022	0.95573412		
12/20/2022	0.95566866		
12/21/2022	0.95560320		
12/22/2022	0.95553775		
12/23/2022	0.95547230		
12/24/2022	0.95540686		
12/25/2022	0.95534142		
12/26/2022	0.95527598		
12/27/2022	0.95521055		
12/28/2022	0.95514513		
12/29/2022	0.95507971		
12/30/2022	0.95501429		
<b>12/31/2022</b>	<b>0.95494888</b>	<b>0.00202985</b>	<b>0.01132659</b>
<b>TOTAL</b>		<b>0.02416849</b>	<b>0.23543033</b>

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

The Trust holds no assets other than LINK tokens. Accordingly, when expenses are incurred, Trust assets (i.e., LINK 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 LINK 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 LINK tokens they still own). In Step 3, we determine the Shareholder's basis in the LINK 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 LINK tokens at the end of the year and his or her new cost basis in the LINK 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 2/10/2022 at a price of \$1.74 per share for a total purchase price of \$34,800. Shareholder XYZ had no other purchases or sales of Trust shares during 2022 and held the shares for the remainder of 2022. Note: *The Trust effected a 1 to 10 reverse stock split on March 18, 2022. All expenses and proceeds per share reflect the post-split shares. As such, to determine the Shareholder's actual cost basis and gain for the year, the Shareholder who, in this example, purchased 20,000 shares in February, will divide the shares by 10 for a total of 2,000 post-split shares. The example below will use this post-split adjusted share value as the total number of shares owned by the Shareholder.*

**Step 1: Identify the shareholder's pro rata ownership of Chainlink.**

Locate the Chainlink Per Share amount on Shareholder XYZ's purchase date of 2/10/2022 in the gross proceeds file. In this example the number is 0.97637853. This represents the number of LINK tokens per share on that date.

For Shareholder XYZ, the total amount of LINK tokens owned for its 2/10/2022 purchase is 1,952.75706000 (0.97637853 per share multiplied by 2,000 shares purchased on 2/10/2022). Note: This step should be completed for each date on which Trust shares were purchased.

**Step 2: Calculate the Chainlink paid out from Shareholder XYZ's account during 2022 to pay expenses**

The LINK tokens paid out per share during 2022 includes the cumulative amounts of all LINK token payouts for the period which includes the day after the purchase date of 2/10/2022 through the day before payout date.

During 2022, the total amount of LINK tokens paid out after the 2/10/2022 purchase date is 0.02143006 per share. This is determined by taking the total amount of LINK tokens per share paid out in 2022 (0.02416849) and subtracting the amount of LINK tokens paid out prior to the purchase (0.00206984 from January plus 0.00066859 (10/28 multiplied 0.00187206 from February)). Then multiply this number (0.02143006) by the number of shares owned (2,000) for a total of 42.86011429 LINK tokens paid to cover trust expenses.

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

Total LINK token payout ( <i>Step 2</i> )	42.86011429		
	-----	x	\$ 34,800
LINK tokens acquired ( <i>Step 1</i> )	1,952.75706000		
Cost basis of LINK token payout	\$763.81		

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

Identify all proceeds per share received by the Trust after Shareholder XYZ's 2/10/2022 purchase date. During 2022, periodic payouts for the period 2/11/2022 through 12/31/2022 generated proceeds per share of \$0.19016836 (total proceeds of payout of LINK tokens for the year, \$0.23543033, less \$0.04526197, which is the proceeds of payouts made prior to purchase [\$0.03537349 from January] plus \$0.00988848 from the first ten days in February). Therefore, Shareholder XYZ's gain or loss is determined as follows:

Total Proceeds: \$0.19016836 per share X 2,000 shares	\$	380.34
Less: Total cost basis of LINK token payout ( <i>Step 3</i> )		763.81
Total Reportable Gain/(Loss)	\$	<u>(383.47)</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 2/10/2022 purchase date. During 2022, the expenses were paid periodically and for the period of 2/11/2022 through 12/31/2022 amounted to \$0.19016836 per share. Therefore, Shareholder XYZ's expenses are as follows:

Total Expenses Per Share ( <i>Step 4</i> )	\$	0.19016836
Total Shares		<u>2,000</u>
Total Expense	\$	<u>380.34</u>

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

LINK tokens Purchased on 2/10/2022 ( <i>Step 1</i> )		1,952.75706000
Less: LINK token payout during 2022 ( <i>Step 2</i> )		<u>42.86011429</u>
Adjusted Shareholder's LINK tokens at 12/31/2022		<u>1,909.89694571</u>
Original Purchase Cost on 2/10/2022	\$	34,800.00
Less: Cost of LINK token payout during 2022 ( <i>Step 3</i> )		<u>763.81</u>
Adjusted Shareholder's basis at 12/31/2022	\$	<u>34,036.19</u>



Shareholder's adjusted LINK tokens and adjusted cost calculated in Step 6 are his/her adjusted LINK tokens and adjusted basis for the 2/10/2022 purchase at the end of 12/31/2022.

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 2022, 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 12/31/2021 should be used as the beginning cost for 2022 instead of the original purchase cost. Shareholders with an additional purchase in 2022 will have two cost lots to account for in 2022. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.