

ETFs Silver Trust Gross Proceeds and Expense Files shows silver ounces acquired per ETFs Silver Trust (SIVR) share purchased, silver sold (in ounces), proceeds, and expenses per ETFs Silver Trust (SIVR) Share. You can use this information to calculate your share of SIVR expenses, and your gain or loss on sale/return of principal of silver to pay such expenses.

Example: Shareholder XYZ purchases 200 SIVR shares on 10/30/2009 at a price of \$16.44 per share for a total purchase price of \$3,288. Shareholder XYZ had no other purchases or sales of SIVR shares during 2009 and held the shares for the remainder of 2009.

Step 1: Identify the shareholder's pro rata ownership of silver (in ounces)

Identify Shareholder XYZ's purchase date of 10/30/2009. In column labeled "Silver Ounces per Share" identify the pro rata amount of silver (i.e. 0.99924863 ounces per share) each SIVR share represents on that date.

For Shareholder XYZ, total prorated amount of silver ounces owned for 10/30/09 purchase is 199.84973 ounces (0.99924863 oz per share multiplied by 200 shares purchased on 10/30/09.) Note: This step should be completed for each date on which SIVR shares were purchased.

Step 2: Calculate the silver (in ounces) sold from Shareholder XYZ's account during 2009

The silver ounces sold per share during 2009 includes the cumulative amounts of all silver sales for the period which includes the day after the purchase date of 10/30/2009 through the day before sale date.

During 2009 the amount of silver sold after 10/30/09 purchase date is 0.00077808 oz per share (total ounces sold during the year, 0.00146564, less ounces sold prior to purchase, 0.00068756) for a total of 0.15562 oz (based on the purchase of 200 shares).

Step 3: Calculate the cost of silver sold from Shareholder's account

Total Silver Ozs sold (Step 2)	0.15562 oz	
	<u> </u>	X \$3,288
Silver Ozs acquired (Step 1)	199.84973 oz	
Cost of Silver Sold	\$2.56	

Step 4: Calculate Shareholder's gain or loss on silver sales for each lot purchased

Identify all proceeds per share received by the Trust after Shareholder XYZ's 10/30/2009 purchase date. During 2009, monthly sales for the period 1/31/2009 through 12/31/2009 generated proceeds per share of \$0.0135433 (total proceeds of sales of silver for the year, 0.02415801 less proceeds of sale made prior to purchase, 0.01061471). Therefore, Shareholder XYZ's gain or loss is determined as follows:

Total proceeds: \$0.0135433 per share x 200 shares	\$2.71
Less: Total cost of Silver Sold (step 3)	<u>2.56</u>
Total Reportable Gain (1040 Sch D, Part 1)	<u>\$0.15</u>

Step 5: Calculate Shareholder's investment expenses

Identify all expenses per share paid by the Trust after Shareholder XYZ's 10/30/2009 purchase date. During 2009, the expenses were paid monthly and for the period of 1/31/2009 through 12/31/2009 amounted to \$0.0135433 per share. Therefore, Shareholder XYZ's investment expenses:

Total Expenses per Share	\$0.0135433
Total Shares	<u>200</u>
Total Expense (1040 Sch A)	<u>\$2.71</u>

See also the example included in the 2009 Expense File.

Step 6: Calculate Shareholder's Adjusted Silver held and Cost Basis

Silver Ounces Purchased on 10/30/2009 (Step 1)	199.84973 oz
Less: Silver Ounces sold during 2009 (Step 2)	<u>0.15562 oz</u>
Adjusted Shareholder's Silver Ounces at 12/31/2009	<u>199.69411 oz</u>

Original Purchase Cost on 10/30/2009	\$3,288.00
Less: Cost of Silver Sold During 2009 (Step 3)	<u>2.56</u>
Adjusted Shareholder's basis at 12/31/2009	<u>\$3,285.44</u>

Shareholder's adjusted silver ounces and adjusted cost calculated in Step 6 are his/her adjusted ounces of silver and adjusted basis for the 10/30/2009 purchase at the end of 12/31/2009.

Shareholders with several purchases should calculate gain, loss and adjusted basis separately for each purchased lot and then sum up the results of each lot to arrive at the net reportable gain or loss and the total investment expenses. Shareholders who purchased their shares prior to 2009, and made no other purchases, should calculate their adjusted cost basis, using the gross proceeds information for the relevant years, by following the same steps as in the example above. The adjusted cost basis at 12/31/2008 should be used as the beginning cost for 2009 instead of the regular purchase cost. Shareholders with an additional purchase in 2009 will have two cost lots to account for in 2009. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.