

GRAYSCALE STELLAR LUMENS TRUST (XLM)

2021 Grantor Trust Tax Information

EIN: 83-6545098

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

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

Date	Expenses Per Share (USD)	Amount of XLM Per Share
January	0.0455057	0.1514550
February	0.0683467	0.1689401
March	0.0767017	0.1949484
April	0.1022245	0.1928270
May	0.0782401	0.1996551
June	0.0518746	0.1858059
July	0.0564010	0.1986224
August	0.0688727	0.1981726
September	0.0518849	0.1868239
October	0.0730907	0.1976755
November	0.0651397	0.1908996
December	0.0511341	0.1968513
Total for year	0.7894164	2.2626768

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 Stellar Lumens Trust (XLM) 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 \$0.0683467 (See Summary Table above – February Factor) x (13/28) = \$0.0317324 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 \$0.0518849 (See Summary Table above – September Factor) x (15/30) = \$0.0259425. The total expenses for Shareholder are therefore \$0.4919894 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held (20,000), or \$9,839.79.

Total Expenses per Share	\$ 0.4919894
Total Shares	<u>20,000</u>
Total Expense	<u>\$ 9,839.79</u>

(Please consult your tax advisor as to reporting)

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
1/1/2021	94.9470241		
1/2/2021	94.9405209		
1/3/2021	94.9340181		
1/4/2021	94.9275158		
1/5/2021	94.9210139		
1/6/2021	94.9145125		
1/7/2021	94.9080115		
1/8/2021	94.9015109		
1/9/2021	94.8950108		
1/10/2021	94.8885112		
1/11/2021	94.8820119		
1/12/2021	94.8755132		
1/13/2021	94.8690149		
1/14/2021	94.8625170		
1/15/2021	94.8560195		
1/16/2021	94.8495226		
1/17/2021	94.8430260		
1/18/2021	94.8365299		
1/19/2021	94.8300343		
1/20/2021	94.8235391		
1/21/2021	94.8170443		
1/22/2021	94.8105500		
1/23/2021	94.8040561		
1/24/2021	94.7975627		
1/25/2021	94.7910697		
1/26/2021	94.7845772		
1/27/2021	94.7780851		
1/28/2021	94.7715934		
1/29/2021	94.7651022		
1/30/2021	94.7586114		
1/31/2021	94.7521211	0.1514550	0.0455057

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
2/1/2021	94.7456313		
2/2/2021	94.7391418		
2/3/2021	94.7326528		
2/4/2021	94.7261643		
2/5/2021	94.7196762		
2/6/2021	94.7131886		
2/7/2021	94.7067014		
2/8/2021	94.7002146		
2/9/2021	94.6937283		
2/10/2021	94.6872424		
2/11/2021	94.6807570		
2/12/2021	94.6742720		
2/13/2021	94.6677875		
2/14/2021	94.6613034		
2/15/2021	94.6548197		
2/16/2021	94.6483365		
2/17/2021	94.6418537		
2/18/2021	94.6353714		
2/19/2021	94.6288896		
2/20/2021	94.6224081		
2/21/2021	94.6159271		
2/22/2021	94.6094466		
2/23/2021	94.6029665		
2/24/2021	94.5964868		
2/25/2021	94.5900076		
2/26/2021	94.5835289		
2/27/2021	94.5770505		
2/28/2021	94.5705727	0.1689401	0.0683467

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
3/1/2021	94.5640952		
3/2/2021	94.5576182		
3/3/2021	94.5511417		
3/4/2021	94.5446656		
3/5/2021	94.5381899		
3/6/2021	94.5317147		
3/7/2021	94.5252399		
3/8/2021	94.5187656		
3/9/2021	94.5122917		
3/10/2021	94.5058183		
3/11/2021	94.4993453		
3/12/2021	94.4928727		
3/13/2021	94.4864006		
3/14/2021	94.4799289		
3/15/2021	94.4734577		
3/16/2021	94.4669869		
3/17/2021	94.4605166		
3/18/2021	94.4540467		
3/19/2021	94.4475772		
3/20/2021	94.4411082		
3/21/2021	94.4346396		
3/22/2021	94.4281715		
3/23/2021	94.4217038		
3/24/2021	94.4152366		
3/25/2021	94.4087698		
3/26/2021	94.4023034		
3/27/2021	94.3958375		
3/28/2021	94.3893720		
3/29/2021	94.3829070		
3/30/2021	94.3764424		
3/31/2021	94.3699783	0.1949484	0.0767017

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Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
4/1/2021	94.3635146		
4/2/2021	94.3570513		
4/3/2021	94.3505885		
4/4/2021	94.3441262		
4/5/2021	94.3376642		
4/6/2021	94.3312027		
4/7/2021	94.3247417		
4/8/2021	94.3182811		
4/9/2021	94.3118210		
4/10/2021	94.3053612		
4/11/2021	94.2989020		
4/12/2021	94.2924431		
4/13/2021	94.2859848		
4/14/2021	94.2795268		
4/15/2021	94.2730693		
4/16/2021	94.2666122		
4/17/2021	94.2601556		
4/18/2021	94.2536995		
4/19/2021	94.2472437		
4/20/2021	94.2407884		
4/21/2021	94.2343336		
4/22/2021	94.2278792		
4/23/2021	94.2214252		
4/24/2021	94.2149717		
4/25/2021	94.2085186		
4/26/2021	94.2020660		
4/27/2021	94.1956138		
4/28/2021	94.1891620		
4/29/2021	94.1827107		
4/30/2021	94.1762598	0.1928270	0.1022245

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Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
5/1/2021	94.1698094		
5/2/2021	94.1633594		
5/3/2021	94.1569099		
5/4/2021	94.1504608		
5/5/2021	94.1440121		
5/6/2021	94.1375639		
5/7/2021	94.1311161		
5/8/2021	94.1246688		
5/9/2021	94.1182219		
5/10/2021	94.1117754		
5/11/2021	94.1053294		
5/12/2021	94.0988838		
5/13/2021	94.0924387		
5/14/2021	94.0859940		
5/15/2021	94.0795498		
5/16/2021	94.0731060		
5/17/2021	94.0666626		
5/18/2021	94.0602197		
5/19/2021	94.0537772		
5/20/2021	94.0473352		
5/21/2021	94.0408936		
5/22/2021	94.0344524		
5/23/2021	94.0280117		
5/24/2021	94.0215714		
5/25/2021	94.0151316		
5/26/2021	94.0086922		
5/27/2021	94.0022532		
5/28/2021	93.9958147		
5/29/2021	93.9893767		
5/30/2021	93.9829390		
5/31/2021	93.9765019	0.1996551	0.0782401

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
6/1/2021	93.9700651		
6/2/2021	93.9636288		
6/3/2021	93.9571929		
6/4/2021	93.9507575		
6/5/2021	93.9443225		
6/6/2021	93.9378880		
6/7/2021	93.9314539		
6/8/2021	93.9250202		
6/9/2021	93.9185870		
6/10/2021	93.9121542		
6/11/2021	93.9057219		
6/12/2021	93.8992900		
6/13/2021	93.8928585		
6/14/2021	93.8864275		
6/15/2021	93.8799969		
6/16/2021	93.8735668		
6/17/2021	93.8671371		
6/18/2021	93.8607078		
6/19/2021	93.8542790		
6/20/2021	93.8478506		
6/21/2021	93.8414227		
6/22/2021	93.8349952		
6/23/2021	93.8285682		
6/24/2021	93.8221415		
6/25/2021	93.8157154		
6/26/2021	93.8092896		
6/27/2021	93.8028643		
6/28/2021	93.7964395		
6/29/2021	93.7900151		
6/30/2021	93.7835911	0.1858059	0.0518746

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
7/1/2021	93.7771676		
7/2/2021	93.7707445		
7/3/2021	93.7643218		
7/4/2021	93.7578996		
7/5/2021	93.7514778		
7/6/2021	93.7450565		
7/7/2021	93.7386356		
7/8/2021	93.7322152		
7/9/2021	93.7257951		
7/10/2021	93.7193756		
7/11/2021	93.7129564		
7/12/2021	93.7065377		
7/13/2021	93.7001195		
7/14/2021	93.6937017		
7/15/2021	93.6872843		
7/16/2021	93.6808673		
7/17/2021	93.6744509		
7/18/2021	93.6680348		
7/19/2021	93.6616192		
7/20/2021	93.6552040		
7/21/2021	93.6487893		
7/22/2021	93.6423750		
7/23/2021	93.6359611		
7/24/2021	93.6295477		
7/25/2021	93.6231347		
7/26/2021	93.6167221		
7/27/2021	93.6103100		
7/28/2021	93.6038984		
7/29/2021	93.5974871		
7/30/2021	93.5910764		
7/31/2021	93.5846660	0.1986224	0.0564010

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
8/1/2021	93.5782561		
8/2/2021	93.5718466		
8/3/2021	93.5654376		
8/4/2021	93.5590290		
8/5/2021	93.5526209		
8/6/2021	93.5462131		
8/7/2021	93.5398059		
8/8/2021	93.5333990		
8/9/2021	93.5269926		
8/10/2021	93.5205867		
8/11/2021	93.5141812		
8/12/2021	93.5077761		
8/13/2021	93.5013714		
8/14/2021	93.4949672		
8/15/2021	93.4885635		
8/16/2021	93.4821601		
8/17/2021	93.4757573		
8/18/2021	93.4693548		
8/19/2021	93.4629528		
8/20/2021	93.4565512		
8/21/2021	93.4501501		
8/22/2021	93.4437494		
8/23/2021	93.4373491		
8/24/2021	93.4309493		
8/25/2021	93.4245499		
8/26/2021	93.4181510		
8/27/2021	93.4117525		
8/28/2021	93.4053544		
8/29/2021	93.3989568		
8/30/2021	93.3925596		
8/31/2021	93.3861629	0.1981726	0.0688727

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
9/1/2021	93.3797666		
9/2/2021	93.3733707		
9/3/2021	93.3669752		
9/4/2021	93.3605802		
9/5/2021	93.3541857		
9/6/2021	93.3477916		
9/7/2021	93.3413979		
9/8/2021	93.3350046		
9/9/2021	93.3286118		
9/10/2021	93.3222194		
9/11/2021	93.3158275		
9/12/2021	93.3094360		
9/13/2021	93.3030450		
9/14/2021	93.2966543		
9/15/2021	93.2902642		
9/16/2021	93.2838744		
9/17/2021	93.2774851		
9/18/2021	93.2710962		
9/19/2021	93.2647078		
9/20/2021	93.2583198		
9/21/2021	93.2519323		
9/22/2021	93.2455451		
9/23/2021	93.2391585		
9/24/2021	93.2327722		
9/25/2021	93.2263864		
9/26/2021	93.2200010		
9/27/2021	93.2136161		
9/28/2021	93.2072316		
9/29/2021	93.2008476		
9/30/2021	93.1944639	0.1868239	0.0518849

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
10/1/2021	93.1880808		
10/2/2021	93.1816980		
10/3/2021	93.1753157		
10/4/2021	93.1689338		
10/5/2021	93.1625524		
10/6/2021	93.1561714		
10/7/2021	93.1497908		
10/8/2021	93.1434107		
10/9/2021	93.1370310		
10/10/2021	93.1306518		
10/11/2021	93.1242730		
10/12/2021	93.1178946		
10/13/2021	93.1115167		
10/14/2021	93.1051392		
10/15/2021	93.0987621		
10/16/2021	93.0923855		
10/17/2021	93.0860093		
10/18/2021	93.0796335		
10/19/2021	93.0732582		
10/20/2021	93.0668833		
10/21/2021	93.0605089		
10/22/2021	93.0541349		
10/23/2021	93.0477613		
10/24/2021	93.0413882		
10/25/2021	93.0350155		
10/26/2021	93.0286432		
10/27/2021	93.0222714		
10/28/2021	93.0159000		
10/29/2021	93.0095290		
10/30/2021	93.0031585		
10/31/2021	92.9967884	0.1976755	0.0730907

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
11/1/2021	92.9904188		
11/2/2021	92.9840496		
11/3/2021	92.9776808		
11/4/2021	92.9713125		
11/5/2021	92.9649446		
11/6/2021	92.9585771		
11/7/2021	92.9522101		
11/8/2021	92.9458435		
11/9/2021	92.9394774		
11/10/2021	92.9331116		
11/11/2021	92.9267464		
11/12/2021	92.9203815		
11/13/2021	92.9140171		
11/14/2021	92.9076531		
11/15/2021	92.9012896		
11/16/2021	92.8949265		
11/17/2021	92.8885638		
11/18/2021	92.8822016		
11/19/2021	92.8758398		
11/20/2021	92.8694784		
11/21/2021	92.8631175		
11/22/2021	92.8567570		
11/23/2021	92.8503970		
11/24/2021	92.8440374		
11/25/2021	92.8376782		
11/26/2021	92.8313194		
11/27/2021	92.8249611		
11/28/2021	92.8186033		
11/29/2021	92.8122458		
11/30/2021	92.8058888	0.1908996	0.0651397

GRAYSCALE STELLAR LUMENS TRUST (XLM) 2021 GROSS PROCEEDS FILE

Date	XLM Per Share	Number of XLM Used to Cover Trust Expenses Per Share (in XLM)	Proceeds from Payout of XLM to Cover Trust Expenses Per Share (in USD)
12/1/2021	92.7995322		
12/2/2021	92.7931761		
12/3/2021	92.7868204		
12/4/2021	92.7804652		
12/5/2021	92.7741103		
12/6/2021	92.7677559		
12/7/2021	92.7614020		
12/8/2021	92.7550485		
12/9/2021	92.7486954		
12/10/2021	92.7423427		
12/11/2021	92.7359905		
12/12/2021	92.7296387		
12/13/2021	92.7232874		
12/14/2021	92.7169365		
12/15/2021	92.7105860		
12/16/2021	92.7042360		
12/17/2021	92.6978864		
12/18/2021	92.6915372		
12/19/2021	92.6851885		
12/20/2021	92.6788402		
12/21/2021	92.6724923		
12/22/2021	92.6661449		
12/23/2021	92.6597979		
12/24/2021	92.6534513		
12/25/2021	92.6471052		
12/26/2021	92.6407595		
12/27/2021	92.6344142		
12/28/2021	92.6280694		
12/29/2021	92.6217250		
12/30/2021	92.6153811		
12/31/2021	92.6090375	0.1968513	0.0511341
TOTAL		2.2626768	0.7894164

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

The Trust holds no assets other than XLM tokens. Accordingly, when expenses are incurred, Trust assets (i.e., XLM 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 XLM 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 XLM tokens they still own). In Step 3, we determine the Shareholder's basis in the XLM 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 XLM tokens at the end of the year and his or her new cost basis in those XLM 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 \$38.78 per share for a total purchase price of \$775,600. 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 Stellar Lumens.

Locate the Stellar Lumens Per Share amount on Shareholder XYZ's purchase date of 2/10/2021 in the gross proceeds file. In this example the number is 94.6872424. This represents the number of XLM tokens per share on that date.

For Shareholder XYZ, the total amount of XLM tokens owned for its 2/10/2021 purchase is 1,893,744.8480000 (94.6872424 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 Stellar Lumens paid out from Shareholder XYZ's account during 2021 to pay expenses

The XLM tokens paid out per share during 2021 includes the cumulative amounts of all XLM 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 XLM tokens paid out after the 2/10/2021 purchase date is 2.0508861 per share. This is determined by taking the total amount of XLM tokens per share paid out in 2021 (2.2626768) and subtracting the amount of XLM tokens paid out prior to the purchase (0.1514550 from January plus 0.0603358 (10/28 multiplied by 0.1689401 from February 2021)). Then multiply this number (2.0508861) by the number of shares owned (20,000) for a total of 41,017.7210000 XLM tokens paid to cover trust expenses.

Step 3: Calculate Shareholder's cost basis in Stellar Lumens paid out from Shareholder's account

Total XLM token payout (<i>Step 2</i>)	41,017.7210000		
	-----	X	\$775,600
XLM tokens acquired (<i>Step 1</i>)	1,893,744.8480000		
Cost basis of XLM token payout	\$16,799.17		

Step 4: Calculate Shareholder's gain or loss on Stellar Lumens 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 \$0.7195012 (total proceeds of payout of XLM tokens for the year, \$0.7894164, less \$0.0699152, which is the proceeds of payouts made prior to purchase [\$0.0455057 from January] plus \$0.0244095 from the first ten days in February). Therefore, Shareholder XYZ's gain or loss is determined as follows:

Total Proceeds: \$0.7195012 per share X 20,000 shares	\$	14,390.02
Less: Total cost basis of XLM tokens payout (<i>Step 3</i>)		<u>16,799.17</u>
Total Reportable Gain/(Loss)	\$	<u>(2,409.15)</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 \$0.7195012 per share. Therefore, Shareholder XYZ's expenses are as follows:

Total Expenses Per Share (<i>Step 4</i>)	\$	0.7195012
Total Shares		<u>20,000</u>
Total Expense	\$	<u>14,390.02</u>

Step 6: Calculate Shareholder's Adjusted Stellar Lumen tokens Held and Cost Basis

XLM tokens Purchased on 2/10/2021 (<i>Step 1</i>)	1,893,744.8480000
Less: XLM token payout during 2021 (<i>Step 2</i>)	<u>41,017.7210000</u>
Adjusted Shareholder's XLM tokens at 12/31/2021	<u>1,852,727.1270000</u>
Original Purchase Cost on 2/10/2021	\$ 775,600.00
Less: Cost of XLM token payout during 2021 (<i>Step 3</i>)	<u>16,799.17</u>
Adjusted Shareholder's basis at 12/31/2021	<u>\$ 758,800.83</u>

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