
**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 25, 2025

Grayscale Ethereum Mini Trust ETF

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-42184
(Commission File Number)

99-6447880
(IRS Employer
Identification No.)

c/o Grayscale Investments Sponsors, 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(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Grayscale Ethereum Mini Trust ETF Shares	ETH	NYSE Arca, Inc.

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. ☐

Item 1.01. Entry into a Material Definitive Agreement.

Second Amended and Restated Declaration of Trust and Trust Agreement

On September 25, 2025, following approval of the Proposals (as defined below), Grayscale Investments Sponsors, LLC, the sponsor (the “Sponsor”) of Grayscale Ethereum Mini Trust ETF (the “Trust”), and CSC Delaware Trust Company, the trustee (the “Trustee”) of the Trust, entered into the Second Amended and Restated Declaration of Trust and Trust Agreement, dated as of September 25, 2025 (the “Second A&R Trust Agreement”). The amendments implemented by the Second A&R Trust Agreement are described in the Trust’s Consent Solicitation Statement included in its definitive proxy statement on Schedule 14A, filed with the Securities and Exchange Commission on September 2, 2025 (the “Consent Solicitation Statement”).

The foregoing description of the Second A&R Trust Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Second A&R Trust Agreement, a copy of which is attached hereto as Exhibit 4.1 and incorporated herein by reference.

Anchorage Digital Custodian Agreement

On September 25, 2025, the Sponsor of the Trust, and Anchorage Digital Bank N.A. (“Anchorage Digital”), a national trust bank chartered by the Office of the Comptroller of the Currency, entered into a certain Second Amendment to Master Custody Service Agreement (the “Second Amendment”), which provides that the Trust is added as a party to a certain Master Custody Service Agreement, dated as of August 8, 2025 (and together with the Second Amendment, the “Anchorage Digital Custodian Agreement” or the “Agreement”).

Pursuant to the Anchorage Digital Custodian Agreement, Anchorage Digital will provide services related to custody and safekeeping of the Trust’s Ether holdings.

The Sponsor expects to utilize Anchorage Digital’s services to custody a portion of the Trust’s Ether. The Trust’s existing custody arrangement with Coinbase Trust Company, LLC (“Coinbase”) is unaffected by the Trust’s entry into the Agreement, and Coinbase remains the Trust’s primary custodian. The Sponsor shall, in its sole discretion, determine the amounts held at either custodian as permitted by the Trust Agreement. At the current time, the Sponsor has not determined the amount of the Trust’s Ether it will move to Anchorage Digital. The addition of Anchorage Digital reflects the Sponsor’s ongoing risk management approach as part of the Trust’s growing size. References to “the Custodian” in our annual report on Form 10-K for the fiscal period ended December 31, 2024 will be deemed to refer to Coinbase, Anchorage Digital and/or other Custodians, collectively or in their individual capacities, as the context may require.

Under the Anchorage Digital Custodian Agreement, Anchorage Digital is required to keep all of the private keys associated with the Trust’s Ether held at Anchorage Digital in cold storage. Cold storage is a safeguarding method by which the private key(s) corresponding to Ether is (are) generated and stored in an offline manner. Private keys are generated in offline computers or devices that are not connected to the internet so that they are more resistant to being hacked. By contrast, in hot storage, the private keys are held online, where they are more accessible, leading to more efficient transfers, though they are potentially more vulnerable to being hacked.

In the event of a fork of the Ethereum blockchain, the Anchorage Digital Custodian Agreement provides that Anchorage Digital may temporarily suspend services, and may, in its sole discretion, determine whether or not to support (or cease supporting) either branch of the forked protocol entirely, provided that Anchorage shall use commercially reasonable efforts to avoid ceasing to support both branches of such forked protocol.

The Anchorage Digital Custodian Agreement requires the Trust to indemnify Anchorage Digital, its affiliates, and their respective officers, directors, agents, employees and representatives against certain losses arising from or related to the Trust’s material breach of the Anchorage Digital Custodian Agreement, among other things, except where a claim was caused by certain acts of Anchorage Digital. The Anchorage Digital Custodian Agreement also requires Anchorage Digital to maintain insurance policies and coverage.

The foregoing description of the Anchorage Digital Custodian Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Anchorage Digital Custodian Agreement filed with this Current Report on Form 8-K as Exhibit 10.1 and Exhibit 10.2.

Item 5.07. Submission of Matters to a Vote of Security Holders.

On September 2, 2025, the Sponsor solicited the consent of the shareholders of the Trust (the “Consent Solicitation”) to approve three proposals to amend the Amended and Restated Declaration of Trust and Trust Agreement (as amended, the “Trust Agreement”) between the Sponsor and the Trustee, all of which were approved by the requisite majority of outstanding shares held by the Trust’s shareholders as of the record date for the Consent Solicitation. The proposals are described in more detail in the Consent Solicitation Statement.

Proposal 1:

The proposal to approve amendments to the Trust Agreement providing the Trust with the ability to stake the Ether held by the Trust and receive consideration in relation thereto (“Proposal 1”) was approved based on the following votes:

For	Against	Abstain
5,905,222	361,498	94,624

Proposal 2:

The proposal to approve amendments to the Trust Agreement providing that, in addition to the Sponsor’s Fee (as defined in the Trust Agreement), the Sponsor may be entitled to receive a Sponsor’s Staking Fee (as defined in the Second A&R Trust Agreement), payable in Ether (or, if applicable, in the form of other staking consideration) in an amount calculated as a per annum percentage of any staking consideration earned, which shall be payable to the Sponsor daily in arrears (“Proposal 2”) was approved based on the following votes:

For	Against	Abstain
3,606,847	2,630,047	124,451

Proposal 3:

The proposal to approve amendments to the Trust Agreement providing the Sponsor with the ability to make (i) certain restatements, amendments or supplements to the Trust Agreement that would materially adversely affect the interests of the shareholders as determined by the Sponsor in its sole discretion with a 20-day notice to shareholders and (ii) certain other restatements, amendments or supplements to the Trust Agreement only if certain conditions set forth in the amendments relating to the qualification of the Trust as a grantor trust for U.S. federal income tax purposes are satisfied (“Proposal 3” and, together with Proposal 1 and Proposal 2, the “Proposals”), was approved based on the following votes:

For	Against	Abstain
2,514,768	3,719,934	126,642

As described in the Consent Solicitation Statement, under the terms of the Trust Agreement, any shareholders that did not, within twenty (20) calendar days of the date of the Consent Solicitation Statement, notify the Sponsor in writing that they objected to one or more of the Proposals were deemed to consent to each of the Proposals. As such, in the aggregate, shareholders holding 99.52% of the Trust’s outstanding shares consented to Proposal 1, shareholders holding 96.48% of the Trust’s outstanding shares consented to Proposal 2 and shareholders holding 95.03% of the Trust’s outstanding shares consented to Proposal 3.

A sufficient number of shareholders consented to approve the Proposals described above by 4:00 p.m., New York City time, on September 22, 2025. As a result, the Consent Solicitation, and the period during which consents could be revoked, concluded as of 4:00 p.m., New York City time, on September 22, 2025.

Item 8.01. Other Events.*Supplemental Disclosures to the Trust’s Annual Report*

The Sponsor is filing information for the purpose of supplementing and updating the disclosures contained in the Trust’s Annual Report on Form 10-K for the year ended December 31, 2024 (the “Annual Report”), including those under the headings “Item 1. Business” and “Item 1A. Risk Factors,” and other filings with the SEC, to give effect to the amendments described in the Consent Solicitation Statement and the full text of the Second A&R Trust Agreement attached hereto as Exhibit 4.1.

The supplemental disclosures are set forth in Exhibit 99.1, which is incorporated herein by reference.

Transition to NYSE Arca Generic Listing Standards

Previously, on July 18, 2024, the Securities and Exchange Commission (the “SEC”) approved an application under Rule 19b-4 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) by NYSE Arca, Inc. (“NYSE Arca”) to list the Shares of the Trust (the “Original Listing Standards”), which began trading on NYSE Arca on July 23, 2024.

On September 17, 2025, the SEC approved a proposed rule change for new Rule 8.201-E (Generic) with the SEC pursuant to Rule 19b-4 under the Exchange Act to amend NYSE Arca’s listing rules to permit the listing and trading of shares of certain commodity-based exchange-traded products that satisfy certain generic requirements (the “Generic Listing Standards”).

Although the Shares of the Trust previously began trading on NYSE Arca under the Original Listing Standards, the Sponsor submitted an application to NYSE Arca to list and trade the Trust’s shares on NYSE Arca under the Generic Listing Standards, and such application is expected to be approved on or around September 29, 2025. Until such time that the application to list and trade the registrant’s shares on NYSE Arca under the Generic Listing Standards is approved, or it is determined by the Trust that such approval is no longer necessary, the Trust does not expect to engage in Staking (as described in Exhibit 99.1 hereto).

The Sponsor expects that transitioning the Trust to list and trade under the Generic Listing Standards, rather than the Original Listing Standards, will position the Trust to maintain parity with similarly situated investment products.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
4.1	Second Amended and Restated Declaration of Trust and Trust Agreement
8.1	Opinion of Davis Polk & Wardwell LLP, as special tax counsel to the Trust
10.1	Master Custody Service Agreement, dated August 8, 2025, between the Trust and Anchorage Digital Bank N.A.
10.2	Second Amendment to Master Custody Service Agreement, dated September 25, 2025, between the Trust and Anchorage Digital Bank N.A.
23.1	Consent of Davis Polk & Wardwell LLP, as special tax counsel to the Trust, included in Exhibit 8.1
99.1	Supplemental Disclosures to the Trust’s Annual Report
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 Sponsors, LLC, as Sponsor of
Grayscale Ethereum Mini Trust ETF

Date: September 26, 2025

By: /s/ Edward McGee

Name: Edward McGee

Title: Chief Financial Officer*

* The Registrant is a trust and the identified person signing this report is signing in their capacity as an authorized officer of Grayscale Investments Sponsors, LLC, the Sponsor of the Registrant.

**SECOND AMENDED AND RESTATED
DECLARATION OF TRUST
AND
TRUST AGREEMENT
OF
GRAYSCALE ETHEREUM MINI TRUST ETF**

Dated as of September 25, 2025

By and Among

GRAYSCALE INVESTMENTS SPONSORS, LLC

CSC DELAWARE TRUST COMPANY
(formerly known as Delaware Trust Company)

and

**THE SHAREHOLDERS
FROM TIME TO TIME HEREUNDER**

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GRAYSCALE ETHEREUM MINI TRUST ETF

SECOND AMENDED AND RESTATED

DECLARATION OF TRUST

AND TRUST AGREEMENT

This **SECOND AMENDED AND RESTATED DECLARATION OF TRUST AND TRUST AGREEMENT** of **GRAYSCALE ETHEREUM MINI TRUST ETF** is made and entered into as of the 25th day of September, 2025, by and among **GRAYSCALE INVESTMENTS SPONSORS, LLC**, a Delaware limited liability company, **CSC DELAWARE TRUST COMPANY** (formerly known as Delaware Trust Company), a Delaware corporation, as trustee, and the **SHAREHOLDERS** from time to time hereunder.

* * *

RECITALS

WHEREAS, Grayscale Investments, LLC (“**GSI**”), the former sponsor of the Trust, and the Trustee entered into the Amended and Restated Declaration of Trust and Trust Agreement dated as of July 17, 2024, as amended by Amendment No. 1 to the Amended and Restated Declaration of Trust and Trust Agreement dated as of July 18, 2024 and Amendment No. 2 to the Amended and Restated Declaration of Trust and Trust Agreement dated as of November 4, 2024 (as may be further amended from time to time, the “**Existing Agreement**”);

WHEREAS, on January 1, 2025, GSI consummated an internal corporate reorganization, pursuant to which GSI merged with and into Grayscale Operating, LLC (“**GSO**”), with GSO continuing as the surviving company (the “**Merger**”);

WHEREAS, as a result of the Merger, GSO succeeded by operation of law to all the rights, powers, privileges and franchises and became subject to all of the obligations, liabilities, restrictions and disabilities of GSI, including with respect to the Existing Agreement, all as provided under the Delaware Limited Liability Company Act;

WHEREAS, on January 1, 2025, promptly following the effectiveness of the Merger, (i) GSO assigned the Existing Agreement to the Sponsor pursuant to an Assignment and Assumption Agreement, dated as of January 1, 2025, by and between GSO and the Sponsor, and (ii) GSO and the Sponsor executed a Certificate of Admission, pursuant to which the Sponsor was admitted as an additional sponsor of the Trust under the Existing Agreement;

WHEREAS, on January 3, 2025, GSO voluntarily withdrew as a sponsor of the Trust pursuant to the terms of the Existing Agreement, effective 120 days thereafter on May 3, 2025, leaving the Sponsor as the sole remaining sponsor of the Trust;

WHEREAS, the Sponsor wishes to amend the Existing Agreement pursuant to Section 10.1 thereof, with such amendment to be effective on such date as designated by the Sponsor in its sole discretion following receipt of requisite consent from the Shareholders to amend one or more provisions of the Existing Agreement to the extent required thereby.

NOW, THEREFORE, pursuant to Section 10.1 of the Existing Agreement, the Trustee and the Sponsor hereby amend and restate the Existing Agreement in its entirety as set forth below.

ARTICLE I

DEFINITIONS; THE TRUST

SECTION 1.1 *Definitions.*

As used in this Trust Agreement, the following terms shall have the following meanings unless the context otherwise requires:

“Actual Exchange Rate” means, with respect to any particular asset, at any time, the price per single unit of such asset (determined net of any associated fees) at which the Trust is able to sell such asset for U.S. Dollars (or other applicable fiat currency) at such time to enable the Trust to timely pay any Additional Trust Expenses, through use of the Sponsor’s commercially reasonable efforts to obtain the highest such price.

“Additional Trust Expenses” has the meaning set forth in Section 6.8(b).

“Administrator” means any Person or Persons from time to time engaged by the Sponsor to assist in the administration of the Shares.

“Administrator Fee” means the fee payable to any Administrator for services it provides to the Trust, which the Sponsor shall pay as a Sponsor-paid Expense.

“Affiliate” means (i) any Person directly or indirectly owning, controlling or holding with power to vote 10% or more of the outstanding voting securities of such Person, (ii) any Person 10% or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by such Person, (iii) any Person, directly or indirectly, controlling, controlled by or under common control of such Person, (iv) any employee, officer, director, member, manager or partner of such Person, or (v) if such Person is an employee, officer, director, member, manager or partner, any Person for which such Person acts in any such capacity.

“Annual Report” means (i) the Trust’s most recent annual report prepared and publicly disseminated pursuant to the standards of any Secondary Market on which the Shares are then listed, quoted or traded or (ii) if the Shares are then registered under the Exchange Act, the Trust’s most recent annual report on Form 10-K prepared and filed in accordance with the rules and regulations of the SEC.

“APA Procedures” has the meaning assigned thereto in Section 3.3(a).

“Authorized Participant” means a Person that (i) is a registered broker-dealer, (ii) has entered into an Authorized Participant Agreement, and (iii) in the case of Authorized Participants creating and redeeming Shares through In-Kind Orders, has access to an Authorized Participant Self-Administered Account.

“Authorized Participant Agreement” means an agreement among the Trust, the Sponsor, the Transfer Agent and an Authorized Participant, that provides the procedures for the creation and redemption of Baskets.

“Authorized Participant Self-Administered Account” means an Ether wallet address known to the Custodian as belonging to such Authorized Participant or its designee.

“Basket” means a block of 10,000 Shares.

“Basket Amount” means, on any Trade Date, the number of Ether required as of such Trade Date for each Creation Basket or Redemption Basket, as determined by dividing (x) the number of Ether owned by the Trust at 4:00 p.m., New York time, on such Trade Date, after deducting the number of Ether representing the U.S. Dollar value of accrued but unpaid fees and expenses of the Trust (in the case of any such fee and expense other than the Sponsor’s Fee, converted using the Index Price at such time, and carried to the eighth decimal place), by (y) the number of Shares outstanding at such time (with the quotient so obtained calculated to one one-hundred-millionth of one Ether (i.e., carried to the eighth decimal place)), and multiplying such quotient by 10,000.

“Business Day” means any day other than a Saturday, Sunday or other day on which national securities exchanges are permitted or required to close for business in New York, New York.

“Cash Orders” means orders for creations or redemptions of Shares other than through In-Kind Orders.

“Certificate of Trust” means the Certificate of Trust of the Trust, including all amendments thereto filed with the Secretary of State of the State of Delaware pursuant to Section 3810 of the Delaware Trust Statute.

“CFTC” means the Commodity Futures Trading Commission.

“Code” means the Internal Revenue Code of 1986, as amended.

“Corporate Trust Office” means the principal office at which at any particular time the corporate trust business of the Trustee is administered, which office at the date hereof is located at 251 Little Falls Drive, Wilmington, DE 19808.

“Covered Person” means the Sponsor and its Affiliates and their respective members, managers, directors, officers, employees, agents and controlling persons.

“Creation Basket” means a Basket issued by the Trust upon the deposit of the Basket Amount with the Custodian.

“Creation Order” has the meaning assigned thereto in Section 3.3(a)(i).

“Creation Settlement Date” means, with respect to any Creation Order, the Business Day on which such Creation Order settles, as specified in the APA Procedures.

“Custodian” means any Person or Persons from time to time engaged to provide custodian, security or related services (including, for the avoidance of doubt, prime brokerage services) to the Trust pursuant to authority delegated by the Sponsor.

“Custodian Fee” means the fee payable to any Custodian for the services it provides to the Trust, which the Sponsor shall pay as a Sponsor-paid Expense.

“Delaware Trust Statute” means the Delaware Statutory Trust Act, Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. § 3801 et seq., as the same may be amended from time-to-time.

“Distributor” means any Person or Persons from time to time engaged to provide distribution services or related services to the Trust pursuant to authority delegated by the Sponsor.

“Ethereum Network” means the online, end-user-to-end-user network hosting a public transaction ledger, known as a blockchain, and the source code comprising the basis for the cryptographic and algorithmic protocols governing the Ethereum network.

“Ether” means Ethereum, a type of virtual currency based on an open source cryptographic protocol existing on the Ethereum Network as determined by the Sponsor in accordance with Section 6.2(m), and the assets underlying the Trust’s Shares.

“Ether Account” means collectively, the Vault Balance, the Settlement Balance and any subaccounts associated therewith.

“Event of Withdrawal” has the meaning set forth in Section 12.1(a)(iv) hereof.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Existing Agreement” has the meaning set forth in the recitals hereto.

“Expenses” has the meaning set forth in Section 2.4.

“FinCEN” means the Financial Crimes Enforcement Network, a bureau of the U.S. Department of Treasury.

“Fiscal Year” has the meaning set forth in Article IX hereof.

“GAAP” means U.S. generally accepted accounting principles.

“**GSI**” means Grayscale Investments, LLC, the former sponsor of the Trust.

“**GSO**” means Grayscale Operating, LLC.

“**In-Kind Orders**” means orders for creations or redemptions in which an Authorized Participant or its designees will deliver Ether from, or receive Ether in, an Authorized Participant Self-Administered Account.

“**Incidental Rights**” means the rights to acquire, or otherwise establish dominion and control over, any virtual currency or other asset or right, which rights are incident to the Trust’s ownership of Ether and arise without any action of the Trust, or of the Sponsor or Trustee on behalf of the Trust.

“**Indemnified Persons**” has the meaning assigned to such term in Section 2.4.

“**Index Price**” has the meaning ascribed to such term in the Trust’s filings with the SEC.

“**IR Virtual Currency**” means any virtual currency or other asset or right acquired by the Trust through the exercise (subject to Section 1.5(c) and Section 6.4(m)) of any Incidental Right.

“**IRS**” means the U.S. Internal Revenue Service or any successor thereto.

“**Liquidating Trustee**” has the meaning assigned thereto in Section 12.2.

“**Liquidity Provider**” means an entity eligible to facilitate the purchase and sale of Ether in connection with creations or redemptions pursuant to Cash Orders.

“**Liquidity Provider Account**” means, with respect to any Liquidity Provider, an Ether wallet address known to the Custodian as belonging to such Liquidity Provider.

“**Marketing Agent**” means any Person or Persons from time to time engaged to provide marketing services or related services to the Trust pursuant to authority delegated by the Sponsor.

“**Marketing Fee**” means the fee payable to any Marketing Agent for services it provides to the Trust, which the Sponsor shall pay as a Sponsor-paid Expense.

“**Merger**” has the meaning set forth in the recitals hereto.

“**NAV**” means, at any time, the aggregate value, expressed in U.S. Dollars, of the Trust’s assets (other than U.S. Dollars or other fiat currency), less its liabilities (which include estimated accrued but unpaid fees and expenses), calculated in accordance with Section 8.4.

“**NAV Fee Basis Amount**” has the meaning assigned thereto in Section 8.4.

“Other Staking Consideration” means any Staking Consideration other than Ether.

“Percentage Interest” means, with respect to any Shareholder at any time, a fraction, the numerator of which is the number of Shares held by such Shareholder and the denominator of which is the total number of Shares outstanding, in each case as of 4:00 p.m., New York time, on the date of determination.

“Person” means any natural person, partnership, limited liability company, statutory trust, corporation, association or other legal entity.

“Purchase Agreement” means an agreement among the Trust, the Sponsor and any Shareholder through which the Shareholder agrees to transfer Ether to the Ether Account in exchange for the creation and issuance of Shares.

“Quarterly Report” means (i) the Trust’s most recent quarterly report prepared and publicly disseminated pursuant to the standards of any Secondary Market on which the Shares are then listed, quoted or traded or (ii) if the Shares are then registered under the Exchange Act, the Trust’s most recent quarterly report on Form 10-Q prepared and filed in accordance with the rules and regulations of the SEC.

“Redemption Basket” means a Basket redeemed by the Trust in exchange for Ether in an amount equal to the Basket Amount.

“Redemption Order” has the meaning assigned thereto in Section 5.2(a).

“Redemption Settlement Date” means, with respect to any Redemption Order, the Business Day on which such Redemption Order settles, as specified in the APA Procedures.

“Rules” has the meaning assigned thereto in Section 13.3.

“SEC” means the Securities and Exchange Commission.

“Secondary Market” means any marketplace or other alternative trading system, as determined by the Sponsor, on which the Shares may then be listed, quoted or traded, including but not limited to, the OTCQX tier of the OTC Markets Group Inc. and NYSE Arca, Inc.

“Securities Act” means the Securities Act of 1933, as amended.

“Settlement Balance” means the one or more omnibus accounts maintained by the Custodian and in which a portion of the Trust’s Ether may be stored from time to time.

“Shareholder” means any Person that owns Shares.

“Shares” means the common units of fractional undivided beneficial interest in the profits, losses, distributions, capital and assets of, and ownership of, the Trust.

“**Sponsor**” means Grayscale Investments Sponsors, LLC, or any substitute therefor as provided herein, or any successor thereto by merger or operation of law.

“**Sponsor-paid Expense**” and “**Sponsor-paid Expenses**” have the meaning set forth in Section 6.8(a)(v).

“**Sponsor’s Fee**” has the meaning set forth in Section 6.8(a)(i).

“**Sponsor’s Staking Fee**” has the meaning set forth in Section 6.8(a)(vii).

“**Staking**” means (i) using, or permitting to be used, in any manner, directly or indirectly, through an agent or otherwise (including, for the avoidance of doubt, through a delegation of rights to any third party (each, a “**Staking Provider**”) with respect to any portion of the Trust Estate, by making any portion of the Trust Estate available to any third party or by entering into any similar arrangement with a third party), any portion of the Trust Estate in a proof-of-stake validation protocol, (ii) accepting any Staking Consideration, (iii) holding any Other Staking Consideration accepted by the Trust pursuant to clause (ii), for not more than 30 days after the Trust’s receipt thereof, pending the use of such Other Staking Consideration for payment of Additional Trust Expenses or distribution to the Shareholders and (iv) any financing arrangement or other mechanism utilized by the Sponsor, on behalf of the Trust, in connection with Redemption Orders to manage Ether liquidity constraints arising from activities described in the preceding clauses (each, a “**Liquidity Management Solution**”). For the avoidance of doubt, (i) the mere act of transferring units of virtual currency on a peer-to-peer virtual currency network that utilizes a proof-of-stake validation protocol shall not be considered to be “Staking” and (ii) “Staking” shall include any related activity contemplated by a Tax Ruling, an opinion or Tax Guidance, in each case, described in the definition of Staking Condition (and, in the case of a Tax Ruling, that is described in the private letter ruling request (as supplemented from time to time) submitted to the U.S. Internal Revenue Service in connection therewith).

“**Staking Condition**” means, with respect to a particular form of Staking, the condition that (i) (x) engaging in such form of Staking should not cause the Trust to be treated as other than a grantor trust for U.S. federal income tax purposes and (y) the Trust shall have received (1) a written opinion from a Tax Advisor or (2) a Tax Ruling, in each case, to that effect or (ii) such form of Staking is confirmed in Tax Guidance to be a permissible undertaking by a grantor trust.

“**Staking Consideration**” means any consideration of any kind whatsoever, including, but not limited to, any staking reward paid in fiat currency or paid in kind, in exchange for using, or permitting to be used, any portion of the Trust Estate as described in clause (i) of the definition of “Staking.”

“**Tax Advisor**” means an independent law firm that is recognized as being an expert in tax matters.

“**Tax Guidance**” means any tax guidance that is issued by the U.S. Internal Revenue Service or the U.S. Department of the Treasury and on which taxpayers may rely.

“Tax Ruling” means a binding ruling issued by the U.S. Internal Revenue Service.

“Total Basket Amount” means, with respect to any Creation Order or Redemption Order, the applicable Basket Amount multiplied by the number of Creation Baskets or Redemption Baskets, as specified in the applicable Creation Order or Redemption Order.

“Trade Date” means, for any Creation Order or Redemption Order, the Business Day on which the Total Basket Amount with respect to such Creation Order or Redemption Order is determined in accordance with the APA Procedures.

“Transfer Agent” means any Person or Persons from time to time engaged to provide transfer agent services or related services to the Trust pursuant to authority delegated by the Sponsor.

“Treasury Regulations” means regulations, including proposed or temporary regulations, promulgated under the Code. References herein to specific provisions of proposed or temporary regulations shall include analogous provisions of final Treasury Regulations or other successor Treasury Regulations.

“Trust” means Grayscale Ethereum Mini Trust ETF, a Delaware statutory trust formed pursuant to the Certificate of Trust, the affairs of which are governed by this Trust Agreement.

“Trust Agreement” means this Second Amended and Restated Declaration of Trust and Trust Agreement, as it may at any time or from time-to-time be amended.

“Trust Counsel” has the meaning set forth in Section 13.3.

“Trustee” means CSC Delaware Trust Company, its successors and assigns, or any substitute therefor as provided herein, acting not in its individual capacity but solely as trustee of the Trust.

“Trust Estate” means, without duplication, (i) all the Ether in the Trust’s accounts, including the Ether Account, (ii) all Incidental Rights held by the Trust, (iii) all IR Virtual Currency in the Trust’s accounts, (iv) all Other Staking Consideration held by the Trust, (v) all proceeds from the sale of Ether, Incidental Rights, IR Virtual Currency and Other Staking Consideration pending use of such cash for payment of Additional Trust Expenses or distribution to the Shareholders and (vi) any rights of the Trust pursuant to any agreements, other than this Trust Agreement, to which the Trust is a party.

“Trust Expense” has the meaning set forth in Section 2.3.

“U.S.” means United States.

“U.S. Dollar” means United States dollars.

“**Vault Balance**” means one or more segregated custody accounts of the Trust maintained by the Custodian to store private keys, which allow for the transfer of ownership or control of the Trust’s Ether on the Trust’s behalf.

SECTION 1.2 *Name.*

The name of the Trust is “Grayscale Ethereum Mini Trust ETF” in which name the Trustee and the Sponsor shall cause the Trust to carry out its purposes as set forth in Section 1.5, make and execute contracts and other instruments in the name and on behalf of the Trust and sue and be sued in the name and on behalf of the Trust.

SECTION 1.3 *Delaware Trustee; Offices.*

(a) The sole Trustee of the Trust is CSC Delaware Trust Company, which is located at the Corporate Trust Office or at such other address in the State of Delaware as the Trustee may designate in writing to the Shareholders. The Trustee shall receive service of process on the Trust in the State of Delaware at the foregoing address. In the event CSC Delaware Trust Company resigns or is removed as the Trustee, the trustee of the Trust in the State of Delaware shall be the successor Trustee, subject to Section 2.1.

(b) The principal office of the Trust, and such additional offices as the Sponsor may establish, shall be located at such place or places inside or outside the State of Delaware as the Sponsor may designate from time to time in writing to the Trustee and the Shareholders. Initially, the principal office of the Trust shall be at c/o Grayscale Investments Sponsors, LLC, 290 Harbor Drive, 4th Floor, Stamford, Connecticut 06902.

SECTION 1.4 *Declaration of Trust.*

The Trust Estate shall be held in trust for the Shareholders. It is the intention of the parties hereto that the Trust shall be a statutory trust, under the Delaware Trust Statute and that this Trust Agreement shall constitute the governing instrument of the Trust. It is not the intention of the parties hereto to create a general partnership, limited partnership, limited liability company, joint stock association, corporation, bailment or any form of legal relationship other than a Delaware statutory trust that is treated as a grantor trust for U.S. federal income tax purposes and for purposes of applicable state and local tax laws. Nothing in this Trust Agreement shall be construed to make the Shareholders partners or members of a joint stock association. Effective as of the date hereof, the Trustee and the Sponsor shall have all of the rights, powers and duties set forth herein and in the Delaware Trust Statute with respect to accomplishing the purposes of the Trust. The Trustee has filed the certificate of trust required by Section 3810 of the Delaware Trust Statute in connection with the formation of the Trust under the Delaware Trust Statute.

SECTION 1.5 *Purposes and Powers.*

(a) The purposes of the Trust shall be to (i) accept Ether for subscriptions of Shares in accordance with Article III hereof or accept cash (to be used to purchase Ether) for subscriptions of Shares in accordance with Section 13.13 hereof, to hold Ether, Incidental Rights, IR Virtual Currency and Other Staking Consideration, to

distribute Ether (or cash from the sale of Ether) upon redemptions of Shares in accordance with Article V hereof (if authorized in accordance with Section 5.1 hereof) (it being understood that the Trust shall not create or redeem Shares at any time that it holds Incidental Rights, IR Virtual Currency, Other Staking Consideration or cash from the sale of Ether, Incidental Rights, IR Virtual Currency or Other Staking Consideration), (ii) engage in any form of Staking, but only if (and, then, only to the extent that) the Staking Condition has been satisfied with respect thereto and (iii) to enter into any lawful transaction and engage in any lawful activities in furtherance of or incidental to the foregoing. For the avoidance of doubt, such activities include any lawful action necessary or desirable in connection with Staking (provided that the Staking Condition has been met with respect thereto) or the Trust's ownership of Incidental Rights, including the acquisition of IR Virtual Currency, except if such action would be prohibited by Section 1.5(c) or any other provision of this Trust Agreement. The Trust shall not engage in any business activity and shall not acquire or own any assets other than (i) Ether, (ii) Incidental Rights, (iii) if permissible under Section 1.5(c) and Section 6.4(m), (x) IR Virtual Currency or (y) assets incident to Staking (including Other Staking Consideration), and (iv) cash from the sale of any of the foregoing or take any of the actions set forth in Section 6.4. The Trust shall have all of the powers specified in Section 3.1 hereof as powers which may be exercised by a Sponsor on behalf of the Trust under this Trust Agreement.

(b) If the Staking Condition has been satisfied with respect to a particular form of Staking and the Trust engages in such form of Staking, the Trust shall engage in Staking with respect to all of the Trust's Ether at all times, except (i) as necessary to pay the Sponsor's Fee, (ii) as necessary to pay any additional Trust expenses, (iii) as necessary to satisfy existing and reasonably foreseen potential redemption requests (assuming the Trust is then permitted to operate an ongoing redemption program) as determined by the Sponsor, (iv) as necessary to reduce the Ether obtained by the Trust as Staking Consideration to cash for distribution at regular intervals, (v) if the Sponsor determines that Staking raises significant governmental, policy or regulatory concerns or is subject or likely subject to a specialized regulatory regime, (vi) if the Sponsor determines there exists vulnerabilities in the source code or cryptography underlying the Ethereum Network, (vii) if the Custodian or Staking Provider discontinues their arrangements with the Trust, (viii) if the Sponsor otherwise determines that continued Staking of such portion of the Trust's assets would be inconsistent with the Trust's purpose of protecting and preserving the value of the Trust Estate, or (ix) in accordance with any other exception that is expressly contemplated by an opinion, a ruling or Tax Guidance that satisfies the Staking Condition.

(c) Subject to the provisions of this Section 1.5(c), the Trust shall not take any action that could cause the Trust to be treated other than as a grantor trust for U.S. federal income tax purposes. Without limiting the generality of the foregoing, no other provision in this Trust Agreement (including, for the avoidance of doubt, Section 1.5(a)) shall be construed to give the Trustee or the Sponsor the power to vary the investment of the Shareholders within the meaning of Section 301.7701-4(c) or similar provisions of the Treasury Regulations, nor shall the Trustee or the Sponsor take any action that would vary the investment of the Shareholders. Notwithstanding the foregoing, by the purchase and acceptance or other lawful delivery, acceptance or holding of the

Shares, the Shareholders shall be deemed to have acknowledged and agreed that any form of Staking for which the Staking Condition has been satisfied shall be permitted under this Section 1.5 and Section 6.4(m).

SECTION 1.6 *Tax Treatment.*

Each of the parties hereto, by entering into this Trust Agreement, (i) expresses its intention that the Shares will qualify under applicable tax law as interests in a grantor trust which holds the Trust Estate, (ii) agrees that it will file its own U.S. federal, state and local income, franchise and other tax returns in a manner that is consistent with clause (i) of this Section 1.6 and with the classification of the Trust as a grantor trust, unless required otherwise by a final “determination” within the meaning of Section 1313(a) of the Code, and (iii) agrees to use reasonable efforts to notify the Sponsor promptly upon a receipt of any notice from any taxing authority having jurisdiction over such holders of Shares with respect to the treatment of the Shares as anything other than interests in a grantor trust.

SECTION 1.7 *Legal Title.*

Legal title to all of the Trust Estate shall be vested in the Trust as a separate legal entity; *provided, however*, that if applicable law in any jurisdiction requires legal title to any portion of the Trust Estate to be vested otherwise, the Sponsor may cause legal title to such portion of the Trust Estate to be held by or in the name of the Sponsor or any other Person (other than a Shareholder) as nominee.

ARTICLE II

THE TRUSTEE

SECTION 2.1 *Term; Resignation; Removal.*

(a) CSC Delaware Trust Company has been appointed and hereby agrees to serve as the Trustee of the Trust. The Trust shall have only one Trustee unless otherwise determined by the Sponsor. The Trustee shall serve until such time as the Trust is terminated or if the Sponsor removes the Trustee or the Trustee resigns. The Trustee is appointed to serve as the trustee of the Trust in the State of Delaware and shall at all times satisfy the requirements of Section 3807(a) of the Delaware Trust Statute and be authorized to exercise corporate trust powers under the laws of Delaware, having a combined capital, surplus and undivided profits of at least \$50,000,000 and subject to supervision or examination by federal or state authorities. If the Trustee publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Article II the combined capital, surplus and undivided profits of the Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible to serve as trustee of the Trust in accordance with the provisions of this Section 2.1, the Trustee shall resign promptly in the manner and with the effect specified in this Article II. The Trustee may have normal banking and trust relationships with the Sponsor and their respective Affiliates; *provided* that none of (i) the

Sponsor, (ii) any Person involved in the organization or operation of the Sponsor or the Trust or (iii) any Affiliate of any of them may be the Trustee hereunder. The Trust shall have at least one trustee with a principal place of business in Delaware. It is understood and agreed by the parties hereto that the Trustee shall have none of the duties or liabilities of the Sponsor and shall have no obligation to supervise or monitor the Sponsor or otherwise manage the Trust.

(b) The Trustee is permitted to resign upon at least one hundred and eighty (180) days' notice to the Sponsor upon which date such resignation shall be effective.

(c) If at any time the Trustee shall cease to be eligible to serve as trustee of the Trust in accordance with the provisions of this Trust Agreement, or if at any time the Trustee shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Sponsor may remove the Trustee and appoint a successor trustee by written instrument, in duplicate, which instrument shall be delivered to the Trustee so removed and the successor trustee. The Sponsor may at any time, upon sixty (60) days' prior notice to the Trustee, remove the Trustee and appoint a successor trustee by written instrument or instruments, in triplicate, signed by the Sponsor or its attorney-in-fact duly authorized, one complete set of which instruments shall be delivered to the Trustee so removed and one complete set to the successor so appointed.

SECTION 2.2 *Powers.*

Except to the extent expressly set forth in Section 1.3 and this Article II, the duty and authority to manage the affairs of the Trust is vested in the Sponsor, which duty and authority the Sponsor may further delegate as provided herein, all pursuant to Section 3806(b)(7) of the Delaware Trust Statute. The duties of the Trustee shall be limited to (i) accepting legal process served on the Trust in the State of Delaware, (ii) the execution of any certificates required to be filed with the Secretary of State of the State of Delaware which the Trustee is required to execute under Section 3811 of the Delaware Trust Statute and (iii) any other duties specifically allocated to the Trustee in this Trust Agreement. For the avoidance of doubt, the duties of the Trustee will in no event be deemed to include any duties related to Staking or the making of investment or discretionary decisions. The Trustee shall provide prompt notice to the Sponsor of its performance of any of the foregoing. The Sponsor shall reasonably keep the Trustee informed of any actions taken by the Sponsor with respect to the Trust that would reasonably be expected to affect the rights, obligations or liabilities of the Trustee hereunder or under the Delaware Trust Statute.

SECTION 2.3 *Compensation and Expenses of the Trustee.*

The Trustee shall be entitled to receive from the Sponsor, as a Sponsor-paid Expense, reasonable compensation for its services hereunder as set forth in a separate fee agreement and shall be entitled to be reimbursed by the Sponsor on behalf of the Trust for

reasonable out-of-pocket expenses incurred by it in the performance of its duties hereunder, including without limitation, the reasonable compensation, out-of-pocket expenses and disbursements of counsel, any experts and such other agents as the Trustee may employ in connection with the exercise and performance of its rights and duties hereunder (together, the “**Trust Expenses**”). To the extent that the Sponsor fails to pay the Trust Expenses, the Trust will be responsible for such Trust Expenses. Though it is not intended that the Trustee will receive or handle Trust funds in the ordinary course, to the extent that the Trustee does receive such funds the following shall provide notice and authorization that the Trustee may earn compensation in the form of short-term interest (“float”) on items like uncashed distribution checks (from the date issued until the date cashed), funds that the Trustee is directed not to invest, deposits awaiting investment direction or received too late to be invested overnight in previously directed investments.

SECTION 2.4 *Indemnification.*

(a) The Trust hereby agrees to be primary obligor and shall indemnify, defend and hold harmless the Trustee and any of the officers, directors, employees and agents of the Trustee (the “**Indemnified Persons**”) from and against any and all losses, damages, liabilities, claims, actions, suits, costs, expenses, disbursements (including the reasonable fees and expenses of counsel and fees and expenses incurred in connection with enforcement of its indemnification rights hereunder), taxes and penalties of any kind and nature whatsoever (collectively, “**Expenses**”), to the extent that such Expenses arise out of or are imposed upon or asserted at any time against such Indemnified Persons with respect to the performance of this Trust Agreement, the creation, operation or termination of the Trust or the transactions contemplated hereby; *provided, however*, that the Trust shall not be required to indemnify any Indemnified Person for any Expenses which are a result of the willful misconduct, bad faith or gross negligence of an Indemnified Person. If the Trust shall have insufficient assets or improperly refuses to pay an Indemnified Person within sixty (60) days of a request for payment owed hereunder, the Sponsor shall, as secondary obligor, compensate or reimburse the Trustee or indemnify, defend and hold harmless an Indemnified Person as if it were the primary obligor hereunder; *provided, however*, that the Sponsor shall not be required to indemnify any Indemnified Person for any Expenses which are a result of the willful misconduct, bad faith or gross negligence of an Indemnified Person. To the fullest extent permitted by law and by the requirement for treatment of the Trust as a grantor trust for tax purposes, Expenses to be incurred by an Indemnified Person shall, from time to time, be advanced by, or on behalf of, the Sponsor prior to the final disposition of any matter upon receipt by the Sponsor of an undertaking by, or on behalf of, such Indemnified Person to repay such amount if it shall be determined that the Indemnified Person is not entitled to be indemnified under this Trust Agreement.

(b) As security for any amounts owing to the Trustee hereunder, the Trustee shall have a lien against the Trust property, which lien shall be prior to the rights of the Sponsor or any other Shareholder. The obligations of the Sponsor and the Trust to indemnify the Indemnified Persons under this Section 2.4 shall survive the termination of this Trust Agreement.

SECTION 2.5 *Successor Trustee.*

Upon the resignation or removal of the Trustee, the Sponsor shall appoint a successor Trustee by delivering a written instrument to the outgoing Trustee. Any successor Trustee must satisfy the requirements of Section 3807 of the Delaware Trust Statute. The successor Trustee shall become fully vested with all of the rights, powers, duties and obligations of the outgoing Trustee under this Trust Agreement, with like effect as if originally named as Trustee, and the outgoing Trustee shall be discharged of its duties and obligations under this Trust Agreement. Any business entity into which the Trustee may be merged or converted or with which it may be consolidated, or any entity resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any entity succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, to the fullest extent permitted by law without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 2.6 *Liability of Trustee.*

Except as otherwise provided in this Article II, in accepting the trust created hereby, CSC Delaware Trust Company acts solely as Trustee hereunder and not in its individual capacity, and all Persons having any claim against CSC Delaware Trust Company by reason of the transactions contemplated by this Trust Agreement and any other agreement to which the Trust is a party shall look only to the Trust Estate for payment or satisfaction thereof. The Trustee shall not be liable or accountable hereunder to the Trust or to any other Person or under any other agreement to which the Trust is a party, except for the Trustee's own fraud, gross negligence, bad faith or willful misconduct. In particular, but not by way of limitation:

- (a) The Trustee shall have no liability or responsibility for the validity or sufficiency of this Trust Agreement or for the form, character, genuineness, sufficiency, enforceability, collectability, location, existence, value or validity of the Trust Estate;
- (b) The Trustee has not prepared or verified, and shall not be responsible or liable for, any information, disclosure or other statement or in any document issued or delivered in connection with the sale or transfer of the Shares;
- (c) The Trustee shall not be liable for any actions taken or omitted to be taken by it in accordance with the instructions of the Sponsor or the Liquidating Trustee;
- (d) The Trustee shall not have any liability for the acts or omissions of the Sponsor, the Custodian or their respective delegates;
- (e) The Trustee shall have no duty or obligation to supervise the performance of any obligations of the Sponsor, the Custodian or their respective delegates or any Authorized Participant;
- (f) No provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its rights or powers hereunder;

(g) Under no circumstances shall the Trustee be liable for any obligations of the Trust arising under this Trust Agreement or any other agreements to which the Trust is a party;

(h) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement, or to institute, conduct or defend any litigation under this Trust Agreement or any other agreements to which the Trust is a party, at the request, order or direction of the Sponsor unless the Sponsor has offered to CSC Delaware Trust Company (in its capacity as Trustee and individually) security or indemnity satisfactory to it against the costs, expenses and liabilities that may be incurred by CSC Delaware Trust Company (including, without limitation, the reasonable fees and expenses of its counsel) therein or thereby;

(i) Notwithstanding anything contained herein to the contrary, the Trustee shall not be required to take any action in any jurisdiction other than in the State of Delaware if the taking of such action will (i) require the consent or approval or authorization or order of, or the giving of notice to, or the registration with or taking of any action in respect of, any state or other governmental authority or agency of any jurisdiction other than the State of Delaware, (ii) result in any fee, tax or other governmental charge becoming payable by the Trustee under the laws of any jurisdiction or any political subdivision thereof other than the State of Delaware or (iii) subject the Trustee to personal jurisdiction, other than in the State of Delaware, for causes of action arising from personal acts unrelated to the consummation of the actions of the Trustee contemplated by this Trust Agreement;

(j) To the extent that, at law or in equity, the Trustee has duties (including fiduciary duties) and liabilities relating thereto to the Trust, the Shareholders or any other Person, the Trustee, acting under this Trust Agreement, shall not be liable to the Trust, the Shareholders or any other Person for its good faith reliance on the provisions of this Trust Agreement, and the provisions of this Trust Agreement, to the extent that they restrict or eliminate the duties and liabilities of the Trustee otherwise existing at law or in equity are agreed by the parties hereto to replace such other duties and liabilities of the Trustee; and

(k) The Trustee shall not be liable for punitive, exemplary, consequential or similar damages for a breach of the Trust Agreement under any circumstances.

SECTION 2.7 *Reliance; Advice of Counsel.*

(a) In the absence of bad faith, the Trustee may conclusively rely upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Trust Agreement in determining the truth of the statements and the correctness of the opinions contained therein, and shall incur no liability to anyone in acting or not acting on any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties and need not investigate any fact or matter

pertaining to, or contained in, any such document; *provided, however*, that the Trustee shall have examined any certificates and opinions so as to reasonably determine compliance of such certificates and opinions with the requirements of this Trust Agreement. The Trustee may accept a certified copy of a resolution of the board of directors or other governing body of any corporate party as conclusive evidence that such resolution has been duly adopted by such body and that such resolution is in full force and effect. As to any fact or matter the method of the determination of which is not specifically prescribed in this Trust Agreement, the Trustee may for all purposes hereof rely on a certificate, signed by the president, any vice president, the treasurer or any other authorized officers of the relevant party, as to such fact or matter, and such certificate shall constitute full protection to the Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon.

(b) In the exercise or administration of the Trust hereunder and in the performance of its duties and obligations under this Trust Agreement, the Trustee, at the expense of the Trust (i) may act directly or through its agents, attorneys, custodians or nominees pursuant to agreements entered into with any of them, and the Trustee shall not be liable for the conduct or misconduct of such agents, attorneys, custodians or nominees if such agents, attorneys, custodians or nominees shall have been selected by the Trustee with reasonable care and (ii) may consult with counsel, accountants and other skilled professionals to be selected with reasonable care by it. The Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the opinion or advice of any such counsel, accountant or other such Persons.

SECTION 2.8 *Payments to the Trustee.*

Any amounts paid to the Trustee pursuant to this Article II shall be deemed not to be a part of the Trust Estate immediately after such payment. Any amounts owing to the Trustee under this Trust Agreement shall constitute a claim against the Trust Estate. Notwithstanding any other provision of this Trust Agreement, all payments to the Trustee, including fees, expenses and any amounts paid in connection with indemnification of the Trustee in accordance with the terms of this Trust Agreement will be payable only in U.S. Dollars.

ARTICLE III

SHARES; CREATIONS AND ISSUANCE OF CREATION BASKETS

SECTION 3.1 *General.*

The Sponsor shall have the power and authority, without action or approval by the Shareholders, to cause the Trust to issue Shares from time to time as it deems necessary or desirable. The number of Shares authorized shall be unlimited, and the Shares so authorized may be represented in part by fractional Shares, calculated to one one-hundred-millionth of one Ether (i.e., carried to the eighth decimal place). From time to time, the Sponsor may cause the Trust to divide or combine the Shares into a greater or lesser number without thereby changing the proportionate beneficial interests in the Trust Estate, or in any way affecting the rights, of the Shareholders, without action or approval by the Shareholders.

The Trust shall issue Shares solely in exchange for contributions of Ether (or for no consideration if pursuant to a Share distribution or split-up). All Shares when so issued shall be fully paid and non-assessable. Subject to the limitations upon, and requirements for, the issuance of Creation Baskets stated herein and in the APA Procedures (as defined below), the number of Creation Baskets that may be issued by the Trust is unlimited. Every Shareholder, by virtue of having purchased or otherwise acquired a Share, shall be deemed to have expressly consented and agreed to be bound by the terms of this Trust Agreement.

SECTION 3.2 Offer of Shares; Procedures for Creation and Issuance of Creation Baskets to Persons Other than Authorized Participants.

On any Business Day, the Trust may create and issue Creation Baskets to any Person that has signed a Purchase Agreement with the Trust upon a transfer of the Total Basket Amount into the Trust's Ether Account; *provided* that the Trust shall create and issue Creation Baskets only if the Sponsor has determined in good faith that such creation and issuance does not conflict with the other terms of this Trust Agreement or with applicable law.

SECTION 3.3 Offer of Shares; Procedures for Creation and Issuance of Creation Baskets to Authorized Participants.

(a) General. The following procedures, as supplemented by the more detailed procedures specified in the exhibits, annexes, attachments and procedures, as applicable, to each Authorized Participant Agreement (the “**APA Procedures**”), which may be amended from time to time in accordance with the provisions of the relevant Authorized Participant Agreement (*provided* that any such amendment shall not constitute an amendment of this Trust Agreement), shall govern the Trust with respect to the creation and issuance of Creation Baskets to Authorized Participants, subject to Section 3.3(b).

(i) On any Business Day, an Authorized Participant may place an order for one or more Creation Baskets (each, a “**Creation Order**”) in the manner provided in the APA Procedures.

(ii) The Sponsor or its delegate shall process Creation Orders only from Authorized Participants with respect to which an Authorized Participant Agreement is in full force and effect and only in accordance with the APA Procedures. The Sponsor or its delegate shall maintain and make available at the Trust's principal offices during normal business hours a current list of the Authorized Participants with respect to which an Authorized Participant Agreement is in full force and effect.

(iii) The Trust shall create and issue Creation Baskets only upon deposit with the Custodian on the applicable Creation Settlement Date of the applicable Total Basket Amount by the relevant Authorized Participant or Liquidity Provider, as applicable.

(iv) The Sponsor or its delegate has final determination of all questions as to the calculation of the Total Basket Amount at any time.

(v) Deposits of Ether other than those received from an Authorized Participant Self-Administered Account or a Liquidity Provider Account shall be rejected. The expense and risk of delivery, ownership and safekeeping of Ether, until such Ether have been received and not rejected by the Trust, shall be borne solely by the Authorized Participant or a Liquidity Provider, as applicable.

(vi) Upon the Custodian's receipt of the Total Basket Amount, the Sponsor or its delegate shall (A) if the Total Basket Amount is received into the Settlement Balance, direct the Custodian to transfer the Total Basket Amount to the Vault Balance, (B) direct the Transfer Agent to credit to the Authorized Participant's account the number of Creation Baskets ordered by the Authorized Participant and (C) compensate the Liquidity Provider pursuant to the APA Procedures.

(vii) The Custodian may accept delivery of Ether by such other means as the Sponsor, from time to time, may determine to be acceptable for the Trust.

(b) Rejection or Suspension. The Sponsor or its delegate shall reject a Creation Order if the Creation Order is not in proper form as described in the relevant Authorized Participant Agreement or if the fulfillment of the Creation Order, in the opinion of its counsel, might be unlawful. The issuance of Creation Baskets may be suspended by the Sponsor generally, or refused with respect to a particular Creation Order, during any period when the transfer books of the Transfer Agent are closed or if circumstances outside the control of the Sponsor or its delegate make it for all practicable purposes not feasible to process Creation Orders or for any other reason at any time or from time to time. None of the Sponsor, its delegates or the Custodian shall be liable for the suspension or rejection of any Creation Order.

(c) Conflict. In the event of any conflict between the procedures described in this Section 3.3 and the APA Procedures, the APA Procedures shall control.

(d) Successor Custodian. If a successor to the Custodian shall be employed, the Trust and the Sponsor shall establish procedures acceptable to such successor with respect to the matters addressed in this Section 3.3.

SECTION 3.4 *Book-Entry System.*

(a) Shares shall be held in book-entry form by the Transfer Agent. The Sponsor or its delegate shall direct the Transfer Agent to (i) credit or debit the number of Creation Baskets or Redemption Baskets to the account of the applicable Shareholder and (ii) issue or cancel Creation Baskets or Redemption Baskets, as applicable, at the direction of the Sponsor or its delegate.

(b) The Sponsor or its delegate may cause the Trust to issue Shares in certificated form in its sole discretion.

SECTION 3.5 *Assets of the Trust.*

The Trust Estate shall irrevocably belong to the Trust for all purposes, subject only to the rights of creditors of the Trust and shall be so recorded upon the books of account of the Trust.

SECTION 3.6 *Liabilities of the Trust.*

The Trust Estate shall be charged with the liabilities of the Trust and with all expenses, costs, charges and reserves attributable to the Trust. The Sponsor shall have full discretion, to the extent not inconsistent with applicable law, to determine which items shall be treated as income and which items as capital, and each such determination and allocation shall be conclusive and binding upon the Shareholders.

SECTION 3.7 *Distributions.*

(a) The Trust may make distributions on Shares in cash or pursuant to Section 7.5.

(b) Distributions on Shares, if any, may be made with such frequency as the Sponsor may determine, which may be daily or otherwise, to the Shareholders, from the Trust Estate, after providing for actual and accrued liabilities. All distributions on Shares shall be made *pro rata* to the Shareholders in proportion to their respective Percentage Interests at the date and time of record established for such distribution.

(c) If the Trust sells Ether, Incidental Rights, IR Virtual Currency and/or Other Staking Consideration in order to pay Additional Trust Expenses, then any cash remaining from these sales after the payment of any Additional Trust Expenses shall promptly be distributed to the Shareholders.

SECTION 3.8 *Voting Rights.*

Notwithstanding any other provision hereof, on each matter submitted to a vote of the Shareholders, each Shareholder shall be entitled to a proportionate vote based upon its Percentage Interest at such time.

SECTION 3.9 *Equality.*

All Shares shall represent an equal proportionate beneficial interest in the Trust Estate subject to the liabilities of the Trust, and each Share's interest in the Trust Estate shall be equal to each other Share.

ARTICLE IV

TRANSFERS OF SHARES

SECTION 4.1 General Prohibition.

A Shareholder may not sell, assign, transfer or otherwise dispose of, or pledge, hypothecate or in any manner encumber any or all of its Shares or any part of its right, title and interest in the Trust Estate except as permitted in this Article IV and any act in violation of this Article IV shall not be binding upon or recognized by the Trust (regardless of whether the Sponsor shall have knowledge thereof), unless approved in writing by the Sponsor.

SECTION 4.2 Restricted Securities.

Except for Shares transferred in a transaction registered under the Securities Act, the Shares are “restricted securities” that cannot be resold, pledged or otherwise transferred without registration under the Securities Act and state securities laws or exemption therefrom and may not be resold, pledged or otherwise transferred without the prior written consent of the Sponsor, which it may withhold in its sole discretion for any reason or for no reason. The Sponsor may provide any such written consent in any document issued or delivered in connection with the sale or transfer of Shares, including any filings with the SEC.

SECTION 4.3 Transfer of Shares Generally.

Shares shall be transferable on the books of account for the Trust only by the record holder thereof or by his or her duly authorized agent upon delivery to the Sponsor or the Transfer Agent or similar agent of a duly executed instrument of transfer, and such evidence of the genuineness of each such execution and authorization and of such other matters as may be required by the Sponsor. Upon such delivery, and subject to any further requirements specified by the Sponsor, the transfer shall be recorded on the books of account for the Trust. Until a transfer is so recorded, the Shareholder of record of Shares shall be deemed to be the Shareholder with respect to such Shares for all purposes hereunder and neither the Sponsor nor the Trust, nor the Transfer Agent or any similar agent or registrar or any officer, employee or agent of the Trust, shall be affected by any notice of a proposed transfer.

ARTICLE V

REDEMPTIONS

SECTION 5.1 Availability of Redemption Program.

The Trust may, in the sole discretion of the Sponsor, offer a redemption program for the Shares. Any redemption program for the Shares may be suspended or discontinued at any time, in the sole discretion of the Sponsor. Any redemption authorized by the Sponsor shall be subject to the provisions of this Article V.

SECTION 5.2 *Redemption of Redemption Baskets.*

(a) General. During any time at which the Sponsor has authorized a redemption program, the following procedures, as supplemented by the APA Procedures, which may be amended from time to time in accordance with the provisions of the Authorized Participant Agreement (*provided* that any such amendment shall not constitute an amendment of this Trust Agreement), shall govern the Trust with respect to the redemption of Redemption Baskets, subject to Section 5.2(b).

(i) On any Business Day, an Authorized Participant may place an order to redeem Redemption Baskets (each, a “**Redemption Order**”) in the manner provided in the APA Procedures.

(ii) The Sponsor or its delegates shall process Redemption Orders only from Authorized Participants with respect to which an Authorized Participant Agreement is in full force and effect.

(iii) The Trust shall redeem Redemption Baskets only upon deposit with the Transfer Agent on the Redemption Settlement Date of the total number of Baskets indicated in the Authorized Participant’s Redemption Order.

(iv) Upon receipt of the total number of Baskets indicated in the Authorized Participant’s Redemption Order, the Sponsor or its delegate shall instruct the Transfer Agent to cancel the Shares in the Baskets so redeemed. The Sponsor or its delegate shall also instruct the Custodian to deposit into the Authorized Participant Self-Administered Account or the Liquidity Provider Account, as applicable, a number of Ether equal to the Total Basket Amount.

(v) The Sponsor or its delegate has final determination of all questions as to the determination of the Total Basket Amount at any time.

(vi) The Total Basket Amount shall be delivered only to an Authorized Participant Self-Administered Account or a Liquidity Provider Account.

(vii) The Total Basket Amount shall be subject to the deduction of any applicable tax or other governmental charges that may be due.

(b) Rejection or Suspension. The Sponsor or its delegate shall reject a Redemption Order if the Redemption Order is not in proper form as described in the relevant Authorized Participant Agreement or if the fulfillment of the Redemption Order, in the opinion of its counsel, might be unlawful. The redemption of Baskets may be suspended by the Sponsor generally, or refused with respect to a particular Redemption Order, during any period when the transfer books of the Transfer Agent are closed or if circumstances outside the control of the Sponsor or its delegate make it for all practicable purposes not feasible to process Redemption Orders or for any other reason at any time or from time to time. None of the Sponsor, its delegates or the Custodian shall be liable for the suspension or rejection of any Redemption Order.

(c) Conflict. In the event of any conflict between the procedures described in this Section 5.2 and the APA Procedures, the APA Procedures shall control.

SECTION 5.3 *Other Redemption Procedures.*

The Sponsor or its delegates from time to time may, but shall have no obligation to, establish procedures with respect to redemption of Shares in lot sizes smaller than the Redemption Basket and permitting the redemption distribution to be delivered in a manner other than that specified in Section 5.2.

ARTICLE VI

THE SPONSOR

SECTION 6.1 *Management of the Trust.*

Pursuant to Section 3806(b)(7) of the Delaware Trust Statute, the Trust shall be managed by the Sponsor in accordance with this Trust Agreement. The Sponsor may delegate, as provided herein, the duty and authority to manage the affairs of the Trust. Any determination as to what is in the interests of the Trust made by the Sponsor in good faith shall be conclusive. In construing the provisions of this Trust Agreement, the presumption shall be in favor of a grant of power to the Sponsor, but subject, for the avoidance of doubt, to the restrictions, prohibitions and limitations expressly set forth in Section 1.5, Section 6.4(m) and otherwise in this Trust Agreement. The enumeration of any specific power in this Trust Agreement shall not be construed as limiting the aforesaid power.

SECTION 6.2 *Authority of Sponsor.*

In addition to, and not in limitation of, any rights and powers conferred by law or other provisions of this Trust Agreement, and except as limited, restricted or prohibited by the express provisions of this Trust Agreement or the Delaware Trust Statute, the Sponsor shall have and may exercise on behalf of the Trust, all powers and rights necessary, proper, convenient or advisable to effectuate and carry out the purposes of the Trust, which powers and rights shall include, without limitation, the following:

(a) To enter into, execute, accept, deliver and maintain, and to cause the Trust to perform its obligations under, contracts, agreements and any or all other documents and instruments incidental to the Trust's purposes, and to do and perform all such acts as may be in furtherance of the Trust's purposes, or necessary or appropriate for the offer and sale of the Shares, including, but not limited to, causing the Trust to enter into (i) contracts or agreements with the Sponsor or an Affiliate, *provided* that any such contract or agreement does not conflict with the provisions of Section 1.5(c) of this Trust Agreement, Section 6.4 of this Trust Agreement or clause (ii) of this Section 6.2(a) and (ii) contracts with third parties for various services, it being understood that any document or instrument executed or accepted by the Sponsor in the Sponsor's name shall be deemed executed and accepted on behalf of the Trust by the Sponsor, *provided, however*, that such services may be performed by an Affiliate or Affiliates of the Sponsor so long as the

Sponsor has made a good faith determination that (A) the Affiliate that it proposes to engage to perform such services is qualified to do so (considering the prior experience of the Affiliate or the individuals employed by the Affiliate); (B) the terms and conditions of the agreement pursuant to which such Affiliate is to perform services for the Trust are no less favorable to the Trust than could be obtained from equally-qualified unaffiliated third parties; and (C) the maximum period covered by the agreement pursuant to which such Affiliate is to perform services for the Trust shall not exceed one year, and such agreement shall be terminable without penalty upon one hundred twenty (120) days' prior written notice by the Trust;

(b) To establish, maintain, deposit into, and sign checks and/or otherwise draw upon, accounts on behalf of the Trust with appropriate banking and savings institutions;

(c) To deposit, withdraw, pay, retain and distribute the Trust Estate or any portion thereof in any manner consistent with the provisions of this Trust Agreement;

(d) To supervise the preparation of any confidential private placement memoranda, prospectuses, registration statements and supplements and amendments thereto and any filings of the Trust with the SEC;

(e) To make or authorize the making of distributions to the Shareholders and expenses of the Trust out of the Trust Estate;

(f) To cause the Trust to appoint an agent to act on behalf of the Shareholders pursuant to Section 7.5;

(g) To prepare, or cause to be prepared, and file, or cause to be filed, an application to register any Shares under the Securities Act and/or the Exchange Act and to take any other action and execute and deliver any certificates or documents that may be necessary to effectuate such registration;

(h) To prepare, or cause to be prepared, and file, or cause to be filed, an application to enable the Shares to be listed, quoted or traded on any Secondary Market and to take any other action and execute and deliver any certificates or documents that may be necessary to effectuate such listing, quotation or trading;

(i) To appoint one or more Custodians or other security vendors, including itself or an Affiliate, to provide for custodial or non-custodial security services, or to determine not to appoint any Custodian or other security vendors, and to otherwise take any action with respect to the Custodian or other security vendors to safeguard the Trust Estate;

(j) In the sole and absolute discretion of the Sponsor, to admit an Affiliate or Affiliates of the Sponsor as additional Sponsors;

(k) To delegate those of its duties hereunder as it shall determine from time to time to one or more Distributors, and add any additional service providers, if needed and as applicable;

(l) To engage in Staking, but only if (and, then, only to the extent that) the Staking Condition has been satisfied;

(m) If the Staking Condition has been satisfied with respect to such activity, to execute any Liquidity Management Solutions;

(n) To perform such other services as the Sponsor believes that the Trust may from time to time require;

(o) To determine, in good faith, which peer-to-peer network, among a group of incompatible forks of the Ethereum Network, is generally accepted as Ether and should therefore be considered “Ether” for the Trust’s purposes, which the Sponsor will determine based on a variety of then relevant factors, including (but not limited to) the following: (i) the Sponsor’s beliefs regarding expectations of the core developers of Ethereum, users, services businesses, miners and other constituencies and (ii) the actual, continued development, acceptance, mining power and community engagement; *provided* that the Sponsor shall not make a determination that would conflict with Section 1.5(c) or Section 6.4(m) of this Trust Agreement; and

(p) In general, but subject to Section 1.5 and Section 6.4 of this Trust Agreement, to do everything necessary, suitable or proper for the accomplishment of any purpose or the furtherance of any power herein set forth, either alone or in association with others, and to do every other act or thing incidental or appurtenant to, or growing out of or connected with, the aforesaid purposes or powers.

SECTION 6.3 *Obligations of the Sponsor.*

In addition to the obligations expressly provided by the Delaware Trust Statute or this Trust Agreement, the Sponsor shall:

(a) Devote such of its time to the affairs of the Trust as it shall, in its discretion exercised in good faith, determine to be necessary to carry out the purposes of the Trust, as set forth in Section 1.5, for the benefit of the Shareholders;

(b) Execute, file, record and/or publish all certificates, statements and other documents and do any and all other things as may be appropriate for the formation, qualification and operation of the Trust and for the conduct of its affairs in all appropriate jurisdictions;

(c) Retain independent public accountants to audit the accounts of the Trust;

(d) Employ attorneys to represent the Sponsor and, as necessary, the Trust;

(e) Select and enter into agreements with the Trustee and any other service provider to the Trust;

(f) Use its best efforts to maintain the status of the Trust as a grantor trust for U.S. federal income tax purposes under Subpart E, Part I of Subchapter J of the Code;

(g) Monitor all fees charged to the Trust, and the services rendered by the service providers to the Trust, to determine whether the fees paid by, and the services rendered to, the Trust are at competitive rates and are the best price and services available under the circumstances, and if necessary, renegotiate the fee structure to obtain such rates and services for the Trust;

(h) Have fiduciary responsibility for the safekeeping and use of the Trust Estate, whether or not in the Sponsor's immediate possession or control;

(i) Not employ or permit others to employ the Trust Estate in any manner except for the benefit of the Trust, including, among other things, the utilization of any portion of the Trust Estate as compensating balances for the exclusive benefit of the Sponsor;

(j) At all times act with integrity and good faith and exercise due diligence in all activities relating to the Trust and in resolving conflicts of interest;

(k) Enter into an Authorized Participant Agreement with each Authorized Participant and discharge the duties and responsibilities of the Trust and the Sponsor thereunder;

(l) Receive directly or through its delegates from Authorized Participants and process properly submitted Creation Orders, as described in Section 3.3(a);

(m) Receive directly or through its delegates from Authorized Participants and process properly submitted Redemption Orders (if authorized), as described in Section 5.2(a), or as may from time to time be permitted by Section 5.3;

(n) Interact with the Custodian and any other party as required;

(o) If the Shares are listed, quoted or traded on any Secondary Market, cause the Trust to comply with all rules, orders and regulations of such Secondary Market to which the Trust is subject as a result of the listing, quotation or trading of the Shares on such Secondary Market, and take all such other actions that may reasonably be taken and are necessary for the Shares to remain listed, quoted or traded on such Secondary Market until the Trust is terminated or the Shares are no longer listed, quoted or traded on such Secondary Market;

(p) If the Shares are transferred in a transaction registered under the Securities Act or registered under the Exchange Act, cause the Trust to comply with all

rules, orders and regulations of the SEC and take all such other actions as may reasonably be taken and are necessary for the Shares to remain registered under the Exchange Act until the Trust is terminated or the Shares are no longer registered under the Exchange Act; and

(q) Take all actions to prepare and, to the extent required by this Trust Agreement or by law, mail to Shareholders any reports, press releases or statements, financial or otherwise, that the Sponsor determines are required to be provided to Shareholders by applicable law or governmental regulation or the requirements of any Secondary Market on which the Shares are listed, quoted or traded or, if any Shares are transferred in a transaction registered under the Securities Act or registered under the Exchange Act, the SEC, as applicable.

The foregoing clauses of Section 6.2 and Section 6.3 shall be construed as powers, and the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the general powers of the Sponsor. Any action by the Sponsor hereunder shall be deemed an action on behalf of the Trust, and not an action in an individual capacity.

SECTION 6.4 *General Prohibitions.*

The Trust shall not, and the Sponsor shall not have the power to cause the Trust to:

- (a) Receive any property other than Ether upon the issuance of Shares;
- (b) Hold any property other than (i) Ether, Incidental Rights, IR Virtual Currency and (for a period not exceeding thirty (30) Business Days from its receipt) Other Staking Consideration, (ii) cash from the sale of Ether, Incidental Rights or IR Virtual Currency and (iii) interests in any liquidating trust or other vehicle formed to hold Ether, Incidental Rights or IR Virtual Currency pending distribution of such interests to the Shareholders or Other Staking Consideration;
- (c) Hold any cash (i) from the sale of Ether, Incidental Rights, IR Virtual Currency or Other Staking Consideration or (ii) received as Other Staking Consideration, in each case, for more than thirty (30) Business Days prior to using such cash to pay Additional Trust Expenses, or to fund the redemption of Redemption Baskets, and distributing any remaining cash to the Shareholders;
- (d) If the redemption of Shares is not authorized pursuant to Section 5.1, redeem any Shares other than upon the dissolution of the Trust;
- (e) If the redemption of Shares is authorized pursuant to Section 5.1, redeem the Shares other than (i) to satisfy a Redemption Order from an Authorized Participant, (ii) as provided in Section 5.2 or Section 5.3 or (iii) upon the dissolution of the Trust;
- (f) Borrow money from, or loan money to, any Shareholder, the Sponsor or any other Person *provided* that, for the avoidance of doubt, the Trust shall not

be prohibited from entering into any Liquidity Management Solutions for which the Staking Condition has been satisfied;

(g) Create, incur, assume or suffer to exist any lien, mortgage, pledge conditional sales or other title retention agreement, charge, security interest or encumbrance on or with respect to the Trust Estate, except for (i) liens for taxes not delinquent or being contested in good faith and by appropriate proceedings and for which appropriate reserves have been established and (ii) liens by the Trustee against the Trust property as security for any amounts owing to the Trustee hereunder;

(h) Commingle the Trust Estate with the assets of any other Person; *provided* that, for the avoidance of doubt, a portion of the Trust Estate may be held in the Settlement Balance from time to time in order to facilitate the creation and redemption of Shares;

(i) Permit rebates to be received by the Sponsor or any Affiliate of the Sponsor, or permit the Sponsor or any Affiliate of the Sponsor to engage in any reciprocal business arrangements which would circumvent the foregoing prohibition;

(j) Enter into any contract with the Sponsor or an Affiliate of the Sponsor (A) that, except for selling agreements for the sale of Shares, has a term of more than one year and that does not provide that it may be canceled by the Trust without penalty on one hundred twenty (120) days prior written notice or (B) for the provision of services, except at rates and terms at least as favorable as those that may be obtained from third parties in arm's length negotiations;

(k) Enter into any exclusive brokerage contract;

(l) Elect to be treated as an association taxable as a corporation for U.S. federal income tax purposes;

(m) Subject to Section 1.5(c), but notwithstanding any other provision of this Trust Agreement, including Section 6.4(b), take any action that could cause the Trust to be treated other than as a grantor trust for U.S. federal income tax purposes; or

(n) Engage in any form of Staking, except to the extent the Staking Condition has been satisfied with respect thereto.

SECTION 6.5 *Liability of Covered Persons.*

(a) A Covered Person shall have no liability to the Trust or to any Shareholder or other Covered Person for any loss suffered by the Trust which arises out of any action or inaction of such Covered Person if such Covered Person, in good faith, determined that such course of conduct was in the best interest of the Trust and such course of conduct did not constitute fraud, gross negligence, bad faith or willful misconduct of such Covered Person. Subject to the foregoing, neither the Sponsor nor any other Covered Person shall be personally liable for the return or repayment of all or any portion of the Ether transferred, or the purchase price otherwise paid, by a Shareholder for its Shares, if

being expressly agreed that any such return made pursuant to this Trust Agreement shall be made solely from the assets of the Trust without any rights of contribution from the Sponsor or any other Covered Person. A Covered Person shall not be liable for the conduct or misconduct of any delegate selected by the Sponsor with reasonable care.

SECTION 6.6 *Fiduciary Duty.*

(a) To the extent that, at law or in equity, the Sponsor has duties (including fiduciary duties) and liabilities relating thereto to the Trust, the Shareholders or any other Person, the Sponsor acting under this Trust Agreement shall not be liable to the Trust, the Shareholders or any other Person for its good faith reliance on the provisions of this Trust Agreement subject to the standard of care set forth in Section 6.5 herein. The provisions of this Trust Agreement, to the extent that they restrict or eliminate the duties and liabilities of the Sponsor otherwise existing at law or in equity are agreed by the parties hereto to replace such other duties and liabilities of the Sponsor. To the fullest extent permitted by law, no Person other than the Sponsor and the Trustee shall have any duties (including fiduciary duties) or liabilities at law or in equity to the Trust, the Shareholders or any other Person.

(b) Unless otherwise expressly provided herein, (i) whenever a conflict of interest exists or arises between the Sponsor or any of its Affiliates, on the one hand, and the Trust, any Shareholder or any other Person, on the other hand; or (ii) whenever this Trust Agreement or any other agreement contemplated herein provides that the Sponsor shall act in a manner that is, or provides terms that are, fair and reasonable to the Trust, any Shareholder or any other Person, the Sponsor shall resolve such conflict of interest, take such action or provide such terms, considering in each case the relative interest of each party (including its own interest) to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interests, any customary or accepted industry practices, and any applicable generally accepted accounting practices or principles. In the absence of bad faith by the Sponsor, the resolution, action or terms so made, taken or provided by the Sponsor shall not constitute a breach of this Trust Agreement or any other agreement contemplated herein or of any duty or obligation of the Sponsor at law or in equity or otherwise.

(c) The Sponsor and any Affiliate of the Sponsor may engage in or possess an interest in profit-seeking or business ventures of any nature or description, independently or with others, whether or not such ventures are competitive with the Trust and the doctrine of corporate opportunity, or any analogous doctrine, shall not apply to the Sponsor. If the Sponsor acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Trust, it shall have no duty to communicate or offer such opportunity to the Trust, and the Sponsor shall not be liable to the Trust or to the Shareholders for breach of any fiduciary or other duty by reason of the fact that the Sponsor pursues or acquires for, or directs such opportunity to, another Person or does not communicate such opportunity or information to the Trust. Neither the Trust nor any Shareholder shall have any rights or obligations by virtue of this Trust Agreement or the trust relationship created hereby in or to such independent ventures or the income or profits or losses derived therefrom, and the pursuit of such ventures, even if

competitive with the purposes of the Trust, shall not be deemed wrongful or improper. Except to the extent expressly provided herein, the Sponsor may engage or be interested in any financial or other transaction with the Trust, the Shareholders or any Affiliate of the Trust or the Shareholders.

(d) To the fullest extent permitted by law and notwithstanding any other provision of this Trust Agreement or in any agreement contemplated herein or applicable provisions of law or equity or otherwise, whenever in this Trust Agreement a Person is permitted or required to make a decision (a) in its “sole discretion” or “discretion” or under a grant of similar authority or latitude, the Person shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of or factors affecting the Trust, the Shareholders or any other Person, or (b) in its “good faith” or under another express standard, the Person shall act under such express standard and shall not be subject to any other or different standard. The term “good faith” as used in this Trust Agreement shall mean subjective good faith as such term is understood and interpreted under Delaware law.

SECTION 6.7 *Indemnification of the Sponsor.*

(a) The Sponsor shall be indemnified by the Trust against any losses, judgments, liabilities, expenses and amounts paid in settlement of any claims sustained by it in connection with its activities for the Trust, provided that (i) the Sponsor was acting on behalf of, or performing services for, the Trust and has determined, in good faith, that such course of conduct was in the best interests of the Trust and such liability or loss was not the result of fraud, gross negligence, bad faith, willful misconduct, or a material breach of this Trust Agreement on the part of the Sponsor and (ii) any such indemnification will be recoverable only from the Trust Estate. All rights to indemnification permitted herein and payment of associated expenses shall not be affected by the dissolution or other cessation of existence of the Sponsor, or the withdrawal, adjudication of bankruptcy or insolvency of the Sponsor, or the filing of a voluntary or involuntary petition in bankruptcy under Title 11 of the United States Code by or against the Sponsor.

(b) Notwithstanding the provisions of Section 6.7(a) above, the Sponsor, any Authorized Participant and any other Person acting as a broker-dealer for the Trust shall not be indemnified for any losses, liabilities or expenses arising from or out of an alleged violation of U.S. federal or state securities laws unless (i) there has been a successful adjudication on the merits of each count involving alleged securities law violations as to the particular indemnitee and the court approves the indemnification of such expenses (including, without limitation, litigation costs), (ii) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction as to the particular indemnitee and the court approves the indemnification of such expenses (including, without limitation, litigation costs) or (iii) a court of competent jurisdiction approves a settlement of the claims against a particular indemnitee and finds that indemnification of the settlement and related costs should be made.

(c) The Trust shall not incur the cost of that portion of any insurance that insures any party against any liability, the indemnification of which is herein prohibited.

(d) Expenses incurred in defending a threatened or pending civil, administrative or criminal action suit or proceeding against the Sponsor shall be paid by the Trust in advance of the final disposition of such action, suit or proceeding, if (i) the legal action relates to the performance of duties or services by the Sponsor on behalf of the Trust; (ii) the legal action is initiated by a third party who is not a Shareholder or the legal action is initiated by a Shareholder and a court of competent jurisdiction specifically approves such advance; and (iii) the Sponsor undertakes to repay the advanced funds with interest to the Trust in cases in which it is not entitled to indemnification under this Section 6.7.

(e) The term “Sponsor” as used only in this Section 6.7 shall include, in addition to the Sponsor, any other Covered Person performing services on behalf of the Trust and acting within the scope of the Sponsor’s authority as set forth in this Trust Agreement.

(f) In the event the Trust is made a party to any claim, dispute, demand or litigation or otherwise incurs any loss, liability, damage, cost or expense as a result of or in connection with any Shareholder’s (or assignee’s) obligations or liabilities unrelated to Trust affairs, such Shareholder (or assignees cumulatively) shall indemnify, defend, hold harmless, and reimburse the Trust for all such loss, liability, damage, cost and expense incurred, including attorneys’ and accountants’ fees.

SECTION 6.8 *Expenses and Limitations Thereon.*

(a) Sponsor’s Fee.

(i) The Trust shall pay to the Sponsor a fee (the “**Sponsor’s Fee**”), payable in Ether (except as provided in Section 6.8(a)(iv)), which shall accrue daily in U.S. Dollars at an annual rate of 0.15% of the NAV Fee Basis Amount of the Trust as of 4:00 p.m., New York time, on each day; *provided* that for a day that is not a Business Day, the calculation shall be based on the NAV Fee Basis Amount from the most recent Business Day, reduced by the accrued and unpaid Sponsor’s Fee for such most recent Business Day and for each day after such most recent Business Day and prior to the relevant calculation date. The amount of Ether payable in respect of each daily U.S. Dollar accrual shall be determined by reference to the same Index Price used to determine such accrual. The Sponsor’s Fee is payable to the Sponsor daily in arrears.

(ii) Except as provided in Section 6.8(a)(iv), to cause the Trust to pay the Sponsor’s Fee, the Sponsor shall instruct the Custodian to withdraw from the Ether Account the number of Ether equal to the accrued but unpaid Sponsor’s Fee and transfer such Ether to the account designated by the Sponsor at such times as the Sponsor determines in its absolute discretion.

(iii) After the payment of the Sponsor's Fee to the Sponsor, the Sponsor may elect to convert the Ether it receives into U.S. Dollars. The Shareholders acknowledge that the rate at which the Sponsor converts such Ether to U.S. Dollars may differ from the rate at which the Sponsor's Fee was initially converted into Ether. The Trust shall not be responsible for any fees and expenses incurred by the Sponsor to convert Ether received in payment of the Sponsor's Fee into U.S. Dollars.

(iv) If the Trust holds any Incidental Rights, IR Virtual Currency and/or Other Staking Consideration at any time, the Trust may pay the Sponsor's Fee, in whole or in part, with such Incidental Rights, IR Virtual Currency and/or Other Staking Consideration by transferring such Incidental Rights, IR Virtual Currency and/or Other Staking Consideration to the Sponsor; *provided* that the Trust shall use Incidental Rights, IR Virtual Currency and/or Other Staking Consideration to pay the Sponsor's Fee only if such transfer does not otherwise conflict with the terms of this Trust Agreement. In the case of Incidental Rights, IR Virtual Currency or Other Staking Consideration other than cash, such Incidental Rights, IR Virtual Currency or Other Staking Consideration other than cash shall be transferred at a value to be determined in good faith by the Sponsor. If the Trust pays the Sponsor's Fee in Incidental Rights, IR Virtual Currency and/or Other Staking Consideration, in whole or in part, the amount of Ether that would otherwise have been used to satisfy such payment shall be correspondingly reduced.

(v) The Sponsor may, from time to time, temporarily waive all or a portion of the Sponsor's Fee in its sole discretion.

(vi) As partial consideration for receipt of the Sponsor's Fee, the Sponsor shall assume and pay all fees and other expenses incurred by the Trust in the ordinary course of its affairs, excluding taxes, but including: (i) the Marketing Fee, (ii) the Administrator Fee, (iii) the Custodian Fee, (iv) the Transfer Agent fee, (v) the Trustee fee, (vi) the fees and expenses related to the listing, quotation or trading of the Shares on any Secondary Market (including customary legal, marketing and audit fees and expenses) in an amount up to \$600,000 in any given Fiscal Year, (vii) ordinary course legal fees and expenses, (viii) audit fees, (ix) regulatory fees, including, if applicable, any fees relating to the registration of the Shares under the Securities Act or the Exchange Act, (x) printing and mailing costs, (xi) costs of maintaining the Trust's website and (xii) applicable license fees (each, a "**Sponsor-paid Expense**" and together, the "**Sponsor-paid Expenses**"), *provided* that any expense that qualifies as Additional Trust Expenses as set forth in Section 6.8(b) shall be deemed to be Additional Trust Expenses and not a Sponsor-paid Expense.

(vii) In addition to the Sponsor's Fee, and as partial consideration for the Sponsor's facilitation of Staking, but only if (and, then, only to the extent that) the Staking Condition has been satisfied with respect thereto, the Sponsor shall be entitled to receive a fee (the "**Sponsor's Staking Fee**"), payable in Ether (or, if applicable, in the form of any Other Staking Consideration), which shall accrue

daily in U.S. Dollars in an amount calculated as a per annum percentage of any Staking Consideration received by the Trust, as may be directed by the Sponsor in its sole discretion and disclosed in the Trust's filings with the SEC from time to time. The Sponsor's Staking Fee is payable to the Sponsor daily in arrears.

(viii) The Sponsor may, from time to time, temporarily waive all or a portion of the Sponsor's Staking Fee in its sole discretion.

(b) Additional Trust Expenses.

(i) The Trust shall pay any expenses incurred by the Trust in addition to the Sponsor's Fee that are not Sponsor-paid Expenses, including, but not limited to, (i) taxes and governmental charges, (ii) expenses and costs of any extraordinary services performed by the Sponsor (or any other service provider) on behalf of the Trust to protect the Trust or the interests of Shareholders (including in connection with any Incidental Rights, any IR Virtual Currency or any Other Staking Consideration), (iii) any indemnification of the Custodian, Administrator or other agents, service providers or counterparties of the Trust, (iv) the fees and expenses related to the listing, quotation or trading of the Shares on any Secondary Market (including legal, marketing and audit fees and expenses) to the extent exceeding \$600,000 in any given Fiscal Year and (v) extraordinary legal fees and expenses, including any legal fees and expenses incurred in connection with litigation, regulatory enforcement or investigation matters (collectively, "**Additional Trust Expenses**").

(ii) To cause the Trust to pay the Additional Trust Expenses, if any, the Sponsor or its delegates (i) shall instruct the Custodian to withdraw Ether from the Ether Account in such quantity as may be necessary to permit payment of such Additional Trust Expenses and (ii) may either (x) cause the Trust (or its delegate) to convert such Ether into U.S. Dollars or other fiat currencies at the Actual Exchange Rate or (y) cause the Trust (or its delegate) to deliver such Ether in kind in satisfaction of such Additional Trust Expenses.

(iii) If the Trust holds any Incidental Rights, IR Virtual Currency and/or Other Staking Consideration at any time, the Trust may pay any Additional Trust Expenses, in whole or in part, with such Incidental Rights, IR Virtual Currency and/or Other Staking Consideration by entering into an agreement with the relevant payee and transferring such Incidental Rights, IR Virtual Currency and/or Other Staking Consideration to that payee at a value to be determined pursuant to such agreement; *provided* that the Trust shall use Incidental Rights, IR Virtual Currency and/or Other Staking Consideration to pay Additional Trust Expenses only if such transfer does not otherwise conflict with the terms of this Trust Agreement. In the case of Incidental Rights, IR Virtual Currency or Other Staking Consideration other than cash, such Incidental Rights, IR Virtual Currency or Other Staking Consideration other than cash shall be transferred at a value to be determined in good faith by the Sponsor. If the Trust pays the Additional Trust Expenses in Incidental Rights, IR Virtual Currency and/or Other Staking

Consideration, in whole or in part, the amount of Ether that would otherwise have been used to satisfy such payment shall be correspondingly reduced.

(c) The Sponsor or any Affiliate of the Sponsor may be reimbursed only for the actual cost to the Sponsor or such Affiliate of any expenses that it advances on behalf of the Trust for payment of which the Trust is responsible. In addition, payment to the Sponsor or such Affiliate for indirect expenses incurred in performing services for the Trust in its capacity as the Sponsor (or an Affiliate of the Sponsor) of the Trust, such as salaries and fringe benefits of officers and directors, rent or depreciation, utilities and other administrative items generally falling within the category of the Sponsor's "overhead," is prohibited.

SECTION 6.9 *Voluntary Withdrawal of the Sponsor.*

The Sponsor may withdraw voluntarily as the Sponsor of the Trust only upon one hundred and twenty (120) days' prior written notice to all Shareholders and the Trustee. If the withdrawing Sponsor is the last remaining Sponsor, the Shareholders holding Shares equal to at least a majority (over 50%) of the Shares may vote to elect and appoint, effective as of a date on or prior to the withdrawal, a successor Sponsor who shall carry on the affairs of the Trust. If the Sponsor withdraws and a successor Sponsor is named, the withdrawing Sponsor shall pay all expenses as a result of its withdrawal.

SECTION 6.10 *Litigation.*

The Sponsor is hereby authorized to prosecute, defend, settle or compromise actions or claims at law or in equity as may be necessary or proper to enforce or protect the Trust's interests. The Sponsor shall satisfy any judgment, decree or decision of any court, board or authority having jurisdiction or any settlement of any suit or claim prior to judgment or final decision thereon, first, out of any insurance proceeds available therefor, next, out of the Trust's assets and, thereafter, out of the assets (to the extent that it is permitted to do so under the various other provisions of this Trust Agreement) of the Sponsor.

SECTION 6.11 *Bankruptcy; Merger of the Sponsor.*

(a) The Sponsor shall not cease to be a Sponsor of the Trust merely upon the occurrence of its making an assignment for the benefit of creditors, filing a voluntary petition in bankruptcy, filing a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, filing an answer or other pleading admitting or failing to contest material allegations of a petition filed against it in any proceeding of this nature or seeking, consenting to or acquiescing in the appointment of a trustee, receiver or liquidator for itself or of all or any substantial part of its properties.

(b) To the fullest extent permitted by law, and on sixty (60) days' prior written notice to the Shareholders of their right to vote thereon, if any such transaction is other than with an affiliated entity, nothing in this Trust Agreement shall be deemed to

prevent the merger of the Sponsor with another corporation or other entity, the reorganization of the Sponsor into or with any other corporation or other entity, the transfer of all the capital stock of the Sponsor or the assumption of the rights, duties and liabilities of the Sponsor by, in the case of a merger, reorganization or consolidation, the surviving corporation or other entity by operation of law. Without limiting the foregoing, none of the transactions referenced in the preceding sentence shall be deemed to be a voluntary withdrawal for purposes of Section 6.10 or an Event of Withdrawal for purposes of Section 12.1(a)(iv).

ARTICLE VII

THE SHAREHOLDERS

SECTION 7.1 No Management or Control; Limited Liability; Exercise of Rights through an Authorized Participant.

The Shareholders shall not participate in the management or control of the Trust nor shall they enter into any transaction on behalf of the Trust or have the power to sign for or bind the Trust, said power being vested solely and exclusively in the Sponsor. Except as provided in Section 7.3 hereof, no Shareholder shall be bound by, or be personally liable for, the expenses, liabilities or obligations of the Trust in excess of its Percentage Interest of the Trust Estate. Except as provided in Section 7.3 hereof, each Share owned by a Shareholder shall be fully paid and no assessment shall be made against any Shareholder. No salary shall be paid to any Shareholder in its capacity as a Shareholder, nor shall any Shareholder have a drawing account or earn interest on its Percentage Interest of the Trust Estate. By the purchase and acceptance or other lawful delivery and acceptance of Shares, each owner of such Shares shall be deemed to be a Shareholder and beneficiary of the Trust and vested with beneficial undivided interest in the Trust to the extent of the Shares owned beneficially by such Shareholder, subject to the terms and conditions of this Trust Agreement.

SECTION 7.2 Rights and Duties.

The Shareholders shall have the following rights, powers, privileges, duties and liabilities:

(a) The Shareholders shall have the right to obtain from the Sponsor information on all things affecting the Trust, provided that such information is for a purpose reasonably related to the Shareholder's interest as a beneficial owner of the Trust.

(b) The Shareholders shall receive the share of the distributions provided for in this Trust Agreement in the manner and at the times provided for in this Trust Agreement.

(c) Except for the Shareholders' transfer rights set forth in Article IV and the Shareholders' redemption rights set forth in Article V hereof, Shareholders shall have the right to demand a redemption of their Shares only upon the dissolution and

winding up of the Trust and only to the extent of funds available therefor, as provided in Section 12.2. In no event shall a Shareholder be entitled to demand or receive property other than cash upon the dissolution and winding up of the Trust. No Shareholder shall have priority over any other Shareholder as to distributions. The Shareholder shall not have any right to bring an action for partition against the Trust.

(d) Shareholders holding Shares representing at least a majority (over 50%) of the Shares may vote to appoint a successor Sponsor as provided in Section 6.10 or to continue the Trust as provided in Section 12.1(a)(iv).

Except as set forth above, the Shareholders shall have no voting or other rights with respect to the Trust.

SECTION 7.3 *Limitation of Liability.*

(a) Except as provided in Section 6.7(f) hereof, and as otherwise provided under Delaware law, the Shareholders shall be entitled to the same limitation of personal liability extended to stockholders of private corporations for profit organized under the General Corporation Law of Delaware and no Shareholder shall be liable for claims against, or debts of the Trust in excess of its Percentage Interest of the Trust Estate, except in the case of a Shareholder that is an Authorized Participant, in the event that the liability is founded upon misstatements or omissions contained in such Shareholder's Authorized Participant Agreement. In addition, and subject to the exceptions set forth in the immediately preceding sentence, the Trust shall not make a claim against a Shareholder with respect to amounts distributed to such Shareholder or amounts received by such Shareholder upon redemption of such Shareholder's Shares unless, under Delaware law, such Shareholder is liable to repay such amount.

(b) The Trust shall indemnify to the full extent permitted by law and the other provisions of this Trust Agreement, and to the extent of the Trust Estate, each Shareholder against any claims of liability asserted against such Shareholder solely because it is a beneficial owner of one or more Shares as a Shareholder.

(c) Every written note, bond, contract, instrument, certificate or undertaking made or issued by the Sponsor on behalf of the Trust shall give notice to the effect that the same was executed or made by or on behalf of the Trust and that the obligations of such instrument are not binding upon the Shareholders individually but are binding only upon the assets and property of the Trust, and no resort shall be had to the Shareholders' personal property for satisfaction of any obligation or claim thereunder, and appropriate references may be made to this Trust Agreement and may contain any further recital that the Sponsor deems appropriate, but the omission thereof shall not operate to bind the Shareholders individually or otherwise invalidate any such note, bond, contract, instrument, certificate or undertaking. Nothing contained in this Section 7.3 shall diminish the limitation on the liability of the Trust to the extent set forth in Section 3.6 hereof.

SECTION 7.4 *Derivative Actions.*

Subject to any other requirements of applicable law including Section 3816 of the Delaware Trust Statute, no Shareholder shall have the right, power or authority to bring or maintain a derivative action, suit or other proceeding on behalf of the Trust unless two or more Shareholders who (i) are not Affiliates of one another and (ii) collectively hold at least 10% of the outstanding Shares join in the bringing or maintaining of such action, suit or other proceeding. This Section 7.4 shall not apply to any derivative claims brought under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the rules and regulations thereunder.

SECTION 7.5 *Appointment of Agents.*

(a) By the purchase and acceptance or other lawful delivery, acceptance or holding of the Shares, the Shareholders shall be deemed to agree that the Sponsor may cause the Trust to appoint an agent to act on their behalf in connection with any distribution of Incidental Rights, IR Virtual Currency and/or Other Staking Consideration if the Sponsor has determined in good faith that such appointment is reasonably necessary or in the best interests of the Trust and the Shareholders in order to facilitate the distribution of any Incidental Rights, IR Virtual Currency and/or Other Staking Consideration. For the avoidance of doubt, the Sponsor may cause the Trust to appoint the Sponsor or any of its Affiliates to act in such capacity, subject to Section 6.2(a) of this Trust Agreement. Any Person appointed as agent of the Shareholders pursuant to this Section 7.5(a) (i) shall receive an in-kind distribution of Incidental Rights, IR Virtual Currency and/or Other Staking Consideration on behalf of the Shareholders of record with respect to such distribution and (ii) following receipt of any such distribution, shall determine, in such Person's sole discretion and without any direction from the Trust or the Sponsor (in its capacity as Sponsor of the Trust), whether and when to sell the distributed Incidental Rights, IR Virtual Currency and/or Other Staking Consideration on behalf of the record date Shareholders.

(b) Any agent appointed pursuant to Section 7.5(a) shall not receive any compensation in connection with its role as agent. The foregoing notwithstanding, any such agent shall be entitled to receive from any distribution of Incidental Rights, IR Virtual Currency and/or Other Staking Consideration, Incidental Rights, IR Virtual Currency and/or Other Staking Consideration with an aggregate fair market value equal to the amount of administrative and other reasonable expenses incurred by such agent in connection with such in-kind distribution of Incidental Rights, IR Virtual Currency and/or Other Staking Consideration, including expenses incurred by such agent in connection with any post-distribution sale of such Incidental Rights, IR Virtual Currency and/or Other Staking Consideration.

SECTION 7.6 *Business of Shareholders.*

Except as otherwise specifically provided herein, any of the Shareholders and any shareholder, officer, director, employee or other Person holding a legal or beneficial interest in an entity that is a Shareholder, may engage in or possess an interest in business ventures of every nature and description, independently or with others, and the pursuit of

such ventures, even if competitive with the affairs of the Trust, shall not be deemed wrongful or improper.

SECTION 7.7 *Authorization of Filings.*

Each Shareholder (or any permitted assignee thereof) hereby agrees that the Trust, the Sponsor (and with respect to Section 7.7(iii) hereof the Trustee) are authorized to (i) prepare and file registration statements with the SEC and take such action as is necessary from time to time to qualify the Shares for offering and sale under the federal securities laws of the United States, (ii) prepare and file any current or periodic reports that may be required under the Exchange Act, and (iii) execute, deliver and perform the agreements, acts, transactions and matters contemplated hereby or described in, or contemplated by, any such registration statements or such reports on behalf of the Trust without any further act, approval or vote of the Shareholders, notwithstanding any other provision of this Trust Agreement, the Delaware Trust Statute or any applicable law, rule or regulation.

ARTICLE VIII

BOOKS OF ACCOUNT AND REPORTS

SECTION 8.1 *Books of Account.*

Proper books of account for the Trust shall be kept and shall be audited annually by an independent certified public accounting firm selected by the Sponsor in its sole discretion, and there shall be entered therein all transactions, matters and things relating to the Trust as are required by the applicable law and regulations and as are usually entered into books of account kept by trusts. The books of account shall be kept at the principal office of the Trust and each Shareholder (or any duly constituted designee of a Shareholder) shall have, at all times during normal business hours, free access to and the right to inspect and copy the same for any purpose reasonably related to the Shareholder's interest as a beneficial owner of the Trust. Such books of account shall be kept, and the Trust shall report its profits and losses on, the accrual method of accounting for financial accounting purposes on a Fiscal Year basis as described in Article IX.

SECTION 8.2 *Annual Updates, Quarterly Updates and Account Statements.*

(a) If the Shares are not then listed, quoted or traded on any Secondary Market or registered under the Securities Act or the Exchange Act, the Sponsor shall furnish each Shareholder with an annual report of the Trust within one hundred and eighty (180) calendar days after the Trust's fiscal year (or as soon as reasonably practicable thereafter) including, but not limited to, annual audited financial statements (including a statement of income and statement of financial condition), prepared in accordance with GAAP and accompanied by a report of the independent registered public accounting firm that audited such statements.

(b) If the Shares are then listed, quoted or traded on a Secondary Market or registered under the Securities Act or the Exchange Act, the Sponsor shall prepare and

publish the Trust's Annual Reports and Quarterly Reports as required by the rules and regulations of such Secondary Market or the SEC, as applicable.

SECTION 8.3 *Tax Information.*

Appropriate tax information (adequate to enable each Shareholder to complete and file its U.S. federal tax return) shall be delivered to each Shareholder following the end of each Fiscal Year but, to the extent possible, no later than April 1. All such information shall be prepared, and all of the Trust's tax returns shall be filed, in a manner consistent with the treatment of the Trust as a grantor trust. The Trust's taxable year shall be the calendar year. The Trust shall comply with all U.S. federal withholding requirements respecting distributions to, or receipts of amounts on behalf of, Shareholders that the Trust reasonably believes are applicable under the Code. The consent of Shareholders shall not be required for such withholding.

SECTION 8.4 *Calculation of NAV.*

The Sponsor or its delegate shall calculate and publish the Trust's NAV on each Business Day as of 4:00 p.m., New York time, or as soon as practicable thereafter. In order to calculate the NAV, the Sponsor shall:

1. Determine the Index Price as of such Business Day;
2. Multiply the Index Price by the Trust's aggregate number of Ether owned by the Trust as of 4:00 p.m., New York time, on the immediately preceding day, less the aggregate number of Ether payable as (i) the accrued and unpaid Sponsor's Fee and (ii) the accrued and unpaid Sponsor's Staking Fee, in each case as of 4:00 p.m., New York time, on the immediately preceding day;
3. Add the U.S. Dollar value of Ether, calculated using the Index Price, receivable under pending Creation Orders, if any, determined by multiplying the number of the Creation Baskets represented by such Creation Orders by the Basket Amount and then multiplying such product by the Index Price;
4. Subtract the U.S. Dollar amount of accrued and unpaid Additional Trust Expenses, if any;
5. Subtract the U.S. Dollar value of the Ether, calculated using the Index Price, which are either (i) to be distributed under pending Redemption Orders, if any, determined by multiplying the number of Redemption Baskets represented by such Redemption Orders by the Basket Amount and then multiplying such product by the Index Price, or (ii) to be distributed to Shareholders pursuant to a binding obligation of the Trust following the declaration of an in-kind dividend (including through interests in any liquidating trust or other vehicle formed to hold Ether) (the amount derived from steps 1 through 5 above, the "**NAV Fee Basis Amount**");

6. Subtract the U.S. Dollar amount of the Sponsor's Fee that accrues for such Business Day, as calculated based on the NAV Fee Basis Amount for such Business Day; and
7. Subtract the U.S. Dollar amount of any Ether or Other Staking Consideration payable as part of the Sponsor's Staking Fee that accrues for such Business Day.

Notwithstanding the foregoing, (i) in the event that the Sponsor determines that the methodology used to determine the Index Price is not an appropriate basis for valuation of the Trust's Ether, the Sponsor shall use an alternative methodology as set forth in the Trust's filings with the SEC and (ii) in the event that the Trust holds any Incidental Rights, IR Virtual Currency and/or Other Staking Consideration, the Sponsor may, at its discretion, include the value of such Incidental Rights, IR Virtual Currency and/or Other Staking Consideration in the determination of the Trust's NAV, provided that the Sponsor has determined in good faith a method for assigning an objective value to such Incidental Rights, IR Virtual Currency and/or Other Staking Consideration.

SECTION 8.5 *Maintenance of Records.*

The Sponsor shall maintain for a period of at least six Fiscal Years (a) all books of account required by Section 8.1 hereof; (b) a list of the names and last known address of, and number of Shares owned by, all Shareholders; (c) a copy of the Certificate of Trust and all certificates of amendment thereto; (d) executed copies of any powers of attorney pursuant to which any certificate has been executed; (e) copies of the Trust's U.S. federal, state and local income tax returns and reports, if any; (f) copies of any effective written Trust Agreements, Authorized Participant Agreements, including any amendments thereto; and (g) any financial statements of the Trust. The Sponsor may keep and maintain the books and records of the Trust in paper, magnetic, electronic or other format as the Sponsor may determine in its sole discretion, *provided* that the Sponsor shall use reasonable care to prevent the loss or destruction of such records. If there is a conflict between this Section 8.5 and the rules and regulations of any Secondary Market on which the Shares are listed, quoted or traded or, if applicable, the SEC with respect to the maintenance of records, the records shall be maintained pursuant to the rules and regulations of such Secondary Market or the SEC.

ARTICLE IX

FISCAL YEAR

SECTION 9.1 *Fiscal Year.*

The fiscal year of the Trust for financial accounting purposes (the "**Fiscal Year**") shall begin on the 1st day of January and end on the 31st day of December of each year. The Fiscal Year in which the Trust shall terminate shall end on the date of such termination.

ARTICLE X

AMENDMENT OF TRUST AGREEMENT; MEETINGS

SECTION 10.1 *Amendments to the Trust Agreement.*

(a) *Amendment Generally.*

(i) Except as otherwise specifically provided in this Section 10.1, the Sponsor, in its sole discretion and without Shareholder consent, may amend or otherwise supplement this Trust Agreement by making an amendment, an agreement supplemental hereto, or an amended and restated declaration of trust and trust agreement. Any such restatement, amendment and/or supplement hereto shall be effective on such date as designated by the Sponsor in its sole discretion; *provided* that unless, (x) pursuant to a final “determination” within the meaning of Section 1313(a) of the Code, it shall have been established that the Trust is other than a grantor trust for U.S. federal income tax purposes, (y) (i) the proposed amendment should not cause the Trust to be treated as other than a grantor trust for U.S. federal income tax purposes and (ii) the Sponsor shall have received a written opinion of a Tax Advisor to that effect or (z) the proposed amendment is necessary or desirable, as determined by the Sponsor in its reasonable discretion, to conform to any Tax Guidance setting forth, or relating to, the conditions under which a trust may engage in one or more forms of Staking while continuing to be classified as a grantor trust for U.S. federal income tax purposes, the Sponsor shall not be permitted to make any such restatement, amendment, or otherwise supplement this Trust Agreement, if such restatement, amendment or supplement could permit the Sponsor, the Trustee or any other Person to vary the investment of the Shareholders (within the meaning of Treasury Regulations Section 301.7701-4(c)) or could otherwise adversely affect the status of the Trust as a grantor trust for U.S. federal income tax purposes.

(ii) To the extent that a restatement, amendment or supplement to this Trust Agreement materially adversely affects the interests of the Shareholders as determined by the Sponsor in its sole discretion, such restatement, amendment or supplement shall not be effective any earlier than twenty (20) calendar days after receipt by the affected Shareholders of a notice provided by the Sponsor with respect to any such restatement, amendment or supplement of this Trust Agreement. Notice pursuant to this Section 10.1(a)(ii) may be given by the Sponsor to the Shareholder by email or other electronic transmission and shall be deemed given upon receipt without requirement of confirmation.

(iii) In lieu of restating, amending or supplementing this Trust Agreement pursuant to Section 10.1(a)(ii), the Sponsor may, in its sole discretion, condition any restatement, amendment and/or supplement to this Trust Agreement upon the approval of Shareholders holding Shares equal to at least a majority (over 50%) of the Shares (not including Shares held by the Sponsor and its Affiliates). In the Sponsor’s sole discretion, the Sponsor may, but is not obligated to, provide that

a Shareholder shall be deemed to approve to a restatement, amendment or supplement of this Trust Agreement pursuant to this Section 10.1(a)(iii) if the Sponsor has notified such Shareholder in writing of the proposed restatement, amendment or supplement and the Shareholder has not, within twenty (20) calendar days of such notice, notified the Sponsor in writing that the Shareholder objects to such modification or amendment. Notice pursuant to this Section 10.1(a)(iii) may be given by the Sponsor to the Shareholder by email or other electronic transmission and shall be deemed given upon receipt without requirement of confirmation.

(b) Without limitation of the foregoing, the Sponsor may, without the approval of the Shareholders, amend the provisions of this Trust Agreement if the Trust is advised at any time by the Trust's accountants or legal counsel that the amendments made are necessary to ensure that the Trust's status as a grantor trust will be respected for U.S. federal income tax purposes.

(c) No amendment affecting the rights or duties of the Trustee shall be binding upon or effective against the Trustee unless consented to by the Trustee in writing. No amendment shall be made to this Trust Agreement without the consent of the Trustee if the Trustee reasonably believes that such amendment adversely affects any of its rights, duties or liabilities. The Trustee shall be under no obligation to execute any amendment to the Trust Agreement or to any agreement to which the Trust is a party until it has received an instruction letter from the Sponsor, in form and substance reasonably satisfactory to the Trustee (i) directing the Trustee to execute such amendment, (ii) representing and warranting to the Trustee that such execution is authorized and permitted by the terms of the Trust Agreement and (if applicable) such other agreement to which the Trust is a party and does not conflict with or violate any other agreement to which the Trust is a party and (iii) confirming that such execution and acts related thereto are covered by the indemnity provisions of the Trust Agreement in favor of the Trustee and do not adversely affect the Trustee.

(d) Upon amendment of this Trust Agreement, the Certificate of Trust shall also be amended, if required by the Delaware Trust Statute, to reflect such change. At the expense of the Sponsor, the Trustee shall execute and file any amendment to the Certificate of Trust if so directed by the Sponsor.

(e) To the fullest extent permitted by law, no provision of this Trust Agreement may be amended, waived or otherwise modified orally but only by a written instrument adopted in accordance with this Section 10.1.

SECTION 10.2 *Meetings of the Trust.*

Meetings of the Shareholders may be called by the Sponsor in its sole discretion. The Sponsor shall furnish written notice to all Shareholders thereof of the meeting and the purpose of the meeting, which shall be held on a date, not less than ten (10) nor more than sixty (60) days after the date of mailing of said notice, at a reasonable time and place. Any

notice of meeting shall be accompanied by a description of the action to be taken at the meeting. Shareholders may vote in person or by proxy at any such meeting.

SECTION 10.3 *Action Without a Meeting.*

Any action required or permitted to be taken by Shareholders by vote may be taken without a meeting by written consent setting forth the actions so taken. Such written consents shall be treated for all purposes as votes at a meeting. If the vote or consent of any Shareholder to any action of the Trust or any Shareholder, as contemplated by this Trust Agreement, is solicited by the Sponsor, the solicitation shall be effected by notice to each Shareholder given in the manner provided in Section 13.6. The vote or consent of each Shareholder so solicited shall be deemed conclusively to have been cast or granted as requested in the notice of solicitation, whether or not the notice of solicitation is actually received by that Shareholder, unless the Shareholder expresses written objection to the vote or consent by notice given in the manner provided in Section 13.6 and actually received by the Trust within twenty (20) days after the notice of solicitation is sent. The Covered Persons dealing with the Trust shall be entitled to act in reliance on any vote or consent that is deemed cast or granted pursuant to this Section 10.3 and shall be fully indemnified by the Trust in so doing. Any action taken or omitted in reliance on any such deemed vote or consent of one or more Shareholders shall not be void or voidable by reason of any communication made by or on behalf of all or any of such Shareholders in any manner other than as expressly provided in Section 13.6.

ARTICLE XI

TERM

SECTION 11.1 *Term.*

The term for which the Trust is to exist shall be perpetual, unless terminated pursuant to the provisions of Article XII hereof or as otherwise provided by law.

ARTICLE XII

TERMINATION

SECTION 12.1 *Events Requiring Dissolution of the Trust.*

(a) The Trust shall dissolve at any time upon the happening of any of the following events:

(i) a U.S. federal or state regulator requires the Trust to shut down or forces the Trust to liquidate its Ether or seizes, impounds or otherwise restricts access to the Trust Estate;

(ii) any ongoing event exists that either prevents the Trust from making or makes impractical the Trust's reasonable efforts to make a fair determination of the Index Price;

(iii) any ongoing event exists that either prevents the Trust from converting or makes impractical the Trust's reasonable efforts to convert Ether to U.S. Dollars; or

(iv) a certificate of dissolution or revocation of the Sponsor's charter is filed (and ninety (90) days have passed after the date of notice to the Sponsor of revocation without a reinstatement of the Sponsor's charter) or the withdrawal, adjudication or admission of bankruptcy or insolvency of the Sponsor (each of the foregoing events an "**Event of Withdrawal**") has occurred unless (i) at the time there is at least one remaining Sponsor or (ii) within ninety (90) days of such Event of Withdrawal Shareholders holding at least a majority (over 50%) of the Shares agree in writing to continue the affairs of the Trust and to select, effective as of the date of such event, one or more successor Sponsors.

(b) The Sponsor may, in its sole discretion, dissolve the Trust if any of the following events occur:

(i) the SEC determines that the Trust is an investment company required to be registered under the Investment Company Act of 1940;

(ii) the CFTC determines that the Trust is a commodity pool under the Commodity Exchange Act;

(iii) the Trust is determined to be a "money service business" under the regulations promulgated by FinCEN under the authority of the U.S. Bank Secrecy Act and is required to comply with certain FinCEN regulations thereunder;

(iv) the Trust is required to obtain a license or make a registration under any state law regulating money transmitters, money services businesses, providers of prepaid or stored value or similar entities, or virtual currency businesses;

(v) the Trust becomes insolvent or bankrupt;

(vi) the Custodian resigns or is removed without replacement;

(vii) all of the Trust's Ether are sold;

(viii) the Sponsor determines that the size of the Trust Estate in relation to the expenses of the Trust makes it unreasonable or imprudent to continue the affairs of the Trust;

(ix) the Sponsor receives notice from the IRS or from counsel for the Trust or the Sponsor that the Trust fails to qualify for treatment, or will not be treated, as a grantor trust under the Code;

(x) the Trustee notifies the Sponsor of the Trustee's election to resign and the Sponsor does not appoint a successor trustee within one hundred and eighty (180) days; or

(xi) the Sponsor determines, in its sole discretion, that it is desirable or advisable for any reason to discontinue the affairs of the Trust.

(c) The death, legal disability, bankruptcy, insolvency, dissolution, or withdrawal of any Shareholder (as long as such Shareholder is not the sole Shareholder of the Trust) shall not result in the termination of the Trust, and such Shareholder, his or her estate, custodian or personal representative shall have no right to a redemption of such Shareholder's Shares. Each Shareholder (and any assignee thereof) expressly agrees that in the event of his or her death, he or she waives on behalf of himself or herself and his or her estate, and he or she directs the legal representative of his or her estate and any person interested therein to waive the furnishing of any inventory, accounting or appraisal of the Trust Estate and any right to an audit or examination of the books of account for the Trust, except for such rights as are set forth in Article VIII hereof relating to the books of account and reports of the Trust.

SECTION 12.2 *Distributions on Dissolution.*

Upon the dissolution of the Trust, the Sponsor (or in the event there is no Sponsor, such person (the "**Liquidating Trustee**") as the majority in interest of the Shareholders may propose and approve) shall take full charge of the Trust Estate. Any Liquidating Trustee so appointed shall have and may exercise, without further authorization or approval of any of the parties hereto, all of the powers conferred upon the Sponsor under the terms of this Trust Agreement, subject to all of the applicable limitations, contractual and otherwise, upon the exercise of such powers, and provided that the Liquidating Trustee shall not have general liability for the acts, omissions, obligations and expenses of the Trust. Thereafter, in accordance with Section 3808(e) of the Delaware Trust Statute, the affairs of the Trust shall be wound up and all assets owned by the Trust shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom shall be applied and distributed in the following order of priority: (a) to the expenses of liquidation and termination and to creditors, including Shareholders who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Trust (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Shareholders, and (b) to the Shareholders *pro rata* in accordance with their respective Percentage Interests of the Trust Estate. Notwithstanding anything to the contrary herein, no distributions of Ether shall be made to Shareholders upon the dissolution of the Trust.

SECTION 12.3 *Termination; Certificate of Cancellation.*

Following the dissolution and distribution of the assets of the Trust, the Trust shall terminate and the Sponsor or the Liquidating Trustee, as the case may be, shall instruct the Trustee to execute and cause such certificate of cancellation of the Certificate of Trust to be filed in accordance with the Delaware Trust Statute at the expense of the Sponsor or the

Liquidating Trustee, as the case may be. Notwithstanding anything to the contrary contained in this Trust Agreement, the existence of the Trust as a separate legal entity shall continue until the filing of such certificate of cancellation.

ARTICLE XIII

MISCELLANEOUS

SECTION 13.1 *Governing Law.*

The validity and construction of this Trust Agreement and all amendments hereto shall be governed by the laws of the State of Delaware, and the rights of all parties hereto and the effect of every provision hereof shall be subject to and construed according to the laws of the State of Delaware without regard to the conflict of laws provisions thereof; *provided, however*, that causes of action for violations of U.S. federal or state securities laws shall not be governed by this Section 13.1, and *provided, further*, that the parties hereto intend that the provisions hereof shall control over any contrary or limiting statutory or common law of the State of Delaware (other than the Delaware Trust Statute) and that, to the maximum extent permitted by applicable law, there shall not be applicable to the Trust, the Trustee, the Sponsor, the Shareholders or this Trust Agreement any provision of the laws (statutory or common) of the State of Delaware (other than the Delaware Trust Statute) pertaining to trusts that relate to or regulate in a manner inconsistent with the terms hereof: (a) the filing with any court or governmental body or agency of trustee accounts or schedules of trustee fees and charges, (b) affirmative requirements to post bonds for trustees, officers, agents, or employees of a trust, (c) the necessity for obtaining court or other governmental approval concerning the acquisition, holding or disposition of real or personal property, (d) fees or other sums payable to trustees, officers, agents or employees of a trust, (e) the allocation of receipts and expenditures to income or principal, (f) restrictions or limitations on the permissible nature, amount or concentration of trust investments or requirements relating to the titling, storage or other manner of holding of trust assets or (g) the establishment of fiduciary or other standards or responsibilities or limitations on the acts or powers of trustees or managers that are inconsistent with the limitations on liability or authorities and powers of the Trustee or the Sponsor set forth or referenced in this Trust Agreement. Section 3540 of Title 12 of the Delaware Code shall not apply to the Trust. The Trust shall be of the type commonly called a “statutory trust,” and without limiting the provisions hereof, but subject to Section 1.5 and Section 1.6, the Trust may exercise all powers that are ordinarily exercised by such a statutory trust under Delaware law. Subject to Section 1.5 and Section 1.6, the Trust specifically reserves the right to exercise any of the powers or privileges afforded to statutory trusts and the absence of a specific reference herein to any such power, privilege or action shall not imply that the Trust may not exercise such power or privilege or take such actions.

SECTION 13.2 *Provisions In Conflict With Law or Regulations.*

(a) The provisions of this Trust Agreement are severable, and if the Sponsor shall determine, with the advice of counsel, that any one or more of such provisions (the “**Conflicting Provisions**”) are in conflict with the Code, the Delaware

Trust Statute, the Securities Act, if applicable, or other applicable U.S. federal or state laws or the rules and regulations of any Secondary Market, the Conflicting Provisions shall be deemed never to have constituted a part of this Trust Agreement, even without any amendment of this Trust Agreement pursuant to this Trust Agreement; *provided, however*, that such determination by the Sponsor shall not affect or impair any of the remaining provisions of this Trust Agreement or render invalid or improper any action taken or omitted prior to such determination. No Sponsor or Trustee shall be liable for making or failing to make such a determination.

(b) If any provision of this Trust Agreement shall be held invalid or unenforceable in any jurisdiction, such holding shall not in any manner affect or render invalid or unenforceable such provision in any other jurisdiction or any other provision of this Trust Agreement in any jurisdiction.

SECTION 13.3 *Counsel to the Trust.*

Counsel to the Trust may also be counsel to the Sponsor and its Affiliates. The Sponsor may execute on behalf of the Trust and the Shareholders any consent to the representation of the Trust that counsel may request pursuant to the New York Rules of Professional Conduct or similar rules in any other jurisdiction (the “**Rules**”). The Shareholders acknowledge that the Trust has selected Davis Polk & Wardwell LLP as legal counsel to the Trust (“**Trust Counsel**”). Trust Counsel shall not represent any Shareholder in the absence of a clear and explicit agreement to such effect between the Shareholder and Trust Counsel (and that only to the extent specifically set forth in that agreement), and in the absence of any such agreement Trust Counsel shall owe no duties directly to a Shareholder. Each Shareholder agrees that, in the event any dispute or controversy arises between any Shareholder and the Trust, or between any Shareholder or the Trust, on the one hand, and the Sponsor (or an Affiliate thereof that Trust Counsel represents), on the other hand, that Trust Counsel may represent either the Trust or the Sponsor (or its Affiliate), or both, in any such dispute or controversy to the extent permitted by the Rules, and each Shareholder hereby consents to such representation. Each Shareholder further acknowledges that, regardless of whether Trust Counsel has in the past represented any Shareholder with respect to other matters, Trust Counsel has not represented the interests of any Shareholder in the preparation and negotiation of this Trust Agreement.

SECTION 13.4 *Merger and Consolidation.*

Subject to the provisions of Section 1.5 and Section 1.6, the Sponsor may cause (i) the Trust to be merged into or consolidated with, converted to or to sell all or substantially all of its assets to, another trust or entity; (ii) the Shares of the Trust to be converted into beneficial interests in another statutory trust (or series thereof); or (iii) the Shares of the Trust to be exchanged for shares in another trust or company under or pursuant to any U.S. state or federal statute to the extent permitted by law. For the avoidance of doubt, subject to the provisions of Section 1.5, the Sponsor, with written notice to the Shareholders, may approve and effect any of the transactions contemplated under (i), (ii) and (iii) above without any vote or other action of the Shareholders.

SECTION 13.5 *Construction.*

In this Trust Agreement, unless the context otherwise requires, words used in the singular or in the plural include both the plural and singular and words denoting any gender include all genders. The title and headings of different parts are inserted for convenience and shall not affect the meaning, construction or effect of this Trust Agreement.

SECTION 13.6 *Notices.*

All notices or communications under this Trust Agreement (other than notices of pledge or encumbrance of Shares, and reports and notices by the Sponsor to the Shareholders) shall be in writing and shall be effective upon personal delivery, or if sent by mail, postage prepaid, or if sent electronically, by email, or by overnight courier; and addressed, in each such case, to the address set forth in the books and records of the Trust or such other address as may be specified in writing, of the party to whom such notice is to be given, upon the deposit of such notice in the United States mail, upon transmission and electronic confirmation thereof or upon deposit with a representative of an overnight courier, as the case may be. Notices of pledge or encumbrance of Shares shall be effective upon timely receipt by the Sponsor in writing. Any reports or notices by the Sponsor to the Shareholders which are given electronically shall be sent to the addresses set forth in the books and records of the Trust and shall be effective upon receipt without requirement of confirmation. Any notice to be given to owners of beneficial interests in the Shares shall be duly given if mailed or delivered to participants of The Depository Trust Company for delivery to such owners.

All notices that are required to be provided to the Trustee shall be sent to:

CSC Delaware Trust Company
Attention: Corporate Trust Administration
251 Little Falls Drive
Wilmington, DE 19808

All notices that the Trustee is required to provide shall be sent to:

if to the Trust, at

Grayscale Ethereum Mini Trust ETF
290 Harbor Drive, 4th Floor
Stamford, CT 06902
Attention: Grayscale Investments Sponsors, LLC

if to the Sponsor, at

Grayscale Investments Sponsors, LLC
290 Harbor Drive, 4th Floor
Stamford, CT 06902
Attention: Edward McGee

SECTION 13.7 *Counterparts; Electronic Signatures.*

This Trust Agreement may be executed in one or more counterparts (including those by facsimile or other electronic means), all of which shall constitute one and the same instrument binding on all of the parties hereto, notwithstanding that all parties are not signatory to the original or the same counterpart. This Trust Agreement, to the extent signed and delivered by means of a facsimile machine or other electronic transmission, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

SECTION 13.8 *Binding Nature of Trust Agreement.*

The terms and provisions of this Trust Agreement shall be binding upon and inure to the benefit of the heirs, custodians, executors, estates, administrators, personal representatives, successors and permitted assigns of the respective Shareholders. For purposes of determining the rights of any Shareholder or assignee hereunder, the Trust and the Sponsor may rely upon the Trust records as to who are Shareholders and permitted assignees, and all Shareholders and assignees agree that the Trust and the Sponsor, in determining such rights, shall rely on such records and that Shareholders and their assignees shall be bound by such determination.

SECTION 13.9 *No Legal Title to Trust Estate.*

Subject to the provisions of Section 1.7 in the case of the Sponsor, the Shareholders shall not have legal title to any part of the Trust Estate.

SECTION 13.10 *Creditors.*

No creditors of any Shareholders shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies, with respect to the Trust Estate.

SECTION 13.11 *Integration.*

This Trust Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 13.12 *Goodwill; Use of Name.*

No value shall be placed on the name or goodwill of the Trust, which shall belong exclusively to Grayscale Investments Sponsors, LLC.

SECTION 13.13 *Alternative Procedures for Creation and Redemption.*

(a) Notwithstanding Sections 3.1, 3.3, 6.4(a) and 6.4(b), the Trust may, and the Sponsor shall have the power to cause the Trust to, create and issue Baskets in

exchange for the receipt of cash from an Authorized Participant, but only if such creation and issuance is made in compliance with all of the following requirements:

- (i) On the date and by no later than the specified time established for the settlement of such creation and issuance, which date and time shall be fixed, under procedures to be adopted by the Sponsor, on the date a Cash Order for creation is placed and accepted, the Trust shall have received and be simultaneously in possession of (A) from the applicable Liquidity Provider, Ether in an amount equal to the Total Basket Amount in respect of such Cash Order (the “**Required Creation Ether**”) and (B) from such Authorized Participant, cash in an amount at least equal to the full purchase price to be paid by the Trust to such Liquidity Provider in exchange for the Required Creation Ether (such purchase price, the “**Required Creation Cash**,” and such receipt and simultaneous possession of the Required Creation Ether and the Required Creation Cash at or prior to such specified time, the “**Creation Settlement Condition**”); *provided*, that such cash shall be held by the Trust in a non-interest bearing account established solely for the purpose of creating, issuing and redeeming Shares in accordance with the terms of this Section 13.13;
 - (ii) If the Creation Settlement Condition is met with respect to such Cash Order, the Sponsor shall cause the Trust to deliver, promptly and in full satisfaction of the Trust’s obligations to the applicable Liquidity Provider and such Authorized Participant in respect of such Cash Order, (A) to the applicable Liquidity Provider, the Required Creation Cash, and (B) to such Authorized Participant, (x) the Shares comprising the Creation Baskets to be issued pursuant to such Cash Order and (y) to the extent that the amount of cash previously received by the Trust from such Authorized Participant in connection with such Cash Order exceeded the Required Creation Cash, the amount of such excess cash;
 - (iii) If, for any or no reason, the Creation Settlement Condition is not met with respect to such Cash Order, the Sponsor shall cause the Trust to return, promptly and in full satisfaction of the Trust’s obligations to the applicable Liquidity Provider and Authorized Participant in respect of such Cash Order, any and all cash and Ether previously received by the Trust in connection with such Cash Order to such Authorized Participant (in the case of cash) or Liquidity Provider (in the case of Ether); and
 - (iv) The Sponsor, such Authorized Participant and the applicable Liquidity Provider shall have agreed, as a condition to the participation in the consummation of such Cash Order, (A) to fully (and without exception) exculpate the Trust with respect to, and to irrevocably waive any and all claims against the Trust or the Trust Estate arising from or in connection with, such Cash Order and (B) to fully indemnify and hold the Trust harmless against any failure by such person to perform its obligations in respect of such Cash Order.
- (b) Notwithstanding Section 5.2, during any time at which the Sponsor has authorized a redemption program, the Trust may, and the Sponsor shall have the power

to cause the Trust to, redeem Baskets in exchange for the delivery of cash to an Authorized Participant, but only if such redemption is made in compliance with all of the following requirements:

- (i) On the date and by no later than the specified time established for the settlement of such redemption, which date and time shall be fixed, under procedures to be adopted by the Sponsor, on the date a Cash Order for redemption is placed and accepted, the Trust shall have received and be simultaneously in possession of (A) from the applicable Liquidity Provider, cash proceeds from the sale of Ether in an amount equal to the Total Basket Amount in respect of such Cash Order (the “**Required Redemption Cash**”), provided, that such cash shall be held by the Trust in a non-interest bearing account established solely for the purpose of creating, issuing and redeeming Shares in accordance with the terms of this Section 13.13, and (B) from such Authorized Participant, the Shares comprising the Baskets to be redeemed pursuant to such Cash Order (such Shares, the “**Required Redemption Shares**,” and such receipt and simultaneous possession of the Required Redemption Cash and the Required Redemption Shares at or prior to such specified time, the “**Redemption Settlement Condition**”);
 - (ii) If the Redemption Settlement Condition is met with respect to such Cash Order, the Sponsor shall cause the Trust to deliver, promptly and in full satisfaction of the Trust’s obligations to the applicable Liquidity Provider and such Authorized Participant in respect of such Cash Order, (A) to the applicable Liquidity Provider, Ether in an amount equal to the Total Basket Amount in respect of such Cash Order, and (B) to such Authorized Participant, the Required Redemption Cash;
 - (iii) If, for any or no reason, the Redemption Settlement Condition is not met with respect to such Cash Order, the Sponsor shall cause the Trust to return, promptly and in full satisfaction of the Trust’s obligations to the applicable Liquidity Provider and Authorized Participant in respect of such Cash Order, any and all cash and Shares previously received by the Trust in connection with such Cash Order to such Authorized Participant (in the case of Shares) or Liquidity Provider (in the case of cash); and
 - (iv) The Sponsor, such Authorized Participant and the applicable Liquidity Provider shall have agreed, as a condition to the participation in the consummation of such Cash Order, (A) to fully (and without exception) exculpate the Trust with respect to, and to irrevocably waive any and all claims against the Trust or the Trust Estate arising from or in connection with, such Cash Order and (B) to fully indemnify and hold the Trust harmless against any failure by such person to perform its obligations in respect of such Cash Order.
- (c) The Sponsor from time to time may, but shall have no obligation to, modify or supplement the requirements set forth in Section 13.13(a) and Section 13.13(b), but only if the Sponsor, with advice of counsel, has determined that creating or redeeming Shares (as the case may be) pursuant to such modified or supplemented requirements

should not cause the Trust to be treated other than as a grantor trust for U.S. federal income tax purposes.

(d) By the purchase and acceptance or other lawful delivery, acceptance or holding of the Shares, the Shareholders shall be deemed to have acknowledged and agreed that any action taken in the manner contemplated by this Section 13.13 shall be permitted under Section 1.5 and Section 6.4(m). For the avoidance of doubt, the definitions of any defined terms used in this Trust Agreement shall be deemed modified or supplemented to the extent necessary for the Sponsor and the Trust to effectuate any action taken in the manner contemplated by this Section 13.13; *provided, however*, that neither the Required Creation Cash nor the Required Redemption Cash shall be considered to be part of the Trust Estate.

SECTION 13.14 *Corporate Transparency Act.*

The Corporate Transparency Act (31 U.S.C. § 5336) and its implementing regulations (collectively, the “CTA”), may require the Trust to file reports with the U.S. Financial Crimes Enforcement Network. It shall be Sponsor’s duty, and not the Trustee’s duty, to prepare such filings, cause the Trust to make such filings, and to cause the Trust to comply with its obligations under the CTA, if any.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have duly executed this Second Amended and Restated Declaration of Trust and Trust Agreement as of the day and year first above written.

CSC DELAWARE TRUST COMPANY,
as Trustee

By: /s/ Gregory Daniels
Name: Gregory Daniels
Title: Vice President

**GRAYSCALE INVESTMENTS
SPONSORS, LLC**, as Sponsor

By: /s/ Edward McGee
Name: Edward McGee
Title: Chief Financial Officer

September 26, 2025

Grayscale Ethereum Mini Trust (ETH)
c/o Grayscale Investments Sponsors, LLC
290 Harbor Drive, 4th Floor
Stamford, Connecticut 06902

Ladies and Gentlemen:

We have acted as special tax counsel for Grayscale Investments Sponsors, LLC, a Delaware limited liability company (the "Company"), in connection with the preparation and filing under the Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations promulgated thereunder, a registration statement on Form S-3 (the "Registration Statement"), including the prospectus constituting Part I of the Registration Statement (the "Prospectus"), as amended and supplemented through the date hereof, including by a Form 8-K filed in connection therewith to which this opinion is filed as Exhibit 8.1 (the "Form 8-K"), which is incorporated by reference therein. The Registration Statement relates to the proposed issuance by the Grayscale Ethereum Mini Trust (the "Trust"), a Delaware trust governed by the Second Amended and Restated Declaration of Trust and Trust Agreement dated September 25, 2025 between the Company, as Sponsor and CSC Delaware Trust Company, as Trustee (as amended from time to time, the "Trust Agreement"), of an unspecified amount of shares representing units of fractional undivided beneficial interest in and ownership of the Trust (the "Shares").

We have examined the Prospectus and originals or copies, certified or otherwise identified to our satisfaction, of all such agreements, certificates and other statements of corporate officers and other representatives of the Company, and such other documents, as we have deemed necessary or appropriate in order to enable us to render this opinion. In such examination we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity with the originals of all documents submitted to us as duplicates or certified or conformed copies, and the authenticity of the originals of such latter documents. We have, when relevant facts material to our opinion were not independently established by us, relied, to the extent we deemed such reliance proper, upon written or oral statements of officers and other representatives of the Company. We have assumed, with your permission, that all statements concerning the Trust set forth in the Prospectus and in the written and oral statements described above are true, correct and complete, and that each of the Company and the Trust has complied with, and will continue to comply with, the obligations, covenants, and agreements contained in the Trust Agreement without waiver or modification.

Based on and subject to the foregoing, we advise you that, subject to the limitations and qualifications, and based on the assumptions, described herein and therein, the statements of law and legal conclusions set forth in the discussion under the caption "Material U.S. Federal Income Tax Consequences" in the Prospectus constitute our opinion as to the material United States federal income tax consequences of the ownership and disposition of Shares that generally may apply to a "U.S. Holder" or a "non-U.S. Holder" (in each case, as defined in the material under such caption), as applicable, under currently applicable law.

We express our opinion herein only as to those matters specifically set forth above, and no opinion should be inferred as to the tax consequences of the ownership and disposition of Shares under any state, local or foreign law, or with respect to other areas of U.S. federal taxation. We are members of the Bar of the State of New York, and we do not express any opinion herein concerning any law other than the federal law of the United States.

We hereby consent to the filing of this opinion with the Securities and Exchange Commission as an exhibit to the Form 8-K, and to the references to our firm in the material under the caption "Legal Matters" in the said Prospectus. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Davis Polk & Wardwell LLP

Certain confidential information contained in this document, marked by [***], has been omitted because the registrant has determined that the information (i) is not material and (ii) is the type that the registrant treats as private or confidential.



MASTER CUSTODY SERVICE AGREEMENT

Anchorage Contact

Name: Matthew Zablotsky

Email: matthew.zablotsky@anchorlabs.com

Client Contact

Name: Ed McGee

Email: ed@grayscale.com; cc: legal@grayscale.com

This MASTER CUSTODY SERVICE AGREEMENT ("**Agreement**") is made and entered into as of the Effective Date provided herein, by and between Anchorage Digital Bank N.A. ("**Anchorage**"), and each Client as provided herein (each a "**Client**") (collectively, Anchorage and Client, each a "**Party**" and collectively, the "**Parties**"). Each Client, acting through Grayscale Investment Sponsors, LLC, the Sponsor of each investment vehicle (the "**Sponsor**"), severally and not jointly enters into this Agreement with Anchorage. This Agreement shall constitute separate agreements, each between a single Client and Anchorage, as if such Client had executed a separate Agreement naming only itself as the Client, and no Client shall have any liability for the obligations of any other Client. Any reference to "Agreement" shall be construed to refer to the respective Agreement between a Client and Anchorage.

The Agreement consists of the terms in the below Order Form and the following Standard Terms and Conditions attached herein.

ORDER FORM

1. Effective Date:	
2. Initial Term:	[***]
3. Renewal Term:	[***]
4. Client(s). Each "Client" listed herein is subject to the Agreement as if this Agreement were between such individual Client and Anchorage, except specifically the Fees will be calculated on an aggregated basis, including the sum of all Clients' Assets Under Custody.	

Certain confidential information contained in this document, marked by [***], has been omitted because the registrant has determined that the information (i) is not material and (ii) is the type that the registrant treats as private or confidential.

	<p>***</p> <p>Grayscale Bitcoin Trust ETF</p> <p>Grayscale Ethereum Trust ETF</p>
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5. FEES

Certain confidential information contained in this document, marked by [*], has been omitted because the registrant has determined that the information (i) is not material and (ii) is the type that the registrant treats as private or confidential.**

6. Address for Notices:

To Client(s): Invoice Email: ap@grayscale.com

Notice Email:

legal@grayscale.com; operations@grayscale.com

290 Harbor Drive

Stamford, Connecticut 06902 United States

WITH A MANDATORY COPY OF ALL LEGAL

NOTICES TO:

legal@grayscale.com

To Anchorage: legal@anchorage.com AND
custodyexecutive@anchorage.com
Anchorage Digital Bank N.A. 101 S. Reid
Street, Suite 329 Sioux Falls, South Dakota
57103

IN CONSIDERATION AND WITNESS WHEREOF, Anchorage and Client, by their duly authorized representatives, hereby execute this Agreement as of the Effective Date.

ANCHORAGE DIGITAL BANK N.A.

By: Anchorage Digital Bank N.A.

/s/ Rachel Anderika

Name: Rachel Anderika

Title: Chief Operating Officer

Date: August 8, 2025

ON BEHALF OF EACH CLIENT HEREIN

By: Grayscale Investments Sponsors, LLC, for itself
and as Sponsor of the Clients listed in Section 4 of
this Order Form, and any other Clients it sponsors
from time to time.

/s/ Edward McGee

Name: Edward McGee

Title: Chief Financial Officer

Date: August 8, 2025

Certain confidential information contained in this document, marked by [*], has been omitted because the registrant has determined that the information (i) is not material and (ii) is the type that the registrant treats as private or confidential.**

**AFFILIATED BUSINESS DISCLOSURE AND CONFLICT
OF INTEREST WAIVER**

Anchorage Digital Bank N.A. is affiliated with Anchor Labs, Inc., Anchorage Hold LLC, and Anchorage Lending CA, LLC (each an “**Anchorage Affiliate**”), through common ownership and management. In particular, Anchor Labs, Inc. provides certain administrative, technology, marketing, and other support services for custodial accounts on behalf of Anchorage Digital Bank. Because the two companies are under common ownership and management, the owners of Anchor Labs, Inc. will receive an indirect benefit from any fees you pay to Anchorage Digital Bank. In addition, Anchorage Digital Bank and Anchorage Affiliates may also refer clients to each other for the performance of services offered by such companies. Your use of services of Anchorage Digital Bank may result in benefits from such referral to the other companies by virtue of the companies’ common ownership and management.

ACKNOWLEDGEMENT

I, duly authorized and on behalf of each Client as set forth in the Order Form, have read this disclosure form, and I acknowledge and understand that Anchorage Digital Bank and Anchorage Affiliates are under common ownership and control. I further acknowledge and understand that by retaining Anchorage Digital Bank, I am providing an indirect financial benefit to the owners of Anchorage Affiliates. Understanding the common ownership and control of the companies, I agree to utilize the services of Anchorage Digital Bank freely.

I also understand and agree that referrals for services among Anchorage Digital Bank and Anchorage Affiliates may result in the owners of the referring company receiving an indirect financial benefit from the services provided.

ON BEHALF OF EACH CLIENT HEREIN:

By: Grayscale Investments Sponsors, LLC, for itself and as Sponsor of the Clients listed in Section 4 of this Order Form, and any other Clients it sponsors from time to time.

Name: Edward McGee

Title: Chief Financial Officer

Date: August 8, 2025

Certain confidential information contained in this document, marked by [*], has been omitted because the registrant has determined that the information (i) is not material and (ii) is the type that the registrant treats as private or confidential.**

ANCHORAGE DIGITAL BANK STANDARD TERMS AND CONDITIONS

Capitalized terms not defined in the Order Form, body of these Terms and Conditions, or supporting Schedules are defined in Schedule A (Definitions).

1. Anchorage Appointment and Provision of the Services.

- 1.1. Appointment. Client appoints Anchorage to provide the Services, including acting as custodian of Client Digital Assets pursuant to this Agreement, and Anchorage hereby accepts such appointment. Anchorage is, and shall remain at all times during the Term of this Agreement, a qualified custodian as defined under Investment Advisers Act of 1940 as amended. Anchorage shall at all times use best efforts to provide the Services.
- 1.2. Provision of the Services.
 - (a) Subject to (i) Client's successful completion of the account acceptance process as provided in Section 2.1, and (ii) provided that Client is in compliance with this Agreement, during the Term, Anchorage will provide the Services to Client.
 - (b) Anchorage will reasonably determine the requirements for any Direction, including Authenticated Instructions, and whether such requirements have been satisfied as to any Direction, at all times subject to this Agreement. Anchorage shall not act on a direction or instruction which is not an Authenticated Instruction. Subject to the terms of, and provided Anchorage complies with its obligations under, this Agreement, Anchorage is entitled to rely upon a Direction in all respects. Client acknowledges that (i) Anchorage's acceptance of Directions related to Client's deposit and withdrawal of assets is based on the parameters of Authenticated Instructions and in accordance with Anchorage's Services requirements; (ii) Anchorage has no duty to inquire into or investigate the legality, validity, or accuracy of any information, data, or instructions related to a Direction, unless Anchorage has constructive or actual knowledge that the person originating the Direction does not have the authority to bind the Client; and (iii) except as required by Law, Anchorage shall run applicable checks such as sanctions screening.
 - (c) The Services are available only in connection with those Digital Assets and protocols that Anchorage, in its sole discretion, supports. The type and scope of Services that Anchorage supports for each Digital Asset, and applicable Fees for such Services, may differ. Under no circumstances should Client attempt to use the Services to store, send, request, or receive Digital Assets and protocols that Anchorage does not support. Anchorage assumes no responsibility in connection with any attempt to use any Account or Vault with Digital Assets that Anchorage does not support, and any such unsupported Digital Assets deposited to or received in any Account or Vault are subject to forfeiture and loss. The Digital Assets that Anchorage supports may change from time to time, based on Anchorage's sole and absolute discretion. Anchorage will notify Client in writing in advance if it ceases to support a particular Digital Asset for which Anchorage has provided Services to Client. In the case of bitcoin and ether, Anchorage shall provide Client with one hundred and eighty (180) days' written notice before ceasing to support custody services for bitcoin and ether, unless Anchorage is required to cease such support by court order, statute, law, rule (including a

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self-regulatory organization rule), regulation, code, or other similar requirement, in which case written notice shall be provided promptly upon Anchorage determining it will not be able to support custody services for bitcoin and ether.

- (d) Client acknowledges that Anchorage will not monitor Digital Assets for actions taken by the issuer of such Digital Asset, if any. Such actions may include an issuer instruction requiring the holder of a Digital Asset to transfer it to a certain location. For the avoidance of doubt, Client is solely responsible for satisfying or responding to any such actions of an issuer.
- (e) Anchorage shall only follow the Directions from Client. Anchorage is released and held harmless by Client for following the Directions from the Client.
- (f) [Reserved]
- (g) From time to time, Anchorage may, in its sole discretion, offer Client additional optional services involving settlement services (“**Optional Settlement Services**”). Client may elect to accept Optional Settlement Services by signing the Settlement Services Addendum attached to this Agreement, or by accepting such services in the Anchorage Platform if offered therein. In the event Client accepts Optional Settlement Services, Client agrees to comply with all terms and conditions set forth under the Settlement Services Addendum. For the avoidance of doubt, by entering this Agreement, the Client has not elected to accept Optional Settlement Services from Anchorage.
- (h) Anchorage agrees that Anchorage is solely responsible for any gas or network fees necessary for the transfer of Digital Assets in connection with Client’s Direction as set forth in this Agreement (including its obligation to settle any Transactions) as it relates to trust or exchange-traded funds services. However, for any additional new entities added under this Agreement, Anchorage reserves the right to evaluate the applicable gas or network fees and shall notify the Client immediately.
- (i) Vesting Schedules. By custodying Digital Assets from validators, protocols, or token issuers (each a “Token Issuer”) with a Vesting Schedule (“Restricted Assets”) with Anchorage, Client agrees that Restricted Assets may be subject to the applicable Vesting Schedule imposed by the applicable Token Issuer. Anchorage may, as required by Token Issuer, act in accordance with and comply on a best efforts basis with the applicable Vesting Schedule, such that all Restricted Assets deposited in Client Account or Vault shall remain restricted from withdrawal by Client in accordance with the applicable Vesting Schedule provided by the Token Issuer, and as instructed by the Token Issuer to Anchorage. Accordingly, Client acknowledges and agrees that Client may not be able to withdraw any Restricted Assets from Client Account or Vault until such assets have vested pursuant to the applicable Vesting Schedule as provided by Token Issuer, and in the case of any conflict between Client Directions regarding Restricted Assets and the applicable Vesting Schedule, Anchorage is hereby authorized by Client to act in accordance with the Vesting Schedule.
- (j) Token Issuer Risks. Client acknowledges and agrees that Anchorage is not responsible for decisions made by any Token Issuer, or for any changes to any Vesting Schedule made by the Token Issuer once Client’s Restricted Assets are deposited with Anchorage, and Client acknowledges and accepts any risks associated with decisions made by Token Issuer, which are outside of Anchorage’s control. If Client causes Anchorage to follow any Client Directions that would result in any of the Client

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Account(s) being in violation of any applicable Vesting Schedule, Client agrees to indemnify and hold Anchorage harmless against any Claims by the Token Issuer.

- (k) Anchorage shall only follow the Directions from Client. Anchorage is released and held harmless by Client for following the Directions from the Client.
- (l) Pursuant to Section 2.4 of this Agreement, the third-party staking providers referenced in relevant On-Chain Services do not take custody of the Client's private keys, which are held by Anchorage at all times.

1.3. Storage of Digital Assets. Anchorage will receive Digital Assets for storage by generating Private Keys and their Public Key pairs, with Anchorage retaining custody of such Private Keys. Upon receipt, Anchorage will at all times use best efforts to custody the Digital Assets in Client's name or Accounts established for the benefit of the Client, unless otherwise specified in (a) an applicable Client Service Provider Agreement, or (b) instructions provided by a Client Service Provider or a Control Party pursuant thereto. Anchorage shall be deemed to have received a Digital Asset after the Digital Asset's receipt has been confirmed on the relevant Blockchain or otherwise ledgered to Anchorage's satisfaction. The hardware security module utilized by Anchorage is located in the United States. Upon Client's written request, Anchorage shall provide confirmation that the hardware security module still remains in the United States. Digital Assets in Client's Account shall (i) be segregated at a unique blockchain address or addresses on the relevant Blockchain (e.g., in the case of bitcoin, the Blockchain associated with the Bitcoin network) from the assets held by Anchorage as principal and the assets of other customers of Anchorage and any other person, (ii) not be treated as general assets of Anchorage, and Anchorage shall have no right, title or interest in such Digital Assets, (iii) Anchorage serves as a fiduciary and custodian on Client's behalf, and the Digital Assets in Client's Account are considered fiduciary assets that remain Client's property at all times. Digital Assets shall be held in Client's Account in accordance with the terms of this Agreement and shall not be commingled with other customers', Anchorage's, or any other person's Digital Assets. Client's Account(s) and all Digital Assets in the Client's Account shall be held by Anchorage at all times.

1.4. Accounting for Digital Assets. At all times, Client owns Digital Assets and fiat currency (if applicable) held by Anchorage on behalf of Client under this Agreement. Client Digital Assets and fiat currency shall be kept separate from the assets of Anchorage and shall not be reflected on Anchorage's balance sheet as assets of Anchorage. Anchorage will record on its books and records all Digital Assets and fiat currency (if applicable) received by it for the Account and will segregate Digital Assets from those of any other person or entity. Anchorage will provide Client with access to the Technology Platform for transaction records and holdings and will provide Client daily statements that show balances and transaction records of Client Digital Assets. Upon commercially reasonable notice to Anchorage, Anchorage will provide Client copies of the books and records pertaining to the Client that are in the possession or under the control of Anchorage. The books and records maintained by Anchorage will, to the extent applicable, be prepared and maintained in all material respects as required by applicable Laws, and shall separately identify Client's Digital Assets at all times such that in an insolvency of Anchorage, the receiver or other administrator appointed in respect of Anchorage would be able to identify and trace Client's Digital Assets separately from the assets of Anchorage's own assets and those of all other persons. Upon request from Client in writing, Anchorage shall reasonably cooperate with Client's

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authorized independent public accountant, and provide Client's authorized independent public accountant confirmation of and access to information sufficient to confirm (i) Client's Digital Assets and fiat currency as of such date as such accountant may specify, and (ii) Client's Digital Assets are held in a separate account under Client's name, and (iii) such other information as Client's authorized independent public accountant may reasonably request in connection with any audit or examination of Client.

1.5. Authority to Assign or Pledge. Client's Digital Assets and fiat currency shall not be subject to any right, charge, security interest, lien or claim of any kind in favor of Anchorage or any of its Affiliates or of any creditor of any of them, and Anchorage shall not have the independent right or authority to assign, hypothecate, pledge, encumber or otherwise dispose of any Client Digital Assets or fiat currency. The Digital Assets in the Account and the fiat currency in the Deposit Account, as defined in Section 2.7, are not general assets of Anchorage or of any of its Affiliates and are not available to satisfy claims of any creditors of Anchorage or of any of its Affiliates.

1.6. Application of UCC. Client Digital Assets in the Account and fiat currency will be treated as "financial assets" under Article 8 of the New York Uniform Commercial Code ("Article 8"). Anchorage is a "securities intermediary," the Account is a "securities account," and Client is an "entitlement holder" under Article 8. This Agreement sets forth how Anchorage will satisfy its Article 8 duties. Treating Client assets in the Account as financial assets under Article 8 does not determine the characterization or treatment of the cash and digital assets of Client under any other law or rule. New York will be the securities intermediary's jurisdiction with respect to Anchorage for purposes of Article 8, and New York law will govern all issues addressed in Article 2(1) of the Hague Securities Convention. Anchorage will credit the Client with any payments or distributions on any Client assets it holds for Client's Account. Anchorage will comply with Client's Directions with respect to Client assets in Client's Account, subject to the terms of this Agreement. Anchorage is obligated by Article 8 to maintain sufficient digital assets to satisfy all entitlements of customers of Anchorage, respectively, to the same digital assets. Anchorage shall not grant any person or entity a lien, security interest, encumbrance, mortgage, pledge, or adverse claim or interest of any kind in the digital assets in the Client's Account. Digital assets in Client's Account are custodial assets. Under Article 8, the digital assets in the Client's Account are not general assets of Anchorage, and are not available to satisfy claims of creditors of Anchorage or any of its Affiliates. Anchorage will comply at all times with the duties of a securities intermediary under Article 8, including but not limited to those set forth at UCC sections 8-504(a), 8-505(a), 8-506(a), 8-507 and 8-508.

1.7. Rights of Use; Limits on Use. Subject to the terms of this Agreement, including compliance with Schedule B (Technical and Equipment Specifications) and Client's confidentiality obligations under Section 8, Anchorage hereby grants to Client a non-sublicensable, non-exclusive, worldwide right during the Term to access the Technology Platform. The foregoing rights grant extends to access and use by Authorized Persons, and for the Anchorage API only, to Third Parties authorized by Client, subject to Section 2.3(b). Client will not, and will not permit Authorized Persons or Third Parties to: (i) directly or indirectly copy, disseminate, display, distribute, publish, sell, or otherwise use or disclose any part of the Technology Platform, or create any works or other materials based on or derived from any part of the Technology Platform; (ii) reverse engineer, decompile, or disassemble the software used in the Technology Platform; (iii) sell, rent, lease, or license Client's

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right to use the Technology Platform except as may be set out under this Agreement; or (iv) use the Technology Platform or Services in any other way not expressly authorized by this Agreement. Client will be responsible for all acts and omissions of Authorized Persons in connection with or relating to this Agreement.

1.8. Support and Maintenance. Subject to applicable Law, as part of the Services and at no additional cost to Client, Anchorage will (i) make available the Technology Platform, and (ii) provide other Support Services as described in this Agreement.

1.9. Business Continuity Policy. Anchorage shall maintain and follow a business continuity policy applicable to Anchorage's performance of Services. This plan is reviewed annually, and can be updated if deemed necessary by Anchorage in its sole discretion

1.10. Forks, Airdrops.

(a) Should a Fork occur, subject to Section 1.10(b): (i) Anchorage retains the right, in its sole discretion, to determine whether or not to support (or cease supporting) either Forked Network; (ii) in connection with determining to support a Forked Network, Anchorage may suspend certain operations, in whole or in part (with or without advance notice), for however long Anchorage deems necessary, in order to take the necessary steps, as determined in its sole discretion, to perform obligations hereunder with respect to supporting a Forked Network; (iii) Client hereby agrees that Anchorage shall determine, in its sole discretion, whether to support such Forked Network and that Client shall have no right or claim against Anchorage related to value represented by any change in the value of any Digital Asset (whether on a Forked Network or otherwise), including with respect to any period of time during which Anchorage exercises its rights described herein with respect to Forks and Forked Networks; (iv) Anchorage will use commercially reasonable efforts to timely select, in its sole discretion, at least one (1) of the Forked Networks to support and will identify such selection in a written notice.

(1) With respect to a Forked Network that Anchorage chooses not to support, it may, in its sole discretion, elect to (x) abandon or otherwise not pursue obtaining the Digital Assets from that Forked Network, or (y) if Client provides written consent to take delivery of such Digital Assets from the Forked Network, deliver the Digital Assets from that Forked Network to Client within a time period as determined by Anchorage in its sole discretion, together with any credentials, keys, or other information sufficient to gain control over such Digital Assets (subject to the withholding and retention by Anchorage of any amount reasonably necessary, as determined in Anchorage's sole discretion, to fairly compensate Anchorage for the efforts expended to obtain and deliver such Digital Assets to Client).

(2) With respect to Forked Networks that Anchorage chooses to support, Client may be responsible for the fees for such support (to be negotiated), and Client acknowledges and agrees that Anchorage assumes no responsibility with respect to any Forked Network and related Digital Assets that it chooses not to support.

(b) Prospective Abandonment. Client will abandon irrevocably for no direct or indirect consideration (each such abandonment, a "**Prospective Abandonment**"), effective immediately prior to any time at which Client creates shares or units (each such time, a "**Creation Time**") or redeems shares or units (each such time, a "**Redemption Time**"), all Incidental Assets of Client, provided that a

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Prospective Abandonment immediately prior to any Creation Time or Redemption Time will not apply to any Incidental Asset if: (i) Client has taken an Affirmative Action to acquire or abandon such Incidental Asset at any time prior to such Creation Time or Redemption Time; or (ii) such Incidental Asset has been subject to a previous Prospective Abandonment. Anchorage acknowledges that, as a consequence of a Prospective Abandonment or Affirmative Action to abandon Incidental Assets, Client will have no right to receive any Incidental Asset that is subject to such Prospective Abandonment or abandoned via Affirmative Action, and Anchorage will have no authority, pursuant to this Agreement or otherwise, to exercise, obtain or hold, as the case may be, any such Incidental Asset on behalf of Client, nor may Anchorage ultimately take control of such Incidental Asset for its own economic benefit. Client represents that it will take no action at any time that is inconsistent with a Prospective Abandonment or abandonment through Affirmative Action and, without limiting the generality of the foregoing, that it will not accept any future delivery of any abandoned Incidental Asset, that it will not accept any payment from any person in respect of any abandoned Incidental Asset and that it will not represent to any person or in any context that it has any remaining rights with respect to any abandoned Incidental Asset.

For the avoidance of doubt, if Anchorage does not support an Incidental Asset, such Digital Assets shall be abandoned and forfeited pursuant to this section of the Agreement.

- (c) In the event that an announcement of a Fork in a digital asset is to occur, and subject to the provisions set forth in Section 1.10(b), upon a written notice by either Party, Parties agree to enter into a good faith discussion about which Fork can be supported by Anchorage and Anchorage will support at least one branch of such Fork, unless expressly prohibited by Law or Anchorage's US prudential regulator. Notwithstanding anything to the contrary herein, Anchorage agrees to provide advance written notice to the Client announcing which Forked Network Anchorage intends to support for a digital asset, promptly upon becoming aware of such a potential suspension, and to use commercially reasonable efforts to give Client a reasonable opportunity to withdraw Client's Digital Assets following such announcement.
- (d) Client acknowledges that Digital Asset values can fluctuate substantially which may result in a total loss of the value of Digital Assets. The supply of Digital Assets available as a result of a Forked Network and Anchorage's ability to deliver Digital Assets resulting from a Forked Network may depend on circumstances or Third Party providers that are outside of Anchorage's control. Anchorage does not own or control any of the protocols that are used in connection with Digital Assets and their related Digital Asset networks, including those resulting from a Forked Network. Accordingly, Anchorage disclaims all liability relating to Forked Network and any change in the value of any Digital Assets (whether on a Forked Network or otherwise), and makes no guarantees regarding the security, functionality, or availability of such protocols or Digital Asset networks. Client accepts all risks associated with the use of Anchorage's services to conduct transactions, including, but not limited to, in connection with the failure of hardware, software, and internet connections.

- 1.11. Digital Asset Screening. Any movement of Digital Assets into, or from, a Client's Account at Anchorage will be subject to a screening requirements for compliance purposes as it relates to, but not limited to anti-money laundering, sanctions Law, counter-terrorist financing, and other legal obligations. In the event such screening results in a Digital Asset transaction being suspected or determined to be in

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violation of the screening requirements set forth by Anchorage, such Digital Assets shall be locked in the Client's Account and Anchorage shall promptly notify the Client of such event. The Client acknowledges and agrees that Anchorage shall not be held responsible for any damages, liabilities, or loss that may result from the screening.

- 1.12. Generally. Notwithstanding any federal, state, or local Law to the contrary regarding any common law or contractual duty, Client agrees that Anchorage will perform only such duties as are expressly set forth herein as Services, and no additional duties or obligations shall be implied. Anchorage has the authority to do all acts that Anchorage reasonably determines are necessary, proper, or convenient for it to perform its obligations under this Agreement and shall have no obligation to perform acts which it reasonably believes do not comply with applicable Laws. In providing the Services, Anchorage has no duty to inquire as to the provisions of or application of any agreement or document other than this Agreement, notwithstanding its receipt of such agreement or document.

2. Client Responsibilities and Acknowledgements.

2.1. Account Acceptance; Authorized Person Designations.

- (a) Services will be provided only after Client's successful completion of the account acceptance process, including but not limited to the onboarding process in Section 2.3(a), as determined in Anchorage's sole discretion. Anchorage may terminate this Agreement upon fourteen (14) days' prior written notice to the Client due to Client's failure to complete the onboarding process with Anchorage. To complete the acceptance process, Client shall provide Anchorage with information and documents, which include but are not limited to, information necessary for Anchorage's compliance with the Bank Secrecy Act ("**BSA**"), and all Laws and regulations relating to anti-money laundering ("**AML**"), Know-Your-Customer ("**KYC**"), counter-terrorist financing, sanctions screening requirements, or any other legal obligations, in each case, as determined by Anchorage in its sole discretion. Upon acceptance of Client by Anchorage, Client shall nominate and manage Authorized Persons;
- (b) In order to be approved as an Authorized Person, nominated persons must agree to data collection permissions and related policies provided in the Anchorage application and Technology Platform, including privacy policies and other terms, which may be amended from time to time. A copy of the then-current versions of such privacy policies and other terms will be provided at the written request of Client. Client is solely responsible for the actions or inactions of all Authorized Persons at all times, though Anchorage shall comply with its obligations under this Agreement, including the standard of care specified in Section 10 hereof. With respect to Client's primary custody Account, Client will initially nominate three (3) or more individuals as Authorized Persons prior to initiation of Client on-boarding by Anchorage, and a minimum of two (2) of three (3) Authorized Persons must approve an Authenticated Instruction. Anchorage reserves the right in its reasonable sole discretion to change the minimum number of Authorized Persons to be designated or which are required to approve a Direction.
- (c) Subsequent to the approval and on-boarding of initial Authorized Persons, Client may nominate additional Authorized Persons or revoke an Authorized Person's status, each through a Direction to be approved by a Quorum.

- 2.2. Acceptable Devices. Unless expressly agreed upon otherwise, Client shall maintain a separate

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Acceptable Device for each Authorized Person. The Acceptable Device must have Internet accessibility and meet other technical specifications prescribed by Anchorage in Schedule B.

2.3. Authorized Persons; Anchorage API.

- (a) Each person nominated by Client as an Authorized Person must be confirmed by Anchorage as an Authorized Person. Authorized Persons may be required to successfully complete the onboarding process and training, which may include (i) installing the Anchorage application onto the person's Acceptable Device; and (ii) training on the Services regarding the creation of Directions or joining a Quorum. Upon completion of Anchorage's onboarding process and any training, to Anchorage's satisfaction in its sole discretion, the nominated person will be designated by Anchorage as one of Client's Authorized Persons and their device designated by Anchorage as an Acceptable Device, such that they may create Directions or join a Quorum.
- (b) As part of the Services, Anchorage may provide Client with access to the Anchorage API, through which Client may permit Third Party access to the Account(s) or Technology Platform. Anchorage shall follow any Directions submitted via the Anchorage API, including Directions for withdrawals and external transfers of Client's Digital Assets, as though such Directions were submitted from and by Client and without additional authentication, unless otherwise specified in this Agreement. Authorized Persons may generate API keys and assign roles to a Third Party, including without limitation, a Third Party application, subject to their compliance with the Anchorage API's Documentation, and applicable Law. Client and all Authorized Persons shall use industry best practices to safeguard any generated Anchorage API keys. Client shall be responsible for all Third Party access to the Account(s) and Directions submitted via the Anchorage API, and Anchorage shall not be liable for following any instructions submitted via an Anchorage API key unless Anchorage's fraud, negligence, or willful misconduct caused unauthorized access to or possession of such key.

2.4. On-Chain Services. From time to time, Anchorage may, in its sole discretion, offer Client additional optional services involving on-chain transactions (other than deposits and withdrawals included in Anchorage's basic custody service), which may include staking, voting, vesting, signaling, and other activities requiring interaction with the applicable blockchain ("**On-Chain Services**").

- (a) Offer and Acceptance of On-Chain Services. Anchorage may offer On-Chain Services by sending the offer in writing to the Client. The option to elect such services in the Anchorage application to Authorized Persons of Client. Any offer for On-Chain Services will include the following terms:
 - i) a basic description of the On-Chain Service;
 - ii) a disclosure of the material risks of the On-Chain Service;
 - iii) a description of any associated fees;
 - iv) any other key terms of the On-Chain Service, as applicable (for example, Anchorage will disclose if Digital Assets must be locked for a minimum period and would not be immediately accessible to Client); and
 - v) an option to expressly agree to the On-Chain Service.

A Client may accept an On-Chain Service only in writing.

- (b) Cancellation of On-Chain Services.

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- i) Any Authorized Person may cancel an On-Chain Service at any time; provided, however, that in cases where Digital Assets are locked up for a certain period pursuant to the blockchain protocol, Anchorage will release locked Digital Assets when and as permitted by the applicable blockchain protocol. If Client desires to cancel an On-Chain service, Client may do so through the Anchorage application.
 - ii) Anchorage may discontinue an On-Chain Service at any time without notice for any reason. If Anchorage decides to discontinue an On-Chain Service, Anchorage will endeavor to provide as much notice to Client as reasonably possible, however Anchorage shall not be liable for any loss of rewards, slashing, penalty, or additional fees that may be incurred by the Client on the blockchain protocol.
- 2.5. Legal Compliance. Notwithstanding any other provision in this Agreement, Client agrees at all times to:
(i) fully satisfy Anchorage's information requests and other requirements, including but not limited to those relating to Authorized Persons or Digital Assets; (ii) fully comply with all applicable Laws, including the BSA and all other Laws and regulations related to AML, KYC, counter-terrorist financing, sanctions screening requirements, or other legal obligations; (iii) notify Anchorage as promptly as reasonable practicable if Client becomes a target of any BSA or Digital Asset related action, investigation or prosecution; (iv) notify as promptly as reasonable practicable Anchorage of any changes in jurisdiction or material ownership; and (v) provide Anchorage full cooperation in connection with any inquiry or investigation made or conducted by the U.S. Office of the Comptroller of the Currency ("OCC"). Anchorage may not, at its sole discretion, provide the Services if Client or Authorized Persons fail to comply with the foregoing to Anchorage's reasonable satisfaction. Client agrees to notify Anchorage promptly if it becomes aware of any suspicious activity or pattern of activity, or any activity which upon investigation may be a suspicious activity or pattern of activity under applicable Laws. Notwithstanding any other provision in this Agreement, Anchorage agrees at all times to (i) fully satisfy Client's information requests and other requirements, including but not limited to those relating to Authorized Persons or Digital Assets, or any such request from Client's accountants or auditors; (ii) fully comply with all applicable Laws, including the BSA and all other Laws and regulations related to AML, KYC, counter-terrorist financing, sanctions screening requirements, or other legal obligations; (iii) notify Client if Anchorage becomes a target of any BSA or Digital Asset related action, investigation or prosecution; (iv) notify Client of any changes in jurisdiction or material ownership; and (v) provide Client full cooperation in connection with any inquiry or investigation made or conducted by any federal or state regulator. Anchorage agrees to immediately notify Client if it becomes aware of any suspicious activity or pattern of activity, or any activity which upon investigation may be a suspicious activity or pattern of activity under applicable Laws, involving Client's Account.
- 2.6. Acknowledgements. Client acknowledges that:
 - (a) Client is an "Entitlement Holder" in a "Financial Asset," as defined by, and for purposes of, the UCC;
 - (b) Anchorage does not provide investment advice or exercise investment discretion. Client is capable of evaluating transaction and investment risks independently, both in general and with regard to all transactions and investment strategies. Client is solely responsible for, and Anchorage has no involvement in, determining whether any Digital Asset transaction (whether an investment or otherwise), investment strategy, or related transaction is appropriate for

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Client;

- (c) Anchorage has no control over the Blockchains and markets in which Digital Assets are purchased and traded, and such may be subject to technology flaws, manipulations, hacks, double spending, “51%” attacks, other attacks, and operational limitations;
- (d) Anchorage does not control and makes no guarantee as to the functionality of any Blockchain’s decentralized governance, which could, among other things, lead to delays, conflicts of interest, or operational decisions that may impact Client or its Digital Assets;
- (e) Advancements in cryptography could render current cryptography algorithms utilized by a Blockchain supporting a specific Digital Asset inoperative;
- (f) The price and liquidity of Digital Assets has been subject to large fluctuations in the past and may be subject to large fluctuations in the future;
- (g) Digital Asset deposits into Client’s Accounts may not be considered “deposits,” as that term may be used under the applicable Laws, rules, or regulations in Client’s jurisdiction;
- (h) Digital Assets in Client’s Accounts are not subject to deposit insurance protection of the Federal Deposit Insurance Corporation (“**FDIC**”) and may not be subject to the protection afforded customers under the Securities Investor Protection Act of 1970, as amended;
- (i) Digital Assets are not legal tender and are not backed by any government;
- (j) Legislative and regulatory changes or actions at the state, federal, or international level may adversely affect the use, transfer, exchange, and value of Digital Assets;
- (k) Transactions in Digital Assets may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable;
- (l) Some Digital Asset transactions shall be deemed to be made when recorded on a public ledger, which is not necessarily the date or time that transaction was initiated;
- (m) The value of Digital Assets may be derived from the continued willingness of market participants to exchange fiat currency or Digital Assets for Digital Assets, which may result in the potential for permanent and total loss of value of a particular Digital Asset should the market for that Digital Asset disappear;
- (n) There is no assurance that a person who accepts a Digital Assets as payment today will continue to do so in the future;
- (o) Due to the volatility and unpredictability of the price of Digital Assets relative to fiat currency trading and owning Digital Assets may result in significant loss over a short period of time;
- (p) The nature of Digital Assets may lead to an increased risk of fraud or cyber-attack;

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- (q) Any bond, insurance or trust account maintained by Anchorage for the benefit of its customers may not be sufficient to cover all losses incurred by Client; and
- (r) The Fees and any other payments or compensation otherwise agreed to by Anchorage and Client represent reasonable compensation for Anchorage's Services and expenses.

2.7. Fiat Currency Instructions and Acknowledgements; Undirected Cash Disclosures. Anchorage may, in its sole discretion, offer Fiat Services to Client. If Anchorage offers Fiat Services, and Client accepts Fiat Services, Client shall be subject to the requirements, policies and procedures of any Fiat Institution (as defined below), as applicable, and Anchorage will, acting as Client's agent:

- (a) Deposit all cash deposited by Client with Anchorage, for which the Client has not already provided transfer instructions, into deposit accounts at FDIC-insured, regulated depository institutions selected by Anchorage (each, a "**Fiat Institution**"), which accounts will be held for the benefit of (FBO) Anchorage clients ("**Deposit Accounts**"). Deposit Accounts will be non-interest-bearing and may be segregated by client or pooled into omnibus accounts;
- (b) Enter into such sub-accounting agreements as may be required by the Fiat Institution, and;
- (c) Initiate wire transfer requests from time to time for the withdrawal of Client funds from the Deposit Accounts, which requests are to be honored by the Fiat Institution for withdrawal of Client's funds from such Deposit Accounts for distributions, investments, fees and other disbursements directed or agreed to by an Authorized Person. All applicable wire transfer fees shall be paid by the Client.

For the sub-account held for the benefit of Client, Anchorage will keep records to obtain pass-through FDIC coverage of up to the maximum coverage level of \$250,000.00 per Client at a single Fiat Institution.

3. **Ownership and Intellectual Property Rights.**

- 3.1. Services and Documentation. As between the Parties and subject to Section 3.2 (Outputs of Services) and 3.3 (Client Data), Anchorage owns the Services, the Documentation, and all Intellectual Property Rights in the Services and the Documentation.
- 3.2. Outputs of Services. Anchorage hereby grants Client a perpetual, royalty-free, non-transferable (except as provided in Section 12.10), non-sublicensable, (except to Affiliates of Client, Authorized Persons, Sponsor, and any Third Parties authorized by Client in accordance with Section 1.7), worldwide license to use, import, distribute, copy, reproduce, display, transmit, perform, excerpt, reformat, adapt, or otherwise modify and create derivative works of all output materials and results from use of the Services and documentation by Client, its Affiliates, Sponsor, or Authorized Persons, including any reports, graphics, data, specification, programs and all other materials or computer output ("**Outputs**").

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- 3.3. Client Data. As between the Parties, Client owns all right, title and interest in and to Client Data, including all Intellectual Property Rights in Client Data. Client hereby grants Anchorage, and any of its Affiliates approved by Client in writing to provide Services, a perpetual, royalty-free, non-transferable (except as provided in this Section 3.3 or Section 12.10), non-sublicensable, worldwide license to disclose and use Client Data solely to (i) operate, manage, and improve the Services provided to Client, its Affiliates, Authorized Persons or applicable Third Parties pursuant to this Agreement; (ii) monitor, process and support Directions or as necessary to effect, administer, or enforce a transaction or directive that Client otherwise requests or authorizes, including to facilitate use of Services provided by Anchorage Affiliates; and (iii) comply with legal or regulatory obligations applicable to the Services including financial reporting and retention of related data. For clarity, Anchorage may not use Client Data for any other purpose without the express written consent of Client. Notwithstanding the foregoing, Anchorage may only disclose and use Client Data in a de-identified and anonymized form and in aggregation with data from Anchorage's other clients. For purposes of this Agreement, Client Data is "de-identified" or "anonymized" only if all identifiers that directly or indirectly identify the source and subject of such data with Client have been removed, and it does not enable a Third Party to discern, decompile, recreate, or reverse engineer any particular trading strategy of Client.
- 3.4. Feedback. From time to time, Client may submit or provide suggestions, requests for features, recommendations, or ideas to Anchorage ("**Feedback**"). By submitting Feedback, Client grants Anchorage a non-exclusive, worldwide, royalty-free, irrevocable, sub-licensable, perpetual license to use the Feedback, without consideration or compensation to Client or Authorized Persons, Affiliates, agents, partners, or personnel.
- 3.5. Reservation of Rights. Except for the rights and licenses granted under this Agreement, each Party agrees that, subject to applicable Law, (a) nothing in this Agreement will be construed as granting any rights of a Party to the other Party, by license or otherwise, in or to any Confidential Information or Intellectual Property Rights of such Party or its Affiliates, and (b) all rights in and to the Intellectual Property Rights of such Party that are not expressly granted herein are reserved by such Party.

4. Term and Termination.

- 4.1. Term. This Agreement is effective as of the Effective Date and will continue in full force and effect for the Initial Term period in the Order Form, and will be automatically renewed for each successive Renewal Term specified in the Order Form (the Initial Term and each Renewal Term collectively referred to herein as the "**Term**"). Client may elect not to renew the Agreement by providing written notice of cancellation no less than thirty (30) days prior to the expiration of the current Term or unless sooner terminated as set forth in this Agreement. Anchorage may elect not to renew the Agreement by providing written notice of cancellation and non-renewal no less than one hundred eighty (180) days prior to the expiration of the current Term or unless sooner terminated as set forth in this Agreement.
- 4.2. Termination for Cause.
- (a) Unless specifically permitted herein, Anchorage shall not suspend, restrict, terminate or modify and shall continue to provide the Services, including, (i) the custody of Client's Digital Assets on Client's behalf, the processing of withdrawals, deposits, and the other Services, or (ii) access to the Technology Platform, in each case unless and until Anchorage provides 180 days' (the "Notice

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Period”) prior written notice to Client describing in reasonable detail the suspension, restriction, termination or modification that Anchorage will implement or, solely with respect to the Transition Services, the end of the Transition Period; provided however, that if after the date of the Agreement, there occurs any change in or adoption of any applicable law, rule, or regulation which, in the reasonable opinion of counsel to Anchorage will prohibit or materially impede some or all of the arrangement contemplated by this Agreement (a “Change in Law”), the parties will, in good faith and acting in a commercially reasonable manner intended to produce a commercially reasonable result, agree on modifications to the Agreement or Services that would enable compliance with such Change in Law or, in the case of a material impediment, reduce the impact to the parties of such Change in Law and Anchorage shall continue to provide the Services as contemplated herein unless prohibited from doing so by the Change in Law. If the parties cannot agree on modifications within thirty (30) day’s following notice from Anchorage or if the Change in Law requires that Anchorage immediately ceases providing any Services, Anchorage may, only following notice in writing to Client, suspend, restrict or terminate the Services solely to the extent necessary to account for the Change in Law, provided that Anchorage agrees that any suspension, restriction, termination or modification arising from a Change in Law shall be narrowly tailored to enable compliance with such Change in Law and, to the extent not prohibited by the Change in Law, Anchorage will continue to provide, at a minimum, the Transition Services following any Change in Law. Anchorage represents, warrants and covenants that it will promptly notify Client of any proposed or announced change in law, rule or regulation that may result in a Change in Law hereunder.

- (b) Anchorage may terminate this Agreement in its entirety for any reason and without Cause by providing at least 180 days’ prior written notice to Client and Client may terminate this Agreement in whole or in part for any reason by providing at least thirty (30) days’ prior written notice to Anchorage, provided, however, in each case, Anchorage shall not restrict, suspend, or modify the Services following any termination without Cause or any termination by Client until the end of any such notice period and neither party’s termination of this Agreement shall be effective until Client and Anchorage have fully satisfied their obligations hereunder.
- (c) Regardless of any other provision of this Agreement, but subject to Section 4.2(c)(i) below, upon the occurrence and during the continuance of an event that constitutes Cause (as defined below) (unless, with respect to a non-continuing event that constitutes Cause, Anchorage has already commenced exercising its rights under this Section or has otherwise notified Client that it will promptly do so, in each case while such event is continuing) and after giving effect to any notice requirement and cure period that may apply, Anchorage may, in its reasonable discretion, take any of the following actions: (i) terminate, in whole or in part, the Agreement, and/or (ii) suspend, restrict or terminate the Client’s Services, except for the Transition Services during the Transition Period.

“Cause” shall mean: (i) Client materially breaches any provision of this Agreement and such breach remains uncured for a period of thirty (30) calendar days after notice of such breach is provided by Anchorage to Client; or (ii) a Bankruptcy Event (as defined below) occurs and is continuing with respect to Client.

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“Bankruptcy Event” means the party is (i) dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (I) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (II) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (vii) (inclusive); or (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

4.3. Effect of Termination Notice. Upon termination of this Agreement, Client will pay Anchorage all Fees, as provided in the Order Form, and documented expenses for Services rendered to Client through the effective date of termination of this Agreement.

4.4. Obligations and Rights on Termination.

(a) Digital Assets. A Digital Asset will be deemed to have been returned to Client when: (i) a transfer of the Digital Asset initiated by Anchorage has received a reasonable number of confirmations on the relevant Blockchain; or (ii) via an alternative method mutually agreed upon in a prior writing between Anchorage and Client.

(b) Confidential Information and Client Data. At the Disclosing Party’s written request, the Receiving Party will return or destroy any or all of the Disclosing Party’s Confidential Information. In addition, upon Client’s written request, Anchorage will return or destroy all Client Data. Notwithstanding the foregoing, either Party may retain a copies of Confidential Information and Client Data (i) for audit, legal, accounting or compliance purposes; (ii) if included within unstructured backup files or that technically cannot be deleted; (iii) pursuant to a bona fide and consistently applied document retention policy or regular backup of data storage systems; provided, further, that in either case, any Confidential Information so retained shall remain subject to the confidentiality obligations of this Agreement (iv) as licensed pursuant to Section 3.3; or (v) as may be required by applicable Laws, including requirements of the OCC, provided that Section 8 shall continue to apply to all such retained information, notwithstanding termination of this Agreement.

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5. Fees and Taxes.

5.1. Fees.

- (a) Client will pay Anchorage the Fees for the Services as set forth in the Order Form, in any addendum or attachment to this Agreement, or as otherwise agreed in writing. Upon termination, Client shall be responsible for payment of any Fees accrued until the Client transfers all of Client's assets out of Client's Account, or until the assets are abandoned and forfeited.
- (b) Parties agree Fees for the Services as set forth in the Order Form may be amended from time to time through an amendment pursuant to Section 12.7 with a written request from the Client to Anchorage.

5.2. Invoices; Payment Terms. Anchorage will submit invoices for the Services as set forth in the Order Form. Except as otherwise set forth in the Order Form, Client agrees to pay all undisputed invoices net forty-five (45) days following receipt. If Client reasonably disputes any portion of an invoice, Client agrees, within the foregoing 45-day period, to (i) pay the undisputed amounts; and (ii) provide a detailed explanation with all supporting documentation of the basis for its dispute. The first invoice will be sent after the end of the calendar month including the Fees Commencement Date, unless otherwise agreed in writing by the Parties.

5.3. Taxes. The Fees do not include all taxes, assessments, duties, and other governmental and similar charges ("**Taxes**") that may be assessed on Client or Client's assets by governmental authorities, which are Client's sole obligation to remit unless otherwise mandated by law. Client shall be liable for all Taxes relating to any Digital Assets held on behalf of Client or any transaction related thereto. Client shall remit to Anchorage for the amount of any Tax that Anchorage is required under applicable Laws (whether by assessment or otherwise) to pay on behalf of, or in respect of activity in the Account of Client. In the event that Anchorage is required under applicable law to pay any Tax on behalf of Client, Anchorage shall promptly notify Client of the amount required and Client shall promptly transfer to Anchorage the amount necessary to pay the Tax.

6. Representations and Warranties; Disclaimers.

6.1. Mutual Representations and Warranties. Each Party represents, warrants, and covenants that: (i) it is a validly organized entity under the laws of the jurisdiction of its incorporation; (ii) it has all rights, power, and authority necessary to enter into this Agreement and perform its obligations hereunder; (iii) its performance of this Agreement, and the other Party's exercise of its rights under this Agreement, will not conflict with or result in a breach or violation of any of the terms or provisions or constitute a default under any agreement by which it is bound or any applicable Laws; (iv) it will comply with all applicable Laws in performing its obligations under this Agreement.

6.2. Anchorage Representations and Warranties. Anchorage represents, warrants and covenants as of the Effective Date and each calendar day during the Term that: (i) the Services will conform to this Agreement; (ii) it is the owner of or is duly authorized to provide all Services; (iii) it has all rights necessary to grant all the rights and licenses that it purports to grant and perform all of its obligations under this Agreement; (iv) it is not aware of any claim that the Services, and the use thereof by any Authorized Person in accordance with this Agreement, infringe upon or otherwise violate any statutory, common law or other rights of any Third Party in or to any Intellectual Property Rights therein; and (v)

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as of the Effective Date, there is no pending, threatened, or anticipated claim, suit, or proceeding affecting or that could affect Anchorage's ability to perform and fulfill its obligations under this Agreement.

In addition, Anchorage represents, warrants and covenants as of the Effective Date and each calendar day during the Term that:

- (a) Anchorage has adopted, implemented, and shall maintain and follow a reasonable risk- based sanctions compliance program ("Sanctions Program") that complies with all applicable economic sanctions laws and regulations imposed by the United States (including as administered and/or enforced by the Office of Foreign Assets Control), the United Kingdom, the European Union, the United Nations and other applicable jurisdictions (collectively "Sanctions Laws"). That Sanctions Program prevents Digital Assets, deposits, withdrawals, transfers or transactions from being directly or indirectly derived from or associated with persons, entities or jurisdictions that are the target or subject of sanctions in violation of any Sanctions Laws
- (b) Anchorage has also adopted, implemented and shall maintain and follow an anti-money laundering program ("AML Program") that complies with (i) all applicable laws and regulations relating to anti-money laundering, including the Bank Secrecy Act, as amended by the USA PATRIOT Act and the Anti-Money Laundering Act of 2020 (collectively "AML Laws"), and (ii) industry best practice. As part of its AML Program, Anchorage performs both initial and ongoing due diligence on each of its customers, as well as ongoing transaction monitoring that is designed to identify and report suspicious activity conducted through customer accounts, as required by law. The above AML controls are applied to all transactions and asset transfers conducted by Anchorage, and to all customer accounts opened at Anchorage, including any opened by authorized participants of the Client or trading counterparties of the Client (collectively known as "Counterparty Accounts") for the purpose of facilitating bitcoin or ethereum deposits to, and withdrawals from, the Client's Account.
- (c) All fund movements, whether from a public blockchain address outside Anchorage or from an account within Anchorage, into Client's Account or a Counterparty's Account at Anchorage will be sanctions screened, including with blockchain analytics software, to ensure that digital asset in kind transactions did not originate from persons, entities or jurisdictions that are the target or subject of sanctions, or associated with such persons, entities or jurisdictions, or otherwise in violation of any Sanctions Laws, prior to any onward transfer to the Client's Account(s) at Anchorage.
- (d) In the event sanctions screening results in a digital asset in-kind transaction being suspected or determined to be in violation of any Sanctions Laws, Anchorage will (a) block or reject the deposit of such bitcoin or ethereum into Client's Account or the Counterparty Account, as applicable, in accordance with applicable Sanctions Laws, and (b) promptly inform the Client if any fund movement or attempted fund movement into Client's Account, including between a Counterparty Account at Anchorage and the Client's Account(s) at Anchorage, involves the aforementioned. Furthermore, in the event of blocking, Anchorage will assess the need to segregate the assets and file a report on blocked property in accordance with applicable Sanctions Laws. Anchorage will inform the Client should it file such a report as legally permitted.
- (e) Anchorage also agrees to provide Client with (i) a quarterly report or attestation, as applicable, on the sanctions screening results of any fund movement between a Counterparty Account at Anchorage and the Client's Account(s), after the end of the calendar quarter, and (ii) to the extent permitted by law, such information as it may reasonably request, to enable Client to fulfill its

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- obligations under Sanctions Laws and AML Laws, including an annual attestation regarding Anchorage's AML Laws and Sanctions Laws controls. Client is permitted to share this report with service providers of the Client and authorized participants and trading counterparties.
- (f) Anchorage complies with all applicable Laws, including U.S. securities laws and regulations, as well as AML Laws, Sanctions Laws, banking laws, and any other laws and regulations to which it is subject.
 - (g) It possesses and will maintain, all licenses, registrations, authorizations and approvals required by any applicable government agency or regulatory authority for it to operate its business and provide the Services;
 - (h) It is and shall remain in good standing with all relevant government agencies, departments, regulatory and supervisory bodies to the extent relevant and material to its performance hereunder, and it will, to the extent permitted under applicable law and by such relevant government agency, department, regulatory and supervisory body, promptly notify Client if it ceases to be in good standing with any regulatory authority;
 - (i) It shall promptly provide information as the Client may reasonably request in writing from time to time in connection with its provision of the Services, to the extent reasonably necessary for the Client to comply with any applicable laws, rules, and regulations (including money laundering statutes, regulations and conventions of the United States or other jurisdictions), or the guidance or direction of, or request from, any regulatory authority or financial institution, in each case related to its performance hereunder and to the extent that providing such information is not prohibited by applicable law;
 - (j) It has all rights necessary to provide Client with access to the Technology Platform and any other tech/data provided by Anchorage (the "Anchorage Tech") as contemplated herein; and the intended use by Client of the Anchorage Tech as described in and in accordance with this Agreement shall not infringe, violate or misappropriate the intellectual property rights of any third party;
 - (k) Anchorage and each Anchorage Affiliate has policies and procedures in place that are designed to mitigate conflicts of interest. Anchorage and each Anchorage Affiliate will maintain appropriate and effective arrangements to eliminate or manage conflicts of interest, including segregation of duties, information barriers and training. Anchorage will notify Client, on behalf of itself and each Anchorage Affiliate, in accordance with the notice provisions hereof of changes to its or such Affiliate's business that are material to its or its Affiliate's ability to manage its conflicts of interest.
 - (l) Anchorage shall only permit the transfer of Digital Assets to Client's Account from, or withdraw assets from Client's Account to, a public wallet address on the Blockchain that Anchorage has onboarded through its AML Program and performed sanctions screening on, including with blockchain analytics software (such address, a "whitelisted address").

- 6.3. Client Representations and Warranties. The Client represents, warrants and covenants as of the Effective Date and as of each Direction from Client provided hereunder that: (i) Client is and has been for the past five (5) years or since its formation, whichever is more recent, based on a reasonable investigation and analysis of such applicable Laws, in material compliance with all applicable Laws, including but not limited to those relating to anti- money laundering, Know-Your-Customer, customer identification and similar Laws; (ii) Client shall only use the Account(s) for the purpose of custody of Digital Assets by Client as beneficial owner, and under no circumstances shall Client use or cause Account(s) to receive third party payments; (iii) any Digital Assets or fiat currency deposited into any Account are not proceeds of a crime; and (iv) Client is not directly or indirectly owned or controlled by

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any person or entity (a) included on the Specially Designated Nationals and Blocked Persons or the Consolidated Sanctions List maintained by the Office of Foreign Assets Controls (“OFAC”) or similar list maintained by any government entity from time to time; or (b) located, organized, or resident in a country or territory that is the target of sanctions imposed by OFAC or any government entity.

6.4. Anchorage Disclaimers. Except to the extent set forth in Sections 6.1 and 6.2 above, THE SERVICES ARE PROVIDED “AS IS” AND “AS AVAILABLE,” WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ANCHORAGE EXPLICITLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, AND ANY WARRANTIES ARISING OUT OF THE COURSE OF DEALING OR USAGE OF TRADE. The Parties further acknowledge and agree that Anchorage has no obligation to inquire into, and shall not be liable for any damages or other liabilities or harm to any person or entity relating to: (i) the authority of any Authorized Person to act on behalf of the Client with respect to a Digital Asset; (ii) the accuracy or completeness of any Client Data or information provided by Client or any Authorized Person with respect to a Digital Asset or Direction; or (iii) the collectability, insurability, effectiveness, marketability or suitability of any Digital Asset. Client additionally understands and agrees that Anchorage will follow the Directions from Client.

6.5. Prohibition Against Nested Transactions. Client shall not permit any transactions and/or activities of a financial institution from passing through any of the Account(s). Client shall provide Anchorage with such assurances and/or confirmation regarding Client's compliance with the foregoing prohibition as Anchorage may require, at its sole discretion from time to time, within such time frames as Anchorage may require and in form and substance acceptable to Anchorage. Should Client become aware of the use of an Account by any other financial institution, directly or indirectly, Client will promptly cause such use and/or activity to immediately cease and shall promptly notify Anchorage, in writing, of such circumstances.

7. Security Requirements; Personal Information.

7.1. Security Requirements; Personal Information. Client and Anchorage hereby agree that the Data Processing Addendum provided in Schedule C shall apply to and is hereby incorporated into this Agreement. Client will comply with and cause Authorized Persons and its Representatives to comply with the terms and conditions set forth in the Data Processing Addendum.

7.2. Breach Notifications. Anchorage agrees to use commercially reasonable efforts to notify Client of any Personal Data Breach involving Client Data within forty-eight (48) hours of becoming aware of the Personal Data Breach.

7.3. Changes in Law. To the extent that applicable data protection Laws impose any additional compliance obligations that are not sufficiently addressed in this Agreement, the Parties agree to enter into good faith discussions regarding amending this Agreement or taking such other steps as may be mutually agreed as reasonably necessary to achieve compliance with those applicable data protection Laws.

8. Confidentiality.

8.1. Use and Disclosure. The Parties acknowledge that, in the course of performance of this Agreement, it

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may be necessary for one Party ("**Disclosing Party**") to disclose or permit access to Confidential Information to the other Party ("**Receiving Party**") and its Representatives. Disclosing Party's disclosure of, or provision of access to, Confidential Information to Receiving Party's Representatives is solely for the purposes agreed to under this Agreement.

- 8.2. Confidential Treatment. Confidential Information disclosed to a Receiving Party will be held in confidence by the Receiving Party and not disclosed to others or used except as expressly permitted under this Agreement or as expressly authorized in writing by the Disclosing Party. Each Party will use the same degree of care to protect the other Party's Confidential Information as it uses to protect its own information of like nature, but in no circumstances less than reasonable care. At the Disclosing Party's written request, the Receiving Party will return or destroy any or all of the Disclosing Party's Confidential Information. Notwithstanding the foregoing, either Party may retain copies of Confidential Information and Client Data (i) for audit, legal, accounting or compliance purposes; (ii) if included within unstructured backup files or that technically cannot be deleted; (iii) pursuant to a bona fide and consistently applied document retention policy or regular backup of data storage systems; provided, further, that in either case, any Confidential Information so retained shall remain subject to the confidentiality obligations of this Agreement (iv) as licensed pursuant to Section 3.3; or (iv) as may be required by applicable Laws, including requirements of the OCC.
- 8.3. Allowances. Notwithstanding anything to the contrary in this Section 8, Confidential Information may be disclosed by a Receiving Party to its Representatives, service providers, including Vendors, and professional advisors who require it in connection with their duties in performing such Party's obligations under this Agreement and who are bound by confidentiality obligations substantially similar to those of this Agreement and which would extend to the Disclosing Party's Confidential Information. If disclosure is compelled by law, pursuant to a duly authorized subpoena, court order, or government authority, unless otherwise prohibited by law, the Receiving Party shall provide the Disclosing Party with prompt written notice to permit the Disclosing Party to seek a protective order or other appropriate remedy protecting its Confidential Information from disclosure. If disclosure is required, the Receiving Party shall limit the disclosure of the Confidential Information to only the portions required to be disclosed. Notwithstanding the foregoing, Anchorage may disclose any Confidential Information of Client to the OCC, or that is requested from, or required or appropriate to be provided to, any other state, federal, or international governmental or regulatory body with jurisdiction over Anchorage, without prior notice to Client. In addition, notwithstanding the foregoing, Anchorage may disclose the existence and terms of this Agreement in connection with an actual or prospective sale or transfer of Anchorage's assets or stock.
- 8.4. Exceptions. Except with respect to Personal Information, which will in all circumstances remain Confidential Information, obligations under this Section 8 will not apply to information which: (a) is or becomes available in the public domain without breach of this Agreement; (b) was lawfully received by the Receiving Party from a Third Party without confidentiality restrictions; (c) was known or legally in the possession of to the Receiving Party and its Representatives without confidentiality obligations prior to disclosure from the Disclosing Party; and (d) was independently developed by the Receiving Party without breach of this Agreement.

9. **Indemnification.**

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9.1. Indemnification Obligation.

- a) Client shall defend and indemnify and hold harmless Anchorage, its affiliates, and their respective officers, directors, agents, employees and representatives from and against any and all Third Party Claims and Losses arising out of or relating to Client's material breach of this Agreement, Client's violation of any law, rule or regulation related to the performance of its obligations under this Agreement, or Client's gross negligence, fraud or willful misconduct, in each case unless caused primarily by Anchorage's breach, negligence, willful misconduct, fraud, or failure to abide by the relevant standard of care as set forth in Section 10. This obligation will survive any termination of this Agreement as it relates to the Claims and Losses arising during the term of the Agreement or as it relates to activity during such term. Client shall not accept any settlement of any Claims or Losses if such settlement imposes any financial or non-financial liabilities, obligations or restrictions on, or requires an admission of guilt or wrong-doing from, any indemnified party pursuant to this Section 9.1(a), without such indemnified party's prior written consent.
- b) Anchorage shall defend and indemnify and hold harmless Client, its affiliates, and their respective officers, directors, agents, employees and representatives from and against any and all Claims and Losses to the extent arising out of or relating to Anchorage's: (i) any breach of Anchorage's confidentiality, data protection and/or information security obligations, (ii) violation of any law, rule or regulation with respect to the provision of the Services; (iii) the full amount of any Client Digital Assets lost (provided that clause (iii) will also include Claims and Losses that are direct damages to Client); (iv) gross negligence, fraud or willful misconduct; or (v) that Client's access or use of the Services, in accordance with the terms and conditions of this Agreement violates, misappropriates, or infringes upon any third party intellectual and/or industrial property rights, including patent rights, copyrights, moral rights, trademarks, trade names, service marks, trade secrets, rights in inventions (including applications for, and registrations, extensions, renewals, and re-issuances of the foregoing), in each case as it relates to the Claims and Losses arising during the term of the Agreement or as it relates to activity during such term (including, for the avoidance of doubt, any Transition Period). This obligation will survive any termination of this Agreement. Anchorage shall not accept any settlement of any Claims or Losses if such settlement imposes any financial or non-financial liabilities, obligations or restrictions on, or requires an admission of guilt or wrong-doing from, any indemnified party pursuant to this Section 9.1(b), without such indemnified party's prior written consent.

9.2. For the purposes of this Agreement:

- (a) "Claim" means any action, suit, litigation, demand, charge, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other governmental, regulatory or administrative body or any arbitrator or arbitration panel; and
- (b) "Losses" means any liabilities, damages, diminution in value, payments, obligations, losses, interest, costs and expenses, security or other remediation costs (including any regulatory investigation or third party subpoena costs, reasonable attorneys' fees, court costs, expert witness fees, and other expenses relating to investigating or defending any Claim); fines, taxes, fees, restitution, or penalties imposed by any governmental, regulatory or administrative body, interest on and additions to tax with respect to, or resulting from, Taxes imposed on Client's assets, cash, other property, or any income or gains derived therefrom; and judgments (at law or in equity) or awards of any nature.

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10. Liability.

- 10.1. LIMITATION OF LIABILITY. EXCEPT FOR ANCHORAGE'S NEGLIGENCE, WILLFUL MISCONDUCT, OR FRAUD, ANCHORAGE SHALL NOT BE LIABLE FOR ANY LOSSES, WHETHER IN CONTRACT, TORT OR OTHERWISE, INCURRED BY CLIENT, FOR ANY AMOUNT IN EXCESS OF THE GREATER OF \$5,000,000 AND FEES PAID BY CLIENT IN THE TWELVE (12) MONTHS PRIOR TO WHEN THE LIABILITY ARISES. IN THE EVENT OF A LOSS OF SOME, OR ALL OF, A CLIENT'S DIGITAL ASSETS WHICH AROSE OUT OF ANCHORAGE'S NEGLIGENCE, WILLFUL MISCONDUCT, OR FRAUD, ANCHORAGE SHALL IN THE CASE OF LOST DIGITAL ASSETS, RETURN TO CLIENT A QUANTITY OF DIGITAL ASSETS EQUAL TO THE QUANTITY OF SUCH LOST DIGITAL ASSETS.
- 10.2. DAMAGES LIMITATION. IN NO EVENT WILL A PARTY BE LIABLE FOR (I) LOSSES WHICH ARISE FROM A PARTY'S COMPLIANCE WITH APPLICABLE LAWS, INCLUDING SANCTIONS LAW ADMINISTERED BY OFAC; OR (II) SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, OR LOST PROFITS OR LOSS OF BUSINESS ARISING IN CONNECTION WITH THIS AGREEMENT. IN ADDITION TO THE FOREGOING, ANCHORAGE SHALL NOT BE LIABLE FOR ANY LOSSES WHICH ARISE AS A RESULT OF THE NON-RETURN OF DIGITAL ASSETS THAT CLIENT HAS DELEGATED TO ANCHORAGE OR A THIRD PARTY FOR ON-CHAIN SERVICES, SUCH AS STAKING, VOTING, VESTING AND SIGNALING, UNLESS SUCH LOSSES OCCUR AS A RESULT OF ANCHORAGE'S NEGLIGENCE, FRAUD, OR INTENTIONAL MISCONDUCT.

FOR THE AVOIDANCE OF DOUBT, THE LIMITATION OF LIABILITY IN THIS SECTION 10 IS A SEPARATE LIMITATION OF LIABILITY AS TO EACH CLIENT AND SHALL NOT INCLUDE ANY AMOUNT PAID BY CLIENTS IN THE AGGREGATE.

11. Dispute Resolution; Binding Arbitration.

- 11.1. Initial Resolution; Mediation. In the event of any dispute, potential claim, question, or disagreement arising from or relating to this Agreement or the breach thereof (collectively, a "**Dispute**"), the aggrieved Party shall notify the other of the aggrieved Party's intent to address and resolve the Dispute, and the specific terms of such Dispute. The Parties shall use their commercially reasonable efforts to promptly settle the Dispute. Such efforts will include, at a minimum, that executives of each Party consult, meet in person, and negotiate with each other in good faith. If the Parties do not resolve the Dispute pursuant to the foregoing paragraph within a period of 30 days following the aggrieved Party's notice, then, upon notice by either Party to the other, the Parties agree to confidentially mediate the Dispute in good faith according to the American Arbitration Association ("**AAA**") Commercial Mediation Procedures in Wilmington, Delaware or another location agreed to by the Parties. The Parties shall work in good faith with the mediator to attempt to complete the mediation within 30 days of such notice.
- 11.2. Arbitration. If the parties do not resolve the Dispute pursuant to the foregoing paragraph, then, upon notice by either Party to the other, the Dispute shall be finally settled by binding arbitration administered by the AAA in accordance with the provisions of its rules applicable to commercial disputes. The arbitration shall be conducted on a confidential basis in Wilmington, Delaware or another location agreed to by the Parties. The arbitration shall be conducted before a single arbitrator experienced in contract, finance and technology law. Any decision or award shall be in writing and shall provide an explanation for all conclusions of law and fact. The arbitrator may award the prevailing Party on each claim or defense, if any, as determined by the arbitrator, some or all of its Costs, in the arbitrator's sole discretion. "**Costs**" mean all reasonable pre-award expenses of the arbitration,

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including the arbitrators' fees, administrative fees, out-of-pocket expenses such as copying and telephone, witness fees, and reasonable attorneys' fees.

No Party shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce any agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

- 11.3. Exception for Protection of Confidential Information. The Parties each agree that the protection of Confidential Information is necessary and reasonable in order to protect the Disclosing Party and its business. The Parties each expressly agree that monetary damages would be inadequate to compensate the Disclosing Party for any breach of its Confidential Information. Accordingly, each Party agrees and acknowledges that any such violation or threatened violation would cause irreparable injury to the Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, the Disclosing Party shall be entitled to obtain injunctive relief against the threatened breach or continued breach by the Receiving Party, without the necessity of proving actual damages.
- 11.4. Annual Certificate and Report. Upon Client's written request, which shall occur no more than once per calendar year, Client shall be entitled to request that Anchorage provide a copy of its most recent Services Organization Controls ("SOC") 1 report and SOC 2 report (together, the "SOC Reports"), and promptly deliver to Client a copy thereof. The SOC Reports shall not be dated more than one year prior to such request. Anchorage reserves the right to combine the SOC 1 and SOC 2 reports into a comprehensive report. In the event that Anchorage does not deliver a SOC 1 Report or SOC 2 Report, as applicable, Client shall be entitled to terminate this Agreement.

Upon Client's written request, which request shall occur no more than once per calendar year, Anchorage shall deliver to Client a certificate signed by a duly authorized officer, which certificate shall certify that the representations and warranties of Anchorage contained in Section 11.4 of this Agreement are true and correct on and as of the date of such certificate and have been true and correct throughout the preceding year, but only to the extent that the representations and warranties of Anchorage contained in Section 11.4 are not expressly addressed in the SOC Reports.

- 11.5. Enhanced Due Diligence. Upon ninety (90) days' advance written notice by the Client, which shall occur no more than once per calendar year, Anchorage will respond to updated due diligence requests to update any initial information that Anchorage provided prior to execution of this Agreement. Pursuant to Section 1.4 of the Agreement, Client shall have access to Technology Platform which provides monthly statements that show transactions records, balances, and holdings of Client Digital Assets which can be viewed by the Client's third-party accountants or consultants via the Technology Platform or Anchorage API as described in Section 2.3 of the Agreement.

12. General Provisions.

- 12.1. Independent Contractor. It is understood by the Parties that Anchorage is an independent contractor,

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and that this Agreement does not create or constitute a partnership, joint venture, or employment relationship between the Parties.

- 12.2. No Third Party Beneficiaries. This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any Third Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement.
- 12.3. [Reserved]
- 12.4. Force Majeure. Neither Party will be liable to the other Party for the failure to perform or delay in the performance of its obligations under this Agreement to the extent such failure or delay is caused by or results from a Force Majeure Event. The affected Party will not be held liable by the other Party for such non-performance or delay as long as the fact of the occurrence of such Force Majeure Event is reasonably provable. In addition, Anchorage will not be liable to Client for any costs or expenses incurred by Client as a result of any Force Majeure Event. For the avoidance of doubt, a cybersecurity attack, hack, or other intrusion upon an Anchorage owned or controlled system, by a third party or by someone associated with Anchorage, is not a circumstance that is beyond Anchorage's reasonable control, to the extent such cybersecurity attack, hack, or other intrusion is due to Anchorage's failure to comply with its obligations under this Agreement.
- 12.5. Notices. All notices required or permitted under this Agreement will be in writing and delivered by courier, mail, electronic mail, or within the Anchorage application (except for service of legal process which shall be by courier). A Party's email addresses, or physical address may be changed from time to time by either Party by providing written notice to the other in the manner set forth above.
- 12.6. Execution in Counterparts and by Electronic Means. This Agreement may be executed in counterparts and by electronic means and the Parties agree that such electronic means and delivery will have the same force and effect as delivery of an original document with original signatures.
- 12.7. Entire Agreement; Amendment. This Agreement includes all exhibits, schedules, and attachments referenced herein, all of which are incorporated herein by this reference. This Agreement is the final, complete, and entire agreement of the Parties. There are no other promises or conditions in any other agreement, oral, or written. This Agreement supersedes and replace, as applicable, any prior promises, agreements, representations, undertakings, or implications whether made orally or in writing between the Parties related to the subject matter of this Agreement, including but not limited to, any prior Master Custody Services Agreements entered into between the Parties which shall be deemed terminated upon the execution of this Agreement. The Agreement may only be modified or amended in writing and signed by both Parties.
- 12.8. Remedies Cumulative. Each Party will have all of the rights and remedies provided by law in addition to the rights and remedies set forth in this Agreement and in any other agreement or writing between the Parties. All of a Party's rights and remedies are cumulative and may be exercised from time to time, and the pursuit of one right or remedy will not constitute an exclusive election or otherwise preclude or limit its pursuit of any other or additional right or remedy.

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- 12.9. Severability. If any provision of this Agreement will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provisions will be deemed to be written, construed and enforced as so limited.
- 12.10. Assignment. No Party may assign any of its rights under this Agreement or delegate its performance under this Agreement without the prior written consent of the other Party, such consent not to be unreasonably withheld; except that a Party may assign its rights and delegate its performance under this Agreement to: (i) any entity that acquires all or substantially all of its assets; (ii) any Affiliate that controls, is controlled by, or is under common control with Anchorage; (iii) any successor in a merger, acquisition, or reorganization, including any judicial reorganization; and (iv) any successor in a merger, acquisition, or reorganization, including any judicial reorganization, in each case provided that, in the case of an Anchorage assignment, such assignee or delegate is a “qualified custodian” under applicable Laws. In the event any assignment under Section 12.10 (i) through (iv) occurs, Client may, at its sole discretion, terminate immediately with a written notice to the new entity assuming Anchorage’s rights and obligations under this Agreement.
- 12.11. Use of Affiliates. Anchorage may use Anchorage Affiliates to provide certain Services as directed by Anchorage. Without limiting the generality of the foregoing, Anchorage hereby discloses that it is a subsidiary of Anchor Labs, Inc., which provides certain technology and administrative services to Anchorage in support of Anchorage’s provision of Services hereunder, pursuant to an Intercompany Services Agreement between Anchorage and Anchor Labs, Inc. Anchorage is, and will at all times be, responsible for the acts and omissions of its Affiliates, including Anchor Labs, Inc., and all provisions under this Agreement that are applicable to Anchorage will apply equally to its Affiliates, including Anchor Labs, Inc. For the avoidance of doubt, this section does not apply to Anchorage’s use of a Vendor, Fiat Institution, or other service provider.
- 12.12. No Waiver of Contractual Right. The failure of either Party to enforce any provision of this Agreement will not be construed as a waiver or limitation of that Party’s right to subsequently enforce and compel strict compliance with every provision of this Agreement. A waiver or consent given on one occasion is effective only in that instance and will not be construed as a bar to or waiver of any other right on any other occasion.
- 12.13. Governing Law. This Agreement will be governed by and construed exclusively in accordance with the laws of the State of New York, without regard to its conflicts of laws provisions or rules. Subject to Section 11, the Parties hereby agree to submit to the exclusive jurisdiction of any appropriate court located in New York, New York, as a forum for litigation. Each of the Parties hereto hereby waives all right to trial by jury in any lawsuit, action, proceeding or counterclaim arising out of this Agreement.
- 12.14. Insurance. Anchorage shall obtain and maintain, at its sole expense, insurance coverage in such types and amounts that are compliant with the requirements of Schedule D to this Agreement.
- 12.15. Survival. Any expiration or termination of this Agreement will not affect any accrued claims, rights or liabilities of Parties, and all provisions which must survive to fulfill their intended purposes, or by their nature are intended to survive such expiration or termination will survive, including Sections 2 - 12, and

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the Schedules.

SCHEDULE A – DEFINITIONS

“Account” means an account established in the name of, or for the benefit of a Client, in which the ownership of Digital Assets is recorded and to which Digital Assets are credited. Each Account is recorded separately on Anchorage's books and records and has one or more unique wallet addresses. An organization may have one or more Accounts, and an Account may have one or more Vaults. The Authorized Persons and Quorum requirements for each Account may differ from those of other Accounts.

“Acceptable Device” means a hardware device with software configuration set forth in Schedule B.

“Affiliate” means an entity controlling, controlled by or under common control with a Party.

“Affirmative Action” is defined as the Client's written notification to Anchorage of Client's intention: (i) to acquire and/or retain an Incidental Asset; or (ii) to abandon, with effect prior to the relevant Creation Time or Redemption Time, an Incidental Asset.

“Anchorage API” means the application programming interface, as such may be modified from time to time, made available by Anchorage as part of the Services.

“Annual Basis Points” refers to the annual rate for custody fees. Monthly Custody Fees are charged at the rate of one-twelfth of the listed annual rate.

“AUC” or “Assets Under Custody” means the average daily balance of Client Digital Assets in Anchorage's custody each month, calculated after the conclusion of each month, where the average daily balance is determined by adding each daily balance and dividing the sum of the daily balances by the number of days in such month (or in the case of the first month, by the number of days in such month following the Fees Commencement Date). Daily balances are calculated in

U.S. Dollars by applying closing prices, as provided by CryptoCompare.com at the close of each day (UTC), or if unavailable, other reliable, reputable third party pricing sources, selected at Anchorage's sole discretion, to the end of day holdings in the Account. If such source(s)' closing prices for certain Digital Assets are unavailable, or Anchorage reasonably determines that such prices are unreliable due to low or inconsistent trading volumes, Anchorage may use fixed pricing for such Digital Assets, which will be determined in Anchorage's reasonable sole discretion.

“Authenticated Instruction” means a Direction (i) regarding specific Digital Assets; (ii) to add or remove Authorized Persons; (iii) to generate or remove, or change permissions for, Anchorage API keys; or (iv) which is otherwise provided for by the Services; by (a) an Authorized Person that has received Quorum approval (where such Quorum approval is required) or (b) an authorized application using an Anchorage API key (generated by an Authorized Person). Anchorage's authentication processes and procedures will be determined by Anchorage in its sole discretion from time to time, and will include biometric authentication for each Authorized Person, which may include but are not limited to fingerprint, facial recognition, or voiceprint. Where the purpose of an

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Authenticated Instruction relates to Digital Assets, such an Authenticated Instruction is an Entitlement Order for purposes of the UCC.

“Authorized Person” means a person nominated by Client, or another party if so, contemplated by a Client Service Provider Agreement or Control Agreement, and thereafter approved by Anchorage pursuant to Section 2.1.

“Basis Point” means 1/100th of 1%.

“Blockchain” means software operating a distributed ledger which is maintained by a network of computers, and that records all transactions in a Digital Asset in theoretically unchangeable data packages known as blocks, each of which are timestamped to reference the previous block so that the blocks are linked in a chain that evidences the entire history of transactions in the Digital Asset.

“Client Data” means any or all of the following, and all copies thereof, regardless of the form or media: (i) Personal Information of Client or an Authorized Person; and (ii) any non-public data or information provided or submitted by or on behalf of Client or an Authorized Person as part of the Services.

“Confidential Information” means information and technical data, which is not generally known to the public, whether disclosed directly or indirectly, in writing, orally, or visually, that the Receiving Party knows or should know is confidential or proprietary. Examples of Confidential Information include, but are not limited to, a Party’s products, software, websites, apps, marketing plans and materials, business strategies, business methods, models, financial reports or projections, product plans and specifications, designs, processes, manuals, ideas, concepts, drawings, pricing, fees, operational plans, know-how, employee information, shareholder information, vendor information, customer information, and ownership or investor information.

“Digital Asset” means a digital representation of value that may function as a medium of exchange or medium for investment, and which is evidenced on, and can be electronically received and stored using distributed ledger technology. For the avoidance of doubt, Digital Assets held by Anchorage for the Client are “Financial Assets” for purposes of the UCC and are not assets of Anchorage.

“Direction” means any directions, instructions or requests made by Client through the Services, including but not limited to Authenticated Instructions, through the Anchorage application made by Authorized Persons, or the Anchorage API, relating to the storage or transfer of Digital Assets.

“Documentation” means all Client manuals, training and marketing materials, guides, product descriptions, product specifications, technical manuals, supporting materials, and other information relating to the Services and provided by Anchorage to Client.

“Management Fee” shall mean service fee Client charges its own customers for trust or exchange-traded funds services.

“Fee” has the meaning provided in the Order Form.

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“Fiat Services” means services related to the custody, management, and Directions related to fiat currencies owned by Client and held for Client’s benefit by Anchorage, including (i) holding Client’s fiat currency in an omnibus banking account held for the benefit of Anchorage’s clients, and (ii) transferring Client’s fiat currency as directed by Client, a Client Service Provider or other Client designee.

“Force Majeure Event” means an event occurring after the Effective Date caused by a circumstance beyond a Party’s reasonable control and that could not have been prevented or avoided by the exercise of due diligence, including, but not limited to natural catastrophes, fire, explosions, pandemic or local epidemic, war or other action by a state actor, public power outages, civil unrests and conflicts, labor strikes or extreme shortages, acts of terrorism or espionage, Domain Name System server issues outside a Party’s direct control, technology attacks (e.g., DoS, DDoS, MitM), cyberattack or malfunction on the blockchain network or protocol, or governmental action rendering performance illegal or impossible.

“Fork” means (i) that a Digital Asset network has been changed in a way that makes it incompatible with the unchanged version of the Digital Asset network, (ii) a material population of miners and/or users of the Digital Asset network accept the changes, and (iii) that the two resulting Digital Asset networks have not been merged together in a timely manner. A Fork may create two separate Digital Asset networks (each, a **“Forked Network”**), and may result in Anchorage holding an identical amount of Digital Assets associated with each Forked Network.

“Incidental Asset” is defined as any Digital Asset or other asset, and any right of Client to acquire any Digital Asset or other asset, that has arisen out of Client’s ownership of Digital Assets, whether through a Forked Network, airdrop or similar occurrence, without any action on the part of Client or its trustee or the Sponsor on its behalf..

“Intellectual Property Right(s)” means, with respect to any thing, material or work (hereinafter, a **“Work”**): any and all (i) worldwide copyrights, trademarks, trade secrets and any other intellectual property and proprietary rights and legal protections in and to such Work including but not limited to all rights under treaties and conventions and applications related to any of the foregoing; (ii) all patents, patent applications, registrations and rights to make applications and registrations for the foregoing; (iii) all goodwill associated with the foregoing; (iv) all renewals, extensions, reversions or restorations of all such rights; (v) all works based upon, derived from, or incorporating the Work; (vi) all income, royalties, damages, claims, and payments now or hereafter due or payable with respect thereto; (vii) all causes of action, either in law or in equity for past, present or future infringement based on the Work; (viii) rights corresponding to each of the foregoing throughout the world; and (ix) all the rights embraced or embodied therein, including but not limited to, the right to duplicate, reproduce, copy, distribute, publicly perform, display, license, adapt, prepare derivative works from the Work, together with all physical or tangible embodiments of the Work.

“Laws” means all United States federal, state and local laws, statutes, ordinances, regulations, rules, executive orders, circulars, opinions, agency guidance, interpretive letters and other official releases, request, or recommendation of or by any government, or any authority, department or agency thereof.

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“Monthly Custody Fee” means (Annual Basis Points x AUC)/12 as calculated using the fee table in the Order Form.

“Monthly Minimum Fee” refers to the fees as agreed by Parties in the Order Form.

“Monthly NFT Custody Fee” means as provided in the Order Form or as agreed by Client in the Anchorage Technology Platform, provided that if there is any discrepancy between such Fees, the Fees stated in the Order Form shall govern.

“NFT” or **“Non-Fungible Token”** means a digital representation of value which is evidenced in a Blockchain and is used to certify authenticity and ownership of specific Digital Assets. For all purposes of this Agreement (except where specifically addressed), NFTs are included within the definition of “Digital Asset” herein and are deemed a type of Digital Asset.

“NFT AUC” means the average daily balance of Client NFTs in Anchorage’s custody each month, calculated after the conclusion of each month, where the average daily balance is determined by adding each daily balance from the applicable month and dividing the sum of the daily balances by the number of days in such month (or in the case of the first month, by the number of days in such month following the Fees Commencement Date). Daily balances are calculated in U.S. Dollars based on the corresponding NFT collection floor price. NFT collection floor price means the lowest listed price of any NFT within a collection at a given time, as determined by Anchorage at its sole discretion, provided that such floor price may be subject to change when a reliable, reputable third party pricing source, selected at Anchorage’s sole discretion, becomes available.

“On-Chain Services” has the meaning set forth in Section 2.4.

“One-Time Onboarding Fee” refers to the fees for establishing Client as an Anchorage customer, including KYC/AML processes; one in-person training session; Authorized Person onboarding; and remote training for up to ten (10) individuals. Credit, if any, may be applied to Client Fees only above the Monthly Minimum Fee, and will be applied fully each month until the credit has been fully expended within the Initial Term. Any remaining credit after the Initial Term shall be forfeited.

“Personal Data Breach” has the meaning provided for in the Data Processing Addendum.

“Personal Information” means any information relating to an identified or identifiable individual, such as name, postal address, email address, telephone number, date of birth, Social Security number (or its equivalent), driver’s license number, account number, personal identification number, health or medical information, fingerprint, voice print, or any other unique logical or biometric identifier specific to an individual, regardless of the media in which it is contained, that is: (i) disclosed to Anchorage, its Affiliates or Anchorage Representatives by Client or an Authorized Person in anticipation of, in connection with or incidental to the Services; (ii) processed at any time by Anchorage, an Anchorage Affiliate or Anchorage Representatives in connection with or incidental to the performance of its obligations under this Agreement; or (iii) derived by Anchorage, an Anchorage Affiliate or Anchorage Representatives from the information described in (i) and (ii) above.

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“Private Key” means an alphanumeric string known only to the holder of a Digital Asset, which must be used to transact the Digital Asset represented by the corresponding Public Key.

“Public Key” means an alphanumeric string on a Blockchain that indicates ownership/possession of a specific amount of a Digital Asset by a specific network participant. The Public Key is visible to all participants in the Blockchain’s network.

“Quorum” means the minimum number of Authorized Persons required to approve a Direction which requires a quorum. Unless otherwise specified in an applicable Client Service Provider Agreement, Control Agreement, or instructions provided in connection therewith, (i) Client may designate the total number and the minimum number of Authorized Persons required to approve an Authenticated Instruction or other Direction so long as Client designates at least three (3) Authorized Persons, with at least two (2) required to approve any Direction.

“Representative” means any employees, officers, directors, representatives, contractors, and agents of a Party.

“Services” means the services related to the custody and settlement of Digital Assets provided by Anchorage to Client under this Agreement (including any attachments, schedules, exhibits, or addendums), including the Technology Platform and Support Services. “Services” also includes Fiat Services or On-Chain Services if Anchorage has offered such services to Client, and Client has accepted such services. For the avoidance of doubt, “Services” expressly excludes the provision of legal, tax, brokerage, or investment advice or recommendations.

“Support Services” means services supporting the use of the Services, including access to Anchorage Representatives for support related to Account(s), training, etc.

“Technology Platform” means the technology platform and application provided by Anchorage and made available to Client to access the Services and Account(s), including the Anchorage API, and any changes, improvements, extensions thereto or other versions thereof in order to: (i) store Client’s Digital Assets and provide related services; (ii) handle Digital Assets according to Authenticated Instructions; and (iii) determine the eligibility of Digital Assets for storage and continued storage. The Technology Platform includes but is not limited to (i) algorithms, computer programs, concepts, ideas, inventions, machines, mask works, procedures, processes, rates, security codes, and works of authorship in all cases whether or not patentable or copyrightable, that are owned or in-licensed by Anchorage or that otherwise are or have been created, developed, owned, incorporated or generated, in whole or in part, by or on behalf of Anchorage for or into or in connection with features, functions, tools or services to be provided pursuant to this Agreement, (ii) all data and other information that are or can be collected, compiled, or derived by or on behalf of Anchorage from any usage by Client or any other person of any work, invention, or other subject matter referred to in the foregoing, and (iii) any work, invention, or other subject matter that constitutes or relates to a suggestion, enhancement,

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modification, improvement, upgrade, or update regarding, or that is otherwise based on or derived from or related to, any work, invention, or other subject matter referred to in this the foregoing.

“Third Party” means a person(s) or any legal entity that is not a Party, a Representative of a Party, or an Affiliate of a Party.

“UUC” or **“Units Under Custody”** means the average daily quantity of Client Digital Assets in Anchorage’s custody each month, calculated after the conclusion of each month, where the average daily quantity is determined by adding each daily quantity and dividing the sum of the daily quantity amounts by the number of days in such month (or in the case of the first month, by the number of days in such month following the Fees Commencement Date). The first invoice will be sent after the end of the calendar month including the Fees Commencement Date, unless otherwise agreed in writing by the Parties.

“Vault” means a subdivision of an Account. Each Vault is held separately on Anchorage's books and records and may have one or more unique wallet addresses. The Authorized Persons and Quorum requirements for each Vault may differ from those of other Vaults.

“Vendor” means any Third Party retained by Anchorage or its Affiliates to provide technical or professional services used by Anchorage or its Affiliates to provide the Services to Client.

“Vesting Schedule” shall mean a schedule provided by the Token Issuer which determines when the Restricted Assets will become available for Client to withdraw from their Account or Vault.

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SCHEDULE B
Technical and Equipment Specifications

1. Acceptable Device.

As to each nominated Authorized Person, a unique iPhone with TouchID or FaceID is required for the Services and must meet the minimum iPhone model as required by Anchorage.

Note: The iPhone SE is specifically excluded from the list of compatible devices. Anchorage also reserves the right, upon notice to Client, to exclude new iPhone versions for a brief period as Anchorage deems necessary in its sole discretion (such as to ensure that the new software and/or device is operable with the Anchorage application and systems, is secure, and free from material bugs).

2. Software Specifications.

As to each Acceptable Device of each nominated Authorized Person, the operating system must meet the minimum iOS version as required by Anchorage.

3. Changes to Schedule B.

Anchorage may, in its sole discretion, amend the Acceptable Device and Software Specification requirements in this Schedule B for security or service purposes with 30 days prior written notice to Client. Upon amendment of any Acceptable Device and Software Specification requirements, as provided hereunder, Client will update and/or replace the Acceptable Device(s) as may be necessary, at its sole expense. Client understands and agrees that ongoing access to the Services will depend on compliance with Anchorage Acceptable Device and Software Specification requirements.

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SCHEDULE C
Anchor Labs Data Processing Addendum

[***]

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SCHEDULE D

Insurance

[**]

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SECOND AMENDMENT TO MASTER CUSTODY SERVICE AGREEMENT

This SECOND AMENDMENT (the “**Amendment**”) to the Master Custody Service Agreement, dated August 8, 2025 (the “**Agreement**”), is made on September 25, 2025 (“**Amendment Effective Date**”), by and between **Anchorage Digital Bank N.A.** (formerly Anchorage Trust Company, herein “**Anchorage**”) and each entity listed on the Order Form of the Agreement (each a “**Client**”) (Anchorage and Client, collectively, the “**Parties**”).

Pursuant to Section 12.7 of the Agreement, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree to amend the Agreement as follows:

1. **Amendments.**

- 1.1. Each of the following Clients are hereby added to the “Client(s)” section of the Order Form of the Agreement:

Grayscale Solana Trust (SOL), a Delaware trust company
Grayscale Ethereum Mini Trust ETF, a Delaware trust company
Grayscale Bitcoin Mini Trust ETF, a Delaware trust company

2. **Miscellaneous.**

- 2.1. Governing Law. This Amendment will be subject to the relevant governing law provision in the Agreement (as amended hereto).
- 2.2. Effect of Amendments. Except as otherwise amended herein, all other provisions of the Agreement remain in full force and effect, and any provision in the Agreement that conflicts with the terms of this Amendment shall be deemed to be amended appropriately in order to be consistent with this Amendment.
- 2.3. Capitalized Terms. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement, including without limitation Schedule A (Definitions).
- 2.4. Execution in Counterparts and by Electronic Means. This Amendment may be executed in counterparts and by electronic means, and the Parties agree that such electronic means and delivery will have the same force and effect as delivery of an original document with original signatures.

IN WITNESS WHEREOF, by their duly authorized representatives, Anchorage and Client hereby execute this Amendment as of the Amendment Effective Date.

ANCHORAGE DIGITAL BANK N.A.

By: /s/ Rachel Anderika

Name: Rachel Anderika

Title: Chief Operating Officer

ON BEHALF OF EACH CLIENT HEREIN

By: Grayscale Investments Sponsors, LLC, for itself and as Sponsor of the Clients listed in Section 1 of this Order Form, and any other Clients it sponsors from time to time.

By: /s/ Edward McGee

Name: Edward McGee

Title: Chief Financial Officer

Company: **Grayscale Investment Sponsors, LLC**

Supplemental Disclosures to the Trust's Annual Report

Each of the following risks and uncertainties shall be newly added and incorporated by reference to the section titled "Forward-Looking Statements" in the Annual Report:

- the risk that validators may suffer losses due to Staking (as defined herein), or Staking may prove unattractive to validators, which could adversely affect the Ethereum Network;
- the lack of ability to participate in Staking (as defined herein) to the extent the Staking Condition (as defined herein) is not satisfied, which could have adverse consequences for the Trust;
- the risk of loss of Ether from Staking, which could adversely affect the value of the Shares;
- the inaccessibility of staked Ether for a variable period of time, which could result in certain liquidity risks to the Trust;
- the Trust's dependence on third parties to effectively execute the Trust's Staking Arrangements (as defined herein);
- the uncertain regulatory landscape surrounding Staking; and
- potential tax liabilities for beneficial owners of Shares without receiving corresponding distributions from the Trust in connection with Staking.

The following disclosure shall be newly added and incorporated by reference into the section titled "Item 1. Business" and shall replace in its entirety the existing section "Item 1. Business—Staking" in the Annual Report :

"Staking

The Trust Agreement provides that the Trust may engage in Staking, but only if (and, then, only to the extent that) the Staking Condition has been satisfied. Subject to the Staking Condition being satisfied and subject to compliance with any additional requirements that may arise in connection with satisfaction of the Staking Condition, in the future the Sponsor may cause the Trust to stake a portion of its Ether holdings on the proof-of-stake validation mechanism of the Ethereum Network to receive Staking Consideration comprising additional Ether.

As of the date of this annual report, the Staking Condition has not been met for the Trust, and there can be no assurance as to whether or when the Staking Condition will be met for the Trust in the future. As such, the Trust currently is prohibited from engaging in Staking, and there can be no assurance that the Trust will be permitted to engage in Staking in the future. See "Risk Factors—Risk Factors Related to Staking—The Trust will not be permitted to engage in Staking unless (and, then, only to the extent that) the Staking Condition is satisfied in addition to the Trust satisfying any additional requirements that may arise in connection with the satisfaction of the Staking Condition, which could negatively affect the value of the Shares."

Staking Arrangements and Provider-Facilitated Staking Model

If and when the Staking Condition is satisfied, the Sponsor anticipates that the Trust will enter into written arrangements (the "Staking Arrangements") with the Custodian and one or more third party staking providers (each, a "Staking Provider"), which may be affiliates of the Custodian or other trusted institutional validators, to stake the Trust's to a Staking Provider operating validator software

and associated hardware (“Provider-Facilitated Staking”). The Sponsor anticipates that the Trust’s Ether will be staked exclusively by means of Provider-Facilitated Staking.

The Staking Provider will be the node operator and will be obligated to operate the validator through which the Trust’s Ether is staked to ensure that validation occurs. The Trust’s Ether would be staked directly from the Trust’s wallets administered by the Custodian, and the Staking Provider would perform any related validation activities. The Trust will retain control of its staked Ether because (1) the staked Ether will remain in the Trust’s wallet administered by the Custodian (rather than transferred to a wallet address controlled by the Staking Provider) and (2) the Trust (rather than the Staking Provider) will retain the ability through the Custodian to un-stake its Ether from the applicable smart contracts. Because staked Ether will remain in the Trust wallet administered by the Custodian, even when staked, the Trust’s Ether will not be commingled with the Ether of any other Ether holder in connection with Staking, such as the Staking Provider or others who stake to the Staking Provider. The Trust will not itself undertake any validation activities, and the Sponsor will not be required to perform any services. Moreover, the Sponsor will not be required to make any decisions or take any actions, other than (i) selecting the Staking Provider(s) and entering into the corresponding Staking Arrangement(s), and (ii) determining, from time to time, what portion of the Trust’s Ether to stake and un-stake, and informing the Staking Provider(s) of those determinations.

The Sponsor anticipates that it will engage in staking with respect to all of the Trust’s Ether at all times, except (i) as necessary to pay the Sponsor’s Fee, (ii) as necessary to pay any additional Trust expenses, (iii) as necessary to satisfy existing and reasonably foreseen potential redemption requests (assuming the Trust is then permitted to operate an ongoing redemption program) as determined by the Sponsor, (iv) as necessary to reduce the Ether obtained by the Trust as Staking Consideration to cash for distribution at regular intervals, (v) if the Sponsor determines that Staking raises significant governmental, policy or regulatory concerns or is subject or likely subject to a specialized regulatory regime, (vi) if the Sponsor determines there exists vulnerabilities in the source code or cryptography underlying the Ethereum Network, (vii) if the Custodian or Staking Provider discontinues their arrangements with the Trust, (viii) if the Sponsor otherwise determines that continued Staking of such portion of the Trust’s assets would be inconsistent with the Trust’s purpose of protecting and preserving the value of the Trust Estate, (ix) to fund or replenish the Liquidity Sleeve (as defined herein) or (x) in accordance with any other exception that is expressly contemplated by an opinion, ruling or tax guidance that satisfies the Staking Condition. All Ether received by the Trust in connection with the creation of new Shares, or as Staking Consideration, would also be staked upon receipt by the Trust, unless one or more of the exceptions described in clauses (i)-(ix) above applies. Moreover, any staked Ether which must be un-staked in order to fulfill a distribution in connection with a redemption (to the extent such distribution cannot be fulfilled utilizing the portion of the Trust’s Ether that has not been staked, or through another mechanism to manage liquidity in connection with Redemption Orders contemplated by an opinion of a Tax Advisor, a Tax Ruling or Tax Guidance that satisfies the Staking Condition) will be un-staked only after the redemption request is approved by the Trust, the Sponsor executes an un-stake or withdrawal transaction through the Custodian, and such transaction is processed by the Ethereum Network. The Staking Provider will not be able to transfer unstaked Ether or Staking Consideration to another address on the Ethereum Network. As of the date of this filing, and subject to the satisfaction of the Staking Condition, the Sponsor generally seeks to stake as much of the Trust’s Ether as is practicable (i.e., up to 100%) at all times, with the remainder of the Trust’s Ether remaining unstaked in order to address the various exceptions and other considerations described herein. The approximate percentage of the Trust’s Ether that is staked each day will be reported the following day at 4:00 p.m., New York time, on www.etfs.grayscale.com/ethe.

Under the Staking Arrangements, any Staking Consideration earned will accrue automatically on a periodic basis by the Ethereum Network to the Trust’s wallets administered by the Custodian. Periodically, the Trust will either (i) distribute Ether received as Staking Consideration to the Trust’s beneficiaries (likely using a liquidating agent), (ii) sell that Ether for cash and distribute the proceeds to the Trust’s beneficiaries, (iii) retain the Ether in the Trust, (iv) pay a portion of the Staking Consideration to the Sponsor (the “Sponsor’s Staking Portion”) as consideration for its facilitation of the Staking Arrangements or (v) a combination of the foregoing, in the Sponsor’s sole discretion. The

Sponsor expects to implement a Staking Policy with respect to the Trust, which describes the frequency of, and conditions under which the Trust will make such distributions, if any, to the Trust's beneficiaries. Subject to any slashing risk, the Trust (through the Custodian) will maintain control and remain the record and beneficial owner of the staked tokens at all times, and the tokens will remain associated with the Trust's wallet.

Security and Controls

The Trust's Custodian has multiple layers of security protocols designed to protect the Trust's assets from unauthorized access or transfer, which will remain in place when the Trust's Ether is staked.

The Trust's Ether will be staked directly from the Trust's wallets and will not be transferred to any other wallet to be staked. The Ethereum protocol (a) mandates that the executor of the staking transaction (i.e., the Sponsor on behalf of the Trust) can execute the withdraw function at any time through the Trust's wallets administered by the Custodian and (b) limits the activities of the Staking Provider to executing only those activities specified by the protocol, such as staking, un-staking and performing validation activities. Accordingly, the Staking Provider will not have any control over the Trust's staked Ether other than to stake or un-stake Ether at the direction of the Sponsor. In particular, the Staking Provider will not be authorized to leverage or rehypothecate the Trust's Ether. The Staking Provider will also not be able to change the designated wallet addresses on the Ethereum Network to which staked Ether is to be withdrawn or to which Staking Consideration shall be sent.

In addition, the proposed Staking Arrangements will not alter the Trust's current custody environment or security procedures. The Sponsor expects that the Staking Arrangements will serve as an addendum to the Custodial Services Agreement between the Trust and the Custodian, and the controls currently in place between the Sponsor and the Custodian will also govern the activities related to staking and un-staking Ether, as outlined in the Staking Arrangements."

The following disclosure shall be newly added and incorporated by reference into the section titled "Item 1. Business" and shall replace in its entirety the existing section "Item 1. Business—Description of the Shares—Voting and Approvals" in the Annual Report:

"Voting and Approvals

The shareholders take no part in the management or control of the Trust. Under the Trust Agreement, shareholders have limited voting rights. For example, in the event that the Sponsor withdraws, a majority of the shareholders may elect and appoint a successor sponsor to carry out the affairs of the Trust. The Sponsor is also permitted to certain restatements, amendments or supplements to the Trust Agreement that would materially adversely affect the interests of the shareholders as determined by the Sponsor in its sole discretion with a 20-day notice to shareholders. Additionally, the Sponsor is permitted to make certain restatements, amendments or supplements to the Trust Agreement that could adversely affect the status of the Trust as a grantor trust for U.S. federal income tax purposes, but only if only if certain conditions set forth in the amendments relating to the qualification of the Trust as a grantor trust for U.S. federal income tax purposes are satisfied. Furthermore, subject to certain limitations, the Sponsor may make any other amendments to the Trust Agreement which do not materially adversely affect the interests of the shareholders in its sole discretion without shareholder consent."

The following disclosure shall be newly added and incorporated by reference into the section titled "Item 1. Business" and shall replace in its entirety the existing section "Item 1. Business—Material U.S. Federal Income Tax Consequences" in the Annual Report:

"MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion addresses the material U.S. federal income tax consequences of the ownership of Shares. Subject to the limitations and qualifications, and based on the assumptions described herein and in the opinion letter filed as Exhibit 8.1 to the Form 8-K filed on September 26, 2025, of which this Exhibit 99.1 forms a part, the statements of law and legal conclusions set forth in the following discussion constitute the opinion of Davis Polk & Wardwell LLP (“Davis Polk”) as to the material U.S. federal income tax consequences of the ownership and disposition of Shares that generally may apply to a “U.S. Holder” or a “non-U.S. Holder” (in each case, as defined below). This discussion does not describe all of the tax consequences that may be relevant to a beneficial owner of Shares in light of the beneficial owner’s particular circumstances, including tax consequences applicable to beneficial owners subject to special rules, such as:

- financial institutions;
- dealers in securities or commodities;
- traders in securities or commodities that have elected to apply a mark-to-market method of tax accounting in respect thereof;
- persons holding Shares as part of a hedge, “straddle,” integrated transaction or similar transaction;
- Authorized Participants (as defined below);
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;
- entities or arrangements classified as partnerships for U.S. federal income tax purposes;
- real estate investment trusts;
- regulated investment companies; and
- tax-exempt entities, including individual retirement accounts.

This discussion applies only to Shares that are held as capital assets and does not address alternative minimum tax consequences or consequences of the Medicare contribution tax on net investment income.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding Shares and partners in those partnerships are urged to consult their tax advisers about the particular U.S. federal income tax consequences of owning Shares.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations as of the date hereof, changes to any of which subsequent to the date hereof may affect the tax consequences described herein. For the avoidance of doubt, this summary does not discuss any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction. Shareholders are urged to consult their tax advisers about the application of the U.S. federal income tax laws to their particular situations, as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Tax Treatment of the Trust

The Sponsor intends to take the position that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes. Assuming that the Trust is a grantor trust, the Trust will not be subject to U.S. federal income tax. Rather, if the Trust is a grantor trust, each beneficial owner of Shares will be treated as directly owning its *pro rata* share of the Trust’s assets and a *pro rata* portion of the Trust’s income, gains, losses and deductions will “flow through” to each beneficial owner of Shares.

Although not free from doubt due to the lack of authority directly addressing certain aspects of the Trust's affairs, and based on the assumption that the Staking Condition will be satisfied before the Trust engages in any staking activity, in the opinion of Davis Polk the Trust should be classified as a "grantor trust" for U.S. federal income tax purposes. However, there can be no complete assurance that the Trust will be treated as a grantor trust for those purposes. An opinion of counsel is not binding on the IRS or any court, and there are significant uncertainties regarding the application of existing authorities to certain aspects of Ether and the Trust.

In particular, if the Staking Condition is satisfied, the Sponsor intends to continue to take the position that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes and that any Staking activity undertaken by the Trust in compliance with the opinion, ruling or other guidance relied upon to satisfy the Staking Condition will not prevent the Trust from continuing to qualify as a grantor trust for such purposes. However, due to the uncertainty regarding the ability of a grantor trust to engage in Staking activities, there can be no assurance that the IRS or any court would agree with this position (or with any opinion of counsel delivered to the Sponsor in support thereof). Accordingly, if the Trust satisfies the Staking Condition, the Trust might cease to qualify as a grantor trust for U.S. federal income tax purposes.

The Trust has taken certain positions with respect to the tax consequences of Incidental Rights and its receipt of IR Virtual Currency. If the IRS were to disagree with, and successfully challenge, any of these positions, the Trust might not qualify as a grantor trust. The Pre-Creation/Redemption Abandonment Notices provide that the Trust will abandon irrevocably, for no direct or indirect consideration, effective immediately prior to each Creation Time and Redemption Time, all Incidental Rights or IR Virtual Currency to which it would otherwise be entitled as of such time and with respect to which it has not taken any Affirmative Action at or prior to such time. Prospectively, the Sponsor has committed to causing the Trust to irrevocably abandon all Incidental Rights and IR Virtual Currency to which the Trust might otherwise become entitled. There can be no complete assurance that these abandonments will be treated as effective for U.S. federal income tax purposes. If the Trust were treated as owning any asset other than Ether as of any date on which it creates or redeems Shares, it might cease to qualify as a grantor trust for U.S. federal income tax purposes.

In addition, and in common with other spot digital asset exchange-traded products, at this time the Trust is not permitted to create or redeem Shares via in-kind transactions with Authorized Participants. Unless and until In-Kind Regulatory Approval is obtained, Baskets will be created or redeemed only through Cash Orders. In general, investment vehicles intended to be treated as grantor trusts for U.S. federal income tax purposes historically have created additional trust interests only in kind, and there is no authority directly addressing whether a grantor trust may create or redeem trust interests under procedures similar to those that govern Cash Orders. Accordingly, there can be no complete assurance that the creation or redemption of Shares under the procedures governing Cash Orders will not cause the Trust to fail to qualify as a grantor trust for U.S. federal income tax purposes.

Moreover, because of the evolving nature of digital assets, it is not possible to predict potential future developments that may arise with respect to digital assets, including forks, airdrops and other similar occurrences. Assuming that the Trust is currently a grantor trust for U.S. federal income tax purposes, certain future developments could render it impossible, or impracticable, for the Trust to continue to be treated as a grantor trust for such purposes.

If the Trust is not properly classified as a grantor trust, the Trust might be classified as a partnership for U.S. federal income tax purposes. However, due to the uncertain treatment of digital assets for U.S. federal income tax purposes, there can be no assurance in this regard. If the Trust were classified as a partnership for U.S. federal income tax purposes, the tax consequences of owning Shares generally would not be materially different from the tax consequences described herein, although there might be certain differences, including with respect to timing of the recognition of taxable income or loss. In addition, tax information reports provided to beneficial owners of Shares would be made in a different form. Moreover, it is possible, in that case, that a portion of the Trust's income would be considered to be "effectively connected" with the conduct of a trade or business in the United States and, accordingly, a non-U.S. person owning Shares could be

subject to U.S. federal income tax on a net income basis with respect to that “effectively connected” income and be required to file a U.S. tax return. If the Staking Condition was satisfied and none of the Trust’s Staking income were considered to be “effectively connected” income, a non-U.S. person owning Shares likely would be subject to withholding on its pro rata portion of U.S.-source income from the Trust’s Staking activities as described below. Tax-exempt Shareholders may also recognize UBTI from the Trust’s Staking activities if the Trust is not treated as a corporation for U.S. federal income tax purposes.

If the Trust were not classified as either a grantor trust or a partnership for U.S. federal income tax purposes, it would be classified as a corporation for such purposes. In that event, the Trust would be subject to entity-level U.S. federal income tax (currently at the rate of 21%) on its net taxable income and certain distributions made by the Trust to shareholders would be treated as taxable dividends to the extent of the Trust’s current and accumulated earnings and profits. Any such dividend distributed to a beneficial owner of Shares that is a non-U.S. person for U.S. federal income tax purposes would be subject to U.S. federal withholding tax at a rate of 30% (or such lower rate as provided in an applicable tax treaty).

The remainder of this discussion is based on the assumption that the Trust will be treated as a grantor trust for U.S. federal income tax purposes.

Uncertainty Regarding the U.S. Federal Income Tax Treatment of Digital Assets

Each beneficial owner of Shares will be treated for U.S. federal income tax purposes as the owner of an undivided interest in the Ether (and any Incidental Rights, IR Virtual Currency and/or, if the Staking Condition is satisfied, Staking Consideration) held in the Trust. Due to the new and evolving nature of digital assets and the absence of comprehensive guidance with respect to digital assets, many significant aspects of the U.S. federal income tax treatment of digital assets are uncertain.

In 2014, the Internal Revenue Service (“IRS”) released a notice (the “Notice”) discussing certain aspects of the treatment of “convertible virtual currency” (that is, digital assets that have an equivalent value in fiat currency or that act as substitutes for fiat currency) for U.S. federal income tax purposes. In the Notice, the IRS stated that, for U.S. federal income tax purposes, such digital assets (i) are “property,” (ii) are not “currency” for purposes of the provisions of the Code relating to foreign currency gain or loss and (iii) may be held as a capital asset. In 2019, the IRS released a revenue ruling and a set of “Frequently Asked Questions” (the “Ruling & FAQs”) that provide some additional guidance, including guidance to the effect that, under certain circumstances, hard forks of digital assets are taxable events giving rise to ordinary income and guidance with respect to the determination of the tax basis of digital assets. Moreover, in 2023, the IRS released a revenue ruling that provided guidance on digital assets staking, including guidance to the effect that staking rewards will, under certain circumstances, be treated as giving rise to taxable income (the “Staking Guidance”). However, the Notice, the Ruling & FAQs and the Staking Guidance do not address other significant aspects of the U.S. federal income tax treatment of digital assets. For example, for a non-U.S. Holder, there currently is no guidance directly addressing whether or in what circumstances engaging in certain activities to generate yield on digital assets, including Staking, could give rise to income that is effectively connected with a trade or business in the United States. Moreover, although the Ruling & FAQs address the treatment of hard forks, there continues to be significant uncertainty with respect to the timing and amount of the income inclusions. While the Ruling & FAQs do not address most situations in which airdrops occur, it is clear from the reasoning of the Ruling & FAQs that the IRS generally would treat an airdrop as a taxable event giving rise to ordinary income.

There can be no assurance that the IRS will not alter its position with respect to digital assets in the future or that a court would uphold the treatment set forth in the Notice and the Ruling & FAQs and the Staking Guidance. It is also unclear what additional guidance on the treatment of digital assets for U.S. federal income tax purposes may be issued in the future. Any such alteration of the current IRS positions or additional guidance could result in adverse tax consequences for shareholders and could have an adverse effect on the prices of digital assets, including the price of Ether in the Digital Asset Market, and therefore could have an adverse effect on the value of Shares. Future developments

that may arise with respect to digital assets may increase the uncertainty with respect to the treatment of digital assets for U.S. federal income tax purposes. For example, the Notice addresses only digital assets that are “convertible virtual currency,” and it is conceivable that, as a result of a fork, airdrop or similar occurrence, a Trust could hold certain types of digital assets that are not within the scope of the Notice, in the event the Sponsor seeks to change the Trust’s policy with respect to Incidental Rights or IR Virtual Currency, subject to NYSE Arca obtaining regulatory approval from the SEC.

The remainder of this discussion assumes that Ether, and any Incidental Rights, IR Virtual Currency or, if the Staking Condition is satisfied, Staking Consideration that the Trust may hold, is properly treated for U.S. federal income tax purposes as property that may be held as a capital asset and that is not currency for purposes of the provisions of the Code relating to foreign currency gain and loss.

Shareholders are urged to consult their tax advisers regarding the tax consequences of an investment in the Trust and in digital assets in general, including, in the case of shareholders that are generally exempt from U.S. federal income taxation, whether such shareholders may recognize “unrelated business taxable income” (“UBTI”) as a consequence of a fork, airdrop or similar occurrence or, if the Staking Condition is satisfied, Staking.

Tax Consequences to U.S. Holders

As used herein, the term “U.S. Holder” means a beneficial owner of a Share for U.S. federal income tax purposes that is:

- an individual who is a citizen or resident of the United States for U.S. federal income tax purposes;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or of any political subdivision thereof; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Except as specifically noted, the discussion below assumes that each U.S. Holder will acquire all of its Shares on the same date for the same price per Share and solely for cash (or, if In-Kind Regulatory Approval is obtained in the future, solely for Ether that were originally acquired by the U.S. Holder for cash on the same date).

As discussed in the section entitled “Description of Creation and Redemption of Shares,” if In-Kind Regulatory Approval is obtained in the future, a U.S. Holder may be able to acquire Shares of the Trust by contributing Ether in kind to the Trust (either directly or through an Authorized Participant acting as agent of the U.S. Holder). Assuming that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes, such a contribution should not be a taxable event to the U.S. Holder. m

For U.S. federal income tax purposes, each U.S. Holder will be treated as owning an undivided interest in the Ether held in the Trust and will be treated as directly realizing its pro rata share of the Trust’s income, gains, losses and deductions (including, if the Staking Condition is satisfied, any staking income). When a U.S. Holder purchases Shares solely for cash, (i) the U.S. Holder’s initial tax basis in its pro rata share of the Ether held in the Trust will be equal to the amount paid for the Shares and (ii) the U.S. Holder’s holding period for its pro rata share of such Ether will begin on the date of such purchase. If, in the future, In-Kind Regulatory Approval is obtained and a U.S. Holder acquires Shares in exchange for Ether, (i) the U.S. Holder’s initial tax basis in its pro rata share of the Ether held in the Trust would be equal to the U.S. Holder’s tax basis in the Ether that the U.S. Holder transferred to the Trust and (ii) the U.S. Holder’s holding period for its pro rata share of such Ether generally would include the period during which the U.S. Holder held the Ether that the U.S. Holder transferred to the Trust. The Ruling & FAQs confirm that if a taxpayer acquires tokens of a digital

asset at different times and for different prices, the taxpayer has a separate tax basis in each lot of such tokens. Under the Ruling & FAQs, if, in the future, In-Kind Regulatory Approval is obtained and a U.S. Holder that owns more than one lot of Ether contributes a portion of its Ether to the Trust in exchange for Shares, the U.S. Holder could designate the lot(s) from which such contribution will be made, provided that the U.S. Holder is able to identify specifically which Ether it is contributing and to substantiate its tax basis in those Ether. In general, if a U.S. Holder acquires Shares (i) solely for cash at different prices or (ii) if In-Kind Regulatory Approval is obtained, (a) partly for cash and partly in exchange for a contribution of Ether or (b) in exchange for a contribution of Ether with different tax bases, the U.S. Holder's share of the Trust's Ether will consist of separate lots with separate tax bases. In addition, in this situation, the U.S. Holder's holding period for the separate lots may be different. In addition, if the Staking Condition is satisfied, any Ether received as part of Staking Consideration that the Trust acquires will constitute a separate lot with a separate tax basis and holding period.

Gains or losses from the sale of Ether to fund cash redemptions are expected to be treated as incurred only by the shareholder that is being redeemed. However, when the Trust transfers Ether to the Sponsor as payment of the Sponsor's Fee (or, to the extent that the Staking Condition is satisfied, the Sponsor's Staking Portion) or sells Ether to fund payment of any Additional Trust Expenses, each U.S. Holder will be treated as having sold its *pro rata* share of those Ether for their fair market value at that time (which, in the case of Ether sold by the Trust, generally will be equal to the cash proceeds received by the Trust in respect thereof). As a result, each U.S. Holder will recognize gain or loss in an amount equal to the difference between (i) the fair market value of the U.S. Holder's *pro rata* share of the Ether transferred and (ii) the U.S. Holder's tax basis for its *pro rata* share of the Ether transferred. Any such gain or loss will be short-term capital gain or loss if the U.S. Holder's holding period for its *pro rata* share of the Ether is one year or less and long-term capital gain or loss if the U.S. Holder's holding period for its *pro rata* share of the Ether is more than one year. A U.S. Holder's tax basis in its *pro rata* share of any Ether transferred by the Trust generally will be determined by multiplying the tax basis of the U.S. Holder's *pro rata* share of all of the Ether held in the Trust immediately prior to the transfer by a fraction the numerator of which is the amount of Ether transferred and the denominator of which is the total amount of Ether held in the Trust immediately prior to the transfer. Immediately after the transfer, the U.S. Holder's tax basis in its *pro rata* share of the Ether remaining in the Trust will be equal to the tax basis of its *pro rata* share of the Ether held in the Trust immediately prior to the transfer, less the portion of that tax basis allocable to its *pro rata* share of the Ether transferred.

As noted above, the IRS has taken the position in the Ruling & FAQs that, under certain circumstances, a hard fork of a digital asset constitutes a taxable event giving rise to ordinary income, and it is clear from the reasoning of the Ruling & FAQs that the IRS generally would treat an airdrop as a taxable event giving rise to ordinary income. As described above, the Sponsor has committed to causing the Trust to abandon all Incidental Rights and IR Virtual Currency to which the Trust otherwise might become entitled. If, however, the Trust were to receive and retain IR Virtual Currency in the future, a U.S. Holder would have a basis in that IR Virtual Currency equal to the amount of income the U.S. Holder recognizes as a result of such fork or airdrop and the U.S. Holder's holding period for such IR Virtual Currency would begin as of the time it recognizes such income. Similarly, although the IRS has not issued similar guidance with respect to staking, if the Staking Condition is satisfied and the Trust were to receive any Staking Consideration in connection with Staking, it is likely that a U.S. Holder will have a basis in any Ether received as part of such Staking Consideration equal to the amount of income that the U.S. Holder recognizes and the U.S. Holder's holding period for such Staking Consideration will begin as of the time it recognizes such income.

U.S. Holders' *pro rata* shares of the expenses incurred by the Trust will be treated as "miscellaneous itemized deductions" for U.S. federal income tax purposes. As a result, a non-corporate U.S. Holder's share of these expenses will not be deductible for U.S. federal income tax purposes.

On a sale or other disposition of Shares, a U.S. Holder will be treated as having sold the Ether underlying such Shares. Accordingly, the U.S. Holder generally will recognize gain or loss in an amount equal to the difference between (i) the amount realized on the sale of the Shares and (ii) the portion of the U.S. Holder's tax basis in its pro rata share of the Ether held in the Trust that is attributable to the Shares that were sold or otherwise subject to a disposition. Such tax basis generally will be determined by multiplying the tax basis of the U.S. Holder's *pro rata* share of all of the Ether held in the Trust immediately prior to such sale or other disposition by a fraction the numerator of which is the number of Shares disposed of and the denominator of which is the total number of Shares held by such U.S. Holder immediately prior to such sale or other disposition (such fraction, expressed as a percentage, the "Share Percentage"). If the U.S. Holder's share of the Trust's Ether consists of separate lots with separate tax bases and/or holding periods, the U.S. Holder will be treated as having sold the Share Percentage of each such lot. Gain or loss recognized by a U.S. Holder on a sale or other disposition of Shares will generally be short-term capital gain or loss if the U.S. Holder's holding period for the Ether underlying such Shares is one year or less and long-term capital gain or loss if the U.S. Holder's holding period for the Ether underlying such Shares is more than one year. The deductibility of capital losses is subject to significant limitations.

If, in the future, In-Kind Regulatory Approval is obtained and the Trust redeems all or portion of a U.S. Holder's Shares in exchange for the underlying Ether represented by the redeemed Shares, such redemption generally would not be a taxable event to the U.S. Holder. The U.S. Holder's tax basis in the Ether received in the redemption generally would be the same as the U.S. Holder's tax basis for the portion of its pro rata share of the Ether held in the Trust immediately prior to the redemption that was attributable to the Shares redeemed, determined as described above, and the U.S. Holder's tax basis in its remaining pro rata portion, if any, of the Ether held in the Trust after the redemption would be equal to the tax basis of its pro rata share of the total amount of the Ether held in the Trust immediately prior to the redemption, less the U.S. Holder's tax basis in the Ether received in the redemption. The U.S. Holder's holding period with respect to the Ether received would generally include the period during which the U.S. Holder held the Shares so redeemed. A subsequent sale of the Ether received in such redemption would generally be a taxable event.

After any sale or other disposition of fewer than all of a U.S. Holder's Shares, the U.S. Holder's tax basis in its pro rata share of the Ether held in the Trust immediately after the disposition will equal the tax basis in its pro rata share of the total amount of the Ether held in the Trust immediately prior to the disposition, less the portion of that tax basis that is taken into account in determining the amount of gain or loss recognized by the U.S. Holder on the disposition (or, in the case of a redemption pursuant to an In-Kind Order, if In-Kind Regulatory Approval is obtained, the portion of tax basis that is treated as the basis of the Ether received by the U.S. Holder in the redemption).

Any brokerage or other transaction fee incurred by a U.S. Holder in purchasing Shares generally will be added to the U.S. Holder's tax basis in the underlying assets of the Trust. Similarly, any brokerage fee or other transaction fee incurred by a U.S. Holder in selling Shares generally will reduce the amount realized by the U.S. Holder with respect to the sale.

If the Staking Condition is satisfied and the Trust receives Staking Consideration, likely in the form of new Ether, any such Staking Consideration received by the Trust would be reportable to Shareholders as taxable income under current IRS guidance.

In the absence of guidance to the contrary, it is possible that any income recognized by a U.S. tax-exempt shareholder as a consequence of a hard fork, airdrop or similar occurrence or, if the Staking Condition is satisfied, Staking would constitute UBTI. A tax-exempt shareholder should consult its tax adviser regarding whether such shareholder may recognize some UBTI as a consequence of an investment in Shares.

Tax Consequences to Non-U.S. Holders

As used herein, the term "non-U.S. Holder" means a beneficial owner of a Share for U.S. federal income tax purposes that is not a U.S. Holder. The term "non-U.S. Holder" does not include

(i) a nonresident alien individual who is present in the United States for 183 days or more in a taxable year, (ii) a former U.S. citizen or U.S. resident or an entity that has expatriated from the United States; (iii) a person whose income in respect of Shares is effectively connected with the conduct of a trade or business in the United States; or (iv) an entity that is treated as a partnership for U.S. federal income tax purposes. Shareholders described in the preceding sentence should consult their tax advisers regarding the U.S. federal income tax consequences of owning Shares.

A non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax with respect to its share of any gain recognized on the Trust's transfer of Ether in payment of the Sponsor's Fee, the Sponsor's Staking Portion (to the extent that the Staking Condition is satisfied) or any Additional Trust Expense or on the Trust's sale or other disposition of Ether. In addition, assuming that the Trust holds no asset other than Ether, a non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax with respect to any gain it recognizes on a sale or other disposition of Shares. A non-U.S. Holder also will generally not be subject to U.S. federal income or withholding tax with respect to any distribution received from the Trust, whether in cash or in kind.

Provided that it does not constitute income that is treated as "effectively connected" with the conduct of a trade or business in the United States, U.S.-source "fixed or determinable annual or periodical" ("FDAP") income received, or treated as received, by a non-U.S. Holder will generally be subject to U.S. withholding tax at the rate of 30% (subject to possible reduction or elimination pursuant to an applicable tax treaty and to statutory exemptions such as the portfolio interest exemption). Although the Sponsor has committed to causing the Trust to abandon all Incidental Rights and IR Virtual Currency to which the Trust may become entitled in the future, and although there is no guidance on point, if the Trust were to receive and retain IR Virtual Currency arising from a future fork, airdrop or similar occurrence, it is likely that any ordinary income recognized by a non-U.S. Holder as a result would constitute FDAP income. It is also possible that, if the Staking Condition is satisfied, the receipt of any Staking Consideration by the Trust would constitute FDAP income. It is unclear, however, whether any such FDAP income would be properly treated as U.S.-source or foreign-source FDAP income. Non-U.S. Holders should assume that, in the absence of guidance, a withholding agent (including the Sponsor) is likely to withhold 30% from a non-U.S. Holder's *pro rata* share of any such income. A non-U.S. Holder that is a resident of a country that maintains an income tax treaty with the United States may be eligible to claim the benefits of that treaty to reduce or eliminate, or to obtain a partial or full refund of, the 30% U.S. withholding tax on its share of any such income, but only if the non-U.S. Holder's home country treats the Trust as "fiscally transparent," as defined in applicable Treasury regulations.

In order to prevent the possible imposition of U.S. "backup" withholding and (if applicable) to qualify for a reduced rate of withholding tax at source under a treaty, a non-U.S. Holder must comply with certain certification requirements (generally, by delivering a properly executed IRS Form W-8BEN or W-8BEN-E to the relevant withholding agent).

U.S. Information Reporting and Backup Withholding

The Trust or the appropriate broker will file certain information returns with the IRS and provide shareholders with information regarding their annual income (if any) and expenses with respect to the Trust in accordance with applicable Treasury regulations.

A U.S. Holder will generally be subject to information reporting requirements and backup withholding unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. In order to avoid the information reporting and backup withholding requirements, a non-U.S. Holder may have to comply with certification procedures to establish that it is not a U.S. person. The amount of any backup withholding will be allowed as a credit against the shareholder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is furnished to the IRS.

FATCA

As discussed above, it is unclear whether any ordinary income recognized by a non-U.S. Holder as a result of a fork, airdrop or similar occurrence or staking would constitute U.S.-source FDAP income. Provisions of the Code commonly referred to as “FATCA” require withholding of 30% on payments of U.S.-source FDAP income and, subject to the discussion of proposed U.S. Treasury regulations below, of gross proceeds of dispositions of certain types of property that produce U.S.-source FDAP income to, “foreign financial institutions” (which is broadly defined for this purpose and in general includes investment vehicles) and certain other non-U.S. entities unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied, or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. In addition, regulations proposed by the U.S. Treasury Department (the preamble to which indicates that taxpayers may rely on the regulations pending their finalization) would eliminate the requirement under FATCA of withholding on gross proceeds. If FATCA withholding is imposed, a beneficial owner that is not a foreign financial institution generally may obtain a refund of any amounts withheld by filing a U.S. federal income tax return (which may entail significant administrative burden). Shareholders should consult their tax advisers regarding the effects of FATCA on an investment in the Trust.”

Each of the following summary risk factors shall be newly added and incorporated by reference to the section titled “Item 1A. Risk Factors—Summary of Risk Factors” in the Annual Report:

- Validators may suffer losses due to Staking, or Staking may prove unattractive to validators, which could adversely affect the Ethereum Network;
- To the extent the Staking Condition is not satisfied, the lack of ability to participate in Staking could have adverse consequences for the Trust;
- Staking introduces a risk of loss of Ether, which could adversely affect the value of the Shares;
- Staked Ether will be inaccessible for a variable period of time, determined by a range of factors, which could result in certain liquidity risk to the Trust;
- The Trust will be dependent on third parties to effectively execute the Trust’s Staking Arrangements;
- The regulatory landscape surrounding Staking is uncertain;
- If the Staking Condition is satisfied, beneficial owners of Shares could incur tax liabilities without receiving corresponding distributions from the Trust;

The following disclosure shall be newly added and incorporated by reference into the section titled “Item 1. Business—Risk Factors” in the Annual Report:

“Risk Factors Related to Staking

The Trust will not be permitted to engage in Staking unless (and, then, only to the extent that) the Staking Condition is satisfied in addition to the Trust satisfying any additional requirements that may arise in connection with the satisfaction of the Staking Condition, which could negatively affect the value of the Shares.

The Trust currently is prohibited from engaging in Staking, and there can be no assurance that the Trust will be permitted to engage in Staking in the future. The Trust Agreement provides that

the Trust may engage in Staking, but only if (and, then, only to the extent that) the Staking Condition has been satisfied. As of the date of this prospectus, the Staking Condition has not been met for the Trust, and there can be no assurance as to whether or when the Staking Condition will be met for the Trust in the future.

Subject to the Staking Condition being satisfied and subject to compliance with certain related requirements, in the future the Trust may stake a portion of its Ether holdings on the proof-of-stake validation mechanism of the Ethereum Network to receive Staking Consideration. However, as long as the Staking Condition and any related requirements have not been satisfied the Trust will not stake any portion of its Ether holdings the proof-of-stake validation mechanism of the Ethereum Network to receive Staking Consideration. The current inability of the Trust to engage in Staking and receive such Staking Consideration could place the Shares at a comparative disadvantage relative to an investment in Ether directly or through a vehicle that is not subject to such a prohibition, which could negatively affect the value of the Shares.

Staking introduces a risk of loss of Ether, which could adversely affect the value of the Shares.

Staking introduces a risk of loss of Ether. None of the Trust's assets, including potentially staked assets, are subject to the protections enjoyed by depositors or customers of institutions with FDIC or Securities Investor Protection Corporation membership.

The Ethereum Network may impose penalties (i.e., "slashing") if a validator commits malicious acts related to the validation of blocks with invalid transactions. Currently on the Ethereum Network, slashing generally operates theoretically possible by social consensus, rather than being automatically applied by the protocol's code. The Ethereum community generally aspires to slash 100% of staked assets in cases where an Ethereum node is maliciously trying to violate safety rules and 0% during routine operations. As a result, there is currently no automatic slashing in the Ethereum Network. Rather, for regular consensus, after a safety violation, the Ethereum Network will halt. The validators will analyze the data prior to the halt to determine who was responsible and propose that the stake of the malicious actors responsible for the safety violation should be slashed after restart, typically 100% of their stake. Future protocol upgrades may include the implementation of automated slashing mechanisms, where penalties would be triggered and enforced directly by the network code without requiring social coordination. As of July 2025, there have been no slashing events on the Ethereum Network.

There can be no guarantee that slashing penalties and resulting losses will not occur as a result of the activities of a Staking Provider. Furthermore, a Staking Provider's liability to the Trust is expected to be limited, and a Staking Provider may lack the assets or insurance in order to support the recovery of any losses incurred. While the Staking Arrangements may provide for indemnification up to a specified cap, slashing insurance or other reimbursement programs, there can be no guarantee that the Trust would recover any of its staked assets, or the value thereof, if it is subject to penalties imposed by the Ethereum Network.

Staked Ether will be inaccessible for a variable period of time, determined by a range of factors, which could result in certain liquidity risk to the Trust.

Under current Ethereum Network protocols, staked Ether are permitted to be un-staked by the holder of the private keys for the withdrawal address of such Ether. However, as part of the "activating" and "exiting" processes of staking, staked Ether will be inaccessible for a variable period of time determined by a range of factors, including network congestion, resulting in certain liquidity risks that the Sponsor plans to manage. "Activation" is the funding of a validator to be included in the active set, thereby allowing the validator to participate in the Ethereum Network's proof-of-stake consensus protocol. "Exit" is the request to exit from the active set and no longer participate in the Ethereum Network's proof-of-stake consensus protocol. As part of these "activating" and "exiting" processes of staking on the Ethereum Network, any staked Ether will be inaccessible for a period of time. The duration of activating and exiting periods are dependent on a

range of factors, including network conditions. However, depending on demand, un-staking can take between hours, days or weeks to complete. This can result in certain liquidity risk to the Trust, which the Sponsor will seek to manage through a range of risk management methods.

The Sponsor anticipates that it will engage in staking with respect to all of the Trust's Ether at all times, except (i) as necessary to pay the Sponsor's Fee, (ii) as necessary to pay any additional Trust expenses, (iii) as necessary to satisfy existing and reasonably foreseen potential redemption requests (assuming the Trust is then permitted to operate an ongoing redemption program) as determined by the Sponsor, (iv) as necessary to reduce the Ether obtained by the Trust as Staking Consideration to cash for distribution at regular intervals, (v) if the Sponsor determines that Staking raises significant governmental, policy or regulatory concerns or is subject or likely subject to a specialized regulatory regime, (vi) if the Sponsor determines there exists vulnerabilities in the source code or cryptography underlying the Ethereum Network, (vii) if the Custodian or Staking Provider discontinues their arrangements with the Trust, (viii) if the Sponsor otherwise determines that continued Staking of such portion of the Trust's assets would be inconsistent with the Trust's purpose of protecting and preserving the value of the Trust Estate, (ix) to fund or replenish the Liquidity Sleeve or (x) in accordance with any other exception that is expressly contemplated by an opinion, ruling or tax guidance that satisfies the Staking Condition. All Ether received by the Trust in connection with the creation of new Shares, or as Staking Consideration, would also be staked upon receipt by the Trust, unless one or more of the exceptions described in clauses (i)-(ix) above applies. As of the date of this filing, and subject to the satisfaction of the Staking Condition, the Sponsor generally seeks to stake as much of the Trust's Ether as is practicable (i.e., up to 100%) at all times, with the remainder of the Trust's Ether remaining unstaked in order to address the various exceptions and other considerations described herein. The approximate percentage of the Trust's Ether that is staked each day will be reported the following day at 4:00 p.m., New York time, on www.etfs.grayscale.com/ethe.

Assuming that the Trust is then permitted to operate an ongoing redemption program, due to the time involved in "exiting" the staking process, there is a risk that the Trust could become unable to timely meet excessive redemption requests in amounts that are greater than the portion of the Trust's Ether that remains un-staked, leading to temporary delays in settlement and, in extreme scenarios, the temporary unavailability of the Trust's redemption program. Moreover, any staked Ether which must be un-staked in order to fulfill a redemption (to the extent such redemption cannot be fulfilled utilizing the portion of the Trust's Ether that has not been staked, or through another mechanism to manage liquidity in connection with Redemption Orders contemplated by an opinion of a Tax Advisor, a Tax Ruling or Tax Guidance that satisfies the Staking Condition) will be un-staked only after the redemption request is approved by the Trust, the Sponsor executes an un-stake or withdrawal transaction through the Custodian, and such transaction is processed by the Ethereum Network. The Staking Provider will not be able to transfer unstaked Ether or Staking Consideration to another address on the Ethereum Network.

Although the Sponsor anticipates that the Trust may enter into financing arrangements to borrow Ether in order to fulfill redemption requests if the Trust's unstaked Ether is insufficient to do so, there can be no assurance that such arrangements will be available as intended or provide sufficient liquidity to satisfy redemption requests.

The Trust will be dependent on third parties to effectively execute the Trust's Staking Arrangements.

As the Sponsor currently anticipates that Staking will be carried out by the third-party Staking Providers, the amount of Staking Consideration that the Trust's staking activity will generate will be dependent on the performance of the Staking Provider, including the adequacy and reliability of the hardware and software utilized by the Staking Provider. If the Custodian or the Staking Provider experience service outages or otherwise are unable to optimally execute the Staking of the Trust's Ether, the Trust's Staking Consideration may be adversely affected.

The regulatory landscape surrounding Staking is uncertain.

The regulatory landscape surrounding Staking is highly uncertain, and may expose the Sponsor, Custodian, third-party Staking Providers and the Trust and its shareholders to unforeseen regulatory risks or potential enforcement actions. For example, there is a risk that the Staking Arrangements could constitute an “investment contract” under the federal securities laws, such that it is a security, and thus needs to be registered or eligible for an exemption from registration. In May 2025, staff at the SEC Division of Corporation Finance issued a statement (the “SEC Staking Statement”) expressing the view that certain staking activities do not involve the offer and sale of securities within the meaning of the federal securities laws, and we believe the Staking Arrangements satisfy the criteria in this guidance. However, the SEC Staking Statement is not a rule, regulation, guidance, or statement of the Commission, and has no legal force or effect. There is accordingly a risk that a court could disagree with the views expressed in the SEC Staking Statement. In that case, or if Ether were deemed a security, there would also be a risk that a Staking Provider could be deemed to be acting as a broker-dealer, on the basis that the Staking Provider is receiving a commission for effecting the staking transactions and receipt of Staking Consideration.

The Sponsor is permitted to cause the Trust to engage in Staking only if certain conditions set forth in the Trust Agreement relating to the qualification of the Trust as a grantor trust for U.S. federal income tax purposes are satisfied. Due to the lack of authority regarding the ability of a grantor trust to engage in activities such as Staking, there can be no assurance whether or when these conditions will be satisfied or the Trust will be permitted to engage in Staking.

If the Staking Condition is satisfied, beneficial owners of Shares could incur tax liabilities without receiving corresponding distributions from the Trust.

There can be no assurance that the Staking Condition will be satisfied or that the Trust will stake any of its Ether. If the Staking Condition is satisfied, Shareholders may suffer adverse tax consequences. In particular, the IRS has indicated that the receipt of Staking Consideration gives rise to current, ordinary income for U.S. federal income tax purposes. Assuming that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes, beneficial owners of Shares will be required to take their ratable share of any such income into account in determining their own tax liability, regardless of whether the Trust makes any corresponding distributions. Shareholders should therefore expect that, if the Staking Condition is satisfied, other sources of funds may be needed to satisfy any associated tax liability.”

The following disclosure shall be newly added and incorporated by reference into the section titled “Item 1. Business—Risk Factors—Risk Factors Related to the Trust and the Shares” in the Annual Report:

“The Sponsor may implement restatements, amendments or supplements to the Trust Agreement that may not necessarily align with shareholder interests

There can be no assurance that the Sponsor will implement restatements, amendments or supplements that align with the interests of shareholders. To the extent shareholders do not agree with future amendments to the Trust Agreement, shareholders will not have any ability to consent or object to such amendments, and the shareholders’ sole recourse will be to divest or, through an Authorized Participant, redeem their Shares prior to the effective date of such amendments.

The Sponsor may implement restatements, amendments or supplements to the Trust Agreement that may increase risk to the Trust’s intended tax treatment

It is possible that, in the future, the Sponsor will implement restatements, amendments or supplements to the Trust Agreement that could adversely affect the intended tax treatment of the Trust as a grantor trust for U.S. federal income tax purposes, including on the receipt of an opinion of counsel to the effect that doing so should not cause the Trust to fail to qualify as a grantor trust for those purposes. There can be no assurance that the IRS or any court will agree with any such

position, or that the Trust will not cease to qualify as a grantor trust as a result of any such restatement, amendment or supplement.”

The following disclosure shall be newly added and incorporated by reference into the section titled “Item 1A. Risk Factors” and shall replace in their entirety the last six risk factors included in the existing section “Item 1A. Risk Factors—Risk Factors Related to the Regulation of Digital Assets, the Trust and the Shares” in the Annual Report beginning from “—The treatment of the Trust for U.S. federal income tax purposes is uncertain.”:

“The treatment of the Trust for U.S. federal income tax purposes is uncertain.

The Sponsor intends to take the position that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes. Assuming that the Trust is a grantor trust, the Trust will not be subject to U.S. federal income tax. Rather, if the Trust is a grantor trust, each beneficial owner of Shares will be treated as directly owning its pro rata share of the Trust’s assets and a pro rata portion of the Trust’s income, gains, losses and deductions will “flow through” to each beneficial owner of Shares.

If the Staking Condition is satisfied, the Sponsor intends to continue to take the position that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes and that any Staking activity undertaken by the Trust in compliance with the opinion, ruling or other guidance relied upon to satisfy the Staking Condition will not prevent the Trust from continuing to qualify as a grantor trust for such purposes. However, due to the uncertainty regarding the ability of a grantor trust to engage in Staking activities, there can be no assurance that the Internal Revenue Service (“IRS”) or any court would agree with this position (or with any opinion of counsel delivered to the Sponsor in support thereof). Accordingly, if the Trust satisfies the Staking Condition, the Trust might cease to qualify as a grantor trust for U.S. federal income tax purposes.

The Trust has taken certain positions with respect to the tax consequences of Incidental Rights and its receipt of IR Virtual Currency. If the IRS were to disagree with, and successfully challenge, any of these positions the Trust might not qualify as a grantor trust. In addition, the Pre-Creation/Redemption Abandonment Notices (as defined herein) provide that the Trust will irrevocably abandon, effective immediately prior to each Creation Time or Redemption Time, all Incidental Rights or IR Virtual Currency to which it would otherwise be entitled as of such time and with respect to which it has not taken any Affirmative Action at or prior to such time. The Sponsor has committed to cause the Trust to irrevocably abandon any Incidental Rights and IR Virtual Currency to which the Trust may become entitled in the future. There can be no complete assurance that these abandonments will be treated as effective for U.S. federal income tax purposes. If the Trust were treated as owning any asset other than Ether as of any date on which it creates or redeems Shares, it might cease to qualify as a grantor trust for U.S. federal income tax purposes.

In addition, and in common with other spot digital asset exchange-traded products, at this time the Trust is not permitted to create or redeem Shares via in-kind transactions with Authorized Participants. Unless and until In-Kind Regulatory Approval is obtained, Baskets will be created or redeemed only through Cash Orders. In general, investment vehicles intended to be treated as grantor trusts for U.S. federal income tax purposes historically have created additional trust interests only in kind, and there is no authority directly addressing whether a grantor trust may create or redeem trust interests under procedures similar to those that govern Cash Orders. Accordingly, there can be no complete assurance that the creation or redemption of Shares under the procedures governing Cash Orders will not cause the Trust to fail to qualify as a grantor trust for U.S. federal income tax purposes.

Moreover, because of the evolving nature of digital assets, it is not possible to predict potential future developments that may arise with respect to digital assets, including forks, airdrops and other similar occurrences. Assuming that the Trust is currently a grantor trust for U.S. federal income tax purposes, certain future developments could render it impossible, or impracticable, for the Trust to continue to be treated as a grantor trust for such purposes.

If the Trust is not properly classified as a grantor trust, the Trust might be classified as a partnership for U.S. federal income tax purposes. However, due to the uncertain treatment of digital assets for U.S. federal income tax purposes (as discussed above in “Item 1. Business-Material U.S. Federal Income Tax Consequences-Uncertainty Regarding the U.S. Federal Income Tax Treatment of Digital Assets”), there can be no assurance in this regard. If the Trust were classified as a partnership for U.S. federal income tax purposes, the tax consequences of owning Shares generally would not be materially different from the tax consequences described herein, although there might be certain differences, including with respect to timing of the recognition of taxable income or loss. In addition, tax information reports provided to beneficial owners of Shares would be made in a different form. Moreover, it is possible, in that case, that a portion of the Trust’s income would be considered to be “effectively connected” with the conduct of a trade or business in the United States and, accordingly, a non-U.S. person owning Shares could be subject to U.S. federal income tax on a net income basis with respect to that “effectively connected” income and be required to file a U.S. tax return. If the Staking Condition was satisfied and none of the Trust’s Staking income were considered to be “effectively connected” income, a non-U.S. person owning Shares likely would be subject to withholding on its pro rata portion of U.S.-source income from the Trust’s Staking activities as described below in “—Non-U.S. Holders may be subject to U.S. federal withholding tax on income derived from forks, airdrops and similar occurrences and, if the Staking Condition is satisfied, Staking Consideration received as staking rewards.” Tax-exempt Shareholders may also recognize UBTI from the Trust’s Staking activities if the Trust is not treated as a corporation for U.S. federal income tax purposes.

If the Trust were not classified as either a grantor trust or a partnership for U.S. federal income tax purposes, it would be classified as a corporation for such purposes. In that event, the Trust would be subject to entity-level U.S. federal income tax (currently at the rate of 21%) on its net taxable income and certain distributions made by the Trust to shareholders would be treated as taxable dividends to the extent of the Trust’s current and accumulated earnings and profits. Any such dividend distributed to a beneficial owner of Shares that is a non-U.S. person for U.S. federal income tax purposes would be subject to U.S. federal withholding tax at a rate of 30% (or such lower rate as provided in an applicable tax treaty). As a result, the taxation of the Trust as a corporation could materially reduce the after-tax return on an investment in Shares, and substantially reduce the value of the Shares, and result in a material divergence between NAV and the value of the Trust’s Ether.

The treatment of digital assets for U.S. federal income tax purposes is uncertain.

As discussed in the section entitled “Item 1. Business-Material U.S. Federal Income Tax Consequences-Uncertainty Regarding the U.S. Federal Income Tax Treatment of Digital Assets” above, assuming that the Trust is properly treated as a grantor trust for U.S. federal income tax purposes, each beneficial owner of Shares will be treated for U.S. federal income tax purposes as the owner of an undivided interest in the Ether (and, if applicable, any Incidental Rights, IR Virtual Currency and/or, if the Staking Condition is satisfied, any Staking Consideration) held in the Trust. Due to the new and evolving nature of digital assets and the absence of comprehensive guidance with respect to digital assets, many significant aspects of the U.S. federal income tax treatment of digital assets are uncertain.

In 2014, the Internal Revenue Service (“IRS”) released a notice (the “Notice”) discussing certain aspects of “convertible virtual currency” (that is, digital assets that have an equivalent value in fiat currency or that act as substitutes for fiat currency) for U.S. federal income tax purposes and, in particular, stating that such digital assets (i) are “property” (ii) are not “currency” for purposes of the rules relating to foreign currency gain or loss and (iii) may be held as a capital asset. In 2019, the IRS released a revenue ruling and a set of “Frequently Asked Questions” (the “Ruling & FAQs”) that provide some additional guidance, including guidance to the effect that, under certain circumstances, hard forks of digital assets are taxable events giving rise to ordinary income and guidance with respect to the determination of the tax basis of digital assets. Moreover, in 2023, the IRS released a revenue ruling that provided guidance on digital asset staking, including guidance to the effect that staking rewards will, under certain circumstances, be treated as giving rise to taxable income (the “Staking Guidance”). However, the Notice, the Ruling & FAQs and the Staking Guidance do not address other

significant aspects of the U.S. federal income tax treatment of digital assets. For example, for a non-U.S. Holder (as defined below), there currently is no guidance directly addressing whether or in what circumstances engaging in certain activities to generate yield on digital assets, including Staking, could give rise to income that is effectively connected with a trade or business in the United States. Moreover, although the Ruling & FAQs address the treatment of hard forks, there continues to be uncertainty with respect to the timing and amount of the income inclusions.

There can be no assurance that the IRS will not alter its position with respect to digital assets in the future or that a court would uphold the treatment set forth in the Notice, the Ruling & FAQs and the Staking Guidance. It is also unclear what additional guidance on the treatment of digital assets for U.S. federal income tax purposes may be issued in the future. Any such alteration of the current IRS positions or additional guidance could result in adverse tax consequences for shareholders and could have an adverse effect on the value of Ether. Future developments that may arise with respect to digital assets may increase the uncertainty with respect to the treatment of digital assets for U.S. federal income tax purposes. For example, the Notice addresses only digital assets that are “convertible virtual currency,” and it is conceivable that, as a result of a fork, airdrop or similar occurrence, the Trust could hold certain types of digital assets that are not within the scope of the Notice in the event the Sponsor seeks to change the Trust’s policy with respect to Incidental Rights or IR Virtual Currency, subject to NYSE Arca obtaining regulatory approval from the SEC.

Shareholders are urged to consult their tax advisers regarding the tax consequences of owning and disposing of Shares and digital assets in general.

Future developments regarding the treatment of digital assets for U.S. federal income tax purposes could adversely affect the value of the Shares.

As discussed above, many significant aspects of the U.S. federal income tax treatment of digital assets, such as Ether, are uncertain, and it is unclear what guidance on the treatment of digital assets for U.S. federal income tax purposes may be issued in the future. It is possible that any such guidance would have an adverse effect on the prices of digital assets, including on the price of Ether in the Digital Asset Markets, and therefore may have an adverse effect on the value of the Shares.

Because of the evolving nature of digital assets, it is not possible to predict potential future developments that may arise with respect to digital assets, including forks, airdrops and similar occurrences or staking. Such developments may increase the uncertainty with respect to the treatment of digital assets for U.S. federal income tax purposes. Moreover, certain future developments could render it impossible, or impracticable, for the Trust to continue to be treated as a grantor trust for U.S. federal income tax purposes.

Future developments in the treatment of digital assets for tax purposes other than U.S. federal income tax purposes could adversely affect the value of the Shares.

The taxing authorities of certain states, including New York, (i) have announced that they will follow the Notice with respect to the treatment of digital assets for state income tax purposes and/or (ii) have issued guidance exempting the purchase and/or sale of digital assets for fiat currency from state sales tax. However, it is unclear what further guidance on the treatment of digital assets for state tax purposes may be issued in the future.

The treatment of digital assets for tax purposes by non-U.S. jurisdictions may differ from the treatment of digital assets for U.S. federal, state or local tax purposes. It is possible, for example, that a non-U.S. jurisdiction would impose sales tax or value-added tax on purchases and sales of digital assets for fiat currency. If a foreign jurisdiction with a significant share of the market of Ethereum Network users imposes onerous tax burdens on digital asset users, or imposes sales or value-added tax on purchases and sales of digital assets for fiat currency, such actions could result in decreased demand for Ether in such jurisdiction.

Any future guidance on the treatment of digital assets for state, local or non-U.S. tax purposes could increase the expenses of the Trust and could have an adverse effect on the prices of digital assets,

including on the price of Ether in the Digital Asset Markets. As a result, any such future guidance could have an adverse effect on the value of the Shares.

The tax treatment of Ether and transactions involving Ether for state and local tax purposes is not settled.

Because Ether is a new technological innovation, the tax treatment of Ether for state and local tax purposes, including, without limitation state and local income and sales and use taxes, is not settled. It is uncertain what guidance, if any, on the treatment of Ether for state and local tax purposes may be issued in the future. A state or local government authority's treatment of Ether may have negative consequences, including the imposition of a greater tax burden on investors in Ether or the imposition of a greater cost on the acquisition and disposition of Ether generally. Any such treatment may have a negative effect on prices of Ether and may adversely affect the value of the Shares.

A U.S. tax-exempt shareholder may recognize "unrelated business taxable income" as a consequence of an investment in Shares.

Under the guidance provided in the Ruling & FAQs, hard forks, airdrops and similar occurrences with respect to digital assets will under certain circumstances be treated as taxable events giving rise to ordinary income. Moreover, as separately provided by the IRS in the Staking Guidance, staking rewards will, under certain circumstances, be treated as giving rise to taxable income. In the absence of guidance to the contrary, it is possible that any such income recognized by a U.S. tax-exempt shareholder would constitute "unrelated business taxable income" ("UBTI"). A tax-exempt shareholder should consult its tax adviser regarding whether such shareholder may recognize UBTI as a consequence of an investment in Shares. See "Item 1. Business-Material U.S. Federal Income Tax Consequences."

Non-U.S. Holders may be subject to U.S. federal withholding tax on income derived from forks, airdrops and similar occurrences and, if the Staking Condition is satisfied, Staking Consideration received as staking rewards.

The Ruling & FAQs do not address whether income recognized by a non-U.S. person as a result of a fork, airdrop or similar occurrence could be subject to the 30% withholding tax imposed on U.S.-source "fixed or determinable annual or periodical" income. Non-U.S. Holders (as defined under "Item 1. Business-Material U.S. Federal Income Tax Consequences-Tax Consequences to Non-U.S. Holders" above) should assume that, in the absence of guidance, a withholding agent (including the Sponsor) is likely to withhold 30% of any such income recognized by a non-U.S. Holder in respect of its Shares, including by deducting such withheld amounts from proceeds that such non-U.S. Holder would otherwise be entitled to receive in connection with a distribution of Incidental Rights, IR Virtual Currency or, if the Staking Condition is satisfied, Staking Consideration received as staking rewards. See "Item 1. Business-Material U.S. Federal Income Tax Consequences.""

Each of the following terms shall have the meaning set forth below and shall be incorporated by reference into, and supplement, the definitions in the "Glossary of Defined Terms" in the Annual Report:

"Sponsor's Staking Portion"—In addition to the Sponsor's Fee, as partial consideration for the Sponsor's facilitation of Staking, but only if (and, then, only to the extent that) the Staking Condition has been satisfied with respect thereto, a portion of the staking rewards payable to the Sponsor in Ether (or, if applicable, in the form of any Other Staking Consideration), which accrues daily in U.S. dollars in an amount calculated as a per annum percentage of any Staking Consideration received by the Trust, as may be directed by the Sponsor in its sole discretion and disclosed in the Trust's filings with the SEC from time to time. The Sponsor's Staking Portion is payable to the Sponsor daily in arrears.

“Staking”—(i) Using, or permitting to be used, in any manner, directly or indirectly, through an agent or otherwise (including, for the avoidance of doubt, through a delegation of rights to any third party with respect to any portion of the Trust Estate, by making any portion of the Trust Estate available to any third party or by entering into any similar arrangement with a third party), any portion of the Trust Estate in a proof-of-stake validation protocol, (ii) accepting any Staking Consideration, (iii) holding any Other Staking Consideration accepted by the Trust pursuant to clause (ii), for not more than 30 days after the Trust’s receipt thereof, pending the use of such Other Staking Consideration for payment of Additional Trust Expenses or distribution to the Shareholders and (iv) any financing arrangement or other mechanism utilized by the Sponsor, on behalf of the Trust, in connection with Redemption Orders to manage Ether liquidity constraints arising from activities described in the preceding clauses. For the avoidance of doubt, (i) the mere act of transferring units of virtual currency on a peer-to-peer virtual currency network that utilizes a proof-of-stake validation protocol shall not be considered to be “Staking” and (ii) “Staking” shall include any related activity contemplated by a Tax Ruling, an opinion or Tax Guidance, in each case, described in the definition of Staking Condition (and, in the case of a Tax Ruling, that is described in the private letter ruling request (as supplemented from time to time) submitted to the U.S. Internal Revenue Service in connection therewith).

“Staking Condition”—With respect to a particular form of Staking, the condition that (i) (x) engaging in such form of Staking should not cause the Trust to be treated as other than a grantor trust for U.S. federal income tax purposes and (y) the Trust shall have received (1) a written opinion from a Tax Advisor or (2) a Tax Ruling, in each case, to that effect or (ii) such form of Staking is confirmed in Tax Guidance to be a permissible undertaking by a grantor trust.

“Staking Consideration”—Any consideration of any kind whatsoever, including, but not limited to, any staking reward paid in fiat currency or paid in kind, in exchange for using, or permitting to be used, any portion of the Trust Estate as described in clause (i) of the definition of “Staking.”

“Tax Advisor”—An independent law firm that is recognized as being expert in tax matters.

“Tax Guidance”—any tax guidance that is issued by the U.S. Internal Revenue Service or the U.S. Department of the Treasury and on which taxpayers may rely.

“Tax Ruling”—A binding ruling issued by the U.S. Internal Revenue Service.

“Trust Estate”—Without duplication, (i) all the Ether in the Trust’s accounts, including the Ether Account, (ii) all Incidental Rights held by the Trust, (iii) all IR Virtual Currency in the Trust’s accounts, (iv) all Other Staking Consideration held by the Trust, (v) all proceeds from the sale of Ether, Incidental Rights, IR Virtual Currency and Other Staking Consideration pending use of such cash for payment of Additional Trust Expenses or distribution to the Shareholders and (vi) any rights of the Trust pursuant to any agreements, other than this Trust Agreement, to which the Trust is a party.